

MEDIA RELEASE
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REGULATOR RESPONDS TO BARWON WATER PRICE APPLICATION

Victoria's economic regulator, the Essential Services Commission, has proposed to approve an additional three per cent increase in water prices for Barwon Water customers in 2012-13 to reflect the costs of the Melbourne to Geelong Pipeline.

The Commission's draft decision on Barwon Water's price application proposes an approved three per cent increase, on top of the already approved seven per cent to Barwon Water's water prices in 2012-13, and is subject to the pipeline being completed and in service. A final decision will be delivered in June.

Barwon Water had applied for an increase of 3.5 per cent for 2012-13 across water, sewerage and trade waste prices. Under the Commission's draft decision, there would be no additional increase to the already approved sewerage and trade waste prices.

Commission Chairperson Dr Ron Ben-David said a price increase would enable Barwon Water to recover construction costs associated with the Melbourne to Geelong Pipeline, which would contribute to the security of water supply for Barwon Water.

Under the draft decision, the annual water and sewerage bill for Barwon Water households consuming around 165 kilolitres of water per year would be around \$1086 in 2012-13, or about \$15 above the previously scheduled increase set under the 2008-13 water price review. Under Barwon Water's original proposal, the additional increase at the 165 kl level would have been around \$35.

"The Commission is aware of the impact of price rises on customers, and we will continue to ensure that Barwon Water has in place measures to help address affordability and hardship issues", Dr Ben-David said.

The Commission is seeking submissions on the draft decision by 21 May, prior to making a final decision in June 2012. Submissions should be sent electronically to water@esc.vic.gov.au or by mail to: Water Team, Essential Services Commission, Level 2, 35 Spring Street, Melbourne 3000.

The Commission will hold public meetings in Geelong and Colac on **Monday 14 May** to outline the draft decision, as follows:

Geelong: 12 pm-2 pm, Geelong Conference Centre (Adams Court, Eastern Park, East Geelong)

Colac: 4.30 pm-6.30 pm, Colac Otway Performing Arts and Cultural Centre (Cnr Rae and Gellibrand Streets, Colac).

Further details of the Commission's draft decision are available at www.esc.vic.gov.au

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