

Lower Murray Water - Rural - 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 2020-21- reporting year. The business has given itself a “traffic light” rating (green = met, 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. Supply me with water when I need it	Green	Green	Green	Grey	Grey
2. Keep my costs to a minimum	Green	Green	Green	Grey	Grey
3. Be easy to contact and quick to respond	Yellow	Green	Green	Grey	Grey
4. Comply with other government obligations	Green	Green	Green	Grey	Grey
Overall	Green	Green	Green	Grey	Grey

Business comments

This is the third year of outcomes reporting after successfully delivering vital services in the first two years.

The 2020-21 year has been another challenging year for Lower Murray Water (LMW) and its rural customers, not due to the environmental conditions as the previous year but from reduced commodity returns, despite the return to more normal water supply conditions.

The Resource Manager for northern Victoria's announced a seasonal determination of 100% for holders of Murray River High Reliability Water Shares (HRWS) in February 2021, following good spring rains in late 2020. This made irrigation water available for use or trade which was an improved operational environment from 2019-20 where many irrigators were required to purchase allocation.

LMW has focussed on its compliance activities in managing 'unauthorised take', which prevents the use of water without it being in an irrigators' Allocation Account (ABA). This focus requires considerable resources to manage irrigators' licence conditions and simultaneously educate customers to ensure they maintain a positive ABA balance.

The impacts of the global coronavirus pandemic presented challenges to both our rural customers and LMW however rural service levels were sustained uninterrupted throughout this whilst we maintained existing infrastructure and renewed ageing tight and leaking spur lines. Our customer engagement interactions were made challenging throughout 2020-21 due to the pandemic. LMW continued to undertake post interaction surveys and whilst the volume of the completed post interaction surveys was below target, it was pleasing to receive a satisfaction result of 94%.

LMW hosted the third annual Growers' Conference via Zoom webinar on 20 October 2020. The online conference provided the opportunity for rural customers and stakeholders to hear directly from industry experts and policymakers, in line with pandemic restrictions.

Speakers included representatives from the Murray-Darling Basin Authority, Goulburn-Murray Water on behalf of the Northern Victoria Resource Manager, Department of Environment, Land, Water and Planning and water market specialists AITHER, as well as LMW's Chair Cheryl Rix and Managing Director Anthony Couroupis.

Speakers presented on a range of topics and issues including water markets, Victorian water policy and compliance, Murray River operations, seasonal determinations and outlooks, and seasonal and long-term water availability and demand.

Outcome 1: Supply me with water when I need it

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Water orders delivered on time (whole of rural business)	Percentage	Target	95%	95%	> 98%	> 98%	> 98%	> 98%	> 98%
		Actual	99.88%	95%	99.85%	99.71%	99.76%		
b Channel / pipe bursts and leaks (whole of rural business)	Per 100 km	Target	70	70	< 64	< 63	< 62	< 61	< 60
		Actual	59.5	62	61.6	46.8	42.8		
c Deliver major Capital Works projects >\$1 million value within budget and within the regulatory period	Percentage of budget spent	Target	NA	NA	>95%	>95%	>95%	>95%	>95%
		Actual	NA	NA	87.2%	101.1%	97.1%		


Overall Outcome 1 performance for the regulatory period so far: 

Business comment

LMW has continued investment in irrigation mains replacement and channel lining projects within the rural pumped districts to either replace assets which have reached the end of their useful life or in the case of channel lining extend asset life, whilst also reducing water losses and concrete lined channel patching maintenance costs to improve supply reliability. This is supported by the reduction in bursts and leaks against targets whilst ensuring that the infrastructure is fit to deliver water to our customers on demand.

Outcome 2: Keep my costs to a minimum

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Billing complaints	Number	Target	12	5	< 4	< 4	< 4	< 4	< 4
		Actual	2	0	0	1	5		
b Annual tariffs follow the proposed structures within the ESC's published pricing determination	Pass/Fail	Target	NA	NA	Pass	Pass	Pass	Pass	Pass
		Actual	NA	NA	Pass	Pass	Pass		

Overall Outcome 2 performance for the regulatory period so far: 

Business comment

LMW received five complaints which related to a drainage charge, one delivery share, two relating to a meter replacement and one regarding overuse on a customer account. LMW customer teams work closely with customers to minimise complaints wherever possible.

We are committed to keeping costs to a minimum as outlined in our 2018-2023 pricing submission.


The tariffs for rural services have followed the pricing path of the pricing determination in real terms and adjusted for CPI. Electricity for the water delivery is a significant expense for the rural service, LMW has an electricity collar price adjustment mechanism which was not triggered in 2020-21 as electricity costs were contained within agreed limits.

LMW completed the Sunraysia Modernisation Project 2 (SMP2) in November 2019. This project has delivered benefits to existing customers through better utilisation of our assets and new customers through extension of services, providing wider economic benefits to the region.

Due to the greater utilisation of the infrastructure assets a rebate of \$1.046m was applied to the customers delivery share fee charges in 2021, lowering the overall cost of their irrigation bill for the 2020-21 year.

Outcome 3: Be easy to contact and quick to respond

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Post interaction satisfaction survey (phone, face-to-face, online): Number of completed surveys	Number	Target	NA	NA	150	150	150	150	150
		Actual	NA	NA	100	279	47		
b Post interaction satisfaction survey: Customers satisfied (rating of satisfied, very satisfied and extremely satisfied)	Percentage of customers surveyed	Target	NA	NA	> 80%	> 80%	> 80%	> 80%	> 80%
		Actual	NA	NA	84%	96%	94%		
c Annual survey: Customers satisfied with LMW's role in the community (rating of satisfied, very satisfied and extremely satisfied)	Percentage of customers surveyed	Target	NA	NA	> 78%	> 79%	> 80%	> 81%	> 82%
		Actual	81%	83%	90%	84%	87%		
d Rural customer complaints to Energy and Water Ombudsman Victoria (EWOV)	Number	Target	7	9	< 7	< 7	< 7	< 7	< 7
		Actual	2	6	15	2	6		
e Calls answered within 60 seconds (operations room)	Percentage	Target	80%	80%	> 85%	> 85%	> 85%	> 85%	> 85%
		Actual	91%	80%	99%	96%	97		

Overall Outcome 3 performance for the regulatory period so far: 

Business comment

LMW performed well overall achieving five out of six targets for Outcome 3.

The Coronavirus Pandemic made it more challenging for LMW to undertake post interaction surveys resulting in this target not being met during the 2020/21 year. A review of current systems to support staff to engage our customers in post interactions surveys both when working remotely or from the office is underway and LMW will encourage our customers to complete additional post interaction surveys in 2021/22.


The satisfaction result for completed post interaction surveys has again exceeded the target with a pleasing 94%.

Our annual survey results continue to exceed target, largely attributable to our dedicated engagement with our customer representative committees that provide strategic and operational advice to LMW and address topics of concern raised by our customers in a timely and collaborative way.

LMW has seen a slight increase in customer complaints to the Energy and Water Ombudsman Victoria (EWOV) in 2020-21 however remain under target. EWOV complaints in 2020-21 related to meter reading and meter access, payment for new connections and licencing conditions. Four complaints escalated to investigations for arbitration from EWOV. Two complaints remained unresolved at the end of June 2021.

Outcome 4: Comply with other government obligations

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Compliance with government reporting policy requirements - timely completion and lodgement of 8 major reports	Percentage on time	Target	NA	NA	100%	100%	100%	100%	100%
		Actual	NA	NA	100%	100%	88%		

Overall Outcome 4 performance for the regulatory period so far: 

Business comment

The majority of the regulatory reports are subject to audit requirement and these occur after the end of the current financial year. As a result, the 2019-20 results are reported in the 2020-21 financial year where appropriate.

LMW have many other minor reporting requirements and provide information on the majority within the Annual Report, Corporate Plan, Rural Customer Charter and our website.