

14 November 2005

The Chairman
Independent Pricing and Regulatory Tribunal
Bulk Water Review
PO Box Q 290
Queen Victoria Post Office
NSW 1230

Wayne Keft

RE: Proposed Water Price Increases-Brogo River

Dear/Sir,

I have been dairy farming on the Brogo River for 16 years and have irrigated successfully for all of that period. I want to continue dairying but the proposed increases in bulk water charges will make my small farm financially unviable.

I currently pay around \$1,300.00 to \$1,600.00 per annum for fixed and usage charges on the Brogo River water. By 2007/08 under the price submission from the State Water Corporation (SWC) that charge will peak at around \$16,000.00. This is 880% increase in price representing a cost equivalent to 10% of my net income, which is totally unacceptable.

I am also not confident the SWC is running its operations cost effectively, and before any price increase is passed onto farmers, a full operation and cost audit needs to occur to ensure efficient and cost effective operation.

I also totally oppose the State Government's aim to have full cost recovery on the Brogo Dam. It is unrealistic, does not take into account the community benefits and will likely result in the demise of the local dairy industry and the rural towns that rely upon it.

If you want to talk to me in more detail regarding the impact of this submission please call me on (02) 6492 7242.

Yours sincerely,

WAYNE KEFT
Dairy Farmer