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NOTICE

Inquiry into Competition in the Water and Wastewater Services Sector

The Economic Regulation Authority is to conduct an inquiry into competition in the water and wastewater industries in Western Australia following a request from the State Treasurer Eric Ripper on 6 July 2007.

Lyndon Rowe, the Authority's Chairman, said that the Authority had been asked to advise on how competition among providers might improve efficiency, effectiveness and sustainability in delivering the services.

Under the Inquiry's Terms of Reference, its key areas of focus will include:

- introducing greater efficiency in developing and delivering new water sources and other services requiring significant capital investment. This will include looking at issues associated with current market structures and mechanisms to increase competition, diversity and innovation;
- opportunities for enhanced competition including through the introduction of third party access to existing water and wastewater related infrastructure; and
- other reforms to the water and wastewater market which may enhance competition, including issues associated with establishing water trading mechanisms, and arrangements for community service obligations paid by the State Government to service providers.

Mr Rowe said that during the Inquiry the Authority would investigate all possible options for improving the delivery of water and wastewater services in Western Australia, including increased private sector involvement.

"We will be trying to identify the most efficient and effective ways to provide these services to Western Australian consumers. I encourage all those with an interest to participate by making a submission."

The Authority will soon publish an issues paper to help stakeholders understand the topics under review and to facilitate public comment and debate. The issues paper and information on how to make a submission will be placed on the Authority's web site.

After considering the responses made to the issues paper, the Authority will publish a draft report in early November 2007 for further public consultation. The final report on the inquiry will be delivered to the Treasurer by 31 March 2008.

General Enquiries

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LYNDON ROWE CHAIRMAN

10 July 2007

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