



INDEPENDENT PRICING AND REGULATORY TRIBUNAL
OF NEW SOUTH WALES

NEWS RELEASE

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IPART ANNOUNCES NEW PRICES FOR HUNTER WATER CUSTOMERS

(Ref: 02/33)

The Independent Pricing and Regulatory Tribunal today announced new prices for water, sewerage and stormwater services for Hunter Water Corporation's customers. For average customers overall bills will rise only slightly more than increases in inflation.

The revised prices will apply from 1 July this year.

IPART has determined that water usage prices and wastewater access charges in the Hunter will increase at a slightly higher rate than increases in inflation although water access charges will actually decrease.

"Over the last decade efficiency increases by Hunter Water have enabled water and wastewater prices for average customers to decrease significantly in real terms" said Tribunal Chairman Dr Thomas Parry.

"Although the Tribunal will continue to push Hunter Water to increase efficiency, significant capital expenditure requirements have meant that overall prices need to rise slightly."

"These capital expenditure programs, particularly for sewerage systems, will deliver real environmental benefits for the Hunter" Dr Parry said.

"The Tribunal is acutely aware that water is a scarce resource. It also wants to give customers increased incentives to control the size of their bills by saving water."

"For these reasons the Tribunal was willing to support Hunter Water's proposal to increase the proportion of water supply charges that reflect the amount of water actually used."

The full Tribunal report is available on the Tribunal's website at www.ipart.nsw.gov.au

For further information

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Water Pricing Determination Fact Sheet: Hunter Water Corporation

Indicative changes to household bills:

The changes to customers' bills will depend on the amount of water used. The following example is provided for illustrative purposes and shows the change in the total household water and wastewater bill for a customer with a house using the average amount of water consumed by household customers.

Average Annual Household Bill	At current prices (2002/03)	At Tribunal Determined 2003/04 prices	Change in Dollars	% Change
Average household consumption (210kL)	\$532.00	\$554.00	\$22.00	4.1%

Tribunal determined residential prices:

	2002/03 (current)	2003/04	2004/05*
Water			
- Tier 1 usage (\$/kL)	0.94	0.98	1.02
- service (\$)	26.55	26.05	25.52
Wastewater			
- usage (\$/kL)	0.41	0.42	0.42
- service - houses (\$)	222.36	231.48	240.74
Stormwater			
- residential service (\$)	34.74	38.46	42.53

*Assuming 3.0 per cent inflation in 2004/05.

Notes

- These prices are for residential properties (houses) with individual metering. Some types of property such as home units may be charged differently if not individually metered.
- The prices listed in 2004/05 are calculated on the assumption that the rate of change in the Consumer Price Index (CPI), will be 3.0 per cent. In the event that the actual rate of change in the CPI is lower (higher) than 3.0 per cent in 2004/05, the prices in 2004/05 will be lower (higher) than stated above.
- The water service charge in each case is based on a 20mm water connection.
- Stormwater charges are paid by approximately 28% of Hunter Water's residential customers.