

7 March 2022

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Australian Competition and Consumer Commission
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Dear [REDACTED],

Under the Water Charge Infrastructure Rules (WCIR), Goulburn Murray Water (GMW) was determined a Part 6 Operator subject to regulation under Part 6 of the rules. The ACCC's accreditation arrangements in those rules allowed Victoria's independent economic regulator, the Essential Services Commission (ESC) to determine and approve the infrastructure charges of GMW under Part 9 of the WCIR.

After the Commonwealth reformed its framework and introduced its amended Water Charge Rules 2010, GMW was subject to transitional provisions for existing Part 6 Operators. Under these rules, it is intended that after the transition period, regulatory oversight of infrastructure charges for on-river infrastructure operators could be passed from the ACCC to the relevant state agency of each Basin state, provided that adequate state arrangements are in place.

In late 2021, the Victorian government passed legislation that will have the effect of allowing the ESC to continue to regulate the Basin charges of GMW after GMW's transition period expires on 30 June 2024.

These arrangements will enable a transition of regulation of Basin charges from the Commonwealth regime back to the ESC under Victoria's regulatory framework and these arrangements are consistent with Rule 29(2)(b) of the Water Charge Rules 2010.

GMW considers that Victoria's regulatory framework operates in a manner consistent with the regulatory thresholds of the Water Charge Rules 2010 and is consistent with the prudence and efficiency requirements in clause 29(2)(b) of the rules. The approach to regulation of GMW's prices under the Victorian regulatory framework broadly aligns with achieving the water charging objectives and principles set out in schedule 2 of the Water Act 2007 (Cth).

In accordance with rule 81 (11) of the Water Charge Rules 2010, GMW wishes to notify the ACCC that it is no longer a part 6 operator and that the application of the requirements in divisions 2, 3 and 4 of Part 6 to GMW would not materially contribute to the achievement of the Basin water charging objectives and principles in Schedule 2 of the Water Act.

Yours sincerely

[REDACTED]
[REDACTED]

