



ICRC

independent competition and regulatory commission

Media Release

COMMISSION DETERMINES ICON WATER'S REGULATED WATER AND SEWERAGE SERVICES PRICES FOR 2017–18

The ACT Independent Competition and Regulatory Commission today announced the maximum prices that Icon Water Limited can charge for its regulated water and sewerage services from 1 July 2017.

Water prices will rise by around 2.7 per cent and the price of sewerage services will increase by 1.5 per cent in 2017–18. The price changes will see the annual water and sewerage bill for a typical Canberra household consuming 200 kilolitres of water per year rise by 2.15 per cent in 2017–18. This translates to an annual increase of about \$25.

The 2017–18 price adjustment reflects changes in the Consumer Price Index, and includes pass-through adjustments for water and sewerage of 0.02 and -0.29 per cent respectively.

The pass-through amounts are primarily associated with a divergence between the forecast amounts of Water Abstraction Charge (WAC) and Utilities Network Facilities Tax (UNFT), both of which are paid to the ACT Government, and subvention payments from the Commonwealth Government and the actual amounts collected and paid in 2015–16. When setting prices in advance of a regulatory period, a forecast of the amount of the WAC and UNFT to be recovered from customers by Icon Water Limited in any particular year is required. Any difference between the forecast and actual amounts is then subject to an annual pass-through adjustment, which can be positive or negative. Positive pass-throughs raise prices, while negative pass-throughs bring prices down.

The Commission has published a report – *Regulated water and sewerage services: 2017–18 price adjustment* – that describes the price adjustment process for 2017–18, including details of the price calculations. The report is available at: <http://www.icrc.act.gov.au>.

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To contact the Commission, please visit www.icrc.act.gov.au.

For media enquiries, please contact:

JoelT Wilson

Tel: 02 6205 0799 Email: icrc@act.gov.au

Attachment 1: 2017-18 prices and customer impact tables

Table 1 Water prices, 2016–17 to 2017–18 (\$, current prices, percentages to two decimal places)

	2016–17	2017–18	Change (%)
Fixed (\$/year)	101.48	104.21	2.69
Tier 1 (0–200 kL/a) (\$/kL)	2.61	2.68	2.68
Tier 2 (200 kL/a+) (\$/kL)	5.24	5.38	2.67

Table 2 Sewerage services prices, 2016–17 to 2017–18 (\$, current prices, percentages to two decimal places)

	2016–17	2017–18	Change (%)
Supply charge (\$/year)	529.38	537.34	1.50
Fixture charge non-residential customers (\$/year) ^a	517.73	525.51	1.50

Note: a For every additional flushing fixture greater than two.

Table 3 Change in annual combined water and sewerage services bill for residential customers (\$, current prices, percentages to two decimal places)

Annual water consumption (kL)	Annual 2016–17 combined bill (\$)	Annual 2017–18 combined bill (\$)	Change in combined bill (%)	Change in combined bill (\$)
0	631	642	1.69%	11
50	761	776	1.86%	14
100	892	910	1.98%	18
150	1,022	1,044	2.07%	21
200	1,175	1,200	2.15%	25
250	1,415	1,447	2.24%	32
300	1,677	1,716	2.31%	39
350	1,939	1,985	2.36%	46
400	2,201	2,254	2.39%	53
500	2,725	2,792	2.45%	67
750	4,035	4,137	2.52%	102