

NOTICE

Inquiry on Harvey Water Bulk Water Pricing

The Government of Western Australia has given written notice to the Economic Regulation Authority (ERA) to conduct an inquiry, with direct input from the public, into the bulk water prices charged by the Water Corporation to the South West Irrigation Cooperative (Harvey Water).

The Treasurer issued terms of reference to the ERA on 5 October 2006 to undertake this inquiry and report, in accordance with section 32 of the *Economic Regulation Authority Act 2003*.

The inquiry is the first independent evaluation of water charges to irrigators in Western Australia.

In accordance with the terms of reference, the Authority will consider and make recommendations on the level and structure of bulk water prices to Harvey Water, which will require consideration of:

- the cost of operating and maintaining the irrigation dams;
- the additional costs associated with maintaining and improving dam safety for the Water Corporation's South West irrigation dams;
- the beneficiaries of the South West irrigation dams;
- the ability of South West irrigation farmers and Harvey Water to meet their share of the costs of dam safety improvements and the impact on farmers of the rate of change of an increase in prices (if any); and
- the impact on State Government's net financial position associated with the recommended price level and structure.

The ERA will shortly be publishing an issues paper to assist stakeholders to understand the nature of the issues under review and to facilitate public comment and debate. The issues paper and information on how to make a submission to the ERA will be made available on the ERA website (www.era.wa.gov.au).

Following consideration of the responses made to the issues paper, the Authority will publish a draft report on or before 30 November 2006 for further public consultation. The final report for the inquiry will be delivered to the State Government by 1 March 2007, after which the Government will have 28 days to table the report in Parliament.

For further information contact:

General Enquiries

Greg Watkinson
Director, References and Research
Ph: 61 8 9213 1965
Fax: 61 8 9213 1999

Media Enquiries

Mr Paul Byrne
Byrne & Byrne Corporate Communications
Ph: 61 8 9385 9941
Mb: 0417 922 452

LYNDON ROWE

CHAIRMAN

9 October 2006