

STATEMENT

Review of Gladstone Area Water Board's 20210 - 2025 prices

Update Two

Gladstone Area Water Board (GAWB) is proud to contribute to the Gladstone community by providing high-reliability bulk water services to both our industrial customers and the Gladstone Regional Council.

GAWB is periodically reviewed by the Queensland Competition Authority (QCA) to ensure it operates prudently and efficiently. The current investigation covers prospective water prices for the 1 July 2020 to 30 June 2025 period.

Bulk water prices for the Gladstone region are some of the lowest in Queensland. Based on our regulatory submission, the proposed average price of bulk water services will remain one of the lowest in Queensland.

The total cost of delivering water to domestic customers is a combination of the bulk water price (of which GAWB is just one supplier), plus the added costs of distribution and retail water services. GAWB cannot comment on the total cost of water for domestic customers, as it is outside our control – we are one part of a complex supply chain.

The QCA review also provides an independent assessment of GAWB's capital and operating expenditure. Our proposed capital program is largely made up of asset replacement activities and works required to meet legislative requirements. These are necessary activities to ensure customer expectations on reliability continue to be met.

GAWB is pleased that Gladstone Regional Council has actively engaged in this process and encourages all customers to participate in the QCA's public consultation process.

We look forward to receiving the draft pricing decision from the QCA in February 2020.

Ends.

For more information, please contact:

Grace Duckham (07) 4976 3054 / 0438 673 776