

Media Release

1 May 2018

Feedback sought on IPART's financeability test

The Independent Pricing and Regulatory Tribunal (IPART) is seeking feedback on the financeability test we use as part of setting prices across various reviews.

We currently use a financeability test to assess how our price decisions are likely to affect the business's financial sustainability and ability to raise funds to manage its activities, over the upcoming regulatory period.

We last reviewed our financeability test in 2013.

IPART Chair Dr Peter Boxall said the current test is generally working well, but is reviewed periodically to make sure it is functioning as intended.

"Our financeability test acts as a check on our regulatory decisions and assesses the impact of our price decisions on the short-term financial sustainability of the regulated business," Dr Boxall said.

"Nevertheless, we will consider whether we can make improvements to the test if there is a clear net benefit from doing so."

The new financeability test will apply to IPART's decisions that take effect on or after 1 July 2019.

Interested parties have until 1 June 2018 to make submissions to the Issues Paper. The paper is available on IPART's website along with information about how to make submissions. A public round table will be held on 22 May 2018, and you can register to attend the round table on our website.

There will be a further opportunity for submissions once a draft report is released in August 2018.