

IPART SEEKS VIEWS ON FUTURE WATER AND SEWERAGE PRICES IN BROKEN HILL

5am, 19 November 2013

The Independent Pricing and Regulatory Tribunal (IPART) is in Broken Hill today to gather more information for its review of the prices to be charged for water and sewerage services by Essential Energy in Broken Hill from 1 July 2014.

Tribunal members yesterday inspected some of Essential Energy's infrastructure before holding a public hearing today to explore the proposal put forward by Essential Energy in more detail and to hear the views of the local community.

IPART Chairman Peter Boxall said the site inspections and public hearing are valuable input into IPART's deliberations on the costs of supplying water and sewerage services to Broken Hill, and how those costs should best be recovered by the prices charged to different consumers.

"There are essentially two parts to this review," Dr Boxall said.

"The first is to determine what it actually costs to provide the water and sewerage services needed in the region in the most efficient way. The second is to then determine how those costs should be recovered through the prices charged to different types of consumers."

"Our visit to Broken Hill is to help us better understand both the costs of developing and maintaining the necessary infrastructure and delivering water and sewerage services, and to hear from the community about their views on how those costs could best be recovered."

Unlike the previous determination, this is the first time IPART has been asked to include the water and sewerage charges paid by local mines in determining the pricing structure.

Also unlike the 2010 determination, the NSW Government subsidy for local water and sewerage services has expired, so it cannot be included in the prices IPART determines. The NSW Government would make a decision regarding any future subsidies.

"This determination is complex and of great importance to the Broken Hill community, and we are looking forward to the public hearing as a key part of our consultation," Dr Boxall said.

In addition to submissions received to date and today's public hearing, stakeholders will have further opportunity to make submissions to IPART when its draft determination is released in March 2014. A final decision will be made in June 2014.

Further details about the review and the public hearing are available on IPART's website <<http://www.ipart.nsw.gov.au>>.