



MEDIA STATEMENT

STRICTLY EMBARGOED UNTIL 11.00AM FRIDAY 09 MARCH 2007

WATER AND WASTEWATER PRICE REVIEW BEGINS

The Independent Competition and Regulatory Commission has received a Terms of Reference from the ACT Government requiring it to make a price direction for water and wastewater services provided by ACTEW for the period commencing 1 July 2008.

The Terms of Reference require the Commission to undertake an investigation of ACTEW's efficient costs and determine water and wastewater prices.

"In anticipation of receiving the reference, the Commission has already produced a discussion paper which looks at technical issues related to the regulation of ACTEW. Now that the reference has been issued, the Commission will be releasing a further two discussion papers. The first will deal with matters associated with calculating a fair rate of return for ACTEW while the second will investigate questions of appropriate pricing structures," Senior Commissioner Paul Baxter said.

"Water pricing is a matter of intense interest to the Canberra community and the Commission is keen to engage the community in the upcoming review," Mr Baxter said.

"The release in coming weeks of the additional discussion papers is aimed at raising community awareness of the process involved in determining water and wastewater prices."

"Matters of water pricing are topical given the drought experienced in recent years and the current national debate surrounding the management of water resources. I would encourage the Canberra community to become involved in the Commission's inquiry as, given the timing of the inquiry, decisions made by the Commission are likely to be influential in the broader national debate surrounding water pricing," said Mr Baxter.

The Terms of Reference as well as the first discussion paper are available on the Commission's website at www.icrc.act.gov.au or by contacting the Commission on (02) 6205 0799.



The Commission expects to release its second discussion paper by the end of March and the third in early April. The Commission will be seeking submissions on the discussion papers and is asking that all interested parties register with the Commission to ensure that they receive copies of the Commission's discussion papers.

The Commission will take into account the submissions received on the discussion papers when developing its working assumptions paper to be released mid-year. The Commission will then be seeking submissions on this paper which will inform the draft decision to be released by November 2007. A public hearing and an opportunity for further submissions will follow the release of the draft decision before the Commission releases its final decision by 1 March 2008.

For additional information regarding the price inquiry, contact the Commission on (02) 6205 0799.

STATEMENT ENDS 09/03/07

For further information, please contact Paul Baxter on 0418 633 396.