

Fact Sheet 1 - Metropolitan Water Price Review Final Decision – Impact on Household Bills

June 2009

The Essential Services Commission

The Essential Services Commission (ESC) is the independent economic regulator of the Victorian Water Industry.

Water businesses in Victoria are Government owned enterprises. While they are responsible for their own day-to-day management, they are subject to pricing regulation from the ESC. Under a process set out by the state Government, the ESC periodically assesses prices put forward by water businesses in a three to five year Water Plan.

Approved Prices 2009-10 to 2012-13

The ESC has approved prices for all metropolitan water businesses for the four years commencing 1 July 2009. The prices are set to recover the expenditure required to operate and extend the water and sewerage networks over the period.

Prices for households

Your water retailer is determined by where you live. All of the metropolitan retailers have similar tariff structures, but charges vary between suppliers.

A household bill is composed of fixed and usage-based charges for both water and sewerage. Variable water charges are based on an "Inclining Block" structure, where the price is higher when you reach certain levels of consumption. Variable sewerage charges are based on the proportion of your metered water usage that is assumed to be discharged to the sewer. Fixed charges are the same regardless of how much water a household uses. Tenants of rental properties are not responsible for payment of fixed charges.

Household Consumption

A typical household in Melbourne uses 165 kilolitres (kL) in a year. The more water you use, the higher your bill will be. The Commission's decision puts more emphasis on the variable water usage charge over time to give customers more control over their bill.

Further information on bills

retailer for more information.

Detailed tariff information is available from the ESC or from your retailer. Concessions and other hardship assistance are available to eligible customers. Contact your

Indicative household bills

Owner Occupiers

Small Household – 110 kL consumption per year

Small Household – 110 kL consumption per year					
	2008-09	2009-10	2010-11	2011-12	2012-13
City West	465	523	586	645	700
South East	459	539	623	684	731
Yarra Valley	476	559	652	726	784
Typical Household – 165 kL consumption per year					
	2008-09	2009-10	2010-11	2011-12	2012-13
City West	568	641	720	791	858
South East	566	662	763	837	894
Yarra Valley	585	687	798	889	960
Large Household – 220 kL consumption per year					
	2008-09	2009-10	2010-11	2011-12	2012-13
City West	679	768	864	950	1028
South East	682	797	917	1006	1073
Yarra Valley	702	823	955	1064	1149
Very Large Water User – 300 kL consumption per year					
	2008-09	2009-10	2010-11	2011-12	2012-13
City West	844	956	1079	1186	1281
South East	854	997	1146	1256	1340
Yarra Valley	876	1025	1188	1323	1428
<i>Tenants (fixed charges not included)</i> Small Household – 110 kL consumption per year					
	2008-09	2009-10	2010-11	2011-12	2012-13
City West	204	232	263	289	310
South East	210	243	276	301	320
Yarra Valley	216	251	289	321	346
Typical Household – 165 kL consumption per year					
	2008-09	2009-10	2010-11	2011-12	2012-13
City West	307	349	397	435	467
South East	316	366	416	454	482
Yarra Valley	325	378	435	483	522
Large Household – 220 kL consumption per year					
	2008-09	2009-10	2010-11	2011-12	2012-13
City West	418	476	542	594	638
South East	432	501	570	622	662

Notes: Bills based on water and sewerage charges only. Parks and Drainage fees not included. Prices after 2008-09 are subject to annual CPI adjustment. Actual bills may differ depending on usage profile. Yarra Valley sewerage charges are based on current discharge assumptions

514

592

658

711

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Yarra Valley