

Pricing for wholesale water and sewage services
Independent Pricing and Regulation Tribunal
PO BOX K35
Haymarket Post Shop
NSW 1240

Submitted via IPART submissions portal

12 December 2016

Dear Madam/Sir

Re: Prices for wholesale water and sewerage services: Draft Report

The GBCA welcomes the opportunity to respond to the Draft Report considering wholesale pricing for Sydney Water and Hunter Water.

Further to our submission of 30 May 2016, the GBCA and many of its members have serious concerns that applying the draft 'retail-minus tariff' determination will discourage private investment in innovative water solutions, and put some of the state's most innovative water operations such as those world-leading solutions demonstrated and outlined in our submission at Barangaroo and Central Park, out of business.

The GBCA urges further consideration be given to the concerns of industry and business over the proposed retail minus tariff and its potential negative impact on state productivity, competition, innovation, resilience & liveability. A focus on pricing should not overshadow or compromise consideration of other relevant issues such as the impacts the proposed changes will have on competition, innovation and the loss of millions of dollars in potential investment. The GBCA urges IPART recommend to conduct a broader review to examine the economic benefits of the *Water Industry Competition Act 2006* (WICA) market to the state.

As we observed in May of this year, the benefits to encouraging and enabling alternative, innovation solutions to water provision and distribution are many and far-reaching. Projects such as those at Barangaroo and Central Park make NSW a leader, but if it is to remain that way, industry must be supported by government to transition to design and deliver 21st Century water infrastructure alternatives.

The GBCA has undertaken to play a national leadership role in advancing the dialogue, innovation and delivery of sustainable precinct-scale infrastructure in the areas of energy, water and waste and calls on the NSW Government to assist industry and business in establishing a roadmap with Government and IPART that will deliver water infrastructure competition, productivity and innovation to the NSW economy and liveability outcomes for communities.

The GBCA welcomes the opportunity to work with the NSW Government, IPART and industry over the coming months and years to support and accelerate innovative water solutions for buildings, precincts and communities. Please do not hesitate to contact me via email at [REDACTED] should you require any further information as you progress this inquiry to what we hope is a conclusion that accounts for these critical points.

Yours sincerely



Jonathan Cartledge
Senior Manager – Government & Industry