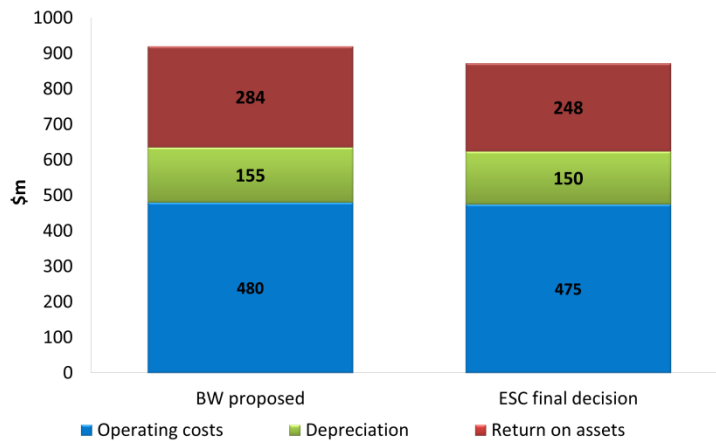


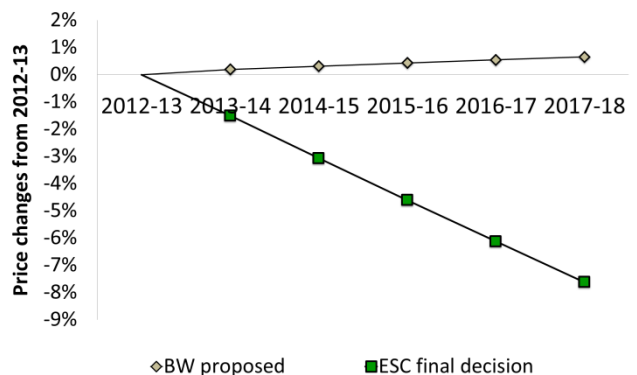
### Breakdown of costs\*

The ESC's final decision has approved a reduction of Barwon Water's costs of 5.2% (or \$48 million) over the five years from 2013-14.



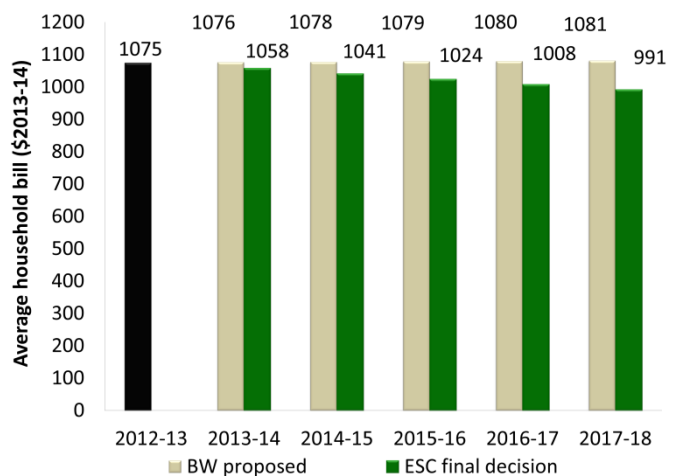
### Prices\*

The ESC's final decision has approved a reduction in average prices of 7.6% over the five years from 2013-14.



### Indicative household bills (owner-occupier)\*\*

The ESC's final decision has approved that over the next five years, indicative Barwon Water household bills would be reduced by \$272\*.



\*Indicative bills are based on consumption for owner-occupier households.

\*\* Household bills are presented in 2013-14 prices.

All numbers presented here are in 2012-13 dollars and do not include future inflation, with the exception of household bills.

For further details on this business' pricing decision please visit [www.esc.vic.gov.au](http://www.esc.vic.gov.au).

## **Key Final Decision Outcomes**

### **Expenditure**

#### Operating Expenditure

- The final approved operating expenditure by the Commission is \$474.8 million.
- This is \$5.5 million (1.1 per cent) lower than the proposed expenditure of \$480.3 million.

#### Capital Expenditure

- Barwon Water proposed capital expenditure of \$360 million.
- The Commission's final decision approved capital expenditure of \$334.6 million.
- This is \$25.4 million (7.1 per cent) lower than the proposed expenditure by the water business.

### **Tariffs**

#### Retail Water Tariffs

- Barwon Water proposed to maintain their existing two-part tariffs for residential customers.
- Barwon Water proposed to continue with a fixed service charge and a single variable charge for both residential and non-residential customers.
- In its final decision, the Commission has approved the price structure of residential and non-residential retail water tariffs proposed by Barwon Water.

#### Recycled Water Tariffs

- Barwon Water proposed to set its residential water variable tariffs at 80 per cent of the portable water variable price and proposed no fixed charge for recycled water.
- For non-residential customers, Barwon Water proposed to continue using the Commission's pricing principles approved in the 2008 water price review.
- In its final decision, the Commission has approved Barwon Water's residential recycled water tariff.
- The Commission has also approved Barwon Water's recycled water pricing principles.