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Queensland Competition Authority  
GPO Box 2257  
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Dear Sir

I am a customer of the Bundaberg WSS and wish to share some concerns I have with our standard contracts. These contracts were deemed under section 1116 of the Water Act. 2000 and to my knowledge are still in force. Although they contain some onerous provisions, especially those regarding termination fees, security, power of sale, power of attorney and indemnity they were accepted at the time due to the prevailing policy of recovering only lower bound costs.

Now with the intended transition to upper bound pricing (including rate of return) I believe it is time to re-negotiate these contracts. Apart from the above provisions which place all the risk on the customer there does not seem to be any mechanism to limit SunWater's expenditure. If customers are to incur SunWater's full costs, natural justice implies that we have some control over these costs.

There also needs to be a hardship provision for customers whose farming operations are no longer viable due to the new pricing regime. Under these circumstances a contract could be suspended whilst leaving all of the infrastructure in place and avoiding any need to pay a termination fee.

Full cost recovery is a fundamental change to SunWater's pricing policy and will have huge consequences for all customers. We should not be bound by agreements we made when this did not apply but should be given the opportunity to consider other possibilities.

Yours faithfully

RA Mackenzie