

Paterson River Water Users Association
C/- Creebank,
Vacy NSW 2421

Submission from PRWUA to IPART re The Draft Determination for Bulk Water Prices for State Water and Water Administration Ministerial Corporation. May2006

Dear Sir,

In principle The PRWUA wholeheartedly supports the submission of The State Water Coastal Valleys Customer Service Committee.

However if we were charged prices for the true cost of running Lostock , which we understand would fall somewhere between the North and South Coast it would make the dairy businesses on the Paterson River, the biggest user of water, unviable. It would also result in the beef businesses if not ceasing irrigation greatly reducing irrigation. Sales of water from Lostock would almost cease.

It is our understanding of Dam Safety issues on Lostock that the cost of running Lostock with no water delivery is very high.

It would make no commercial sense for Treasury to pay all the fixed costs because the determination process stops water use from Lostock. We consider the recommendation by the CVCSC is both fair to the Hunter irrigators, allows viable use of the water resource and openly recognises the inefficiencies of the Lostock infrastructure.

If there is no fundamental change in the approach taken by IPART we want to stay grouped in with the Hunter.

David Williams

Secretary