
Industry Panel

MS MARY ANNE HARTLEY Q.C.

MS SALLY FARRIER

MS CLAIRE THOMAS PSM

Dear Sir/Madam

Industry Panel Review of the Independent Competition and Regulatory Commission's Price Direction for Regulated Water and Sewerage Services July 2013 – June 2019

I am writing to you because you have notified the Independent Competition and Regulatory Commission (ICRC) of your intention to appear as a party in the review of the price direction made by the ICRC for regulated water and sewerage services for the period from 1 July 2013 to 30 June 2019 (the original price direction).

The Industry Panel (the Panel) has been established under the *Independent Competition and Regulatory Commission Act 1997* (the Act) to conduct this review.

The Panel is cognisant of the need to provide certainty about the pricing of water and sewerage services in the ACT, and is therefore aiming to complete the review in time for its final decision to be presented to the Legislative Assembly before the end of 2014.

The Panel's proposed approach to the review

The enclosed Approach Paper, which the Panel will place on its public website (<http://apps.treasury.act.gov.au/industrypanel>), provides an overview of the Panel's intended approach to the review.

The Panel is cognisant of the need to resolve the matter of ACTEW's prices for water and sewerage services expeditiously. However, an important objective for the Panel is that the pricing direction it ultimately decides to adopt is robust and will stand up to scrutiny, and so it will have regard to accepted, well-tested regulatory techniques.

The directions hearing

As outlined in the Approach Paper, the Panel intends to convene a directions hearing of the parties to the review on the morning of **Friday, 25 July 2014** in Canberra (at a venue and time to be advised). At this directions hearing, the Panel will consider and make directions in respect of:

- the date for the filing of a 'Statements of Facts and Contentions' by ACTEW Corporation Limited (ACTEW);
- the filing and format of submissions by other review participants; and
- any other procedural directions as the Panel considers appropriate.

INDUSTRY PANEL

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The directions hearing will also cover topics such as the documents and information that the Panel will be taking into account during its investigation and procedural matters, including the procedures for the filing of materials to the Panel, and procedures for confidentiality.

Feedback sought from review parties

At the directions hearing, parties will also have an opportunity to provide feedback on the Panel's proposed approach to the review (as outlined in the enclosed Approach Paper). The feedback sought is in response to the procedural aspects of the review set out in the Approach Paper. It is not required at this time for you to make submissions or comments on the matters that will form part of the Panel's substantive price review.

The Panel would request that any feedback be provided in writing by no later than **18 July 2014** so that it can be considered ahead of the directions hearing. Only parties submitting written feedback by this date may be heard by the Panel at the directions hearing, in order to ensure its efficient running. The Panel intends to place all written submissions on its website in due course.

The Panel reminds all parties that the ACT community will also have an opportunity to provide feedback to the Panel once it has released its draft decision. It will be at this stage when the implications of the Panel's investigations on the pricing of water and sewerage services will become clear.

Information requested of ACTEW

The Panel has also written to ACTEW, outlining the directions that the Panel intends to make in respect of it. (Consistent with the Industry Panel's charter commitment to be open and transparent, the copies of all relevant letters sent to ACTEW and other review participants will be posted on the Panel's website. A copy of the Panel's charter is included in the Approach Paper.)

Further information

If you have any questions in relation to the matters raised in this letter or the enclosed Approach Paper, please contact the Panel's secretariat on tel: (02) 6207 6128 or email: industrypanel@act.gov.au. Any written feedback can be emailed to this address, or posted to:

Industry Panel
GPO Box 158
Canberra ACT 2601

The Panel looks forward to working cooperatively with all parties as it embarks on its review.

Yours faithfully



Mary Anne Hartley QC
President of the Industry Panel

30 June 2014