

4 May 2016

Mr Michael Cosgrave
Executive General Manager
Infrastructure Regulation

waternswreview@acc.gov.au

Dear Mr Cosgrave

WaterNSW submission to the ACCC Draft Decision on 16-17 Annual Review of Regulated Charges

Thank you for the opportunity to respond to the ACCC's Draft Decision on WaterNSW water infrastructure charges for NSW Murray Darling Basin customers in 2016-17.

In the Draft Decision, the ACCC noted that the *Water Charge (Infrastructure) Rules 2010* (WCIRs) limit the extent to which the ACCC can deviate from the pricing mechanisms set out in the ACCC 2014-17 Final Decision. Those pricing mechanisms include the application of the unders-and-overs mechanism, which will impose an additional \$1.2M in charges to customers in the 2016-17 year.

WaterNSW agrees that the ACCC's Draft Decision is consistent with the WCIRs and the ACCC 2014-17 Final Decision and has no further comments on the Draft Decision. If the ACCC seeks to substantively deviate from the Draft Decision, WaterNSW would seek further consultation.

Yours sincerely

A handwritten signature in blue ink, appearing to be "David Harris", written over a horizontal line.

David Harris
Chief Executive Officer
WaterNSW