



J E M A L O N G I R R I G A T I O N

ABN 76 067 197 782 ACN 067 197 782
Postal Address PO BOX 520 Forbes NSW 2871
Telephone 02 68574201 Facsimile 02 68574267
Email jil@westserv.net.au

Submission for the 2013 ACCC Water Pricing Review

Introduction

Jemalong Irrigation Limited (JIL) is the largest irrigation entity and the only Irrigation Corporation on the Lachlan River. JIL has water entitlements of approximately 100 000 ML comprising of general security, high security, stock and domestic and conveyance. JIL has approximately 120 members and 300 member water outlets, 300kms of channels and services an area of 100 000 Ha. JIL was privatised in 1995.

One of the negotiated conditions of the privatisation of the Jemalong District was the ongoing provision of a “bulk water discount” or “rebate”. This rebate was in recognition of the ongoing costs incurred by JIL and avoided by both State Water and the Office of Water for the continuing obligations of reading of meters, replacement/maintenance of meters, processing collated orders, customer service/liaison, billing and collection.

State Water has proposed that the JIL rebate be reduced due to the pending introduction of the proposed metering program. It claims the subsequent provision of real time data from the upgraded meters will reduce the labour and costs associated with attending the extraction site to obtain the reading of diversions from the Lachlan.

This reasoning has no basis for the following reasons;

- JIL’s metering point from the Lachlan is within specifications and is not scheduled to be replaced in the proposed metering program. Data from JIL’s metering device is accessible 24/7 by State Water and monthly readings are supplied directly by JIL to State Water (at no cost to State Water). The metering point for JIL was installed, is maintained, and regularly calibrated, all at JIL’s cost.

- Meter upgrades under the metering program are only available to river diverters and not to JIL members.
- If JIL members (and JIL) are not getting upgraded meters (with telemetry /real time data) then there will be no efficiencies made and therefore no cost savings.
- JIL staff will still be responsible for the ongoing manual reading of approximately 300 JIL member meters and all associated ordering, processing, meter maintenance/ replacement, billing and collection.
- The proposed metering program has not been implemented or even agreed to by the Lachlan (as represented by Lachlan Valley Water) as a whole.

Conclusion

It is JIL's position that the rebate be reassessed to reflect its original and continuing intent, which is rebate JIL the true costs incurred from the reading of meters, replacement/maintenance of meters, processing collated orders, customer service/liaison, billing and collection.

Contact

Neil Toole
General Manager
(02)68574201