

WATER SUBMISSION

CEDAR POCKET WATER SUPPLY SCHEME

We are greatly concerned about Seqwaters proposed cost of irrigation water for the Cedar Pocket supply scheme. We feel that having to pay \$271.65/MI (which totals \$21732 per year for us) will cause many farm businesses to fail leaving the Cedar Pocket dam with few customers.

The Seqwater proposal for the tariff structure of 100:0 (fixed:variable) is totally unacceptable for a water supply that is not 100% guaranteed. In drought years when there is no water in the dam, how can we be expected to pay thousands of dollars for water that is not there as well as buying in fodder for stock. Wet years are much the same in that we will be paying for water while the farm is flooding. 15:85 (fixed:variable) would be a more realistic ratio if the proposed price is supplied.

A fair price would be for Cedar Pocket to be the same as the Mary River scheme. Deep Creek flows into the river anyway, we are all in the same catchment.

This water allocation would become a liability we feel to stay in business we will have to try and sell our allocation and put our trust in God for good seasons, the only thing is will anyone want to buy water that is going to cost \$271 plus /MI per year.

As dairy farmers we have to become more and more efficient to stay profitable but there is a limit to what we can do, we are currently having to deal with low milk prices, the rising cost of power and the carbon tax. Maybe Seqwater could try and be a little more efficient with the cost of running their dam.

Yours sincerely

RJ & ER THEFS (lessees of L & MK THEFS)

