

## REVIEW OF SYDNEY WATER AND HUNTER WATER WHOLESALE PRICES

**26 April 2016**

The Independent Pricing and Regulatory Tribunal (IPART) is seeking feedback on options for determining the wholesale water and sewerage prices that can be charged by Sydney Water and Hunter Water.

Sydney Water and Hunter Water charge wholesale water prices to other retail suppliers of water and/or sewerage services. These are typically new, smaller water utilities licensed under the *Water Industry Competition Act 2006* (NSW) to service a specific development area.

IPART Chairman Dr Peter Boxall said the Discussion Paper released today sets out three options for how IPART could determine these prices, ranging from a simple average approach to a detailed scheme specific approach.

“This is a new and important area of price regulation for IPART,” Dr Boxall said.

“Setting prices at the right level will help create a level playing field, so that new entry occurs in the water industry where it is efficient and delivers benefits to consumers.”

Stakeholder feedback on the options for setting wholesale prices for Sydney Water and Hunter Water and other issues raised in the paper is due by 31 May 2016. Copies of the discussion paper are available on IPART’s website <<http://www.ipart.nsw.gov.au>>.

IPART will complete its review and release its final determinations for Sydney Water and Hunter Water’s wholesale prices in December 2016.

IPART is currently conducting separate reviews of retail water and sewerage prices for Sydney Water and Hunter Water. We will release our final reports and determinations for these retail price reviews in mid-June 2016.

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