

# Exception Approvals – Greater Western Water

#### Final Decision - 29 October 2025

### Summary

The Essential Services Commission has decided to grant an approval to Greater Western Water (**GWW**) for exceptions to clause 6.1 of the Water Industry Standard (**WIS**) as set out in these reasons.

### **Background**

On 29 May 2024, GWW launched a new billing system by merging two previous systems. The new system led to various billing issues, including GWW's failure to issue customers with quarterly bills.

Customers received their bills late because the new billing platform could not produce and deliver bills due to failed automation, broken system integrations, and data migration problems. These technical failures were compounded by insufficient testing, an overly optimistic risk acceptance framework, limited post-go-live support, and a lack of technical expertise in the incident response structure, all of which prevented the system from catching up with the backlog in a timely manner. Many customers were impacted and experienced significant inconvenience and stress as a result.

During this time, GWW still supplied water services to all customers, and it notified many affected customers that their bills would be delayed.

Following an investigation by the Essential Services Commission (**the commission**), GWW has offered the commission an enforceable undertaking, combined with a proposed approval that would allow it to bill at least some of the delayed and uncharged amounts, as an exception to the requirement that bills be issued quarterly, under clause 6.1 of the WIS.

The exceptions apply to certain charges within the period 1 January 2024 to June 2026, but are limited and subject to conditions. These are set out in the document titled, "Approved exceptions to billing cycles. Enforceable undertaking accepted by the Essential Services Commission" (Approval and Undertaking).

The commission publicly consulted on the exception approvals between 1 October 2025 and 22 October 2025, and received 788 submissions, which have been reviewed and taken into consideration. Consequently, some changes were made from the original Proposed Approval and Undertaking.

### **Exception Approvals**

### **Approved exceptions which apply to all customers**

Clause 9.1 of the Approval and Undertaking provides that in respect of all 2024 Charges for which any bill was issued prior to 1 September 2025, the requirement for GWW's bills to be issued at least quarterly does not apply.

Clause 9.2 of the Approval and Undertaking provides that in respect of all January to March 2025 Charges, provided that these amounts are billed by GWW to customers no later than 12 months from the end of the quarterly usage period in question, the requirement for GWW's bills to be issued at least quarterly does not apply, so long as

- a) in the bill issued, the amount to be recovered from the previous quarters is listed as a separate item and is explained on or with the customer's bill;
- b) the bill issued allows the customer to pay the amount to be recovered from the previous quarters in instalments over four months or through a water business' flexible payment plan in accordance with clause 7.2 of the WIS.

Clause 9.3 of the Approval and Undertaking provides that in respect of all April 2025 to June 2026 Charges, the requirement for GWW's bills to be issued at least quarterly does not apply, provided that GWW has:

- a) given notice to the customer in compliance with clause 1 of Annexure A of the Undertaking;
- b) issued any bill to customers within 12 months of the end of the quarterly usage period in question;
- c) in the bill issued, the amount to be recovered from the previous quarters is listed as a separate item and is explained on or with the customer's bill; and
- d) the bill issued allows the customer to pay the amount to be recovered from the previous quarters in instalments over four months or through a water business' flexible payment plan in accordance with clause 7.2 of the WIS.

#### Approved exceptions in respect of large business customers only

Clause 10.1 of the Approval and Undertaking provides that in relation to large business customers only, in respect of all 2024 Charges, provided that these amounts are billed by GWW to those customers by no later than 28 February 2026, the requirement for GWW's bills to be issued at least quarterly does not apply, so long as:

- a) in the bill issued, the amount to be recovered from the previous quarters is listed as a separate item and is explained on or with the customer's bill, and
- b) the bill issued allows the customer to pay the amount to be recovered from the previous quarters in instalments over four months or through a water business' flexible payment plan in accordance with clause 7.2 of the WIS.

### **Court Enforceable Undertaking**

The approval was accompanied by a court enforceable undertaking that provides \$130m in relief and redress to GWW customers and ensures actions that will improve the customer experience and GWWs compliance over the coming months and years.

The consultation process was relevant to the commission's consideration of whether or not to grant the approval. While the enforceable undertaking offered by GWW was also published for context, the commission is not required to consult on the contents of the undertaking or the decision to accept it.

Among other things, the enforceable undertaking requires GWW to:

- Write off \$75m in unbilled charges from calendar year 2024, for 166,000 customer accounts being amounts which it is no longer entitled to bill (see clause 12.2).
- Provide \$10m worth of credits to 125,000 customer accounts (\$80 per customer) as customer relief for bills issued more than seven months apart in 2024 – being amounts which it would not be entitled to recover, if not for the proposed approval under clause 6.1 (see cl 12.1).
- Provide an estimated \$39m worth of credits to 210,000 customer accounts in customer relief for bills issued late in 2025/26 (between \$80 and \$240 per customer, depending on the length of delay) being bills which it would be no longer entitled to issue, if not for the proposed approval under clause 6.1 of the WIS (see clause 14.1).
- Not issue any bill (except in respect of a credit or zero-dollar amount) to any residential
  or small business customer, or seek to retain or recover any payment, for any charges
  incurred for the period January 2025 to June 2026, if billed more than 12 months from
  the end of the quarterly usage period in question (see clause 15.1).
- Provide \$5.6m worth of credits to 70,000 customer accounts (\$80 per customer) in redress for suspending the availability of direct debit in full (see clause 16.1).
- Complete independent reviews of its communication and hardship processes, and undertake other compliance improvement and customer communication initiatives (see Annexure A).

### The commission's objectives

#### **Essential Services Commission Act 2001**

We note that in performing its functions and exercising its powers, the objective of the commission is to promote the long-term interests of Victorian consumers (under section 8 of the ESC Act). In seeking to achieve that objective, it must have regard to the price, quality and reliability of essential services.

Further (under section 8A of the ESC Act), the commission must have regard to the following matters to the extent that they are relevant in any particular case

- (a) efficiency in the industry and incentives for long term investment;
- (b) the financial viability of the industry;
- (c) the degree of, and scope for, competition within the industry, including countervailing market power and information asymmetries;
- (d) the relevant health, safety, environmental and social legislation applying to the industry;
- (e) the benefits and costs of regulation (including externalities and the gains from competition and efficiency) for:
  - (i) consumers and users of products or services (including low income and vulnerable consumers);
  - (ii) regulated entities;
- (f) consistency in regulation between States and on a national basis;
- (g) any matters specified in the empowering instrument.

#### **Water Industry Act 1994**

We also note the objectives of the commission under section 4C of the *Water Industry Act* 1994 (Vic) (which gives the power for the commission to make Water Industry Standards) in relation to the water industry are:

- (a) wherever possible, to ensure that the costs of regulation do not exceed the benefits;
- (b) to ensure that regulatory decision making and regulatory processes have regard to any differences between the operating environments of regulated entities;
- (c) to ensure that regulatory decision making has regard to the health, safety, environmental sustainability (including water conservation) and social obligations of regulated entities.

#### **Exception Approvals**

While consulting about the exception approvals, we set out our summary of the objectives by publicly stating that the commission is seeking to:

- promote the long-term interests of Victorian consumers in relation to the regulated water industry;
- ensure that GWW stops conduct that breaches water industry rules;

- promote GWW's timely return to compliance with quarterly billing cycles;
- provide redress for residential and small business customers of GWW who have been affected by the contravening conduct;
- promote procedures within GWW that will detect and prevent any future breaches; and
- increase public awareness and promote compliance of the rules that water businesses must follow.

While short-term relief and redress to GWW customers is considered necessary to remediate for the contraventions and restore a level of customer trust, limiting the amount of revenue that goes uncollected is in the long-term interests of all Victorian consumers.

The commission has previously approved the prices that GWW may charge customers so that it can generate sufficient cash flow to deliver on its service commitments. If GWW does not collect a significant amount of its revenue, this may directly affect its financial capacity to maintain, renew and invest in essential infrastructure at a time when it has increased its capital expenditure to accommodate the accelerated population growth in its service region.

Revenue collected from customers funds critical activities including asset maintenance and network upgrades. Persistent under-recovery of revenue could therefore create budget pressures that may delay maintenance programs, limit investment in new technology, or reduce the ability to respond effectively to network failures. Over time, financial strain can compromise the long-term health and resilience of the water network, increasing risks to water quality, reliability and public safety.

In effect, a failure to recover revenue can shift costs onto other customers or future generations and could undermine the regulatory objective of ensuring sustainable service delivery that protects both consumers and the community.

The redress package proposed balances the provision of significant redress to GWW customers (\$130m in bill relief plus compliance improvement terms), while also protecting the long-term interests of Victorians by limiting the amount of revenue that goes uncollected, and subsequently limiting the impact on Victorian taxpayers. Importantly, the package has been designed to help address bill shock for affected customers, the principal harm arising from the billing failures.

Possibly, GWW might have claims against the consultants it engaged to establish its new billing system, in relation to any lost revenue that could not be recovered. If those losses were borne by the consultants, then arguably they would not be borne by the taxpayer. However, this is an uncertain prospect, both in terms of the existence and merits of such claims, how long it would take for such claims to be determined, the extent of assets or insurance available to meet any claims of that nature, and the impact on GWW and its customers in the meantime.

The commission noted that the approvals allow large business customers to still be billed for unbilled 2024 charges, but only if GWW can bill those customers before the end of February 2026. This timeframe should be an incentive for GWW to achieve its return to service plan.

#### **Consultation - submissions received**

The purpose of the exception approvals consultation was to seek input from the public and stakeholders to understand their key concerns and impacts regarding the exception approvals sought by GWW. Stakeholder feedback helped to inform the commission's decision regarding whether to accept the exception approvals.

The commission received 775 submissions in response to a survey on Engage Victoria and a further 13 submissions via email. Written submissions from stakeholders were provided by the Energy and Water Ombudsman Victoria, Financial Counselling Victoria, WestJustice, The Consumer Action Law Centre, The Victorian Council of Social Service and VicWater.

#### Key themes included:

- 1. Approving the exceptions may make it more likely that vulnerable customers may experience bill shock or financial harms when they receive the delayed bills.
- 2. Approving the exceptions may set a concerning precedent that the commission could excuse other regulated entities from compliance in the future in similar circumstances.
- 3. Many customers have had negative experiences with GWW, and approving the exceptions may further diminish trust in the water sector and in the commission.
- 4. All delayed bills should be written off, all customers should receive compensation, or more compensation should be provided.
- 5. GWW and its leaders need to be held accountable for the failure of the implementation of its billing system.
- 6. The undertaking terms should include more actions, involvement of community sector experts and more public reporting by GWW.
- 7. Questions regarding GWW's ability to issue bills to customers that are accurate and reliable, with reference to previous customers negative experiences with incorrect bills.
- 8. That larger periods of times without bills make it hard to identify high water usage or water leaks.
- 9. That the undertaking is too complex and that GWW may not have the capability to comply.
- 10. That the approvals sought may be inconsistent with GWW's customer charter which requires it to forgive undercharges after four months

There were also mixed submissions regarding whether there should be more extensive credits and bill waivers, and who should bear that cost, as some submissions noted that because GWW is state-owned, the cost of any further remediation (for example, more bill credits) will be borne by Victorian taxpayers. We address these key themes in more detail below.

# Approving the exceptions may make it more likely that vulnerable customers may experience bill shock or financial harms when they receive the delayed bills

The submissions generally considered that approving the exceptions (and therefore allowing GWW to recover revenue from customers that it otherwise may not be able to), would increase the

likelihood of bill shock for customers experiencing vulnerabilities. However, some submissions considered that the credits and waivers provided under the undertaking would cushion the effects of receiving the delayed bills.

The commission considers that the undertaking terms provide some levels of protections against bill shock. The undertaking requires that unissued bills from 2024 are written off, estimated at \$75m in revenue that affected GWW customers will not have to pay and therefore will not experience any subsequent bill shock.

For water usage occurring this year and up to June 2026, credits of \$80 to \$240 will be applied to accounts with delayed bills, with the credits scaled depending on how late a bill is, to both recognise the effects of bill shock and also to incentivise GWW to rectify the issues in a timely manner.

One of the themes that came through from customer submissions was a potential misunderstanding in relation to the availability of payment plans. GWW must give customers at least four months to pay the delayed bills. In addition, the Water Industry Standard sets out strong payment plan protections for customers. Every customer is entitled to a flexible payment plan in accordance with the customer's capacity to pay. Accessing a payment plan would not impact a customer's credit score or have similar negative effects. GWW will also have the ability to apply further hardship grants or credits (on top of what must be given through the undertaking) for customers who are experiencing payment difficulty.

After receiving the submissions, the commission have sought amendments in a related undertaking term so that a hardship grant application process will expand assistance to its customers. The commission can also closely monitor the ways in which GWW complies with the payment plan and payment difficulty protections in the Water Industry Standard.

The commission noted that GWW has communicated with customers through various mediums for 18 months to alert them to the billing issues. The undertaking also provides further communication requirements with customers, including communications that will be reviewed and approved by the commission before being sent. This includes a notification for unissued bills that provides customers with an estimate of the charges in the unissued bill, based on residential averages, which is designed to address bill shock and provide customers with information to assist in their preparation for payment.

On balance, the commission consider that the enforceable undertaking offered offsets issues which may arise through bill shock caused by delayed billing. Many of these customers will also benefit from the \$75 million that will no longer be collected by GWW from previously unissued bills.

Approving the exceptions may set a concerning precedent that the commission could excuse other regulated entities from compliance in the future in similar circumstances

Some submissions focused on the fact that the approvals may set a concerning precedent that the commission would excuse similar conduct in the future.

Some submissions made the point that there is a high chance of other billing system issues as regulated entities upgrade their information technology, and also that there could be a perception that the commission is taking an unsatisfactory approach to the breaches identified, allowing GWW to recover funds that would otherwise not be able to, and may do so again for another regulated entity if this conduct was repeated.

The cost of the remediation package offered by GWW is substantial. It is unlikely that businesses would intentionally risk harm to its business and customer base in the way that has occurred in these circumstances. As such, the commission does not consider that this decision incentivises businesses to engage in non-compliant behaviour.

This argument is speculative and should be given less weight. Each decision the commission makes must be decided on its own merits. This is the first time the commission has been asked to provide an approval of an exception to clause 6.1 of the WIS. This decision in no way binds it to future decisions regarding other requests for approvals. Future requests would be subject to the same consultation process and would also need to align with the Commission's objectives which include promoting the long-term interests of customers.

On balance, having regard to the relief and redress that the undertaking would give to GWW customers, the commission considered approving the conditional exceptions outweighed the detriments raised in this argument.

# Many customers have had negative experiences with GWW, and approving the exceptions may further diminish trust in the water sector and in the commission

Some submissions focused on the fact that approval of the exceptions may diminish trust in the water sector generally and in the commission as a regulator. This is because, by removing the quarterly billing requirement, the commission would be permitting GWW to issue bills that it otherwise would not be able to under its undercharging rules.

It is without doubt that GWW customers have lost some trust in it. Given the negative experiences customer have had with GWW in the last 18 months, most customers who made submissions did not want to be issued delayed bills for water and network charges. The trust deficit exists whether or not the approval is granted.

However, 33% of survey participants who are GWW customers did consider that the approvals would benefit the long-term interests of Victorian Consumers and 18% were unsure. One submission noted that water businesses must be able to recover costs in a timely manner to maintain infrastructure, invest in necessary upgrades and continue to deliver reliable services to customers in a prudent and efficient manner. Further, as some submissions noted, the cost of further credits and waivers would likely be borne by Victorian taxpayers, not just GWW customers who received the water and network services during this period.

The commission considers that the terms of the undertaking provide some immediate certainty to customers about their liabilities to GWW and a clear pathway forward while GWW's billing system

is being repaired. The undertaking also provides significant relief and redress to customers, without significant effort required on their part. It will also improve customer communications and will bring GWW into compliance.

# All delayed bills should be written off, customers should receive compensation, or more compensation should be provided

Many of the submissions from current customers considered that a fair outcome for customers would involve compensation, with several suggesting that all delayed bills should be written off.

This view is not universal, with some submissions noting that the cost of further credits and waivers would likely be borne by Victorian taxpayers, and that the commission's proposal sought to achieve a balanced response.

Some survey participants also had a perception that the approvals may result in uneven or unfair compensation for customers who did pay their bills on time. This is a misunderstanding of the approvals. Customers who are receiving accurate and timely bills (currently about 80% of GWW customers) are not impacted by the delayed billing issues and therefore are not receiving waivers or credits for any delayed bills. The approvals and credits for delayed bills are designed to only apply to those who have received delayed bills, and future bills that will be late. However, there are other credits being applied for customers affected by the direct debit in full issue, and all customers would benefit from the communication and compliance improvement terms.

# GWW and its leaders need to be held accountable for the failure of the implementation of its billing system

A recurring theme that came from the submissions was that granting the approvals doesn't hold GWW and its senior leaders to account for the breaches and the stress and difficulty caused. Many participants did not understand what went wrong and called for more transparent reporting on that issue. Some submissions called for stronger enforcement action to take place.

GWW's most senior leaders, including the Chair of the Board and the Managing Director, have now resigned from their positions.

There has also been transparent reporting of what went wrong and why. The public can access an independent <u>review</u> that was conducted at the request of the Minister for Water, the Office of Victorian Information Commissioners <u>report</u>, and the information contained in the commission's published reasons and the conduct of concern and admissions made in the enforceable undertaking.

The cost of the remediation package offered in the enforceable undertaking is \$130m is substantial. This cost is also in addition to the extensive compliance uplift program that GWW has agreed to, including the requirement to conduct regular independent audits of its progress. This is the largest consumer redress package ever achieved by the commission.

This matter has also been covered extensively in the public domain.

While it is open to the commission to alternatively take court action against GWW to pursue among other orders declarations (confirming the commission's understanding of the WIS) and injunctions (to restrain any billing or recovery that is contrary to the WIS), taking such action would likely prolong uncertainty (and therefore harm) for affected customers and would result in additional costs for both GWW and the commission. Civil penalties are also not an available remedy to the commission with regard to these breaches of the WIS. A court outcome would result in a delayed result compared to the acceptance of the undertaking.

# The undertaking terms should include more actions, the involvement of community sector experts and more public reporting by GWW

Some submissions sought more actions that GWW should have to undertake through the enforceable undertaking that accompanies the approvals. This included suggestions such as more customer communication terms, additional funding to EWOV (although EWOV itself did not seek this), and community sector expert advice to improve GWWs customer-focused processes.

The commission noted that some suggestions are already actions that will occur (for example proactive offers of payment plans, outreach to communities, and public reporting on metrics such as call wait times abandonment rates).

For some others, the commission amended the enforceable undertaking to reflect the suggestions. This included that GWW's hardship grant application process review focuses on expanding assistance to its customers, public reporting on the reviews that are undertaken, and ensuring that community sector organisations contribute to the:

- implementation review
- · customer communication framework review
- hardship grant application process review.

# Questions regarding GWW's ability to issue bills to customers that are accurate and reliable, with reference to previous customers negative experiences with incorrect bills

Some submissions referred to customers negative experiences with GWW in relation to inaccurate billing (in terms incorrect charges or issues with concessions, and bills being sent to the wrong customers causing privacy issues) and questioned whether GWW would be capable of fixing its systems in accordance with the timelines set out in the undertaking.

These negative experiences have been substantiated through our investigation and GWW acknowledges that it did have issues with the accuracy of its billing, particularly when the billing system first went live. For example, GWW's conduct involved failures to apply concessions (11,000 accounts did not get discounts for bills sent before October 2024, and more than 18,000 concession customers were charged too much in combined bills sent in October 2024), inaccurate billing of apartment complexes (almost 10,000 customer accounts billed the wrong portion of their building's total usage), and the issue of combined bills which led to unexpectedly larger bill amounts.

However, GWW has provided information that those impacted customers have since received individual remediation and bills have been corrected. GWW has provided that it now does not have systemic issues with bill accuracy and it is doing quality assurance checks on samples of bills being sent to ensure they are correct.

Under the terms of the undertaking, the commission would be requiring GWW to establish a compliance program for its billing system, to ensure compliance with the WIS. The compliance program must comply with Australian or Internation Standards. It also must be subject to independent compliance reviews, checking that the program and staff training is appropriate.

Further, GWW has a published <u>return to service plan</u> (that the undertaking terms timing is generally aligned to) which sets out the improvements previously made since implementation, and its pathway to achieving full resolution of its billing and customer issues through 2026.

# That larger periods of times without bills make it hard to identify high water usage or water leaks

Some submissions set out that if the commission permits GWW to not issue quarterly bills for a period of time, then customers would have no way to identify and correct high usage, or leaks.

Although this is a valid point, whether or not the approvals are granted does little to address the issue of unidentified leaks and prevention of bill shock from high water usage. Due to technical limitations faced by GWW, the commission understands that it is unable to issue affected bills any sooner than it is aiming to already do. The commission noted that this issue is better dealt with on a case-by-case basis and with the assistance of EWOV rather than through the undertaking.

There is an industry guideline in relation to unexplained high usage and undetected leaks which provides a minimum standard for the calculation of an allowance for leaks and unexplained high usage. The commission expects GWW to continue to apply that guideline. The commission also notes that EWOV undertakes high bill investigations in response to customer complaints, which includes seeking to determine whether a water company has contributed to the cause of the high bill. EWOV reiterated in its submission that all GWW customers can access EWOV's impartial external dispute resolution services.

# That the undertaking is too complex and that GWW may not have the capability to comply

The commission noted the submission that the undertaking is complex as it requires GWW to implement a process that can accurately apply the undertaking terms (including the application of credits and the prohibition on recovery of some charges) at the same time as it is implementing its Compliance Improvement Action Plan and re-starting direct debit in full.

While the undertaking certainly does require significant and timely actions to be taken by GWW, these actions are necessary to improve customer experiences and build customer trust back.

GWW offered the terms of the undertaking on the basis of what it can deliver. Commissioners noted that the timing proposed is generally aligned with GWW's own <u>return to service plan</u> (while locking in important terms to ensure terms to protect consumers as it does so).

GWW would face significant consequences if it failed to comply with the undertaking. The undertaking provides protections to GWW consumers in the context of the approvals granted. However, the undertaking does not compel GWW to issue bills, instead it provides protections to consumers when bills are issued in the context of the approvals. To the extent that bills continue to be issued that are not consistent with the protections in the undertaking or otherwise inconsistently with the WIS, GWW would expose itself to further enforcement action by the commission.

# That the approvals sought are inconsistent with GWW's customer charter which requires it to forgive undercharges after four months

Some submissions referred to GWW's customer charter, which sets out that it would forgive 'any identified undercharging prior to the past four months', and accordingly if the billing exemption is approved, the rights and obligations under the customer charter may be inconsistent with the Water Industry Standard. EWOV stated that it would need to consider that inconsistency under its own Charter when dealing with customer complaints.

The commission considered the customer charter and noted that customer charters are written and developed to meet the requirements of the WIS. The commission further noted that by approving the exceptions, it would be temporarily excepting GWW from the requirement to bill quarterly and therefore the delay in the issue of bills would not be regarded as undercharging.

The approvals and undertaking are designed to provide immediate and significant redress to a large number of consumers without effort required from those customers. However, individual customer experiences are varied. Customers may still seek independent remedies beyond what is available under this undertaking, and EWOV can (and should) apply its own Charter in its role to independently and fairly assess consumer complaints.

### Date approvals come into effect

The four exception approvals come into effect from the date of the commission's decision on 29 October 2025.

## **Summary of consultation**

#### **Consultation Process**

Public Consultation was open from 1 October to 22 October 2025, through the commission's website and the Victorian Government's centralised consultation website, Engage Victoria.

The commission received a total of 788 submissions. These included 775 submissions via a short questionnaire on Engage Victoria, and 13 submissions via email. The commission completed an assessment of all submissions and identified the key issues and themes. Several submissions included comments that touched on one or more themes.

### **Multiple choice questions**

- 95.6% are current customers
- 2.6% are former customers
- 1.0% are customer representatives and
- 0.8% identified as other.

### Among respondents that identified as a current customer:

- 99.5% were residential customers
- 0.4% were small business customers and
- **0.1%** were large business customers.

### If GWW is granted the exception approval, do you think that it would benefit the longterm interests of Victorian Consumers?

- **33.0**% believe the exception approval would benefit the long-term interest of Victorian consumers
- 48.9% did not
- **18.1%** were unsure.

# If you are a current customer, do you think that the exception approval and redress package is a fair outcome for you?

- 30.8% believe the exception approval and redress package is a fair outcome
- **57.9%** did not
- **11.3%** were unsure.

### Free text questions

The three free text questions sought to gather submissions in relation to the impact of the approvals if they are granted, what members of the public consider to be a fair outcome, and whether there is anything else the commission should consider.

### How will the decision (to grant or not grant the approval) impact you or others?

The most prominent key themes were that if the approvals are granted, they may cause further bill shock, payment difficulty, challenges with budgeting due to unpredictability, and not sufficiently hold GWW to account for its failures. Other submissions indicated that not receiving bills in a regular manner may cause delayed identification of water leaks or high usage.

Some submissions received were supportive of the approvals, indicating that they may prevent bill shock and provide bill relief and more certainty.

#### What do you think would be a fair outcome for GWW customers?

Most participants indicated that a fair outcome would involve substantial compensation for affected customers. Most commonly, this was full bill waivers, with many responses expressing that GWW waive all bills, without much further detail.

Enforcement action against GWW followed as the second most prominent theme, with participants expressing a desire for GWW to take more accountability, that further investigation and enforcement action be taken, and for GWW's senior leaders to be stood down. Many submissions also expressed a need for improved communication and a working, accurate billing system.

#### Is there anything else you think we should consider as we assess the exception approval?

Many participants reiterated the key themes that came through in the previous responses. This included concerns around bill shock, payment pressure and affordability, fairness and accountability, trust and confidence and billing issues.

Notably, respondents strongly urged the commission to undertake a strong regulatory or enforcement response (by removing senior management and/or the GWW board and also taking strong enforcement action (court action or fines).

### **Submissions from community sector stakeholders**

Stakeholder submissions were made by the Energy and Water Ombudsman Victoria, Financial Counselling Victoria, Westjustice, The Consumer Action Law Centre, The Victorian Council of Social Service and VicWater.

With some exceptions, stakeholders mostly agreed on the following points:

- Approving the exceptions may make it more likely that vulnerable customers may experience bill shock or financial harms
- Approving the exceptions may set a concerning precedent that the commission could excuse other regulated entities from compliance in the future in similar circumstances
- Many customers have had negative experiences with GWW, and approving the exceptions may further diminish trust in the water sector and in the commission.
- GWW and its leaders need to be held accountable for the failure of the implementation of its billing system.
- The undertaking terms should include more actions, the involvement of community sector experts and more public reporting by GWW.

The community sector stakeholder submissions can be accessed on the commission's website.