

# Appendix N

## Information Template

## ESC urban water price review 2008-09 to 2012-13 Western Water

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### General Cover Notes:

This model applies to the regional/urban businesses for the second ESC price review

Version 1.4.1

10 September 2007

# Financing and price control assumptions

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FIRST REG PERIOD					SECOND REG PERIOD					
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2003-04    2004-05    2005-06    2006-07    2007-08    2008-09    2009-10    2010-11    2011-12    2012-13

### Inflation assumptions

March quarter annual CPI	141.3	144.1	147.5	151.9	155.6						
Inflation		1.98%	2.36%	2.98%	2.44%	3.15%	3.15%	3.15%	3.15%	3.15%	3.15%
Inflation factor	0.930	0.949	0.971	1.000	1.024	1.057	1.090	1.124	1.160	1.196	

### WACC assumptions

Parameters	1st period	Forecast
Risk Free Rate (Real)	2.67%	2.61%
Debt Premium	1.16%	1.11%
Equity Premium	6.00%	6.00%
Equity Beta	0.8	75%
Gearing (Debt/Assets)	60.00%	60.00%
Forecast Inflation	2.55%	3.15%
Franking credit value	0.5	0.5
'Vanilla' After Tax WACC (Real)	5.20%	5.10%

### Form of price control selected

- Price caps
- Tariff basket (x factor)
- Use this option for Revenue Cap

# Operating Expenditure forecast

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FIRST REG PERIOD				SECOND REG PERIOD					
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2004-05    2005-06    2006-07    2007-08    2008-09    2009-10    2010-11    2011-12    2012-13

### Operating Expenditure Summary

Business as Usual	22.23	21.80	25.35	26.34	31.30	34.73	38.44	44.05	50.35
Licence fees	0.18	0.22	0.12	0.18	0.13	0.13	0.13	0.13	0.14
Environment Levy	1.02	1.34	1.30	1.27	1.27	1.27	1.27	1.27	1.27
<b>Total prescribed BAU opex</b>	<b>23.43</b>	<b>23.35</b>	<b>26.77</b>	<b>27.78</b>	<b>32.70</b>	<b>36.13</b>	<b>39.84</b>	<b>45.44</b>	<b>51.76</b>
<i>June 2005 Final decision</i>		25.80	24.17	23.96					

### Total BAU operating expenditure

\$m, 1/1/07

#### Water

Operations & Maintenance	2.93	2.90	3.52	3.66	4.22	4.33	4.46	4.76	4.87
Bulk charges	6.97	6.07	6.48	6.68	8.61	11.05	14.35	18.80	24.81
Treatment	1.88	1.80	1.79	1.94	2.24	2.63	2.82	3.24	3.42
Customer Service and billing	0.51	0.82	0.84	1.14	1.15	1.16	1.17	1.18	1.19
GSL Payments	-	-	-	-	-	-	-	-	-
Licence Fees	-	-	-	-	-	-	-	-	-
Corporate	2.81	2.86	3.96	3.83	4.38	4.51	4.58	4.69	4.74
Other operating expenditure	-	-	-	-	-	-	-	-	-
<b>Total Water</b>	<b>15.10</b>	<b>14.45</b>	<b>16.59</b>	<b>17.24</b>	<b>20.60</b>	<b>23.68</b>	<b>27.38</b>	<b>32.66</b>	<b>39.03</b>

#### Sewerage

Operations & Maintenance	1.78	1.70	1.94	1.99	2.24	2.23	2.27	2.30	2.28
Bulk charges	-	-	-	-	-	-	-	-	-
Treatment	2.15	2.12	2.39	2.32	2.70	2.87	2.93	3.04	2.87
Customer Service and billing	0.41	0.67	0.69	0.93	0.94	0.95	0.95	0.96	0.97
GSL Payments	-	-	-	-	-	-	-	-	-
Licence Fees	-	-	-	-	-	-	-	-	-
Corporate	2.30	2.34	3.24	3.10	3.55	3.65	3.72	3.81	3.85
Other operating expenditure	-	-	-	-	-	-	-	-	-
<b>Total Sewerage</b>	<b>6.65</b>	<b>6.82</b>	<b>8.25</b>	<b>8.35</b>	<b>9.43</b>	<b>9.70</b>	<b>9.87</b>	<b>10.11</b>	<b>9.97</b>

#### Bulk water

Operations & Maintenance	-	-	-	-	-	-	-	-	-
Bulk charges	-	-	-	-	-	-	-	-	-
Treatment	-	-	-	-	-	-	-	-	-
Customer Service and billing	-	-	-	-	-	-	-	-	-
GSL Payments	-	-	-	-	-	-	-	-	-
Licence Fees	-	-	-	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	-	-
Other operating expenditure	-	-	-	-	-	-	-	-	-
<b>Total Bulk water</b>	<b>-</b>								

#### Recycled water

	0.48	0.53	0.50	0.75	1.27	1.34	1.19	1.28	1.35
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#### Rural water

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#### Licence fees

Essential Services Commission	0.05	0.12	0.03	0.08	0.04	0.04	0.04	0.04	0.05
Department of Human Services	0.02	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Environment Protection Authority	0.12	0.08	0.07	0.07	0.07	0.07	0.07	0.07	0.07

#### Total Licence fees

	0.18	0.22	0.12	0.18	0.13	0.13	0.13	0.13	0.14
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#### Environment Levy

	1.02	1.34	1.30	1.27	1.27	1.27	1.27	1.27	1.27
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# Capital Expenditure forecast by Asset Category

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FIRST REG PERIOD					SECOND REG PERIOD				
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2004-05    2005-06    2006-07    2007-08    2008-09    2009-10    2010-11    2011-12    2012-13

Capital Expenditure Summary									
Water	7.74	10.41	9.27	6.99	7.39	8.10	16.05	8.44	5.40
Sewerage	13.43	14.12	11.72	25.11	28.70	23.75	5.82	4.90	4.08
Bulk water	-	-	-	-	-	-	-	-	-
Recycled water	0.81	0.67	1.47	2.36	2.06	1.53	2.38	3.57	6.41
Rural water	-	-	-	-	-	-	-	-	-
<b>Total prescribed BAU capex</b>	<b>21.99</b>	<b>25.20</b>	<b>22.47</b>	<b>34.46</b>	<b>38.15</b>	<b>33.38</b>	<b>24.25</b>	<b>16.92</b>	<b>15.88</b>
<i>June 2005 Final Decision</i>	<i>25.58</i>	<i>27.04</i>	<i>17.96</i>	<i>28.35</i>					
Government contributions	-	-	3.50	-	-	-	-	-	-
Customer contributions	11.74	2.83	1.58	1.67	3.60	3.73	3.83	3.88	4.01
Gifted Assets	11.05	14.36	10.32	10.57	10.33	10.47	10.57	10.69	10.73
Proceeds from disposals	0.79	1.70	0.78	0.93	0.77	0.77	0.77	0.77	0.77

### Total BAU capital expenditure

\$m, 1/1/07 inclusive of government and customer contributions

#### Water

Headworks	1.50	5.70	0.37	0.13	0.21	0.50	0.35	0.43	0.23
Pipelines/network	4.08	2.76	3.38	3.85	5.13	5.76	12.30	5.44	3.14
Treatment	0.88	0.80	2.99	2.27	1.30	0.83	0.95	0.36	1.28
Corporate	1.28	1.16	2.53	0.74	0.75	1.01	2.46	2.22	0.76
<b>Total Water</b>	<b>7.74</b>	<b>10.41</b>	<b>9.27</b>	<b>6.99</b>	<b>7.39</b>	<b>8.10</b>	<b>16.05</b>	<b>8.44</b>	<b>5.40</b>

#### Sewerage

Headworks	-	-	-	-	-	-	-	-	-
Pipelines/network	8.74	6.20	2.54	7.40	9.73	5.49	2.61	2.71	2.78
Treatment	2.48	6.34	7.07	15.07	16.10	15.52	2.29	1.21	0.49
Corporate	2.22	1.58	2.11	2.64	2.87	2.73	0.92	0.98	0.81
<b>Total Sewerage</b>	<b>13.43</b>	<b>14.12</b>	<b>11.72</b>	<b>25.11</b>	<b>28.70</b>	<b>23.75</b>	<b>5.82</b>	<b>4.90</b>	<b>4.08</b>

#### Bulk water

Headworks	-	-	-	-	-	-	-	-	-
Pipelines/network	-	-	-	-	-	-	-	-	-
Treatment	-	-	-	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	-	-
<b>Total Bulk water</b>	<b>-</b>								

#### Recycled water

	0.81	0.67	1.47	2.36	2.06	1.53	2.38	3.57	6.41
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#### Rural water

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Above figures include contributions from:

#### Government contributions

Headworks	-	-	-	-	-	-	-	-	-
Pipelines/network	-	-	-	-	-	-	-	-	-
Treatment	-	-	3.50	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	-	-
Recycled water	-	-	-	-	-	-	-	-	-
Rural water	-	-	-	-	-	-	-	-	-
<b>Total Government contributions</b>	<b>-</b>	<b>-</b>	<b>3.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Customer contributions

Headworks	11.74	2.79	1.58	1.67	3.60	3.73	3.83	3.88	4.01
Pipelines/network	-	-	-	-	-	-	-	-	-
Treatment	-	-	-	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	-	-
Recycled water	-	0.03	-	-	-	-	-	-	-
Rural water	-	-	-	-	-	-	-	-	-
<b>Total Customer contributions</b>	<b>11.74</b>	<b>2.83</b>	<b>1.58</b>	<b>1.67</b>	<b>3.60</b>	<b>3.73</b>	<b>3.83</b>	<b>3.88</b>	<b>4.01</b>

#### Gifted Assets

	11.05	14.36	10.32	10.57	10.33	10.47	10.57	10.69	10.73
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#### Asset disposals

Proceeds from disposals	0.79	1.70	0.78	0.93	0.77	0.77	0.77	0.77	0.77
Written down value of assets disposed	0.88	1.47	1.18	-	0.98	0.98	0.97	0.97	0.96

# Capital Expenditure forecast by Cost Driver - from 1/7/8

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	FIRST REG PERIOD				SECOND REG PERIOD				
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
					1	2	3	4	5

Capital Expenditure Summary									
Net capital expenditure - renewals					7.66	7.03	6.45	5.38	6.55
Net capital expenditure - growth					26.04	19.74	12.34	7.08	3.38
Net capital expenditure - improved service					0.18	1.27	0.98	0.18	1.52
Net capital expenditure - compliance					0.67	1.62	0.66	0.41	0.43
Government contributions					-	-	-	-	-
Customer contributions					3.60	3.73	3.83	3.88	4.01
<b>Total prescribed BAU capex</b>					<b>38.15</b>	<b>33.38</b>	<b>24.25</b>	<b>16.92</b>	<b>15.88</b>
Regulatory Depreciation					0.36	1.04	1.56	1.92	2.18
Return on assets					0.87	2.47	3.68	4.45	4.98
Gifted Assets		14.36	10.32	10.57	10.33	10.47	10.57	10.69	10.73
Proceeds from disposals					0.77	0.77	0.77	0.77	0.77

## Total BAU capital expenditure

\$m, 1/1/07

### Renewal of existing infrastructure

#### Total

Gross capital expenditure	7.66	7.03	6.45	5.38	6.55
Government contributions	-	-	-	-	-
Customer contributions	-	-	-	-	-
<b>Net capital expenditure</b>	<b>7.66</b>	<b>7.03</b>	<b>6.45</b>	<b>5.38</b>	<b>6.55</b>
Regulatory Depreciation	0.08	0.24	0.39	0.51	0.64
Return on assets	0.19	0.56	0.89	1.17	1.44

### Growth

#### Total

Gross capital expenditure	29.65	23.46	16.17	10.96	7.39
Government contributions	-	-	-	-	-
Customer contributions	3.60	3.73	3.83	3.88	4.01
<b>Net capital expenditure</b>	<b>26.04</b>	<b>19.74</b>	<b>12.34</b>	<b>7.08</b>	<b>3.38</b>
Regulatory Depreciation	0.27	0.75	1.08	1.28	1.39
Return on assets	0.66	1.80	2.57	3.00	3.20

### Improvement in service

#### Total

Gross capital expenditure	0.18	1.27	0.98	0.18	1.52
Government contributions	-	-	-	-	-
Customer contributions	-	-	-	-	-
<b>Net capital expenditure</b>	<b>0.18</b>	<b>1.27</b>	<b>0.98</b>	<b>0.18</b>	<b>1.52</b>
Regulatory Depreciation	0.00	0.02	0.04	0.05	0.07
Return on assets	0.00	0.04	0.10	0.12	0.16

### Compliance

#### Total

Gross capital expenditure	0.67	1.62	0.66	0.41	0.43
Government contributions	-	-	-	-	-
Customer contributions	-	-	-	-	-
<b>Net capital expenditure</b>	<b>0.67</b>	<b>1.62</b>	<b>0.66</b>	<b>0.41</b>	<b>0.43</b>
Regulatory Depreciation	0.01	0.03	0.05	0.07	0.07
Return on assets	0.02	0.07	0.13	0.15	0.17

### Gifted Assets

	11.05	14.36	10.32	10.57	10.33	10.47	10.57	10.69	10.73
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### Asset disposals

Proceeds from disposals	0.77	0.77	0.77	0.77	0.77
Written down value of assets disposed	0.98	0.98	0.97	0.97	0.96

New obligations forecast

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FIRST REG PERIOD					SECOND REG PERIOD				
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2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
				1	2	3	4	5

New Obligations Summary									
Operating expenditure				0.29	0.31	0.26	0.26	0.26	
Gross capital expenditure				-	-	-	-	-	
Government contributions				-	-	-	-	-	
Customer contributions				-	-	-	-	-	
<b>Net capital expenditure on new obligations</b>				-	-	-	-	-	
Regulatory Depreciation				-	-	-	-	-	
Return on assets				-	-	-	-	-	

Catchment & Land Protection Act & Flora									
Other Compliance									
Operating expenditure				0.20	0.20	0.20	0.20	0.20	
Capital expenditure									
Asset life (years)	0.00								
Depreciation method	0.00								
Gross capital expenditure				-	-	-	-	-	
Government contributions				-	-	-	-	-	
Customer contributions				-	-	-	-	-	
<b>Net capital expenditure</b>				-	-	-	-	-	

GHG/Carbon Trading									
Other Compliance									
Operating expenditure				0.05	0.05	0.05	0.05	0.05	
Capital expenditure									
Asset life (years)	0.00								
Depreciation method	0.00								
Gross capital expenditure				-	-	-	-	-	
Government contributions				-	-	-	-	-	
Customer contributions				-	-	-	-	-	
<b>Net capital expenditure</b>				-	-	-	-	-	

DRP Review									
Water [Cost Driver]									
Operating expenditure				0.03	-	-	-	-	
Capital expenditure									
Asset life (years)	0.00								
Depreciation method	0.00								
Gross capital expenditure				-	-	-	-	-	
Government contributions				-	-	-	-	-	
Customer contributions				-	-	-	-	-	
<b>Net capital expenditure</b>				-	-	-	-	-	

WSDS - restriction review									
Water Growth									
Operating expenditure				-	0.05	-	-	-	
Capital expenditure									
Asset life (years)	0.00								
Depreciation method	0.00								
Gross capital expenditure				-	-	-	-	-	
Government contributions				-	-	-	-	-	
Customer contributions				-	-	-	-	-	
<b>Net capital expenditure</b>				-	-	-	-	-	

Terrorism Act									
Water Compliance									
Operating expenditure				0.01	0.01	0.01	0.01	0.01	
Capital expenditure									
Asset life (years)	0.00								
Depreciation method	0.00								
Gross capital expenditure				-	-	-	-	-	
Government contributions				-	-	-	-	-	
Customer contributions				-	-	-	-	-	
<b>Net capital expenditure</b>				-	-	-	-	-	

Rolled forward regulatory asset base

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	FIRST REG PERIOD				SECOND REG PERIOD				
	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
					1	2	3	4	5
<b>Rolled forward asset base</b>									
Opening asset base	91.38	95.19	110.74	122.35	148.75	145.72	142.70	139.68	136.65
Closing asset base	95.19	110.74	122.35	148.75	145.72	142.70	139.68	136.65	133.63
Weighted Average Asset life (yrs)					46.83				
Regulatory depreciation - Existing	5.49	4.55	3.98	3.98	3.02	3.02	3.02	3.02	3.02
Regulatory depreciation - New Assets	0.16	0.57	1.01	1.48	0.36	1.04	1.56	1.92	2.18
Regulatory depreciation - Total	5.65	5.12	4.99	5.46	3.39	4.06	4.59	4.94	5.20

Rolled forward asset base

\$m, 1/1/07

Opening asset base	91.38	95.19	110.74	122.35	148.75	179.14	203.95	219.01	226.35
plus Gross capex	21.99	25.20	22.47	34.46	38.15	33.38	24.25	16.92	15.88
less Government contributions	-	-	3.50	-	-	-	-	-	-
less Customer contributions	11.74	2.83	1.58	1.67	3.60	3.73	3.83	3.88	4.01
less Proceeds from disposals	0.79	1.70	0.78	0.93	0.77	0.77	0.77	0.77	0.77
less Regulatory depreciation	5.65	5.12	4.99	5.46	3.39	4.06	4.59	4.94	5.20
<b>Closing asset base</b>	<b>95.19</b>	<b>110.74</b>	<b>122.35</b>	<b>148.75</b>	<b>179.14</b>	<b>203.95</b>	<b>219.01</b>	<b>226.35</b>	<b>232.24</b>

Depreciation of asset base as at 1/7/08

Asset class	Remaining Life	Book Value	% of total						
Land	-	4.09	2.4%	0.00	0.00	0.00	0.00	0.00	0.00
Furniture & Fittings	48.00	0.01	0.0%	0.00	0.00	0.00	0.00	0.00	0.00
Motor Vehicles	48.00	-	0.0%	0.00	0.00	0.00	0.00	0.00	0.00
Plant & Equipment	48.00	4.59	2.7%	0.08	0.08	0.08	0.08	0.08	0.08
Computers	48.00	-	0.0%	0.00	0.00	0.00	0.00	0.00	0.00
Infrastructure	48.00	53.13	31.6%	0.98	0.98	0.98	0.98	0.98	0.98
Buildings	48.00	1.78	1.1%	0.03	0.03	0.03	0.03	0.03	0.03
Site Improvements	48.00	5.58	3.3%	0.10	0.10	0.10	0.10	0.10	0.10
-	-	-	0.0%	0.00	0.00	0.00	0.00	0.00	0.00
Land	-	-	0.0%	0.00	0.00	0.00	0.00	0.00	0.00
Furniture & Fittings	48.00	2.04	1.2%	0.04	0.04	0.04	0.04	0.04	0.04
Motor Vehicles	48.00	4.57	2.7%	0.08	0.08	0.08	0.08	0.08	0.08
Plant & Equipment	48.00	3.99	2.4%	0.07	0.07	0.07	0.07	0.07	0.07
Computers	48.00	5.80	3.5%	0.11	0.11	0.11	0.11	0.11	0.11
Infrastructure	48.00	81.97	48.8%	1.51	1.51	1.51	1.51	1.51	1.51
Buildings	48.00	0.11	0.1%	0.00	0.00	0.00	0.00	0.00	0.00
Site Improvements	48.00	-	0.0%	0.00	0.00	0.00	0.00	0.00	0.00
Adj to capex bf	48.00	0.30	0.2%	0.01	0.01	0.01	0.01	0.01	0.01

# Expenditure Summary

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FIRST REG PERIOD				SECOND REG PERIOD				
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2004-05    2005-06    2006-07    2007-08    2008-09    2009-10    2010-11    2011-12    2012-13

<b>Operating Expenditure</b>									
Total Operating Expenditure		23.35	26.77	27.78	32.99	36.44	40.10	45.70	52.02
<b>Capex by Asset Category</b>									
Total Gross Capital Expenditure	21.99	25.20	22.47	34.46	38.15	33.38	24.25	16.92	15.88
Total Government Contributions	-	-	3.50	-	-	-	-	-	-
Total Customer Contributions	11.74	2.83	1.58	1.67	3.60	3.73	3.83	3.88	4.01
Total Net Capital Expenditure	10.25	22.38	17.39	32.79	34.55	29.65	20.42	13.05	11.87
Gifted Assets	11.05	14.36	10.32	10.57	10.33	10.47	10.57	10.69	10.73
Proceeds from disposals	0.79	1.70	0.78	0.93	0.77	0.77	0.77	0.77	0.77
<b>Capex by Class</b>									
Total Gross Capital Expenditure		-	-	-	38.15	33.38	24.25	16.92	15.88
Total Government Contributions		-	-	-	-	-	-	-	-
Total Customer Contributions		-	-	-	3.60	3.73	3.83	3.88	4.01
Total Net Capital Expenditure		-	-	-	34.55	29.65	20.42	13.05	11.87
Total Regulatory Depreciation on new assets		-	-	-	0.36	1.04	1.56	1.92	2.18
Gifted Assets		14.36	10.32	10.57	10.33	10.47	10.57	10.69	10.73
Proceeds from disposals		-	-	-	0.77	0.77	0.77	0.77	0.77
<b>Capex for Tax</b>									
					36.97	32.52	23.11	15.82	14.78

# Adjustments required from first period

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## Western Water

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FIRST REG PERIOD					SECOND REG PERIOD				
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2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
				1	2	3	4	5

### Adjustments Summary

Additional expenses incurred to be carried forward	-	-	-					
Allocation of carried forward expenses (NPV of cash flows should equate to net present cost to recover)				-	-	-	-	-

Revenue forecast (price caps)

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FIRST REG PERIOD				SECOND REG PERIOD			
2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13

Revenue Summary								
Non-tariff revenue	2.07	1.88	1.62	1.95	2.05	2.13	2.24	2.43
Tariff revenue	33.18	33.01	34.24	41.74	48.08	54.29	62.41	70.10
<b>Total prescribed revenue</b>	<b>35.25</b>	<b>34.89</b>	<b>35.87</b>	<b>43.69</b>	<b>50.13</b>	<b>56.43</b>	<b>64.64</b>	<b>72.53</b>
Revenue not collected	0.05	0.06	0.06	0.11	0.10	0.10	0.10	0.10
<b>Net prescribed revenue</b>	<b>35.19</b>	<b>34.83</b>	<b>35.81</b>	<b>43.59</b>	<b>50.02</b>	<b>56.32</b>	<b>64.54</b>	<b>72.43</b>
Revenue requirement	36.49	35.41	36.48	45.11	50.99	56.49	63.35	70.52
Non-prescribed revenue	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>35.19</b>	<b>34.83</b>	<b>35.81</b>	<b>43.59</b>	<b>50.02</b>	<b>56.32</b>	<b>64.54</b>	<b>72.43</b>

Price control		Hybrid price control (if applicable)							
NPV Net Prescribed Revenue	250.81	Revenue tariff basket	NPV	REGULATORY PERIOD					
NPV Revenue Requirement	250.81	Revenue price cap	241.75	41.74	48.08	54.29	62.41	70.10	
Variance	0.01	Non-tariff revenue	9.51	1.95	2.05	2.13	2.24	2.43	
<b>PRICE CONTROL OK</b>		Revenue not collected	(0.45)	(0.11)	(0.10)	(0.10)	(0.10)	(0.10)	
		<b>NPV non-revenue cap</b>	<b>250.81</b>						
		Allowable revenue cap	(0.01)						
		<b>Revenue cap services</b>	-	-	-	-	-	-	

Revenue forecast

Non-tariff revenue \$m, 1/1/07

Contract revenue	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Trade Waste Contract Revenue	0.11	0.12	-	-	-	-	-	-
Sewerage Contract Revenue	-	-	-	-	-	-	-	-
Water Contract Revenue	-	-	-	-	-	-	-	-
Recycled Water Contract Revenue	-	-	-	-	-	-	-	-
<b>Total Contract revenue</b>	<b>0.41</b>	<b>0.30</b>	<b>0.13</b>	<b>0.20</b>	<b>0.22</b>	<b>0.24</b>	<b>0.25</b>	<b>0.27</b>
Other non-tariff revenue	1.06	0.98	1.01	1.25	1.31	1.36	1.43	1.50
Miscellaneous Services	0.49	0.49	0.49	0.49	0.52	0.54	0.55	0.66
Other Revenue	1.55	1.47	1.50	1.75	1.83	1.90	1.98	2.16
<b>Total Other non-tariff revenue</b>	<b>2.07</b>	<b>1.88</b>	<b>1.62</b>	<b>1.95</b>	<b>2.05</b>	<b>2.13</b>	<b>2.24</b>	<b>2.43</b>

Revenue not collected \$m, 1/1/07

2005-06	0.05	0.06	0.06	0.11	0.10	0.10	0.10	0.10
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Tariff revenue \$m 1/1/07

PQR	Service	Category	Tariff Description	Type	Unit	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	
1	Price City	Water	Fixed Service Charge	Residential	Fixed price cap	\$	131.99	132.11	132.10	154.56	176.19	199.10	223.99	249.75
						Cust	45,071	47,819	47,812	50,145	51,770	53,416	55,371	57,338
						\$m	5.36	6.32	6.32	7.75	9.12	10.64	12.40	14.32
2	Price City	Water	Variable - 1st tier	Residential	Variable price cap	\$	0.80	0.81	0.81	0.93	1.05	1.18	1.32	1.47
						kL	6,230,329	5,410,000	5,183,000	5,632,000	6,102,000	6,330,000	6,831,000	7,030,000
						\$m	4.97	4.36	4.22	5.26	6.44	7.48	9.04	10.32
3	Price City	Water	Variable - 2nd tier	Residential	Variable price cap	\$	0.94	0.95	0.95	1.24	1.40	1.57	1.75	1.95
						kL	2,461,000	1,893,000	2,293,000	2,492,000	2,699,000	2,800,000	3,022,000	3,110,000
						\$m	2.30	1.79	2.19	3.09	3.78	4.39	5.30	6.06
4	Price City	Water	Variable - 3rd tier	Residential	Variable price cap	\$	1.38	1.40	1.41	2.48	2.80	3.13	3.51	3.90
						kL	1,780,000	1,370,000	1,578,000	1,715,000	1,857,000	1,927,000	2,079,000	2,140,000
						\$m	2.46	1.91	2.23	4.25	5.20	6.04	7.30	8.34
5	Price City	Water	Fixed Service Charge	Non-residential	Fixed price cap	\$	131.99	132.11	132.10	154.56	176.19	199.10	223.99	249.75
						Cust	3,313	3,418	3,669	3,791	3,914	4,038	4,186	4,334
						\$m	0.44	0.45	0.48	0.59	0.69	0.80	0.94	1.08
6	Price City	Water	Variable - usage	Non-residential	Variable price cap	\$	0.88	0.89	0.90	1.24	1.40	1.57	1.75	1.95
						kL	1,609,671	1,713,000	1,761,000	1,914,000	2,073,000	2,151,000	2,321,000	2,389,000
						\$m	1.42	1.53	1.59	2.37	2.90	3.37	4.07	4.65
7	Price City	Sewerage	Fixed Service Charge	Residential	Fixed price cap	\$	379.85	391.25	402.98	415.07	427.52	440.35	453.55	467.15
						Cust	1,489	1,635	40,759	42,133	43,452	44,846	46,390	48,059
						\$m	-	-	15.48	16.48	17.51	18.61	19.83	21.16
8	Price City	Sewerage	Fixed Service Charge	Non-residential	Fixed price cap	\$	379.85	391.25	402.98	415.07	427.52	440.35	453.55	467.15
						Cust	-	-	2,862	2,626	2,774	2,862	2,961	3,068
						\$m	-	-	0.99	1.03	1.12	1.19	1.27	1.35
9	Price City	Recycled water	Fixed Service Charge	Class A - Golf Course	Fixed price cap	\$	-	-	-	-	-	-	-	-
						Cust	-	-	913.74	1,069.08	1,218.75	1,377.18	1,542.45	1,712.11
						\$m	-	-	0.1	0.00	0.00	0.00	0.00	0.00
10	Price City	Recycled water	Fixed Service Charge	Class A	Fixed price cap	\$	-	-	-	-	-	-	-	
						Cust	-	-	57.11	66.82	76.17	86.08	96.84	107.97
						\$m	-	-	0.01	0.02	0.09	0.18	0.29	0.41
11	Price City	Recycled water	Variable - usage	Class A	Variable price cap	\$	-	-	-	-	-	-	-	
						kL	-	-	0.81	0.93	1.03	1.13	1.24	1.37
						\$m	-	-	228,000	254,000	438,000	620,000	788,000	957,000
12	Price City	Recycled water	Fixed Service Charge	Gisborne	Fixed price cap	\$	-	-	-	-	-	-	-	
						kL	514.92	500.00	500.00	500.00	500.00	500.00	500.00	500.00
						\$m	0.00	0.00	0.00	0.00	0.00	0.01	0.01	0.01
13	Price City	Recycled water	Variable - peak	Gisborne	Variable price cap	\$	288.35	280.00	280.00	280.00	280.00	280.00	280.00	280.00
						kL	29	29	34	39	44	49	54	59
						\$m	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.02
14	Price City	Recycled water	Variable - off peak	Gisborne	Variable price cap	\$	205.97	200.00	200.00	200.00	200.00	200.00	200.00	200.00
						kL	54	54	59	64	69	74	79	84
						\$m	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.02
15	Price City	Recycled water	Fixed Service Charge	Sunbury-Melton	Fixed price cap	\$	514.92	500.00	500.00	500.00	500.00	500.00	500.00	500.00
						Cust	30	35	40	45	50	55	60	65
						\$m	0.02	0.02	0.02	0.02	0.03	0.03	0.03	0.03
16	Price City	Recycled water	Variable - peak	Sunbury-Melton	Variable price cap	\$	288.35	280.00	280.00	280.00	280.00	280.00	280.00	280.00
						kL	163	450	571	707	843	979	1,115	1,251
						\$m	0.05	0.13	0.16	0.20	0.24	0.27	0.31	0.35
17	Price City	Recycled water	Variable - off peak	Sunbury-Melton	Variable price cap	\$	205.97	200.00	200.00	200.00	200.00	200.00	200.00	200.00
						kL	163	450	413	548	683	818	953	1,088
						\$m	0.03	0.09	0.08	0.11	0.14	0.16	0.19	0.22
18	Price City	Trade waste	Availability	Fixed price cap	\$	212.63	212.63	-	-	-	-	-	-	
						Cust	396	403	-	-	-	-	-	
						\$m	0.08	0.09	-	-	-	-	-	
19	Price City	Trade waste	Risk Rank 1	Management Fee	Fixed price cap	\$	174.72	188.68	196.23	204.07	212.24	220.73	229.73	
						Cust	-	255	335	350	361	372	385	
						\$m	-	0.04	0.06	0.07	0.07	0.08	0.08	
20	Price City	Trade waste	Risk Rank 2	Management Fee	Fixed price cap	\$	372.05	395.78	411.61	428.07	445.19	463.00	481.50	
						Cust	-	124	79	83	86	88	91	
						\$m	-	0.05	0.03	0.03	0.04	0.04	0.04	
21	Price City	Trade waste	Risk Rank 3	Management Fee	Fixed price cap	\$	842.78	884.79	920.18	956.99	995.27	1,035.08	1,075.40	
						Cust	-	18	7	9	9	9	9	
						\$m	-	0.02	0.01	0.01	0.01	0.01	0.01	
22	Price City	Trade waste	Risk Rank 4	Management Fee	Fixed price cap	\$	1,706.12	1,800.05	1,872.05	1,946.93	2,024.81	2,105.80	2,188.80	
						Cust	-	3	5	5	5	5	5	
						\$m	-	0.01	0.01	0.01	0.01	0.01	0.01	
23	Price City	Trade waste	Risk Rank 2	Vol Fee	Variable price cap	\$	0.49	0.80	0.83	0.86	0.90	0.93	0.96	
						kL	-	3,140	3,860	4,660	5,460	6,260	7,060	

Revenue forecast (price caps)

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FIRST REG PERIOD				SECOND REG PERIOD			
2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13

Revenue Summary								
Non-tariff revenue	2.07	1.88	1.62	1.95	2.05	2.13	2.24	2.43
Tariff revenue	33.18	33.01	34.24	41.74	48.08	54.29	62.41	70.10
<b>Total prescribed revenue</b>	<b>35.25</b>	<b>34.89</b>	<b>35.87</b>	<b>43.69</b>	<b>50.13</b>	<b>56.43</b>	<b>64.64</b>	<b>72.53</b>
Revenue not collected	0.05	0.06	0.06	0.11	0.10	0.10	0.10	0.10
<b>Net prescribed revenue</b>	<b>35.19</b>	<b>34.83</b>	<b>35.81</b>	<b>43.59</b>	<b>50.02</b>	<b>56.32</b>	<b>64.54</b>	<b>72.43</b>
Revenue requirement	36.49	35.41	36.48	45.11	50.99	56.49	63.35	70.52
Non-prescribed revenue	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>35.19</b>	<b>34.83</b>	<b>35.81</b>	<b>43.59</b>	<b>50.02</b>	<b>56.32</b>	<b>64.54</b>	<b>72.43</b>

Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.01	0.01
Price	Trade waste	Risk Rank 3	Vol Fee	Variable price cap	\$		0.74	1.13	1.18	1.22	1.27	1.32
City				kL		3,100	4,450	5,950	7,450	8,950	10,450	
Rev				\$m	-	-	0.00	0.01	0.01	0.01	0.01	0.01
Price	Trade waste	Risk Rank 4	Vol Fee	Variable price cap	\$		0.49	0.80	0.83	0.86	0.90	0.93
City				kL		156,000	125,000	125,000	125,000	125,000	125,000	
Rev				\$m	-	-	0.08	0.10	0.10	0.11	0.11	0.12
Price	Trade waste	Category C - Risk Rank 2 Quality Fee		Variable price cap	\$		2,300.00	4,472.00	4,962.88	5,473.40	6,004.33	6,556.50
City						1	1	1	1	1	1	
Rev				\$m	-	-	0.00	0.00	0.00	0.01	0.01	0.01
Price	Trade waste	Category B - Risk Rank 3 Quality Fee		Variable price cap	\$		4,800.00	2,912.00	3,860.48	4,846.90	5,872.78	6,939.69
City						1	1	1	1	1	1	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.01	0.01
Price	Trade waste	Category C - Risk Rank 4 Quality Fee		Variable price cap	\$		9,000.00	9,360.00	9,734.40	10,123.78	10,528.73	10,949.88
City						1	1	1	1	1	1	
Rev				\$m	-	-	0.01	0.01	0.01	0.01	0.01	0.01
Price	Trade waste	Risk Rank 1	Application Fee	Fixed price cap	\$	96.84	96.84	101.00	105.04	109.25	113.62	118.16
City						15	15	11	11	13	13	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.00	0.00
Price	Trade waste	Risk Rank 2	Application Fee	Fixed price cap	\$	154.30	154.30	154.30	158.76	165.11	171.71	178.58
City						4	4	3	2	3	3	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.00	0.00
Price	Trade waste	Risk Rank 3	Application Fee	Fixed price cap	\$		282.90	282.90	294.67	306.46	318.72	331.47
City						2	2	-	-	-	1	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.00	0.00
Price	Trade waste	Risk Rank 4	Application Fee	Fixed price cap	\$		668.68	668.68	698.81	726.76	755.83	786.06
City												
Rev				\$m	-	-	-	-	-	-	0.00	-
Price	Recycled water	Fixed Service Charge	Romsey	Fixed price cap	\$		500.00	500.00	500.00	500.00	500.00	500.00
City						1	2	3	4	5	6	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.00	0.00
Price	Recycled water	Variable - peak	Romsey	Variable price cap	\$		280.00	280.00	280.00	280.00	280.00	280.00
City						37	49	61	73	85	97	
Rev				\$m	-	-	0.01	0.01	0.02	0.02	0.02	0.03
Price	Recycled water	Variable - off peak	Romsey	Variable price cap	\$		200.00	200.00	200.00	200.00	200.00	200.00
City						17	29	41	53	65	77	
Rev				\$m	-	-	0.00	0.01	0.01	0.01	0.01	0.02
Price				\$								
City												
Rev				\$m	-	-	-	-	-	-	-	-
Price	Water	Fixed Service Charge	Benevolent	Fixed price cap	\$	116.36	124.04					
City						135	140					
Rev				\$m	-	0.02	0.02					
Price	Sewerage	Res Fixed Service Charge	Macedon Ranges, Sunbury & I	Fixed price cap	\$	378.86	385.08					
City						31,931	32,854					
Rev				\$m	-	12.10	12.65					
Price	Sewerage	Res Fixed Service Charge	Bacchus Marsh	Fixed price cap	\$	345.83	367.89					
City						5,469	5,639					
Rev				\$m	-	1.89	2.07					
Price	Sewerage	Res Fixed Service Charge	Romsey & Lancefield	Fixed price cap	\$	325.97	357.17					
City						1,706	1,759					
Rev				\$m	-	0.56	0.63					
Price	Sewerage	NRes Fixed Service Charge	Macedon Ranges, Sunbury & I	Fixed price cap	\$	378.86	385.08					
City						1,662	1,714					
Rev				\$m	-	0.63	0.66					
Price	Sewerage	NRes Fixed Service Charge	Bacchus Marsh	Fixed price cap	\$	345.83	367.89					
City						343	354					
Rev				\$m	-	0.12	0.13					
Price	Sewerage	NRes Fixed Service Charge	Romsey & Lancefield	Fixed price cap	\$	325.97	357.17					
City						117	121					
Rev				\$m	-	0.04	0.04					
Price	Sewerage	Fixed Service Charge	Benevolent	Fixed price cap	\$	267.41	323.57					
City						132	136					
Rev				\$m	-	0.04	0.04					
Price	Sewerage	Fixed Service Charge	Free Access	Fixed price cap	\$	246.27	310.68					
City						200	206					
Rev				\$m	-	0.05	0.06					
Price	Recycled water	Fixed Service Charge	Woodend	Fixed price cap	\$		500.00	500.00	500.00	500.00	500.00	500.00
City						3	4	5	5	5	5	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.00	0.00
Price	Recycled water	Variable - peak	Woodend	Variable price cap	\$		280.00	280.00	280.00	280.00	280.00	280.00
City						83	118	143	159	162	165	
Rev				\$m	-	-	0.03	0.03	0.04	0.04	0.05	0.05
Price	Recycled water	Variable - off peak	Woodend	Variable price cap	\$		200.00	200.00	200.00	200.00	200.00	200.00
City						104	129	154	170	172	174	
Rev				\$m	-	-	0.02	0.03	0.03	0.03	0.03	0.03
Price	Recycled water	Fixed Service Charge	Riddells Creek	Fixed price cap	\$		500.00	500.00	500.00	500.00	500.00	500.00
City						1	2	3	4	5	5	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.00	0.00
Price	Recycled water	Variable - peak	Riddells Creek	Variable price cap	\$		280.00	280.00	280.00	280.00	280.00	280.00
City						3	6	9	12	15	15	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.00	0.00
Price	Recycled water	Variable - off peak	Riddells Creek	Variable price cap	\$		200.00	200.00	200.00	200.00	200.00	200.00
City						2	4	6	8	10	10	
Rev				\$m	-	-	0.00	0.00	0.00	0.00	0.00	0.00

# Non-prescribed services

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Non Prescribed Services Summary								
Revenue	-	-	-	-	-	-	-	-
Operating expenditure	-	-	-	-	-	-	-	-
Gross capital expenditure	-	-	-	-	-	-	-	-
Government contributions	-	-	-	-	-	-	-	-
Customer contributions	-	-	-	-	-	-	-	-
<b>Net capital expenditure - non-prescribed</b>	<b>-</b>							
Gifted Assets	-	-	-	-	-	-	-	-
Proceeds from disposals	-	-	-	-	-	-	-	-

Cash, debt and tax assumptions

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2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
				1	2	3	4	5

Finance and tax summary									
Opening cash balance	14.40	13.23	0.94	4.41	1.76	1.85	1.74	1.85	1.76
Interest earned	0.80	0.31	0.09	0.10	0.10	0.11	0.11	0.10	0.10
Opening debt balance	2.11	1.80	5.50	19.76	40.93	67.79	90.82	102.75	106.06
Interest incurred	0.14	0.21	0.94	2.21	4.50	5.74	6.91	7.57	8.04
Book depreciation	10.76	11.00	11.60	11.80	12.07	12.27	12.39	12.52	12.50
Tax depreciation - existing	21.98	19.43	18.74	18.65	16.65	14.65	13.12	11.28	10.31
Tax depreciation - new					1.00	2.70	3.90	4.84	5.20
Tax losses brought forward									

Cash and Debt \$m, 1/1/07

Opening cash balance	14.40	13.23	0.94	4.41	1.76	1.85	1.74	1.85	1.76
Interest earned	0.80	0.31	0.09	0.10	0.10	0.11	0.11	0.10	0.10
Opening debt balance	2.11	1.80	5.50	19.76	40.93	67.79	90.82	102.75	106.06
Interest incurred	0.14	0.21	0.94	2.21	4.50	5.74	6.91	7.57	8.04

Depreciation \$m, MOD

Tax losses brought forward (enter a positive value)									
Book depreciation	10.76	11.00	11.60	11.80	12.07	12.27	12.39	12.52	12.50
Tax depreciation - existing assets	21.98	19.43	18.74	18.65	16.65	14.65	13.12	11.28	10.31

Tax depreciation on capital expenditure (incl non-prescribed)

Low Value Pool									
Asset life (years)	8.00								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	0.12	0.12	0.12	0.12	0.12	0.12
Tax Depreciation - new				0.01	0.03	0.05	0.06	0.07	
Inf. Water									
Asset life (years)	60.00								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	6.35	7.01	13.25	6.14	4.08	
Tax Depreciation - new				0.08	0.24	0.49	0.72	0.83	
Inf. Sewer Inc Rec Water									
Asset life (years)	80.00								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	27.66	22.48	6.66	6.72	7.85	
Tax Depreciation - new				0.26	0.72	0.98	1.09	1.21	
Computers									
Asset life (years)	3.00								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	1.89	1.96	2.13	1.89	1.83	
Tax Depreciation - new				0.47	1.20	1.62	1.99	1.93	
Motor Vehicles									
Asset life (years)	6.33								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	1.03	1.06	1.10	1.14	1.18	
Tax Depreciation - new				0.12	0.34	0.52	0.66	0.78	
P&E Avg Rate									
Asset life (years)	15.00								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	0.41	0.41	0.41	0.41	0.46	
Tax Depreciation - new				0.02	0.06	0.09	0.13	0.16	
P&E Security, Corp. Signage									
Asset life (years)	6.33								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	0.05	0.05	0.05	0.05	0.05	
Tax Depreciation - new				0.01	0.02	0.02	0.03	0.04	
P&E OH&S									
Asset life (years)	5.00								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	0.05	0.05	0.05	0.05	0.05	
Tax Depreciation - new				0.01	0.02	0.03	0.04	0.04	
P&E SCADA & Telemetry									
Asset life (years)	10.00								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	0.24	0.24	0.24	0.24	0.24	
Tax Depreciation - new				0.02	0.05	0.08	0.10	0.12	
GHG Strategy Implementation									
Asset life (years)	50.00								
Depreciation method	Declining Balance	1.50	declining balance multiple						
Gross capital expenditure	No		switch to straight line?	0.20	0.20	0.20	0.20	0.10	
Tax Depreciation - new				0.00	0.01	0.01	0.02	0.02	

# Reconciliation to Water Plan (prescribed services only)

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	FIRST REG PERIOD					SECOND REG PERIOD				
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13		

Summary - Template										
Revenue		43.59	50.02	56.32	64.54	72.43				
Operating expenditure		32.99	36.44	40.10	45.70	52.02				
Gross capital expenditure		38.15	33.38	24.25	16.92	15.88				
Government contributions		-	-	-	-	-				
Customer contributions		3.60	3.73	3.83	3.88	4.01				
Net capital expenditure		<u>34.55</u>	<u>29.65</u>	<u>20.42</u>	<u>13.05</u>	<u>11.87</u>				
Gifted Assets		10.33	10.47	10.57	10.69	10.73				
Proceeds from disposals		0.77	0.77	0.77	0.77	0.77				
Adjustments from 1st regulatory period		-	-	-	-	-				

Summary - Water Plan											Source page(s) in WP
		<b>WATER PLAN FORECAST</b>									
Revenue		43.59	50.02	56.32	64.54	72.43					132
Operating expenditure		32.99	36.44	40.10	45.70	52.02					7, 77, 78, 80
Gross capital expenditure		38.15	33.38	24.25	16.92	15.88					9, 78, 89, 90
Government contributions		-	-	-	-	-					
Customer contributions		3.60	3.73	3.83	3.88	4.01					9, 78, 90
Net capital expenditure on new obligations											
Gifted Assets		10.33	10.47	10.57	10.69	10.73					78, 90
Proceeds from disposals		0.77	0.77	0.77	0.77	0.77					90
Adjustments from 1st regulatory period											

Variances										
Revenue		(0.00)	0.00	0.00	0.00	0.00				
Operating expenditure		(0.00)	(0.00)	0.00	0.00	0.00				
Gross capital expenditure		(0.00)	-	(0.00)	0.00	0.00				
Government contributions		-	-	-	-	-				
Customer contributions		0.00	(0.00)	0.00	(0.00)	0.00				
Net capital expenditure on new obligations		<u>(0.00)</u>	<u>0.00</u>	<u>(0.00)</u>	<u>0.01</u>	<u>(0.00)</u>				
Gifted Assets		(0.00)	0.00	(0.00)	0.00	(0.00)				
Proceeds from disposals		0.00	0.00	0.00	0.00	0.00				
Adjustments from 1st regulatory period		-	-	-	-	-				

# Revenue requirement detail

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2004-05    2005-06    2006-07    2007-08    2008-09    2009-10    2010-11    2011-12    2012-13

## Revenue requirement and RAV outputs

Revenue requirement												
Operating expenditure					32.99	36.44	40.10	45.70	52.02			
Return on assets to 30/6/08					7.49	7.30	7.10	6.91	6.71			
Regulatory depreciation of assets to 30/6/08					3.02	3.02	3.02	3.02	3.02			
Return on new assets					0.87	2.47	3.68	4.45	4.98			
Regulatory depreciation of new assets					0.36	1.04	1.56	1.92	2.18			
Adjustments from last period					-	-	-	-	-			
Benchmark tax liability					0.37	0.72	1.02	1.35	1.60			
<b>Total revenue requirement</b>					<b>36.49</b>	<b>35.41</b>	<b>36.48</b>	<b>45.11</b>	<b>50.99</b>	<b>56.49</b>	<b>63.35</b>	<b>70.52</b>

Revenue requirement detail										
<b>WACC detail</b>										
Risk Free Rate (Real)										2.6%
Debt Premium										1.1%
Equity Premium										6.0%
Equity Beta										75.0%
Gearing (Debt/Assets)										60.0%
Forecast Inflation										3.2%
Franking credit value										0.5
<b>'Vanilla' After Tax WACC (Real)</b>										<b>5.1%</b>
<b>Existing assets detail</b>										
Opening asset base	91.38	95.19	110.74	122.35	148.7	144.95	141.15	137.36	133.56	
plus capital expenditure	21.99	25.20	22.47	34.46						
less customer contributions	11.74	2.83	1.58	1.67						
less government contributions	-	-	3.50	-						
less regulatory depreciation	5.65	5.12	4.99	5.46	3.02	3.02	3.02	3.02	3.02	
less disposals	0.79	1.70	0.78	0.93	0.77	0.77	0.77	0.77	0.77	
Closing asset base	95.19	110.74	122.35	148.75	144.95	141.15	137.36	133.56	129.77	
Average asset base	93.28	102.96	116.55	135.55	146.85	143.05	139.26	135.46	131.66	
Return on assets	4.95	5.56	6.25	7.06	7.49	7.30	7.10	6.91	6.71	
<b>Return on and of existing assets</b>	<b>10.60</b>	<b>10.68</b>	<b>11.24</b>	<b>12.52</b>	<b>10.51</b>	<b>10.32</b>	<b>10.13</b>	<b>9.93</b>	<b>9.74</b>	
<b>New capital expenditure</b>										
Opening asset base										-
plus capital expenditure						34.19	62.80	81.65	92.78	
less customer contributions						38.15	33.38	24.25	16.92	15.88
less government contributions						3.60	3.73	3.83	3.88	4.01
less regulatory depreciation						-	-	-	-	-
less disposals (all disposals included in existing assets)						0.36	1.04	1.56	1.92	2.18
Closing asset base						34.19	62.80	81.65	92.78	102.48
Average asset base						17.09	48.49	72.23	87.22	97.63
Return on assets (new)						0.87	2.47	3.68	4.45	4.98
<b>Return on and of new assets</b>						<b>1.23</b>	<b>3.51</b>	<b>5.25</b>	<b>6.36</b>	<b>7.16</b>
<b>Rolled forward RAV</b>										
Opening asset base	91.38	95.19	110.74	122.35	148.75	179.14	203.95	219.01	226.35	
plus capital expenditure	21.99	25.20	22.47	34.46	38.15	33.38	24.25	16.92	15.88	
less customer contributions	11.74	2.83	1.58	1.67	3.60	3.73	3.83	3.88	4.01	
less government contributions	-	-	3.50	-	-	-	-	-	-	
less regulatory depreciation	5.65	5.12	4.99	5.46	3.39	4.06	4.59	4.94	5.20	
less disposals	0.79	1.70	0.78	0.93	0.77	0.77	0.77	0.77	0.77	
<b>Rolled forward RAV</b>	<b>95.19</b>	<b>110.74</b>	<b>122.35</b>	<b>148.75</b>	<b>179.14</b>	<b>203.95</b>	<b>219.01</b>	<b>226.35</b>	<b>232.24</b>	

# Revenue requirement detail

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2004-05    2005-06    2006-07    2007-08    2008-09    2009-10    2010-11    2011-12    2012-13

## Revenue requirement and RAV outputs

Revenue requirement												
Operating expenditure					32.99	36.44	40.10	45.70	52.02			
Return on assets to 30/6/08					7.49	7.30	7.10	6.91	6.71			
Regulatory depreciation of assets to 30/6/08					3.02	3.02	3.02	3.02	3.02			
Return on new assets					0.87	2.47	3.68	4.45	4.98			
Regulatory depreciation of new assets					0.36	1.04	1.56	1.92	2.18			
Adjustments from last period					-	-	-	-	-			
Benchmark tax liability					0.37	0.72	1.02	1.35	1.60			
<b>Total revenue requirement</b>					<b>36.49</b>	<b>35.41</b>	<b>36.48</b>	<b>45.11</b>	<b>50.99</b>	<b>56.49</b>	<b>63.35</b>	<b>70.52</b>

Benchmark tax liability									
Parameters									
Forecast inflation	2.0%	2.4%	3.0%	2.4%	3.2%	3.2%	3.2%	3.2%	3.2%
Inflation factor	0.949	0.971	1.000	1.024	1.057	1.090	1.124	1.160	1.196
Gearing	60%	60%	60%	60%	60%	60%	60%	60%	60%
Tax rate	30%	30%	30%	30%	30%	30%	30%	30%	30%
Risk free rate (real)				2.6%					
Debt premium				1.1%					
Cost of debt (nominal)				7.0%					
Franking credit value				0.5					
<b>Taxation calculation</b>									
\$m, 1/1/07									
Revenue requirement					44.74	50.27	55.47	62.00	68.92
Customer contributions					3.60	3.73	3.83	3.88	4.01
Government contributions					-	-	-	-	-
Gifted assets					10.33	10.47	10.57	10.69	10.73
Operating & maintenance expenditure					32.99	36.44	40.10	45.70	52.02
Average RAV					163.94	191.54	211.48	222.68	229.29
Debt (60% of ARAV)					98.36	114.93	126.89	133.61	137.58
\$m (MOD)									
Revenue requirement					47.27	54.79	62.37	71.90	82.44
Customer contributions					3.81	4.06	4.31	4.49	4.80
Government contributions					-	-	-	-	-
Gifted assets					10.91	11.41	11.88	12.40	12.83
Operating & maintenance expenditure					34.86	39.71	45.08	53.00	62.23
Tax depreciation (new)					1.00	2.70	3.90	4.84	5.20
Tax depreciation (existing)					16.65	14.65	13.12	11.28	10.31
Interest					7.26	8.75	9.97	10.83	11.50
Tax losses brought forward					-	-	-	-	-
Before tax net income					2.22	4.45	6.48	8.84	10.83
Benchmark gross tax liability					0.78	1.57	2.29	3.12	3.82
Franking benefit					0.39	0.79	1.14	1.56	1.91
<b>Benchmark tax liability (MOD)</b>					<b>0.39</b>	<b>0.79</b>	<b>1.14</b>	<b>1.56</b>	<b>1.91</b>
<b>Benchmark tax liability (real)</b>					<b>0.37</b>	<b>0.72</b>	<b>1.02</b>	<b>1.35</b>	<b>1.60</b>

FIRST REG PERIOD				SECOND REG PERIOD			
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2005-06    2006-07    2007-08    2008-09    2009-10    2010-11    2011-12    2012-13

**Dividends - whole of business**

\$m, MOD

Dividend plus tax equivalents benchmark 65%

**Revenue from ordinary activities**

Prescribed revenue	34.23	34.89	36.74	46.17	54.63	63.44	74.96	86.76
(less income not received)	0.05	0.06	0.06	0.11	0.11	0.11	0.12	0.12
Government and developer contributed assets	13.94	10.32	10.82	10.91	11.41	11.88	12.40	12.83
Developer cash contributions	2.74	1.58	1.71	3.81	4.06	4.31	4.49	4.80
Government cash contributions	-	3.50	-	-	-	-	-	-
Investment income	0.30	0.13	(0.06)	0.11	0.14	0.17	0.18	0.21
Proceeds from asset disposal	1.65	0.78	0.95	0.82	0.84	0.87	0.90	0.92
Other non-prescribed revenue	-	-	-	-	-	-	-	-
Revenue adjustments <sup>1</sup>	-	-	-	-	-	-	-	-
<b>Total revenue from ordinary activities</b>	<b>52.81</b>	<b>51.15</b>	<b>50.11</b>	<b>61.70</b>	<b>70.98</b>	<b>80.54</b>	<b>92.81</b>	<b>105.41</b>

**Expenditure from ordinary activities**

Operating expenditure (prescribed)	22.67	26.77	28.46	34.86	39.71	45.08	53.00	62.23
Operating expenditure (non-prescribed)	-	-	-	-	-	-	-	-
Book depreciation	11.00	11.60	11.80	12.07	12.27	12.39	12.52	12.50
Interest expense	0.21	1.25	2.68	5.74	7.56	9.27	10.58	11.78
Written down value of assets disposed	1.43	1.18	-	1.04	1.06	1.09	1.12	1.15
Expenditure adjustments <sup>2</sup>	-	-	-	-	-	-	-	-
<b>Total expenditure from ordinary activities</b>	<b>35.31</b>	<b>40.80</b>	<b>42.94</b>	<b>53.71</b>	<b>60.61</b>	<b>67.84</b>	<b>77.22</b>	<b>87.66</b>

**Profit from ordinary activities (before tax)**

	17.51	10.35	7.17	7.99	10.37	12.71	15.60	17.75
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Prima facie income tax expense

	5.25	3.11	2.15	2.40	3.11	3.81	4.68	5.32
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**Return to government**

	<b>11.38</b>	<b>6.73</b>	<b>4.66</b>	<b>5.19</b>	<b>6.74</b>	<b>8.26</b>	<b>10.14</b>	<b>11.54</b>
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Dividend payments (offset)

	8.23	6.46	4.56	4.16	4.83	5.51	6.20	6.77
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Retained revenue

	4.03	0.79	0.45	1.44	2.42	3.39	4.71	5.65
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**Adjusted cash flow statement**

\$m, MOD

**Operating Activities**

Total prescribed revenue	34.23	34.89	36.74	46.17	54.63	63.44	74.96	86.76
Non-prescribed revenue	-	-	-	-	-	-	-	-
Customer cash contributions	2.74	1.58	1.71	3.81	4.06	4.31	4.49	4.80
Government cash contributions	-	3.50	-	-	-	-	-	-
Revenue not collected	(0.05)	(0.06)	(0.06)	(0.11)	(0.11)	(0.11)	(0.12)	(0.12)
Payments to suppliers and employees (opex)	(22.67)	(26.77)	(28.46)	(34.86)	(39.71)	(45.08)	(53.00)	(62.23)
Income tax paid	(3.15)	(0.27)	(0.10)	(1.04)	(1.91)	(2.75)	(3.93)	(4.77)
Interest received	0.30	0.13	(0.06)	0.11	0.14	0.17	0.18	0.21
Interest paid	(0.21)	(1.25)	(2.68)	(5.74)	(7.56)	(9.27)	(10.58)	(11.78)
Operating Adjustments <sup>3</sup>	-	-	-	-	-	-	-	-
<b>Net cash inflows from operating activities</b>	<b>11.19</b>	<b>11.76</b>	<b>7.10</b>	<b>8.33</b>	<b>9.54</b>	<b>10.69</b>	<b>12.01</b>	<b>12.88</b>

**Investing activities**

Payment for property, plant, equipment and WIP (capex)	(24.47)	(22.47)	(35.30)	(40.31)	(36.38)	(27.27)	(19.62)	(19.00)
Proceeds from sale of property, plant and equipment	1.65	0.78	0.95	0.82	0.84	0.87	0.90	0.92
Investing adjustments <sup>4</sup>	-	-	-	-	-	-	-	-
<b>Net cash (outflow) from investing activities</b>	<b>(22.82)</b>	<b>(21.69)</b>	<b>(34.34)</b>	<b>(39.50)</b>	<b>(35.54)</b>	<b>(26.40)</b>	<b>(18.73)</b>	<b>(18.08)</b>

Dividend payable

	(8.23)	(6.46)	(4.56)	(4.16)	(4.83)	(5.51)	(6.20)	(6.77)
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**Net cash (outflow) for cash or debt**

	<b>(19.86)</b>	<b>(16.38)</b>	<b>(31.81)</b>	<b>(35.32)</b>	<b>(30.84)</b>	<b>(21.21)</b>	<b>(12.92)</b>	<b>(11.97)</b>
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FIRST REG PERIOD				SECOND REG PERIOD			
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2005-06    2006-07    2007-08    2008-09    2009-10    2010-11    2011-12    2012-13

Adjusted cash and debt

Target cash balance

Target Cash (\$)	1.71	1.74	1.84	2.31	2.73	3.17	3.75	4.34
Cash at the beginning of the financial year	12.84	1.71	1.74	1.84	2.31	2.73	3.17	3.75
Increase in Cash	(11.13)	0.03	0.09	0.47	0.42	0.44	0.58	0.59
<b>Cash at the end of the financial year</b>	<b>1.71</b>	<b>1.74</b>	<b>1.84</b>	<b>2.31</b>	<b>2.73</b>	<b>3.17</b>	<b>3.75</b>	<b>4.34</b>
Debt at the beginning of the financial year	1.75	10.48	26.89	58.80	94.59	125.85	147.50	161.00
Increase in Debt	8.73	16.42	31.90	35.79	31.26	21.65	13.50	12.56
<b>Debt at the end of the financial year</b>	<b>10.48</b>	<b>26.89</b>	<b>58.80</b>	<b>94.59</b>	<b>125.85</b>	<b>147.50</b>	<b>161.00</b>	<b>173.56</b>

TAX PAYABLE CALCULATION

Revenue from ordinary activities	52.81	47.65	50.11	61.70	70.98	80.54	92.81	105.41
less Opex	(22.67)	(26.77)	(28.46)	(34.86)	(39.71)	(45.08)	(53.00)	(62.23)
less Interest	(0.21)	(1.25)	(2.68)	(5.74)	(7.56)	(9.27)	(10.58)	(11.78)
less Tax Depreciation	(19.43)	(18.74)	(18.65)	(17.65)	(17.35)	(17.02)	(16.12)	(15.51)
less Tax Losses brought forward	-	-	-	-	-	-	-	-
<b>Taxable Income</b>	<b>10.50</b>	<b>0.89</b>	<b>0.32</b>	<b>3.45</b>	<b>6.35</b>	<b>9.17</b>	<b>13.11</b>	<b>15.89</b>
<b>Tax Payable</b>	<b>3.15</b>	<b>0.27</b>	<b>0.10</b>	<b>1.04</b>	<b>1.91</b>	<b>2.75</b>	<b>3.93</b>	<b>4.77</b>

Interest adjustments

Marginal Interest Rate - Borrowings :

Marginal Interest Rate - Cash :

Forecast Cash (opening)	12.84	0.94	4.52	1.86	2.02	1.95	2.15	2.10
Adjusted Cash	12.84	1.71	1.74	1.84	2.31	2.73	3.17	3.75
Forecast Interest Earned	0.30	0.09	0.10	0.11	0.12	0.12	0.12	0.12
<b>Adjusted Interest Earned</b>	<b>0.30</b>	<b>0.13</b>	<b>(0.06)</b>	<b>0.11</b>	<b>0.14</b>	<b>0.17</b>	<b>0.18</b>	<b>0.21</b>
Forecast Debt (opening)	1.75	5.50	20.24	43.25	73.88	102.11	119.15	126.87
Adjusted Debt	1.75	10.48	26.89	58.80	94.59	125.85	147.50	161.00
Forecast Interest Paid	0.21	0.94	2.26	4.76	6.25	7.77	8.78	9.62
<b>Adjusted Interest Paid</b>	<b>0.21</b>	<b>1.25</b>	<b>2.68</b>	<b>5.74</b>	<b>7.56</b>	<b>9.27</b>	<b>10.58</b>	<b>11.78</b>

	FIRST REG PERIOD				SECOND REG PERIOD			
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
<b>Financial indicators</b>								
<b>Funds from operations (\$m)</b>								
Total prescribed revenue	34.23	34.89	36.74	46.17	54.63	63.44	74.96	86.76
plus non-prescribed revenue	-	-	-	-	-	-	-	-
less Income not received	(0.05)	(0.06)	(0.06)	(0.11)	(0.11)	(0.11)	(0.12)	(0.12)
less Total operating expenditure	(22.67)	(26.77)	(28.46)	(34.86)	(39.71)	(45.08)	(53.00)	(62.23)
less Income tax paid	(3.15)	(0.27)	(0.10)	(1.04)	(1.91)	(2.75)	(3.93)	(4.77)
plus Interest revenue	0.30	0.13	(0.06)	0.11	0.14	0.17	0.18	0.21
less Interest expense	(0.21)	(1.25)	(2.68)	(5.74)	(7.56)	(9.27)	(10.58)	(11.78)
<b>Funds from operations</b>	<b>8.44</b>	<b>6.68</b>	<b>5.38</b>	<b>4.53</b>	<b>5.47</b>	<b>6.38</b>	<b>7.52</b>	<b>8.08</b>
<b>FFO interest cover (times)</b>								
FFO	8.44	6.68	5.38	4.53	5.47	6.38	7.52	8.08
plus Interest expense	0.21	1.25	2.68	5.74	7.56	9.27	10.58	11.78
less Interest revenue	(0.30)	(0.13)	0.06	(0.11)	(0.14)	(0.17)	(0.18)	(0.21)
divided by Net interest expense	(0.09)	1.12	2.74	5.64	7.43	9.10	10.40	11.57
<b>Min 1.5-3.0 times</b>	<b>(88.83)</b>	<b>6.97</b>	<b>2.96</b>	<b>1.80</b>	<b>1.74</b>	<b>1.70</b>	<b>1.72</b>	<b>1.70</b>
<b>FFO/Net debt</b>								
FFO	8.44	6.68	5.38	4.53	5.47	6.38	7.52	8.08
(divided by Non-current interest bearing liabilities	1.75	10.48	26.89	58.80	94.59	125.85	147.50	161.00
plus Current interest bearing liabilities	-	-	-	-	-	-	-	-
less cash assets)	(12.84)	(1.71)	(1.74)	(1.84)	(2.31)	(2.73)	(3.17)	(3.75)
<b>Min 10%</b>	<b>-76.1%</b>	<b>76.2%</b>	<b>21.4%</b>	<b>7.9%</b>	<b>5.9%</b>	<b>5.2%</b>	<b>5.2%</b>	<b>5.1%</b>
<b>Gearing (Net Debt to RAV)</b>								
Interest bearing liabilities	1.75	10.48	26.89	58.80	94.59	125.85	147.50	161.00
less cash assets	(12.84)	(1.71)	(1.74)	(1.84)	(2.31)	(2.73)	(3.17)	(3.75)
divided by Average regulatory asset base	99.98	116.55	138.85	173.22	208.77	237.76	258.23	274.28
<b>Max 45%-60%</b>	<b>-11.1%</b>	<b>7.5%</b>	<b>18.1%</b>	<b>32.9%</b>	<b>44.2%</b>	<b>51.8%</b>	<b>55.9%</b>	<b>57.3%</b>
<b>Internal financing ratio (%)</b>								
FFO	8.44	6.68	5.38	4.53	5.47	6.38	7.52	8.08
less Dividends	(8.23)	(6.46)	(4.56)	(4.16)	(4.83)	(5.51)	(6.20)	(6.77)
(divided by Gross capital expenditure	24.47	22.47	35.30	40.31	36.38	27.27	19.62	19.00
less Customer cash contributions	(2.74)	(1.58)	(1.71)	(3.81)	(4.06)	(4.31)	(4.49)	(4.80)
less Government cash contributions)	-	(3.50)	-	-	-	-	-	-
<b>Min 35%</b>	<b>1.0%</b>	<b>1.3%</b>	<b>2.4%</b>	<b>1.0%</b>	<b>2.0%</b>	<b>3.8%</b>	<b>8.7%</b>	<b>9.2%</b>

## Key business metrics

### Western Water

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Figures in tables displayed in Real dollars ▼

#### WESTERN WATER INDICATIVE INCOME STATEMENT

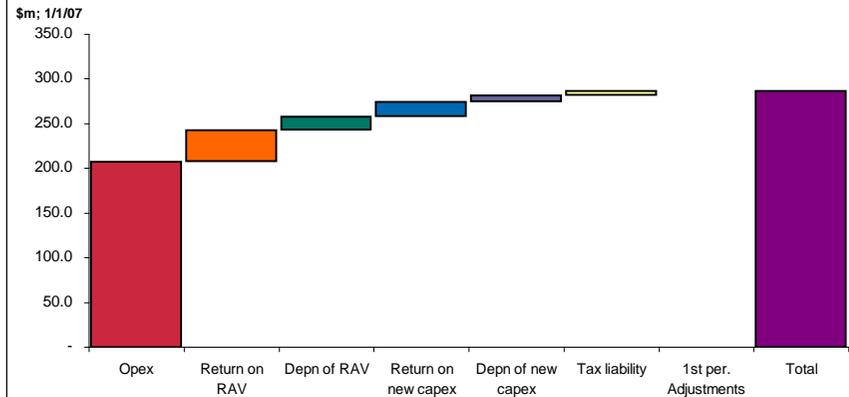
Financial Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Prescribed revenue	35.2	34.8	35.8	43.6	50.0	56.3	64.5	72.4
Contributions and gifted assets	17.2	15.4	12.2	13.9	14.2	14.4	14.6	14.7
Other revenue *	2.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9
<b>Total revenue</b>	<b>54.4</b>	<b>51.2</b>	<b>48.9</b>	<b>58.4</b>	<b>65.1</b>	<b>71.6</b>	<b>80.0</b>	<b>88.1</b>
Prescribed operating expenditure	23.4	26.8	27.8	33.0	36.4	40.1	45.7	52.0
Other operating expenditure	-	-	-	-	-	-	-	-
WDV of assets disposed	1.5	1.2	-	1.0	1.0	1.0	1.0	1.0
<b>Total expenditure</b>	<b>24.8</b>	<b>27.9</b>	<b>27.8</b>	<b>34.0</b>	<b>37.4</b>	<b>41.1</b>	<b>46.7</b>	<b>53.0</b>
<b>EBITDA</b>	<b>29.6</b>	<b>23.2</b>	<b>21.1</b>	<b>24.4</b>	<b>27.7</b>	<b>30.6</b>	<b>33.4</b>	<b>35.1</b>
Book depreciation	11.3	11.6	11.5	11.4	11.3	11.0	10.8	10.5
<b>EBIT</b>	<b>18.2</b>	<b>11.6</b>	<b>9.6</b>	<b>13.0</b>	<b>16.5</b>	<b>19.5</b>	<b>22.6</b>	<b>24.7</b>
Interest expense *	0.2	0.9	2.2	5.4	6.9	8.2	9.1	9.8
<b>NPBT</b>	<b>18.0</b>	<b>10.7</b>	<b>7.4</b>	<b>7.6</b>	<b>9.5</b>	<b>11.3</b>	<b>13.4</b>	<b>14.8</b>
Income tax expense *	5.4	3.1	2.1	2.3	2.9	3.4	4.0	4.5
<b>NPAT</b>	<b>12.6</b>	<b>7.6</b>	<b>5.3</b>	<b>5.3</b>	<b>6.7</b>	<b>7.9</b>	<b>9.4</b>	<b>10.4</b>

#### WESTERN WATER PRESCRIBED REVENUE & OPERATING EXPENSES

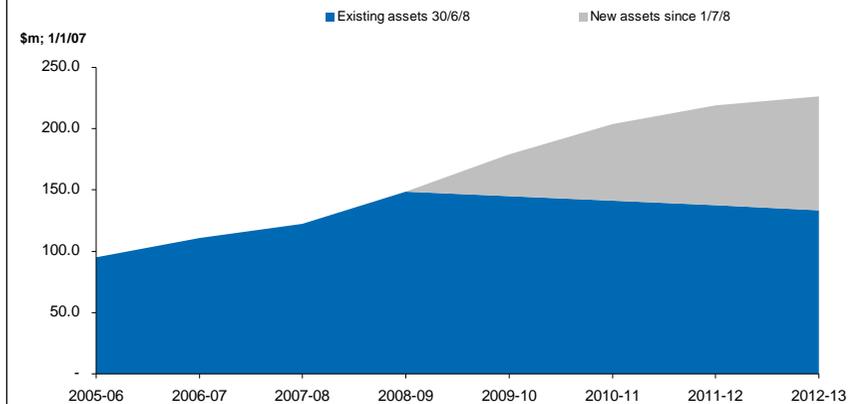
Financial Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
<b>REVENUE</b>								
Water	17.6	16.4	17.0	23.3	28.1	32.7	39.1	44.8
Sewerage	15.4	16.3	16.5	17.5	18.6	19.8	21.1	22.5
Bulk water	-	-	-	-	-	-	-	-
Recycled water	0.1	0.3	0.5	0.7	1.1	1.5	2.0	2.5
Rural water	-	-	-	-	-	-	-	-
Other	2.1	1.9	1.8	2.1	2.2	2.3	2.4	2.6
<b>TOTAL REVENUE</b>	<b>35.2</b>	<b>34.8</b>	<b>35.8</b>	<b>43.6</b>	<b>50.0</b>	<b>56.3</b>	<b>64.5</b>	<b>72.4</b>
<b>OPEX</b>								
Water	14.4	16.6	17.2	20.6	23.7	27.4	32.7	39.0
Sewerage	6.8	8.3	8.3	9.4	9.7	9.9	10.1	10.0
Bulk water	-	-	-	-	-	-	-	-
Recycled water	0.5	0.5	0.7	1.3	1.3	1.2	1.3	1.4
Rural water	-	-	-	-	-	-	-	-
New obligations	-	-	-	0.3	0.3	0.3	0.3	0.3
Licence fees / Enviro levy	1.6	1.4	1.4	1.4	1.4	1.4	1.4	1.4
<b>TOTAL OPEX</b>	<b>23.4</b>	<b>26.8</b>	<b>27.8</b>	<b>33.0</b>	<b>36.4</b>	<b>40.1</b>	<b>45.7</b>	<b>52.0</b>

\* Note: interest earned and interest expense (which impacts income tax expense) have been imputed for the second regulatory period based on forecast revenue and expenditure. Refer to the Indicators worksheet, Interest Adjustments section for assumptions.

#### Composition of revenue requirement for regulatory period



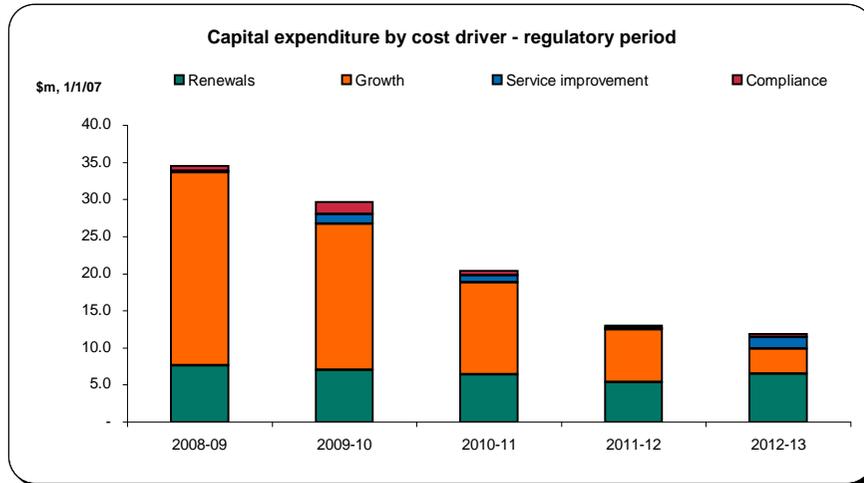
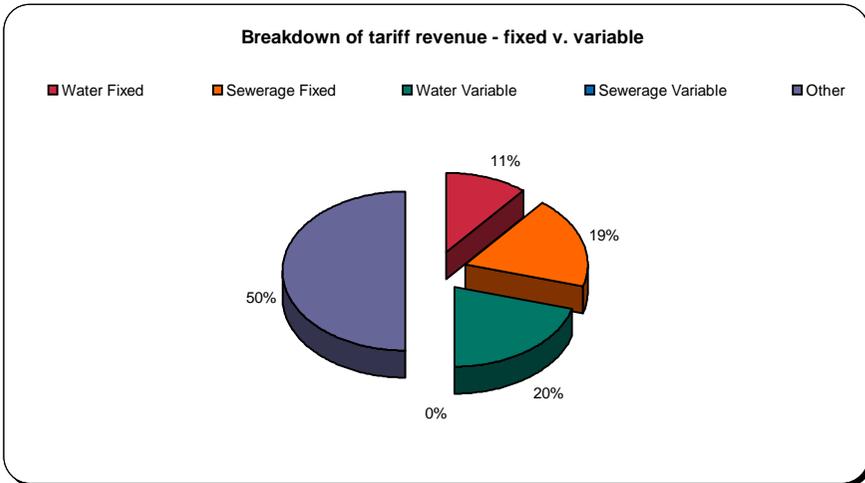
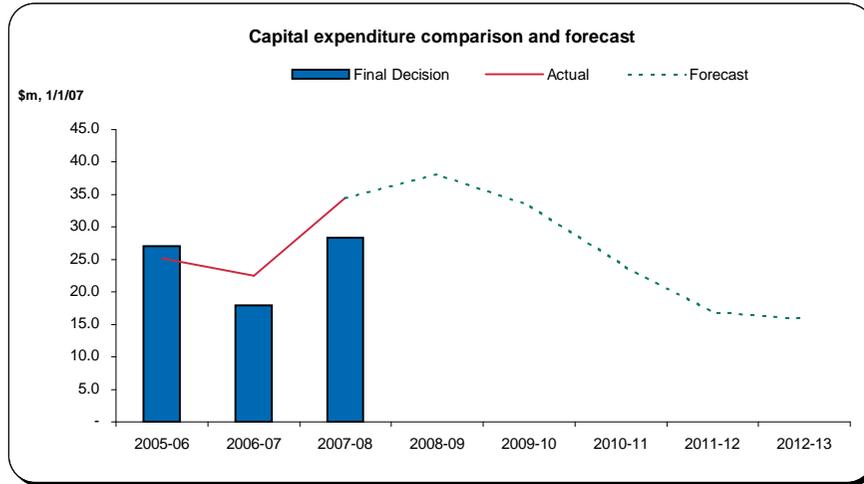
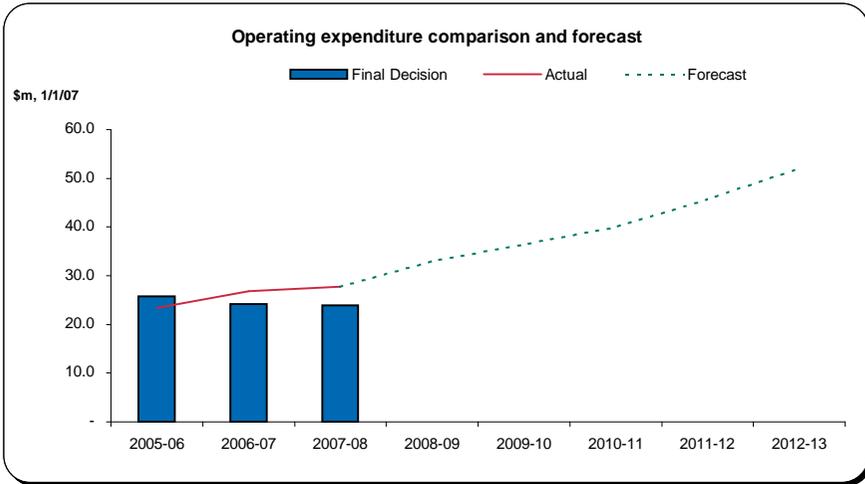
#### Composition of RAV



# Key business metrics

## Western Water

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# Service Standards and GSLs

## Western Water

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FIRST REG PERIOD					SECOND REG PERIOD				
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2003-04 2004-05 2005-06 2006-07 2007-08 2008-09 2009-10 2010-11 2011-12 2012-13

ACTUALS	APPROVED	FORECAST							
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3 Year Act Avg 5 Year Fcst Avg

### Water

Unplanned water supply interruptions (per 100km)	20.40	22.60	23.20	27.10	21.60	22.00	21.50	21.00	20.50	20.00
Average time taken to attend bursts and leaks (priority 1)	15.00	16.50	16.50	16.00	16.00	15.00	15.00	15.00	15.00	15.00
Average time taken to attend bursts and leaks (priority 2)	23.00	23.00	24.50	23.50	23.00	23.00	23.00	23.00	23.00	23.00
Average time taken to attend bursts and leaks (priority 3) (minutes)	0.96	0.97	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.98
Unplanned water supply interruptions restored within 5 hours (per cent)	0.97	0.81	0.82	0.79	0.87	0.90	0.90	0.90	0.90	0.90
Planned water supply interruptions restored within 5 hours (per cent)	16.10	16.70	17.40	18.10	16.30	16.70	16.70	16.70	16.70	16.70
Average unplanned customer minutes off water supply	5.10	14.30	12.10	6.10	8.60	10.50	10.50	10.50	10.50	10.50
Average planned customer minutes off water supply	0.08	0.19	0.18	0.17	0.17	0.15	0.15	0.15	0.15	0.15
Average unplanned frequency of water supply interruptions	0.02	0.06	0.06	0.03	0.04	0.05	0.05	0.05	0.05	0.05
Average planned frequency of water supply interruptions	85.00	78.00	87.00	87.00	84.00	83.00	83.00	83.00	83.00	83.00
Average duration of unplanned water supply interruptions (minutes)	173.00	215.00	280.00	248.00	229.00	223.00	223.00	223.00	223.00	223.00
Average duration of planned water supply interruptions (minutes)	2.00	3.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Number of customers experiencing more than 5 unplanned water supply interruptions in the year	0.12	0.12	0.10	0.11	0.11	0.10	0.10	0.10	0.09	0.09
Unaccounted for water										

22.1	21.0
15.8	15.0
23.0	23.0
1.0	1.0
0.9	0.9
16.7	16.7
10.5	10.5
0.2	0.2
0.0	0.1
83.3	83.0
222.7	223.0
2.0	2.0
0.1	0.1

### Sewerage

Sewerage blockages (per 100km)	36.10	32.10	28.20	30.30	28.20	32.00	31.50	31.00	30.50	30.00
Average time to attend sewer spills and blockages (minutes)	41.00	33.50	27.10	26.10	32.00	33.00	32.00	31.00	30.00	30.00
Average time to rectify a sewer blockage (minutes)	101.00	106.00	103.00	112.00	106.00	103.00	103.00	103.00	103.00	103.00
Spills contained within 5 hours (per cent)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Customers receiving more than 3 sewer blockages in the year	4.00	2.00	4.00	5.00	3.00	3.00	3.00	3.00	3.00	3.00

32.1	31.0
33.9	31.2
103.3	103.0
1.0	1.0
3.3	3.0

### Customer service

Complaints to EWQV	0.06	0.39	0.39	0.39	0.39	0.35	0.34	0.30	0.30
Telephone calls answered within 30 seconds	0.88	0.89	0.87	0.88	0.88	0.89	0.89	0.90	0.90

0.2	0.3
0.9	0.9

### Minimum flow rates

20mm	20
25mm	35
32mm	60
40mm	90
50mm	160

### Additional service standards

% of Information Statements turned around in 5 days	86	79	85	86	87	88	90	90	90
CO2 / Green energy target*					25				50
Recycled water target	84	92	100	100	88	90	92	95	100
Biosolids reuse	40.3	52.4	59.8	142	86	86	100	92	97
Environmental discharge indicator	99.3	98.6	98.8	99.2	100	100	100	100	100
Drinking water quality indicators - E.coli	99.8	99.8	99.9	100	100	100	100	100	100
Drinking water quality indicators - Turbidity	98.9	99.4	94.8	100	100	100	100	100	100

82.5	89
	37.5
88	93
50.833333	93
	98.9
99.833333	100
	100

\* Draft targets subject to Board endorsement at October 2007 Board meeting.

### Guaranteed Service Levels

	GSL Value - 08/09					Number of GSL applicable events for each GSL indicator				
Failure to notify of planned water supply interruption						180	170	160	140	100
Planned interruptions during peak hours						8	6	6	6	6
Planned water supply interruption longer than notification given						40	20	20	12	8
More than three sewer interruptions in 12 months						12	12	12	4	4
Sewerage spills inside a house not stopped within 1 hour of notification						5	4	3	3	3