



# Economic Regulation Authority

Western Australia

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## INQUIRY ON THE COST OF SUPPLYING BULK POTABLE WATER TO KALGOORLIE-BOULDER

The Treasurer has asked the Economic Regulation Authority to undertake an inquiry into the cost of supplying bulk potable water to Kalgoorlie-Boulder and surrounding regions.

The current supplier of bulk potable water is the Water Corporation: the water is sourced in Perth and piped to Kalgoorlie. United Utilities Australia has proposed piping desalinated seawater from Esperance to Kalgoorlie as an alternative.

The overall costs and benefits of each option are to be considered. The request is in accordance with section 32(1) of the *Economic Regulation Authority Act 2003*, which allows the Treasurer to refer such an inquiry to the Authority.

The matters that the Treasurer has requested the Authority consider in undertaking the inquiry include:

- the current cost of providing bulk potable water to Kalgoorlie-Boulder and surrounding regions;
- the cost of bulk potable water delivered to Kalgoorlie-Boulder and surrounding regions by United Utilities Australia, by means of its proposed desalinated seawater pipeline from Esperance;
- the cost savings to the Water Corporation over the next 25 years if United Utilities Australia were to provide bulk potable water to Kalgoorlie-Boulder and surrounding regions;
- the impact of the alternative options on the State Government's finances; and
- the overall costs and benefits of each option, including the impact on consumers and enhancement of regional economic development in Kalgoorlie-Boulder and the State in general.

In accordance with the [Terms of Reference](#) the Authority will publish a draft report by 6 May 2005 and will call for submissions from interested parties.

A final report will be submitted to the Treasurer by 4 July 2005. In accordance with section 36(3) of the *Economic Regulation Act 2003*, the Treasurer will have 28 days to lay the final report before each House of Parliament.

For further information contact:

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