

Friday 12 December 2025

Essential Services Commission
Level 8, 570 Bourke St
Melbourne VIC 3000
via email: water@esc.vic.gov.au

Dear Gerard and team,

RE: Water Price Review 2026

We welcome the opportunity to provide a submission to the Essential Services Commission's (ESC) Water Price Review 2026. This submission has been informed by the input of Victorian financial counsellors, especially those who are a part of our Essential Services Network. We acknowledge and give special thanks for their input and expertise in working daily with people experiencing financial hardship.

We recognise that both corporations have undertaken significant customer engagement, including with people experiencing vulnerability and consumer advocates, with a commitment to supporting customer hardship programs. We acknowledge their inclusive approach, and our commentary below is provided in the spirit of advancing fairness, accessibility and proportionality.

Utility bills are consistently among the top presenting issues for Victorians contacting the National Debt Helpline. While energy bills make up a significant portion of current concerns for consumers, we assert that if water pricing is not carefully considered through this Price Review process, water bills will contribute to creating mounting pressures for many Victorian households.

We support the principle that water corporations should contribute to the broader ecosystem that enables customers to access assistance early.

North East Water (NEW) is proposing a 5.25 per cent price increase per year for the next five years – before inflation. We recognise that their proposed increase still represents a lower water bill than the expected regional Victorian average. However, given that their service area includes pockets of relative socio-economic disadvantage per the Australian Bureau of Statistics' Index of Relative Socio-economic Disadvantage (IRSID), a more nuanced local approach to financial disadvantage and hardship will be required.

The recruitment of a Customer Care Officer – Hardship, the new Customer Care Fair Practice Plan, and the increase to funding for the hardship program as detailed in NEW's Price Submission is a great start. Accessible communication of these options to customers

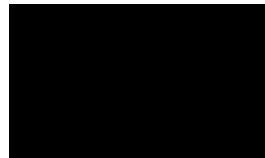
experiencing vulnerability must be a consideration. Additionally, it must be accompanied by consideration of how systemic approaches to resolving hardship can be incorporated into NEW's customer care approach to create meaningful change for whole communities, in addition to individual hardship responses.

We appreciate that Melbourne Water's (MW) final proposal of an average less than 1% increase for most customers (relative to inflation) each year over the next five years is much improved upon their Draft Price Submission which included an increase of 2.3% annually above inflation. This is more manageable for people doing it tough, and combined with some of the customer support measures detailed in their Price Submission including the sector uplift program, will deliver both individual and systemic approaches to resolving customer hardship.

We welcome MW's intention stated in their Price Submission to contribute to the Financial Counselling Industry Fund (FCIF), as a means of ensuring that people can access critical assistance early. We would encourage the ESC to make it possible for all Victorian water corporations to make the same commitments in their Price Submissions to ensure adequate financial counselling capacity across the state. These contributions to FCIF should be made in a way that ensures funds contributed by Victorian water corporations are expended within Victoria.

Thank you for your consideration of the above feedback. Please contact FCVic's Advocacy Manager Amanda Chan on [REDACTED] if you have further questions.

Regards,



Zyl Hovenga-Wauchope
Chief Executive Officer
Financial Counselling Victoria