

Re: SunWater Pricing

Regarding the two tier pricing system. In the interests of increasing efficiency of both Sunwater and Irrigators the fixed part of the charge should be kept as low as possible.

A low fixed charge would reward irrigators for increases in water use efficiencies. It would also have the benefit of penalizing Sunwater for inefficient over allocation of water in any particular year because reduced allocation in the following year would result in reduced income.

A further benefit would be the removal of any incentive for them to continue to "find" extra water in the system to sell as extra allocations. With the present system they are rewarded for over allocating because they get paid if there is water to deliver or not. If they only get paid on water delivered there is no incentive to over allocate therefore improving supply reliability and efficiency.

Yours N.F. and M.A. Otto