



INDEPENDENT PRICING AND REGULATORY TRIBUNAL
OF NEW SOUTH WALES

NEWS RELEASE

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GOSFORD AND WYONG WATER PRICES TO INCREASE

Sydney, May 18, 2006: The Independent Pricing and Regulatory Tribunal (IPART) has released the final Determinations on maximum prices that can be charged by Gosford and Wyong Councils for water, wastewater and stormwater services from July 1, 2006 to 30 June, 2009.

IPART's final Determinations which were released today recognize that both Gosford and Wyong Councils will need to substantially increase their investment in new infrastructure to meet the challenge of drought conditions and record low dam capacity.

Under the Determinations, Gosford residential customers using 180 KL of water per year will see their water, sewerage and stormwater bills increase by an extra \$63 including inflation in 2006/7; \$56 in 2007/8; and \$66 in 2008/9.

Wyong residential customers using 180KL per year will pay an extra \$48 in 2006/7 including inflation; \$58 in 2007/8; and \$67 in 2008/9.

The usage component of charges will increase substantially from its present level of 92.5 cents a kilolitre for both Gosford and Wyong to \$1.12 in 2006/07 and more than \$1.60 per kilolitre in 2008/09, inclusive of the effects of inflation. This will provide strong incentives to conserve water.

IPART Chairman Dr. Michael Keating said: "The price increases will continue to support essential capital works that are required to deliver water supplies to Gosford and Wyong, which is one of the fastest growing regions in Australia."

"When you consider that water supplies have fallen from a high of 73% dam capacity 15 years ago to the current level of less than 18%, then you can understand the seriousness of the situation we face in Gosford and Wyong."

Under the Determinations Gosford Council will generate revenues of \$164 million over the three year period and spend \$88.3 million on essential capital works including a joint project with Wyong Council to upgrade Mardi Dam.

The Determinations will also allow for the fast tracking of transferring additional water from the Hunter Water supply system and increasing the use of ground water.

Wyong Council will generate revenue over the three year period of \$140 million and undertake a capital program of \$94.5 million including upgrades to Mardi Dam and storm-water services.

In Wyong, Council will spend \$27 million upgrading sewerage services over the three years. Sewerage charges for residential properties in Wyong will increase from \$367.87 in 2005/6 to \$380.75 in 2006/7, and to \$408 by 2008/9, including inflation.

In Gosford, Council will spend \$37.8 million on upgrading sewerage services over the three year period. Sewerage service charges for residential properties will increase from \$363.99 in 2005/6 to \$375.73 in 2006/7 and will increase by CPI in the following years.

Sewerage service charges will include an amount of 82 cents a year to help provide services to Mooney Mooney and Cheerio Point.

The stormwater charge for Gosford will be \$55 in 2006/7 increasing to \$60 in 2008/9.

Electronic copies of the Determinations and the report are available on the Tribunal's website, www.ipart.nsw.gov.au. Copies are also available for inspection at libraries of Wyong and Gosford Councils.

The prices determined will apply from July 1, 2006 to 30 June, 2009.

For further comment: Jim Cox at IPART 9290 8411