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AUST. COMPETITION &  
CONSUMER COMMISSION  
MELBOURNE

24 APR 2014

Mr Sebastian Roberts,  
ACCC,  
GPO Box 520,  
Melbourne,  
Victoria, 3001.

April 13<sup>th</sup>, 2014.

Dear Sir,

This submission is to register my disapproval at the excessive water charges that are incurred by Peel Valley water users.

The commonwealth Water Act of 2007 contains a clause prohibiting the charging of prices that produce 'perverse or unintended pricing outcomes' aimed at curbing excessive costs being applied by state organisations.

Surely it is a 'perverse outcome' for Peel Valley irrigators to be charged a water usage fee of \$55.13 per ML (or possibly \$71.92) while irrigators in the Murray Valley pay just \$2.49 per ML for their water to produce the same product.

Within the Peel Valley 95% of the water is labelled as environmental flow and is not utilized by any of the water users. It should not be the water users responsibility to have to pay excessive water charges to achieve full recovery usage costs. There should be an environmental subsidy to pay for this water.

When this environmental flow enters the Namoi River it becomes part of the 95% annual extraction level available to those irrigators at a cost of \$20.92 per ML.

Isn't the purpose of the ACCC to maintain fair and equitable trade and competition? The present and proposed pricing structure for Peel Valley water could hardly be described as fair and equitable.

Yours faithfully,



*MATTHEW MCCARTHY*

