Our Reference: S32.9.1

9 December 2024

ipart@ipart.nsw.gov.au

IPART Level 16 2-24 Rawson Place SYDNEY NWS 2000

Dear Sir/Madam,

## Inverell Shire Council Submission for IPART Review of Proposed NSW Bulk Water Charges Regional NSW 2025/2030

The purpose of this letter is to convey Inverell Shire Council's grave concerns and objection to the proposed significant increases in water entitlement and take charges proposed by the NSW Water Administration Ministerial Corporation (WAMC) and WaterNSW for bulk water in regional NSW over the next five (5) years, 2025/2030. If approved by IPART the exceptionally high price increases would pose a significant impact on water users including local water utilities.

The proposed price increases that will apply to Inverell Shire Council over the five (5) year period including CPI increases are as follows:

- Gwydir Valley High Security entitlement charge would increase by 172% and Border Rivers by 292%.
- Gwydir Valley General Security entitlement charge would increase by 172% and Border Rivers by 230%.
- Water take charges in the Gwydir Valley would increase by 194% and Border Rivers by 216%.

Council has a 3.054ML water license for Copeton Dam and 120ML license for Pindari Dam.

The impact on Inverell Shire Council town water supplies would be profound should the maximum prices be approved by IPART. Council's current 2024/2025 bulk water supply (Entitlement and 100% Take combined charges) from Copeton and Pindari Dams totaling approximately \$140,000 would increase to around \$434,000 by 2029/2030. The \$294,000 price hike over five (5) years, including an assumed annual inflation CPI increase of 3% per year, is considered a totally unacceptable increase in bulk water prices.

The price increases will reflect in the prices Council charges town water supply customers including Inverell based Bindaree Foods, a major abattoir and water user employing approximately 700 staff.

Most other bulk water users would experience similar steep price increase as Inverell Shire Council, which could threaten the viability of some enterprises in the agricultural sector.

Council resolved at the 27 November 2024 Ordinary Council meeting;

That:

i) Council make a submission to IPART objecting to the proposed exceptionally high maximum water pricing increases by NSW Government agencies over the next five years, and the impact of the increases for the Gwydir Valley and Border Rivers; and

ii) Council seek the support and representation of the Local Member, Brendan Moylan MP in having the proposed annual price increases generally limited to the Consumer Price Index.

Council is making this submission to ensure that IPART is well aware of the grave concerns of bulk water users across NSW, which needs to be taken into consideration by IPART in handing down it's draft report in March 2025, followed by final report in June 2025, with determination applying from July 2025.

Council thanks IPART for releasing the Issues Paper and providing the opportunity for bulk water users to lodge concerns in their submissions to IPART and representations to the NSW Government.

Should you require any further information please contact Council's Director Civil Services,

Yours Faithfully...

BRETT MCINNES
GENERAL MANAGER