



INDEPENDENT PRICING AND REGULATORY TRIBUNAL
OF NEW SOUTH WALES

NEWS RELEASE

IPART Recommends Reforms to the Metropolitan Water Industry

The Independent Pricing and Regulatory Tribunal of NSW (IPART) is recommending changes to Sydney's water and wastewater industry to develop new water supplies and attract private sector involvement.

In its final report on the industry, released today, IPART has called for the State Government to change current arrangements to encourage competition and private sector involvement.

But the report does not recommend radical changes to Sydney Water's structure at this time.

IPART's main recommendations are:

- The private sector should be more involved in the development of innovative new water supplies and the provision of infrastructure in Sydney's new growth areas. This requires Sydney Water to change the way it purchases water and infrastructure services
- Access to Sydney Water's monopoly water and wastewater infrastructure should be available on certain conditions to the private sector to facilitate competition in retail water and wastewater services
- The NSW Government should develop a State based access regime to facilitate access.

To implement these recommendations, current barriers to competition and private sector involvement in the water industry need to be removed. However, the industry should remain heavily regulated to protect customers, security of supply and the environment.

Uniform pricing of water and wastewater services throughout Sydney would be retained under the recommendations.

IPART's final report confirms and further develops the recommendations of the interim report which was released in September.

IPART's Chairman, Dr Michael Keating, said these recommended reforms are at the forefront of water industry best practice and with experience can be expected to evolve further.

"Introducing competition will create exciting prospects for innovation in the NSW water industry" Dr Keating said, "while at the same time the interests of customers and the environment are enhanced under the measures proposed".

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