

# ESSENTIAL SERVICES COMMISSION

TO WHOM IT MAY CONCERN. FURTHER TO PREVIOUS CORRESPONDENCE.

PIPING THE WIMMERA & MALLEE IS NOT ABOUT PROVIDING WATER FOR FARMERS THE MAIN OBJECTIVE IS TO STOP THE MASSIVE WASTAGE OF WATER FROM SEEPAGE AND EVAPORATION AND THE SAVINGS WILL BENEFIT EVERYONE EQUALLY. GWMW'S "REVENUE NEUTRAL" POLICY REQUIRES FARMERS TO PAY THE SAME FOR THEIR WATER FROM THE PIPED SYSTEM AS THEY DID FROM THE CHANNEL SYSTEM IRRESPECTIVE OF THE COST, TO GWMW, OF DELIVERING THAT WATER. THE TARIFF REVIEW COMMITTEE WAS DIRECTED, BY GWMW, TO CREATE A FORMULA WHICH ACHIEVED THAT FIGURE.

AS A RESULT FARMERS WILL BE CHARGED \$700/MEG WHEN IT WILL ONLY COST \$300/MEG TO RECOVER COSTS OF OPERATIONS AND MAINTENANCE.

IN ADDITION WE WILL BE CHARGED A TAPPING POINT FEE OF \$200 FOR A HOUSE AND \$100 FOR NON HOUSE TAPPING POINTS.

THEN FOR NO OTHER REASON THAN INCREASING REVENUE WE WILL BE CHARGED A CAPACITY FEE OF \$600/MEG. THAT EQUATES TO \$1500 FOR A 1000 HA FARM EVEN IF "NO" WATER IS USED.

IF THAT HYPOTHETICAL FARM USED ITS FULL 2.5 MEG OF CAPACITY IT WOULD HAVE TO PAY \$3650 PER YEAR TO GWMW WHICH IS \$2900 MORE THAN THE \$750 COST OF DELIVERING THAT WATER.

COMPARE THAT \$2900 CONTRIBUTION TO GWMW DEBT WITH THE \$420 AN AVERAGE URBAN HOUSEHOLD WILL CONTRIBUTE. FARMERS WILL BE RIPPED OFF. THE BENEFITS OF PIPING THE SYSTEM ARE WHOLE OF COMMUNITY BENEFITS AND THE COST SHOULD BE SHARED EQUALLY.

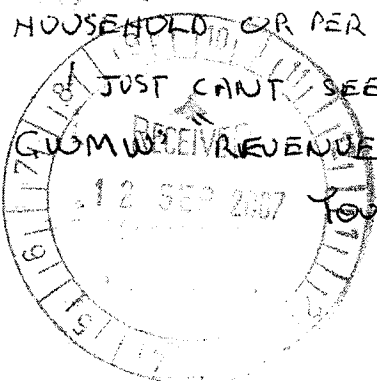
ENVIRONMENT, TOURISM, RECREATION, FUTURE DEVELOPMENT, SECURITY OF SUPPLY AND BETTER QUALITY OF WATER WILL BENEFIT EVERYONE EQUALLY.

THE TARIFF SHOULD REFLECT THE COST OF DELIVERING WATER, \$300/MEG TO FARMS AND \$600/MEG TO URBAN RESIDENCES, PLUS A SET CHARGE PER HOUSEHOLD OR PER HEAD OF POPULATION.

JUST CANT SEE HOW ANY FAIR MINDED THINKING PERSON WOULD CONSIDER GWMW'S "REVENUE NEUTRAL" POLICY TO BE FAIR AND REASONABLE.

Yours faithfully

Lenny Green



## WIMMERA MALLEES PIPELINE PROJECT

LATEST ESTIMATED COST	\$770 m
CO GOVT CONTRIBUTION	\$334 m
PUBLIC SHARE OF COST	\$436 m IF NO FURTHER GOVT CONTRIBUTION

THE PROPOSED TARIFF BY GWMW WILL SHARE THE COSTS BETWEEN RURAL AND URBAN CUSTOMERS AS FOLLOWS.

### URBAN

WITH 25,000 RESIDENCES AND POPULATION OF 55,000

\$50 m

### RURAL

WITH  $\approx$  2,300 RESIDENCES AND POPULATION OF  $\approx$  5,000

\$386 m

THIS FIGURE INCLUDES THE \$85 m ON FARM COSTS

THE AVERAGE URBAN RESIDENCE WILL CONTRIBUTE \$1,908

THE AVERAGE RURAL RESIDENCE WILL CONTRIBUTE \$160,438

- DOES THIS SEEM FAIR TO YOU??

*Tommy Green*