

26 February 2016

Water and Sewerage Services Tariff Review  
Independent Competition and Regulatory Commission  
By email

**Independent Competition and Regulatory Commission (the Commission)  
– Regulated water and sewerage services tariff review 2016**

I refer to the issues paper published by the Commission on the 23 November 2015. The issues paper invites interested parties to make submissions into the review by 1 July 2016.

The ACT Civil & Administrative Tribunal (ACAT) interest stems from our jurisdiction under the Utilities Act 2000. ACAT considers hardship applications involving Icon Water customers. ACAT also investigates and determine complaints made by customers, which include complaints concerning regulated water and sewerage services.

Regarding the tariff review, ACAT makes the following comments:

- The lower cost first tier price, should be maintained at the current price level or lower. This lower tier provides access to an essential service at a reasonable price.
- The second tier should be priced as required to meet the Commission's price path.

- The second tier price path should be uniform for all usage and not reduced for users of more substantial volume.
- Considering wider environmental concerns, the objective should be the maintenance of permanent conservations measures and, if at all possible, avoidance of additional water restrictions which cause economic distortions in the community. Accordingly, the pricing structure for water should encourage conservation and promote the development of bypass & water reuse systems based on the Tier 2 price. This strategy is more likely to develop a system that avoids excessive water restrictions and the resultant revenue problems during periods of drought.
- The ACAT considers there is some merit in a well constructed charging system for sewerage. The system should ensure large businesses are paying appropriately for quantity and toxicity of the waste discharged into the sewerage system.

ACAT notes that the tariff review process will be occurring throughout much of 2016. We note that further submissions may be made as the process progresses.

If you require further information, please feel free to contact Mr Brenton Hutchison on (02) 62077738.

Yours sincerely



Linda Crebbin  
General President  
ACT Civil & Administrative Tribunal

**ENERGY AND WATER**

PO Box 578 CIVIC SQUARE ACT 2608  
Ph: 62077740 Fax: 62077739  
Email: [acatenergycomplaints@act.gov.au](mailto:acatenergycomplaints@act.gov.au)  
[www.acat.act.gov.au](http://www.acat.act.gov.au)