



## MEDIA RELEASE

### Monitoring of South-East Queensland Retail Water and Wastewater Prices and Costs for 2012-13

4 April 2013

The Queensland Competition Authority (QCA) today released its final report into the water and wastewater services of Queensland Urban Utilities (QUU) and Unitywater.

“The report concludes three years of price monitoring of Queensland Urban Utilities (QUU) and Unitywater by the QCA.” said QCA chairman Malcolm Roberts.

“Price monitoring of monopoly businesses helps ensure that services are delivered efficiently with no exercise of market power to inflate prices.

“The 2012-13 report finds that there is no evidence that QUU and Unitywater are exercising market power. The revenue for both businesses is below the QCA’s independent estimates of the costs of delivering their services.

“During 2012-13, the total water bill for households serviced by QUU and Unitywater actually fell in south east Queensland. This occurred as the Queensland Government provided an \$80 rebate for bulk water to households. The Government also imposed a CPI cap (1.3%) on price increases in 2012-13 for household and small business customers.

“For services not subject to the CPI cap, the QCA has found that the increase in charges for these services is consistent with the increase in prudent and efficient costs.

“Price monitoring over the last three years has contributed to greater transparency and accountability in the water sector.

“Over the three years of price monitoring, businesses (including Allconnex) reduced their forecasts for capital expenditure by about \$1.1 billion and operating expenditure by \$127 million from their original 2010-11 forecasts. While the entities cited a range of factors for these reductions, the discipline of price monitoring encourages close attention to costs.” Dr Roberts said.

The QCA will monitor water and wastewater prices, costs and revenues for 2013-15 in Logan, Redland, and Gold Coast City Councils as well as for QUU and Unitywater.

For more information on the Authority’s monitoring of SEQ retail water and wastewater prices and costs for 2012-13 visit: [www.qca.org.au/water/SEQRetailPriceMon/1213review.php](http://www.qca.org.au/water/SEQRetailPriceMon/1213review.php)

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