Media Release

IPART
New South Wales

Independent Pricing and Regulatory Tribunal

WATER MANAGEMENT AND BULK WATER PRICES TO REMAIN AT CURRENT LEVELS

10am, 14 July 2014

The current prices charged by the NSW Office of Water (NOW) across NSW, and State Water Corporation outside of the Murray-Darling Basin, will remain in place until at least June 2016.

The Independent Pricing and Regulatory Tribunal (IPART) has agreed to requests from both agencies to defer scheduled price reviews as bulk water reforms now underway could mean significant changes to their functions and associated costs.

IPART Chairman Dr Peter Boxall said the review of prices that NOW can charge for its monopoly surface and groundwater management services has been deferred for one year such that any new prices are scheduled to apply from 1 July 2016.

The timing of State Water's price review has been deferred for two years with any new prices for State Water's coastal valleys and some Fish River customers scheduled to apply from 1 July 2017. Prices charged by State Water for bulk water usage in the Murray-Darling Basin are now determined by the Australian Competition and Consumer Commission (ACCC).

Bulk water reforms include the consolidation of State Water and the Sydney Catchment Authority into the newly formed Bulk Water NSW. NOW and the Metropolitan Water Directorate would also be consolidated into a new look Office of Water with responsibility for water planning and regulation.

"Deferring the timing of State Water's and NOW's price reviews will allow us to be better informed of the impact of bulk water reforms when setting prices," Dr Boxall said.

"Deferring State Water's price review by two years also means that the price review of coastal valleys will be aligned with the next ACCC review of prices for bulk water services in State Water's Murray-Darling Basin valleys."

"We will conduct the price reviews for NOW during 2015/16 and for State Water during 2016/17, and will consult with stakeholders and community through public hearings and written submissions on both the issues paper and a draft report."

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