

## WHAT IMPACT WILL THE PRICE INCREASES HAVE ON MY HOUSEHOLD BILL?

This fact sheet outlines the impact of water price increases on residential customer bills. It can be used to assist customers in estimating the changes to their bills that will result from the water price review.

The following table provides an overview of increases to average household bills to occur on 1 July 2008. These increases are averages across each business and are indicative only. Most regional businesses charge different prices for different towns in their supply areas. The bill of an individual customer depends on where the customer lives and the volume of water consumed.

### Average real (excluding inflation) household bills 2007-08 to 2012-13 (Urban businesses)

Water Business	Average bill (2007-08)	Average bill (2012-13)	Change
Barwon Water	\$691	\$991	43.3%
Central Highlands Water	\$756	\$1046	38.5%
Coliban Water	\$586	\$931	59.0%
East Gippsland Water	\$680	\$1013	48.9%
Gippsland Water	\$672	\$1152	71.4%
Goulburn Valley Water	\$537	\$766	42.6%
GWMWater	\$772	\$1027	33.1%
Lower Murray (urban)	\$635	\$775	22.1%
North East Water	\$640	\$947	48.0%
South Gippsland Water	\$769	\$895	16.4%
Wannon Water	\$705	\$1058	50.1%
Western Water	\$711	\$966	35.7%
Westernport Water	\$764	\$927	21.4%

**Note:** Average household based on largest regional centre for each business. Actual impact on individual households will depend on extent to which businesses have adjusted prices for each service or tariff component, any changes to tariff structures and each customer's actual consumption pattern.

### How will the price increases affect you?

It is simple to work out how your annual bill will be affected by the price changes. Follow the formula below to estimate your household bill:

Annual household bill =

- water service charge + (water usage charge × annual volume of water consumed)
- +sewerage service charge + (sewage disposal charge × annual volume of sewage discharged)
- +drainage charges (metropolitan customers)

The following items are included on a typical household bill:

- Water service charge — fixed charge for the provision of water services to a property.
- Water usage charge — based on the volume of water consumed. Six businesses have inclining block tariffs, whereby the usage charge increases the greater the volume of water consumed.<sup>1</sup>
- Sewerage service charge — fixed charge for the provision of sewerage services to a property.
- Sewage disposal charge — based on the volume of sewage discharged to the sewerage system. The volume of sewage discharged is measured as a function of the water consumed.<sup>2</sup>
- Drainage charge — fixed charge for the provision of drainage services in Melbourne. This is a fixed charge collected by the metropolitan retailers on behalf of Melbourne Water. Customers in regional Victoria are billed for drainage services by their local council.
- Volume of water consumed and sewerage discharged.

Owner-occupiers are responsible for all of the above charges. Tenants whose premises are separately metered are responsible for water usage charges (and sewage disposal charges if residing in Melbourne). Landlords are generally responsible for all service charges, drainage charges, water usage charges on un-metered premises and all sewerage charges in regional Victoria.

Information on charges for selected cities and towns is contained in the Determination issued by the Commission for the relevant business, which is available on the Commission's website ([www.esc.vic.gov.au](http://www.esc.vic.gov.au)).

<sup>1</sup> Businesses with inclining block tariffs are Central Highlands Water, Coliban Water, Lower Murray Water, Wannon Water, Western Water, and Westernport Water.

<sup>2</sup> Sewage disposal charges for residential customers are only levied by East Gippsland Water (Dinner Plain customers only).