

C.S. SHIPARD

ESCSA.  
Principal Adviser  
Mr. Stephen Pearce,

19/9/16

Dear Sir, Please find attached a written submission on the inquiry paper.

I do not use computer technology, so could please be kept informed by post with the future reports as they are available, and any other information that may be available and of use to me.

I am not sure how fast our CWMS will progress through the connection phase, but I am told by some ratepayers that they are in no hurry to connect. I don't see those with concerns being forced to connect before the release of the Final report in June 2017.

I am hoping that in the event this inquiry may resolve some issues for our ratepayers to attract better cooperation within an efficient, economic, workable CWMS, and water recycling scheme for our future.

Please contact me on the above mailing address or by phone on [REDACTED] for further discussion.

Thank you

Clyde Shipard.

Submission: -

19/9/16

Issues paper,

Inquiry into regulatory arrangements for small-scale water, sewage and energy services.

Contact Officer: Principal Adviser  
Mr Stephen Pearce,

Dear Sir,

We are currently transitioning from private onsite septic systems to a local government (council) run CWMS.

Fifteen years ago it was considered by the community and council that our town would never see a common effluent scheme. During that period Cowell expanded at a rate of about 25 houses per year for 4 years. Most new properties installed onsite aerobic wastewater treatment systems (AWTS), with the advantage of recycled water for garden uses, at a time when water shortages were acknowledged with the introduction of water restrictions. About 100 AWTS were installed.

The authorities watched this expansion of our town with no immediate action to install a CWMS. Council encouraged ratepayers to consider installation of AWTS.

Now council has moved forward to a CWMS which appears to create a monopoly and "free water" to the advantage of council and the sporting clubs' oval. This also presents an unfair financial and water disadvantage to all those currently operating an AWTS.

AWTS owners will require additional potable water to water their gardens if all AWTS in the CWMS area are decommissioned.

There has been no true analysis of our water future within a CWMS future. It is assumed that all recycled water used represents that saving of potable water. This is a misguided assumption given our AWTS recycling has never been accounted for within the plans, and there is no indication how many AWTS will remain in a CWMS future.

My answers to questions relevant to our sewage and water are attached: -

1(a) Customers are concerned for our water future at Cowell. They are concerned about the possibility of being forced to decommission their AWTs, forfeit their water, and possibly watch this water being wasted for new found uses. The irrigation plans have changed and we are uncertain where the water will be used.

Besides the water used from our AWTs there is also subsurface water used from old septic soakage pits to water fruit trees etc. so it is very difficult to calculate the deficits in garden water created by CWMS.

People are very concerned and have voiced their opinions at meetings, through submissions and with many letters and questions but the responses have not been very satisfactory.

(b) As a customer I cannot achieve satisfactory answers to my questions within the various regulatory framework.

I believe within the regulations the Technical Regulator has an advisory role in our scheme, but if you ring his office he is only involved with SL Water sewage services. Council's schemes are apparently self regulated.

I believe the SL Health Dept and EPA. have approved the scheme for council at some stage of the ever changing plans.

Council cannot yet provide suitable "prescribed details" of the scheme, the required details on direct connection to CWMS, the questionable connection of AWTs to CWMS, or any exemptions available.

(c) Where customers appear to have no choice of supply arrangements then the benefits must be transparent and easily understood through good communication and public consultation. This is the failure of our CWMS.

(d) Community confidence, engagement and satisfaction has been destroyed within our community. Community attitude is a good guide, and the current quiet is no guide to the acceptance of the scheme. The community has a defiant attitude quietly festering.

2.(a) Council considers they will set the sewage rates to cover all operating and capital costs. Council indicates an intention to reimburse the scheme for the recycled water used on the oval. Council considers ESCOSA will set this water price for council.

This appears to provide "free water" to the sporting clubs, where I believe previously they paid for water used.

I believe all recycled sewage water should be used on a user-pays basis, at the current recycled water value, to replace current potable water uses where recycled water is suitable for use.

This would demonstrate and promote efficient and economic water uses, while recovering running costs to reduce the sewage rates to sewage customers. This could provide suitable savings for AWTs owners to buy replacement potable water for their garden uses if their AWTs is decommissioned.

A guaranteed water supply with no introduction of regional pricing would be essential if we are forced to accept this scheme as presented.

Regulatory user pays pricing is an essential compromise if our AWTs are decommissioned.

Eventual user pays water pricing will be likely, and our exceptional situation (of AWTs numbers) is a need to consider pricing regulation sooner rather than later.

(b) Council proposes to over-recover the operating costs, the capital and interest costs all from the sewage ratepayers. There is no indicated commitment by the water user to pay reasonable contributions to the operating costs on a user pays basis.

3 (a) The abbuttal charge for a non-connected service prohibits, or substantially reduces fair competition for continuing to operate an AWTs when a council run CWMS is available. This could be considered a regulated monopoly. While SGL opposes the removal of the abbuttal charge, I believe water pricing reform suggested the need for a cost/benefit analysis. I believe <sup>this</sup> is an important option to consider in relation to fully compliant stand alone AWTs. Within this analysis how many AWTs would be compliant and able to be retained?

- 3(a) continued  
 AWTs owners have no idea of current compliance requirements and frankly not does council. We have insufficient information to make informed decisions.
- (b) Initially service for our AWTs was poor. With the installation of over 100 AWTs at Cowell, I believe service has become reliable. If 80 odd of these are decommissioned the reliability of service would deteriorate for those remaining, and in particular those outside the CWMS area. The future service requirements for those remaining AWTs without the option to connect to CWMS has been overlooked. It has been quoted "somebody will service them", and "it is a customer problem anyway." "The customer will have to sort it with the Health Department." I have been told "the supplier has an obligation to service the AWTs as part of the approval." This is <sup>all</sup> misleading information.
- (c) We have received ever changing information about our CWMS, but we have very little current information on the final plans as the scheme was buried.

My connection was 2.05m. deep on the plan, but connected to the boundary at about 1.3m which could provide possible difficulties for me to connect.

We don't know current details of the scheme until the "prescribed details" are provided under regulation 749 of the SA Public Health Act 2013.

Our AWTs were audited and many were considered non-compliant in a general report. We need sufficient precise information to make informed decisions on keeping our AWTs or connecting to CWMS.

All the regulating authorities need to work together to assist our council to put together a suitable outcome for both health and water in a way that meets ratepayer acceptance.

- 4 (a) We were told that AWTs was much more expensive than CWMS during early planning. Current indications are that this may be very incorrect. I am very concerned that within the council CWMS budget, council will not be equipped to maintain the compliance of this new scheme within the regulatory framework any better than previously.

4(b+c) To read the regulations they appear to fit together well, but in practice our scheme is emerging as possibly an inefficient water system, and with a very deficient sewage customer base, looking for many ways to find an alternative way to conserve water, and possibly at the expense of health outcomes. This considered do you believe that the CWMS will improve Couvells outcome?

If the regulations fit together then the correct people are not conversant with them.

(d) The community requires to be made informed of the regulations as they will be adopted, and also informed of the penalties applied for breach of regulations, to ensure proper management of waste, and proper compliance.

5 The scheme must provide an improved water outcome for our town. The scheme must include fully compliant waste systems, either stand alone AWTs or CWMS connections. All remaining septic should be compliant. We need to know the expectations of compliance before anybody begins connecting to the scheme.

Council as the regulatory authority has the opportunity to adjust the outcome of CWMS with resolutions and granting of exemptions. This process must be used within the code and regulations.

We currently have a mix of misguided ideas between the new and old codes and regulations, and many council resolutions, along with some crazy pub talk and nobody really knows anything of value.

Communication and consultation is probably the most important tool within a sewage/recycling scheme to ensure success and community cooperation.

Our council proceeded with the CWMS scheme with:-  
222 submissions objecting to the implementation of the scheme,  
and 64 supporting the scheme.

I dispute council's decision to proceed with the scheme against ratepayer objections.

I believe that if council saw the necessity to continue with the scheme they should have taken time to deal with submissions as presented, with an intent to be seen to correct misunderstandings within the community,

5 continued.

and considered the public points of concern in an attempt to gain a stronger vote in support of the scheme. Unfortunately this is not the beneficial way in which a public consultation process is used in <sup>such</sup> a controversial situation.

Schemes worldwide have failed through poor communication and consultation, and unfortunately this scheme at best could be very difficult to implement with a satisfactory outcome, or, at worst the scheme could fail.

I have accepted this scheme will proceed against my better judgement and now it is essential that the community is able to gain sufficient understanding of the scheme to begin to work towards its success. If modifications and adjustments in management and legislations are necessary to make this achievable then this should be addressed.

My understanding is that within the water pricing principles retailers <sup>should</sup> move towards the beneficiary pays approach which agrees with my ideals and principles. This should be encouraged at Cowell, to encourage better water uses in rearranging our water recycling from AWTs to CWMS. I am not happy to hear people talking about the "free water" going to be produced from CWMS. Somebody will pay to produce that recycled water! We need to ensure that the beneficiary pays for his benefits from the scheme.

The suggestion that council will reimburse the CWMS for the water value is not really a user pays or beneficiary paying for the water, but merely spreading the water costs across all ratepayers. I could accept this cost recovery for street and park lemons paid by all ratepayers in the district, however any sporting uses, or perhaps caravan park use in the future, should be on a user pays basis.

Please consider this submission, and our exceptional circumstances as customers of CWMS, and private onsite system owners that require assistance to be involved in an improved and successful outcome.

C. S. Shepard.