

NOTICE

Inquiry into the Bunbury and Busselton Water Boards' Tariffs

The Economic Regulation Authority's final report on its inquiry into the Bunbury and Busselton Water Boards' tariffs for 2008/09 was released on Friday 7 March by the Treasurer, the Hon Eric Ripper MLA.

The inquiry followed a written request by the Treasurer for the Authority to consider appropriate tariff levels and the impact the Authority's recommended tariffs would have on the Boards' customers and State Government finances.

The [Terms of Reference](#) and the [Official Notice](#) of the reference are available on the Authority's web site.

The report's recommendations will help inform the Government's decisions on the Water Boards' tariffs for the 12 months from 1 July 2008.

The Authority recommended that:

- Pricing structures needed to be reassessed as part of a major review of the Water Boards' costs and tariffs.
- For the purpose of setting tariffs for 2008/09:
 - usage charges that were more than \$1.20 per kL should be held at their current levels, while usage charges of less than \$1.20 per kL should be increased with inflation;
 - non-residential fixed charges should be set in accordance with the Water Boards' current transition to meter-based charges; and
 - the residential fixed charge should be set at a level that enabled the Water Boards to recover their costs (after deducting revenue gained from other charges, developer contributions and other revenue).

Mr Lyndon Rowe, the Authority's Chairman, said the inquiry was not a major review (which would involve an evaluation of the Water Boards' costs), but provided advice on the level of tariffs for 2008/09 and the specific matters raised in the Terms of Reference.

Mr Rowe said the inquiry was consistent with the Government's commitment to implement the National Water Initiative, which required an independent regulator to either set or review water prices.

A copy of the final report on the Water Boards' tariffs is available on the Authority's [web site](#).

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