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Your submission for this review:

To IPART I have major concerns regarding the water pricing proposed by WaterNSW. I operate a small farming enterprise adjacent to the Hunter River and I rely on irrigation to support my pasture growth. The pricing increases for water will significantly reduce the margin I make on providing weaner calves for the beef market. I can not see how the cost recovery business plan of WaterNSW is sustainable as they force more people out of irrigating, the few that are left will not be able to cover the costs. The Hunter Valley has the highest water costs in NSW. This is driven by large infrastructure built for power stations and when the state government sold the power stations to private enterprise, they did not recover the forward water supply costs, but simply charged the same rate to the power stations as the other water users. This will create even bigger issues once the coal fired power stations close down. WaterNSW is a monopoly and does not experience any competitive tension in the market place so they are not incentivized to find ways to increase revenue through more customers, or save costs through efficiencies and spend reductions. TransportNSW do not run a users pay system, otherwise we would see metropolitan people paying full price for tolls and metro systems. One could think that votes may be involved. The COVID pandemic made people and governments realize that food security was an important consideration for the future. The best way to ensure this, is to have a healthy agriculture sector and for everyone to contribute to this through their taxes to spread the costs for providing water to farmers and communities. High fixed charges for water as proposed by WaterNSW do not support efficient water use. Having already paid people feel they need to use the water. Lower fixed charges for license quantities held, and higher usage charges would make more sense but WaterNSW are trying to convince everyone that certainty of costs and revenue is more important. This point of view lacks vision as they will run out of customers and income. WaterNSW's obsession to meter the highest possible quantity of water taken from rivers and transfer data to a central location via telemetry, is using a sledge hammer to break a walnut. It is the correct method for western rivers and flat landscapes where the customers have larger offtakes, but it does not translate to coastal valleys where there is a lot of smaller users and the terrain makes communication systems difficult. A lot of areas do not have mobile phone service. The threshold for being required to have telemetry is too low. People can enter there meter readings into iwas manually as they currently do with no extra cost to the customer, but unfortunately WaterNSW are passing telemetry system costs onto the customers so they can move closer to being able to monitor the rivers from a central location. This centralization of water management to Sydney will result in more bureaucracy and less service for the regions. WaterNSW will loose touch with what is happening in the valleys. It is important that we all work together to conserve water, our most precious resource, but a strategy of pricing water so high that the agricultural sector can not afford to use it is not sustainable. Costs of production will move various agricultural industries to other states and NSW consumers will pay higher costs for transport of the goods back to the state. It is time that a rethink was had on how we manage water in NSW and a sustainable model was developed for the future, so that all the people of the state benefit from a viable agriculture sector.