

12 December 2012

Our ref: C/12/38109

Mr Joe Adamski Managing Director Barwon Water PO Box 659 Geelong VIC 3220

Dear Mr Adamski

Barwon Water application for 2012-13 price adjustment

Thank you for your letter dated 7 December 2012 regarding the Melbourne to Geelong Pipeline and water prices from 1 January 2013. I note that you have stated that the Pipeline is in service. On this basis, we authorise Barwon Water to charge up to the maximum prices specified at 1.1(b), 1.4(b) and 1.14(b) of the tariff schedule contained in the Commission's June 2012 price determination for Barwon Water.

A requirement of our June 2012 price determination is that Barwon Water provides us with a statement setting out evidence that it has provided notice to its customers of the new maximum prices to apply. This must be provided to us within 30 days from 12 December 2012. I recommend that you and your staff review our June 2012 price determination to ensure Barwon Water complies with our requirements.

Further, in the next few days we will publish your letter and this response on our website.

Yours sincerely,

David Heeps

Chief Executive Officer