

BEGA VALLEY WATER USERS ASSOCIATION INC

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Bega NSW 2550
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22nd October 2009

Mr James Cox
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 1230

Dear Mr Cox,

The Bega Valley Water Users Association (BVWUA) represents all irrigators on the Far South Coast of NSW. As such we represent the irrigators on the regulated Brogo River which is subject to an ambit claim by the SWC for a massive price increase. Circumstances have been extremely difficult over the last 5 years with continuous drought and significant commodity price variations. This has resulted in a high level of stress both on the irrigation businesses but also personally. The news of a possible 210% price increase for water in the above mentioned circumstances is both irresponsible and unjustifiable.

Our members require a water price that enables them to continue in their businesses, invest in infrastructure and grow their enterprises. The threat of full cost recovery removes the confidence of our members in terms of the future of their businesses, limiting investment in both irrigation infrastructure and general business development.

Implementing a price cap or locking in a realistic price increase mechanisms is essential for the future of irrigation on this river. Prices for water on the Brogo are at a very high cost base and every 1% increase is significant and should be carefully considered by IPART before implementing.

The BVWUA is also concerned about the overall cost claims by the SWC. We request that IPART rigorously review the claims to test their legitimacy. We support the NSWIC submission in its questioning and position on these costs.

If you require further information on our organisation or on the impact this price claim is having on our members, please feel free to contact me on 0427 261 272.

Yours Sincerely,

Geoff Johnston
Chairman – Bega Valley Water Users Association