

MH JIM COX
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
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→ John Kad

I am writing re a couple of issues that concerne me in addition to those raised by Macquarie River Food and Fibre.

I am a water user in the Macquarie Valley with a 893 mg licence having had no water for 18 months and would find the new proposals very difficult to try and catch up.

The Macquarie's bulk water infrastructure should not return 7% annually to Treasury because it is not a private sector investment with equivalent risk and short term high yielding characteristics. Even if was considered similar to a private sector investment the nature of the assets mean that it is a long-term capital growth style investment that would generate no more than 3.5-5% annual dividend if it was performing as well as the best Australian capital growth shares.

I request both DNR and SWC to demonstrate cost effectiveness (via cost benefit analysis) of any costs being passed on to customers IT is not adequate for IPART to be satisfied that costs are efficient, if the nature of the expenditure is questionable. We refer specifically to the astronomical costs being proposed for groundwater and unregulated users due to the implementation of the monitoring requirements of the Water Sharing Plans. The costs are completely out of proportion with the resours base and small number of customers in the Macquarie.

I also request an opportunity to attend a public hearing in Dubbo to further discuss these issues.

Yours sincerely,

G.S.O'Neill