

North East Water – Outcomes – 2018-2026

In this document, the water business provides a summary report of its actual performance against each of its outcome commitments for the 2023-24 reporting year. The business has given itself a ‘traffic light’ rating (green = met target, 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	23-24	24-25	25-26
1. Affordable Prices	Green	Green	Green	Green	Green	Green	Grey	Grey
2. Reliable Services	Green	Yellow	Green	Green	Green	Green	Grey	Grey
3. Responsive Services	Green	Green	Green	Green	Green	Green	Grey	Grey
4. Efficient Systems	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Grey	Grey
5. Local Focus	Yellow	Yellow	Yellow	Green	Green	Green	Grey	Grey
6. Sustainable Region	Yellow	Yellow	Yellow	Red	Red	Red	Grey	Grey
Overall	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Grey	Grey

Business comments

In conjunction with the Customer Forum held for the price submission, North East Water developed its Customer Outcomes Framework which centred on six clear and consistent customer values (identified above). Twelve key outputs frame our customers' expectations against these outcomes and in 2023-24, the corporation continued to deliver on these drivers.

With the oversight of our board and management, we have adopted a pragmatic and reasonable approach to indicating performance against our committed Outcomes. Our approach acknowledges a number of aspirational targets to be achieved within the term of our unique, eight-year price determination.


We have continued to biannually convey how we are performing to customers through our Customer Report Cards. Again, these are overseen by board and management and are proactively promoted via a number of channels. Each Report Card contains short case studies to demonstrate the activities of our business during the reporting period.

North East Water continues to demonstrate its agility and resilience in ensuring service continuity and the prioritisation of customer needs to support the health and prosperity of our region.

Following on from strong performance results during our sixth year of outcomes reporting, North East Water has rated its overall 2023-24 performance to be **Amber**.

Outcome 1: Affordable Prices

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26
a Fair Prices – Residential customers pay their bill within the required 30 days	Percentage of customers	Target	–	>80%	>80%	>80%	>80%	>80%	>80%	>80%	>80%	>80%
		Actual	82.4%	81.5%	80.1%	80.4%	79.2%	80.4%	N/A	80.7%		
b Customer Support – number of residential customers being restricted	Number of customers	Target	–	NA	224	217	211	205	199	192	186	180
		Actual	127	231	160	76	0	0	0	0		

Overall outcome 1 performance for the regulatory period so far: 

Business comment

- a) In order to determine the percentage of residential customers who pay their bill within the required 30 days, North East Water the number of bills issued against the number of reminder notices issued; this figure provides the requisite percentage. In 2023-24 North East Water’s average bill was \$1,040 (in line with our commitment to customers in our 2018-2026 price path) compared with an average of \$1,244 for the regional Victorian water bill.
- b) In March 2020, to better support customers during the COVID-19 pandemic, North East Water ceased all restrictions and legal action. Staff diverted their focus and resources to early intervention and proactively engaged with customers whose accounts were in arrears. We also continued to provide a range of options to customers, including payment arrangements, Utility Relief Grant Scheme, leak rebates and the Community Rebate program.

Overall, we consider our performance against this Outcome to be **Green** over the 2023-24 period.

Outcome 2: Reliable Services

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26
a Number of Safe Drinking Water Act non-compliances (water sampling and audit)	Number	Target	–	0	0	0	0	0	0	0	0	0
		Actual	1	0	1	1	0	0	0	0		
b Resilient Systems – Number of unplanned water supply interruptions per 100 km	Number per 100 km	Target	–	< 14	< 14	< 14	< 14	< 14	< 14	< 14	< 14	< 14
		Actual	13.07	10.8	12.7	14.7	11.8	12.3	11.1	13.0		

Overall outcome 2 performance for the regulatory period so far:



Business comment

- a) North East Water is committed to providing its customers with high quality safe drinking water and we delivered 100% compliance against Safe Drinking Water Regulations in 2023-24. North East Water continued to enhance its Drinking Water Quality Management System in 2023-24, including embedding the Australian Drinking Water Guidelines approach to Health Based Targets, a framework to ensure microbial risks in source water are managed effectively.
- b) North East Water operates and maintains over 1,800kms of potable and non-potable water mains which provides water supply to over 56,000 connections. Our service region covers 39 towns and close to 120,000 people across approximately 20,000 square kilometers. For 2023-24, North East Water reported 213 unplanned water interruptions. Though this is up from the previous year, it remains under target and is attributed to the continued investment in renewing end-of-life water mains with some of the poorer performing water mains in the network now renewed. North East Water continues to be proactive in the water mains renewals space, with further investment planned for 2024-25. This continued commitment to the water mains renewal program will continue to improve the customer’s water service outage rates.

Overall, we consider our performance against this Outcome to be **Green** over the 2023-24 period.

Outcome 3: Responsive Services

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26
a Timely Response – Average duration of unplanned water supply interruptions	Minutes	Target	–	≤100	≤100	≤100	≤100	≤100	≤100	≤100	≤100	≤100
		Actual	111.6	99.4	96.1	91.6	80.4	84.4	95.5	95.7		
b Inclusive Decisions – Customers are satisfied with NEW in engagement and community inclusion. (Survey response of "very satisfied", "satisfied", "neither satisfied nor dissatisfied")	Percentage of survey responses	Target	–	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%
		Actual	90%	91%	90.8%	91.3%	90.2%	85.7%	87.9%	86.1%		

Overall outcome 3 performance for the regulatory period so far:



Business comment

- a) For the 2023-24 reporting year North East Water has achieved a positive result of an average 95.7 minutes for rectifying unplanned water supply interruptions. This result is influenced by the introduction of dedicated reticulations teams as part of the recent operations restructure. This is a positive result given an increase in the total number of faults being responded to in 2023-24.
- b) North East Water has an established approach to engagement based on the model developed by the International Association for Public Participation (IAP2), which lends to our core principles of developing community trust and social licence through an integrated and collaborative approach to engagement

Key engagement activities included customer and stakeholder reference group for the Mount Beauty Raw Water Offtake project, a regional leaders forum and a recurring developers forum, and 12-month development of *Strategy 2040*, which included engagement with Traditional Owners and First Nations representatives, regional leaders, our Customer and Community Advisory Group, vulnerable customers, community service support agencies, key stakeholders, major customers and developers.

Overall, we consider our performance against this Outcome to be **Green** over the 2023-24 period.

Outcome 4: Efficient Systems

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26
a Asset Stewardship – Sewer mains blockages	Number per 100 km	Target	–	< 12	< 12	< 12	< 12	< 12	< 12	< 12	< 12	< 12
		Actual	11.13	10.6	10.6	10.6	10.9	10.1	9.6	7.8		
b Non-revenue water (as a percentage of total water delivered)	Percentage	Target	–	< 10%	< 10%	< 10%	< 10%	< 10%	< 10%	< 12%	< 12%	< 12%
		Actual	13.6%	15.4%	13.5%	13.5%	14.3%	12.7%	13%	14.9%		

Overall outcome 4 performance for the regulatory period so far:



Business comment

- a) Against a target of less than 12, customers experienced only 7.8 sewer interruptions per 100km. Over the 12-month reporting period, our staff attended 101 unplanned sewer events, slightly less than in 2022-23. North East Water will continue its proactive inspection and maintenance program of our sewer network in 2024-25.
- b) Our 2023-24 reported performance indicates an increase on the previous year. We continued to use leak detection equipment to identify reticulation losses. We purchased one of ten planned metered hydrants to trial for flushing purposes to help better estimate water losses during flushing activities. In 2024-25 we will continue to improve data collection, analysis and reporting. We will acquire the balance of planned metered hydrants expanding the trial of their use in flushing activities and continue to target high loss areas to ensure timely repairs.

Noting the green and red status of individual elements within this Outcome, we consider our overall performance to be the average of both sub-components. Accordingly, an overall **Amber** rating has been assigned for 2023-24.

Outcome 5: Local Focus

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26
a Local People – Customers are satisfied with NEW staff local knowledge, employment and location. (Survey response of "very satisfied" or "satisfied")	Percentage of survey responses	Target	–	> 80%	> 80%	> 80%	> 80%	> 80%	> 80%	> 80%	> 80%	> 80%
		Actual	73.3%	75%	80.3%	84.4%	85.1%	84.2%	85.0%	85.1%		
b Education and Awareness – Customers are satisfied with NEW educating and informing them about water conservation and sustainability. (Survey response of "very satisfied", "satisfied", "neither satisfied nor dissatisfied")	Percentage of survey responses	Target	–	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%
		Actual	96.7%	95%	88.0%	88.2%	88.3%	88.9%	89.4%	88.3%		

Overall outcome 5 performance for the regulatory period so far:



Business comment

- a) The near-consistent score reflects our customers’ high level of satisfaction with our local knowledge as North East Water’s services are supplied solely by local staff who are a part of the communities we serve.
- b) In 2023-24, our ‘Water Wise’ campaign continued to educate communities about water conservation practices, as well as targeted messaging via our social media channels and the quarterly customer newsletter, *Splash*. We also continued to provide the majority of schools in the region with access to up-to-date water consumption information through the Schools Water Efficiency Program (SWEP). This program enables the detection and rectification of leaks that have been identified through monitoring of each school’s water use.

Overall, we consider our performance against this Outcome to be **Green** over the 2022-23 period.

Outcome 6: Sustainable Region

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26
a A Smaller Footprint – Compliance with EPA Licences (percentage compliance against key parameters across all licences)	Percentage	Target	–	94%	100%	100%	100%	100%	100%	100%	100%	100%
		Actual	84%	94%	95%	92%	94%	87%	84%	87%		
b A Smaller Footprint – Total carbon emission	Tonnes CO ₂ e	Target	–	35,672	36,314	36,555	32,762	23,289	19,128	19,422	19,817	19,817
		Actual	37,737	35,605	33,905	32,614	32,197	31,607	30,935	23,383		
c Enhanced livability – Customers are satisfied in NEW is ensuring water security for future drought responses. (Survey response of "very satisfied", "satisfied", "neither satisfied nor dissatisfied")	Percentage of survey responses	Target	–	New	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%	> 90%
		Actual	New	New	91.7%	90.7%	92.4%	92.0%	94.1%	92.1%		

Overall outcome 6 performance for the regulatory period so far:



Business comment

a) North East Water achieved 87% on its license compliance metric, including the quality of treated effluent from the corporation’s wastewater treatment plants (WWTPs). This internal performance metric is aligned with Environment Protection Authority (EPA) license conditions, including treated wastewater quality parameters, and provides an overall representation of wastewater treatment plant performance. While a result of 100% was not achieved the corporation is committed to achieving full compliance across all sites.

The non-compliances in 2023-24 were primarily due to high rainfall and infiltration across our wastewater networks resulting in wet weather discharges and challenging wastewater treatment conditions at discharge to water sites. Wet weather discharges occurred at seven sites including Benalla, Chiltern, Corryong, Rutherglen, Wangaratta & Yarrowonga. These locations do not comply with the 90th percentile

containment standard and work is underway to augment facilities to improve containment. Other WWTP license non-compliances included 12 discharge to water parameters, three odour complaints and three sites that have groundwater impacts.

Projects to address operational license non-compliances continue to be a focus at North East Water through capital upgrades and improved operational performance. North East Water continued to reduce the impact of wastewater discharges to the environment and improve EPA license compliance through:

- Understanding the risks and impacts to beneficial uses of receiving waterways through utilising the Ecological Risk Assessment (ERA) process and hydrogeological assessments.
 - Implemented a master planning program to assess all wastewater systems for growth, treatment performance and future infrastructure upgrades as inputs to the capital investment program and next pricing submission.
 - Our wastewater treatment plant upgrade program has seen continued progress. The Bellbridge WWTP upgrade was completed to a mechanical sequential batch reactor (SBR) treatment process. The \$73 million West Wodonga WWTP upgrade project was awarded. Planning and design for upgrades at Beechworth and Bright WWTPs progressed ensuring growth and license compliance.
- b) North East Water recorded an emissions total of 23,383 tCO₂-e for 2023-24, a 24% reduction (or down 7,552 tCO₂-e) from the previous year. The reductions in emissions were largely the result of the first full year of electricity generation from our 3MW solar power plant in West Wodonga, with scope 2 emissions reducing from 18,420 tCO₂-e in 2022-23 to 10,595 tCO₂-e in 2023-24. The corporation is on track to meet our emission reduction pledge including net zero Scope 2 emissions by 2025-26 and net zero emissions by 2035.
- c) North East Water's managed water storages were above 90% capacity for most of the year, before ending 2023-24 at 86%. Throughout the year, we made progress in securing more resilient water supplies for the Harrierville and Wangaratta systems by investigating and constructing groundwater options to supplement existing surface water sources and provided new clear water storages for Oxley and Moyhu. North East Water continues to collaborate with our bulk water supplier, Goulburn Murray Water, local communities, and water resource regulators to find solutions that improve supply security for each system.

Noting the green and red status of individual elements within this Outcome, we consider our overall performance to be the average of these sub-components. Accordingly, an overall **Red** rating is assigned for 2023-24.