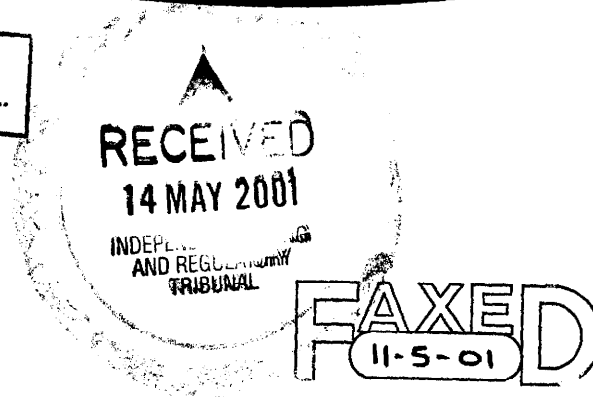


Ballina  
Byron  
Lismore  
Richmond Valley

# Rous Watery

Regional Water Supply

IPART Doc No..... File No.....
-----------------------------------



Our Ref: DP/EW 785

11<sup>th</sup> May 2001

The Manager,  
Independent Pricing and Regulatory Tribunal  
PO Box Q290  
QVB Post Office NSW 1230.

**Attention: Kumar Rasrih**

Dear Sir,

Re: Department of Land and Water Conservation Submission on Bulk Water Pricing  
200 1/02-2003/04.

I refer to the submission by the *Department of Land and Water Conservation* on Bulk Water Pricing and concerns Council has with the proposal's implementation.

*Rous Water* is a water supply authority supplying potable water to four constituent Councils on the Far North Coast. Council has one main water supply dam, a smaller auxiliary dam and several groundwater supply bores. In total Council has two unregulated water license and eight groundwater licenses with *State Water*.

Council's concern with the DLWC submission is that the maximum price increase of 20% per year for three years, as stated throughout the document, is not correct. *State Water's* current volumetric charge for Council's main water storage is \$0.91/ML plus a \$100 base charge. This dam supplies approximately 12,000 ML per annum. The current license fee for this dam for the 2000-01 period will be approximately \$10,920.00. Under the two-part tariff proposed for unregulated rivers by the DLWC the charge will increase 285% to \$3 1,080.00 (Table 5.3,pp30).

Rous Water Centre  
2 18-232 Molesworth Street  
PO Box 230  
LISMORE NSW 2480  
DX 7652

Phone  
Facsimile  
E-mail  
ABN

02-6621 8055  
02-6622 1181  
water@rouscs.nsw.gov.au  
81383023771

The following figures show the impact the submission has on the license fee for Council's main water supply source based on an annual usage of 12,000ML per annum:

<b>1999-00</b>	<b>\$0.61/ML</b>	<b>\$7,320.00</b>
2000-01	<b>\$0.91/ML</b> (up 49%)	<b>\$10,920.00</b>
introduction of proposed water pricing structure		
2001-02	<b>\$1.09/ML plus \$1.50/ML</b> (up 285%)	<b>\$31,080.00</b>
2002-03	<b>\$1.31/ML plus \$1.80/ML</b> (up 20%)	<b>\$37,320.00</b>
2003-04	<b>\$1.57/ML plus \$2.16/ML</b> (up 20%)	<b>\$44,760.00</b>

These figures show that for the initial change to the proposed pricing structure price increases will be far greater than the 20% increase stated in the submission. Therefore, the *Department of Land and Water Conservation* should confirm that the proposed pricing structure does not increase the current license fees by more than 20%.

Should you require any further information regarding this matter it is suggested you contact Mr. David Patch on 662128055.

Yours faithfully,



Wayne Franklin  
Operational Services Manager