




# Central Highlands Water

2023 water price review | customer fact sheet

Victoria's water businesses send us submissions on proposed prices and key outcomes for their customers. We assess the submissions and make price determinations on the maximum price they can charge for their services from 1 July 2023 to 30 June 2028.

## Snapshot of Central Highlands Water's price submission

Bills	Tariffs	Outcomes
		
<p>Typical annual residential owner occupier water bills for 2023-24 will be \$1,231, no change from 2022-23.</p> <p>Average household bills will rise by about \$10 or one per cent per year over 2024 to 2028. This excludes inflation which is added to bill each year.<sup>1</sup></p>	<p>Central Highlands Water will maintain existing tariffs for 2023-28.</p> <p>Overall prices will remain unchanged in 2023-24 and then increase by one per cent per year for each of the following years (before inflation).</p>	<p>Central Highlands Water has proposed three outcome commitments, developed through customer engagement, and endorsed by its deliberative assembly.</p> <p>Payments for guaranteed service levels will increase.</p>
<p>Information about our price review process and Central Highlands Water's price submission is available at <a href="http://www.esc.vic.gov.au/water-price-review-2023">www.esc.vic.gov.au/water-price-review-2023</a></p>		

## Send us your feedback on Central Highlands Water's proposal

Submitting your feedback by **1 December 2022** will help us prepare for the release of our draft decision. Send us your feedback via <https://engage.vic.gov.au/water-price-review-2023>.

<sup>1</sup> You can access latest independent forecasts for inflation via <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>



## What are the changes to prices and tariffs?

Overall, the proposed prices for Central Highlands Water customers will rise no more than inflation in the first year and then for each of the remaining four years prices will go up by one per cent (before inflation).

Central Highlands Water is proposing to double their funding to support vulnerable customers over the next five years. Residential and business customers can access Central Highlands Water's customer support program for assistance with paying bills.

New customer contributions for New Growth Zones will increase by around 300 per cent in 2023-24 to \$6,000 for combined water and wastewater connections, then increase gradually for the remaining years to around \$8,200 by 2027-28 (before inflation).

## 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, as well as inflation, which is added to bills each year. Central Highlands Water provided us with typical bills for different customer groups and water volumes.

### Typical water and sewerage bills (not including inflation)

Customer Group	Average consumption (kL p.a.)	2022-23 annual bill	2023-24 annual bill	2027-28 annual bill
Residential (Owner occupier)	150	\$1,231	\$1,231	\$1,281
Residential (Tenant)	150	\$313	\$313	\$326
Non-residential (Small)	200	\$1,348	\$1348	\$1,402
Non-residential (Medium)	1,000	\$3,944	\$3,944	\$4,104
Non-residential (Large)	10,000	\$33,148	\$33,148	\$34,494

## What are the outcomes for customers?

As part of their price submission, water businesses must propose a set of outcomes that they will deliver to their customers over the following five years. The set of outcomes, measures and targets are unique to each business, reflecting those performance elements that matter most to customers, as revealed through the customer engagement process.

Central Highlands Water worked with its customers to develop three major outcomes, with measures and targets to track its performance. Central Highlands Water's outcome commitments to its customers are:

- Customer care
- Equity
- Sustainability.

Central Highlands Water proposes to maintain Guaranteed Service Level commitments for customers and to increase payments if guaranteed service levels for water quality and water interruptions are not met.

Central Highlands Water also proposed:

- doubling the funding to provide more support for customers experiencing vulnerability
- committing to further reduce greenhouse gas emissions
- increasing funding for regional growth areas.

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

(\$ million before inflation)

Project	Detail	Total
Sewer Growth Project – Southern Augmentation	This project is to cater for ongoing growth within Ballarat and ensure there is sewer capacity available.	17.3
Ballarat Sewer Build – Eastern Augmentations	This project is to cater for ongoing growth within Ballarat and ensure there is sewer capacity available.	14.5

Ballarat Sewer Build - Ballarat South Outfall Project	This project is to cater for ongoing growth within Ballarat and ensure there is sewer capacity available.	12.1
Ballarat Water Growth Project – Northern Augmentation	This project is to cater for ongoing growth within Ballarat.	13.0
White Swan Dam Safety Upgrade	This project is to upgrade the safety of the White Swan Dam.	13.1
Digital Water Metering	This project aims to provide better customer experience and increase efficiencies	13.0

## How much revenue is required from 2023 to 2028?

We require each business to tell us what revenue it will require for the next five years. This helps us understand how Central Highlands Water calculated the prices in its submission.

Central Highlands Water forecasts that it needs **\$375 million** of operating expenditure and **\$256 million** of capital expenditure to provide its services to customers over the next five years. To fund this, it requires **\$549 million in revenue**, an increase on the annual average from past years.

## Got a question?

[View our contact details](#) and follow us on [LinkedIn](#) and [Twitter](#).

