



SUMMARY OF OUR 2026–31 PRICE SUBMISSION

Lodged with the Essential Services Commission
for review on 1 October 2025



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ACKNOWLEDGEMENT



In the spirit of reconciliation, North East Water acknowledges the Traditional Owners of Country throughout north-east Victoria and their connections to Land, Water, Sky and community. We pay our respects to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander people.

We acknowledge the continued cultural, social and spiritual connections that First Nations people have with the Lands and Waters and recognise that these groups have cared for and protected them for thousands of generations.

WELCOME TO OUR PRICE SUBMISSION — SUMMARY EDITION

On 1 October 2025, North East Water submitted its 2026-31 Price Submission to the Victorian independent regulator, the Essential Services Commission for review.

Our Price Submission was shaped and influenced following years of dedicated engagement with our customers, community and key stakeholders about what matters most to them. It outlines how we are responding to that feedback with the water and wastewater services we plan to deliver, the investments we'll make, and the proposed prices customers will pay from 1 July 2026 to 30 June 2031.

This booklet provides a summary of our official 187 page Price Submission which is available for you to read in full on the ESC website, which also has information about the review process. It builds on the Customer Summary booklet we released in July 2025 when we were inviting feedback on our draft submission.

Inside, you'll discover what's being proposed and see how community feedback has directly shaped our plans.



MESSAGE FROM OUR CHAIR AND MD

On behalf of North East Water, thank you to the thousands of customers and community members who have helped shape and influence this price submission.

They told us that they want North East Water to be **reliable, responsive, sustainable, local and fairly priced**. We also heard that housing shortages, cost of living and caring for the environment are very important to them. We've worked hard to responsibly address their feedback in our price submission.

In doing so, we recognise that it's important for us to not just solve the issues of today but also look to the future and ensure our business is well prepared, resilient and sustainable.

This means a proactive approach to growth and housing, compliance and regulation, climate change, supporting customers experiencing financial difficulty, ageing infrastructure, cyber security, costs of goods and services and more. It means continuing to partner, collaborate, engage and communicate with our customers, communities and key stakeholders.

For over a decade North East Water has maintained some of the lowest water bills in Victoria. We've achieved this through careful management and organisational transformation of culture, strategy and business practice.

With our communities growing and climate changing, we're now entering a new phase requiring our prices to increase to reflect the water and wastewater infrastructure investments required for our region.

Our commitment to customers however is that our bills will **always remain on par, or below** the average bills for regional Victorian water corporations during this price plan.

In return, customers will receive significant value. We'll invest \$279.7 million in critical infrastructure to enhance water security and wastewater performance, providing capacity for over 9,000 new house connections and future industrial growth. This will create jobs, requiring around 500 planning and construction workers.

We'll improve environmental compliance at our wastewater facilities, enhance customer experience through technology, strengthen data and infrastructure security, and continue building climate resilience.

We're also committed to innovation and partnering with industry on initiatives to reduce energy and waste costs, cut emissions and create future revenue streams aligned to our core business.

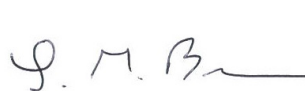
We proposing to double our customer hardship fund, supporting over 1,000 customers experiencing difficulty paying their bill every year.

We're also rebalancing water tariffs to ease the burden on tenants, large families and small businesses, while continuing to reward water conservation.

Our board and management have placed great emphasis on our business putting its best offer forward in this price submission so that our customers receive maximum value, that our expenditure is prudent and efficient, and that we're appropriately managing risk.

We will be holding North East Water to account with regular and transparent public reporting on how it is meeting its commitment to customers.

We're looking forward to continuing to engage with our customers and communities as we deliver on our customer commitments and the value outlined in this submission.



Stephen Brown
Chair




Jo Murdoch
Managing Director



OUR PRICE SUBMISSION AT A GLANCE

OUR COMMITMENT TO CUSTOMERS

Our price submission delivers five key customer outcomes (commitments) supported by 17 outputs (measures of success). These reflect the expectations and priorities we heard from our customers and community during our engagement for this price submission.

FAIR PRICES

Fair prices, value for money and increased customer support



SUSTAINABLE PRACTICES

Minimise our impact on the environment and contribute to sustainable environmental health



RELIABLE SYSTEMS

Clean, safe water and more resilient systems



RESPONSIVE SERVICES

Timely responses and a seamless customer experience



LOCAL COMMUNITY

Local people and local partnerships to achieve positive outcomes for customers



Looking back – Our *past* performance and customer value provided



In our 2026-31 price submission we demonstrate how we have delivered on our customer commitments in our current 8 year price period from 2018-26. Below is a high level summary and further detail can be found in our full price submission.

- PREMO assessed – Advanced
- Regulatory period – 8 years (2018-26)
- Strong performance against 6 customer outcomes – we met or largely met 11 of 13 outputs
- Guided by long term master planning, at the end of year 8 we will have delivered a record \$380 million in capital expenditure, proactively responding to growth and compliance risks and increased costs for construction, and demonstrating our ability to deliver large capital programs
- Maintained 2nd lowest typical bill in regional Victoria and nationally for “large” water corporations¹
- Annual price increase of 0.45% before inflation. Freeze on fixed charges in first four years
- Extensive, transparent and genuine engagement with customers
- Strong, consistent customer sentiment for Trust, Reputation, Value and Satisfaction
- Average regional connection growth rate for 7-year period just under 1.5% – some areas as high as 7%
- Midpoint review in 2021 showed we were on track to deliver our customer outcomes and commitments, and highlighted a need for increased investment in infrastructure
- Managing impacts from growth, climate, compliance and natural disasters we worked hard through transformation and efficiency programs to contain controllable operating expenditure to 15.3% or an average 1.9% per year over the expenditure benchmark
- 5-year internal transformation program delivered to structure, support and equip North East Water to not only deliver for “today” but be “future ready” for the challenges and opportunities ahead

OUR PRICE SUBMISSION AT A GLANCE CONTINUED

Looking forward – The next five years and our commitments to customer value



- PREMO self-assessed – Standard (very confident)
- Regulatory period – 5 years (2026-2031)
- 5 customer outcomes and 17 outputs
- \$279.7 million capital investment program which will provide capacity for an estimated 9,000+ new house connections and an estimated 500 jobs across the region
- Commitment to average bills always remaining 'on par or below' the Victorian regional utility average
- Average customer bills to rise 5.25% each year (not including inflation). In the first year, this would add \$61 to the average owner/occupier's bill. Over five years this is a total increase of \$339 for a typical household using 194 kilolitres of water per year. This price path is inline with what our deliberative forum recommended
- Should we over-recover revenue through demand in the first year, we will consider a price freeze on the volumetric tariff and/or divert these funds to additional bulk water purchases
- Increasing our Customer Support fund to \$400,000 a year to provide bill relief to more than 1,000 customers experiencing financial difficulty, and to help thousands more apply their concession to their water bill
- Rebalancing our volumetric water tariffs by 3% per year or 15% by year 5, which will better support tenants, large households and small businesses, while also encouraging water conservation in a changing climate
- Committing to an operational efficiency rate of 1.46% or \$2.13 million over 5 years
- Reducing controllable operating expenditure costs per connection from \$966 to \$931 by 2030-31
- Increasing New Customer (developer) Contributions from \$3,545.88 to \$4,017.39 to support growth and development
- Balancing Risk in an uncertain operating environment
- Continued ongoing focus on transforming our business to deliver for "today" and be future ready for "tomorrow"
- All underpinned by ongoing and genuine engagement with our customers, community and key stakeholders



HOW YOUR BILL WILL CHANGE FROM 1 JULY 2026

We're proposing a 5.25% price increase each year for the next five years (before inflation charges). In the first year, this would add about \$61 to the average owner/occupier's bill or \$1.17 a week. Over five years, that's a total increase of \$339 for a typical household using 194 kilolitres of water per year.

Even by year five, our projected average bill of \$1,436 will remain below the expected regional Victorian average of \$1,459 by 2031.

Below is a breakdown of projected bills for different customer types over the next five years.

Average customer bill ¹	Typical annual water bill for 2025–26	Proposed YEARLY bill increase from 1 July 2026 ²	Proposed QUARTERLY bill increase from 1 July 2026 ²	Proposed WEEKLY bill increase from 1 July 2026
Owner/Occupier (194kL)	\$1,097	\$61	\$15.25	\$1.17
Tenant (175kL)	\$509	\$11	\$2.75	\$0.21
Concession (125kL)	\$524	\$58	\$14.50	\$1.11
Large water using household (300kL) ³	\$1,405	\$68	\$17.00	\$1.31
Small water using household (135kL) ³	\$925	\$57	\$14.25	\$1.10
Small business (1,050 kL)	\$3,975	\$132	\$33.00	\$2.54

¹Average bill based on the 41,525 customers in Wodonga, Wangaratta, Benalla, Yarrawonga, Baranduda, Kiewa and Tangambalanga. For all other towns, visit newater.com.au/ps.

²The bill impacts shown here are based on a typical (average) bill, and do not include inflation.

³ Owner/Occupier

CUSTOMER SUPPORT

We offer a range of support options for customers experiencing financial hardship.

One key option is the Utility Relief Grant Scheme (URGS) — a Victorian government-funded program that provides up to \$650 to help cover overdue electricity, gas or water bills over two years.

This grant is available to eligible customers facing temporary financial difficulties due to special circumstances.

Go to page 20 to see our support options available to customers at any time.

DID YOU KNOW?

North East Water customers have some of the most affordable water bills in Victoria.

- In 2025-26, our average annual bill is around \$220 less than the typical Victorian regional average bill.
- It's also \$500 below the national average bill for large water corporations*

*Bureau Meteorology (BOM) National Water Performance Report 2023-24: www.bom.gov.au/water/npr/

ABOUT US

North East Water provides essential water and sewer services to around 120,000 people across 39 towns in north-east Victoria. This region is 20,000 square kilometres and incorporates seven local government areas.

While most of our customers are residential, we also service major industries and commercial businesses. To deliver these services, we manage 21 water treatment plants and 22 wastewater treatment plants.

We also provide recycled water, untreated water and standpipe access to our communities.

Our team also maintains, upgrades and plans the infrastructure needed to deliver water to our customers and remove and treat their wastewater.

We are a Victorian Government owned entity, overseen by the Minister for Water.

Our vision is a healthy environment, thriving communities, and a prosperous region. Our purpose is to provide safe, sustainable water and wastewater solutions for our communities.

You can read our Strategy 2040 on our website at newater.com.au/strategy2040

OUR SERVICE REGION



OUR CHALLENGE

Victoria's north-east region is growing, our climate is changing and technology is rapidly advancing.

We need to invest at least \$1 billion within the next 10 to 15 years to upgrade and expand critical infrastructure across our region.

This is urgently needed to ensure reliable water and wastewater services can support population growth and meet increased standards for health, environmental protection and cybersecurity. It will also help us plan and adapt to the impacts of climate change.

We're proposing significant capital infrastructure investments in our 2026–31 price submission, which will be a strong step forward towards proactively addressing this challenge.

A lack of investment now will slow housing development, impact the environment, reduce service reliability and lead to higher bills later on.

Further investment will likely be required in future price periods to meet the infrastructure requirements of the region.

To address these challenges, North East Water is being proactive and solutions-focused:

- By 30 June 2026 (the end of our current 8 year price plan), we will have invested over \$380 million in critical infrastructure responding to growth and compliance requirements.
- Over the past four years, we have been transforming our organisation — building the skills, capabilities, systems and structures needed to manage larger and more complex capital projects in the future.

- We have completed or are nearing completion of 15 masterplans for our growing towns and cities, showing what infrastructure is needed and by when.
- We're responding to climate change in the way we design and build our infrastructure. For example, our Wodonga wastewater treatment plant upgrade, which will cater for increased housing and industry growth to 2045, will also ensure the site is powered by 100% renewable energy and that greenhouse gas emissions are reduced.

All of this has been positioning North East Water to deliver the infrastructure our region needs to address the growth, housing and compliance challenges our customers have told us are important to them.



OUR ENGAGEMENT

We're committed to involving customers in decisions that affect them. We actively engaged with customers, community members and stakeholders to help shape our 2026 Price Submission. This collaboration was essential in finding the right balance between meeting customer needs, delivering essential services and maintaining fair and sustainable pricing.

Our engagement program was designed to ensure the engagement methods suited the topics being explored, and reflected the diverse preferences of our customers, community and stakeholders.

We created multiple opportunities for people to share their views in ways that suited them best. This included surveys, focus groups, interviews, workshops, pop-up kiosks, webinars and a deliberative forum.

We worked closely with key stakeholders, including customer support agencies, local government, First Nations communities, major customers and developers.

During the final 'closing the loop' stage of our engagement program, we also checked back in with customers before finalising the submission.

This extensive engagement directly shaped and influenced our proposed pricing, service standards and investment plans for the next price period.

Our engagement activities are highlighted below.



WHAT WE HEARD

We clearly heard through our engagement that customers are concerned about housing shortages, cost of living and caring for the environment.

Customers told us they value services that are reliable, responsive, sustainable, locally focused and fairly priced. They expect us to minimise our environmental footprint, plan and deliver for both current and future generations, and ensure that infrastructure investment benefits communities across both large cities and small towns. There is also strong support for ensuring that developers contribute their fair share to the cost of growth.

Importantly, our customers also expressed strong support for initiatives that assist those experiencing financial hardship.

This engagement highlights the need to invest significantly in critical infrastructure while also keeping bills fair and continuing to support our most vulnerable customers. Balancing these priorities is central to our submission.

Across all of our engagement activities, several consistent key themes emerged and these have formed the foundation for our proposed five customer commitments. These are outlined in the next column.

“We want you to have a system that helps people. Having water in your house is important. We expect utilities to look after people who can be a pay cheque away from being unable to afford their water bill”

— Taungurung Land and Waters Council

Key themes

FAIR PRICES

- Keep prices and services fair and equitable for all
- Support customers experiencing financial difficulties
- Make it easy for vulnerable customers to access our support program
- Educate the community on ways to save water and reduce bills
- The cost of living and affordable housing are a concern.

SUSTAINABLE PRACTICES

- Minimise our impacts to environment
- Reduce sewer spills
- Prioritise our environmental compliance obligations
- Work with Traditional Owners to achieve positive outcomes for Country.

RELIABLE SYSTEMS

- Provide clean, safe water
- Ensure there is enough water for the future
- Keep the water flowing
- Reduce sewer blockages.

RESPONSIVE SERVICES

- Fix things promptly
- Communicate interruptions, including expected duration
- Spend money to fix pipes so there are fewer interruptions
- Provide a seamless customer experience.

LOCAL COMMUNITY

- Employ locals
- Plan for growth, but ensure its done in a sustainable manner
- Invest more in infrastructure
- Developers should be contributing fairly
- Small towns should not be left behind or disadvantaged.

DELIBERATIVE FORUM

All the feedback we received through our engagement was then provided to our 'community deliberative forum'. This forum was a key part of our engagement for the price submission. It was made up of 30 people who were selected through an independent process to reflect the diversity of our customers and communities.

We asked the participants to help us answer the following question:

'Our communities are growing and our climate is changing. How do we work together to plan for the future so we can continue to provide safe, reliable, sustainable and affordable services for now and generations to come?'

They met over five days and focused on the following:

- How North East Water balances fixed and volumetric charges on bills.
- How North East Water balances investment in growth and compliance with affordability.
- Should North East Water raise, lower or keep our current service standards for water and wastewater systems.

The forum provided a set of 22 recommendations. Of those recommendations, we will implement 20 in full, with the remaining two to be partially implemented.

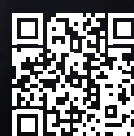
Key recommendations from the group included:

- Increasing customer bills by 4.92% to 5.78% to support a capital investment of \$250–\$300 million.
- Expanding support for customers experiencing hardship.
- Adjusting tariffs by raising fixed charges and lowering variable charges to ensure water security in a changing climate, fund infrastructure renewal and replacement, and create fairer pricing for renters, large families and vulnerable customers.

The group reconvened for a sixth session to review updates on our modelling, pricing impacts and how their recommendations were being incorporated.

They unanimously agreed that North East Water has delivered on its promise to implement their recommendations to the maximum extent possible.

You can read more about the deliberative forum process at newater.com.au/ps.



CLOSING THE LOOP

In the final stage of our engagement program, we invited public feedback on our price submission through our Closing the Loop initiative.

This phase aimed to reassure customers that their views were reflected in our plans. In July 2025, we shared a Customer Summary explaining our proposal and how community input shaped it.

We reached out across the region to keep communities informed and to encourage feedback. This included briefings with all seven regional councils, meetings with seven community support agencies, and a presentation to Business Wodonga, the region's peak business group.

We reconnected with our Deliberative Forum participants for a recall day, showing how their recommendations were being put into action.

We also met with Traditional Owners and First Nations customers. We also hosted two community webinars and invited feedback from our Customer and Community Advisory Group (CCAG), Critical Friends group and local developers.

Community feedback strongly supported key parts of our proposal, including:

- Support for investing in critical water and sewer infrastructure to support growth and housing and reduce environmental impact
- supporting the circular economy and care for the environment
- Balanced investment across towns
- Increased support for vulnerable customers
- Rebalancing water tariffs to be fairer to tenants, small business and larger families
- Appointing an Aboriginal Strategy and Policy Officer

At the same time, some feedback raised concerns about cost-of-living pressures and potential price increases. All feedback was shared with our Board for consideration.

The insights gathered during this phase helped shape our final submission, reinforcing our commitment to infrastructure investment and customer support.



LinkedIn post from Gateway Health — July 2025

Read more feedback from our customers and communities on page 24.

WHAT WE WILL DELIVER FROM 2026–2031

We'll deliver \$279.7 million in critical infrastructure and technology to improve water security and wastewater performance across our region.

This level of investment will provide capacity for an estimated 9,000 new house connections and future industrial growth. It will also require an estimated 500 planning and construction workers.

We'll improve environmental compliance at our wastewater facilities, enhance customer experience through technology, strengthen data and infrastructure security, and continue building climate resilience.

We'll also remain committed to innovation, efficiencies and partnering with industry on initiatives to reduce energy and waste costs, cut emissions and create future revenue streams aligned to our core business.

We plan to double support through our customer assistance program, with \$2 million over five years to help around 1,000 customers annually. This will include bill relief, grant and concession assistance along with plumbing and leak support.

Finally, we're proposing a tariff rebalance to ease the impact of price increases on tenants, large families and small businesses — while still encouraging water conservation and giving customers control over their bills. This means shifting our pricing structure to place more emphasis on fixed service charges and reducing the proportion of usage-based (volumetric) water charges. The result is fairer, more predictable bills.

COMMITMENTS

Our price submission will deliver five key commitments for customers. These reflect the expectations and priorities we heard during our engagement.

FAIR PRICES

Fair prices, value for money and increased customer support



SUSTAINABLE PRACTICES

Minimise our impact on the environment and contribute to sustainable environmental health



RELIABLE SYSTEMS

Clean, safe water and more resilient systems



RESPONSIVE SERVICES

Timely responses and a seamless customer experience



LOCAL COMMUNITY

Local people and local partnerships to achieve positive outcomes for customers



OUR CUSTOMER COMMITMENTS

This section outlines the feedback we've received, the actions and investments we're proposing to make to achieve our outcomes, and the metrics we'll use to track our progress.



Fair Prices

Fair prices, value for money and increased customer support

What we heard

Customers have an expectation that prices should be fair for all and reflect quality. They want us to help customers who are struggling to pay their bills and build awareness of our support programs.

What we plan to do

- A commitment to customers is that our average bill will remain on par or below the Victorian regional average for the full five years of this price submission demonstrating fair pricing.
- Rebalance our tariff structure, to reduce the water variable component and increase the fixed component. We propose to implement this gradually, reducing the variable water tariff and increasing the fixed water tariff by 3% each year to a total of 15% at the end of the price period. This will reduce the tariff imbalance for tenants, large households and small businesses, while still providing customers with appropriate price signals as incentives to conserve water. It also provides more secure revenue in a changing climate.
- Increase our customer support program by doubling the financial support available from \$200,000 a year to \$400,000 a year (total \$2 million over 5 years) to ensure there is adequate support available for customers who are experiencing hardship and impacted by our price increases.
- Improve access to our customer support program through a targeted education and communication program.
- Implementation of our Customer Care Fair Practice Plan, focusing on four key objectives to ensure our services are safe, inclusive and accessible to customers of all circumstances and abilities, particularly those experiencing financial hardship. This includes a dedicated safety-by-design program to ensure our policies, systems and processes are designed to protect our customers and community, particularly those at risk of domestic and family violence.
- Engage regularly with customers with 'lived experience of hardship' and customer support agencies to ensure our Customer Care Fair Practice Plan remains relevant and is supporting vulnerable customers.
- Collaborate with Traditional Owners and First Nations communities to explore opportunities to provide bill relief for First Nations customers, including how cultural water allocations may be used.
- Promote tap water as a safe and inexpensive alternative to bottled water to help customers save money and reduce environmental impacts.

Measurements of success

- Our average water bill always remains below or on par with the Victorian water corporation regional average.
- At least 90% of customers in the support program report the program has helped them with payment difficulties.
- At least 70% of customers believe they receive value for money from the services we provide.
- At least 80% of customers are aware of our customer support program increasing to 85% by year 5.

Guaranteed Service Level accountability

If we restrict the water supply or take legal action against a residential customer prior to making reasonable efforts to contact them and provide information about help that is available if they are experiencing difficulties paying, we will pay that customer \$385.

 Sustainable Practices Minimise our impact on the environment and contribute to sustainable environmental health	
What we heard	Customers want us to minimise our impacts on the environment and consider sustainability in our water and wastewater management practices.
What we plan to do	• Upgrades to the Bright Wastewater Treatment Plant’s discharge methods to achieve EPA General Environmental Duty compliance (\$20.14M) • Upgrades to the Rutherglen Wastewater Treatment Plant to both address capacity and operational constraints as well as meeting EPA General Environmental Duty compliance (\$10.78M) • Upgrades to the Beechworth Wastewater Treatment Plant’s discharge methods to achieve EPA General Environmental Duty compliance (\$16.45M) • Upgrades at the Benalla Wastewater Treatment Plant to achieve EPA General Environmental Duty compliance and support growth (\$5.75M) • Meet our greenhouse gas emissions targets through a portfolio of emission reduction strategies including wind, solar, biogas production, biochar and carbon sequestration • Continued support for Traditional Owner and First Nations’ community environmental water projects for example, Ryans Lagoon and Mullinmur Billabong. • Commitment to engage with Traditional Owners and First Nations communities on capital projects in their footprint. • Progress innovative circular economy projects that reduce waste and energy costs, are cost neutral or generate new revenue options to help keep downward pressure on bills such as biosolids to biochar, oxygen reuse, and heat transfer to industry.
Measurements of success	• Reducing the number of non-environmental compliances with EPA licence(s) from less than 14 in year 1 to less than 9 by year 5. • Reducing greenhouse gas emissions to 5,000 tonnes CO2-e by year 5 and zero by 2035.



Ryans Lagoon, Baranduda



Reliable Systems

Clean, safe water and more resilient systems

What we heard

Clean, safe water is a priority for our customers. They want us to plan for future growth and ensure we have secure and sustainable water and wastewater services.

What we plan to do

- Our above and below ground renewals program will continue, with \$25.93M spent on wastewater pipelines and a further \$26.08M on water pipelines.
- Improved water security and water quality for Yarrawonga with a new clear water storage and upgrade to the water treatment plant (\$10.15M)
- Increasing capacity at the Wangaratta Faithfull St Water Treatment Plant to ensure appropriate water security redundancy and reliability is in place (\$19.50M)
- Construction of new clear water storage at Porepunkah to increase security of supply for the township
- Installation of ultraviolet treatment technology at Yarrawonga, Yackandandah, Harrietville and Bright water treatment plants to ensure delivery of safe drinking water in the face of growth, climate change and changing catchments (\$3.5 million)
- We will increase education and awareness of the role we all play in water conservation and efficiency, especially in towns where water security is a priority
- Our 50-year Urban Water Strategy will be finalised to ensure a reliable water supply for our communities. The strategy identifies potential water shortfalls and explores solutions to meet future demand.
- Continuation of recycled water schemes across our region including Rutherglen, Wodonga, Wangaratta and Corryong.

Measurements of success

- Zero boil water notices caused by a failure in our system.
- Zero non-compliances with the Safe Drinking Water Regulations (subject to the implementation of the new Victorian regulations regarding aesthetics).
- Customer comfort that 'we are taking steps to ensure we have enough water in the future' responses greater than 65%.
- Less than 14 unplanned water supply interruptions per 100km per year.

Guaranteed Service Level accountability

- If there are more than 5 unplanned water supply interruptions to a customer's property in any 12-month period, we will pay that customer \$65.



Responsive Services

Timely responses and a seamless customer experience

What we heard

Customers told us they expect us to keep the water flowing, fix things promptly and update them during an interruption. They want fewer water interruptions, and to be informed about them beforehand. They prefer planned to unplanned interruptions and want a quick resumption of service.

What we plan to do

- A new sewer pump station and rising main is required in South Bandiana along with gravity sewer infrastructure to service proposed development needs now and into the future (\$5.31M).
- We will continue to review our master planning given Wodonga's population is forecast to double by the year 2060.
- Improve the way we communicate with customers during planned and unplanned water and wastewater interruptions with more up to date projected resumption of service notifications.
- We will place a higher focus on water leaks in the street and improve notification of repairs.
- Implement a 'digital contact centre' to enable customers to interact with us via methods other than phone, such as SMS, email, social media and smart forms.
- A trial to install approximately 2350 digital meters across our network, approximately 4% of our customers, to provide real-time water usage data and improved leak detection capabilities (\$0.71M).
- Improve technology for our field teams to allow them faster response to faults and emergencies.
- Implement a customer portal to allow customers to better manage their account and billing data, view water usage, report faults, ask questions and learn about water conservation.
- Make it easier for developers both large and small to do business with us. We'll introduce an online portal to submit and track the progress of applications.
- We'll publish an annual growth servicing plan with the locations and timing of key water and sewer infrastructure and the availability of new connections to our systems. We'll also streamline asset standards and work with larger developers to identify innovative ways to deliver key infrastructure to enable growth.

Measurements of success

- Minimum 98% of planned and unplanned water supply interruptions restored within 5 hours.
- Minimum of 80% of customers who believe we are easy to deal with.
- 100% of all sewer blockages rectified within 150 minutes.
- 80% of all priority 3 water service connection repairs are completed within 2 weeks, with the balance repaired within 3 weeks.
- Affected customers receive notification prior to a planned interruption via our website and SMS as per our Customer Charter.

Guaranteed Service Level accountability

- If we don't contain a sewer spill in a house within 1 hour of notification (caused by the business or a failure of the business' system), we will pay that customer \$1,275.
- If we don't contain a sewer spill within 5 hours of notification (caused by an asset failure and reportable to the EPA), we'll make a contribution to a community catchment project of up to \$5,000.*

* In the community impacted by the spill.



Local Community

Local people and local partnerships to achieve positive outcomes for customers

What we heard

Customers told us that planning for future growth and investing more in infrastructure is a priority. They believe growth should be managed to support economic development and community values in both small and large towns. We should continue to employ local people with local knowledge. Stakeholders want to partner with us to achieve positive outcomes for the region.

What we plan to do

- Commencing the upsizing and replacement of the existing West Wodonga transfer main that is at capacity and nearing the end of its service life from the Forrest Mars Avenue sewage pump station to the West Wodonga WWTP. The pipeline is critical to the Wodonga wastewater network, conveying approximately 95% of the region's total wastewater volume (\$33.6M). Complete replacement of the main is proposed to be undertaken over three successive price submissions.
- Wodonga-Leneva water and wastewater upgrades to address capacity limitations and mitigate environmental risks within the Wodonga-Leneva water and wastewater network (\$27.87M).
- Significant upgrades to the Kiewa-Tangambalanga water and wastewater systems to meet current and future demand (\$15.87M)
- Partnering with local government to explore innovative opportunities for a regional waste solution that is cost neutral turning our growing biosolids waste stockpile and council organic waste into a value-add biochar.
- Continued developer and Local Government forums to ensure we maintain a collaborative approach to planning for future growth.
- Increased employment and procurement opportunities for First Nations people including through a new Aboriginal Strategy and Partnerships role and continuing our Elders in Residence and Independent Aboriginal Delegate programs.
- We will also continue our corporate partnership with Kinaway (Victorian Chamber of Commerce for First Nations owned businesses) to identify contracting opportunities within our supply chain for First Nation owned businesses and decrease the challenges faced by these businesses when tendering for government work.
- Provide employment for 227.2 full time equivalent positions across the business (excluding non-executive Directors). This represents an increase of 9.1% or 19 full time positions to manage the increased requirements associated with maintaining service standards, compliance and climate change.

Measurements of success

- Minimum 80% customer satisfaction with North East Water staff's local knowledge, employment and location.
- Minimum 80% of key stakeholders from local government, customer support agencies and business believe that collaborating with us is achieving positive outcomes for the community.

OUR KEY CAPITAL INFRASTRUCTURE PROJECTS FOR 2026–31

- **Wodonga sewer transfer capacity project (\$33.56 million)**
Upsize and replace an existing major transfer main to support growth
- **Wodonga to Leneva water and wastewater upgrades (\$27.87 million)**
Critical infrastructure improvements to support short-term growth
- **Bright wastewater treatment plant upgrade (\$20.14 million)**
Upgrade to the town's sewage treatment plant to support environmental compliance and growth
- **Wangaratta water treatment plant upgrade (\$19.35 million)**
Major upgrade of the water treatment plant to support population growth
- **Kiewa-Tangambalanga water and sewer systems upgrade (\$15.87 million)**
Upgrades to the water and sewer systems to support current and future demand
- **Rutherglen wastewater treatment plant upgrade (\$10.78 million)**
Major upgrade to the sewage treatment plant to address capacity and operational constraints
- **Yarrawonga water system upgrades (\$10.15 million)**
Upgrades to the water treatment plant and clear water storage to support population growth
- **Beechworth wastewater treatment plant upgrade (\$16.45 million)**
Upgrade to the town's sewage treatment plant to support environmental compliance and growth
- **Benalla wastewater treatment plant upgrade — stage one (\$5.75 million)**
Upgrade to the town's sewage treatment plant to support environmental compliance and growth
- **Wodonga South Bandiana sewer pump station (\$5.31 million)**
Installation of new sewer infrastructure to support growth



Wodonga wastewater treatment plant upgrade now underway to increase the facility's capacity and reduce its carbon emissions.

WHAT THIS MEANS FOR YOUR BILL

We’re proposing a 5.25% price increase each year for the next five years (before inflation charges). In the first year, this would add about \$61 to the average owner/occupier’s bill or \$1.17 a week. Over five years, that’s a total increase of \$339 for a typical household using 194 kilolitres of water per year.

Below is a breakdown of projected bills for different customer types over the next five years.

Average customer bill ¹	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Owner occupier (194 kL)	\$1,097	\$1,157	\$1,222	\$1,290	\$1,361	\$1,436
Owner occupier with concession (194kL)	\$725	\$786	\$850	\$918	\$989	\$1,063
Tenant (175 kL)	\$509	\$519	\$530	\$541	\$553	\$564
Tenant with concession (175 kL)	\$323	\$333	\$344	\$355	\$367	\$378
Small water using household (135 kL)	\$925	\$983	\$1,043	\$1,107	\$1,175	\$1,245
Large water using household (300 kL)	\$1,405	\$1,472	\$1,543	\$1,618	\$1,696	\$1,777
Concession (125 kL)	\$524	\$581	\$641	\$704	\$771	\$841
Small business (1050 kL)	\$3,975	\$4,107	\$4,234	\$4,367	\$4,504	\$4,647

¹Average bill based on customers in Wodonga, Wangaratta, Benalla, Yarrawonga, Baranduda, Kiewa and Tangambalanga. For all other towns, visit newater.com.au/ps.

* The bill impacts shown here are based on a typical (average) bill, and do not include inflation.

BREAKING DOWN OUR CHARGES

Our customers are charged based on a combination of fixed service charges and volumetric usage charges.

Fixed Service charges

Service charges vary by town and service type (water and wastewater). Fixed charge covers the cost of operating, maintaining and repairing the community’s water and sewer infrastructure. This includes the pipes and systems that store, treat, and deliver water to your property, as well as those that transfer and treat sewage. If you rent your property, the landlord is responsible for paying these service charges.

Volumetric charge

A volumetric charge covers the cost of water used at your property. This fee is charged per kilolitre (or 1000 litres) used.

WHERE YOUR MONEY GOES

Every dollar of your water bill helps deliver essential services that keep our community healthy, safe and thriving.

Your water bill pays for:

- **Treatment** (water and sewer) — Providing safe, clean drinking water directly to your tap. Removing sewage from your property and treating it sustainably.
- **Operations and networks** — Maintaining and upgrading our water and sewer networks. Building new infrastructure to support our growing region.
- **Environmental contribution** — Ensuring compliance with health and environmental standards to protect our community.
- **Corporate** — Employing skilled local staff, and supporting corporate governance and stakeholder obligations.
- **Customer service and billing** — Supporting customer service functions, including meter reading and quarterly billing.
- **Technology and systems** — Covering technology and licensing costs to operate digital systems and maintain cybersecurity.

Your \$100 contribution at work

Treatment (water and sewer)	\$32.75
Operations and networks	\$31.59
Environmental contribution	\$3.40
Corporate	\$20.48
Customer service and billing	\$4.92
Technology and systems	\$6.86

DID YOU KNOW?

One kilolitre (or 1000 litres) of water currently costs just \$2.91. It is equivalent to:



222 toilet full flushes



25 x 5 minute showers



13 front load washing machine cycles



7 top load washing machine cycles



33 dishwasher cycles



A single-use plastic bottle of water costs around \$3 per litre — that's nearly 1,000 times more expensive than tap water.

So, if you spent \$3 on tap water, you'd get over 1,000 litres which is enough to fill more than 2,000 reusable bottles!



Your drinking water is safe — it's 100% compliant with the Australian Drinking Water Guidelines.

HOW WE WILL KEEP BILLS FAIR

North East Water has had some of the lowest water bills in Victoria for over a decade. From 2014 to 2024, our average bill ranked either the lowest or second lowest among regional water corporations.

In 2023–24, our typical household bill (based on 194kL) was \$1,023 or 49% (\$500) below the national average of \$1,524 for large water corporations*. Within Victoria, our bill was the second lowest in regional areas, 18% (\$220) below the average.

As we enter this new phase, we face the need to increase prices to fund the essential services and infrastructure that will support our growing communities — both now and into the future.

Customer feedback shows the need for significant investment in critical infrastructure, balanced against the importance of keeping bills fair and continuing to support vulnerable members of our community.

Our commitment to keeping bills fair includes:

- From 2026 to 2031, we propose that our average customer bill will remain at or below the average for regional Victorian water corporations.
- Should we over-recover revenue through demand in the first year, we will consider a price freeze on the volumetric tariff and/or divert these funds to additional bulk water purchases.
- We're doubling our hardship fund to \$2 million over five years and increasing resources to administer this vital support, ensuring we can better assist customers experiencing financial difficulty.

- We're rebalancing (reducing) our volumetric water tariffs by 3% per year for five years (total 15%) while increasing fixed charges by the same amount. This rebalancing is a direct result of a recommendation from our deliberative forum, who we asked to consider the fairest balance between fixed and variable costs on bills. We believe this will better support tenants, large households and small businesses, while continuing to encourage water conservation. For example, the rebalancing will see a reduction in the proposed price increase of 5.25% to just over 2% annual increase before inflation for tenants group.
- Implementation of our Customer Care Fair Practice Plan, focusing on four key objectives to ensure our services are safe, inclusive and accessible to customers of all circumstances and abilities, particularly those experiencing financial hardship.
- We're committing to an efficiency rate of 1.46%, equating to \$1.97 million in savings over five years. This exceeds the industry benchmark of a standard submission of 1.2% set in the 2023 water price reviews.

*Bureau Meteorology (BOM) National Water Performance Report 2023-24: www.bom.gov.au/water/npr/

SUPPORTING OUR CUSTOMERS

We understand that some of our customers are already facing financial challenges, and we recognise that the proposed price increases may add to existing cost-of-living pressures. That's why providing support has never been more important.

We're committed to ensuring everyone has access to affordable water and sewer services. To support customers facing higher bills, we're doubling our investment in assistance programs — ensuring help reaches those who need it most. Over the next five years, we'll invest \$2 million to proactively support around 1,000 customers each year through our dedicated assistance and support initiatives.

Key assistance and supports will continue and include:

- Bill relief through rebates.
- Support in applying for Victorian Government grants including the Utility Relief Grant Scheme (URGS) worth up to \$650 over two years.
- Setting up affordable payment plans.
- Help in accessing concessions for eligible customers like pensioners.
- Essential plumbing and leak assistance to resolve issues quickly for eligible customers.



CUSTOMER CARE FAIR PRACTICE PLAN

Our Customer Care Fair Practice Plan was developed following extensive engagement with customer support agencies and customers experiencing financial difficulties. It aims to ensure our services are safe, inclusive and accessible to customers of all circumstances and abilities, particularly those experiencing vulnerability. The plan has four key objectives:

- Create more opportunities to help vulnerable customers and continually improve existing services.
- Build greater awareness and understanding of support programs with customers.
- Partner, collaborate and build relationships with support agencies to better help customers.
- Resource, skill and equip staff to support customers who may be vulnerable.

We will continue to implement these improvements, along with many others identified in the plan, to ensure customers get the support they need.

SUPPORT OPTIONS

Life doesn't always go the way you plan. If you are having trouble keeping on top of your bills, we are here to help. We have support and payment assistance to suit your circumstances, and we'll work with you to get things back on track — no matter how long it takes.

- Call on 1300 361 633
- Email us at info@newater.com.au
- Go to our website newater.com.au/help where you can request a callback from our team.

WHAT'S NEXT?

We lodged our 2026-31 Price Submission to the Essential Services Commission (ESC) on 1 October 2025.

You can read the full submission on the ESC's website: esc.vic.gov.au/water.

After the ESC reviews our proposal, customers will have another opportunity to provide feedback directly to the Commission before a final decision is made.

North East Water's new pricing is scheduled to take effect from 1 July 2026.

For more information about our price submission process, visit newater.com.au/ps.

You can also learn about the independent regulatory process on the Essential Services Commission website: esc.vic.gov.au/water/how-we-regulate-water-sector.



OUR FEEDBACK

ENGAGEMENT PROCESS

Deliberative forum participant — Francis

"It's been a really enjoyable and engaging experience. It's been great to hear the view points and priorities of both North East Water and also the community because it all impacts on us."

Deliberative forum participant — Anthony

"The deliberative forum I found to be very inclusive and gave me a lot of information that I didn't otherwise know."

Deliberative forum participant — Alwyn

"I thoroughly enjoyed every minute of it. We were taught how to consider everything very carefully."

NEW Critical Friends Group chair — Felicity Williams (CEO Upper Murray Family Care)

"The critical friends, including those that attended the deliberative forum sessions, believe that North East Water's process was authentic and decisions have been made with humans, or members of our communities, at the centre."

NEW Customer & Community Advisory Group chair — Ash Gill

"It's been inclusive and thorough, capturing a wide range of customer voices, including people with lived experience of vulnerability, Traditional Owners and First Nations organisations, developers, major customers and other key stakeholders. Our Advisory Group was genuinely involved throughout the process, receiving regular updates and having open discussions about the challenges involved in delivering this program of work."



North East Water's Customer & Community Advisory Group

CLOSING THE LOOP

Rural City of Wangaratta — Brendan McGrath, CEO

"The proposed infrastructure investment is vital to ensuring our region can sustainably accommodate future growth. The submission also demonstrates a balanced approach to affordability and equity."

Benalla Rural City — Peter Keane, CEO

"Given the high level of social disadvantage in some sections of Benalla Rural City, Council is committed to supporting a pricing framework that both minimises impacts on our community but enables the timely upgrades and renewals necessary to meet future growing demand."

Towong Shire Council — Juliana Phelps CEO

"Over the past 12 months NEW has undertaken extensive and comprehensive customer and stakeholder engagement which has highlighted that customers and stakeholders want North East Water to be local, reliable, responsive, sustainable and fairly priced. We understand the need for, and support, the price increase of between 4.92% and 5.87% each year as recommended by the Customer Deliberative Forum."

Moira Shire — Matthew Morgan, CEO

"We would like to commend NEW's extensive and comprehensive customer and stakeholder engagement. We have seen the evidence that customers want North East Water to be local, reliable, responsive, sustainable and fairly priced. We also share customer's concerns about the need for more and affordable housing, the cost of living and caring for the environment."

City of Wodonga — Matt Hyde, CEO

"Council is supportive of the direction outlined in the Price Submission and recognises the importance of the proposed investments in meeting the needs of our growing community. We look forward to continuing our close partnership with NEW to help deliver these outcomes and ensure long-term value for residents across the region."

Indigo Shire — Trevor Ierino, CEO

"Indigo Shire Council is focused on balancing the needs of the environment, provision for growth, and of course, the ongoing demands of household affordability. It was pleasing to see that your price submission also aims to balance these needs.... considers that the overall position appears to be an appropriate balance between urgently needed infrastructure upgrades and managing the financial impact to customers to remain under the state average."

Alpine Shire — Cr Sarah Nicholas, Mayor

"To allow for future growth and development, Council understands and supports the pricing increase proposed by NEW. The added investment will allow for future structure planning, support new development and upgrades to essential infrastructure to allow for more connections."

CLOSING THE LOOP

Taungurung Land and Waters Council — Matthew Burns, CEO

"Following this ongoing engagement and consultation, NEW incorporated TLaWC's feedback into their Submission, demonstrating respectful co-operation with Traditional Owners in the process. TLaWC strongly supports NEW's submission and will continue to work with their team into the future."

Duduroa Dhargal Aboriginal Corporation — Beau Murray, Secretary

"We commend North East Water for its inclusive and genuine approach to engagement throughout the submission process. Importantly, North East Water actively sought out and listened to the voices of First Nations customers and communities, ensuring that our perspectives were valued and respected."

Albury Wodonga Aboriginal Health Service — Caine Raudino, Office Manager

"AWAHS has been actively engaged with NEW throughout its consultation process. We commend NEW for its inclusive approach, particularly in ensuring that the voices of Aboriginal & Torres Strait Islander customers were heard and respected."

Gateway Health — Trent Dean, CEO

"In our view, the initiatives contained in this submission will have direct, positive impacts on the social determinants of health for our communities. They will help reduce inequities, support people experiencing financial hardship, and create conditions for healthier lives."

Local developer — Tyrone Naughtin

"As a local developer, I was asked to participate in the process where appropriate, and I felt comfortable and was treated with fairness and respect at all times during this exercise, which I think speaks volumes of NE Water's current culture."

Business Wodonga — Graham Jenkin, CEO

"We have reviewed North East Water's Customer Summary of its price submission, and we support the significant investment in water and wastewater infrastructure to enable over 9000 new housing connections and job creation. This is incredibly important for our region's future - housing for business owners and employees, and jobs that will assist to strengthen our local economy."

Customer feedback form

"While any price increases aren't welcome at the moment, especially given my DSP hasn't gone up, your proposed increase based on my previous 12 month bill will increase it about \$18. If only my rent increases were indexed to your water price rises... I'd gladly give you a bonus! :)"

Customer feedback form

"Thanks for keeping prices fair while providing the necessary infrastructure work and upgrades happening. I dare say most water consumers don't understand the work behind the scenes, but simply expect the water to pour from their tap."



North East Water

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