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Our ref: #1731190



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Mr Damian Bye
Manager – Water Markets
Australian Competition and Consumer Commission
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MELBOURNE VIC 3001

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Dear Mr Bye

Submission: Review of Water Charge Rules

Thank you for the opportunity to submit on issues pertaining to the ACCC review of Water Charge Rules.

SunWater remains broadly supportive of the Basin Water Charging Objectives and Principles (BWCOP) and we note that this review is not concerned with changing these. SunWater fully supports efforts by the ACCC to simplify and enhance the Water Charge Rules so that they can better contribute to achieving the BWCOP. With this in mind SunWater offers the following suggestions for improvement:

- **Reduce Duplication.** Duplication of customer consultation requirements under the ACCC rules and Queensland Competition Authority's (QCA) process results in additional cost to SunWater with no value to customers. For example, towards the end of SunWater's 2012 water pricing review, SunWater posted the specific ACCC Network Service Plan (NSP) correspondence to our Murray Darling Basin customers (in six SunWater water supply schemes) to comply with ACCC requirements. This is despite extensive consultation, including several well publicised regional consultation sessions in the MDB conducted by the QCA. SunWater's view is that the ACCC NSP compliance correspondence only confused customers, and did not add value.
- **Reduce Notification Requirements.** The requirement to notify all MDB customers annually, in writing, of the schedule of charges within 10 business days of the start of the financial year is a regulatory requirement offering little value add. SunWater's irrigation charges, including termination fees, were published by the QCA in nominal terms in 2012 for the 5 year price path. Therefore customers have extensive visibility over prices to 30 June 2017. The QCA process negates the need for notification under the ACCC rules. However, SunWater produces the customer mail out to ensure compliance, which adds to SunWater's costs but delivers little benefit for customers.
- **Form of Communication.** Sunwater suggests that consideration be given to forms of customer communication other than postal communication. For example, whether water charge information on a service provider's (such as SunWater) website can be deemed sufficient to inform customers of charges or other required information, negating the requirement for postal mail outs.

In closing, I would like to highlight to the ACCC that SunWater, with only 6 relatively small schemes in the MDB, has implemented several systems to ensure compliance with the Water Charge Rules as the rules currently stand. These systems include water accounting and customer relations software systems which are now set up and configured to deal with the current compliance requirements. With this in mind we would ask the ACCC to continue to consult widely with stakeholders, including service providers, to ensure that any changes to the water charge rules do not un-intentionally add to cost by requiring water service providers to develop new compliance systems.

I hope that the above information is of help to the ACCC in its current review. Please do not hesitate to contact Peter McGahan, Manager Commercial on (07) 3120 0083 if any further information is required in regard to this submission.

Yours sincerely



Tom Vanderbyl
GM Operations
SunWater