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Date of submission: Thursday, 15 April 2021

Submission: Oberon is a small rural council in the Fish River Valley area and is provided bulk raw water by WaterNSW from Oberon Dam under agreement together with other local and private customers and is situated at the headwaters of the Fish River System, being Oberon Dam.

WaterNSW provides bulk raw water to Oberon Council for critical town water supply. It is Councils only source of water. The system directly links to Councils own water infrastructure plant less than 500 metres from the head wall of the Dam. Under the current pricing proposal Oberon Council will be expected to allocate substantial additional funds to pay for end of life infrastructure all downstream of the Oberon Council takeoff point. It is considered that this is the maintenance responsibility of WaterNSW not CAPEX projects and should have been reserved over many years by the owners of this infrastructure. It is Councils contention that this substantial impact (which upon initial calculations would be similar to a 2% Special Rate Variation) upon a small rural Council is unacceptable in the current climate where drought is still an ongoing concern.

Over the past twelve months Oberon has endured drought, snow, bushfire, flood and a global pandemic, the additional charges on a small rural council (as proposed) are unrealistic on an already excessively priced scheme (compared to other valleys).

Further, it should be noted that although significant rain has occurred over the past 6 months Oberon Dam is still under 50% capacity. Consequently water received from WaterNSW is not always of a quality Oberon Council expects given the current costs for bulk water. Council urges IPART to allow for a scaled pricing of bulk raw water dependent on quality.

It is the view of Oberon Council that the proposed increases in the supply of bulk raw water to subsidise WaterNSW responsibility re their infrastructure should not be passed on to the rate payers of Oberon.