

Barwon Water – Outcomes – 2018–2023

In this document, the water business provides a summary report of its actual performance against each of its outcome commitments for the 2018-19 reporting year. The business has given itself a “traffic light” rating (green = met target, red = not met, yellow = close or largely met) for its performance on each measure, outcome and an overall rating. The business has provided its own comments about its performance on each outcome and overall.

Summary table

Outcome	18-19	19-20	20-21	21-22	22-23
1. A reliable, secure water future for our region	Green				
2. Timely, innovative services for our customers	Green				
3. A healthier environment for all	Green				
4. Deeper knowledge and partnerships with our community	Green				
5. Affordability for all of our customers	Green				
Overall	Green				

Business comments

Barwon Water is on track to achieve all targets by the end of the regulatory period and therefore consider our overall performance for all outcomes as green at this point in time.

We have invested more than \$79.5 million to provide efficient and reliable water and sewerage services, including replacing more than 11 km of water pipelines and 19 km sewerage pipelines. We also engaged with customers to develop our customer care strategy to further support vulnerable customers in our community. Our new website was also launched in September 2019 with a focus on online customer transactions.

Barwon Water has also invested significantly in innovative and cost effective renewable energy projects, many of which will come online by the end of 2019.

Outcome 1: A reliable, secure water future for our region

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Volume of recycled water allocated for productive use by 2022-23	ML	Target	–	2,600	2,700	3,100	3,200	3,400	3,600
		Actual	2,600	2,600	2,606				
b Number of non-compliances with EPA License conditions	No.	Target	–	0	0	0	0	0	0
		Actual	0	0	1				
c Number of Safe Drinking Water Act non-compliances (water sampling and audit)	No.	Target	–	0	0	0	0	0	0
		Actual	1	0	1				
d Number of non-compliances with bulk entitlement and licence conditions	No.	Target	–	0	0	0	0	0	0
		Actual	0	0	0				
e Percentage of time water restrictions are in place	Percentage of time	Target	–	<5%	<5%	<5%	<5%	<5%	<5%
		Actual	0	0	0%				

Overall outcome 1 performance for the regulatory period so far:



Business comment

Barwon Water performed strongly in the majority of outcome 1 measures and we are confident that all targets will be met by the end of this regulatory period and therefore consider our overall performance as green at this point in time.

The 2018-19 recycled water target has not been realised due to delays in the Expression of Interest processes for the allocation of recycled water from the Bannockburn and Winchelsea water reclamation plants (1a). The 2019-20 target is expected to be met as the Bannockburn and Winchelsea volumes will be allocated and the supply of Class A recycled water to the Armstrong Creek and Torquay North residential areas will commence.

Barwon Water places utmost importance on the safety and quality of our services. This is reflected in our performance of all the compliance measures, including EPA license conditions (1b), Safe Drinking Water Act (1c), bulk water licence conditions (1d). We achieved full compliance in all these measures with the exception of a single sample with a high pH result from the discharge at Apollo Bay Water Reclamation Plant which was subsequently investigated and determined to be anomalous. All other analytes and treatment factors were within normal ranges/trends, and nothing was recorded or noted onsite to indicate any pH change. A report has been submitted to the EPA. One other exception was for a water quality parameter, where we had a Section 18 notification to DHHS, due to the identification of a single sample from Moorabool WQ locality, exceeding the health guideline limit.

We have also maintained the time of water restrictions for our service region under 5% with no restrictions in place in 2018-19 (1e).

Outcome 2: Timely, innovative services for our customers

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Number of customers who receive e-billing	Number of customers	Target	–	17,500	20,500	28,000	38,000	51,000	54,000
		Actual	14,500	20,587	45,372				
b Modify customer survey to capture first-point-resolution rate through the Customer Centre and collect initial data to set a target	Met / not met	Target	–	NA	NA	Met	Targets to be developed		
		Actual	NA	NA	NA				
c Customers who are able to receive communications via SMS	Percentage	Target	–	64%	66%	68%	70%	73%	75%
		Actual	62%	61%	67%				
d Customer 'ease of doing business' with BW (survey respondents giving 9 or 10 out of 10)	Percentage of customers surveyed	Target	–	78%	79%	80%	81%	83%	85%
		Actual	77%	78.3%	83%				
e Customers who have an unplanned water supply interruption have their water back on within 5 hours	Percentage	Target	–	97%	97%	97%	97%	97%	97%
		Actual	96.5%	96.6%	96.8%				
f Customers who have a planned water supply interruption have their water back on within 5 hours	Percentage	Target	–	85%	85%	85%	85%	85%	85%
		Actual	85%	91.6%	91.7%				
g Number of customers who have more than five unplanned water supply interruptions in the year	Number of customers	Target	–	100	100	100	100	100	100
		Actual	1	0	0				

h	Number of customers who have more than two sewer spills to their property in a year	Number of customers	Target	–	1	1	1	1	1	1
			Actual	1	0	2				
i	Customer satisfaction with the overall quality of drinking water (survey respondents answering "Satisfied" or "Extremely Satisfied")	Percentage of customers surveyed	Target	–	85%	85%	85%	85%	85%	85%
			Actual	85%	NA	Tracking methodology to be developed.				
j	Water quality complaints	Number per 1,000 customers	Target	–	3	3	3	3	3	3
			Actual	3	0.08	1.11				
k	Complaints to Energy Water Ombudsman Victoria	Number per 1,000 customers	Target	–	0.65	0.65	0.65	0.65	0.65	0.65
			Actual	0.05	0.04	0.28				

Overall outcome 2 performance for the regulatory period so far:



Business comment

Barwon Water performed strongly in the majority of outcome 2 measures. With appropriate processes in place to mitigate the impact of the measure that was not met, we consider our overall performance to be green at this point.

The positive overall result can be attributed to a dedicated organisation wide focus on improving customer experience throughout 2018-19. Some initiatives that have seen positive outcomes include:

- development of ways that make it easier for customers to opt-in for e-billing, such as a customer portal on our website and improved communication (2a).
- securing mobile phone numbers in a private and confidential manner for purposes of SMS communication with our customers (2c).

- implementing a “Voice of Customer” and issues management process designed to minimise the escalation of all complaints including complaints to EWOV (2k).
- continually monitoring the number of customers with more than one unplanned water supply interruption and response times and proactively managing cases to achieve our targets (2e, 2f and 2g).
- implementing a new advanced call handling training program for our contact centre team to help make it easier for customers doing business with Barwon Water (2d).

We are also investigating a number of new metrics to help us measure customer satisfaction and aim to develop targets and implement these in 2019-20 (2b). Further works are to be carried out in 2019-20 to determine the best survey methods for the water quality satisfaction metric (2i).

The only measure in this outcome that did not meet the target was where two customers experienced more than two sewer spills to their property (2h) due to consecutive overflows on adjacent properties. Barwon Water has processes in place to reimburse customers affected by these incidents including a Guaranteed Service Level (GSL) payment of \$613 as well as a commitment to return \$96,000 back to customers in the next pricing period for not meeting the target this financial year. Since this incident, enhancements have been made to data collation and reporting to provide earlier identification of at risk properties. In addition works are underway to scope up a smart sewers project using data analytics to predict overflow events and direct maintenance and replacement programs.

NOTE: The target for 2.g. is being corrected to 100 as proposed in Barwon Water’s 2018 Price Submission and approved in the ESC final decision. A transposing error, from a spreadsheet into the document, resulted in the target appearing as ‘1’ rather than ‘100’.

Outcome 3: A healthier environment for all

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Total greenhouse emissions produced (CO ₂ e)	tCO ₂ e	Target	–	40,195	39,811	35,659	30,904	29,627	28,742
		Actual	42,986	39,505	43,238				
b Proportion of electricity from renewable sources	Percentage	Target	–	2%	5%	18%	34%	39%	43%
		Actual	0%	5%	5.6%				
c Biosolids mass re-used	Percentage	Target	–	100%	100%	100%	100%	100%	100%
		Actual	100%	100%	100%				
d ‘Unaccounted for’ water	Percentage	Target	–	9%	9%	9%	9%	9%	9%
		Actual	9%	9%	7.12%				
e Development of a tool for tracking of industrial waste recycled from BW operations and collection of initial data – by June 2020, with targets for subsequent years to be established	Met /not met	Target	–	NA	On-track	Met	Targets to be established		
		Actual	NA	NA	On-track				
f Undertake research into water treatment sludge re-use options	Project status	Target	–	NA	On-track	On-track	On-track	Complete	NA
		Actual	NA	NA	On-track				
g Construct and commission works for waste to energy capture	Project status	Target	–	On-track	On-track	On-track	On-track	Complete	NA
		Actual	NA	On-track	On-track				

Overall outcome 3 performance for the regulatory period so far:



Business comment

Barwon Water performed strongly in the majority of outcome 3 measures and we are confident that all targets will be met by the end of this regulatory period. For this reason we consider our overall performance as green at this point in time.

In collaboration with our community, Barwon Water has set itself ambitious targets that will improve the health of our environment.

We were within 9% of achieving our greenhouse emissions target of 39,811 tCO₂e (3a). Achievement of the target was impacted by the hot and dry year which required us to use more energy intensive sources of water and less reliance on gravity and surface water systems. We are confident however that we will achieve this target in future years because a number of significant renewable energy generation projects are due to be completed and operational in 2019.

The target for using renewable electricity sources (3b) was achieved through the operation of our two solar farms, two rooftop solar arrays and the seasonal operation of a mini-hydro generator.

Strong results were also achieved in the reuse of biosolids and the unaccounted for water. Our biosolids result is due to the performance of the Biosolids Management Project which is delivering a sustainable programme for the treatment and beneficial use of biosolids from the Black Rock Water Reclamation Plant and a number of other Barwon Water reclamation plants (3c). We also achieved our target for no more than 9% unaccounted for water with a result of 7.1% in 2018-19 because of a number of programs including water network pressure and evaporation management (3d).

We are also on track to with our initiatives to develop measures and deliver projects aimed at providing a healthier environment for all (3e, 3f and 3g).

Outcome 4: Deeper knowledge and partnerships with our community

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Stakeholder perceptions (large customers / regional stakeholders / strategic partnerships)	Percentage net positive	Target	NA	NA	NA	75%	80%	85%	90%
		Actual	NA	NA	NA				
b Residential per capita water consumption (annual average)	Litres/person /day	Target	–	NA	Set target	207	205	203	201
		Actual	202	208	218				
c New community green / open space provided using existing BW land (cumulative total across regulatory period)	Hectares	Target	–	0	4	8	12	16	20
		Actual	0	2	5				
d Social media engagement (Twitter, Facebook, Instagram and LinkedIn) – posts served to customers' feeds	Number of impressions per year	Target	–	960,000	960,000	1,991,000	2,050,000	2,092,000	2,133,000
		Actual	960,000	2,242,424	2,043,809				
e Gender balance in senior leadership team	Percentage male: percentage female	Target	–	50:50	50:50	50:50	50:50	50:50	50:50
		Actual	62:38	47:53	54:46				

Overall outcome 4 performance for the regulatory period so far:



Business comment

Barwon Water performed strongly in the majority of outcome 4 measures and we are confident that all targets will be met by the end of this regulatory period. For this reason we consider our overall performance as green at this point in time.

We are continually aiming to gain deeper knowledge with our community through continuous engagement and partnering opportunities and to develop a measures to monitor this (4a).

We have developed 5 hectares of new community green open space which includes the Highton Bike Trail (stages 1 to 3) and the St Leonards Pocket Park (4c). Our social media engagement has performed strongly by using key community and project events to maximise our reach across all platforms (4d).

We also continue to maintain a gender balance in our senior leadership team. A 50:50 target impossible to meet if there is an uneven number of leaders and the acceptable variance for this target is 20% with an industry wide target benchmark of 40:40:20, which Barwon Water is achieving (4e).

Barwon Water has set a target for the residential per capita water consumption measure reflecting a 4% reduction by the end regulatory period. The actual for 2018-19 was 218 litres/person /day which is an increase to previous years, most likely due to the extended hot dry season experienced. This underscores how challenging it will be to meet the future target (4b).

Outcome 5: Affordability for all of our customers

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Customers who receive a grant (rebate bill credit) from Arrange & Save payment incentive program. (Total per year)	Number of customers	Target	–	1,200	1,250	1,300	1,350	1,450	1,500
		Actual	1,150	1,278	1,588				
b Dollar benefit from continuous improvement activities	\$ 2017-18 million	Target	–	NA	\$4	\$7	\$11	\$16	\$19
		Actual	NA	NA	\$6.1				
c Capital works program on budget (+/- 10% tolerance, \$ 2017-18)	\$ 2017-18 million	Target	–	\$82.2	\$86.0	\$79.1	\$57.6	\$50.4	\$55.5
		Actual	\$82.20	\$66.4	\$79.5				
d Controllable opex / property (\$ 2017-18)	\$ 2017-18	Target	–	682	\$681	\$664	\$652	\$644	\$629
		Actual	682	640	\$662				
e Affordability measure – average customer residential bill as percentage of region's median wage	Percentage	Target	–	NA	Set target <2%	<2%	<2%	<2%	<2%
		Actual	NA	NA	Target set				

Overall outcome 5 performance for the regulatory period so far:



Business comment

Barwon Water has met all targets for outcome 5 and therefore deems our performance as green.

We are implementing programs to help customers experiencing hardship, building infrastructure and meeting our productivity hurdle rates as set out in the Price Submission committed to our customers.

Barwon Water has also set a target of <2% for the average customer residential bill as percentage of region's median wage (5e).

Specific efforts under our Customer Support Strategy have increased the number of Barwon Water customers assisted by the arrange and save program (5a). We also continue to deliver on savings and new revenue as part of our program aimed to deliver continuous improvement activities in response to proposing one of the most ambitious productivity hurdles proposed in the 2018 Victorian Price Submissions (5b). These are reflected in our controllable opex / property measure (5d). We have also delivered within 10% of our capital works program with a focus on projects aimed to improve the performance of our customer outcomes (5c).