



Australian Capital Territory

EDUCATION AND TRAINING

ABN: 71 506 957 312

Mr Ian Primrose
Chief Executive Officer
Independent Competition and Regulatory Commission
PO Box 975
CIVIC SQUARE ACT 2608

Dear Mr Primrose

Report 6 of 2006, Information Paper: Water and Wastewater Annual Price Reset 2006-07

Thank you for your letter of 28 February 2006 and for the opportunity to comment on the public discussion paper "**Report 6 of 2006, Information paper: Water and Wastewater Annual Price Reset 2006-07**". I note that the report highlights the possible impact on water prices of the recent works undertaken by ACTEW.

The Department of Education and Training is committed to the *Think Water, act water* strategy. It is estimated that approximately 40% of water in schools is used indoors, with 60% being used outdoors. The department has been working with schools since the mid-1990s to reduce the amount of irrigated grass areas in schools. The water savings measures undertaken by the department have contributed to a reduction in water consumption consistent with the water restrictions. In terms of the benefits of this, ACT government schools are taking a lead in the responsible use of water as a valuable resource and the water saving devices installed (such as cistern displacement devices and low flow taps) will assist in long-term reductions in water consumption.

I note ACTEW's indicative price impacts for 2006-07 and 2007-08. On our analysis this represents a potential price increase of over 70% from 2003-04 to 2007-08. The report does not address the issue of the price impact on large non commercial users such as educational institutions and community sporting organisations. Some further examination and consideration of measures for ameliorating the budget impact, and recognising the considerable public benefits provided by these organisations is requested.

I also note that prior to releasing the draft decision in 2004, Halcrow reviewed ACTEW's proposals and concluded that ACTEW's capital plan was overstated.

Yours sincerely

Beverley Forner
A/g Executive Director
Resource Management

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