



In reply please quote: D2007/00563  
Enquiries to: Damian O'Doherty - Ph: 03 5564 5016

8 October 2008

Mr. Sean Crees,  
Director Regulation /Water  
Essential Services Commission  
Level 2  
35 Spring Street,  
Melbourne Vic 3000

Dear Sean

**RE: WANNON REGION WATER CORPORATION – 2008-13 WATER PLAN**

I am please to submit the Wannon Water, 2008-13 Water Plan to the Commission for a price determination. This plan reflects an average price increase year on year of 9.9%, however Wannon Water is not proposing to introduce a uniform price regime across all water and sewerage systems. The increases in water, sewerage and trade waste prices are driven by a reduction in current and future per capita water consumption consistent with the organisation's *Water Supply and Demand Strategy*, a capital works programme in excess of \$110 Million over the next five years and an increase in the cost of operation of the business. The headline capital works project is the Hamilton Grampians Inter-Connector Pipeline project which will augment the supply of water to the Hamilton water system by 30 June, 2010.

Wannon Water was formed out of the merger of three smaller water authorities on 1 July, 2005 and is maturing as a business and developing as a single cohesive Corporation. Consequently the organisation is in a developmental phase acquiring the resources, systems and assets to build a sustainable business to address the challenges over the next decade.

This should be taken into account when assessing the Water Plan submission. Damian O Doherty, General Manager Finance and Regulation is nominated as the primary contact officer for any further information requests regarding this Water Plan. Damian's contact details are (03) 5564 7656.

Yours sincerely

**Grant Green**  
**Managing Director**

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