






South East Water

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 South East Water's price submission

Bills	Tariffs	Outcomes
		
<p>Typical annual residential owner occupier water bills for 2023-24 will be \$908 before inflation, decreasing from \$967 in 2022-23 and will remain unchanged until 2027-28. This excludes inflation, which is added to bills each year.¹</p>	<p>South East Water will reduce its fixed water and sewerage service charges by 5.79 per cent in 2023-24 (before inflation), then increase it by inflation until 2028.</p> <p>South East Water proposes removing the residential sewage disposal charge and introduce water-only customers.</p>	<p>South East Water will retain its five outcomes for the period 2023–28, as reaffirmed with its customers. However, its measures and targets have been refined to reflect customer expectations and increased service capabilities.</p> <p>It has also modified and enhanced its guaranteed service level commitments.</p>

Information about our price review process and South East Water's price submission is available at www.esc.vic.gov.au/water-price-review-2023

Send us your feedback on South East Water'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>.

¹ 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 most of South East Water’s customers will **go down** before inflation between 2024 and 2028.

South East Water also proposes to remove the residential sewage disposal charge and reallocate it to the water usage charge.

Water and sewer new customer contributions (for “Other” areas) will increase by about 5 per cent per year (before inflation).

How will this affect your bill?

Prices and tariffs are only part of the bill. Your actual bill depends on factors such as the amount of water and services you use. South East Water provided us with typical bills for different customer groups and water volumes.

Typical water and sewerage bills (not including inflation)

Customer Group	Average consumption (kL p.a.)	2022-23 annual bill	2023-24 annual bill	2027-28 annual bill
Residential (Owner occupier)	150	\$967	\$908	\$908
Residential (Tenant)	150	\$515	\$483	\$483
Non-residential (Small)	150	\$1,281	\$1,207	\$1,207
Non-residential (Medium)	1,000	\$5,594	\$5,270	\$5,270
Non-residential (Large)	10,000	\$51,254	\$48,289	\$48,289

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.

South East Water worked with its customers to develop five major outcomes, with measures and targets to track its performance. South East Water’s outcome commitments to its customers are:

- Get the basics right, always
- Warn me, inform me
- Fair and affordable for all
- Make my experience better
- Support my community, protect our environment.

In addition, South East Water proposes to maintain Guaranteed Service Level commitments for customers, enhance commitments for interruptions, increase the payment if there is sewer spill in a customer’s house. South East Water will also include two new Guaranteed Service Level commitments related to water spills and notification of water supply interruption.

South East Water also proposed:

- to be more efficient and responsive to its customers by maintaining reliable services, catering for expected growth, scaling up digital metering and modernising its business systems
- making it easier for customers to pay bills or move house and giving customers information when they need it
- imbedding climate resilience into the way it designs and operates its assets.

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

(\$ million before inflation)

Project	Detail	Total
Digital metering – new connections and exchanges project	This project is replacing aging mechanical meters with digital meters to deliver water savings, increase customer satisfaction and improve planning capability.	206
Hanna Street branch sewer upgrade	This project will increase capacity to meet projected growth in the Southbank and South Melbourne area.	70.3

South East Regional Biofactory	This project will design and construct the South East Regional Biofactory. This is part of a broader plan to upgrade wastewater treatment and lower emissions.	30.2
Mount Martha Water Recycling Plant	This project will replace or refurbish aging infrastructure and increase capacity at the Mount Martha Water Recycling Plant.	54.8

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 South East Water calculated the prices in its submission.

South East Water forecasts that it needs **\$3.45 billion** of operating expenditure and **\$1.92 billion** of capital expenditure to provide its services to customers over the next five years. To fund this, it requires **\$4.63 billion in revenue**, a decrease on the annual average from past years.

Got a question?

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