



## Rural Pipeline Products and Charges

The Rural Pipeline Systems have significantly changed the way that rural customers are serviced and charged. Leading up to this change, GWMWater worked closely with our customer committees to develop a range of pipeline products and tariffs for rural customers serviced by a pipeline system.

All rural domestic and stock (D&S) customers supplied by the Rural Pipeline Systems initially received a **standard water allowance** based on 2.5 kL per hectare, and an additional **primary allowance** of 730 kL per rural household. Customers with a landholding of less than 40 hectares have received a minimum standard water allowance of 100 kL plus the primary allowance (if applicable).

Customers may manage their standard water allowances by permanently or temporarily trading their water allowance. Further details on allowances are provided in the frequently asked questions section of this fact sheet.

### Annual Charges

The following charges have been approved by the Essential Services Commission (ESC) and are effective 1 July 2025 to 30 June 2026. There are three components to the rural pipeline tariff as summarised in the table below:

1. Capacity Charge
2. Meter Charge (primary or standard as applicable)
3. Usage Charge (including the excess charge)

| Tariff Component   | Charge   |
|--|----------|
| Capacity Charge (per kL) – standard water allowance (minimum 100 kL) | \$1.0092 |
| Meter Charge – Primary (per meter)                                   | \$361.72 |
| Meter Charge – Standard (per meter)                                  | \$180.68 |
| Usage Charge (per kL) – within tradable allowances                   | \$1.2184 |
| Excess Usage Charge (per kL) – consumption over allowances           | \$4.4166 |

### Capacity Charge (Fixed Charge)

The capacity charge represents the share of the pipeline infrastructure that a rural enterprise can potentially utilise within the system and is based on the standard water allowance.

There is no capacity charge on the primary allowance of 730 kL, but the usage charge applies. For example, the capacity charge for a rural enterprise with a 3,000 kL allowance and a residence would be as follows:

| Capacity Charge Descriptions                       | Annual fixed capacity charge |
|--|------------------------------|
| Standard Allowance = 3,000 kL x \$1.0092 per kL    | \$3,027.60                   |
| Primary Allowance = 730 kL or 0.73 ML x \$0 per kL | \$0                          |
| Total Capacity Charge                              | \$3,027.60                   |

## Meter Charge (Fixed Charge)

The meter charge is used to recover the cost of meter reading, repairs and replacement and billing and is based on a standard 20 mm meter at the property boundary.

The standard meter charge applies for a meter that does not supply a household. Meters that service a household incur the primary meter charge as the 730 kL primary allowance does not incur a capacity charge.

| Meter Type     | Description  | Annual fixed charge per meter |
|----------------|--|-------------------------------|
| Standard Meter | Does not supply a household                        | \$180.68                      |
| Primary Meter  | Includes the additional 730 kL household allowance | \$361.72                      |

## Usage Charge (including Excess Charge)

The usage charge is \$1.2184 per kL up to 100% of the total water allowance. All consumption above 100% will attract the excess charge of \$4.4166 per kL.

## Cost Scenarios

Information on water allowances, tariff charges and water trading is available in 'Examples of costs for rural pipeline customers', which details three examples of cost scenarios to help landholders understand the pricing structure.

# Frequently Asked Questions

## Meter Charge

### What is the difference between a primary meter and a standard meter?

A primary meter services a household and has the benefit of providing a primary allowance of 730 kL that is not subject to the capacity charge.

### Does the meter charge(s) include the cost of water used?

No. All water used up to 100% of the total water allowance will be charged at the usage rate of \$1.2184 per kL. All consumption above the total water allowance will attract the excess usage charge.

### Can I have my other rural enterprises operating off one primary meter without getting another standard meter?

Yes, provided all on-farm storage requirements are satisfied. The key difference with this connection is you are getting an extra 730 kL for the house, in addition to the standard allowance. If this isn't used fully for the house then it provides extra allowance for your other rural activities.

### Can I have more than one household serviced by a primary meter?

Yes, but you only receive one primary allowance of 730 kL. You may be better off connecting this additional house to another primary meter and receive the extra 730 kL which is not subject to the capacity charge.

### If I have a second house can I connect it to one of my standard meters?

Yes, but you will need to contact GWMWater to reassess the classification of the meter to a primary and receive the associated 730 kL and pay the primary meter charge.

### What charges are associated with a new primary connection?

An initial allowance of 730 kL will need to be purchased from the growth water pool. Connection fees apply to all new water connections.

## Capacity Charge

### Isn't the capacity charge just a defacto area charge?

While the initial allowance of 2.5 kL per hectare is based on land size, as greater volumes of water are purchased or traded the capacity charge will reflect where capacity is actually required within the pipeline system.

## Allowances

### What is the difference between a primary allowance and a standard allowance?

- A primary allowance services a household and contributes to the total amount of water available to a rural pipeline customer. Under the current tariff the 730 kL primary allowance is permanently vested with GMMWater.
- A standard allowance also contributes to the total amount of water available to a rural pipeline customer. The allowance will vest with the customer and can be traded either permanently or temporarily (a minimum of 100 kL must remain tied to each meter).

### Where did the 2.5 kL per hectare come from?

This is based on the Wimmera Mallee Pipeline Project Business Case which was developed on historic water use profiles and after extensive consultation with customers.

### What if the initial allowance of 2.5 kL per hectare is not enough?

In the majority of cases the allowance will be enough, but if you are a high-water user you may need to trade an additional allowance with another rural pipeline customer.

### Will there be sufficient capacity in the pipeline to upsize my business to an intensive industry?

Intensive users and developers should contact GMMWater to discuss their specific needs. The design provides for growth and may be augmented to meet the needs of potential new industries to the area.

### Can I merge my primary and standard allowances from both the Grampians and Murray supply systems?

No, these are considered separate supply areas.

### Am I able to amalgamate my water allowances?

Yes. Customers may amalgamate their water allowances for properties within the same supply system (subject to capacity being available in the system). Amalgamations provide flexibility of water use and may also be used to avoid excess water charges.

### Am I able to subdivide my water allowance?

Yes. Customers may subdivide their water allowances, but this is usually only required when part of an existing property is sold. Allowances will only be allocated to subdivided lots with an existing meter, or to lots where an application to install a meter has been lodged.

## Usage

### Why have an excess charge in the usage tariff?

It promotes water trading and to ensure customers have adequate allowance to meet their water demands.

### How was the excess usage charge determined?

The charge reflects the carrying cost of GMMWater's investment in the additional capacity built into the Rural Pipeline Systems.

## General

### Can I drink water supplied through rural pipelines?

Water supplied from GMMWater rural pipeline systems does not meet accepted Government standards for drinking water. This water should not be used for drinking, food preparation, ice making, or other human consumption purposes.

### **Related Fact Sheets and Information**

- > *Water Trading – Rural Pipeline Systems*
- > *Untreated Water Supply Notice*
- > *Examples of costs for rural pipeline customers*