

Our Ref:

F085287

15 February 2016

Mr Marcus Crudden Acting Director, Water Essential Services Commission Level 37, 50 Lonsdale Street Melbourne 3000

Dear Marcus,

Re: Melbourne Water 2016 Price Submission – Barwon Water submission

Thank you for the opportunity to respond to Melbourne Water's 2016 Price Submission.

Melbourne Water has consulted Barwon Water throughout the submission preparation process. Barwon Water supports the methodology adopted by Melbourne Water and resulting proposed wholesale water prices.

Notably, Barwon Water strongly supports the proposed transitionary arrangement whereby Barwon Water's share of the *Storage Operator and bulk water service charges* for 2016/17 and 2017/18 are recovered in Barwon Water's next regulatory period.

Should you have any queries please do not hesitate to contact Seamus Butcher, Manager Strategy, Environment and Regulation on 5226 2545 or slb@barwonwater.vic.gov.au.

Yours faithfully,

Carl Bicknell

General Manager

Strategy and Planning

Melmell