






East Gippsland Water

2023 water price review | customer fact sheet

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 from 1 July 2023 to 30 June 2028.

Snapshot of East Gippsland Water's price submission

Bills	Tariffs	Outcomes
		
Typical annual residential owner occupier water bills will increase 0.3 per cent each year from \$1,238 in 2022-23 to \$1,241 in 2023-24 and \$1,245 in 2024-25. This excludes inflation, which is added to bills each year. ¹	East Gippsland Water proposes to introduce a 'tariff basket' form of price control for its major trade waste tariffs.	East Gippsland Water has refreshed its customer outcomes and measures, to align with the current and emerging concerns and expectations of its customers. Most guaranteed service levels will be maintained with one being replaced.

Information about our price review process and East Gippsland Water's price submission is available at www.esc.vic.gov.au/water-price-review-2023

Send us your feedback on East Gippsland Water's proposal

Submitting your feedback by **1 December 2022** will help us prepare for the release of our draft decision. Send us your feedback via <https://engage.vic.gov.au/water-price-review-2023>.

¹ You can access latest independent forecasts for inflation via <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>.



What are the changes to prices and tariffs?

Overall proposed prices for East Gippsland Water customers will **go up** by 0.3 per cent each year (before inflation) between 2023 and 2028.

East Gippsland Water proposed major trade waste tariff changes over 2023 to 2028 to align the tariffs with the cost of providing the service to customer. East Gippsland Water will undertake customer engagement prior to progressing any tariff changes during the five-year period between 2023 and 2028.

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. East Gippsland Water provided us with typical bills for different customer groups and water volumes.

Typical water and sewerage bills (not including inflation)

Customer Group	Average consumption (kL p.a.)	2022-23 annual bill	2023-24 annual bill	2027-28 annual bill
Residential (Owner occupier)	141	\$1,238	\$1,241	\$1,256
Residential (Tenant)	141	\$334	\$335	\$339
Non-residential	517	\$3,271	\$3,281	\$3,320

What are the outcomes for customers?

As part of their price submission, water businesses must propose a set of outcomes that they will deliver to their customers over the following five years. The set of outcomes, measures and targets are unique to each business, reflecting those performance elements that matter most to customers, as revealed through the customer engagement process.

East Gippsland Water worked with its customers to develop five major outcomes with measures and targets to track its performance. East Gippsland Water's outcome commitments to its customers are:



- Reliable services, done well.
- Fair prices for all.
- Improved environmental outcomes.
- Prepared for population growth and a changing climate.
- Contributing to community.

In addition, East Gippsland Water proposes to maintain Guaranteed Service Level commitments for five of its existing commitments and to replace the sixth with a water efficiency rebate program instead of the previous native vegetation grants program.

East Gippsland Water also proposed:

- upgrading wastewater treatment plants and networks to cope with more intense rain events and protect the environment
- investing in additional water storage to secure more water for the region
- continuing action to meet net zero emissions by 2035.

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

(\$ million before inflation)

Project	Detail	Total
Woodglen Water Treatment Plant works	This project involves the construction of a third raw water storage. This will help meet network demand and maintain levels of service to customers.	25.8
Paynesville additional recycled water storage and a transfer pump station	An additional recycled water storage and a transfer pump station are required at Paynesville to limit the chance of a planned emergency discharge and protect the environment.	11.1
Bairnsdale Wastewater Treatment Plant upgrades (stage 1 and 2)	The Bairnsdale Wastewater Treatment Plant will undergo major upgrades with the completion of stage 1 and the commencement of stage 2.	14



Woodglen to Wy Yung Main Supply Pipeline upgrade	The parts of the Woodglen to Wy Yung Main Supply Pipeline most at risk of failure and least accessible will be upgraded.	6.7
Wy Yung No. 1 clear water storage liner and cover replacement and embankment repair	This project involves the replacement of the liner and cover of Wy Yung No. 1 clear water storage and repair of deteriorating sections of the embankment to restore its operation to full capacity and improve dam safety, supply security and water quality.	6.0

How much revenue is required from 2023 to 2028?

We require each business to tell us what revenue it will require for the next five years. This helps us understand how East Gippsland Water calculated the prices in its submission.

East Gippsland Water forecasts that it needs **\$127 million** of operating expenditure and **\$120 million** of capital expenditure (which includes \$5 million for lagoon desludging) to provide its services to customers over the next five years. To fund this, it requires **\$190 million in revenue**, a decrease on the annual average from past years.

Got a question?

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