

# INQUIRY ON COUNTRY WATER AND WASTEWATER PRICING IN WESTERN AUSTRALIA

## TERMS OF REFERENCE

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I, ERIC RIPPER, Treasurer, pursuant to section 32(1) of the *Economic Regulation Authority Act 2003* (the ERA Act), request that the Economic Regulation Authority (the Authority) undertake an inquiry into the Water Corporation's country potable water and wastewater prices. In doing so the Authority is expected to consider and make recommendations on:

- the appropriate consumption threshold for the application of uniform residential charges;
- the effectiveness and efficiency of the Water Corporation's five town class charges for residential and business customers in country towns and the merits of any alternative charging structure for country towns;
- the effectiveness and efficiency of the service charge structure for businesses and the merits of any alternative charging structure for country towns;
- the appropriateness of the residential and vacant land rates for each country sewerage scheme and the maximum rate in the dollar gross rental value wastewater service charge and the merits of an alternative charging structure;
- the appropriateness of continuing uniform Statewide major fixture and volumetric discharge sewerage charges for business; and
- the impact proposed pricing structures will have on the Water Corporation's revenue and expenses, as well as payments to, and from, the government.

The Authority is to have regard to the principles of the Government's uniform pricing policy, demand management targets, and other social, economic and environmental policy objectives.

The Authority will release an issues paper as soon as possible after receiving the reference. The paper is to facilitate public consultation on the basis of invitations for written submissions from industry, government and all other stakeholder groups, including the general community.

A draft report is to be made available by 31 January 2006 for further public consultation on the basis of invitations for written submissions.

A final report is to be completed by no later than 28 April 2006.

**ERIC RIPPER MLA  
DEPUTY PREMIER; TREASURER;  
MINISTER FOR GOVERNMENT ENTERPRISES;  
MINISTER ASSISTING THE MINISTER FOR PUBLIC SECTOR MANAGEMENT**