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We welcome the opportunity to provide this input.

VCOSS Submission on proposed billing exception approval for Greater Western Water

The Victorian Council of Social Service (VCOSS) welcomes the Essential Service Commission's (ESC) strong enforcement action related to Greater Western Water's (GWW) billing system upgrade which saw customers given incorrect bills, bills not issued, privacy breached, and a long period of failures to comply with provisions of the Water Industry Standards and Water Industry Act.¹

VCOSS is pleased to see large penalties for GWW, and the development of the proposed enforceable undertaking. We especially welcome the establishment of a redress fund.

However, after hearing from VCOSS member organisations in the social and community sector on this issue, we do have concerns about the proposed billing exemption and the potential for ongoing harms for GWW customers.

Allowing back billing of underpaid charges beyond four months creates the potential for bill shock

VCOSS is concerned to see that the draft enforceable undertaking permits GWW to collect underpayments from bills that have been delayed 12 months after the usage period. This is a significant exemption from Water Industry Standards which clearly forbids back billing beyond four months.

¹ Nous Group (2025) [Independent Review – Customer Information Incident – Community Report](#).

We acknowledge that the exemption for 2024 bills will only apply to charges where a bill has already been sent, which means a significant amount of underpaid bills will be uncollected. VCOSS also welcomes the inclusion of a significant redress fund for underpaid bills. Scaling bill credit for customers who receive late bills from 2025 and 2026 charges will cushion the potential impacts of GWW recovering these older bills from customers experiencing vulnerabilities. The requirement for \$80 credit to be provided for customers who received a bill with 2024 charges more than seven months after their last bill is also welcome.

However, these provisions do not entirely address the potential for bill shock. Especially stemming from the collection of back billed 2024 undercharging. We have heard significant concern about this exemption from member organisations.

GWW's service area encompasses Western Greater Melbourne, and parts of the Victorian inner West. Some of these areas experience pronounced economic disadvantage, and in some communities as many as 20 per cent of people are living in poverty.²

Low-income households already pay a larger portion of their income on bills for essential services. Many consumers also rely on regular and consistent bills to adequately plan ahead and budget for known costs of essentials relative to their income.

Often when receiving a large and unexpected bill, people will resort to rationing of other essentials like food, medicine, or energy costs to be able afford the bill. They may also utilise risky credit services like Buy Now Pay Later products or payday loans. Some consumers may choose to avoid or ignore the bill entirely.

The long time since the usage period will also make it difficult for customers to dispute bills that they believe to be inaccurate, or address problems such as undiscovered water leakage so long after the fact.

Finally, any customer who is familiar with protections forbidding collection of underpayments after the four-month period will be confused by this decision. Customers may view the decision as allowing GWW to collect money they are no longer entitled to. In this instance the exemption, if not adequately explained, has the potential to undermine trust and confidence in the regulatory frameworks around the provision of essential services like water.

VCOSS urges the ESC to take these factors into consideration when setting such a significant exemption to the Water Industry Standard.

² Victorian Council of Social Service (2023) [Mapping poverty in Victoria](#), accessed 21/10/25.

VCOSS is concerned at the potential precedent set by allowing retrospective collection of underpaid bills beyond four months

The decision to exempt GWW from limits on collecting underpaid bills is significant and, as explained above, could create financial harm. VCOSS is concerned that the exemption to the rule may also create a precedent whereby other regulated service providers could seek exemptions if similar billing failures occur in future.

Increasingly, businesses, government agencies, and non-profit organisations rely on computerised and automated service delivery. While this technological change has been beneficial in many ways, the GWW case highlights the risks inherent in such systems. It is unfortunately plausible that we will experience failures in similar billing systems employed by many essential service providers in the future.

As one example of a breach that has recently occurred, Origin energy was penalised \$17.6 million in 2025 for failings that included recovering undercharged amounts from 411 customers after the four months back billing limit.³ This was due to a system design flaw.

VCOSS is concerned that retrospectively allowing the collection of underpaid bills past the four-month limit by GWW could set a precedent whereby in the event of a separate billing system failure, service providers will successfully seek exemptions to extract underpaid bills past regulatory limits by citing the GWW example.

In this context, we question how this exemption promotes the long-term interests of Victorian consumers or sufficiently establishes credible deterrence for contraventions of the Water Industry Standard or similar regulations on essential service providers in Victoria.

Greater Western Water should improve communication with customers

Finally, VCOSS has heard from member organisations that customers continue to have difficulty reaching GWW by phone, and report being given confusing and incorrect information when getting through. Members report this as the experience both of support workers such as financial counsellors, and of customers calling up to find information themselves.

³ Essential Services Commission (2025) [*Origin penalised \\$17.6 million for failings affecting over 650,000 customers.*](#)

In the context of the confusion and financial harm created by billing errors, an improvement in service is crucial. Considering this, VCOSS is pleased to see that the Compliance Improvement Action Plan includes provision of additional staff training.

VCOSS would urge the ESC to require GWW to improve current practice by developing trauma-informed hardship training in cooperation with community sector experts. To maintain accountability and rebuild trust, the outcomes of this training should be reported publicly as part of the plan to return to normal service and billing.

VCOSS also recommends that GWW be required to make clear commitments to improving the quality of information provided about the billing issues and plans to rectify problems, including providing simple English copy and translation services, and by cooperating with place-based community organisations.

Recommendations:

1. Consider the potential for bill shock when allowing significant exemptions to Water Industry Standards related to the collection of underpaid bills after four months.
2. Ensure that this exemption does not create a precedent whereby providers of essential services can seek similar exemptions in the event of billing failures in the future.
3. Require Greater Western Water to improve service standards for customers who are confused by this long billing failures saga, including better on the phone support through trauma-informed hardship training, communication in plain English and offering translation services, and by cooperating with community organisations. These actions and their outcomes should be reported publicly.