

# Water Pricing Reform - Inquiry into the reform of SA Water's drinking water and sewerage prices - August 2013

*The Essential Services Commission of SA (ESCOSA) is undertaking an inquiry into water pricing reform options for the state and is seeking input from all members of the community.*

## BACKGROUND

The Water Industry Act 2012 (Water Industry Act) appoints the ESCOSA as the independent economic regulator of the South Australian water industry. ESCOSA does not have any role in environmental, health or social policy. Those matters are addressed by other regulators and agencies.

Following on from its first revenue determination for SA Water in May 2013 <http://www.escosa.sa.gov.au/water-overview/retail-pricing/sa-water-revenue-determinations.aspx>, the Treasurer has asked ESCOSA to undertake an inquiry into options for pricing reform for drinking water and sewerage retail services provided by SA Water. The full terms of reference can be found here <http://www.escosa.sa.gov.au/projects/189/inquiry-into-drinking-water-and-sewerage-retail-services-pricing-reform.aspx>.

The Treasurer has asked ESCOSA to submit a Draft Report by 31 May 2014 and a Final Report on all matters by 31 December 2014.

## PUBLIC INPUT

ESCOSA has released a series of issues papers to give all members of the community the opportunity to provide input on the issues related to this Inquiry which include, but are not limited to:

- the structure of drinking water tariffs, including supply charges;
- options for pricing sewerage services, including the removal of property-based charging;
- the impact of statewide (postage stamp) pricing on customers, and alternatives to this approach;
- the costs and benefits of billing the end user of water (rather than the landowner, which is the current situation);
- impacts of requiring the installation of individual water meters and smart water meters;
- transitional arrangements for managing impacts of reform options on customers; and
- reflecting water planning and management costs in SA Water's prices.

## REQUEST FOR SUBMISSIONS

ESCOSA welcomes comment from all interested parties on each of the issues papers and will consider all submissions in preparing its Draft Report.

All issues papers can be downloaded from our website ([www.escosa.sa.gov.au](http://www.escosa.sa.gov.au)) and written submissions can be made via email ([escosa@escosa.sa.gov.au](mailto:escosa@escosa.sa.gov.au)) or by letter (GPO Box 2605 Adelaide SA 5001).

To further assist members of the community in contributing to the Inquiry, an online feedback form for each of the issues papers has been made available on the ESCOSA website home page.

Comments on the issues papers are required by 5:00pm, 8 November 2013.

## FURTHER INFORMATION

If you have any questions or would like to discuss any matter relating to the Inquiry, please contact:

- Stuart Peevor, Manager Pricing & Access (Sewerage, Trade Waste and Property-based Charging and Water Planning and Management Costs)
- Con Carellas, Manager Market Analysis (Water Pricing)
- Kara O'Sullivan, Analyst - Regulatory Affairs (Billing Consumers rather than Landowners)
- Brooke Palmer, Analyst (Metering and Managing Pricing Reform Impacts on Consumers with Subsidies)

If you would like to keep up to date with our water industry activities and the release of papers for consultation, subscribe at <http://www.escosa.sa.gov.au/subscribe.aspx>.