

**Cudgegong Valley Water Committee.**

**PO Box 827  
Mudgee.**

**NSW. 2850.**

IPART Doc No.....File #.....
---------------------------------

Professor Thomas **Parry**  
Chair  
Independent Pricing and Regulatory Tribunal of NSW  
Level 2, 44 Market St  
SYDNEY NSW 2000.

25<sup>th</sup> April, 2001.

Dear Professor Parry,

**Re: Cudgegong Valley/ Macquarie Valley Submission to the DLWC Bulk Pricing Proposal 2001-2004.**

We wish to support the submissions made by the Macquarie Customer Services Committee and Macquarie River Food and Fibre.

We would also like to add that industry **dependant** upon irrigation in **the Cudgegong Valley** is at a very sensitive stage of development and we refer principally to the wine and grapegrowing industry, one that is now larger than the Hunter Valley industry. Cudgegong Valley water users will not be able to afford the water price increases recommended by the DLWC. An example of how inappropriate these increases are is explained below.

The **DLWC** submission refers to charging irrigators 90% of operating **costs** of the Windamere Dam, as noted in the Full Cost **Recovery** section of the submission. Cudgegong Valley irrigators, during the 2000/2001 season used **less than .007% of the** storage capacity of the Windamere Dam. It would **also be important** to identify **other** beneficiaries before any pricing decisions were made. The Cudgegong irrigation industry is approaching optimum production after **almost** a decade of huge capital **infrastructural** investment, it is essential to the **future** of the industry that costs are **contained** at near to or current levels,

We appreciate and support the role of **IPART** in its pricing role and also support the NSWIC in requesting a **freeze** on full cost recovery moves until all the facts are available and a full and proper analysis has been made,

Yours sincerely



**Trevor Crosby**  
**CHAIR.**