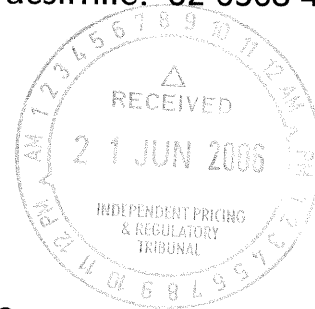


Nambucca Water Users & Management Group

19 Cooper Street
MACKSVILLE, NSW, 2447
Facsimile: 02 6568 4415

The Chief Executive Officer,
Independent Pricing and Regulatory Tribunal,
P O Box Q290,
QVB POST OFFICE, NSW, 1230.



Dear Sir,

Re: Your Reference: 05/382

Thank you for the Water – Draft Determinations and Draft Report on Bulk Water Prices for State Water Corporation and Water Administration Ministerial Corporation which we received on 9th June, 2006.

From a previous determination some years ago Customer Service Committees were established. For the first time unregulated water users were provided with a vehicle to express concerns in the hope of better communications with the Department (now DNR). Despite our representations and the establishment of these Committees, we were never able to establish just what services we receive to have a fair user-pays system. When determining the price we should pay for water, this becomes a real problem.

Now, even this avenue has been taken away from us with the corporatisation of State Water. However, the issue of what we are paying for remains.

In the Nambucca there are very few gauging stations and we receive very few services – for example when the river is low we usually have to ring DNR to bring this to their attention. In fact, the only time we seem to have seen officers from this Department for many years now, is when it is related to resource management/environmental issues. We have suffered having our rivers classified as stressed when it is now obvious that the embargo on issuing water licences was more due future requirements with COAG agreements, than any stress factors.

From time to time metering is discussed, yet at the end of the day, the majority of water licences in this Shire are an insurance for dry times. The cost of installing meters –v- amount of water pumped, plus the cost of reading these meters –v- amount recovered, would be a wasteful exercise. In fact, as we see more land subdivided, water use will probably be in decline for some time to come.

The real fear from this determination will arise when our licences are changed from area based to volume of entitlement. As mentioned before, most licences are an insurance for dry times, hence some of the licences are sleeper licences. If all the irrigators were to be charged for the volume of their

entitlement we will see massive increases in the cost of maintaining this insurance.

The result of this could be that many will choose to dispose of their licences. While this may not put stress on the river in usual times, we could see huge problems in times of drought.

This could result, in some cases in an increase of 700%!

In unregulated systems, we provide the infrastructure and as mentioned previously, we get very little service from DNR and yet for the same water use some could see an increase of 700%!

We trust that in pointing out these issues IPART will understand our predicament and consider holding a special hearing for unregulated water users who always seem to be left out in the dark.

Yours sincerely,
Nambucca Water Users & Management Group,

A handwritten signature in cursive script that reads "Tawne Reed". The signature is written in black ink and is positioned above a short horizontal line.

Secretary.