

# Bega Valley Water Users Association (Inc.)

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IPART

Prices for Water NSW Regional & Rural Bulk Water 2025-2030  
Submission.

Dear Sir/Madam

Thank you for the opportunity to comment on the Water NSW and WAMC proposal for water pricing for both regulated and unregulated rivers.

The BVWUA fully supports the detailed submission that is being prepared by the NSW Irrigators Council. In particular the reference to water management in NSW being 'broken'. There are at least three water management agencies with their own administration and resource requirements that administer water in NSW. There is significant inefficiency including the misinterpretation of policy and rules that is making water use for agricultural purposes impossible to follow and implement.

Water users can not afford to continue to fund this increasingly dysfunctional bureaucracy particularly at the increasing rates proposed by Water NSW and WAMC.

There are some key points that are specifically relevant to the south coast of NSW.

## **Regulated South Coast (Brogo River)**

The BVWUA are relieved that Water NSW are maintaining adherence to the 'Capacity to Pay' methodology developed as part of the 2017 pricing determination. The recommended \$0 price increase for the period 2035-2030 is a major relief for the small number of irrigators on the Brogo regulated system. The price of water is already at the limit of their capacity to pay. The majority of the irrigators are dairy farmers that supply milk to the local Bega Cheese factory. Over 40% of the milk pool for the Bega factory is sourced from irrigation farmers on the regulated Brogo system. Between the farms and the factory the dairy industry in the Bega Valley employs directly around 1000 jobs in the local region.

We are significantly concerned however that Water NSW is proposing to increase the cost of water on the regulated system by 65% each year for the next 5 years. We understand that they are proposing that this be funded by the NSW Government under the Community Service Obligation. We can not understand the justification for such a huge increase. We also have significant concerns that beyond 2030 there may be a requirement to shift the costs back to irrigators which is completely beyond their capacity to pay and may put at risk the dairy industry in the Bega region.

Similarly it is understood WAMC is proposing a 15% increase each year for the next 5 years on top of inflation. We do not believe this increase is justified, particularly since the water sharing plan for the Bega Area was finalised last year and does not require review for another 10 years. The Bega region would be one of the largest irrigated agricultural water use area on

the south coast. Neither the Dept of Water or NRAR have personal based on the south coast of NSW to support water users.

### Unregulated South Coast

WAMC is proposign to increase water charges on the unregulated system by 15% each year for the next 5 years. Once again this increase can not be justified.

### Water NSW Fees and Charges

It is difficult to determine what increases are proposes for Water NSW fees in the documents provided. The existing fee structure is excessive and needs to be reduced to make them comparable with other utility service charges. A simple water license transfer application, irrespective of the size, within the same water source on the unregulated system between two users with works approvals will cost \$2,822.15 per dealing. This should be a basic administrative task. Comparably, to transfer the ownership of a car in NSW costs \$37 and to transfer a property title in NSW costs \$156.55. How can Water NSW justify these extreme fees?

On the regulated Brogo River and the unregulated Bega Bemboka there are a large number of very small license holders, approx. 30% of licenses less than 100ML most of which are not utilised. These license holders are paying fixed water charges for no benefit. There is no benefit in selling the water to other license holders because it will cost more in fees, in the short term, to sell than it does to pay the license fee each year. There is the option to surrender the water to the Govt, but that that will reduce the water availability for other irrigators and reduce the capacity for farms to grow their businesses. The farm selling also does not get a fair price for their water asset. There is significant inefficiency in Water NSW administering large numbers of unutilised water licenses. In many water sources there is great demand from commercial agriculture businesses for additional water entitlement to improve water security for their business. The fee structure for Water NSW dealings is a major impediment to water trading and is putting at risk the resilience of commercial agriculture on the south coast.

Unregulated Upper Bega Bemboka Rivers Water Source		Bega Brogo Regulated Water Source General Security	
Count of WAL No.		Count of WAL No.	
Share Components	Total	Share Components	Total
0.00	2	1.00	1
1.00	5	4.00	2
3.00	1	5.00	1
3.50	2	8.00	1
4.00	1	10.00	3
5.00	8	11.00	1
6.00	3	16.00	1
9.00	1	18.00	3
10.00	1	20.00	2
15.00	2	24.00	5
19.00	1	27.00	1
20.00	1	30.00	2
24.00	1	36.00	2
25.00	1	42.00	1
27.00	1	48.00	3
29.00	1	51.00	1
32.00	1	58.00	1
44.00	1	63.00	2
45.00	1	72.00	1
54.00	1	74.00	1
65.00	2	75.00	1
72.00	1	78.00	1
90.00	2	87.00	1
129.00	1	90.00	2
133.00	1	96.00	1
148.00	1	97.00	1
151.00	1	120.00	1
160.00	1	141.00	1
163.00	1	150.00	2
179.00	1	200.00	1
180.00	2	207.00	1
195.00	2	216.00	3
220.50	1	240.00	4
238.00	1	243.00	1
252.00	1	247.00	1
260.00	1	280.00	1
264.00	1	297.00	1
307.00	1	300.00	1
313.50	1	306.00	1
330.00	1	310.00	1
351.00	1	320.00	1
430.00	1	327.00	1
482.00	1	339.00	1
490.00	1	347.00	1
493.00	1	360.00	1
516.00	1	450.00	1
594.00	1	477.00	1
609.00	1	480.00	2
611.00	1	525.00	1
Grand Total	69	537.00	1
		554.00	1
		597.00	1
		620.00	1
		1,366.00	1
		Grand Total	77

### Level of Service

The level of service Water NSW and the NSW Water Dept provide has deteriorated significantly in recent years. There is no longer any staff based in the Bega region to provide customer support. Prior to the Covid pandemic a Water NSW representative used to travel to Bega approximately one day per month to meet with license holders requiring assistance. Since Covid there has not been any regular visits by Water NSW staff to the region. On the regulated Brogo system, a Water NSW representative used to visit each farm at least

once per year to read the meters and to help users with water ordering issues. For approximately the past four years Water NSW staff have instructed water licence holders to take a photo of their meter and text it through to Water NSW instead of reading the meters themselves. There have been instances where license holders with Government owned meters have been instructed by Water NSW to verify meter identification numbers due to administration errors. At their own cost landholders have paid pump suppliers to verify meter ID numbers to satisfy Water NSW when it was Water NSW's responsibility to complete the task.

We are now at the point where water license holders in NSW are paying high prices for water, paying to install meters, paying with their own time to read the meters, paying to fix administration errors and paying extreme fees to Water NSW to complete simple administrative tasks. With this, the water bureaucracy is getting larger more complex, more costly and inefficient.

We seek assistance from IPART to rein in the spending of both Water NSW and WAMC. Water users on the south coast and NSW in general can not afford to keep paying more for less services.



BVWUA