



Goulburn Mulwaree Council
Locked Bag 22
Goulburn NSW 2580

Civic Centre
184 - 194 Bourke Street
Goulburn NSW 2580
t (02) 4823 4444
e council@goulburn.nsw.gov.au
www.goulburn.nsw.gov.au

17 October 2019

Contact: Marina Hollands
Reference: MH

Independent Pricing and Regulatory Tribunal
c/- www.ipart.nsw.gov.au/home/cibsyner_information_lodge_a_submission

Subject: WaterNSW Pricing Proposal for Greater Sydney from July 2020

Thankyou for the opportunity to comment on the WaterNSW pricing proposal (July 2020) for Greater Sydney and the Review of Prices for WaterNSW Greater Sydney prepared by IPART as part of the price determination process.

Goulburn Mulwaree Council purchases water from Water NSW from Wingecaribee Reservoir with the price set through these price determinations. As a council we are supportive of the recommendations detailed in both the Water NSW submission and IPART review. The following specific comments are provided:

- Council is supportive of a 4 year price determination. Council develops 4 year budgets for operational and capital works. This fits in well with the local government requirement for the preparation of a four year budget. A 5 year determination would also suit Council requirements.
- Council agrees that the alignment between the WaterNSW Greater Sydney and Sydney Water determinations should remain. Both determinations cover the system and are inter-related.
- Some of the costs that we would consider outside the scope of the Water NSW Greater Sydney monopoly service include future recreational use or increased flood mitigation as outlined in the IPART review. Should Water NSW wish to encourage recreational use of their facilities, this should be funded outside the scope of this determination and be self-funding including the mitigation of any impacts that may be caused by recreational activities.
- The pricing proposal and review provides a discussion on Braidwood lands and the proceeds that would be obtained from any future sale. These lands would be classified as operational land, despite not being currently used operationally. This land was purchased originally for an operational purpose – to construct a dam. This land is currently managed by Water NSW, and this management incurs management costs that are funded by WaterNSW through their income streams. As the customers under this determination fund these operational costs, proceeds, or a percentage of these proceeds should be returned to these customers.
- Council agrees with the continuation of the fixed to variable pricing structure proposed. As a water utility, we understand that there needs for a fixed component to the pricing structure to guarantee a base level income. Best

practice for local governments requires 25% fixed and 75% volumetric charging to our customers.

- The Water NSW submission recommends a reduction of the fixed charges for Goulburn from \$30,000 pa to \$20,000 per annum with volumetric charges to remain the same. Council supports this reduction in price and this gives Council certainty in regards to affordability for the supply of this water from this source.

Yours faithfully

A black rectangular box redacting the signature of Marina Hollands.

Marina Hollands
Director Utilities