

27 June 2017



The Sydney Desalination Plant (SDP) is part of greater Sydney's water security plan.

IPART has published its <u>Final Report</u> and <u>Final Determination</u> on the prices SDP may charge from 1 July 2017 to 30 June 2022 (2017 determination period).

Our prices mean the annual cost of SDP would decrease for a typical Sydney Water customer.

In 2017-18, when the plant is expected to be shutdown, customers will pay \$85.51, down from \$96.78 in 2016-17. If the plant is called into operation in 2017-18, customers would pay \$130.42, down from \$134.75 in 2016-17.



Our review ensures prices reflect efficiencies in operating expenditure over the determination period. Our prices ensure customers pay no more than is necessary for the services they need.



In making our pricing decisions, we have complied with our <u>Terms of Reference</u>. We have also followed IPART's established price review process.

As part of our review process, we have undertaken an extensive investigation and public consultation process.

We released an Issues Paper in August 2016 and a Draft Report in March 2017 for public consultation. We also Public held а Hearing in December 2016.

We engaged consultants to review SDP's capital and operating expenditure. We then set prices to raise the revenue SDP requires to recover its prudent and efficient costs, when it is operating or shutdown.



New prices take effect from 1 July 2017.



Our reports, stakeholder submissions, the transcript from the public hearing, and consultants' reports are available on our website (www.ipart.nsw.gov.au).

The Final Report and Determination can be accessed <u>here</u>.