



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	Investment	Outcomes
Typical annual residential owner occupier water bill for 2018-19 will be \$1,333, up from \$1,290 in 2017-18. This increase is \$43 in the first year, and a further \$8 or 0.6% each year over the next four years. The initial increase is in part due to the end of the four year government rebate.	Gippsland Water will build a new wastewater treatment plant in Drouin.	It will introduce five new Guaranteed Service Levels, with community rebates to be administered by a Community Consultative Committee.

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

Send us your feedback on Gippsland Water's proposal

Submitting your feedback to Gippsland 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 or call (03) 9032 1300.



What are the changes to prices and tariffs?

Gippsland Water has proposed overall prices for its customers that will on average **go up** by 0.57 per cent each year over the next five years, not including inflation.

In addition, Gippsland Water has proposed not to alter its tariff structures.

The impact of these changes on bills will vary across customer groups and consumption levels.

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. Gippsland 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)	168	\$1,290*	\$1,333	\$1,364
Residential (Tenant)	168	\$332*	\$344	\$352
Non-residential (Small)	130	\$1,435	\$1,443	\$1,476
Non-residential (Medium)	333	\$2,139	\$2,152	\$2,201
Non-residential (Large)	630	\$3,170	\$3,188	\$3,261

*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. Gippsland Water proposed five outcomes along with activities and targets to measure how it performs in delivering these outcomes.

Service levels and targets will increase during the next period, with five new Guaranteed Service Levels, with community rebates to be administered by Community Consultative Committee.





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

(\$ million before inflation)

Project	Detail	Total
Drouin Sewer – New Wastewater Treatment Plant	This project involves a new wastewater treatment plant, to be built by 2022; it will have more capacity than the existing treatment plant at Drouin and will cater for the rapid growth of the town.	31.5
Sale Sewer – Outfall Sewer Pump Station	This project involves a larger pump station near the Port of Sale. It will cater for growth, and include better emergency storage and odour control systems.	9.7
Warragul Water – Western Ring Main to South Basin	This project involves a new western ring main around Warragul as failures on the 450mm Warragul water main have caused significant disruption to water supplies. This will provide alternative water supply to Warragul and allow for a future upgrade to service Drouin.	8.9
Coongulla Water – Interconnect to Heyfield	To better manage the ongoing costs and challenges associated with Coongulla’s water supply; this project proposes a new pipeline from the Heyfield water treatment plant to Coongulla by 2021. The water treatment plant at Coongulla will then be decommissioned.	5.7

How much revenue is required from 2018 to 2023?

We require each business to tell us what revenue it will need for the next five years. This helps us understand Gippsland Water’s prices in its submission.

Gippsland Water forecasts that it needs **\$392 million** of operating expenditure and **\$209 million** of capital expenditure for 2018 to 2023 to provide its services to customers over the next five years. To fund this, Gippsland Water requires **\$633 million in revenue**, an **increase** from \$603 million during 2013 to 2018.

This additional revenue is contributing to Gippsland Water’s proposed price increases over the next five years.

Got a question?

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