



INDEPENDENT PRICING AND REGULATORY TRIBUNAL
OF NEW SOUTH WALES

NEWS RELEASE
EMBARGOED UNTIL 12:00 NOON, 21 MAY 2003

PRICING TRIBUNAL LIMITS WATER PRICE RISES FOR GOSFORD AND WYONG
(Ref: 02/35 & 02/37)

The Independent Pricing and Regulatory Tribunal today announced new price structures for water, sewerage and stormwater services for the Central Coast. For average customers overall bills will rise but at a lower rate than increases in inflation.

The revised prices, for services delivered by Gosford and Wyong Councils, will apply from 1 July this year.

The Tribunal rejected proposals from both Gosford and Wyong Councils for larger increases in prices.

The price structures for both Councils will be adjusted so that the usage component of bills is higher and the fixed charge component is lower.

"The Tribunal acknowledges that water needs to be treated as a scarce and valuable resource and recognises the constraints facing water supply on the Central Coast in particular" Tribunal Chairman Dr Thomas Parry said today.

"For this reason water usage prices - the amount paid by customers for each kilolitre of water used - will rise at a higher rate than the fixed component of charges."

"However, the Tribunal is unwilling to rapidly and significantly increase water usage prices in an attempt to curb water demand."

"The jury is still out on the effectiveness of extensive price restructuring to reduce demand for water and the Tribunal is required to carefully consider equity and affordability issues when it sets prices."

Dr Parry commented that "Whilst price plays a useful part in managing water demand it is only a part of a broader policy response."

"The Tribunal has set prices for the next two years after which it will conduct a further inquiry into Central Coast water and sewerage prices."

"By then it is anticipated that options for the Central Coast's long term water supply will be better known and pricing strategies can be further considered as part of a broader response."

The Tribunal's Reports on its pricing inquiries for Gosford and Wyong Councils' water services are available on the Tribunal's website at www.ipart.nsw.gov.au.

For further information:

Dr Thomas Parry Ph: (02) 9290 8411



INDEPENDENT PRICING AND REGULATORY TRIBUNAL
OF NEW SOUTH WALES

INDEPENDENT PRICING AND REGULATORY TRIBUNAL

Water Pricing Determination Fact Sheet: Gosford City Council, Wyong Shire Council

Indicative changes to household bills:

The changes to customers' bills will depend on the amount of water used. The following examples are provided for illustrative purposes and show the changes in total household water, wastewater and stormwater bills for a customer with a house using the average amount of water consumed by household customers.

Gosford City Council

Average Annual Household Bill	At current prices (2002/03)	At Tribunal Determined 2003/04 prices	Change in Dollars	% Change
Average household consumption (240kL)	\$620.30	\$635.80	\$15.50	2.5%

Wyong Shire Council

Average Annual Household Bill	At current prices (2002/03)	At Tribunal Determined 2003/04 prices	Change in Dollars	% Change
Average household consumption (234kL)	\$590.80	\$606.79	\$15.99	2.7%