

Review of prices for Essential Energy's water and sewerage services

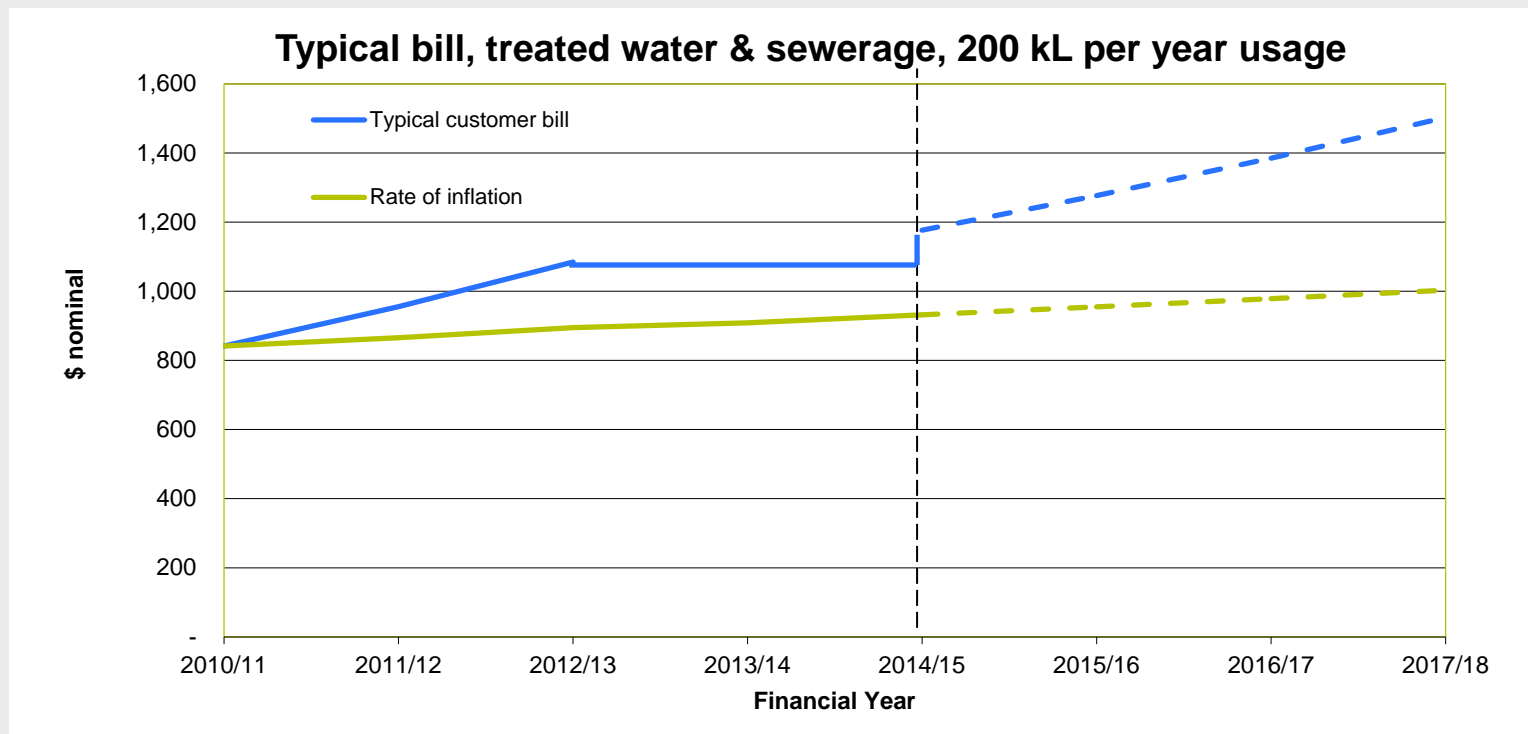
Public Hearing

Rebecca Bishop
Program Manager

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Residential water and sewerage bills

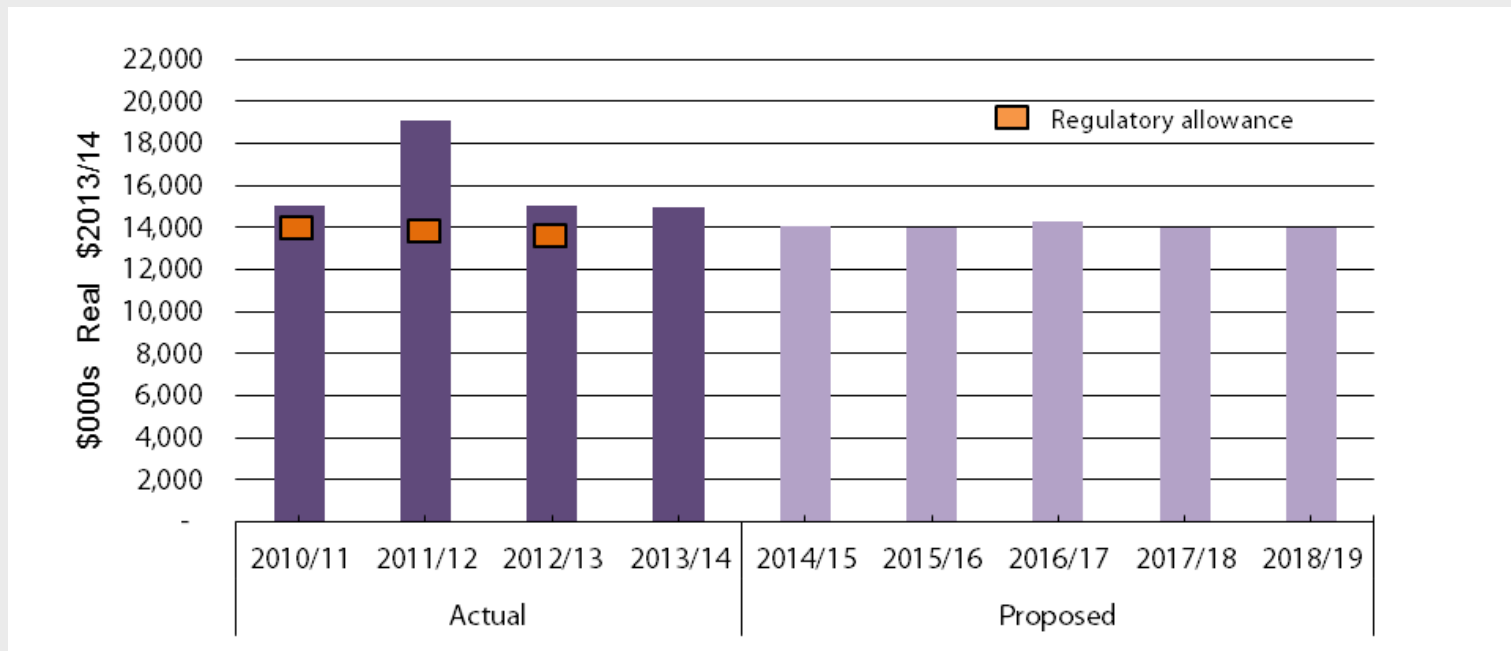
▼ Essential Energy's historic and proposed bills



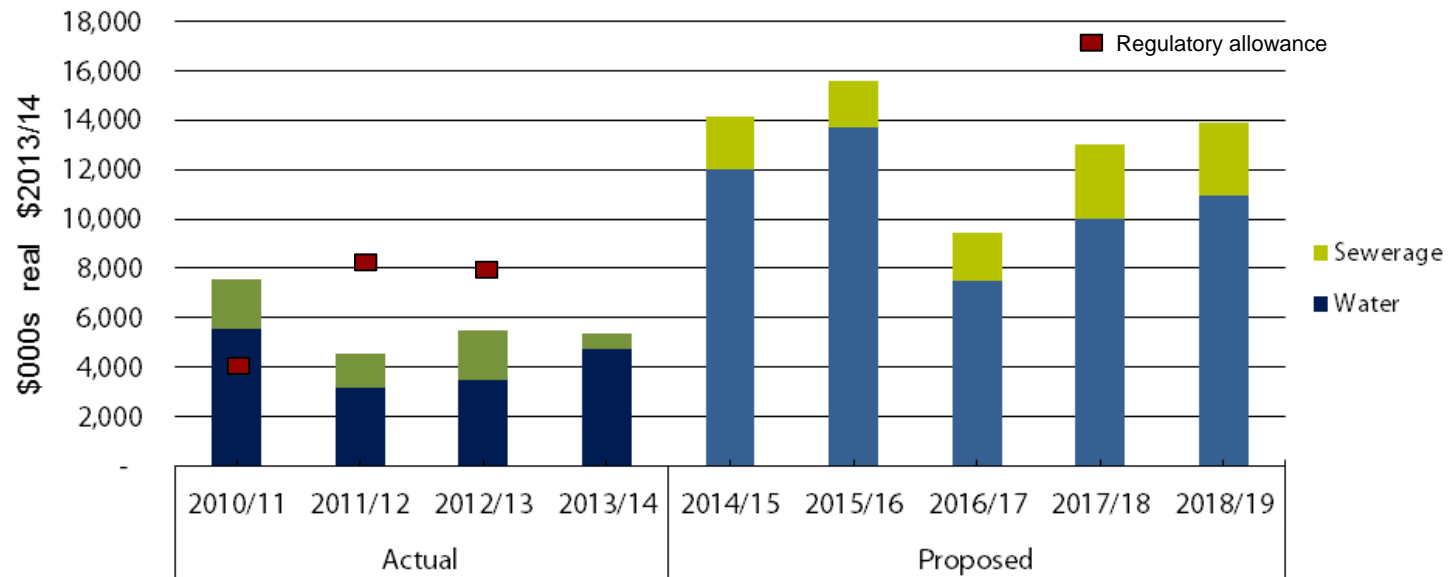
Determining efficient costs

- ▼ The 'building block' costs include:
 - ▼ operating costs
 - ▼ return of capital (depreciation)
 - ▼ return on capital
 - ▼ return on working capital
 - ▼ a tax allowance.
- ▼ Prices will be set to recover efficient costs.
- ▼ We may consider transitional provisions such as phasing in price increases.

Essential Energy's operating expenditure



Essential Energy's capital expenditure



Other issues for this review

- ▼ Allocating costs and setting prices for the mines
- ▼ Price structures – how the costs are recovered
- ▼ Customer impacts of proposed price increases



Independent Pricing and Regulatory Tribunal

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