

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 2021-22 reporting year. The business has given itself a “traffic light” rating (**green = met target, red = not met, amber = 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. GW VALUE: Do Your Job Well	Green	Amber	Amber	Green	Grey
2. GW VALUE: Be Easy To Deal With	Green	Green	Green	Green	Grey
3. GW VALUE: Be Affordable and Fair	Green	Green	Green	Amber	Grey
4. GW VALUE: Prepare and Protect	Green	Green	Amber	Green	Grey
5. GW VALUE: Be Involved	Green	Green	Green	Green	Grey
Overall	Green	Green	Green	Green	Grey

Business comments

We are four years into the delivery of the promises we made to customers in our 2018-23 Price Submission. In this report we share with customers our self-assessment of achievement against the measurable targets established in our submission.

Overall we consider we have performed well in delivering for our customers. We have rated our performance as 'green' in 2021-22. In a year when we were challenged by socio, economic, and extreme weather (climate) factors, we have successfully achieved our targets for 18 of 22 outputs, while narrowly missing our targets for the remaining four outputs.

Essentially this means we are on track to deliver what we promised across the five areas our customers said were most important to them.

We rated our performance for our 'Do your job well' outcome as green in 2021-22. We have high expectations on our delivery of water and waste water services, as do our customers. We successfully achieved six of seven output measures, which is a positive result in a year in which we were challenged by a number of external factors including significant wet weather events.

We missed a target in this outcome area for planned interruptions going over advised timeframes. In line with our guaranteed service commitments, impacted customers received a \$50 credit on their bill.

We rated our performance for our 'Be easy to deal with' outcome as green in 2021-22. On the back of a consistently positive performance across the first four years of this reporting period, we achieved three of four targets this year. We consistently provide a positive customer experience by responding to customer correspondence quickly, and by resolving the majority of our customer enquiries at the first point of contact.

We narrowly missed a target in this outcome area for failure to provide five days' notice for two planned interruptions in the 2021-22 year. The small number of customers who were impacted received a \$50 credit on their bill in line with our guaranteed service commitments.

This year we implemented SMS functionality to the business which will help us in future communications with customers.

We rated our performance against our 'Be affordable and fair' outcome in 2021-22 as amber.

Importantly, we have delivered a positive pricing outcome in the context of much higher than expected CPI increases for 2022-23.

However, given we did not meet two of the targets we set for assisting our hardship customers, we have assessed our performance as amber for this outcome.

Our Customer Care team reaches out early to customers that have outstanding accounts. This allows us to discuss financial support options, including payment by instalments. This year, particularly in the final quarter of the 2021-22 year, the proportion of customers paying by instalments (on payment plans) has decreased. We attribute this decrease to cost of living pressures being felt by the community, and customers wanting funds readily available in their accounts rather than committing to payment plans. During this period our capacity to respond was restricted due to unplanned absences within our Customer Care team (extended leave and also coronavirus (COVID-19) impacts to over half the team).

Proactive measures have been put in place to promote payment plans. And to further support customers, we have plans to add an additional Customer Care resource (FTE) to assist customers with their financial options.

We continue to find ways to make it easier for our customers to deal with us, with an ongoing focus on supporting customers who may be experiencing financial difficulties by engaging with them early and letting them know the options that are available to assist them, and ultimately help them better manage their bills.

We assessed performance for our 'Prepare and protect' outcome as green in 2021-22 as we have successfully achieved all of our targets this year.

We remain ahead of the targets to reduce our carbon footprint by 24% by 2025 as part of pathway to become neutral by 2030.

We are on track in the delivery of actions in our Urban Water Strategy. In a significant outcome for our customers, the rapidly growing Warragul and Drouin water supply system is to be secured in the short-medium term by a transfer of 3.33 GL/y of water entitlement in the Greater Yarra System – Thomson River pool, which includes the Tarago Reservoir.

We met our performance target of at least 95% water supply reliability and no water restrictions were imposed during 2021-22. No penalties were received in the 2021-22 year relating to drinking water quality, or for incidents or license breaches from the Environmental Protection Authority (EPA).

We rated our performance for our 'Be involved' outcome as green in 2021-22 as we have successfully achieved both of our target measures.

This year over 60% of our expenditure contributed to the local economy, with our Drouin Wastewater Treatment Plant upgrade project contributing 7% of our total expenditure. We also spent \$49,898 on community benefit projects this year with a focus on installing water fountains to increase access to tap water in Gippsland.

OFFICIAL

Importantly, what matters most is how our customers and community assess our performance against the promises we made to them, and what they expect from us moving forward. We will engage with customers and the community during the coming weeks to share the results contained within this report, check whether our assessments ring true and gain further insights into how we can do better for the communities we serve.

To find out more about results across our five customer values, click on the links below.

[Find out more about our Guaranteed Service Levels.](#)

[Find out more about major projects.](#)

Outcome 1: GW VALUE: Do Your Job Well

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Unplanned water supply interruptions restored within 5 hours	Percentage	Target	98%	98%	98%	98%	98%	98%	98%
		Actual	98.8%	98.62%	98.3%	97.16%	98.50%	98.88%	
b Average time to rectify a sewer blockage	Minutes	Target	95	95	95	95	95	95	95
		Actual	72.7	75.47	73.82	73.84	56.79	89.44	
c Sewer spills contained within 5 hours	Percentage	Target	98%	98%	98%	98%	98%	98%	98%
		Actual	100%	100%	100%	100%	100%	100%	
d Population receiving water meeting E.Coli standards	Percentage	Target	100%	100%	100%	100%	100%	100%	100%
		Actual	100%	100%	100%	100%	99.7%	100%	
e Number of sewer spills within a house not contained within 1 hour.	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0	0	0	
f Number of planned interruptions going over advised times.	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	5	3	5	
g Number of Safe Drinking Water Act non-compliances (water sampling and audit)	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	1	1	0	

Overall outcome 1 performance for the regulatory period so far:



Business comment

We have high expectations on our delivery of water and waste water services, as do our customers. We rated our performance for the 'Do your job well' outcome in 2021-22 as green having successfully achieved six of seven output measures. We see this as a positive result in a year in which we were challenged by a range of external factors, including significant wet weather events.

We met our core operational targets for restoration of unplanned water supply interruptions, rectification of sewer blockages, and sewer spill containment. 100% of our population was provided with water meeting e-coli standards, and we can report zero Safe Drinking Water non-compliances this year.

We did miss a target in this outcome area for planned interruptions going over advised timeframes. Five planned interruptions (3.3% of the total number of 151 planned interruptions) were not completed within the advised timeframes. The interruptions that took longer than planned were due to unforeseen inclement weather, complexity in accessing assets due to their location, and delays in developer works. In line with our guaranteed service commitments, impacted customers received a \$50 credit on their bill. This year we also implemented SMS functionality to the business which will help us in future communications with customers.

Outcome 2: GW VALUE: Be Easy To Deal With

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Complaints investigated by the Energy and Water Ombudsman Victoria	Number per 1000 customers	Target	0.08	0.03	0.03	0.03	0.03	0.03	0.03
		Actual	0.06	0	0	0	0.01	0.03	
b Contacts are resolved at the first point of contact	Percentage	Target	NA	NA	88%	88%	88%	88%	88%
		Actual	NA	NA	96%	97%	96.93%	96.56%	
c Affected customers receiving a minimum of 5 days notification prior to a planned interruption taking place	Percentage	Target	NA	NA	100%	100%	100%	100%	100%
		Actual	NA	NA	100%	100%	100%	99.44%	
d Customers receive a response to correspondence within 5 days from receipt	Percentage	Target	NA	NA	100%	100%	100%	100%	100%
		Actual	NA	NA	100%	100%	100%	100%	

Overall outcome 2 performance for the regulatory period so far:



Business comment

We have a strong commitment to our 'Be easy to deal with' outcome. On the back of a consistently positive performance across the first four years of this reporting period, we rated our performance in 2021-22 as green having achieved three of four targets this year.

We consistently provide a positive customer experience by responding to customer correspondence quickly, and by resolving the majority of our customer enquiries at the first point of contact.

OFFICIAL

Very few customer complaints escalate to an investigation by the Energy and Water Ombudsman. This year we had two complaints investigated, both due to customer impacts resulting from a wet weather event. This equates to 0.027 complaints per 1000 customers, and therefore within our target parameters.

We narrowly missed one of our targets in this outcome area in 2021-22. For two of our planned interruptions we failed to provide five days notification period, impacting a total of 36 customers. In line with our guaranteed service commitments, impacted customers received a \$50 credit on their bill. We are always looking for ways to improve our future communications with customers, and in June 2022 we implemented SMS functionality to better facilitate contact with our customers.

Outcome 3: GW VALUE: Be Affordable and Fair

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Prices contained to CPI + 0.57% per annum until 30 June 2023	Yes / No	Target	NA	NA	Yes	Yes	Yes	Yes	Yes
		Actual	NA	NA	Yes	Yes	Yes	Yes	
b Customers in hardship program with water supply restricted for non-payment	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0	0	0	
c Hardship customers paying through instalments	Percentage	Target	NA	NA	55%	55%	55%	55%	55%
		Actual	NA	NA	59%	60%	62%	53.29%	
d Customers over 120 days paying through instalments	Percentage	Target	NA	NA	23%	23%	23%	23%	23%
		Actual	NA	NA	28%	25%	24%	17.48%	

Overall outcome 3 performance for the regulatory period so far:



Business comment

We rated our performance against our 'Be affordable and fair' outcome in 2021-22 as amber.

Importantly, we have delivered a positive pricing outcome in the context of a much higher than expected CPI increase for 2022-23. Prices are important to our customers, particularly in challenging economic times. A higher than anticipated CPI increase (5.09%) was advised for the year commencing 1 July 2022. Primarily to lessen the impact on vulnerable customers, we identified savings that will keep customer prices stable or falling throughout this period. This has enabled us to partially absorb the currently high inflation rate of 5.09% and only pass on 3.14% and 4.4% through our fixed and variable tariffs respectively.

We did not meet two of the targets for this outcome, which is why we have rated our performance as amber.

We have a high proportion of customers on instalment plans (more than 1 in 10 customers) when compared to other Victorian Water Corporations. With this in mind, our Customer Care team reaches out early to customers that have outstanding accounts. This allows us to discuss financial support options, including payment by instalments.

This year, particularly in the final quarter of the 2021-22 year, the proportion of hardship customers paying by instalments (on payment plans) has decreased, as has the proportion of customers over 120 days paying by instalments. We attribute this decrease to cost of living pressures being felt by the community, and customers wanting funds readily available in their accounts rather than committing to payment plans.

During the period where we saw a reduction in payment plans our capacity to respond was restricted due to unplanned absences within our Customer Care team. These unplanned absences include two staff being on extended leave and the impacts of coronavirus (COVID-19) where over half the team were directly affected.

Proactive measures have been put in place to promote payment plans via our subscriber email newsletter, social media, newspaper advertisement and direct letter box drops to targeted areas.

To further support customers, we have plans to add an additional Customer Care resource (FTE) to assist customers with their financial options.

Outcome 4: GW VALUE: Prepare and Protect

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Total CO ₂ equivalent emissions	Tonnes (000's)	Target	70.0	70.0	43.1	43.6	43.7	38.6	36.7
		Actual	37.5	37.88	43.73	34.75	35.38	35.28	
b Bio solids reuse	Percentage	Target	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		Actual	100.0%	100.0%	100.0%	100%	100%	100%	
c Deliver all actions outlined in Gippsland Water's 2017 Urban Water Strategy	Yes / No	Target	NA	NA	On track	On track	On track	On track	Yes
		Actual	NA	NA	On track	On track	On track	On track	
d Supply reliability of 95% (Water restrictions no more prevalent than 1 in 20 years)	Percentage	Target	NA	NA	95%	95%	95%	95%	95%
		Actual	NA	NA	95%	95%	95%	95%	
e Penalties issued by the Environment Protection Authority or the Department of Health and Human Services	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0	1	0	

Overall outcome 4 performance for the regulatory period so far: 

Business comment

We rated our performance against our 'Prepare and protect' outcome in 2021-22 as green having achieved all of our targets this year.

Our pledge is to reduce our carbon footprint by 24% by 2025 as part of a pathway to become neutral by 2030. Due to the timing of projects our actual results will ebb and flow over the measurement period.

OFFICIAL

This year our net emissions decreased marginally by 109 tCO₂-e from the previous financial year to total 35,276 tCO₂-e. This result is -16.09% from our 2018 baseline number of 42,021.4 tCO₂-e, and we remain ahead of the targets we set for the 2018-23 period.

This year some large renewable energy projects (Gippsland Water Factory Solar and Biogas expansion) have been impacted by shipping and construction delays. With the Gippsland Water Factory renewables now due to come online in 2022-23, and a large drop in grid emissions factors, we expect electricity emissions in 2022-2023 to level off or potentially drop modestly from this year's figure.

This year we have made significant progress in the delivery of actions in our 2017 Urban Water Strategy, and we are 'on track' with all actions that are in our control. One of our actions, the long term assessment of the Boisdale aquifer that supplies Sale, is subject to DELWP and Southern Rural Water timeframes and has been delayed.

In a significant outcome for our customers, the rapidly growing Warragul and Drouin water supply system is to be secured in the short-medium term by a transfer of 3.33 GL/y of water entitlement in the Greater Yarra System – Thomson River pool, which includes the Tarago Reservoir. This outcome is a direct result of our Urban Water Strategy action to assess options for the Warragul-Drouin water system, and is supported by the Central and Gippsland Region Sustainable Water Strategy (SWS), and our 2022 Urban Water Strategy (approved by the Minister in June).

We met our performance target of at least 95% water supply reliability and no water restrictions imposed during 2021-22. All of our water supply systems are currently still meeting our target supply reliability of 95%. In developing our 2022 Urban Water Strategy we have set out commitments to ensure we continue to provide a supply reliability that meets our target. Our water system yields have been re-estimated through this process, embedding contemporary climate change guidance from government research as well as ongoing streamflow records, changes to system infrastructure and other factors.

We have received no penalties for incidents or licence breaches from the Environmental Protection Authority (EPA) over the 21-22 financial year, and no penalties relating to drinking water quality. One positive E. coli result was recorded at Briagolong; however, this result was deemed by the Department of Health and Human Services to be a false positive and, as such, there was no penalty or further action required.

Outcome 5: GW VALUE: Be Involved

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Operating and capital expenditure spent in Gippsland Water region	Yes / No	Target	NA	NA	On track	60%	53%	57%	60%
		Actual	NA	NA	On track	60%	60%	62%	
b Funding provided for community benefit projects	\$ value	Target	NA	NA	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
		Actual	NA	NA	\$49,200	\$92,055	\$64,261	\$49,898	

Overall outcome 5 performance for the regulatory period so far:



Business comment

We rated our performance as green against our 'Be involved' outcome having successfully achieved both of our target measures.

We track our operating (including our 300+ employee labour cost) and capital expenditure across our service area. This year over 60% of our expenditure contributed to the local economy, with our Drouin Wastewater Treatment Plant upgrade project contributing 7% of our total expenditure.

We also spent \$49,898 on community benefit projects this year, exceeding our target of \$30,000. This year, our focus was on installing water fountains to increase access to tap water in Gippsland. We donated 14 drinking water fountains to local councils to install throughout our service area.

We continued to support other community-focused initiatives including opening up environmentally important sites for recreational access; delivering community and school education programs; providing in-kind support to community groups and events; and providing in-kind communications support to the Gippsland Emergency Relief Fund.