



Victoria’s water businesses send us submissions on proposed prices and key outcomes for their customers. We assess the submissions and make price determinations on the maximum price they can charge for their services. New prices need to be in place by 1 July 2018.

### Snapshot

Bills	Tariffs	Outcomes
Typical annual residential owner occupier water bills for 2018-19 will be \$956 before inflation, down from \$983 in 2017-18. A <b>decrease of \$26 or 2.7%</b> . In 2022-23 the typical annual bill is forecast to be \$957 (not including inflation).	For variable water charges, City West Water proposes to reduce the three step residential water tariff to two steps.	City West Water will introduce new service standards and targets and will report annually to customers on its performance.

Do you want to know the difference between bills and prices? For this and more information about our price review process and City West Water’s price submission, go to <http://www.esc.vic.gov.au/waterpricereview>

### Send us your feedback on City West Water’s proposal

Submitting your feedback to City West Water’s price submission by **10 November 2017** will help us prepare for the release of our draft decision.

Any feedback submitted after this date will still be considered as part of our consultation process. Send your feedback to [water@esc.vic.gov.au](mailto:water@esc.vic.gov.au) or call (03) 9032 1300.



## What are the changes to prices and tariffs?

Overall proposed prices for City West Water customers will **go down**. In addition, City West Water has proposed to alter tariff structures through a combination of:

- reducing the number of price steps in the volumetric water charge for residential customers
- reducing the volumetric fee on sewage disposal and trade waste
- redistributing the existing \$100 annual rebate through lower prices for all customers, including reductions for non-residential customers.

## How will this affect your bill?

Prices and tariffs are only part of the bill. Your actual bill depends on factors such as the amount of water and services you use. City West Water provided us with typical bills for different customer groups and water volumes.

### Typical water and sewerage bills (not including inflation)

Customer group	Average consumption (kL p.a.)	2017-18 annual bill	2018-19 annual bill	2022-23 annual bill
Residential (Owner occupier)	155	\$983*	\$956	\$956
Residential (Tenant)	145	\$456*	\$446	\$446
Non-residential (Small)	100	\$1,226	\$1,181	\$1,181
Non-residential (Medium)	1000	\$5,155	\$4,831	\$4,831
Non-residential (Large)	10,000	\$44,440	\$41,336	\$41,336

\*includes a government rebate

## What are the outcomes for customers?

As part of their price submission, water businesses must propose a set of outcomes that customers will receive during 2018 to 2023. City West Water proposed six outcomes along with activities and targets to measure how it performs in delivering these outcomes.

It has proposed four new Guaranteed Service Levels and will increase payments to customers where these service levels are not met.





## What are the major works that will go on around you?

City West Water has proposed a capital program focussed on:

- increasing maintenance and renewal of water and sewerage pipelines to deliver service levels expected by customers
- constructing new water and sewer systems to cater to growing greenfield suburbs
- upgrading the Spencer Street and Lonsdale Street sewers to support the strong growth in residential and retail development over the past decade, which is expected to continue.
- improving its billing system and associated supporting IT infrastructure to provide the online service options customers expect.

City West Water's top 10 major projects will improve a range of services (including drinking water, sewer mains and recycled water networks) for Greek Hill, West Werribee and Tarneit, as well as for the inner city.

City West Water also proposes to trial digital metering technology as its engagement program found that customers were interested in access to real time water usage information. In line with feedback from its engagement, City West Water will not pass on costs of this trial to customers.

## How much revenue is required from 2018 to 2023?

We require each business to tell us what revenue it will require for the next five years. This helps us understand how City West Water calculated the prices in its submission.

City West Water forecasts that it needs **\$2,355 million** of operating expenditure and **\$549 million** of capital expenditure to provide its services to customers over the next five years. To fund this it requires **\$3,199 million in revenue**, a **decrease** from the \$3,223 million required during 2013 to 2018.

This reduced revenue is contributing to the 2018-19 price decrease and then the four years of prices rises at inflation.

## Got a question?

[View our contact details](#) and follow us on [LinkedIn](#) and [Twitter](#).

