

The Hon. Karlene Maywald MP

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**Government
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**Minister for
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**Minister for
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Mr Graeme Samuel
Chairman
Australian Competition and Consumer Commission
GPO BOX 3131
CANBERRA ACT 2601

Dear Mr Samuel

Thank you for the opportunity to comment on the draft advice and draft amendments to the Water Market Rules 2009 and the Water Charge (Termination Fees) Rules 2009.

South Australia's input into this process is a continuation of the State's commitment to the broader water reform process, which includes both the National Water Initiative and Water for the Future. South Australia has been an active participant in the interstate water trade market and associated reforms, both at the entitlement and allocation levels for many years. The more efficient the market performs, the greater the benefit to all participants and to affected third parties.

South Australia supports the clarification of the water market rules and the water charge termination fee rules. These clarifications will remove potential confusion without changing the operation of the rules, which will increase the effectiveness of the market and remove potential misunderstandings between buyers, sellers and the irrigation infrastructure operators.

The amendment in relation to protection for Murray Irrigation Limited under Section 97 (10) of the *Water Act 2007* (Cth) is supported, as it extends equal coverage to all irrigation infrastructure operators and gives greater clarity to licence holders.

Should you require further information, please do not hesitate to contact Mr Mike Smith, Director State/National Water Programs, Department of Water, Land and Biodiversity Conservation, on 08 8463 6843 or by email: mike.smith@sa.gov.au.

Thank you for the invitation to make a submission to the ACCC on these matters.

Yours sincerely

A handwritten signature in black ink, appearing to read 'K Maywald'.

Karlene Maywald
MINISTER FOR THE RIVER MURRAY
MINISTER FOR WATER SECURITY

11 February 2010