

Inquiry into the Efficient Costs and Tariffs of the Water Corporation, Aqwest and the Busselton Water Board

Corrigendum

28 March 2013

Economic Regulation Authority

WESTERN AUSTRALIA

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Purpose of the Corrigendum

The purpose of this corrigendum is to correct the recommended tariffs for Aqwest and the Busselton Water Board published in the Economic Regulation Authority's (the Authority) Final Report for the inquiry into the Efficient Costs and Tariffs of the Water Corporation, Aqwest and the Busselton Water Board on 7 January 2013.

Background

On 7 January 2013, the Treasurer released the Authority's Final Report on its inquiry into the Efficient Costs and Tariffs of the Water Corporation, Aqwest and the Busselton Water Board.

The inquiry, requested by the Treasurer on 10 January 2012, required the Authority to establish the efficient costs and tariffs of the Water Corporation, Aqwest and the Busselton Water Board for the three year period commencing in 2013/14 and ending 2015/16. The Authority was also required to make recommendations on the most appropriate level, and structure of water storage charges to the South West Irrigation Management Cooperative (Harvey Water).

Subsequent to the release of the Final Report, the Authority became aware of modelling errors that materially impacted the Authority's recommended tariffs for Aqwest and Busselton Water.

Under the Authority's revised recommendations, after correction of the errors, residential customers with an average level of water consumption in Bunbury (serviced by Aqwest) and Busselton (serviced by Busselton Water) would face increases in their water bills of 19.6 per cent (\$62), and 5.5 per cent (\$22) in 2013/14 respectively. Annual percentage increases of similar magnitudes apply in each of the remaining two years of the price review period.

Amendments

This corrigendum corrects the Final Report by amending the following sections of the Authority's Final Report:

- Chapter 1: Executive Summary – Pages 3, 4, 5, 8, 9, 11 and 14; Tables 3, 4, 6 and 7;
- Chapter 4: Charges for Aqwest Customers;
- Chapter 5: Charges for Busselton Water Customers;
- Appendix E: Impacts on Aqwest Customers; and
- Appendix F: Impacts on Busselton Water Customers.