

TASMANIA

**WATER AND SEWERAGE INDUSTRY (PRICING
AND RELATED MATTERS) REGULATIONS 2021**

STATUTORY RULES 2021, No. 74

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WATER AND SEWERAGE INDUSTRY (PRICING AND RELATED MATTERS) REGULATIONS 2021

I, the Governor in and over the State of Tasmania and its Dependencies in the Commonwealth of Australia, acting with the advice of the Executive Council, make the following regulations under the *Water and Sewerage Industry Act 2008*.

Dated 13 September 2021.

B. BAKER
Governor

By Her Excellency's Command,

MICHAEL DARREL JOSEPH FERGUSON
Minister for Finance

PART 1 – PRELIMINARY

1. Short title

These regulations may be cited as the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021*.

2. Commencement

These regulations take effect on 22 September 2021.

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3. Interpretation

In these regulations –

Act means the *Water and Sewerage Industry Act 2008*;

asset means water infrastructure or sewerage infrastructure;

common property has the same meaning as it has in the *Strata Titles Act 1998*;

connection charge means a charge calculated by reference to the costs that are associated with installing assets that are dedicated to the provision of a regulated service to a particular customer;

contributed asset means an asset –

(a) that has been –

(i) transferred, granted, donated, or given by way of a gift, to a regulated entity by a person; or

(ii) constructed by a regulated entity using funds provided by a person –

under a transaction, or arrangement, by which the person does not receive an asset, item, money, or money's worth, in return; and

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- (b) in relation to which there is no financial interest held by any person, other than the regulated entity, in any part of any of the assets of the entity –

but does not include an asset that was, before 1 July 2011, transferred to the regulated entity under section 41 of the *Water and Sewerage Corporations Act 2008*;

developer charge means a charge referred to in regulation 18;

fixed charge means a charge, which is recurrent, for the provision of a regulated service to a customer, but does not include a variable charge for the service;

general unit entitlement has the same meaning as it has in the *Strata Titles Act 1998*;

lot has the same meaning as it has in the *Strata Titles Act 1998*;

price determination investigation, in respect of a regulated service, means an investigation for the purpose of gathering information that may be required by the Regulator before making a price determination in respect of the regulated service or a variation of such a price determination;

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pricing zone means an area of land in respect of which prices, which will apply for the provision of a regulated service, may vary from the prices charged in respect of another pricing zone;

scheme has the same meaning as it has in the *Strata Titles Act 1998*;

service introduction charge means a charge, in respect of a property, that relates to the installation, alteration or utilisation of assets by a regulated entity so as to enable the provision, by the entity, of a regulated service to the property but does not include –

- (a) a connection charge; or
- (b) a fixed charge; or
- (c) a developer charge;

special unit entitlement has the same meaning as it has in the *Strata Titles Act 1998*;

variable charge means a charge, for a regulated service, that varies according to the volume of the water delivered to, or sewage removed from, the property to which the charge relates.

**PART 2 – MATTERS IN RESPECT OF PRICE
DETERMINATIONS**

Division 1 – General

4. Matters to which Regulator is to have regard

The provisions of this Part are prescribed, for the purposes of section 66(2)(f) of the Act, as matters to which the Regulator is to have regard in making a price determination under that section.

5. Pricing zones

- (1) A price determination may specify that a price and service plan is to include, or is not to include, pricing zones.
- (2) A price determination may only specify that a price and service plan is to include pricing zones if there are significant differences in the costs of providing the regulated service to different areas of land within the area to which the regulated service may be provided by the regulated entity.
- (3) A price determination is not to require that a price and service plan is to include pricing zones if, in the opinion of the Regulator, the costs of implementing such zones would outweigh the benefits of doing so.
- (4) Prices charged, in relation to the provision of a regulated service by a regulated entity in respect

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of properties within a pricing zone, are to reflect, so far as is commercially and technically practicable, the costs of providing the regulated service to the properties.

6. Estimates of changes of prices over life of plan

A price determination is to require a price and service plan to include anticipated changes, over time, of any prices specified in the plan.

Division 2 – Charges policies

7. Developer charges policy

- (1) A price determination is to require a regulated entity's price and service plan to include a policy in respect of developer charges (a *developer charges policy*) that complies with these regulations.
- (2) A regulated entity's developer charges policy is to specify the method by which the amount of a developer charge will be calculated by the entity.
- (3) A regulated entity must ensure that the entity's developer charges policy includes information that enables a person to calculate the amount of the developer charge estimated to be payable in respect of a proposed new development on a property in a region or location.
- (4) A regulated entity's developer charges policy must be published on the entity's website for the period for which the policy is to apply.

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- (5) A regulated entity's developer charges policy is to require the entity to provide an estimate of the amount of the developer charge that is to apply, in respect of a property, to a person who –
- (a) proposes a new development in respect of the property; and
 - (b) provides, to the entity, sufficient information as to the proposals for the new development to enable an estimate to be determined; and
 - (c) requests that an estimate be provided to the person.
- (6) A regulated entity's developer charges policy is to require the entity to provide information, as to how the amount of a charge has been determined by the entity, to a person –
- (a) on whom a developer charge is imposed; and
 - (b) who requests the information to be provided to the person.

8. Service introduction charges policy

- (1) A price determination may require a price and service plan for a regulated entity to include a policy in respect of service introduction charges (a *service introduction charges policy*) that complies with these regulations.

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- (2) A regulated entity's service introduction charges policy is to specify how service introduction charges are to be determined by the entity.
- (3) A regulated entity's service introduction charges policy is to permit an owner of a property to which a service introduction charge relates to pay the charge –
 - (a) over a period of not less than 12 months;
or
 - (b) at the owner's request, over a period of less than 12 months.
- (4) A regulated entity's service introduction charges policy is to require the entity to provide to a person, before a service introduction charge is imposed on the person, an estimate of the amount of that charge that may be imposed on the person.
- (5) A regulated entity's service introduction charges policy is to require the entity to provide, to a person on whom a service introduction charge is imposed, information as to how the amount of the charge has been determined by the regulated entity.

PART 3 – PRICING PRINCIPLES

Division 1 – General

9. Additional pricing principles

The provisions in this Part specify pricing principles that apply, in addition to the pricing principles set out in section 68 of the Act, in relation to prices for the provision of a regulated service.

10. Full cost recovery from certain contracts

- (1) Prices for the provision of a regulated service by a regulated entity to a customer, under a relevant contract, are to allow for the recovery of the full cost of providing the service to the customer.
- (2) For the purposes of subregulation (1), a relevant contract means –
 - (a) a contract, other than a customer contract, that was in force immediately before 22 September 2011 and is still in force; or
 - (b) a contract entered into pursuant to section 61 of the Act.

11. No double-dipping

A cost of providing a regulated service to a customer must not be included in a charge

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imposed on the customer if the cost has been, or is to be, recouped by the imposition on the customer of another charge.

12. Contributed assets

- (1) Prices for the provision of a regulated service are not to be set so as to allow for either of the following:
 - (a) a rate of return in respect of contributed assets;
 - (b) depreciation of contributed assets.
- (2) Despite subregulation (1), prices for the provision of a regulated service are to be set so as to allow for the recovery of expenses incurred by a regulated entity in respect of the operation or maintenance of a contributed asset.
- (3) Subregulation (1) does not apply in relation to a contributed asset of a regulated entity that has been –
 - (a) transferred, granted, or given by way of a gift, to the regulated entity by the Crown or an emanation of the Crown, after 22 September 2011; or
 - (b) constructed by the regulated entity using funds provided by the Crown or an emanation of the Crown after 22 September 2011 –

if the arrangement or transaction under which the asset became an asset of the entity specifies that the return on the assets is to be not more than a rate that reflects the regulatory and commercial risks involved in providing the regulated service.

Division 2 – Particular charges

13. Service introduction charges

- (1) A service introduction charge must not be imposed on a person in relation to a property unless the person is an owner of the property.
- (2) The amount of a service introduction charge imposed on a person in relation to a property is not to be more than is necessary to recoup the reasonable costs incurred by a regulated entity in installing, altering or utilising its assets so as to be able to provide a regulated service to the property.
- (3) For the purposes of subregulation (2), the reasonable costs incurred by a regulated entity are –
 - (a) the costs directly attributable to installing, altering or utilising its assets in a reasonably cost-efficient manner so as to be able to provide a regulated service to the property; and
 - (b) to be calculated so as to reflect variations in the costs of providing the regulated service to different locations or regions.

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- (4) A service introduction charge may be imposed on a person in addition to a fixed charge.

14. Fixed charges

- (1) A fixed charge for a regulated service is to reflect the costs to the regulated entity that –
- (a) are reasonably attributable to providing the service to the property to which the charge relates; and
 - (b) are not recouped through a developer charge or service introduction charge.
- (2) A fixed charge for a regulated service in relation to a property must not be imposed on a person in relation to residential premises situated on the property unless the person is an owner of the residential premises.

15. Imposition of variable charges

- (1) A regulated entity must charge a variable charge for a water service.
- (2) A regulated entity may, but is not required to, charge a variable charge for a sewerage service.
- (3) A variable charge that is imposed for a regulated service must be charged in respect of each unit of water delivered to, or sewage removed from, the property to which the charge relates.

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- (4) The rate of a variable charge to be charged by a regulated entity must not be less than the cost of delivering water to, or removing sewage from, the property to which the charge relates.
- (5) A variable charge for a regulated service is to reflect the costs, to the regulated entity, that are reasonably attributable to the volume of water delivered to, or sewage remove from, the property to which the charge relates.
- (6) Despite subregulation (5), the rate of variable charge to be charged by a regulated entity in respect of a regulated service may be greater than the cost of delivering water to, or removing sewage from, the property, if –
- (a) there are constraints on the amount of water available to be provided by the entity or the capacity of water treatment plants or sewage treatment plants; or
 - (b) there are constraints on the capacity of the regulated entity’s infrastructure; or
 - (c) it is desirable to do so to reduce demand for the supply of water, or removal of sewage, for the relevant purpose; or
 - (d) the Regulator is of the opinion that the rate should be greater than the cost so as to enable the regulated entity to recoup any costs that may not otherwise be recouped by the regulated entity.

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- (7) For the purposes of subregulation (6)(c), the relevant purpose for reducing demand for the supply of water, or removal of sewage, is so as to enable the expenditure in relation to assets that would otherwise be required to meet increased demand for the service to be deferred so that expenditure, in relation to assets, for the purposes of improving health, public safety or the environment may occur instead.

16. When variable charges may not be imposed

- (1) A variable charge for a water service must not be imposed, in relation to residential premises situated on a property, on a person other than the owner of the residential premises.
- (2) All or part of an amount of a variable charge, for a water service in relation to property that is common property, must not be imposed on a person, other than a body corporate formed under the *Strata Titles Act 1998*, unless –
- (a) the person is the owner of a lot that forms part of the scheme to which the common property relates; and
 - (b) the amount of the charge imposed on the person consists of the proportion, of the variable charge in relation to the common property, determined by apportioning the charge –
 - (i) on the basis of the general unit entitlement of the lot; or

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- (ii) if there is in respect of the lot a special unit entitlement for liability for charges for water use, on the basis of the special unit entitlement.

17. Metering of amounts of variable charges

- (1) If there is, on the area of land to which a scheme relates, only one meter in respect of a water service provided to the land, a regulated entity must not impose on a person, other than a body corporate formed under the *Strata Titles Act 1998*, a variable charge for the water service, unless –
 - (a) the person is the owner of a lot that forms part of the scheme; and
 - (b) the amount of the charge imposed on the person consists of the proportion, of the variable charge in relation to the area of land, determined by apportioning the charge –
 - (i) on the basis of the general unit entitlement of the lot; or
 - (ii) if there is in respect of the lot a special unit entitlement for liability for charges for water use, on the basis of the special unit entitlement.

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- (2) A variable charge for a water service, or a sewerage service, provided to a property must, if a meter in respect of the service is installed on the property and is working accurately, be calculated having regard to the records of the meter.
- (3) If a water meter is not working accurately, registers incorrectly or is removed from a property for any reason, a regulated entity may, for the purposes of determining the amount of a variable charge to be imposed in respect of the property, estimate the amount of water delivered to the property for each day during a period –
 - (a) based on the average amount of water supplied to the property under similar conditions on each day in another period; or
 - (b) based on the average amount of water supplied to the property on each day in another period after the meter is repaired or replaced; or
 - (c) by applying a correction factor, if the meter is found to have a consistent error in registering the amount of water being delivered.

18. Developer charges

A regulated entity may impose, in respect of a property to which a proposed new development relates, a charge that relates to the installation,

alteration or utilisation of assets by the regulated entity so as to enable the provision by the entity of regulated services for the purposes of the new development.

19. Amount of developer charges

- (1) The amount of a developer charge to be imposed by a regulated entity in respect of a property to which a proposed new development relates is to be sufficient to, but no higher than is necessary to, recoup the reasonable costs incurred by the entity in respect of the proposed new development.
- (2) For the purposes of subregulation (1), the reasonable costs incurred by a regulated entity in respect of a proposed new development –
 - (a) are those costs directly attributable to installing, altering, or utilising assets, in a reasonably cost-efficient manner, so as to be able to provide a regulated service in respect of the proposed new development; and
 - (b) may reflect variations in the costs of servicing different locations or regions; and
 - (c) may include an excess capacity cost; and
 - (d) are not to include an amount attributable to increased external demand by existing customers.

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- (3) For the purposes of subregulation (2)(c), an excess capacity cost is an amount that is –
- (a) attributable to –
 - (i) the cost of installing, before the proposed new development came into existence, assets which had an excess capacity such that regulated services are able to be provided in respect of the new development without altering the assets; and
 - (ii) the cost of altering or utilising assets that were installed before the proposed new development came into existence so that regulated services are able to be provided in respect of the new development without installing new assets; and
 - (b) proportional to the amount of that excess capacity that is to be utilised in providing the regulated services in respect of that new development.
- (4) For the purposes of subregulation (2)(d), an amount is attributable to increased external demand by existing customers if it is attributable to installing, altering, or utilising assets so as to meet increased demand, for the regulated service, that is –

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- (a) from a connection, or connections, made before the new development to which the charge relates was completed; and
 - (b) greater than anticipated in relation to that connection, or those connections, at the time of the installation, alteration, or utilisation of the assets.
- (5) The amount of a developer charge to be imposed in respect of a property by a regulated entity may, if the regulated entity agrees, be reduced by an amount that –
- (a) is equivalent to the value of a contributed asset to be provided to the regulated entity by a person in respect of the property; and
 - (b) would have otherwise constituted all or part of the amount of the developer charge.
- (6) A regulated entity must not unreasonably refuse to agree under subregulation (5) to a reduction in the amount of a developer charge.

20. Miscellaneous fees and charges

A price determination is to require a price and service plan to include all fees and charges that may be charged by a regulated entity that are not fixed charges, variable charges, developer charges or service introduction charges.

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Part 4 – Price Determination Investigations

**PART 4 – PRICE DETERMINATION
INVESTIGATIONS**

21. Price determination investigations

(1) In this regulation –

excluded amount means –

- (a) an income tax, income tax equivalent, fringe benefits tax or capital gains tax; or
- (b) a tax, charge, levy, duty or imposition that replaces a tax referred to in paragraph (a); or
- (c) a fee or charge payable under the Act; or
- (d) an amount payable under a contract; or
- (e) a fine or other penalty;

relevant tax means a tax, charge, levy, duty, or imposition, other than an excluded amount, that –

- (a) is directly attributable to the provision of a regulated service; and
- (b) in the opinion of the Regulator, is not normally absorbed by a

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business in a fully competitive market;

tax event, in relation to a price determination, means –

- (a) the imposition on a regulated entity of an obligation to pay an amount which –
 - (i) it was not obligated to pay immediately before the price determination was made; and
 - (ii) arises from the imposition of a relevant tax; or
- (b) a change in the manner in which, or the rate at which, a relevant tax is calculated, which results in a change in an amount that a regulated entity is required to pay (whether directly or by reason of an adjustment under a contract of an amount payable under that contract) in respect of relevant taxes, from the amount that the entity was so required to pay immediately before the price determination was made; or
- (c) the removal of a relevant tax, which removal results in a change in an amount that a regulated entity is required to pay (whether

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directly or by reason of an adjustment under a contract of an amount payable under that contract) from the amount that the entity was so required to pay immediately before the price determination was made.

- (2) The Regulator must conduct a price determination investigation before making, or varying, a price determination in respect of a regulated service.
- (3) Subregulation (2) does not apply in relation to a variation, of a price determination, that varies prices specified in the price determination if that variation is, in the opinion of the Regulator, required because there has been a material change in the costs incurred by a regulated entity as a result of –
 - (a) complying with new or additional legislative requirements; or
 - (b) a tax event after the price determination that is to be varied is made.

22. Notice of investigation

- (1) At least 11 months before the expiration of a price determination in respect of a regulated service, the Regulator must give the relevant notice of the Regulator's intention to make a price determination after conducting a price determination investigation.

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- (2) At least 6 months before the expiration of an interim price order in respect of a regulated service, the Regulator must give the relevant notice of the Regulator's intention to make a price determination after conducting a price determination investigation.
- (3) At least 2 months before varying a price determination in respect of a regulated service, the Regulator must give the relevant notice of the Regulator's intention to vary the price determination after conducting a price determination investigation.
- (4) Subregulation (3) does not apply to a variation to which regulation 21(3) relates.
- (5) The relevant notice in respect of a price determination investigation is given by the regulator under subregulation (1) or (2) if a notice containing the relevant matters is –
 - (a) given to the Treasurer; and
 - (b) given to each regulated entity that provides the regulated service to which the investigation is to relate; and
 - (c) published in such newspapers circulating in Tasmania, or in such other manner, as the Regulator thinks fit; and
 - (d) set out on a website of the Regulator for a period of not less than 60 days.

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- (6) A notice for the purpose of this regulation in relation to a price determination investigation is to specify –
- (a) the regulated service to which the investigation is to relate; and
 - (b) the purpose of the investigation; and
 - (c) the day by which the price determination, or variation of a price determination, to which the investigation relates is to be made; and
 - (d) the proposed duration of the regulatory period of the price and service plan in respect of the regulated service; and
 - (e) the day by which the Regulator is to make available for consideration by the public, under section 66 of the Act, the proposed price determination, or proposed variation of a price determination, in respect of the regulated service; and
 - (f) that a person may make a submission to the Regulator about a matter, in a form, and within a period, specified in the notice.
- (7) A notice for the purpose of this regulation may specify the matters that the Regulator considers would be desirable to be addressed in submissions to the Regulator.

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- (8) The Regulator may, by giving notice to the persons, and in the manner, set out in subregulation (5), amend any of the details specified in a notice given under this regulation.

23. Conduct of price determination investigations

- (1) Subject to these regulations, the Regulator may do anything necessary or convenient for the purpose of conducting a price determination investigation.
- (2) Subject to these regulations, the Regulator may conduct a price determination investigation in the manner that the Regulator thinks appropriate.
- (3) Without limiting the generality of subregulation (2), the Regulator may, at the Regulator's discretion, do one or more of the following:
- (a) consult with any person;
 - (b) hold seminars;
 - (c) hold hearings;
 - (d) receive written and oral submissions.
- (4) In conducting a price determination investigation, the Regulator is not bound by the rules of evidence but may be informed of any matter in any manner that the Regulator considers appropriate.

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24. Hearings

- (1) The Regulator must, before holding a hearing for the purposes of a price determination investigation, give at least 14 days' notice of the hearing, published in one or more daily newspapers circulating in Tasmania.
- (2) A notice of a hearing for the purpose of subregulation (1) is to specify –
 - (a) the purpose of the hearing; and
 - (b) the time and place at which the hearing is to be held.
- (3) A hearing referred to in subregulation (1) is to be held in public.
- (4) Despite subregulation (3), the Regulator may, if satisfied that it would be in the public interest to do so, or that evidence to be presented is, or is likely to be, of a confidential or commercially sensitive nature –
 - (a) direct that a hearing, or part of a hearing, is to take place in private and give directions as to the persons who may be present at the hearing; and
 - (b) give directions prohibiting or restricting the publication of evidence given, or documents produced, at the hearing.
- (5) A person must not contravene a direction given under subregulation (4).

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Penalty: Fine not exceeding 100 penalty units.

- (6) The following information is taken to be classified by the Regulator as confidential and is not liable to disclosure under the *Right to Information Act 2009*:
- (a) evidence given, or documents produced, at a hearing to which a direction under subregulation (4)(b) relates;
 - (b) records of the giving or production of evidence, or documents, to which paragraph (a) relates.
- (7) For the avoidance of doubt, a reference in this Part –
- (a) to a hearing includes a hearing held electronically; and
 - (b) to attending a hearing includes attending a hearing electronically; and
 - (c) to attending before the Regulator includes attending before the Regulator electronically.

25. Requiring persons to give evidence or provide documents

- (1) For the purposes of a price determination investigation, the Regulator may, by written notice to a person, require the person to do any one or more of the following:

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- (a) attend before the Regulator and answer questions which are, in the opinion of the Regulator, relevant to the investigation;
 - (b) provide to the Regulator, in the manner specified in the notice, a document specified in the notice that is in the person's possession or control and that, in the opinion of the Regulator, is relevant to the investigation;
 - (c) provide to the Regulator, in the manner specified in the notice, any other information, specified in the notice, that, in the opinion of the Regulator, is relevant to the investigation.
- (2) The Regulator may not impose, under subregulation (1), a requirement on a person –
- (a) to answer a question, or provide information, if to do so would require the person to divulge information contained in, or relating to, a Cabinet record; or
 - (b) to provide a Cabinet record to the Regulator.
- (3) A person who attends before the Regulator pursuant to a requirement imposed under subregulation (1) may, at the Regulator's discretion, be paid by the Regulator the reasonable allowances and expenses determined by the Regulator.

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26. Use of documents and other information

- (1) The Regulator –
 - (a) may examine, take possession of, make copies of, and take extracts from, any document provided in accordance with a requirement imposed under regulation 25(1)(b); and
 - (b) may retain that document for as long as is necessary for the purposes of a price determination investigation.
- (2) The Regulator must allow a person (an *interested person*), at any reasonable time, to inspect, make a copy of, or take an extract from, a document provided in accordance with a requirement imposed under regulation 25(1)(b), if –
 - (a) the document is the only copy of, or an original of, a document; and
 - (b) the Regulator has previously advised the owner of the document, or the person who provided the document, that the Regulator intends to allow an interested person to inspect, copy, or take an extract from the document.
- (3) The Regulator may give directions prohibiting or restricting the publication of –
 - (a) any answer, document, or other information provided to the Regulator

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- under a requirement imposed under regulation 25(1); or
- (b) a part of any such answer, document, or other information; or
 - (c) a copy of, or extract from, any such answer, document, other information or part.
- (4) A person must not contravene a direction given under subregulation (3).
- Penalty: Fine not exceeding 100 penalty units.
- (5) The following information is taken to be classified by the Regulator as confidential and is not liable to disclosure under the *Right to Information Act 2009*:
- (a) an answer, document, or other information given in accordance with a requirement imposed under regulation 25(1) or part of any such answer, document, or other information given;
 - (b) records relating to the production of any such answer, document, other information or part.
- (6) The Regulator may, as the Regulator thinks appropriate, publish to any person –
- (a) any answer, document, or other information given in accordance with a

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- requirement imposed under
regulation 25(1); or
- (b) part of any such answer, document, or other information given.
- (7) Despite subregulation (6), the Regulator may not publish an answer, document, or other information given in accordance with a requirement imposed under regulation 25(1), or part of any such answer, document, or other information so given, if –
- (a) the publication to that person would contravene a direction given under subregulation (3); or
- (b) the answer, document, other information or part contains information that is exempt information under the *Right to Information Act 2009*; or
- (c) the answer, document, other information or part consists of, or contains, information that could damage the commercial interests of a person, and the Regulator is of the opinion that the damage or possible damage to that person outweighs the public benefit from its publication.

27. Proposed price determination

- (1) The Regulator must, before making a price determination under section 66 of the Act in

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respect of a regulated service to which a price determination investigation relates –

- (a) prepare a proposed price determination in respect of the regulated service; and
 - (b) consider all submissions received by the Regulator within the period specified under subregulation (4) in the covering notice in relation to the proposed price determination.
- (2) The Regulator is to –
- (a) provide a copy of a proposed price determination to the Treasurer together with a covering notice; and
 - (b) provide a copy of a proposed price determination to each regulated entity to which the proposed price determination relates, together with a covering notice.
- (3) A proposed price determination is to include a statement of the purpose of, and the reasons for the decisions contained in, the proposed price determination.
- (4) The covering notice referred to in subregulation (2) is to invite persons to make submissions to the Regulator, at an address specified in the proposed price determination, in relation to the proposed price determination within the period specified in the notice.

28. Cost of price determination in investigation

- (1) The Regulator may, by notice served on a regulated entity that provides a regulated service to which a price determination investigation relates, require the entity to pay the costs of the Regulator specified in the notice.
- (2) The costs that may be specified in a notice under subregulation (1) are –
 - (a) all or part of the expenses reasonably incurred by the Regulator in conducting, and reporting on, the price determination investigation; and
 - (b) all or part of any expenses incurred in making a price determination available to the public after the price determination investigation takes place.
- (3) A regulated entity is liable for the costs specified in a notice given to the entity under subregulation (1).
- (4) The Regulator may recover in a court of competent jurisdiction, as a debt due and payable, an amount specified in a notice under subregulation (1).

PART 5 – MISCELLANEOUS

29. Price determination does not authorise breach of contract

Nothing in a price determination is to be taken to permit a regulated entity that has a contract with a customer that –

- (a) is in force immediately after the price determination is made; and
- (b) was in force before that determination is made –

to charge prices in relation to the provision of a regulated service, or to set terms or conditions for the provision of that service, that are inconsistent with the prices, and other terms and conditions, forming part of the contract.

30. Strata title bodies corporate to give notice of creation of, or change in, entitlements

A body corporate in respect of a scheme must, within 30 days after –

- (a) a change in the general unit entitlement in relation to the scheme; or
- (b) the creation of, or a change in, a special unit entitlement, in relation to the scheme, which relates to liability for charges for water use –

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give written notice of the change or creation to a regulated entity whose infrastructure is connected to the property on which the scheme is situated.

Penalty: Fine not exceeding 20 penalty units.

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Notified in the *Gazette* on 16 September 2021.

These regulations are administered in the Department of Treasury and Finance.

EXPLANATORY NOTE

(This note is not part of the regulations)

These regulations –

- (a) specify, for the purposes of the *Water and Sewerage Industry Act 2008* –
 - (i) pricing policies in respect of regulated services; and
 - (ii) matters to which the Regulator is to have regard in the making of price determinations under the Act; and
 - (iii) the conduct of price determination investigations; and
- (b) are made consequent on the repeal of the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2011* under section 11 of the *Subordinate Legislation Act 1992*.