



Eton Irrigation Co-operative Ltd

Rule Changes - Initial Discussion Paper

12th September 2022



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1 Introduction

The Scheme Distribution Rules and Service Targets are the rules that govern how we operate the system and define service targets. A copy of the rules can be found on the website on the Customer Information tab as the Scheme Distribution Rules.

Some changes have been suggested to these rules by EICL members. Changing these rules can have significant consequences, so the Board has adopted a deliberately cautious approach to conduct a review of the whole document rather than assess individual items on a one-off basis.

The following sections detail and discuss the two changes that have been proposed:

- Allow New Small S&D Outlets
- Alter Notice Periods for Shutdowns

Please make submissions in line with the instructions on the last page of this paper by the

10th October, 2022

Any questions, please contact the General Manager on 0427 277 906 or at austin.evans@etonirrigation.com.au

2 Allow New Small S&D outlets

2.1 Background

There have been a number of inquiries from potential new S&D customers to join onto the Eton Irrigation system. The current rule in the Scheme Distribution Rules and Service Targets is as follows:

New Applications for Rural Residential (S&D) Offtakes

Eton Irrigation will not take applications for the installation of new Rural Residential (S&D) offtakes or small bore meters. Customers can continue to use and sell allocation to existing installations, but no new meter outlets of this type will be installed within the Eton Irrigation Area. Consideration may be given to modification of existing and/or historical arrangements.

As it is written, this rule prohibits any new customers joining on to the Eton Irrigation system if a new outlet is required. To allow them to join, this rule would need to be altered.

2.2 Proposed Rule Change

It is recommended that the Scheme Distribution Rules and Service Targets be changed to replace the relevant clause with:

New Applications for Rural Residential (S&D) Offtakes

Eton Irrigation will take applications for the installation of new Rural Residential (S&D) small diameter metered offtakes. Subject to EICL approval at the Board's discretion, prospective new outlets can be given preliminary conditional approval when they are first applied for, if there is enough spare capacity in the system to meet their needs. Final approval will be given once Water Allocation is secured, adequate storage is place (1/12th of the secured Water Allocation), payment has been made to cover the cost of capital works and an acknowledgement is signed that it is irrigation water and the quality is not guaranteed – all to the satisfaction of EICL.

2.3 Reasons Against Changing the Rule

- History: the rule was inherited from SunWater
- Rural Residential (S&D) metered offtakes not paying enough to cover costs: This was an issue with SunWater. They had looked at one stage at introducing a \$900/year account fee but balked at the idea. Eton Irrigation has since introduced a \$600/year account fee to cover the cost of meter reading, generating and sending invoices, responding to inquiries, etc. The strong belief is that this covers the cost of servicing those customers and this should no longer be a concern.
- Some consider Rural Residential (S&D) metered offtakes negatively affect the running of the system: This is largely a myth. The system is not kept open at any time to meet the needs of those customers when works could be done, and no irrigation customers want water. Like all customers they are required to have “on-farm water storage for a minimum of one month”. This is generally easier for these small users as a reasonably sized tank should do the job. That may have not been strongly enforced by SunWater in the past but EICL’s actions (including newsletters and multi-week shutdowns over the last few years) have highlighted their need for storage. The volumes that they take are so small (compared to irrigation volumes) that supplying them is not difficult and can often be met by water already in the system.

2.4 Reasons For Changing the Rule

- New Rural Residential (S&D) metered offtakes are some of the few areas where new demand is currently coming from.
- New customers in this category have no issue with paying the account fee and the other charges. They mostly consider these costs to be small for the water they are getting. The S&D complaints are all from existing customers that have paid very little (effectively being strongly subsidised) for a long time.
- Some of the farms in our scheme have been subdivided into rural residential blocks. We may not want that or be happy with that, but it is a reality. These new customers may be a way to partly compensate for the loss of farm use.

- There are a number of Water Allocation holdings where current customers are unhappy to pay their annual charges and are trying to get rid of their Water Allocation. The potential new customers are willing to “purchase” these parcels and are very happy to pay the annual charges.

2.5 Other Issues

An important consideration is that these new customers need to understand the intermittent nature of our system and the requirement for storage. One way to ensure this is to require storage to be in place before EICL gives final approval

Also, these new customers need to understand that it is irrigation water, the quality is not guaranteed, and it is not intended to be used for human consumption or household use.

A staged approach is probably best. Preliminary approval can be given with conditions that need to be filled before final approval is given and the connection put in. Conditions such as:

- Acknowledgement that it is irrigation water, and the quality is not guaranteed
- Water Allocation needs to be secured
- Adequate storage needs to be in place
- Payment for the cost of capital works required

2.6 Questions to be Answered – Member Feedback

- Are members happy with the new modified rule?
- Are the conditions adequate? Should some conditions be removed? Should other conditions be added?
- Is 1/12th of secured Water Allocation enough storage?

3 Alter Notice Periods for Shutdowns

3.1 Background

Shutdowns are needed to efficiently and economically do repairs to the system.

EICL customers do not want the system shut.

Since becoming EICL, the whole system has shut down for 3-4 weeks in May/June (winter shutdown). This allows bigger jobs to be completed and dramatically improves the efficiency of smaller jobs (particularly those that would need draining/pumping out during an in-season shutdown).

It has been raised at various times (including the AGM) that more (and bigger/longer) works could be completed during wet times in the season when no one would be taking water. To achieve this, it would be necessary to reduce the notice periods that currently exist in the rules. The current notice periods are:

Planned Shutdowns – Notice

For shutdowns planned to exceed 2 weeks, at least 8 weeks written notice will be provided to each customer affected by the shutdown.

For shutdowns planned to exceed 5 days, at least 3 weeks written notice or verbal advice will be provided to customers affected by the shutdown.

For shutdowns planned to be less than 5 days, at least 2 days' notice will be provided at least verbally to each customer affected who have placed a water order.

For the wet period works that are proposed, it would be most typical/beneficial to shut down for less than a week. Longer than that and customers are likely to want water again.

3.2 Proposed Rule Change

It is proposed to include an extra shutdown notice clause in the rules along the lines of the following:

When there has been 50mm of rain or more in the last 5 days, a planned shutdown of 1 week or less may be undertaken with 24 hours' notice provided at least verbally to each customer affected who have placed a water order.

3.3 Reasons For Adding Extra Clause

- This would allow works to be done during the irrigation season when it is very likely that no one would want water, thus reducing the amount of works needed to be completed during the winter shutdown and therefore possibly reducing the length of that winter shutdown.
- Works could be done sooner rather than waiting until the winter shut down.

3.4 Reasons Against Adding Extra Clause

- The work site would still have to be drained. This would require a minimum of 1 day in most cases – sometimes more.
- The times that this could work (significant rainfall just prior) would mean that any potential work sites would be very wet and less than ideal. Too much rain and any possible work sites would be unsafe.
- It can be difficult to secure contractors at very short notice. This may limit the ability to take advantage of these situations to conduct works.

3.5 Questions to be Answered – Member Feedback

- Are members happy with the new notice period rule?
- How much rain leading up to trigger the option? Over what period of time?
- What should the notice period be in that situation?
- How long can the shutdown be for?

4 Responding to this Discussion Paper

Note that no extra suggested changes were put forward for the **Scheme Distribution Rules and Service Targets** beyond those outlined in the July Newsletter and detailed above.

Due to an oversight, this initial discussion paper was not published by the end of July as advised in the original timetable. With this paper now being published, the timetable has been modified as set out in the table below.

Members will still have 4 weeks to respond, and the final proposed changes will be run past the Board on the 18th October before being published. Voting papers will still be sent out by the end of October with the AGM notice.

Original Date	New Date	Item
July Invoice Newsletter	Completed	Request for Rules Modification Suggestions
End of July	12 th Sept, 2022	Publish Initial Discussion Paper
End of August	10 th Oct, 2022	Receive Responses to Initial Discussion Paper
End of September	19 th Oct, 2022	Publish final proposed changes paper
End of October	31 st Oct, 2022	Send out voting papers with AGM notice

Therefore, if you have any comments, observations or suggestions, please submit them in writing by the

10th October, 2022

to

austin.evans@etonirrigation.com.au or

Eton Irrigation
PO Box 226
Eton Qld 4741

All submissions will be taken into consideration in the completion of the Final Proposed Changes Paper. Please advise in your submission if you are willing to have your comments quoted in that paper and if you wish to remain anonymous or have your name attached to the comments.

Any questions, please contact the General Manager on 0427 277 906 or at austin.evans@etonirrigation.com.au

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