

30 January 2015

Mr John Hindmarsh
Chief Executive Officer
Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

Dear Mr Hindmarsh

Submission: SEQ Bulk Water Price Path 2015-18 Draft Report

Thank you for the opportunity to put forward a submission to the Queensland Competition Authority's (QCA's) Draft Report on the South-East Queensland bulk water price path for 2015-18 (the Draft Report).

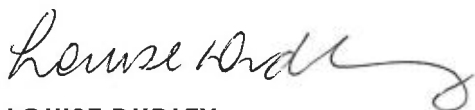
The QCA's proposed draft reduction in the future bulk water price path will provide relief to customers following a period of continued significant increases in bulk water prices. Queensland Urban Utilities supports ongoing efficiency measures throughout the water and sewerage industries that will provide cost relief to customers through lower prices.

As required by legislation and the Water and Sewerage Services Code, any final changes in the bulk water price path adopted by Government will be passed on in full by Queensland Urban Utilities to our customers, with the bulk water price identified on water and sewerage bills.

Queensland Urban Utilities acknowledges the work that has been undertaken for the review so far – by the QCA, its consultants and also by Seqwater. It should be noted however that the majority of the recommendations for reductions in capital expenditure related to a lack of documentation for programs with proposed expenditure beyond 2017/18. This potentially means that at the time of the next recommended review of the price path, it is possible that documentation for these programs will exist and therefore the costs will be re-instated into the price path, which could result in a subsequent increase in the price path.

If you have any queries about this submission to the review, please contact Tim Ryan on 07 3855 6161.

Yours sincerely



LOUISE DUDLEY
Chief Executive Officer
Queensland Urban Utilities