

Submission to the Draft Advice for the water charge rules review

Water Charge (Infrastructure) Rules 2010

Central Irrigation Trust (CIT) charges vary depending on the electricity usage needed for the district's varying water supply pressures and whether water is accessed in peak or off-peak electricity periods of the day. However, all domestic water consumers pay the same price regardless of the differentials incurred by irrigators. In each particular district, domestic consumers should pay as per for the rate of water delivered during the peak electricity period for irrigators. As it is the same quality and pressure, water delivered via the same CIT infrastructure, there should therefore be a price differential for domestic water usage between CIT districts as occurs for irrigation water usage.

CIT claim a common higher rate over all districts for domestic water as water is available on demand 24/7 and it is cost prohibitive to install two-rate domestic meters. If a consumer is in a CIT low pressure district when irrigation water is in higher demand, for example hot weather, available domestic water is severely limited or at insufficient pressure to ensure supply.

The CIT network plan informs that CIT does not provide any standards for water quality supplied. The water is not filtered or treated and is non-potable. CIT recommends installation of some other form of water supply on a consumer's property to allow for periods when the CIT system is not operating or water quality is not suitable for use. CIT associated costs for water usage during peak electricity usage period are no more for domestic usage than irrigation given that it is the same quality and pressure via the same infrastructure. The Renmark Irrigation Trust charge the same price per kilolitre of water used regardless of whether it is for domestic or irrigation consumption.

Water Charge (Termination Fees) Rules 2009

Page 13 of Policies and Rules for the Operation and Management of Irrigation Trusts Managed by CIT Pty Ltd (Trustee for CIT) Item 2 states that if an irrigator sells all of their irrigation right, the irrigator has to provide CIT with 1 ML of irrigation right to retain an existing domestic supply. This is despite in 2012, the SA Government provided CIT with top-up domestic water allocations for all CIT domestic customers as of 2009. Notwithstanding this, some irrigators, as I did, would have paid to initially have a domestic connection either before or after 2009. Where the domestic supply is in existence, irrigators who are selling all irrigation rights should not have to supply CIT with 1 ML of irrigation rights so as to retain a domestic supply.

Water Charge (Planning and Management Information) Rules 2010

Considering that CIT's actions as regards consumer-claimed non-compliance with the network service plan (NSP) and/or South Australian Irrigation Act and South Australian National Resources Management Act, there is a need for the ACCC to be given more authority and resources to implement meditation and/or compliance.

CIT Policies and Rules are generally compiled and implemented by the Board and/or CIT management with little, or in some instances, no consumer involvement.

In 10 out of 12 CIT districts, only irrigators with permanent irrigation rights are able to vote at the AGM. Generally, this may be done by a limited number of persons attending. The CIT 2015 AGM was only attended by about 50 persons. There are approximately 6,500 CIT consumers (domestic, irrigation, industrial, parks). In two CIT districts, irrigators with permanent and temporary water rights may vote. AGM voting is on CIT's/ Board suggested asset maintenance etc and water pricing. Domestic consumers have no vote.

CIT should have to maintain a NSP and update CIT Policies or Rules and this should be available to all customers with CIT notifying customers of such on billing invoices together with notification of the ability to contact the ACCC as regards unresolved issues with CIT.

The ACCC should also have the authority to ensure an even application of measures such as the availability of carryover water uniform to all states as well as ensuring that in South Australia there are designated trigger points for the percentage quantities of water irrigators may access at the varying percentages of water made available to South Australia under the Murray-Darling Basin Agreements when South Australian entitlement is less than 100 per cent.

Water trading is a mechanism whereby irrigators may have either permanent or temporary water rights or a combination of both. Carryover water and the percentages of water available to irrigators effects water trading and this has the potential to greatly vary water trade prices. The ACCC must have the authority and resources to ensure state government authorities/departments etc enforce compliance of state laws, acts, regulations etc of aspects relating to water trading, pricing and rules. For example, the South Australian Natural Resources Management Act in effect states that if water is lawfully taken then it can be used for any purpose the site use permits. Also that the SA Department for water is to ensure compliance. The Minister is recorded as having confirmed this in Parliament. Lawfully taken water is delivered by CIT to my property which has a site use approval for irrigation and domestic purposes. Despite this, CIT insists that I must have and pay for irrigation and also domestic outlets and meters.

I have correspondence which establishes that since the enactment of the South Australian Natural Resources Management Act and for at least 10 years, I have not used the CIT provided domestic meter, that CIT is aware of this and that I have been requesting CIT to remove such meter and to cease charging me a domestic access water fee.

Despite being advised of CIT actions, the Natural Resource Management Act requirements and Ministerial statements etc, the South Australian Department for Water are not ensuring compliance with the South Australian Natural Resource Management Act reportedly because of budgetary and financial constraints.

Incidentally, CIT Policies and Rules state a domestic connection to the trust's delivery system must be installed, unless otherwise exempted, where a property is supplied water from the trust's water delivery system and there is a residential dwelling located on the property. The South Australian Natural Resource Management Act site use approvals, Ministerial statements etc establish that my property is exempted. The effectiveness of ACCC rules/policies regarding water trade, pricing etc are questionable unless the ACCC has the appropriate authority to ensure implementation and compliance by infrastructure operators such as CIT as well as state government authority departments etc.

Water consumers should have ready access to all relevant ACCC and infrastructure operators' policies etc so as to be able to make informed decisions.