

11 October 2018

Dr Peter Boxall
Chair
IPART
PO Box K35
Haymarket Post Shop NSW 1240

Dear Dr Boxall,

Review of recycled water prices for public water utilities

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon people who are marginalised and facing disadvantage. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC welcomes the opportunity to comment on the Review of recycled water prices for public water utilities.

Whilst there are currently few recycled water arrangements in NSW, the increased use of recycled water is a crucial part of NSW's future water security. Regulatory arrangements concerning recycled water should protect consumers, particularly residential consumers in mandatory schemes, but should not be a barrier to developing and implementing recycled water schemes.

There is now a growing number of residential consumers who have no choice but to access recycled water. PIAC agrees with IPART that it is appropriate for IPART to regulate prices for residential consumers in mandatory schemes.

Where residential consumers are accessing a mandatory scheme or there are barriers to opting out, it is appropriate that prices be capped at potable water prices. However, if there is wider value such as water and/or wastewater network savings, health, environmental and/or community amenity benefits, then it may be appropriate for the broader customer base and/or the NSW Government to contribute to the cost. Costs should only be passed on if the benefits and willingness to pay can be demonstrated.

In addition, if a scheme is not viable using the price cap, but it can be demonstrated that consumers value the environmental or other benefits of the scheme and are willing to pay more, then they should be able to. We would be pleased to work with IPART further on how this can be demonstrated, as well as how to protect future occupants.

Further engagement

PIAC would welcome the opportunity for further engagement with IPART and other stakeholders to discuss these issues in more depth. Please do not hesitate to contact Thea Bray on 8898 6520 or tbray@piac.asn.au.

Yours sincerely,



Thea Bray

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