

July 19th 2022

Essential Services Commission 2024 Goulburn Murray Water Price Review Level 8, 570 Bourke Street Melbourne VIC 3000

By email <u>water@esc.vic.gov.au</u>

Re: 2024 Goulburn-Murray Water price review Draft guidance paper 21 June 2022

Dear Essential Services Commission people,

We write in the hope that the Essential Services Commission may be able to provide in the 2024 Goulburn-Murray Water price review Draft guidance paper 21 June 2022 some mechanism for the relief of an overlooked group of GMW Customers.

The group of customers we are concerned about are classed as Domestic and Stock licence holders in Unregulated water catchment areas (of which I am one). This means these customers are upstream of any service provision or infrastructure serviced by GMW. This equates to no physical service provision as such except during licence renewal. During licence renewal, costs for inspections are covered in licence fees (separate from annual fees).

If considered as a group of customer and costs for the particular unregulated customers are analysed, the fees being charged for services provided (read no physical services) would be found excessive.

It is our belief that since 2014, when new charges were levied to unregulated customers, in the name of Service Point and Access Fees, that these unjustified charges have never been scrutinised by any independent organisation or the ESC for validity, fee for service or under user pays principles.

Also, please note that these customers have had fee increases by GMW of more than 80% over the recent eight year period following the introduction of the Access and Service Point fees. Quite a large number of these customers do not use the Stock part and only use the Unpotable water for Domestic purposes only, i.e.: no commercial gain. An important point to remember is that all of the work and infrastructure to establish and maintain water supply is provided by the customer in these unregulated catchment areas.

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Essential Services Commission

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We are asking if ESC has the ability and would be inclined to request that GMW justify the charges of Access and Service Point fees for Domestic and Stock licence holders on Unregulated catchments? Also, would ESC and their independent consultants subsequently scrutinise these charges in the current price review please? We consider that as such a review of the charges has not occurred before now to be an oversight.

Yours sincerely,



Cameron and Jan Reid.