

Economic Regulation Authority (Cost of Supplying Bulk Potable Water to Kalgoorlie-Boulder Reference) Notice 2005

Given by the Economic Regulation authority under section 34(1) of the *Economic Regulation Authority Act 2003*.

1. Citation

This notice may be cited as the *Economic Regulation Authority (Cost of Supplying Bulk Potable Water to Kalgoorlie-Boulder Reference) Notice 2005*.

2. Reference on the cost of supplying bulk potable water to Kalgoorlie-Boulder

- (1) Under section 32(1) of the *Economic Regulation Authority Act 2003*, the Treasurer has referred to the Economic Regulation Authority for inquiry the cost of supplying bulk potable water to Kalgoorlie-Boulder and the surrounding regions.
- (2) The terms of reference for the inquiry are set out in Schedule 1.

3. Period of inquiry

The period of the inquiry is 13 January 2005 to 4 July 2005.

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4. Public submissions

- (1) Members of the public may make written submissions to the Economic Regulation Authority on any matter that is dealt with in the draft report referred to in the terms of reference.
- (2) The draft report will be made available by 6 May 2005.
- (3) Submissions in response to the draft report may be made within 4 weeks after the draft report is made available or any longer period allowed by the Economic Regulation Authority.
- (4) The address for submissions is the Economic Regulation Authority, GPO Box 8469, Perth Business Centre WA 6849.

5. Further information

Further information about matters relating to the inquiry is available on the Economic Regulation Authority's website at <http://www.era.wa.gov.au>.

Schedule 1 — Terms of reference

[cl. 2(2)]

I, ERIC RIPPER, Treasurer, and 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 cost of supplying bulk potable water to Kalgoorlie-Boulder and surrounding regions.

In conducting its investigations the Authority is to report on the following matters:

1. The current cost to the Water Corporation of providing a bulk potable water supply to Kalgoorlie-Boulder and surrounding regions. This should clearly identify the cost to the State Government through its community service obligations (CSO) payments to the Water Corporation.
2. The cost that United Utilities Australia, through its proposed desalinated seawater pipeline from Esperance to Kalgoorlie-Boulder, could provide bulk potable water to Kalgoorlie-Boulder and surrounding regions, over the next 25 years.
3. The cost saving to the Water Corporation for the next 25 years if United Utilities Australia did provide Kalgoorlie-Boulder and the surrounding regions with bulk potable water through its proposed desalinated seawater pipeline.
4. The impact of each option (points 2 and 3) on the State Government's finances, including borrowings and capital expenditure, tax equivalent and dividend revenue and CSO payments.
5. The overall costs and benefits of each option, including the impact on the end consumer and the potential to enhance regional economic development in Kalgoorlie-Boulder and the State generally.

A draft report is to be made available by 6 May 2005. Consultation for this inquiry will be on the basis of the draft report, through

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invitations for written submissions from industry, government and all other stakeholder groups, including the general community.

A final report is to be completed by no later than 4 July 2005.

ERIC RIPPER MLA
DEPUTY PREMIER; TREASURER;
MINISTER FOR ENERGY

Chairman
Economic Regulation Authority