

Rural Water Commission of Victoria
Coliban - Campaspe Region

Alder Street Golden Square

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Your Reference :

Our Reference :

9th October, 1987.

Dear Consumer,

YOUR NEW WATER CHARGES

The Coliban System of Waterworks supplies some 2075 rural properties from an extensive channel and piped system. This water is used by rural consumers for domestic, stock and irrigation uses.

The recently completed Coliban Rural Water Study identified the need to increase maintenance on the rural water supply system. The Study also demonstrated that the increasing demand for water was reducing the security of the water supply system against drought. Increased revenue is required to properly maintain and improve the drought security of the system, and enable it to function at maximum efficiency.

In December, 1986, the Coliban Rural Study Report, prepared by a Working Group consisting of consumer and departmental representatives, recommended among other things that:

- Rural Consumers be provided with a greater level of security of supply.
- Operational efficiency be improved and the level of maintenance be increased.
- Substantial price rises should occur to eliminate the subsidy provided to the rural sector. The preferred strategy was an initial 50% increase in revenue followed by real annual increases of 3% per annum for the next 15 years.
- A two-part tariff be introduced.

After receiving public comment on these proposals, the Commission agreed to 42 of the recommendations which will be progressively implemented. You will be further advised of the implementation program.

One of these proposals is a two part tariff which will be introduced for the 1987/88 financial year. This tariff will consist of an annual service charge, which will be paid by each consumer, and a water charge.

For 1987/88 the charges for water supplied from channels will be :-

Service Charge	\$30 (with no water allowance)
Water Charge	\$27 per megalitre of water actually supplied.

The charges for 1987/88 are lower than those recommended by the Coliban Rural Study, as it was considered more appropriate to phase-in the substantial increase required over at least 3 years, rather than have an initial very large increase. As part of the phasing-in process, in 1987/88, a minimum charge of \$70 will also apply, comprising a service charge of \$30 and a water charge component of \$40.

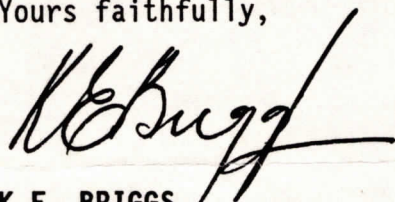
Accounts for the minimum charge will be forwarded to all consumers on 1st December, 1987.

Consumers who use water in excess of the amount of the minimum charge will receive a further account on 16th June 1988.

A three month interest free period applies to the payment of these accounts.

If you have any questions regarding the new charging system please contact Mr. Maurie Heffer, Manager, Business Services at the Commission's Bendigo Office or telephone (054-47 7111).

Yours faithfully,



K.E. BRIGGS
Regional Manager

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