

Dip in water prices on the cards following price review

A small dip for household water bills is on the cards after a review of Melbourne Water's pricing plan by the state's independent water regulator.

In [a draft decision](#), now out for public comment, the Essential Services Commission has proposed a \$14 million cut to Melbourne Water's proposed annual revenue, which should shave average household bills by \$7 a year.

Melbourne Water provides wholesale water supply and sewage management services to many of Victoria's retail water corporations including City West, South East, Yarra Valley, Western, Barwon, South Gippsland and Westernport Water. Melbourne Water also provides drainage and waterways services in and around Melbourne.

The commission's executive director of pricing Marcus Crudden says the draft decision is good for customers, the environment and the economy.

"If adopted, the draft decision would see prices fall while Melburnians would continue to receive high quality drinking water, safe treatment and disposal of sewage, and new investment in waterways and drainage," he said.

Under the proposed plan, Melbourne Water would continue to reduce its environmental footprint and respond to climate change with:

- an additional \$4 million to meet its carbon offsets, pledges and reduction activities
- an additional \$11 million for waterway and drainage activities including wetland maintenance and sediment disposal, environmental vegetation, land and water access for the community
- investment in and maintenance of the Eastern Treatment Plant solar generation plant.

The commission did not however accept Melbourne Water's population growth forecasts.

"We felt they had not adequately considered the slowdown in population growth due to the impact of the coronavirus pandemic."

"Under the draft decision, Melbourne Water would still deliver a \$2.3 billion dollar capital works program, its biggest since the millennium drought.

Interested stakeholders can make a submission or register to attend a public forum on 22 April 2021 by going to [Engage Victoria](#) or emailing water@esc.vic.gov.au. Submissions should be made by 4 May.

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