

Frequently asked questions

What changes are being proposed to the system?

Investigations are looking into various infrastructure upgrades which may result in changes to service levels, potentially the quantity of water and how it is delivered to customer properties. Investigations will identify options that will consider customer needs, costs, and how to make the system more efficient. We aim to provide more information about the options in the later part of 2024.

Why make changes?

The existing rural system, although appropriate for its time, does not meet efficiency requirements. Current water losses average 42%, and water is only available seasonally between November and May each year. Community expectations are that we manage our overall water security position responsibly, with water loss and wastage through inefficiency considered unacceptable. It would be cost prohibitive for customers to fund this level of rural investment. External funding is needed in order for this to be financially viable.

What are the benefits of a more efficient supply system?

A more efficient and reliable system will provide a higher level of service to rural customers. This will result in significant water savings, which can be used to improve our overall water security position, as well as improve environmental and cultural outcomes.

How much will the project cost?

This is unknown. We are seeking this information to assist in our investigations and options analysis to determine the cost.

Will there be an increase in fees?

A new system will have a revised price structure. We are yet to quantify the potential impacts, but aim to provide more information about this in the second stage of engagement with customers. The need for a contribution from customers will be dependent on any Australian government funding received, and any on-farm etc. upgrades are likely to be at the expense of the landowner.

What options are being considered in this proposal development?

After assessing all the options and feedback from customers, we anticipate that there will be five likely outcomes for each channel:

1. No change – we do not receive any further funding and the system will remain as it is for now.
2. Modernisation – a rural piped supply will replace the existing channel system.
3. Reconfiguration – a mix of new piped supply and upgrades to the channel system.
4. Rationalisation – if the system is not viable for modernisation, closure may need to be considered.
5. Alternate supply – customers are converted to the town water supply or another suitable supply option.

Will termination fees apply to the new system? If so how will they work?

Termination fees are likely to apply to a new system. They are necessary to protect the investment made, as well as the impact to customers who remain in the system if other customers leave. Termination fees will apply to all water that is unable to be transferred or sold when a licence holder leaves the system. We will look to clarify the cost of termination fees in Stage Two conversations with customers.

Is there going to be compensation available if I don't want to remain in the system?

We may consider offering incentives to reduce licence volumes or, where appropriate, to compensate people for leaving the system and relinquishing their licence. This has not been decided yet but will form part of the conversations we have later in the year.

What happens after the proposal has been developed?

When the proposal is finalised it will be submitted to the Australian government for consideration. This needs to be done by December 2025. Once submitted we will need to wait to find out whether we have been granted any further funding. We will keep customers updated with any news.

What are the chances of receiving further funding from the government?

The Australian government has supplied funds to develop the business case and is interested in funding proposals that are supported by customers, the community, and states/territories. We need customer input and support to build the strongest case possible for funding as part of our proposal.

Will there be any changes to water trading?

Water trading will not be affected during the development of the proposal. There will, however, be a formalisation of existing trading rules and processes to strengthen the integrity of the trading process. The main focus is greater scrutiny for permanent trades, and that licences will only be renewed for a maximum of five years while investigations are taking place.

If we move to pipelines and meters, what happens if I go over my allocation?

You will have more accurate information available to avoid overuse. If you exceed your water allocation for the year, we will offer you the opportunity to temporarily trade in additional water to cover the excess usage. However, if a trade is unable to be facilitated you may be subject to an excess usage charge which will be much higher than the normal cost per megalitre.

Are there going to be any changes to the conditions on my licence?

Licensing will need to reflect the level of service provided. Ways to best manage water licences will be reviewed as part of this project.

Will you be supplying raw or recycled water?

We currently supply a mix of both raw and recycled water on different rural channels depending on what is available. We anticipate this will continue but we will be clear with customers about what product they will be receiving and what the impacts are. For some customers the option to transfer to a drinking water supply may be more appropriate. These options will be discussed with affected customers.

How have you worked out which options are best for my particular channel?

We have previously carried out some detailed investigations for each channel system. We will revisit this work and update information in consultation with customers to understand what their future needs are. This will allow us to look at all of the information available to assess the best options for each channel.

I'm happy with how things are and don't want to change anything. Will I be forced to participate?

If the proposal is successful and we secure additional funding, we will need to deliver on what we have proposed. This will mean that all customers will need to consider the option that is best for them.

I don't use my licence but see it as valuable to the property, can I keep it?

Technically you can keep your licence if you are paying the fees and charges, however, we encourage people not to hold water that they will not use. This contributes to the overall infrastructure cost of the project. Termination fees may also apply to all licences, this may change how people view water being held as an asset for the property.

How is this project any different from previous rural investigations?

Previous opportunities have been based on the availability of funding, which is sometimes difficult to access. We have tried to access funding in the past without any success. There is currently government funding available for projects that can generate significant water savings. We believe this is the best opportunity we have had, to date, to secure funding to update our rural system.

What if we change our mind between now and the next round of consultation?

The initial round of consultation is to get information from customers to help inform the development of the options for each channel system. Whilst we want the best information we can get, we also understand that situations change, so you are not locked into anything, including the feedback that you provide.

Can I get independent advice about what I should do?

If you are unsure about any of the decisions you may be required to make, we recommend speaking to a professional to get independent advice. This could include a financial consultant or irrigation specialist.

We are looking to subdivide/develop our land, how is this going to impact me?

You will need to purchase or transfer a rural licence to the new parcel of land if that's what you intend to do. This would be subject to the current rules that apply but would take the implications of any changes into consideration.

What happens if I need to surrender water in the lead up to the project?

If you surrender water in the lead up to the project we will discuss your options with you prior to processing the request.

Who pays for reconfiguring my on-farm infrastructure from the channel to a new pipeline connection point?

On-farm infrastructure costs are usually the responsibility of the property owner. This may include the provision of tanks, pipes, stock troughs or hoses.

How will you decide if channels will need to be closed?

We are carrying out detailed investigations for each system to determine the most likely outcome. This will also be informed by customer feedback. Once we combine these two things, we should be able to determine what is the most viable option for each channel system.

Decommissioning - what is going to happen to the channel running through my land?

We are factoring the costs of decommissioning into the proposal. We want to make sure we have the funding and resources available to work with property owners to carry out decommissioning when the time comes.

If I need further information about the project, where can I go?

You can keep informed about the project by visiting connect.coliban.com.au/rural-water-efficiency and register to receive updates.

You can email rural@coliban.com.au or call 1300 363 200 and speak to our Rural Investigations Team.