

Tina Pigliardo
Assistant Director - Water Markets | Infrastructure Regulation Division
Australian Competition & Consumer Commission

Via electronic mail: Tina.Pigliardo@acc.gov.au

Dear Ms Pigliardo,

Re: ACCC Review of the Water Charges Rules under the Water Act 2007 (Cth)

Thank you for providing the NSW Irrigators' Council with the opportunity to have a preliminary discussion with the ACCC on the review of the Water Charges Rules under the Water Act 2007 (Cth). As it was discussed during the teleconference held on 15th March 2015, the Council would like to provide additional references to previous NSWIC submissions that we feel will be important for the review.

In the submission to the 2014 review of the Water Act 2007, NSWIC outlined its concerns about the lack of regulatory oversight and review of Murray-Darling Basin Authority and Border River charges. The Council recommended a review of these charges under the same regulatory framework as State Water's bulk water charges in NSW.

In addition, NSWIC outlined in its submission to the State Water bulk water charge review, that irrigators and the irrigation infrastructure operators are concerned about the current framework for review of State Water Corporation charges. In particular, NSWIC stated that the yearly consumption update process for bulk water charges create additional uncertainty for irrigators and impose additional financial costs on irrigation infrastructure operators who have an obligation to inform their customers on price charges. Given the timing of the yearly consumption update, the irrigation infrastructure operators have insufficient time to provide this update under the current arrangement. We urge the ACCC to closely engage with the NSW irrigation infrastructure operators to understand the current constraints and develop a more suitable and efficient arrangement.

Furthermore, the Council has also stated its concerns about other aspects of the current bulk water charge determination process, including the capacity of the ACCC to reopen a determination, the overs & unders mechanism and the demand forecasting methodology. We strongly urge the ACCC to consider NSWIC's submission to the ACCC on the review of State Water's Bulk Water Charges which is attached.

Thank you again for the opportunity to discuss the ACCC's review of the Water Charge Rules. Please do not hesitate to contact us on (02) 9251 8466 or stefanie@nswic.org.au if you wish to discuss any aspect of this letter in more detail.

Yours sincerely,



Stefanie Schulte

Policy Manager
NSW Irrigators Council