

Review process begins for Melbourne Water prices

More than 4.2 million water customers in Melbourne will get the chance to have their say on Melbourne Water's service priorities and prices to apply between 2021 and 2026.

The wholesale water and sewerage services provided by Melbourne Water make up around 60 per cent of household water bills in the metropolitan area.

Melbourne Water also provides waterways and drainage services directly to customers in the greater Melbourne region.

The Essential Services Commission's pricing director Marcus Crudden says a new water pricing framework puts customers in the driver's seat.

"[The PREMO framework](#), first used in 2018 to set prices for 17 of the state's water businesses, requires all water businesses to put greater emphasis on customer engagement and to take greater accountability for delivering on their service commitments.

"The framework provides strong incentives to deliver better value for customers, requiring them to submit pricing plans that demonstrate how they've considered the services customers want.

"Ultimately, we expect a price submission that reflects its best offer to its customers," he said.

A [review of PREMO](#) following the 2018 reviews found the new framework had contributed to a greater focus on customers and lower prices for water and sewerage services, while retaining service quality.

Melbourne Water commenced its engagement program on its price submission in 2018.

- November 2019 - release of Melbourne Water 2021 water price review guidance paper
- October 2020 - Melbourne Water makes pricing submission to the commission
- March 2021 – commission makes draft decision
- May-mid June 2021 – commission makes final decision

You can read the [commission's guidance paper](#) outlining its requirements for the price submission on its website.

For further information call: Michelle Bryne, Head of Strategic Communication, 9032 1324 or 0437 677 385