




# Lower Murray Water – Rural

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 Lower Murray Water’s price submission

Bills	Tariffs	Outcomes
		
Depending on the irrigation district some customers using 100ML of water could see typical bills decrease by 6.4 per cent, while others will see typical bills increase by 1.3 per cent in 2023-24. This excludes inflation, which is added to bills each year. <sup>1</sup>	Irrigation tariff structures are proposed to remain unchanged.	Lower Murray Water reported its performance to customers, and, with customer needs and priorities identified, revised its outcome commitments and measures.

Information about our price review process and Lower Murray Water’s price submission is available at [www.esc.vic.gov.au/water-price-review-2023](http://www.esc.vic.gov.au/water-price-review-2023)

## Send us your feedback on Lower Murray’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>.

<sup>1</sup> 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 Lower Murray Water customers will **go down** (before inflation).

Proposed prices vary depending on the tariff and area:

- Mildura irrigation and drainage: 1.3 per cent average annual decrease
- Mildura high pressure system: 6.4 per cent average annual decrease
- Merbein irrigation and drainage: 1.3 per cent average annual increase
- Red Cliffs irrigation and drainage: 0.6 per cent average annual decrease
- Robinvale irrigation and drainage: 5.5 per cent average annual decrease

Lower Murray Water proposes to maintain the existing tariff structures for its services.

## 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.

Lower Murray Water (Rural) worked with its customers to develop four major outcomes, with measures and targets to track its performance. Lower Murray Water's outcome commitments to its customers are:

- Services provide customer value for money
- Provide customers with water when they need it
- Provide customer service channels that are responsive to resolve requests and enquiries within agreed KPIs
- Service its communities in a socially responsible and environmentally sustainable manner.

Lower Murray Water also proposed:

- ongoing implementation of its genuine stakeholder engagement approach
- balancing the key risks across the five-year period to protect customers from carrying an unfair risk burden.

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

(\$ million before inflation)

Project	Detail	Total
Robinvale Decommissioning	This project involves decommissioning redundant channels, bridges, river suction, pump stations, and the rising main of the old irrigation system that pose safety and maintenance risks.	2.15
Irrigation meter replacement	This project involves the replacement of aged or inaccurate irrigation and domestic & stock meters with digital meters in all irrigation districts.	5.81
Replacement, rehabilitation and renewal of various irrigation assets	This will involve minor replacement, rehabilitation and renewal of various irrigation assets in all districts to ensure service delivery, prevent deterioration and improve the life of assets.	5.28
Replacement and renewal of irrigation mains and associated structures	This project will help maintain security of supply and level of service in all irrigation districts	4.03

## 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 Lower Murray Water calculated the prices in its submission.

Lower Murray Water forecasts that it needs **\$106 million** of operating expenditure and **\$50 million** of capital expenditure to provide its services to customers over the next five years. To fund this, it requires **\$139 million in revenue**, a decrease on the annual average from past years.



## Got a question?

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