



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  | Future Prices  | Outcomes and Investment  |
|--|--|--|
|  |  |  |
| Typical annual water bills for residential owner occupiers for 2018-19 will be \$1,141 before inflation, up from \$1,118 in 2017-18. This <b>increase</b> is <b>\$23</b> , or <b>2.1%</b> and incorporates the end of the four year government rebate. | Westernport Water has made efficiency savings so average price rises are limited to inflation from 2018-19 to 2022-23. | Westernport Water will invest in projects to improve water quality and reliability. It has new service targets and will report annually to customers on its performance. It proposes to pay community rebates for targets it does not achieve. |

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

### Send us your feedback on Westernport Water’s proposal

Submitting your feedback to Westernport 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, Westernport Water has proposed overall prices that will **go down** in 2018-19 then rise with inflation over the next four financial years.

It has also proposed a new standpipe variable tariff for bulk drinking water consumption, also known as metered hydrant consumption.

## 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. Westernport Water provided us with typical bills for different water volumes and customer groups.

### 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) | 80                            | \$1,118*            | \$1,141             | \$1,141             |
| Residential (Tenant)         | 80                            | \$130*              | \$159               | \$159               |
| Non-residential (Small)      | 400                           | \$1,978             | \$1,996             | \$1,996             |
| Non-residential (Medium)     | 1000                          | \$4,995             | \$4,994             | \$4,994             |

\*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. Westernport Water proposed four outcomes as well as activities and targets to measure how it performs in delivering these outcomes.

Service level targets are set higher than in previous years. It proposes one new Guaranteed Service Level for water quality, and increased payments to customers where existing Guaranteed Service Levels are not met.

Westernport Water proposes to provide scaled rebates for targets it does not meet.





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

(\$ million before inflation)

| Project                                      | Detail  | Total |
|--|---|-------|
| Cowes Wastewater Treatment Plant Upgrade     | This project aligns with Westernport Water's outcome of reliable wastewater services. The upgrade will increase the capacity and the performance of the Cowes Wastewater Treatment Plant. It will also ensure the plant complies with Environment Protection Authority Victoria license conditions. | 3.4   |
| Phillip Island Water Supply Security Project | This project aligns with Westernport Water's customer outcome of a reliable water supply. It involves constructing a storage tank as back up supply to San Remo or Cowes for when the sole water main is shut down for repair.  | 2.8   |
| San Remo Basin Renewal Project               | This project is to improve water security in the region. It involves renewing the basin liner at the single water storage for San Remo and Phillip Island.  | 2.0   |
| Business Transformation Project              | This project is part of Westernport Water's customer outcome of affordable and responsive services to customers. It involves replacing ICT systems and infrastructure to support the business's performance, revenue collection and reporting.  | 1.7   |

## 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 Westernport Water's prices in its submission.

Westernport Water forecasts that it needs **\$74 million** of operating expenditure and **\$27 million** of capital expenditure to provide its services to customers over the next five years. To fund this, Westernport Water requires **\$113 million in revenue**, an **increase** from the \$106 million required during 2013 to 2018.

This additional revenue will not increase prices in the next five years because of growth in population and the efficiencies Westernport Water plans to make.

## Got a question?

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

