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NOTICE

Inquiry on Competition in the Water and Wastewater Services Sector

FURTHER CONSULTATION REPORT – CALL FOR SUBMISSIONS

The Economic Regulation Authority today published a Further Consultation Report on its Inquiry on Competition in the Water and Wastewater Services Sector. A copy of the report can be obtained from the Authority's <u>web site</u>.

The Further Consultation Report provides more detail on procurement options to ensure water supplies are adequate to meet demand for Western Australia's Integrated Water Supply Scheme. The report outlines the current procurement process, an alternative approach proposed by the Water Corporation, and a slightly modified version of the model first proposed by the Authority in the Draft Report for this inquiry.

The report was produced in response to a request for further detail on the Authority's proposal to establish an Independent Procurement Entity, which would be responsible for ensuring the supply of bulk water supplies at least cost. The report also spells out the roles and responsibilities of the entities involved in bulk water procurement and demand management under each of the alternative approaches.

Lyndon Rowe, the Authority's Chairman, invited interested parties to consider the matters raised in the report and make a submission to the inquiry.

"It is crucial that the institutional arrangements for water supply support the investigation of the widest possible range of new and innovative supply and demand management alternatives", he said.

Other matters in the Draft Report relating to water trading, third party access, retail issues, and regional and remote operations are not discussed in this report. The Authority is continuing to analyse these matters with the final recommendations to be contained in the Final Report.

The Final Report for the inquiry is due to be delivered to the State Government by 30 June 2008, after which the Government will have 28 days to table it in Parliament.

The Authority welcomes submissions on the procurement options presented in the Further Consultation Report. Submissions should be received no later than **4:00pm WST Friday 16 May 2008.**

Submissions can be emailed to <u>watercompetition@era.wa.gov.au</u> or addressed to:

Inquiry on Competition in the Water and Wastewater Services Sector Economic Regulation Authority PO Box 8469
Perth Business Centre PERTH WA 6849

Fax: (08) 9213 1999

Submissions made to the Authority will be treated as in the public domain and placed on the Authority's web site unless confidentiality is claimed. The submission or parts of the submission in relation to which confidentiality is claimed should be clearly marked. Any claim of confidentiality will be dealt with in the same way as is provided for in section 55 of the *Economic Regulation Authority Act 2003*.

For further information contact:

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LYNDON ROWE CHAIRMAN

16 April 2008