

Ord Irrigation Co-operative Ltd Customer Services Charter

HOW WE SUPPLY IRRIGATION WATER (Irrigation Water is Non-Potable)

This Customer Service Charter sets out the services and standards of the Ord Irrigation Co-operative Ltd (“OIC”) when supplying irrigation services to our Customers in accordance with the Operating Licence issued to the OIC by the Economic Regulation Authority (the “Authority”) under the Water Services Licensing Act 1995. Our customers are shareholders and lessees from shareholders who have access to irrigation water from the channel system in the Stage 1, Ord River Irrigation Area.

The charter informs you, the customers of the OIC, of your rights in accordance with our operating licence, including service interruptions, levels of service and complaint procedures. If you would like a copy of the operating licence please contact the OIC on (08) 9168 3300 or the Authority on (08) 9213 1900.

Irrigation water is delivered to farms from Lake Kununurra. There are two main irrigation supply systems.

- Ivanhoe Valley, which is supplied by gravity through the M1 channel (and via a pump station into the S1 subsidiary channel);
- Packsaddle Plains, which is also supplied by a gravity system, with the water initially lifted by pumps before being fed into the supply channels.

The channels are regulated and operated by the Watermen employed by the OIC.

Proper operation of the scheme is necessary to ensure water is supplied in compliance with OIC’s Operating Licence and without excessive wastage or the threat of damage to structures, channels, land, other facilities or the environment.

The distribution system does not have the capacity to supply all properties with their normal irrigation supply at once. A system of ‘water supply by scheduling’ is used to meet the supply needed by an individual irrigation farmer. This maximises the efficiency of the distribution system and minimises water wastage. It also enables the OIC to operate as a viable and efficient business and meet Department of Environment, Water and Catchment Protection licence conditions.

To do this effectively we need our customers to tell us how much water they require and when, well before they plan to irrigate. Our Watermen collate all the requests to schedule delivery of the water. They then operate the system and endeavour to deliver the water as scheduled.

THE SERVICE WE PROVIDE FOR YOU

1. The Irrigation Season

The Ord Irrigation Co-operative Ltd irrigation season runs from 1 January through to 31 December. Unlike other irrigation areas, the wet and dry seasons are the factors that define when to irrigate, when not to irrigate and when maintenance can be planned and conducted on the system.

When the demand for water falls below the level required for the economic operation of the system, and with the expectation that demand will not increase again for a period of time, we will drain the channels for maintenance purposes and to control weeds. We usually top up the M1 channel and the Packsaddle channel approximately every 7-14 days for stock and domestic use (irrigation water is non-potable). However we recommend that customers should have adequate storage in place to minimise any water supply problems.

2. Service Delivery

We will supply irrigation water that is safe for the irrigation of crops and livestock, and we will endeavour to supply this irrigation water at a quality that is below the Total Dissolved Solids level of 500 mg/L. The water is non-potable.

We work with the Water Corporation, who own and operate the bulk water infrastructure from which the irrigation water is released, to supply water to the main off-takes. The Water Corporation has also retained ownership of the M1 Channel and its infrastructure. The OIC operates and maintains this through an Operations and Maintenance Contract with the Water Corporation.

We aim to supply our customers with their irrigation water order within a period of 4 hours of the time requested. It is our practice to shut the water off within half an hour of the agreed time. All customer requests should be made in megalitres stating the duration for each individual irrigation.

We endeavour to supply a consistent flow rate for the entire period of supply.

Our Watermen operate all Detheridge wheel supply points on the open channels at the start and finish of each watering. If the Waterman agrees, you can start, adjust and turn off your irrigation flows. Growers need to communicate with their Waterman at all times and not make flow adjustments without the Waterman's approval.

Human error by OIC staff or clients may occur from time to time. It is the responsibilities of farmers to check that their requests for service, shut offs and starts are carried out. OIC is not liable for failure to provide the service nor if shut off and starts fail to occur as requested.

We aim to provide an efficient and user friendly system for placing orders.

A key condition of the OIC's Surface Water Licence is delivery system efficiency. Demonstrating operating strategies and protocols that address this is essential in order to ensure license conditions that are less onerous to comply with. The OIC also recognises that water wastage on the farm is as undesirable as water wasted through channel reliefs and our water ordering protocols need to be flexible enough to consider this.

- All watering requests (orders and cut-offs) will be accepted prior to 9am for the following day;
- Cut-off and alteration requests received prior to 9am for later in the same day will be considered in those circumstances where the water can be reallocated or saved in the delivery system;
- Growers' who require consideration for cut-off requests the following day with notification after 9am, need to contact their waterman as soon as they become aware of the requirement. Consideration will only be given if the water can be reallocated or saved in the delivery system.

In 2008 we introduced an automated telephone ordering system that allows some customers to place orders directly into an irrigation management system program. In the event of a system malfunction, a facsimile machine supports this system.

We advise our customers when their order is scheduled for delivery by either fax, computerised ordering system or by telephone. This is usually done prior to 1pm on the day before delivery. Once the telephone ordering system is fully enabled, customers can confirm their orders using the same ordering system.

Watering requests that do not conform with the 9am previous day notification requirement that are made to the Watermen's mobiles will be either confirmed or declined by return phone call.

3. Asset Management

The Ord Irrigation Asset Mutual Co-operative (OIAMC) is the owner of the irrigation system assets and raises member contributions to cover asset maintenance and renewal. The OIAMC and the OIC have a legally binding service agreement. Amongst other things, the agreement licenses the OIC to use the irrigation assets of the OIAMC to deliver the irrigation service to members. OIAMC currently contracts OIC to undertake asset maintenance and renewal works.

The OIC's irrigation service is designed to deliver water 24 hours a day. However the OIC may interrupt, postpone or limit its irrigation service to customers if:

- any part of the works is damaged (for example, by bursting, blockages or mechanical and electrical breakdown);
- it is necessary to inspect, maintain, repair or replace parts of works;
- it is required for connection of new works or services;
- an event occurs beyond the OIC's control, including acts by others, sabotage, flood, earthquake, power or industrial action.

We endeavour to prevent disruptions to the supply channels. Where disruptions are unavoidable we try to limit them to a maximum of 7 days. The OIC is not liable for interruptions, postponements or limitations to supply. Emergency changes to channel water supply may also occur without prior notice.

We work to ensure that cost effective channel maintenance is carried out in a timely manner to enable efficient and effective distribution of water to customer supply points.

We will respect the assets and operations of our customers' properties and leave all assets on private land as we found them and ask the same in return. The channel system's Jeep tracks owned by the OIAMC can be used in the dry season by members. Please drive slowly as dust can affect crops and make driving hazardous.

If any asset of the OIAMC or the OIC is broken or damaged, landowners will be asked to repair/replace the asset or reimburse the OIAMC or the OIC for all costs incurred.

Aquatic weeds and algae in the channel system are currently controlled by periodic injections of acrolein, Magnacide[®]H. This chemical is registered for use in irrigation channels whilst supplying water for crops. We provide notification in writing at the start of the irrigation season of when injections may be required for that season. For the months of March and April (the high demand months) we will inject acrolein whilst the channels are running to demand. From May onwards we will not provide irrigation services whilst acrolein is being injected. We will notify customers one week prior to an injection and the system will be shut down to a maintenance flow to maximise the treatment efficacy and reduce the quantity of acrolein required. We schedule acrolein injections for the first Tuesday of each month that treatment is required.

We control weeds growing on the channel and drain banks by aerial and ground spraying, and by mechanical clearing and slashing.

We use suitable approved chemicals for channel bank weed control in accordance with Occupational Health and Safety Standards and our staff take care not to pollute water or damage crops.

We provide you with notice of entry in advance when we need to enter your land for planned construction or rehabilitation of irrigation facilities. Because of the nature of irrigation operations and the frequent need to enter customers' properties, we are not always able to advise entry onto your land for routine maintenance and operational matters.

There will be some periods during the season, timed for when demand is low, when we need to shut down the system for capital works. Disruptions of supply are necessary for the ongoing maintenance of infrastructure to enable a reliable supply system.

We will advise all affected customers in writing, 14 days before a planned disruption to the supply on an individual channel. The advice will outline the reason for the disruption and the expected duration of the disruption. Major works could require shutdowns of 7-14 days and customers need to ensure adequate on-farm supplies to cover these periods.

We investigate all instances where supply points or meters appear to have been tampered with and we may withhold supply while the cause is investigated. When, in our opinion, water theft has occurred, we estimate the quantity stolen and charge the member accordingly.

Where a meter is recording incorrectly, we will estimate water consumption based on watering duration, amount ordered and supply point capacity for the period the meter is considered to be faulty. We will impose an additional charge or reimburse the member based on our estimate.

We will endeavour to repair or replace any meter found to be faulty before commencement of the next watering period.

Both OIC and OIAMC have a program of ongoing investment in new technology to ensure the water distribution system is capable of meeting customer needs at a lower real cost while reducing water losses.

Member requests for additional irrigation structures must be submitted to the Board of the OIAMC in writing. If the Board approves the request and the member intends to carry out the works, a condition of approval will be that it is compatible with OIAMC construction standards and that it must be completed within 12 months. Alternatively the OIC may carry out the works on the direction of OIAMC and with the consent of the member. In either case the member will be responsible for the installation cost of the structures.

4. Customer Billing

The OIC sets the price for its irrigation services taking into account the need to ensure the long term financial viability of the business. OIC also sets the volumetric irrigation water charge in June for the next financial year.

Customers will be sent monthly accounts. Accounts are treated as delivered from the date of mailing.

Each customer account will consist of:

- Fixed Service Charge - to cover the fixed costs of operating the business (per hectare rating); and
- Volumetric Charge - to cover variable costs of operating the business (per megalitre rating).

All accounts issued by OIC will contain the following information:

- identification details for the property;
- the services being billed;
- the volume of water used;
- the property's water entitlement remaining for the irrigation year;
- details on how to make account payments.

The OIAMC will issue:

- an Asset Levy Charge, mailed under separate cover, to account for the costs of asset replacement/refurbishment on a per hectare rating as determined by the OIAMC.

All accounts issued by OIAMC will contain the following information:

- identification details for the property;
- the asset levy charge;
- details on how to make account payments.

In the future a Special Charge may be introduced for extra services. This charge may include:

- non scheduled cut-offs with drainage outfall implications;
- short notice requests;
- any penalties due to frequent call outs by individuals.

Non-payment of accounts will be dealt with through the Board's Debtors Policy that reflects the Articles of Association of the OIC. Payments more than 60 days overdue

may be charged interest. Customers having difficulty with payments should discuss payment plan options with the CEO.

Under and overpayments of accounts will be adjusted on the following month's invoice.

Excess water will be charged where a property exceeds its annual water entitlement.

Customer Contact

We will keep our customers fully informed. In particular we will publish details of rates and charges in a letter attached to the new financial year invoices. Where possible the OIC will inform all growers of long term pricing arrangements through letters and the Annual General Meeting.

The OIC publishes Newsletters every six months and holds regular grower meetings in an irrigation season to provide information on irrigation projects and initiatives.

We carry out regular surveys seeking customer input and opinions on general and specific aspects of OIC's service delivery. Regular staff meetings are held and are also used to discuss customer needs.

We will respond to faults within the irrigation system within 2 working days. If the CEO or the Operations Manager decide the fault is urgent they have the authority to respond in 2 hours regardless of the magnitude of the fault. The initial response may be made by telephone or by a personal visit by an OIC employee.

We will reply to all written correspondence within 10 working days. If the matter requires investigation we will advise this in writing and will provide a date by which we will give a report of our investigation or an alternative date for the report.

We maintain an efficient and effective process for receiving, recording and resolving customer complaints. We aim to respond to customer complaints within 2 working days unless the fault is deemed urgent by the CEO, in which case we will, where possible, contact you immediately by phone to discuss the matter. We will resolve complaints within 15 working days.

If you are not satisfied with a solution offered or action taken on a complaint, you may seek referral to the OIC's Board, which will investigate the complaint, assess the appropriateness of the OIC's response and either confirm or amend the OIC's proposed solution or action.

If the matter has not been resolved to your satisfaction within 15 days, you may refer the matter to the Department of Water at the following address:

Customer Services Officer
The Department of Water
Water Industry Support Branch
PO Box K822
Perth WA 6842

E-mail: WISBcomplaints@water.wa.gov.au

Web: www.water.wa.gov.au

Refer:

<http://portal.water.wa.gov.au/portal/page/portal/LicensingWaterIndustryServices/WaterIndustryServices/ConsumerAssistance>

The Department of Water will seek a detailed explanation of the nature of the complaint, the solutions or actions offered by the utility and the reasons why these are not acceptable to you. The Department of Water will respond with its opinion on the matter and suggest a solution to the parties involved.

If you remain dissatisfied with the outcome, you may submit the matter to the arbitrator selected by you from a list provided by the Department of Water. The arbitrator's decision including award of costs, will be binding on both parties and will preclude further action on the matter. You may elect to bypass the arbitration process and take legal action to resolve the matter.

WHAT WE ASK IN RETURN

Service Delivery Assistance

To assist us to provide you with our services in the most effective and efficient manner we ask that you do the following:

- advise Ord Irrigation Co-operative Ltd of any service faults or difficulties on (08) 9168 3300;
- communicate regularly with your Waterman to help ensure efficient water distribution in your area;
- do not tamper with gates to alter the flow of water. The irrigation system is not a tap and altering your flows will affect someone else's flows. Any required changes should be discussed with the Waterman. Wheel tampering could lead to your gates being locked down;
- ensure you have sufficient storage for 7 to 14 days shutdown;
- give as much notice as possible for all requests, cut-offs and alterations;
- keep us informed of your irrigation plans and crop types;
- use best watering practice to keep water wastage to a minimum. This will assist in groundwater management and reduce the siltation of drains.

Contact Details

The OIC Watermen are on call 24 hours per day and can be contacted by mobile.

S4, S5, S7, S8 Channels
0417 960 834

Packsaddle, S1, S2, S3 Channels
0417 968 497

Operations Manager
0408683304

Chief Executive Officer
0408683300

Office
(08) 9168 3300

Office Fax
(08) 9168 3100

Office hours are: 9.00 am to 3.00 pm weekdays.

E-mail info@ordirrigation.com.au

PO Box 573
Kununurra WA 6743

Asset Management

The OIC provides some asset maintenance services on a contractual basis to the OIAMC. To assist the OIC in this role please:

- keep the OIC informed of any maintenance, changes or modifications that you believe would improve the operation of the system;
- if spraying your farm with herbicides approved by the OIC, please feel free to carry out spraying in OIAMC's channels and drains. Record the areas sprayed and the amount of chemical used. We will reimburse you for the chemical used, provided the OIC has issued prior approval.
- accurately gauge your water requirements with a view to reduce tail drain flows so loss of topsoil and the rate of the drain siltation is slowed. On farm silt traps, correct drainage outlet levels and well-designed land levels will help to significantly lower drainage maintenance costs. Growers clearly abusing the drainage service can be charged for the corrective maintenance under the Rights in Water Irrigation Act 1914.

Customer Billing

To assist us conduct our billing process in the most effective and efficient manner we ask that you do the following:

- pay invoices by the due date. Payments can be made by cheque or electronically into the nominated Bank Accounts shown on the invoice;
- let us know if you are having difficulty in paying amounts charged;
- let us know of changes in ownership, lessees, and changes in C class shares, addresses and addressees.

Water Trading

Water trading is subject to the approval of the OIC Board. Please submit your trade proposal for consideration at Board meetings, which are generally scheduled on the last Wednesday of each month.

Limitation or Withdrawal of Services

The Ord Irrigation Co-operative Ltd may discontinue its irrigation services if:

- you do not comply with the terms and conditions of this Charter;
- there is a public health, environmental or safety risk to the OIC from a connection;
- you do not pay, or meet and make arrangements to pay, overdue charges for the services.

If your service has been withdrawn, the OIC shall reinstate the service on compliance with the terms and conditions of this Charter.

Liability

The OIC is liable for any loss or damage that you may suffer as a result of:

- a breach of this Charter by the OIC, its servants or contractors; or
- a negligent act or omission by the OIC, its servants, contractors or agents; or
- the failure of the OIC to meet standards prescribed by its Operating Licence or regulations.

The OIC's liability is limited by section 35 of the Water Services Licensing Act 1995 which allows the OIC to interrupt, suspend or restrict the provision of an irrigation service if, in the OIC's opinion it is necessary to do so because of an accident, emergency potential danger or other unavoidable cause. The OIC is not liable for any loss or damage that arises from any such interruption, suspension or restriction unless the customer has an agreement with the OIC which expressly states that the OIC is, to the extent that the agreement states, liable in those circumstances.

The OIC's liability under breach of Charter is limited to the rights of compensation and redress set out in this Charter. The OIC's liability for failure to meet prescribed standards is limited to the amount prescribed as a penalty in its Operating Licence or regulations.