






In June 2018 the Essential Services Commission released its final decision on GMMWater’s price submission. The final decision completes our review of the maximum prices that GMMWater may charge for its services for a five year regulatory period from 1 July 2018 to 30 June 2023.

We undertook this review under our new pricing framework that helps promote better value and outcomes for water customers. As part of this process, water businesses sent us submissions on their proposed prices and key outcomes. We assessed proposals against a legal framework established by the Victorian Government. We sought feedback from customers at multiple points throughout the price review process to inform our decision making in an open and consultative manner.

### Snapshot

Bills	Outcomes	Tariffs
		
<p>The typical annual residential owner occupier water bill for 2018-19 is estimated to be \$1,387 including inflation. This is a <b>decrease of \$30</b> or <b>2.1%</b> from \$1,417 in 2017-18.</p> <p>In 2022-23, the annual bill is forecast to be \$1,387 (before inflation).</p>	<p>GMMWater will extend digital metering to urban customers and will supply drinking quality water in Kaniva, Moyston, Ultima and Elmhurst.</p> <p>GMMWater will guarantee supply to rural households by carting water when services are interrupted beyond 72 hours.</p>	<p>Broadly, no changes to the structure of urban or rural tariffs.</p> <p>Tariffs for potable water will be introduced for the four towns that have new access to drinking water supply.</p>

Do you want to know the difference between bills and prices? For this and more information about our price review process and GMMWater’s final decision, go to <http://www.esc.vic.gov.au/waterpricereview>



## What are the changes to prices and tariffs?

Overall prices for GMMWater urban customers will **go down**, while prices for rural customers will **rise no more than inflation** (on average). GMMWater will increase the recreation contribution charge to \$18 (concession \$9) to extend discounts to schools. The Recreation Lake Water charge will increase from \$20 to \$25 per megalitre, not including inflation

GMMWater will retain a two-part tariff structure for residential and non-residential water services with a fixed service charge and a variable component that depends on water use. For residential and non-residential urban sewerage services, it will retain a fixed service charge only.

## How will this affect your bill?

Prices and tariffs are only part of the bill. Your actual bill depends on factors such as the amount of water and services you use. Estimated bills are provided below.

### Typical water and sewerage bills in 2018-19 dollars

Customer group	Average consumption (kL p.a.)	2018-19 annual bill	2022-23 annual bill
Residential (Owner occupier)	245	\$1,387	\$1,387
Residential (Tenant)	245	\$439	\$439
Non-residential (Small)	100	\$1,109	\$1,109
Non-residential (Medium)	500	\$1,825	\$1,825
Non-residential (Large)	1,000	\$2,721	\$2,721

Bills are indicative. 2018-19 annual bills include inflation. 2022-23 annual bills will vary with inflation.

## Outcomes for customers

As part of its price submission, GMMWater consulted with customers to develop a set of outcomes to guide service delivery during 2018 to 2023. During this consultation it identified three outcomes as well as measures and targets to monitor how it performs in delivering these outcomes.

Some of the ways GMMWater plans to improve value for customers include extending digital metering to urban customers, introducing a town sewer scheme for Goroke and providing access to drinking water in Kaniva, Moyston, Ultima and Elmhurst.





In response to feedback from customers, GMMWater has introduced a Guaranteed Service Level for water quality and committed to carting water to rural households where water supply is interrupted for more than 72 hours. Service levels for reliability and attending faults will be similar to past years.

## What are the major works that will go on around you?

Project	Detail	Total
Asset Renewal – Water	This project will renew aged assets that place at risk the delivery of a reliable supply of water that is fit for purpose to all customers.	18.1
Asset Renewal – Wastewater	This is an ongoing renewal program of aged sewer main assets that currently experience high rates of blockages due to tree roots.	14.1
Water Quality – Kaniva, Ultima, Moyston and Elmhurst	This project will deliver improved water quality by delivering drinking water from nearby treatment plants via transfer pipelines or constructing a standalone water treatment plant depending on the most prudent and efficient option.	9.9
Dam Safety Works Lake Fyans	Grampians Wimmera Mallee Water will reconstruct of the crest of the main embankment at Lake Fyans. This will enable the lake to operate at higher levels, with better water quality and to improve its recreational amenity.	5.9
Goroke Sewerage	This project will introduce a wastewater collection and treatment system at Goroke.	1.4

## How much revenue is required from 2018 to 2023?\*

Our final decision for GMMWater allows operating expenditure of **\$167 million** and gross capital expenditure of **\$88 million** to provide its services to customers over the next five years. To fund this GMMWater requires **\$317 million in revenue**, an **increase** from the \$310 million required during 2013 to 2018.

This additional revenue will not increase prices in the next five years because of growth in population and the efficiencies GMMWater plans to make.

\*The numbers in this section are in 2017-18 dollars.

## Got a question?

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