



21 October 2020

Review of Water NSW's rural bulk water prices  
Independent Pricing and Regulatory Tribunal  
PO Box K35  
Haymarket Post Shop, Sydney NSW 1240

Dear Dr Paul Paterson, Ms Deborah Cope and Ms Sandra Gamble,

**Letter of support - NSW Irrigators' Council submission**

The Ricegrowers' Association of Australia (RGA) would like to formally acknowledge its support for the NSW Irrigators' Council submission in response to the Issues Paper for the Review of Water NSWs Rural Bulk Water Prices.

The RGA is the peak body for and collective voice of NSW rice growers representing around 1200 voluntary rice grower members located predominately within the NSW Murray and Murrumbidgee valleys. The RGA's main objective is to represent members on issues affecting the viability of their businesses, their communities and their industry.

Water is an essential input into rice production, and hence the proposed increase is a key concern for grower members. In a reasonable water year, the rice industry is one of the largest water users in our two valleys, and therefore rice grower contribute a significant volume of the revenue generated through the relevant NSW water charges.

In particular, the RGA does not support the Water NSW proposal for a 1 year determination period, and rather would prefer that the determination period adheres to the established 4 year due process. In particular, we feel that this is necessary to provide growers with certainty regarding water prices, and to reduce the inefficiencies and associated costs with undertaking the pricing review process more frequently than is necessary.

The RGA also believes that the basis for distributing the operational and capital expenditure costs is flawed and consequently irrigators are required to contribute to a much greater share of these costs than is reasonably. The RGA believes that a 'user-pays' principle for distributing costs is a more equitable framework than the current 'impactor pays' framework.

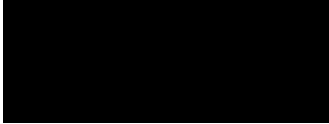
Furthermore, the RGA finds it hard to believe that WaterNSW has sought to base this pricing proposal upon the efficient costs of water delivery considering the steep increase in prices proposed, and therefore encourages IPART to seek out further cost efficiencies when conducting this review.

In addition, the RGA would like to see a greater level of transparency and cost efficiency regarding the significant increases proposed for the MDBA 'pass through' costs.



We therefore encourage IPART to pay careful consideration to the concerns raised by the detailed submission provided by our peak body, the NSW Irrigators' Council. We otherwise thank you for the opportunity to provide our letter of support to this review.

Yours sincerely,



**ROB MASSINA**  
RGA PRESIDENT