



15th October 2009

Independent Pricing and Regulatory Tribunal  
Box Q 290

QVB Post Office NSW 1230

Attn Mr James Cox  
Acting Chairman + CEO

Dear Mr Cox,

SUBMISSION TO IPART  
re State Water Corp. Price Review 2010  
Peel Valley Irrigation Water Charges

Our family has an irrigation operation close to Tamworth on the following licences

- Regulated River - A.B.John Pty Limited 90SL034579
- Regulated River - A.P.John 90SL42802
- Alluvial Well - A.P.John 90BL248757
- Alluvial Well - A.B.John Pty Limited 90BL11963/4

Our entitlements are in the order of 200 megalitres.

We understand that State Water has/intends to apply to your Authority to more than double the charges for water from approximately \$25 to \$62 per megalitre.

This is despite public advice in recent "Customer Service Focus Meetings" here in Tamworth that the increase would be 'less than \$50'.

It seems this smacks of an 'ambit' claim - to go for broke and then be prepared to settle for less. Its factual economic basis must bear scrutiny?

Increases of this magnitude will cause crop irrigation in the Peel Valley to contract drastically - it is only marginal now under the present cost regime.

If this occurs the efforts by local State and Federal Governments to encourage the Equine Industry in Tamworth by developing the Australian Livestock and Equine Centre at a cost of well over \$35 million will be hamstrung.

The horse industry needs reliable supplies of lucerne hay, cereal and lucerne chaff and grains all produced here under irrigation.

Environmentally it would be a travesty if this wonderful little valley was turned into a wasteland growing weeds because of a city-based decision to price irrigation out of existence.

The farming community is the original and earliest environmental movement through their efforts on land use, soil fertility, trees, water conservation, weed and vermin control.

As a founding partner 45 years ago in our families major Farm Machinery business we are keenly aware of the economic input the irrigation belt, although small, makes to the viability of our and many other businesses in Tamworth.

Our group employs over 120 people in the Namoi Valley and there are big numbers employed in other rural service enterprises.

We wish to vigorously protest this fore shadowed price rise, believing it to be unjustified and damaging to our community.

If State Water crucifies the Peel Valley Irrigators in an unjustified Cash Grab be assured that the drop in consumption of water will likely put them back to square one.

Please deny their application, or if not, confine any increase to be in line with Consumer Price Index, in concert with a review of the State Water's structure and the efficiency of this top-heavy beaurocracy

Yours respectfully,

Barry John for  
A.B.John Family