



Murrumbidgee Private Irrigators Incorporated (MPII)

Submission to the

Australian Competition and Consumer Commission

Annual Review of Regulated Charges: 2016-17 - Draft Decision

Due by 4 May 2016

Australian Competition and Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

Waternswreview@accc.gov.au

Iva Quarisa
CEO MPII
PO Box 5023
GRIFFITH NSW 2680
02 6960 1550
0402 069 643
ivaquarisa@gmail.com

ACCC submission: Annual Review of Regulated Charges

Murrumbidgee Private Irrigators Incorporated (MPII) appreciates the opportunity to make comment on the draft decision relating to WaterNSW annual review of regulated water charges for the third (and final) year of the 2014-17 regulatory period.

Introduction:

MPII represents around 400 irrigators on the full length of the Murrumbidgee River, and Yanco Creek System. Our members live from Batlow to Balranald and from Jerilderie to Moulamein. We also have a number of “operators” amongst our members although volumes of water are vastly smaller than the irrigation corporations. We account for approximately one third of the diversions on the Murrumbidgee system with approximately 400,000 megalitres being made up of High Security and General Security entitlements dispersed amongst our 400 members.

There are a number of points MPII wish to raise in relation to the Draft Decision.

(a) Increase charges above Inflation:

Access to affordable water is critical for irrigators across NSW. Many irrigators are struggling financially, the fact that General Security irrigators are paying charges on 100% of their entitlement when only having access to a fraction of that to grow crops is putting greater financial pressure on them. Coupled with lower commodity prices (eg wheat, canola) means any increase above inflation, no matter how small, is significant to many irrigators.

(b) NSW Government contribution to MDBA:

MPII questions the NSW Government contribution to MDBA. We seek clarification on the role of MDBA and what service/s they are providing to NSW irrigators and/or Water NSW. When paying MDBA, through Water NSW, for services that it provides we want transparency to ensure we are getting some benefit as well as value for money and that there is no double dipping.

(c) Metering service charge:

Many of our members are now on commonwealth funded meters with telemetry, but the telemetry is not working. MPII questions why our members and many other irrigators should be paying for a service which they are not receiving.

MPII also seek clarification on purpose of the metering service charge: is it solely to provide maintenance and service on the meters and telemetry or will it also be used to replace the meters at the end of their life?

(d) Unders and Overs Mechanism:

MPII see great value in the UOM- it is a useful mechanism to ensure that any over recovery from irrigators remains on the irrigation side of the ledger. However we feel there is room for improvement. At a presentation made at the recent Murrumbidgee CSC it was shown that NSW Water have over-recovered 20%, which shows there are issues with its current format. Perhaps a ten or five year rolling average should be modelled to show if this would produce more stable pricing.

Thank you for the opportunity to make comment on the Draft Decision.



Iva Quarisa

MPII CEO