



ICRC

independent competition and regulatory commission

Media Release

ACT AUDITOR-GENERAL'S PERFORMANCE REPORT ON WATER AND SEWERAGE SERVICES

Yesterday the Auditor-General submitted a report to the Speaker of the Legislative Assembly titled "The Water and Sewerage Pricing Process". Today the Commission releases a response to that report.

Senior Commissioner Mr Malcolm Gray said, "A major problem with this report is that it consistently misses the point".

He went on to say that "The Treasurer isn't conflicted; he's ensuring ACTEW's prices are set by an independent body: the Commission. Legal opinions, even when from a QC, don't invalidate the price direction; only a judge can do that. Water and sewerage bills have come down and will stay down, unless a successful legal challenge is mounted."

Mr Gray said, "Some of the claims in this report defy logic."

"How can a process that delivered lower water and sewerage services bills to Canberra households while ensuring ACTEW's continuing financial health be labelled ineffective?", he asked.

"In fact, the ACT community barely gets a guernsey in this report", he added.

Mr Gray said, "Communication seems to be a repeated theme in this report".

"We would not have delivered a good outcome for the Canberra community when we faced some of the most difficult issues we have ever faced if there had not been effective communication between the Commission and ACTEW ", he said

Mr Gray said, "By concentrating on the small area of most serious dispute between the Commission and ACTEW, the report has painted a completely distorted picture of the process overall".

"I think many families will have seen worse rows than the one between the Commission and ACTEW that the report makes such a fuss about", he added. "The process wasn't tidy or pretty, but it got the job done."

Dr David Cousins, the independent regulatory expert for the audit commented that 'indeed, it might validly be suggested that the ICRC has crafted a methodology which is more relevant for the circumstances it confronts, than is the more conventional methodology.'

“This audit has been a disruptive and expensive diversion for the Commission”, said Mr Gray.
“We want to put it behind us now and get back to our real business, starting with making sure that Canberrans continue to enjoy the lowest electricity prices in the country.”

The report is available at www.icrc.act.gov.au.

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