

East Gippsland 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 2021-2022 reporting year. The business has given itself a “traffic light” rating (green = Target met this year, yellow = Target largely or nearly met this year, red = Target not met this year) for its performance on each measure and outcome, along with an overall rating. The business has provided its own comments about its performance on each outcome and rating overall.

Summary table

| Outcome | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 |
|---|--------|--------|--------|--------|-------|
| 1. Current levels of water and sewerage services maintained | Green | Yellow | Green | Yellow | Grey |
| 2. Safe, high quality drinking water supplies delivered | Green | Green | Yellow | Green | Grey |
| 3. No increase in the average customer bill | Green | Green | Green | Green | Grey |
| 4. Supporting environmental sustainability | Yellow | Red | Green | Yellow | Grey |
| 5. Enhanced liveability and resilience in our region | Green | Green | Green | Green | Grey |
| Overall | Green | Yellow | Green | Yellow | Grey |

Business comments

This is the fourth year we have rated ourselves against five key outcomes that our customers told us they valued most. These outcomes were determined through extensive engagement with our customers in the lead up to our 2018-2023 price submission.

For 2021-22 we have rated our overall performance yellow because we met three of the five outcomes. The traffic light scores for each outcome have been endorsed by our Customer Committee. While the majority of the outcomes have been met, we have put measures in place to address any deficiencies and ensure we continuously strive to meet our commitments to customers.

The 2021-22 financial year continued to present significant challenges for our region and our business to address in response to the ongoing impacts of the COVID-19 pandemic. We are proud of our response to COVID-19; particularly as our staff have been, and continue to be, personally impacted. We prioritised the continuity of essential services and the provision of customised support solutions for our customers.

Outcome 1: Current levels of water and sewerage services maintained

| Output | Unit | | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 |
|--|------------|--------|-------|-------|-------|-------|-------|-------|-------|
| A Customers experiencing no unplanned water supply interruptions each year | Percentage | Target | – | N/A | 93% | 93% | 93% | 93% | 93% |
| | | Actual | 95% | 93% | 94% | 89% | 93% | 94% | |
| B Average time to restore unplanned water supply interruptions | Minutes | Target | – | 75 | 75 | 75 | 75 | 75 | 75 |
| | | Actual | 92 | 76 | 72 | 169 | 74 | 89 | |
| C Average time taken for sewer spills and blockages to be rectified | Minutes | Target | – | 45 | 45 | 45 | 45 | 45 | 45 |
| | | Actual | 34 | 33 | 38 | 32 | 35 | 33 | |
| D Total Customer Complaints | Number | Target | – | 94 | 94 | 94 | 94 | 94 | 94 |
| | | Actual | 95 | 87 | 88 | 81 | 68 | 71 | |
| E Customers receiving bills by email | Percentage | Target | – | N/A | 12% | 13% | 14% | 16% | 18% |
| | | Actual | 7% | 9% | 17% | 23% | 25% | 30% | |
| F Percentage of customers aware of our financial assistance program (via survey) | Percentage | Target | – | N/A | 60% | 60% | 60% | 60% | 60% |
| | | Actual | N/A | 57% | 63% | 64% | 69% | 65% | |

Overall outcome 1 performance for the regulatory period so far:



Business comment

We committed to maintaining current levels of service and have rated our performance for this outcome as amber, with five out of six targets achieved.

In 2021-22 Output 1A was impacted by a significant and challenging water main break that affected many customers in our Lindenow system. This increased our average minutes to restore supply for an unplanned water supply interruption. We also had several incidents of third-party contractor damage to our water mains that caused unplanned shutdowns and were outside of our control. Excluding both these factors, we actually demonstrated a steady reduction in the average minutes off supply. We continue to invest in valve maintenance programs, water main renewals and new valve installations to improve asset reliability and minimise any interruptions to customers.

We continue to actively promote and engage with customers to encourage e-bills and have been proactively calling and issuing SMS messages to customers to raise aware of, and encourage participation in, our financial assistance program. Information is also provided to customers through our quarterly bill inserts and via a monthly public information page in our local papers. Customer complaints are actively monitored and where possible they are investigated to ensure they do not re-occur in the future.

Outcome 2: Safe, high quality drinking water supplies delivered

| Output | Unit | | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 |
|--|-------------------------|--------|-------|-------|-------|-------|-------|-------|-------|
| A Number of Safe Drinking Water Act non-compliances (water sampling and audit) | Number | Target | – | N/A | 0 | 0 | 0 | 0 | 0 |
| | | Actual | 0 | 0 | 0 | 0 | 1 | 0 | |
| B Number of water quality complaints | Number / 1000 customers | Target | – | NA | ≤3 | ≤3 | ≤3 | ≤3 | ≤3 |
| | | Actual | 3 | 2.1 | 2.4 | 2.7 | 1.9 | 2.1 | |

Overall outcome 2 performance for the regulatory period so far: 

Business comment

We rated our overall performance for Outcome 2 as green because we met both targets.

In 2021-22 our drinking water consistently complied with the 2015 Safe Drinking Water Regulations for water quality. During the financial year we also completed, or initiated, several projects to improve water quality. These included (but were not limited to):

- progressing with construction of a new raw water storage tank at our Buchan Water Treatment Plant
- several disinfection plant upgrades or installations
- trial of a new risk management software system
- improved monitoring of emergency generators
- ongoing replacement of sections of ageing water main around the region.

Outcome 3: No increase in the average customer bill

| Output | Unit | | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 |
|---|--------------|--------|-------|-------|-------|-------|-------|-------|-------|
| A Average annual residential customer bill (based on 146 kilolitres usage per annum and CPI 1.9%) | Dollars (\$) | Target | – | N/A | 1,184 | 1,207 | 1,235 | 1,263 | 1,292 |
| | | Actual | 1,189 | 1,195 | 1,184 | 1,207 | 1,202 | 1,200 | |

Overall Outcome 3 performance for the regulatory period so far: 

Business comment

In the 2018-2023 price submission we committed to maintaining current levels of service, with no increase in the average customer bill except for inflation.

Outcome 4: Supporting environmental sustainability

| Output | Unit | | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 |
|--|--------------------------|--------|-------|-------|------------|------------|-----------|-----------|-----------|
| A Value of grants issued under our Native Vegetation Fund | Dollars (\$) | Target | – | NA | \$90,000 | \$180,000 | \$270,000 | \$360,000 | \$450,000 |
| | | Actual | N/A | N/A | \$181,444* | \$234,307* | \$318,929 | \$328,789 | |
| B CO ₂ emission targets en-route to our pledge of ≤6,496 tonnes by 1/7/2025 | CO ₂ e tonnes | Target | – | NA | 8,405 | 8,315 | 8,240 | 7,900 | 6,870 |
| | | Actual | 8,557 | 8,348 | 8,872 | 8,335 | 7,636 | 7,825 | |

*Figures for previous years adjusted to align with new reporting methods. The traffic light rating remains what was reported to ESC previously

Overall outcome 4 performance for the regulatory period so far: 

Business comment

Supporting environmental sustainability is important to us and our Customer Committee.

Our Customer Committee is heavily involved in the Native Vegetation Fund management and were empowered to provide the scoring for output 4A. They (the Customer Committee) work conscientiously throughout the year to assess and issue grants through our Native Vegetation Fund. By the end of June 2022, they had approved a running total of \$328,789 for projects for the 2018-2023 price submission period. This fell short of the \$360,000 running total target, with just under \$10,000 approved for the 2021-22 financial year specifically - due primarily to a lack of appetite within the community. This was demonstrated by one round of grants receiving no applications. We remain committed to meeting our overall target of \$450,000 approved for grants by the end of the five year period.

Our whole-of-business CO₂-e emissions for 2021-22 were lower than our target and have been rated as green. We did however see an increase from last year, primarily due to raised wastewater volumes linked to significant wet weather. Key projects for 2021-22 included:

- ongoing involvement in the Innovative Water Network’s Large-Scale Renewables project - enabling us to utilise 560MWh of Green Energy

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- the commissioning of a co-benefit community project in Mallacoota - involving the installation of a 22kW ground-mounted solar array at our Mallacoota Water Treatment Plant. This is a good example of a win-win-win project where we are helping the environment, helping the community and helping to reduce our expenses
- further progressing installation of a biogas-powered generator at our Bairnsdale Wastewater Treatment Plant. This will generate approximate 530MWh of electricity a year when it comes into service (enough to power more than 100 average households) and bring our self-generated renewable energy up to approximately 12 per cent of East Gippsland Water's overall energy needs
- commencing construction of a 99kW solar system at our Paynesville sewage treatment and reuse facility. This, along with another large-scale solar system planned, will bring our total solar up to approximately 700kW, reducing electricity costs and reducing emissions.

Outcome 5: Enhanced liveability and resilience in our region

| Output | Unit | | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 |
|---|--------------|--------|-------|-------|---------|-----------|----------|----------|----------|
| A Drinking fountains installed per annum | Number | Target | – | N/A | 3 | 6 | 9 | 12 | 15 |
| | | Actual | 3 | 1 | 2 | 5* | 8 | 11 | |
| B Value of bill rebates provided to not-for-profit recreation groups | Dollars (\$) | Target | – | N/A | \$6,000 | \$12,000 | \$18,000 | \$24,000 | \$30,000 |
| | | Actual | NA | 0 | \$6,985 | \$12,945* | \$19,499 | 25,885 | |
| C Moderate water restrictions (stages 1 and 2) will occur no more than one in 10 year frequency | Pass/Fail | Target | – | N/A | Pass | Pass | Pass | Pass | Pass |
| | | Actual | Pass | Pass | Pass | Pass | Pass | Pass | |
| D Severe water restrictions (stages 3 and 4) will occur no more than one in 15 year frequency | Pass/Fail | Target | – | N/A | Pass | Pass | Pass | Pass | Pass |
| | | Actual | Pass | Pass | Pass | Pass | Pass | Pass | |

*Figures for previous years adjusted to align with new reporting methods. The traffic light rating remains what was reported to ESC previously

Overall Outcome 5 performance for the regulatory period so far:



Business comment

We rated our overall performance for Outcome 5 as green because we achieved the majority of our outcomes.

Output 5A was rated as amber as we met the financial year target, but still remain behind our cumulative target of 12 drinking fountains installed by June 30 2022. We have also assisted with other community water fountain installations, but as these are not an East Gippsland Water asset, they are not included in our result.

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Bill rebates were provided to all eligible outdoor, community run, not-for-profit recreation groups and totalled \$25,885 up to the end of June 2022 - slightly ahead of the cumulative target for this point in five-year price submission period.

Our performance against Outputs 5C and 5D is measured as the average frequency of water restrictions in each of our nine supply systems over a long-term period. Weather conditions during 2021-22 were much more favourable for water supplies and therefore staged water restrictions were not required in any of our water supply systems.

Through our community engagement process for both our Urban Water Strategy and the Price Submission 2023-28, we have continued to work with our Customer Committee and actively seek customer input in relation to long-term water resource security and levels of service.