

Fact Sheet 2 - Metropolitan Water Price Review Final Decision – Other Customer Impacts

June 2009

The Essential Services Commission

The Essential Services Commission (ESC) is the independent economic regulator of the Victorian Water Industry. Under a process set out by the State Government, the ESC periodically assesses prices put forward by water businesses in their three to five year Water Plans.

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. This fact sheet presents outcomes for customers with atypical usage profiles.

Small Business customers

Non-residential customers pay different rates than household customers. Business customers pay the same rate for all their water consumption. Variable sewerage charges are based on more complex assumptions about sewer discharge than apply to households. Most industrial enterprises pay specific trade waste charges related to the specific matter they discharge to the sewer system.

Third Pipe recycled water prices

Customers on estates with reticulated recycled water pay an additional fixed charge for their recycled water service. Recycled water is not subject to water restrictions and is charged at the same price as the 1st tier of potable water. The Commission has recommended that water businesses investigate whether this price remains appropriate after water restrictions are eased.

Customers' variable sewerage charges are based on the sum of water through both meters. The Commission has recommended that water businesses monitor the most appropriate assumptions for variable sewerage charges for these customers.

Water-only customers

Customers in areas that are not serviced by the sewerage network do not pay sewerage charges.

Extreme water users

Residential customers who use large volumes of water will pay more through higher variable water and sewerage charges.

Indicative bills

Non-residential customers

Small Business – 240 kL consumption per year

	2008-09	2009-10	2010-11	2011-12	2012-13	
City West	976	1098	1231	1352	1465	
South East	793	927	1069	1174	1254	
Yarra Valley	827	971	1129	1257	1358	
Commercial Enterprise – 1000 kL consumption per year						
	2008-09	2009-10	2010-11	2011-12	2012-13	
City West	2732	3081	3467	3796	4084	
South East	2580	2995	3419	3732	3974	
Yarra Valley	2537	2953	3404	3784	4087	

Notes: Future prices subject to annual CPI adjustment. Trade Waste charges not included. Actual bills may differ depending on usage profile. 90% sewer discharge assumed.

Third pipe customers 140kL potable + 60kL recycled

	2008-09	2009-10	2010-11	2011-12	2012-13
City West	652	733	821	tbd	tbd
South East	652	759	871	tbd	tbd
Yarra Valley	674	787	911	tbd	tbd

Notes: Future prices subject to annual CPI adjustment. Prices after 2010-11 will depend on water businesses' implementation of ESC recommendations. Current bills assume variable sewerage charge applied

to all consumption. Actual bills may vary depending on usage patterns.

Water-only customers

Typical owner occupier – 165 kL consumption per year

	2008-09	2009-10	2010-11	2011-12	2012-13
City West	297	341	390	429	462
South East	225	266	311	344	368
Yarra Valley	245	291	342	382	412

Typical tenant – 165 kL consumption per year

	2008-09	2009-10	2010-11	2011-12	2012-13
City West	171	205	243	273	295
South East	168	201	239	268	289
Yarra Valley	170	203	242	271	293

Extreme household water user 1000 kL consumption per year

	2008-09	2009-10	2010-11	2011-12	2012-13
City West	2239	2607	3022	3351	3615
South East	2398	2834	3309	3663	3931
Yarra Vallev	2288	2704	3168	3536	3819

Notes: Future prices subject to annual CPI adjustment. Drainage and Parks charges not included. Actual bills may differ depending on usage profile. Applicable concessions will reduce bills.