

Notice To All Intending Tenderers

This Notice To All Intending Tenderers must be read in conjunction with the Request for Tender ("RFT") for the **Review of Hunter Water Corporation's proposals to alter trade waste service prices and ancillary and miscellaneous service charges from 1 July 2009.**

Details of the services that IPART requires, the timing and terms and conditions of the RFT are set out in that document.

The RFT is a legally binding document that sets out the conditions you must understand if you are to submit a tender in response to the RFT. These conditions will apply regardless of whether you are the successful tenderer. Your participation in any stage of the tender will be at your own risk, cost and expense.

Please read the RFT carefully. If you have any queries, or requests for further information please contact the person named in item 3 of Schedule 1 of the RFT.

Schedule 3 of the RFT sets out the procedures you are to follow and the format and substance you must consider when preparing your tender. The assessment criteria IPART will apply to evaluate your tender are set out in Schedule 3.

IPART may make changes to the RFT before the closing date for tenders and it will be assumed you have tendered on the basis of the RFT as at the date of the close of tenders. You have the choice of either:

- (a) keeping your own watch on IPART's web site to keep yourself informed of any changes IPART may make to the RFT; or
- (b) providing an email address to the person named at item 3, Schedule 1 of the RFT who will let you know if IPART makes any changes to the RFT or if IPART will hold a formal briefing for tenderers.

Note clause 5 of the RFT which describes the copies of your tender to be provided to IPART. The opening of tenders is not a public process.

The form of the Consultancy Agreement is set out in Schedule 4 of the RFT and may be changed by IPART at its absolute discretion prior to the tenderer and IPART executing a form of the Consultancy Agreement.

The selection of the successful tenderer is at IPART's absolute discretion and IPART reserves the right not to accept any tender.

We look forward to receiving your tender.

Yours sincerely,

General Manager, Support Services



Request for Tender

**RFT No W09/2008
("RFT Reference")**

**Review of Hunter Water Corporation's proposals to alter
trade waste service prices and ancillary and
miscellaneous service charges from 1 July 2009**

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1. Introduction

- (1) The Independent Pricing and Regulatory Tribunal ("**IPART**") is a body corporate established under the *Independent Pricing and Regulatory Tribunal Act 1992* (NSW) and its role is described on IPART's web site at <http://www.ipart.nsw.gov.au/>.
- (2) This document, including the Schedules, is a Request for Tender ("**RFT**") and is an invitation to suitably qualified persons or organisations to tender to provide the Services in Schedule 1.
- (3) Anyone who receives a copy of this RFT is referred to in this RFT as a tenderer whether or not they submit a tender in response to this RFT.
- (4) The conditions of Tender are set out in this RFT.
- (5) Tenderers must complete Schedule 2 and address the requirements of Schedule 3 in submitting their Tender.
- (6) Tenders must be lodged with IPART by no later than the closing date set out in **Item 2 of Schedule 1 ("Closing Date")**.
- (7) The criteria used by IPART to evaluate tenders are set out in Schedule 3.

2. Application of these Conditions of Tender

- (1) Tenderers must make themselves familiar with all of the conditions of this RFT at the Closing Date and are deemed to have tendered on the basis of any changes which may be made to the RFT up to the Closing Date.
- (2) Tenderers will be deemed to have accepted all of the conditions of tender in this Request for Tender and must ensure that they comply with them in all respects.

3. Communications with Tenderers

- (1) Tenderers may be invited to attend a briefing by IPART on this RFT.
- (2) IPART will only provide notices and address correspondence under this RFT to tenderers at the addresses notified in writing to IPART.
- (3) IPART will not be responsible for any correspondence or notices not received by any tenderer.

4. Format of Tender

Each tender must be in writing and must comply with the requirements of this RFT.

5. Lodgement and Opening of Tenders

- (1) Tenderers must submit three hardcopies and one electronic "soft" copy (in a format compatible with Microsoft Word XP Professional) of its tender. One set of the hardcopy documents must be marked "ORIGINAL" and the other copies must be marked "COPY". The electronic "soft" copy should be sent by email to the General Manager, Support Services at the following email address: meryl_mccracken@ipart.nsw.gov.au. If any inconsistency arises between the copies, including the electronic "soft" copy, the hardcopy tender marked "ORIGINAL" will prevail.
- (2) The tenders in hardcopy must be submitted in a sealed envelope marked with the RFT reference number so that it is received by the Closing Date.
- (3) All documentation must be in the English language and, if relevant, refer to Australian dollars.
- (4) All information must be printed without alterations or erasures (unless each amendment is signed in ink).
- (5) Tenders must be addressed to:

General Manager, Support Services
Independent Pricing and Regulatory Tribunal

and delivered to the following address by no later than the Closing Date:

At P O Box Q290
QVB Post Office
NSW 1230

Or The Tender Box, Level 8
1 Market Street
SYDNEY NSW 2000

- (6) Tenders will be secured in the Tender Box at IPART on Level 8 of 1 Market Street, Sydney until after the Closing Date.
- (7) The opening of tenders is not a public process and neither tenderers nor their representatives are entitled to attend the opening of tenders.
- (8) All tenders must be provided free of charge to IPART.

6. Non-Compliance/Late Tenders

- (1) Any tender not complying with this RFT.
- (2) Any tender received after the Closing Date will be registered as a late tender.
- (3) IPART reserves the right at its absolute discretion to accept or not accept late and/or non-complying tenders.

7. Consultancy Agreement

- (1) The successful tenderer will enter into a consultancy agreement with IPART, in the form set out in Schedule 4.
- (2) Any consultancy agreement arising from this RFT will be between IPART and the tenderer whose tender is accepted by IPART.
- (3) Each tenderer is required to identify in its tender any clauses of the Consultancy Agreement with which it does not agree. The tenderer should propose alternative clauses for consideration by IPART and the rationale for the proposed amendment.
- (4) If a tenderer does not indicate disagreement in its tender with a clause of the Consultancy Agreement, that tenderer will be deemed to have agreed with that clause. The tenderer is precluded from raising any objection to, or amendment of, any clauses of the Consultancy Agreement with which the tenderer has not disagreed in its tender.
- (5) Any standard printed conditions of contract of, or provided by, the tenderer will be rejected by, and will not be binding on IPART.
- (6) IPART reserves the right at its absolute discretion to accept, reject or agree to modifications or amendments proposed by tenderers to the Consultancy Agreement, or any part thereof.

8. Validity and Withdrawal

- (1) All tenders will remain valid for a period of 6 calendar months from the Closing Date.
- (2) A tender must not be withdrawn without the prior written consent of IPART.

9. Clarification of Tenders

IPART may seek clarification or request further information from tenderers after the Closing Date, as part of the selection process.

10. The Negotiation Stage

- (1) This clause is subject to clause 22.
- (2) IPART may commence negotiations at its absolute discretion with the tenderers whose tenders are acceptable to IPART.
- (3) IPART reserves the right to negotiate with any tenderer until a satisfactory conclusion is reached for IPART.
- (4) The negotiation by IPART with any tenderer will not create any rights of any kind in favour of any tenderer in relation to, or for the purposes of, any agreement with IPART or at all.

11. Award of Agreement

- (1) This clause is subject to clause 22.
- (2) No rights of any kind accrue to a tenderer whose tender is acceptable to IPART until the tenderer and IPART execute a form of the consultancy agreement in Schedule 4.

12. Amendments to RFT

- (1) If IPART considers it necessary to make a change to the RFT before the Closing Date, the amendments will be posted on the web site of IPART and is deemed to be a communication of the change to the RFT to tenderers. No oral explanation or change to any part of this RFT by any officer or agent of IPART will be deemed to constitute an addendum.
- (2) IPART may in its absolute discretion, by notice posted on the web site of IPART before the Closing Date, do all or any of the following:
 - (a) vary or deviate from the processes as set out in this RFT;
 - (b) terminate or vary the RFT process;
 - (c) add to, vary or amend this RFT and the conditions in this RFT;
 - (d) require additional information from any tenderer;
 - (e) change the structure and timing of the RFT; and
 - (f) amend the scope of the Services required by IPART in Schedule 1.

13. Tenderers to bear own costs and risk

- (1) Participation in any stage of the RFT will be at the tenderer's sole risk, cost and expense.
- (2) IPART and its advisers, employees and contractors will not be responsible for any loss, damage or claim (whether direct, indirect or consequential) to the tenderer or any person arising out of this RFT, tendering to the RFT, the RFT process, the negotiation with tenderers, or awarding or not awarding of the tender or any other associated matter. In no event will IPART be responsible for any loss of profits.
- (3) This clause 13 will survive the conclusion of all processes arising from the RFT.

14. Acceptance of Tenders

While IPART may have regard to the requirements set out in Schedules 2 and 3, it retains an absolute discretion as to how it will assess the tenders.

15. No obligation to accept tenders and part tenders

- (a) IPART will be under no obligation to accept any tender or part tender.
- (b) IPART will be under no obligation to accept the lowest priced tender.

16. Access to further information

IPART may decide to provide further information concerning this RFT before the Closing Date. If IPART decides to provide further information it will notify all tenderers by notice posted on the web site of IPART.

17. Contact of Referees

IPART reserves the right to contact the referees of each tenderer.

18. Interviews

IPART reserves the right to conduct interviews of one or more tenderers after the Closing Date. If an interview is required, IPART will give reasonable notice to the tenderer.

19. Confidentiality and Privacy

- (1) In this document:

"**confidential information**" means all information of IPART, in any form or media, including, without limitation, trade secrets, know-how processes, techniques, source and object codes, software, computer records, business and marketing plans and projections, details of agreements and arrangements with third parties, customer information and lists, designs, plans, drawings and models, but does not include:

 - (a) information which is at the date of this RFT, or which subsequently becomes into the public domain other than as a result of disclosure by a tenderer, or a person receiving the confidential information from the tenderer, in breach of the conditions of this RFT;
 - (b) information which a tenderer can establish by written records is at the date of this document already known to that person; or
 - (c) information which a tenderer can establish to IPART's satisfaction, was developed independently of IPART or any agent or employee of IPART.
- (2) In consideration of IPART agreeing to disclose confidential information to a tenderer under or as part of this RFT, the tenderer:
 - (a) acknowledges and agrees that any confidential information is secret and confidential and that any confidential information disclosed by IPART to the tenderer is disclosed to the tenderer only for the purpose of this RFT and in reliance on, and pursuant to, the terms of the conditions of this RFT;
 - (b) agrees to keep the confidential information secret and confidential at all times;
 - (c) must not, without the prior written approval of IPART, use, disclose, divulge or deal with any confidential information, nor cause, permit or allow any act, matter or thing to be done, omitted or occur whereby any confidential information may become known or be used by, or be disclosed or communicated to, any other person, except strictly in accordance with the terms of the conditions of this RFT; and
 - (d) must return to IPART or destroy all copies of the confidential information upon written demand by IPART or upon the withdrawal of the tenderer from the RFT;
- (3) The tenderer acknowledges and agrees that IPART may publish the following details of the Consultancy Agreement, if any, awarded under this RFT:

- (a) details of the Consultancy Agreement (including a description of Services to be completed, the term of the Consultancy Agreement, the commencement date and anticipated completion date);
 - (b) the full identity of the successful tenderer;
 - (c) the price payable by IPART and the basis for future changes in this price; and
 - (d) the significant evaluation criteria and the weightings used in this RFT.
- (4) If a tenderer includes information in its tender that it does not wish to be disclosed, it must identify that information in writing to IPART and provide written reasons for such request prior to or on the Closing Date. Where IPART does not agree with the tenderer's request IPART will advise the tenderer accordingly and that decision will be binding on the tenderer.
- (5) This clause 19 will not merge with the execution of the Consultancy Agreement.

20. Intellectual property

- (1) Nothing in the RFT constitutes a transfer of intellectual property rights of IPART (including intellectual property rights in the RFT) to any tenderer.
- (2) IPART may, in its absolute discretion, by written notice, require that all written information provided to tenderers (and copies of the information) be returned to IPART at any time.

21. Disclaimer

- (1) IPART has taken reasonable care in the preparation of the RFT, however the information contained in this RFT and the information upon which it is based has not been independently verified or audited. Tenderers are encouraged to seek independent verification on any information about which they are unclear.
- (2) The statements, opinions, projections, forecast or other information contained in this RFT may change. Where any such information relates to future matters, no steps have been taken to verify that that information is based upon reasonable grounds. Actual future events may vary significantly from the forecast.
- (3) Neither this RFT nor any agreement made on the basis of this RFT, may under any circumstances be taken to create an implication that there will be no material change in the affairs of IPART from the date of issue of this RFT.

- (4) The provisions of this disclaimer apply in relation to this RFT and also in relation to any other oral or written communications or disclosures to the tenderer or to any other person.

22. Other Reservations

- (1) By issuing this RFT IPART is not required to negotiate or to enter into an agreement for the provision of the Services for tender with any person.
- (2) IPART may elect to withdraw from the process described in the RFT and may terminate the RFT altogether.
- (3) IPART has no obligation to consider and no obligation in respect of the manner, timing or basis of consideration of, any tender.
- (4) IPART may at its absolute discretion, withdraw, change or suspend the RFT and its consideration of tenders and any part thereof.
- (5) Any decision to shortlist tenderers is for the convenience of IPART and does not create any rights in any person. IPART reserves the right at its absolute discretion to invite persons who do not respond to this RFT to participate in any subsequent tender for the Services.
- (6) IPART may at its absolute discretion approve or reject any sub-contractors the tenderer may wish to appoint.

23. Tenderer's duty to inform themselves fully

- (1) Any person contemplating the submission of a tender and who is in doubt as to the true meaning of any part of the specification/requirements, requires further information or finds discrepancies in, or omissions from, the RFT may submit a written request for an explanation or correction no later than 14 days before the Closing Date. IPART or its agents will respond to each written request and reserve the right to advise in similar terms all tenderers save that the source of the inquiry will not be disclosed.
- (2) In order to maintain equity in the tendering, Tenderers are advised that they should not seek information in regard to this RFT directly from staff and contractors employed by IPART other than via the mechanism detailed in this clause.
- (3) Tenderers must only rely on written advice from IPART.

24. Briefing for interested persons

- (1) IPART may provide a formal briefing for tenderers. Tenderers attending are required to register at the briefing. The register of tenderers will be distributed to all tenderers within 2 working days after the briefing. If a tenderer has a query or requires further information that is not addressed at the briefing, the tenderer must make a request for information in writing and that request will be

registered. The request and such answer as IPART is able to provide will be sent to all registered persons who registered at the briefing.

- (2) Questions may be submitted in advance of the briefing to be answered at the meeting. The originator of the question will not be disclosed. Advance questions must be submitted in writing seven days prior to the briefing.

25. Supporting material

Supporting material is material additional to the tender which elaborates on or clarifies the tender but does not alter it in any material respect. Material presented as supporting material, which effectively alters the formal tender in any material respect, may not be accepted. Supporting material may be provided at the initiative of the tenderer or at the request of IPART. Supporting material must be received by IPART on or before the Closing Date unless specifically requested by IPART subsequent to that date. IPART reserves the right to disregard any unsolicited supporting material dispatched after the Closing Date. Supporting material must be clearly labelled (identifying this RFT and its subject matter). The intention to submit supporting material in this manner must be clearly stated in the tender.

26. Improper assistance in Tender preparation

- (1) Tenders which have been compiled with improper assistance of employees of IPART, ex-employees of IPART, and/or contractors or ex-contractors of IPART or that are found to have been compiled utilising information unlawfully obtained from IPART will be excluded from further consideration.
- (2) The emphasis above is on improper assistance. It does not preclude tenderers using former IPART employees or former contractors of IPART, provided they have not been involved in the development of the RFT. If anyone has any concern regarding the employment of former IPART employees or former contractors of IPART they should raise their concern in writing.

27. Conflict of interest

- (1) Tenderers must warrant that to the best of their knowledge at the date of submitting the tender no conflict of interest exists by itself, by its employees or any sub-contractors or is likely to arise in relation to this RFT during the RFT selection process.
- (2) If during the course of the selection process a conflict or potential conflict of interest arises tenderers undertake to notify IPART immediately in writing of that conflict or potential conflict of interest.
- (3) Tenderers must not, and must use their best endeavours to ensure that any employee, agent or sub-contractor of the tenderer does not, during the course of the selection process, engage in any activity or

obtain any interest likely to conflict with or restrict the tenderer in being considered under this RFT and must immediately disclose to IPART such activity or interest if it occurs.

- (4) In this clause 27 a conflict of interest includes, but is not be limited to, an employee of the tenderer being related to or having a close association with or influence over an employee of IPART which may have the effect of influencing, or giving the appearance of influencing, the review of the tenders to the RFT.

28. Collusive bidding

Tenderers and their officers, employees, agents, sub-contractors and advisers must not engage in any collusive bidding, anti-competitive conduct or any other similar conduct with any other tenderer, or any other person in relation to the preparation or lodgement of tenders.

29. Use of documents and information provided

- (1) IPART will have permanent and unrestricted use of all documents submitted in a tender, subject to any constraints set out in the RFT.
- (2) Despite clause 29(1), intellectual property (including confidential information) owned by the tenderer or third parties and contained in the documents will not pass to IPART. However, IPART will be licensed to use or copy that intellectual property to the extent necessary to conduct an efficient selection process.

30. Freedom of Information

- (1) The *Freedom of Information Act 1989* and provisions of the *Independent Pricing and Regulatory Tribunal Act 1992* extend, as far as possible, to the right of the Australian community to access information in documentary form in the possession of IPART, limited only by considerations of the protection of essential public interest and of the private and business affairs of persons in respect of whom information is collected and held by departments and public authorities.
- (2) Should a request for access to RFT documents be received, IPART will consult with the tenderer before making any decision to grant access, subject to its obligations under the *Freedom of Information Act 1989* and the *Independent Pricing and Regulatory Tribunal Act 1992*.
- (3) IPART will not disclose, the following information about any contract awarded under this tender unless the tenderer agrees, or release is determined under the *Freedom of Information Act 1989* and the *Independent Pricing and Regulatory Tribunal Act 1992* or is otherwise legally required:
 - (a) the tenderer's financing arrangements;
 - (b) the tenderer's cost structure and profit margins; and

- (c) items of the tenderer having an intellectual property (including confidential information) characteristic but excluding ideas, concepts or know-how pertaining to the subject matter of the RFT.
- (4) The information included in an unsuccessful tender is treated as commercial-in-confidence material and will not be disclosed unless the tenderer agrees, or release is determined under the *Freedom of Information Act 1989* and the *Independent Pricing and Regulatory Tribunal Act 1992* or is otherwise legally required. However IPART may use ideas, concepts or know-how obtained from the tenders in any manner IPART deems appropriate.

31. Assignment

This RFT is personal to and not assignable or transferable by the tenderer without the prior written consent of IPART, which consent may be declined at IPART's absolute discretion.

32. Whole Agreement

To the extent of any inconsistency between the conditions of this RFT and:

- (1) any correspondence or oral exchanges between the tenderer and IPART; or
- (2) any Schedule, appendix or annexure to this RFT,

the conditions of this RFT will prevail.

33. Relationship

The relationship between IPART and tenderers is that of independent contractors and no partnership, employment, agency or joint venture may be implied into the relationship.

34. Warranty to IPART

Tenderers who submit a tender to this RFT are deemed to have warranted to IPART that statements, representations and claims made in the tender are true and correct and are not misleading or deceptive or likely to mislead or deceive.

35. Assistance to IPART in regard to enquiries and due diligence

By submitting a tender, tenderers acknowledges that IPART may make enquiries of any person to assist in establishing the suitability of the tenderer and to undertake a due diligence review. Tenderers must provide all reasonable assistance to IPART to undertake these tasks.

36. Electronic document

IPART may provide an electronic copy of documents and material. While IPART will use its reasonable endeavours to ensure that the electronic copy is "virus free", IPART does not expressly or by implication warrant that the electronic copy will not contain viruses. Tenderers who choose to receive the electronic copy supplied do so entirely at their own risk.

Schedule 1 Services Required

1 SERVICES

The Independent Pricing and Regulatory Tribunal (“IPART”) is seeking the services of suitably qualified consultants to conduct a review of Hunter Water Corporation’s (“HWC”) proposed alterations to trade waste service prices and ancillary and miscellaneous service charges.

1.1 Background

IPART was established in 1992 to primarily provide independent oversight of the prices charged by monopoly service providers. These functions were expanded in 2000 to include the regulation of operating licences for certain utilities.

IPART is conducting a review into the prices of Hunter Water Corporation’s (“HWC”) regulated services from 1 July 2009. The charges determined by IPART will cover a period of up to five years. The duration of the period will be determined by IPART during the review.

HWC has indicated that its submission to the review will propose alterations to the structure and level of ‘trade waste service’ prices and ‘ancillary and miscellaneous service’ charges.

IPART is seeking the assistance of a suitably qualified consultant to advise on the efficiency, equity, transparency and simplicity and potential customer impacts of the proposed alterations. The successful consultant will require strong technical expertise to address the trade waste service pricing component of the consultancy and the necessary accounting skills to undertake the ancillary and miscellaneous service charges component.

1.2 Terms of Reference

1.2.1 Objectives of Trade Waste Service Prices Consultancy

The objective of the trade waste service price component of the consultancy is to advise and report to IPART on HWC’s trade waste service pricing proposals for the period commencing 1 July 2009. In undertaking this task the consultant must:

- review and assess the proposed alterations to trade waste service prices with reference to HWC’s existing trade waste prices and policies, other similar agencies’ prices for the same services, and the general principles for appropriate trade waste charging as set out in Box 1 below
- make specific reference to the impact of HWC’s proposals on trade waste customers, where customers are classified by commercial processes, substance and location/catchment. The impact assessment would be based on information made available by HWC

- consider and assess the start up and ongoing costs of the proposed alterations. The costs incurred should be commensurate to the quantum of the charge and the number of customers impacted.

Box 1 - Principles for Trade Waste Charges

The application of appropriate pricing principles to trade waste requires that:

- standards for acceptance should be set on the basis of the capacity of current systems to transport, treat and dispose of the wastes, having regard to the health and safety of wastewater workers
- trade waste charges should at least cover the costs to the water supplier of handling these wastes
- charges should vary to reflect differences in the cost of treating waste to the required standards at particular locations
- water suppliers should set charges and standards in a manner that is transparent and accurate. The method of measurement should be reliable and the basis for setting charges should reflect costs incurred as far as possible.

Where environmental reasons are made for variations from the pricing principles detailed above then sufficient evidence needs to be available to justify these variations. The basis for calculating greater than cost charges where environmental justifications exist should also be justified.

Source: IPART (prepared by GHD), *Review of trade waste pricing proposals by Sydney Water Corporation, Hunter Water Corporation, Gosford City Council and Wyong Shire Council*, June 2003.

1.2.2 Objectives of Ancillary and Miscellaneous Service Charges Consultancy

The objective of the ancillary and miscellaneous service charge component of the consultancy is to assess and report to IPART on HWC's proposed additions and significant modifications to current charges. The consultant is not required to undertake a complete review of all HWC's 50 plus charges.

The consultant will be required to:

- conduct a detailed investigation of a sample of 20 ancillary and miscellaneous service charges. The sample of 20 must include any charges that HWC propose to restructure (ie, any alteration to the level or structure of a charge) or increase in price significantly (excluding a mere CPI adjustment), and any new charge proposed by HWC
- compare ancillary and miscellaneous charges for the same services across similar agencies and identify and comment on any clear differences. The consultant should investigate and explain the reasons for these differences.

In assessing and reporting on HWC's ancillary and miscellaneous service charge proposals the consultant must:

- review and assess the approach used by HWC to formulate its ancillary and miscellaneous service charge proposals and comment on the reasonableness of this approach
- consider any previous IPART decisions in relation to ancillary and miscellaneous service charges
- assess and review HWC's approach and comment on its efficiency (ie, the degree of cost reflectivity and removal of cross subsidy), equity, transparency and simplicity
- make specific reference to the customer impact of these proposals. The impact assessment would be based on information made available by HWC
- comment on the cost of administration and implementation in each case. The costs incurred should be commensurate to the quantum of the charge and the number of customers affected.

1.3 Outputs

The required outputs from the consultancy are:

- on-time submission to IPART of one draft report and one final written report
- participation in discussions and meetings with HWC, IPART and/or IPART's Secretariat
- presentation and discussion of draft findings with HWC and IPART's Secretariat
- presentation to IPART and/or IPART's Secretariat which outlines the major issues and findings.

The final written report must be provided in four bound copies and four loose-leaf copies, as well as in PDF format suitable for web publication. Four bound copies and four loose-leaf copies of the draft report will also be required.

The consultant should note that the final report will be released as a public document. The report should be clearly and logically set out and written in plain English. It should avoid the use of unnecessary technical terms and should incorporate appendices for supporting information and evidence where necessary.

On completion of the consultancy, the consultant's reports, working papers and advice provided to IPART will become the property of IPART.

1.4 Timing

The successful tenderer must be able to meet the work schedule outlined in Table 1.

Table 1 - Timetable of Consultancy Outputs

Date	Activity
12 September 2008	Receive available data from HWC.
29 September 2008	Commence review of charges for trade waste charges and ancillary and miscellaneous service charges for HWC.
14 November 2008	Submission of draft report to IPART.
21 November 2008	Presentation of draft findings to HWC and Secretariat.
12 December 2008	Submission of final report and presentation of findings to IPART.

2 CLOSING DATE FOR TENDERS

Tenders to this RFT must be lodged with IPART by no later than **5pm** on **22 August 2008** ("Closing Date").

3 FURTHER INFORMATION

All enquires in relation to this RFT must specify the RFT Reference and must be directed in writing in hard copy format or facsimile to:

Name/Title	Adam Smith, Analyst Independent Pricing and Regulatory Tribunal of NSW
Telephone	(02) 9290 8409
Facsimile	(02) 9290 2061
Address	Level 8 1 Market Street SYDNEY NSW 2000

Schedule 2 Tenderer Information

Tenderer's Name	
Registered Office	
ACN or ARBN	
Principal Contact Officer's Full Name	
Position/Title	
Address	
Telephone Number(s)	
Fax Number	
E-mail Address	
Names and Contact Details of Two Referees	

Schedule 3 Evaluation Requirements

1. Detailed Information

In order for IPART to adequately assess tenders, tenderers must provide detailed information on the following:

- (a) the names, addresses and curriculum vitae, including details and evidence of experience and qualifications, of all personnel, including the tenderer's officers, employees, agents and contractors ("**Nominated Personnel**"), who the tenderer proposes to involve in providing the Services;
- (b) evidence that the tenderer and its Nominated Personnel have the necessary skills and experience to provide the Services and that it will provide the Services with all due care and skill;
- (c) sufficient details to enable IPART to determine whether the tenderer is financially viable and will remain financially viable for the anticipated term of the Consultancy Agreement;
- (d) any circumstances that may create a conflict of interest for the organisation or individuals who are to provide the Services;
- (e) guarantee that the tenderer is legally entitled to:
 - (i) agree to a contract with IPART; and
 - (ii) complete the Services.
- (f) The names, addresses and contact details of referees whom the tenderer agrees may be approached by IPART or its officers.
- (g) Any past litigation the tenderer has been involved in.

2. Pricing Information

The tenderer must set out clearly the price for the performance of the Services and the basis, if any, for any change in the price. If no price is specified, the charges applicable and the basis for any proposed variations in the charges.

The tenderer must also set out the basis on which the price or charges would be varied for additional services that the tenderer may provide or which the tenderer believes arise from the requirements of complying with the terms of the Consulting Agreement.

3. Assessment Criteria

IPART will evaluate the tenders based upon IPART's assessment of:

- (a) the experience of the tenderer in providing Services of a similar nature including any prior work undertaken for IPART;
- (b) the ability of the tenderer to perform the required Services in the timeframe;

- (c) the total cost to IPART of the performance of the Services by the tenderer, and
- (d) any other matters IPART considers appropriate.

In addition to the Evaluation Requirements set out in point 1 and above, the tenderer must also provide the following:

- (a) extent of knowledge of water and wastewater businesses
- (b) understanding of the agencies' operating, regulatory and financial frameworks
- (c) proposed quality assurance procedures
- (d) guaranteed availability of key staff
- (e) demonstrated ability to enlist the agencies' cooperation whilst engendering a sense of acceptance of the relevant outcomes.

These Evaluation Requirements are in addition to:

- (a) the information the tenderer must provide for the purposes of Schedule 2;
and
- (b) the conditions of the RFT with which the tenderer must comply.

Schedule 4 IPART Consultancy Agreement



Consultancy Agreement

Between

**Independent Pricing and Regulatory Tribunal
of New South Wales**

And

[Name of Consultant]

Review of Hunter Water Corporation's proposals to alter
trade waste service prices and ancillary and
miscellaneous service charges from 1 July 2009

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INDEPENDENT PRICING AND REGULATORY TRIBUNAL

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Consultancy Agreement

This Agreement is between the **Independent Pricing and Regulatory Tribunal of New South Wales**, a body corporate established under the *Independent Pricing and Regulatory Tribunal Act 1992* and the person defined as the Consultant.

1 Definitions

Agreement means this consultancy agreement.

Commencement Date means the earlier of:

the date of this Agreement;

the date that the Consultant commences to perform the Services.

Completion Date means the date this Agreement ends as set out in **Item 5** of **Schedule 2**.

Consultant means the person(s) described in **Item 1** of **Schedule 2** engaged by IPART to perform the Services and includes officers, employees, agents and sub-contractors (and their employees and agents) utilised by the Consultant, as permitted by this Agreement.

Consultant's Personnel means the person(s) described and named in **Item 2** of **Schedule 2**.

Consultant's Proposal means the Consultant's response to the Request for Tender or Request for Quote, as the case may be, (whether in writing or otherwise) setting out among other things, the Consultant's interest in performing the Services and the terms on which the Consultant is prepared to perform the Services.

Consultant's Representative means the person(s) described and named in **Item 3** of **Schedule 2**.

Contract Material means all material brought into existence as part of, or for the purpose of performing the Services, including but not limited to documents, equipment, information and data stored by any means and including Intellectual Property in relation to them.

Fee means the fee (inclusive of GST) payable by IPART to the Consultant under clause 6 for the performance of the Services.

GST means the same as in the GST Law.

GST Law means *A New Tax System (Goods and Services Tax) Act 1999* (Commonwealth).

Intellectual Property includes all rights in copyright, patents, registered and unregistered trademarks, registered designs, know-how, techniques, methods, trade secrets and all other rights of a secret or proprietary nature.

IPART means the Independent Pricing and Regulatory Tribunal of New South Wales, a body corporate established under the *Independent Pricing and Regulatory Tribunal Act 1992*.

IPART's Materials means any documentation, information or material supplied by IPART to the Consultant in connection with this Agreement by whatever means.

IPART's Representative means the person described and named in **Item 4** of **Schedule 2**.

Minister means the Minister having responsibility for IPART.

Reimbursable expenses means the costs, expenses, fees or charges IPART agrees to reimburse to the Consultant and for which the Consultant obtains the prior written approval of IPART to incur.

Services means the services described in Schedule 3.

Tax invoice means the same as in the GST Law.

Term means the term of this Agreement and is the period described in clause 3(2).

2 Interpretation

Unless the context otherwise requires:

- (1) headings are for convenience only and do not affect the interpretation of this Agreement.
- (2) the reference to a statute, or ordinance, code, legislation or law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of them.
- (3) a schedule means a schedule to this Agreement.
- (4) words importing the singular include the plural and visa versa.
- (5) where a word is defined in this Agreement, other grammatical forms of that word have corresponding meanings.
- (6) a reference importing a natural person includes a corporation, association, governmental agency, department, Tribunal or body corporate.
- (7) the reference to a party means a party to this Agreement.
- (8) a reference to person or a party includes a reference to that persons or that party's executors, administrators, successes, substitute, substitutes and permitted assigns.
- (9) a reference to a law means any applicable law in force in the Commonwealth of Australia, a State or Territory and the common law.

3 Engagement and Term

- (1) IPART engages the Consultant to perform the Services in accordance with this Agreement.

- (2) This Agreement will commence on the Commencement Date and will terminate on the Completion Date ("Term").
- (3) IPART may, by written notice to the Consultant, extend the Term of this Agreement by a period specified in such notice and the Term shall be deemed to have been extended in accordance with IPART's written notice.

4 Consultant's Obligations

- (1) The Consultant agrees to perform the Services under this Agreement in the manner, to the standard and by the time stipulated in this Agreement, particularly Schedule 3.
- (2) If the Consultant fails to perform any of the Services in the manner, to the standard or by the time stipulated in Schedule 3, each failure will be regarded as a breach of this Agreement and IPART may, at its absolute discretion, do any of the following in relation to each failure of the Consultant:
 - (c) terminate this Agreement by notice in writing to the Consultant;
 - (d) vary the scope of the Services and Fees under the Agreement without the consent of the Consultant; or
 - (e) vary the Agreement in writing with the consent of the Consultant.
- (3) IPART may exercise its rights to terminate the Agreement under clause 4(2) despite the fact that some of the Services required to be performed have not been performed or if the exercise of IPART's rights will prevent their performance.
- (4) Clause 9 does not apply to a variation under clauses 4(2)(b) or 4(2)(c).
- (5) This clause does not purport to limit the grounds on which IPART may otherwise be lawfully entitled to terminate this Agreement.
- (6) The Consultant must use its best endeavours to inform itself and to remain informed of the requirements of IPART in performing the Services under this Agreement.
- (7) The Consultant must ensure that only the persons named in **Item 2 of Schedule 2** are engaged in the performance of the Services, unless agreed in writing with IPART.
- (8) The Consultant accepts all responsibility for the secure guardianship of IPART's Materials and must put in place all reasonable measures to ensure the security of IPART's Materials.
- (9) The Consultant agrees that personal information collected, held or used for the purpose of performing the Services will be treated in

accordance with the *Privacy and Person Information Protection Act 1998* (NSW).

- (10) The Consultant must not amend or alter IPART's Materials or the Contract Material without the written consent of IPART.
- (11) The Consultant must consult, co-operate and confer with IPART and others as is necessary for the proper performance of this Agreement and as directed by IPART.
- (12) The Consultant must obtain, at its cost, all necessary approvals, licences, permits and consents which may be required by law for the provision of the Services.
- (13) The person named in **Item 3 of Schedule 2** is responsible on behalf of the Consultant for the provision of the Services and is the initial point of contact for IPART with the Consultant. Any substituted representative of the Consultant must have the prior written consent of IPART.
- (14) The Consultant must not assign or sub-contract any part of the Services without the prior written consent of IPART which consent may be withheld or given subject to conditions or unconditionally. If the Consultant desires to sub-contract any part of the Services it must provide the following information without which IPART will not give its written consent to any assignment or sub-contracting proposed by the Consultant:
 - (a) the services to be provided by the sub-contractor and the need for retaining the sub-contractor;
 - (b) details of the sub-contractor;
 - (c) the fees proposed to be charged by the sub-contractor; and
 - (f) any other information IPART may reasonably request.
- (15) The Consultant is engaged as an independent contractor and is not an employee or agent of IPART for any purpose. The Consultant, its employees and agents must not represent that they or the Consultant are employees or agents of IPART. The Consultant must not bind IPART in any respect and has no authority to do so.
- (16) The Consultant must ensure the Services and all work done in connection with the Services, complies with all applicable laws, codes of conduct, directions and all relevant standards applicable to the Services.
- (17) Upon reasonable notice from IPART the Consultant must provide access to the Consultant to allow IPART to inspect, discuss or assess the provision of the Services.
- (18) If a report, paper or other document is required by the Services to be prepared or made available by the Consultant to IPART, the

Consultant must, unless otherwise directed by IPART in writing, provide to IPART:

- (a) Two bound copies;
- (b) One unbound copy; and
- (c) an electronic copy in Word format readable in Word XP.

5 IPART's Obligations

- (1) IPART will as soon as practicable, or as required by this Agreement
 - (a) make available to the Consultant so much of IPART's Materials required for the performance of the Services; and
 - (b) liaise and assist the Consultant as reasonably required so that the Consultant may competently perform the Services under this Agreement.
- (2) The person named in **Item 4 of Schedule 2** or any other person IPART nominates in writing, will act as IPART's representative in connection with this Agreement and will be the initial point of contact for the Consultant with IPART.

6 Fees and Expenses

- (1) In return for providing the Services, IPART will pay the Consultant the Fee listed in **Item 6 of Schedule 2**.
- (2) IPART may deduct from the Fee (and any associated GST) any amount due from the Consultant to IPART in connection with the provision of the Services.
- (3) Payment, in part or in total, of the Fee under this Agreement does not constitute acceptance by IPART of the Services and does not amount to a waiver of any rights either under this Agreement or at law which IPART may otherwise have at any time against the Consultant.
- (4) IPART will only reimburse the Consultant for Reimbursable expenses incurred by the Consultant under this Agreement for which the Consultant provides supporting receipts or other documents acceptable to IPART.

7 Goods and Services Tax

- (1) Words defined in the GST Law have the same meaning in this clause, unless it is clear that a different meaning is intended.
- (2) The Consultant is solely responsible for all taxes duties and government charges imposed or levied in Australia or overseas in connection with the performance of this Agreement.
- (3) All Fees and prices are inclusive of Goods and Services Tax (GST) on the Services and any other supplies made under this Agreement to

the extent they are taxable supplies within the meaning of the GST Law.

- (4) The consultant (and not IPART) is responsible for payment to the Australian Tax Office of any GST collected from IPART in respect of GST.
- (5) The Consultant must, within 20 days of request from IPART, issue a tax invoice (or an adjustment note) to IPART for any supply under or in connection with this Agreement.
- (6) The Consultant must promptly create an adjustment note for, apply to the Australian Tax Office for a refund, and refund to IPART, any over payment by IPART for GST. The Consultant's obligation to make a refund to IPART arises as soon as the Consultant has received a refund or credit from the Australian Tax Office for any or all of the overpayment by IPART of GST.
- (7) The Consultant must provide to IPART:
 - (a) satisfactory evidence that it is registered for the purpose of GST; and
 - (b) its Australian Business Number.
- (8) Until it has provided its Australian Business Number to IPART, IPART is entitled to withhold from any payment made to the Consultant such amounts as are required for IPART to comply with the provisions of the GST Law and related legislation.
- (9) If a payment to satisfy a claim or a right to claim in connection with this Agreement (for example a claim for damages for breach of contract) gives rise to a liability to pay GST the payer must also pay and indemnify the payee against the amount of that GST.
- (10) If a party to this Agreement has a claim in connection with this Agreement:
 - (a) for a cost on which that party must pay GST, the party's claim is for the cost plus all GST (except any GST for which that party is entitled to an input tax credit);
 - (b) and the amount of the claim depends upon an actual or estimated revenue or lost revenue, revenue must be calculated without including any amount received or receivable as reimbursement for GST (whether that amount is separate or included as part of a larger amount).

8 Fees invoicing

- (1) The Consultant must lodge with IPART an invoice for the Services performed (and for approved Reimbursable expenses, if any, incurred) at the times specified in **Item 7 of Schedule 2**.
- (2) The invoice must be in the form of a tax invoice and must specify;

- (a) the Fee due to the Consultant and the basis of the calculation;
 - (b) the amount of GST payable, if any
 - (c) a description of the Services performed;
 - (d) appropriate receipts for Reimbursable expenses and an itemisation of the GST paid by the Consultant in respect of each of them; and
 - (e) any other information that IPART may require or that may be required to comply with the requirements for a tax invoice under the GST Law.
- (3) IPART may require that the Consultant provide clarification or further information regarding the invoice. Subject to this clause IPART will pay the amount of the invoice:
- (a) within 28 days of receiving the invoice; or
 - (b) if clarification or further information is sought under this clause - within 28 days of receiving clarification or the further information from the Consultant.
- (4) Subject to this clause, the total consideration payable will be the amount of the invoice less amounts already paid, and amounts IPART is entitled to set off under clauses 6 or 7.
- (5) IPART is entitled to withhold payment of an invoice, or part of it, if:
- (a) the Consultant fails to clarify or provide further information within 7 days of a request under clause 8(3);
 - (b) the invoice is not a tax invoice or is otherwise manifestly incorrect ;or
 - (c) the Consultant has not performed the Services claimed to have been performed in its invoice as required by this Agreement to the reasonable satisfaction of IPART.

9 Variations

- (1) The parties may vary or amend this Agreement as agreed by them.
- (2) No variation or amendment to this Agreement is binding on either party unless and until it is agreed in writing and signed by both IPART and the Consultant.

10 Warranties and Indemnity by the Consultant

- (1) The Consultant warrants:
 - (a) it has the capacity to perform the Services;
 - (b) it will perform the Services in a diligent manner with all due care and skill;

- (c) it will perform the Services in accordance with all express or implied representations or warranties made by the Consultant or by law;
 - (d) it is not aware of any matter that will prevent or restrict its ability to provide the Services;
 - (e) the Consultant's Proposal is accurate and not misleading or deceptive; and
 - (f) its performance of clause 13 and the performance of every other person who enters into (or who is required to enter into) a confidentiality undertaking under clause 13.
- (2) The Consultant represents and warrants that at the Commencement Date no conflict of interest exists in its performance of the Services. If at any time the Consultant becomes aware of a conflict of interest or potential conflict of interest in it performing the Services, the Consultant warrants it will advise IPART in writing of the circumstances of the conflict of interest or potential conflict of interest.
- (3) The Consultant agrees to indemnify and keep indemnified IPART, its employees, agents or contractors from and against all actions, claims, costs, expenses and damages (including all legal costs) arising from:
- (a) the performance of the Services by or on behalf of the Consultant;
 - (b) any acts, defaults or negligence of the Consultant, its employees, agents or sub-contractors;
 - (c) death, injury, loss or damage to the Consultant, its employees, agents, or sub-contractors or the property of any of them; and
 - (d) any breach of this Agreement by the Consultant its employees, agents or sub-contractors.
- (4) The warranties and indemnities in this clause will survive the expiration or termination of this Agreement.

11 Liability of IPART

- (1) IPART provides no representations or warranties in relation to this Agreement. IPART excludes all express or implied warranties to the extent permitted by law.
- (2) Anything done by IPART or a member of IPART or any person acting under the direction of IPART does not, if the thing was done in good faith for the purpose of performing this Agreement, subject the member or the person so acting personally to any action, liability, claim or demands.

- (3) IPART will not be liable to the Consultant for any loss or damage of any kind (including loss of profits of the Consultant) that may arise from any act or omission including a negligent or wilful or reckless act of IPART, its members, employees or agents.

12 Intellectual Property

- (1) The Consultant acknowledges IPART is the owner or licensee of IPART's Materials and the Consultant must use IPART's Materials only for the purposes of this Agreement unless it has obtained the prior written approval of IPART to do otherwise.
- (2) Subject to clause 12(3), ownership of Intellectual Property in or in relation to the Contract Material vests upon creation in IPART. The Consultant must, at its own cost, do all things necessary to vest ownership and title of the Intellectual Property in IPART.
- (3) If ownership of or title in Intellectual Property in relation to Contract Material is not capable of being vested in IPART under clause 12(2) because the Consultant does not own that Intellectual Property, the Consultant must at its own cost use its best endeavours to ensure the owner of the Contract Material grants IPART an irrevocable royalty free licence to use that Contract Material or that Intellectual Property in a manner and for the period as is reasonably required by IPART.
- (4) The Consultant must ensure all licence fees and consents required under law are obtained and paid by the Consultant as a result of any reproduction, adaptation or use of any Intellectual Property or Contract Material necessary for the provision of the Services.
- (5) Upon completion of the Services or termination of this Agreement, if IPART requests the consultant to do so, the Consultant must deliver to IPART as soon as practicable all Contract Material and IPART's Materials.
- (6) Subject to the Consultant complying with clause 13 in respect of the Contract Material, Clause 12(5) does not operate to prevent the Consultant from keeping a bona fide copy of the Contract Material solely for its internal records.

13 Confidential Information

- (1) In this clause, "Confidential Information" means:
 - (a) IPART's Materials;
 - (b) the Contract Materials;
 - (c) any information marked confidential or information which IPART stipulates (in writing or otherwise) is information of a confidential nature or which may reasonably be understood to be of a confidential nature; and

- (d) any information in connection with the Services or this Agreement.
- (2) The Consultant agrees it will:
 - (a) not disclose the Confidential Information other than as permitted by this clause;
 - (b) not make use of or take advantage of the Confidential Information for any purpose other than for the purpose of performing the Services;
 - (c) ensure the Confidential Information in its possession is kept confidential and protected against unauthorised use or access;
 - (d) return to IPART on request from IPART any copies of Confidential Information in the possession of the Consultant or its employees; and
 - (e) procure the return to IPART on request from IPART of any copies of Confidential Information in the possession of any third party who obtained the Confidential Information from the Consultant or its employees.
- (3) The obligation of confidentiality in this clause does not extend to Confidential Information:
 - (a) already in the public domain, other than as a result of a breach of this Agreement; or
 - (b) required to be disclosed by law.
- (4) Subject to clause 13(5), the Consultant may disclose Confidential Information:
 - (a) to its employees, solely for the purposes of performing the Services; or
 - (b) to any other person, solely for the purposes of performing the Services and subject to the Consultant first obtaining the written approval of IPART. IPART may give its approval subject to conditions.
- (5) Before making a disclosure of Confidential Information under clause 13(4) the Consultant must first obtain from the person who is to receive the Confidential Information a confidentiality undertaking in the form of **Schedule 1** of this Agreement and comply with any other reasonable requirements of IPART.
- (6) The Consultant agrees that a breach of this clause by the Consultant, its employees or any other person who obtains Confidential Information from the Consultant may cause IPART irreparable harm and for which damages may not be an adequate remedy. The Consultant agrees to take no exception to IPART seeking such

equitable relief as IPART deems appropriate to remedy a breach of this clause in addition to any legal remedies IPART may seek.

- (7) The obligations of confidentiality in this clause survive the expiration or termination of this Agreement.

14 Insurance

- (1) The Consultant must hold and maintain a policy of professional liability and indemnity insurance with a reputable insurer for an amount of \$10 million (or if there is an alternative amount specified at **Item 8 (a) of Schedule 2** of this Agreement, that amount) in respect of any single occurrence, on terms approved by IPART (which approval will not be unreasonably withheld) for the Term of this Agreement and for a period of 3 months after the Term of this Agreement.
- (2) The Consultant must maintain a suitable and adequate workers compensation insurance policy with a reputable insurer, in accordance with any relevant legislation for the Term of this Agreement.
- (3) The Consultant must maintain a policy of public liability insurance with a reputable insurer in terms approved by IPART (which approval will not be unreasonably withheld) for the Term of this Agreement and a period of 3 months after the Term of this Agreement.
- (4) The public liability insurance policy must be for an amount not less than \$10 million (or if there is an alternative amount specified at **Item 8 (b) of Schedule 2** of this Agreement, that amount) in respect of any single occurrence on terms approved by IPART (which approval will not be unreasonably withheld) for the Term of this Agreement and for a period of 3 months after the Term of this Agreement.
- (5) Prior to commencing the Services, or on request by IPART, the Consultant must provide IPART with certificates of currency of all insurance required to be maintained by the Consultant under this Agreement.

15 Records and audit

- (1) The Consultant must keep proper accounts, records and timesheets (including information stored by computer and other devices) in accordance with current Australian accounting principles in respect of Fees, charges, billing, and Reimbursable expenses payable under this Agreement and that data, information and records relating to this Agreement or its performance are maintained in such a form and manner as to facilitate access and inspection under this clause.
- (2) Within a reasonable time of any request by IPART, the Consultant must give IPART access to, or provide to IPART verified copies of,

any information IPART may reasonably require to allow any Fees, charges, billing or Reimbursable expenses to be substantiated or verified.

- (3) For the purposes of this clause 15, the Consultant must grant, and where relevant must ensure that its subcontractors grant, IPART and its nominees access as required by IPART, to the Consultant's premises and data, records, accounts and other financial material or material relevant to the performance of this Agreement.
- (4) In the case of documents or records stored on a medium other than in writing, the Consultant must make available on request at no additional cost to IPART such reasonable facilities as may be necessary to enable a legible reproduction to be created.
- (5) The Consultant must ensure that any subcontract entered into for the purpose of this Agreement contains an equivalent clause granting the rights specified in this clause 15 with respect to the subcontractor's premises, data, records, accounts, financial material and information of its personnel.
- (6) At its absolute discretion IPART may audit:
 - (a) the accounts, records and timesheets (including information stored by computer and other devices) of the Consultant to satisfy itself that the Fees, charges, billings or Reimbursable expenses paid or payable by IPART to the Consultant have been calculated, incurred or paid by the Consultant in accordance with the provisions of this Agreement;
 - (b) any other matters reasonably determined by IPART to be relevant to the performance of the Consultant's obligations under this Agreement.
- (7) The Consultant must participate promptly and cooperatively in any audits conducted by IPART or its nominee.
- (8) Subject to any express provisions in this Agreement to the contrary, each party must bear its own costs associated with any audits.
- (9) The requirement for, and participation in, audits does not in any way reduce the Consultant's responsibility to perform its obligations in accordance with this Agreement.
- (10) IPART must use reasonable endeavours to ensure that audits do not unreasonably delay or disrupt the Consultant's performance of its obligations under this Agreement in any material respect.
- (11) The Consultant must promptly take, at no additional cost to IPART, corrective action to rectify any error, non-compliance or inaccuracy identified in any audit in the way the Consultant has:
 - (a) provided the Services; or

- (b) calculated Fees, charges, Reimbursable expenses or any other amounts, billed to IPART.
- (12) This clause 15 survives the termination of this Agreement.

16 Termination

- (1) IPART may terminate this Agreement immediately by written notice to the Consultant if the Consultant:
 - (a) being a partnership, company, trust or other body undergoes a change in its structure which in the reasonable opinion of IPART limits the ability of the Consultant to perform the Services; or
 - (b) being a company, trust or other body goes into liquidation or a receiver or receiver and manager or voluntary administrator or mortgagee's or chargee's agent is appointed to any part of its business or becomes subject to any form of insolvency administration or arrangement, or in the case of an individual becomes bankrupt or enters into a scheme or arrangement with creditors.
- (2) IPART may terminate this Agreement immediately by written notice to the Consultant if:
 - (a) the Minister gives IPART a direction requiring that it terminate the Agreement; or
 - (b) the Agreement or IPART's rights and obligations under the Agreement conflict with any statutory duties owed by IPART or is contrary to law.
- (3) If the Consultant:
 - (a) fails to perform any part of the Services as required by this Agreement;
 - (b) without the consent of IPART suspends the carrying out of the Services; or
 - (c) breaches any term of this Agreement, regardless of the nature of the term or the extent of the breach;

IPART may send a written notice to the Consultant to remedy the default to the satisfaction of IPART within 14 days (or such longer period as IPART may specify) from the date of service of the notice by IPART on the Consultant specifying the default and the action required by IPART to remedy the default.

- (4) If the Consultant does not remedy the default as required by clause 16(3) and within the period specified in the written notice, IPART may terminate this Agreement immediately.

- (5) If IPART no longer requires performance of the whole or part of the Services IPART may terminate the performance of the whole or part of the Services at any time by providing the Consultant with written notice of the extent of the termination of the Services and IPART will not be liable for any claim for damages by reason of the termination of the whole or part of the Services.
- (6) If IPART:
 - (a) fails to pay the Fee to the Consultant (other than in the circumstances permitted by this Agreement), or
 - (b) commits a substantial breach of this Agreement,the Consultant may send a written notice addressed to IPART to remedy the default to the satisfaction of the Consultant within 14 days (or such longer period as IPART may specify) from the date of service of the notice by the Consultant on IPART specifying the default and the action required by the Consultant to remedy the default.
- (7) If IPART does not remedy the default as required by clause 16(6) and within the period specified in the written notice, the Consultant may terminate this Agreement immediately.
- (8) IPART will pay the Consultant for the Services performed by the Consultant as at the date of termination but will not otherwise be liable to the Consultant for that termination.
- (9) Subject to clause 16(5), termination by either party does not release either party from liability in respect of any breach of, nor non-performance of any obligation under this Agreement. This clause does not purport to limit the grounds on which either party may otherwise be lawfully entitled to terminate this Agreement. Termination of this Agreement by either party is without prejudice to any accrued rights or remedies of each party.

17 Dispute resolution

- (1) The Consultant and IPART will endeavour to resolve any dispute speedily by negotiation. If a dispute between the Consultant and IPART is not resolved by negotiation, the parties may agree to (but are not obliged to) submit the dispute to mediation prior to commencing proceedings in a court or tribunal. The parties agree to share equally in the costs of the mediation.
- (2) If the parties agree to submit the dispute to mediation, they will cooperate with each other and the mediator (including by providing documents and information) to ensure the timely and efficient resolution of the dispute.
- (3) Each party must continue to perform its obligations under this Agreement, despite the existence of a dispute.

18 Severability

If any part of this Agreement is prohibited, void, voidable, illegal or unenforceable, then that part is severed from this Agreement but without affecting the continued operation of the remainder of the Agreement.

19 Discontinuance by IPART

Subject to any contrary legislative intention:

- (a) if any party is reconstituted, renamed or replaced or if its powers or functions are transferred to another entity, this Agreement is deemed to refer to that new entity; and
- (b) if any party ceases to exist, this Agreement is deemed to refer to that entity which serves substantially the same purpose or object as the former entity.

20 No Assignment

The Consultant must not assign its rights under this Agreement without the consent of IPART. IPART may withhold its consent in its absolute discretion or give its consent unconditionally or subject to such conditions as it may require.

21 Entire Agreement

- (1) This document and its schedules constitutes the entire agreement between IPART and the Consultant in relation to the Services.

22 Notices

- (1) The addresses of the parties for purposes of giving any notice is set out in **Item 9 of Schedule 2** or as may from time to time be specified in writing by the parties. All notices or documents to be served or delivered under this Agreement may be served or delivered by delivering them or sending them by pre-paid post, pre-paid courier or by facsimile.
- (2) A notice or document will be taken to have been delivered or served as follows:
 - (a) in the case of delivery in person, when delivered;
 - (b) in the case of delivery by post, two working days after the date of posting;
 - (c) in the case of facsimile transmission, on receipt by the sender of a transmission report from the senders facsimile machine showing that the facsimile has been successfully transmitted.

The Agreement will be subject to and construed in accordance with the laws of New South Wales and the Commonwealth of Australia and the parties submit to the jurisdiction of the courts of New South Wales and the Commonwealth of Australia.

Schedule 1 Confidentiality Undertaking

I have been provided with, and have read clause 13 of the Consultancy Agreement ("Agreement") between parties described as the "IPART" and the "Consultant" and which **annexed**.

I accept as a condition of my employment with the Consultant, or my engagement by the Consultant to assist in the provision of the Services, as the case may be, that I am bound by clause 13 of the Agreement as if I was the Consultant.

I acknowledge clause 13 of the Agreement prevents the Consultant from disclosing Confidential Information to any person unless that person first signs a Confidentiality Undertaking.

I have been requested by the Consultant to assist the Consultant in connection with the Services and I will require access to the Confidential Information. The Consultant has requested, and I have agreed, to sign this Confidentiality Undertaking.

I agree to use the Confidential Information to assist the Consultant in connection with the Services and for no other purpose. I will maintain the confidentiality of the Confidential Information and will not disclose it to any person unless that person has also signed a Confidentiality Undertaking in the form of this document.

I will return the Confidential Information immediately upon completion of my employment with the Consultant, my engagement by the Consultant to assist in the provision of the Services or my involvement in the Services (as the case may be), or upon request by the Consultant.

I understand that if I breach this Confidentiality Undertaking, I will be liable to the Consultant for that breach and the Consultant will also be liable to IPART for that breach.

By signing this Confidentiality Undertaking, I acknowledge the seriousness of the commitments I make and which I now bind myself to perform.

Signed by the person providing

this undertaking, in the presence

of a witness:

Dated

INDEPENDENT PRICING AND REGULATORY TRIBUNAL

Signature of witness

Signature of person making the undertaking

Name of signatory

Schedule 1 Annexure to Confidentiality Undertaking

Confidential Information

- (1) In this clause, “Confidential Information” means:
 - (a) IPART’s Materials;
 - (b) the Contract Materials;
 - (c) any information marked confidential or information which IPART stipulates (in writing or otherwise) is information of a confidential nature or which may reasonably be understood to be of a confidential nature; and
 - (d) any information in connection with the Services or this Agreement.
- (2) The Consultant agrees it will:
 - (a) not disclose the Confidential Information other than as permitted by this clause;
 - (b) not make use of or take advantage of the Confidential Information for any purpose other than for the purpose of performing the Services;
 - (c) ensure the Confidential Information in its possession is kept confidential and protected against unauthorised use or access;
 - (d) return to IPART on request from IPART any copies of Confidential Information in the possession of the Consultant or its employees; and
 - (e) procure the return to IPART on request from IPART of any copies of Confidential Information in the possession of any third party who obtained the Confidential Information from the Consultant or its employees.
- (3) The obligation of confidentiality in this clause does not extend to Confidential Information:
 - (a) already in the public domain, other than as a result of a breach of this Agreement; or
 - (b) required to be disclosed by law.
- (4) Subject to clause 13(5), the Consultant may disclose Confidential Information:
 - (a) to its employees, solely for the purposes of performing the Services; or
 - (b) to any other person, solely for the purposes of performing the Services and subject to the Consultant first obtaining the written approval of IPART. IPART may give its approval subject to conditions.
- (5) Before making a disclosure of Confidential Information under clause 13(4) the Consultant must first obtain from the person who is to receive the Confidential Information a confidentiality undertaking in the form of Schedule 1 of this Agreement and comply with any other reasonable requirements of IPART.
- (6) The Consultant agrees that a breach of this clause by the Consultant, its employees or any other person who obtains Confidential Information from the Consultant may cause IPART irreparable harm and for which damages may not be an adequate remedy. The Consultant agrees to take no exception to IPART seeking such equitable relief as IPART deems appropriate to remedy a breach of this clause in addition to any legal remedies IPART may seek.
- (7) The obligations of confidentiality in this clause survive the expiration or termination of this Agreement.

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Schedule 2 Items

Item 1: Name and address of Consultant

Item 2: Consultant's Personnel

Item 3: Consultant's Representative

Item 4: IPART's Representative

Item 5: Completion Date

This Agreement ends:

- (a) on completion of the Services by the Consultant, or
- (b) on **[specify date]** unless extended as provided for in the Agreement,

(the "**Completion Date**")

Item 6: Fee payable to Consultant (including GST)

[Amount payable to Consultant can be specified either in full, in instalments.]

For example:

The total fee payable to the Consultant is no more than \$XXX,000, payable as follows:

- (a) \$ _____ to be paid by IPART in full on final completion of the Services; or
- (b) \$ _____ to be paid in monthly instalments on the last day of each month (or at certain milestones of the Services being provided).

Item 7: Date(s) for submitting Fee invoices

[If Consultant to be paid regularly or by instalments, set out the dates [milestones] on which the Consultant must forward an invoice to IPART.]

Item 8: Insurance

- (a) The agreed amount of professional indemnity insurance per single occurrence under clause 14(1) is \$10 million.
- (b) The agreed amount of public liability insurance per single occurrence under clause 14(4) is \$10 million.

Item 9: Notices

IPART The Chief Executive Officer

 Independent Pricing and Regulatory Tribunal of New South Wales

 Level 8

 1 Market Street

 Sydney 2000

Ph: (02) 9290 8484

Fax: (02) 9290 2061

Consultant (Insert details)

Schedule 3 Services

Trade Waste Service Charges

In relation to the trade waste service prices component, the consultant must:

- review and assess the proposed alterations to trade waste service prices with reference to HWC's existing trade waste prices and policies, other similar agencies' prices for the same services, and the general principles for appropriate trade waste charging as set out in Box 1 of Schedule 1 of the RFT
- make specific reference to the impact of HWC's proposals on trade waste customers, where customers are classified by commercial processes, substance and location/catchment. The impact assessment would be based on information made available by HWC
- consider and assess the start up and ongoing costs of the proposed alterations. The costs incurred should be commensurate to the quantum of the charge and the number of customers affected.

Ancillary and Miscellaneous Service Charges

In relation to the ancillary and miscellaneous service charges component, the consultant must:

- conduct a detailed investigation of a sample of 20 ancillary and miscellaneous service charges. The sample of 20 must include any charges that HWC propose to restructure (ie, any alteration to the level or structure of a charge) or increase in price significantly (excluding a mere CPI adjustment), and any new charge that is proposed by HWC
- compare ancillary and miscellaneous charges for the same services across similar agencies and identify and comment on any clear differences. The consultant must investigate and explain the reasons for these differences.

In assessing and reporting on HWC's ancillary and miscellaneous service charge proposals, the consultant must:

- review and assess the approach used by HWC to formulate its ancillary and miscellaneous service charge proposals and comment on the reasonableness of this approach
- consider any previous IPART decisions in relation to ancillary and miscellaneous service charges
- assess and review HWC's approach and comment on its efficiency (ie, the degree of cost reflectivity and removal of cross subsidy), equity, transparency and simplicity
- make specific reference to the customer impact of these proposals. The impact assessment would be based on information made available by HWC
- comment on the cost of administration and implementation in each case. The costs incurred should be commensurate to the quantum of the charge and the number of customers affected.

Key Outputs Required from the Consultancy

The required outputs from the consultancy are:

- submission to IPART of one draft report and one final written report
- participation in discussions and meetings with HWC, IPART and/or IPART's Secretariat
- presentation and discussion of draft findings with HWC and IPART's Secretariat
- presentation to IPART and/or IPART's Secretariat which outlines the major issues and findings.

The final written report is to be provided in four bound copies and four loose-leaf copies, as well as in PDF format suitable for web publication. Four bound copies and four loose-leaf copies of the draft report are also required.

Services to be performed	Date by which Services must be performed
12 September 2008	Receive available data from HWC.
29 September 2008	Commence review of charges for trade waste charges and ancillary and miscellaneous service charges for HWC.
14 November 2008	Submission of draft report to IPART.
21 November 2008	Presentation of draft findings to HWC and Secretariat.
12 December 2008	Submission of final report and presentation of findings to IPART.

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Signed as an Agreement.

Signed for and on behalf of
IPART by a duly authorised
person, in the presence of a witness:

Signature of witness

Signature

Name of signatory

THE COMMON SEAL of the
Consultant was affixed by resolution
of its Board of Directors:

Signature of Director

Signature of Secretary

INDEPENDENT PRICING AND REGULATORY TRIBUNAL

Name of Director

Name of Secretary

OR

Signed by the **Consultant** in
the presence of a witness

Signature of witness

Signature

Name of signatory

Date of Agreement _____