



Your reference :
Our reference : DOC12/30423
Contact : Derek Rutherford

Dr Peter Boxall AO
Chairman, Review of Rural Water Charging Systems
Independent Pricing and Regulatory Tribunal
PO Box Q290
SYDNEY NSW 1230

Dear Dr Boxall

The NSW Office on Environment and Heritage makes the following submission to the 'Review of Rural Water Charging Systems Water – draft recommendations July 2012' by the Independent Pricing and Regulatory Tribunal.

Background:

1. The NSW Office of Environment and Heritage (OEH) environmental water holdings as at 30 June 2012 included 158 GL of water entitlements with an associated long term average yield of 82 GL. These holdings include high security, general security, conveyance, supplementary and unregulated water entitlements.

Response to Draft Recommendations:

1. Recommendation 2 indicates that State Water should explore a higher fixed to variable tariff structure (90:10) with the Commonwealth Environmental Water Holder before submitting the proposal to ACCC for the 2014 price determination. Given that OEH is also a large environmental water entitlement holder, we request that OEH be included in these considerations, as a similar tariff structure may suit our budget processes.

If you require any further clarification in relation to the OEH submission, please contact Sandra Walpole on 02 6229 7153.

Yours sincerely

27/7/12

DEREK RUTHERFORD
Divisional Director Waters, Wetlands and Coast
Environmental and Heritage Policy and Programs