

Gippsland Water – Outcomes – 2018–2023

In this document, the water business provides a summary report of its actual performance against each of its outcome commitments for the 2022-23 reporting year. The business has given itself a “traffic light” rating (**green = met target, red = not met, amber = close or largely met**) for its performance on each measure, outcome and an overall rating. The business has provided its own comments about its performance on each outcome and overall.

Summary table

Outcome	18-19	19-20	20-21	21-22	22-23
1. GW VALUE: Do Your Job Well	Green	Amber	Amber	Green	Amber
2. GW VALUE: Be Easy To Deal With	Green	Green	Green	Green	Green
3. GW VALUE: Be Affordable and Fair	Green	Green	Green	Amber	Green
4. GW VALUE: Prepare and Protect	Green	Green	Amber	Green	Green
5. GW VALUE: Be Involved	Green	Green	Green	Green	Green
Overall	Green	Green	Green	Green	Green

Business comments

We are in the final year of delivering the promises we made to customers in our 2018-23 Price Submission. In this report we share our self-assessment of how we performed against the measurable targets established in our submission.

Overall, we consider we have performed well in delivering for our customers. We have rated our performance as green in 2022-23 and green across the five year period. During a year of regional economic change and increasing cost-of-living pressures, we have successfully achieved our targets for 16 of 22 outputs, while narrowly missing our targets for the remaining six outputs.

Essentially, this means we have delivered what we promised across the five areas our customers said were most important to them.

We have high expectations on our delivery of water and wastewater services, as do our customers. We rated our performance for our 'Do your job well' outcome in 2022-23 as amber, having missed three of our seven targets.

We met our core operational targets for rectification of sewer blockages and sewer spill containment. We have continued to provide safe drinking water to our customers throughout the year, with 100% of our customers being provided with water that meets E.Coli standards.

We missed one target in this outcome area for planned interruptions going over advised timeframes. In line with our guaranteed service commitments, impacted customers received a \$50 credit on their bill. The implementation of the SMS functionality this year has helped us communicate with our customers more efficiently and effectively.

We rated our performance for our 'Be easy to deal with' outcome as green. On the back of a consistently positive performance across all five years of this reporting period, we achieved three of four targets. We consistently provide a positive customer experience by responding to customer correspondence quickly, and by resolving the majority of our customer enquiries at the first point of contact.

We narrowly missed one of our targets in this outcome. For three planned interruptions, we failed to provide five days' notice. The 58 customers received a \$50 credit on their bill, in line with our guaranteed service levels. We have implemented improvements for future planned interruptions.

We rated our performance for our 'Be affordable and fair' outcome as green. Bill affordability is a top priority for our customers. We have delivered a positive pricing outcome, keeping bills below the inflation rate in the context of much higher than expected CPI increases for 2022-23 and 2023-24.

More than one in 10 customers are on instalment plans – a higher proportion than other Victorian Water Corporations. Customers paying by instalments has increased from 10.35% to 10.42%.

This increase has not been reflected in the uptake of instalment plans for our hardship customers or customers with debt over 120 days. We attribute the decrease in these measures to the continued cost of living pressures being felt by vulnerable members of the community.

During the year, we have seen a 30% increase in customers registered within the customer support program. Importantly, we have not restricted the water supply of any hardship customers for non-payment.

We assessed performance for our ‘Prepare and protect’ outcome as green in 2022-23 having achieved all but one target.

We remain ahead of the target to reduce our carbon footprint by 24% by 2025 as part of a pathway to become carbon neutral by 2030.

In a significant outcome for our customers, the rapidly growing Warragul and Drouin water supply system has been secured in the short-medium term by a transfer of 3.33 GL/y water entitlement in the Greater Yarra System – Thomson River pool, which includes the Tarago Reservoir.

We met our performance target of at least 95% water supply reliability and no water restrictions were imposed during 2022-23.

We rated our performance for our ‘Be involved’ outcome as green in 2022-23 as we have successfully achieved both of our target measures.

This year 60% of our expenditure contributed to the local economy, with our Sale Sewer Pump Station upgrade project contributing 4% of our total expenditure. We also spent \$56,696 on community benefit projects with a focus on installing water fountains to increase access to tap water in Gippsland.

Importantly, what matters most is how our customers and community assess our performance against the promises we made to them, and what they expect from us moving forward. We will engage with customers and the community during the coming weeks to share the results contained within this report, check whether our assessments ring true and gain further insights into how we can do better for the communities we serve.

To find out more about results across our five customer values, click on the links below.

[Find out more about our Guaranteed Service Levels.](#)

[Find out more about major projects.](#)

Outcome 1: GW VALUE: Do Your Job Well

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Unplanned water supply interruptions restored within 5 hours	Percentage	Target	98%	98%	98%	98%	98%	98%	98%
		Actual	98.8%	98.62%	98.3%	97.16%	98.50%	98.88%	97.02%
b Average time to rectify a sewer blockage	Minutes	Target	95	95	95	95	95	95	95
		Actual	72.7	75.47	73.82	73.84	56.79	89.44	91.45
c Sewer spills contained within 5 hours	Percentage	Target	98%	98%	98%	98%	98%	98%	98%
		Actual	100%	100%	100%	100%	100%	100%	98.21%
d Population receiving water meeting E.Coli standards	Percentage	Target	100%	100%	100%	100%	100%	100%	100%
		Actual	100%	100%	100%	100%	99.7%	100%	100%
e Number of sewer spills within a house not contained within 1 hour.	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0	0	0	0
f Number of planned interruptions going over advised times.	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	5	3	5	6
g Number of Safe Drinking Water Act non-compliances (water sampling and audit)	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	1	1	0	2

Overall outcome 1 performance for the regulatory period so far:



Business comment

We have high expectations on our delivery of water and wastewater services, as do our customers. We rated our performance for our 'Do your job well' outcome in 2022-23 as amber, having missed three of our seven targets.

We met our core operational targets for rectification of sewer blockages and sewer spill containment. We have continued to provide safe drinking water to our customers throughout the year, with 100% of our customers being provided with water that meets E.Coli standards.

We missed our target for unplanned water supply interruptions being restored within five hours. Eight work orders were complex in nature and we faced challenges such as difficulty accessing assets due to underground or adjacent obstructions, large and complicated asset repairs, closure of roadways and intersections and works on critical assets.

Our target for planned interruptions going over advised timeframes was missed, with six planned interruptions (2.92% of the total number of 205 planned interruptions) not completed within the advised timeframes. This was due to human error mistaking the correct isolation period, scope of works increasing during the shut duration, delays in materials, delays in developer works, conflicting unplanned work priorities and resourcing shortages on the day. In line with our guaranteed service commitments, affected customers received a \$50 credit on their bill. On a positive note, the implementation of the SMS functionality helped us communicate with our customers more efficiently and effectively.

The Safe Drinking Water Act (SDWA) audit was undertaken during March 2023. The audit identified two minor non-compliances in the implementation of the sampling program:

1. Missed Samples regulation – r.8(1)(d)(iv)
2. Consecutive sampling from the same sample point regulation – r.8(1)(d)(v)

Importantly, at no stage was there any risk to public health and the drinking water supplied to customers was safe throughout the year.

Outcome 2: GW VALUE: Be Easy To Deal With

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Complaints investigated by the Energy and Water Ombudsman Victoria	Number per 1000 customers	Target	0.08	0.03	0.03	0.03	0.03	0.03	0.03
		Actual	0.06	0	0	0	0.01	0.03	0.03
b Contacts are resolved at the first point of contact	Percentage	Target	NA	NA	88%	88%	88%	88%	88%
		Actual	NA	NA	96%	97%	96.93%	96.56%	95.22%
c Affected customers receiving a minimum of 5 days notification prior to a planned interruption taking place	Percentage	Target	NA	NA	100%	100%	100%	100%	100%
		Actual	NA	NA	100%	100%	100%	99.44%	98.54%
d Customers receive a response to correspondence within 5 days from receipt	Percentage	Target	NA	NA	100%	100%	100%	100%	100%
		Actual	NA	NA	100%	100%	100%	100%	100%

Overall outcome 2 performance for the regulatory period so far:



Business comment

We have a strong commitment to our 'Be easy to deal with' outcome. On the back of a consistently positive performance across all five years of this reporting period, we rated our performance in 2022-23 as green, having achieved three of four targets.

We consistently provide a positive customer experience by responding to customer correspondence quickly, and by resolving the majority of our customer enquiries at the first point of contact.

Very few of our customer complaints escalate to an investigation by the Energy and Water Ombudsman. This year we had two complaints investigated, one due to a wet weather event and one due to a water drainage issue. This equates to 0.03 complaints per 1000 customers, and is within our target parameters.

We narrowly missed one of our targets in this outcome. For three of our planned interruptions we failed to provide a five day notification period, impacting 58 customers. In line with our guaranteed service commitments, impacted customers received a \$50 credit on their bill. We have reviewed why this happened and have implemented improvements for future planned interruptions.

Outcome 3: GW VALUE: Be Affordable and Fair

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Prices contained to CPI + 0.57% per annum until 30 June 2023	Yes / No	Target	NA	NA	Yes	Yes	Yes	Yes	Yes
		Actual	NA	NA	Yes	Yes	Yes	Yes	Yes
b Customers in hardship program with water supply restricted for non-payment	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0	0	0	0
c Hardship customers paying through instalments	Percentage	Target	NA	NA	55%	55%	55%	55%	55%
		Actual	NA	NA	59%	60%	62%	53.29%	50.05%
d Customers over 120 days paying through instalments	Percentage	Target	NA	NA	23%	23%	23%	23%	23%
		Actual	NA	NA	28%	25%	24%	17.48%	16.00%

Overall outcome 3 performance for the regulatory period so far:



Business comment

We rated our performance against our 'Be affordable and fair' outcome in 2022-23 as green.

Bill affordability is a top priority for our customers, particularly in challenging economic times. A higher than anticipated CPI increase (5.09%) was advised for the year commencing 1 July 2022. To lessen the impact on vulnerable customers, we identified savings that will keep customer prices stable or reduced, both in the 2022-2023 period and into our next pricing period. This enabled us to partially absorb the currently high inflation rate and only pass on 3.14% and 4.4% through our fixed and variable tariffs respectively. For 2023-24 we will deliver an average bill that is 3.3% lower than the inflation rate of 7.02%.

The number of customers on instalment plans has increased from 10.35% to 10.42%. This is a higher proportion than other Victorian Water Corporations, and equates to more than one in 10 customers. The increased uptake is likely in response to promotion of Flexible Payment plans throughout the year.

This increase has not been reflected in our hardship customers or customers with debt over 120 days paying through instalments. Here, we have seen a decrease. We attribute this to the continued cost of living pressures being felt by vulnerable members of the community, and customers wanting funds readily available in their accounts rather than committing to payment plans.

During the year, we have seen a 30% increase in customers registered within the customer support program.

Our Customer Care team has new processes in place to engage with customers who may have recently missed a payment plan instalment so they can explore a tailored plan specific to the customer's needs. This may include other options such as the application of a Utility Relief Grant if the customer cannot currently commit to an ongoing payment plan.

Importantly, we have not restricted the water supply of any hardship customers for non-payment.

Outcome 4: GW VALUE: Prepare and Protect

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Total CO ₂ equivalent emissions	Tonnes (000's)	Target	70.0	70.0	43.1	43.6	43.7	38.6	36.7
		Actual	37.5	37.88	43.73	34.75	35.38	35.28	33.01
b Bio solids reuse	Percentage	Target	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		Actual	100.0%	100.0%	100.0%	100%	100%	100%	100%
c Deliver all actions outlined in Gippsland Water's 2017 Urban Water Strategy	Yes / No	Target	NA	NA	On track	On track	On track	On track	Yes
		Actual	NA	NA	On track	On track	On track	On track	Yes
d Supply reliability of 95% (Water restrictions no more prevalent than 1 in 20 years)	Percentage	Target	NA	NA	95%	95%	95%	95%	95%
		Actual	NA	NA	95%	95%	95%	95%	95%
e Penalties issued by the Environment Protection Authority or the Department of Health and Human Services	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0	1	0	0

Overall outcome 4 performance for the regulatory period so far:



Business comment

We rated our performance against our 'Prepare and protect' outcome in 2022-23 as green having achieved all of our targets this year.

Our pledge is to reduce our carbon footprint by 24% by 2025 as part of a pathway to become carbon neutral by 2030. Due to the timing of projects our actual results will ebb and flow over the measurement period.

This year our net emissions decreased marginally by 2.26 ktCO₂-e from the previous financial year to total 33,014 tCO₂-e. This result is -21.43% from our 2018 baseline number of 42,021.4 tCO₂-e, and we remain ahead of the targets we set for 2023 of 36,700 tCO₂-e.

Earlier this year, we commissioned a photovoltaic solar array at the Gippsland Water Factory – our largest energy consumer. The Gippsland Water Factory makes up approximately thirty-five percent of our total electricity consumption and is now almost self-sufficient due to the new 1,280 kWp solar system. This year alone, the new system saved approximately 1,200 tCO₂-e from entering the atmosphere.

Over the last five years we have delivered on all of the actions in our 2017 Urban Water Strategy that were in our control.

In a significant outcome for our customers, the rapidly growing Warragul and Drouin water supply system has been secured in the short-medium term by a transfer of 3.33 GL/y of water entitlement in the Greater Yarra System – Thomson River pool, which includes the Tarago Reservoir. This outcome is a direct result of our Urban Water Strategy action to assess options for the Warragul-Drouin water system, and is supported by the Central and Gippsland Region Sustainable Water Strategy (SWS), and our 2022 Urban Water Strategy (approved by the Minister in June). We have also completed the upgrade of the Drouin Wastewater Treatment Plant.

We met our performance target of at least 95% water supply reliability and no water restrictions imposed during 2022-23. The majority of our water supply systems are meeting our target supply reliability of 95% and for those that have potential shortfalls, we have contingency arrangements in place and/or actions underway to ensure they do. In developing our 2022 Urban Water Strategy we have set out commitments to ensure we continue to provide a supply reliability that meets our target. Our water system yields have been re-estimated through this process, embedding contemporary climate change guidance from government research as well as ongoing streamflow records, changes to system infrastructure and other factors.

Outcome 5: GW VALUE: Be Involved

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Operating and capital expenditure spent in Gippsland Water region	Yes / No	Target	NA	NA	On track	60%	53%	57%	60%
		Actual	NA	NA	On track	60%	60%	62%	60%
b Funding provided for community benefit projects	\$ value	Target	NA	NA	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
		Actual	NA	NA	\$49,200	\$92,055	\$64,261	\$49,898	\$56,696

Overall outcome 5 performance for the regulatory period so far:



Business comment

We rated our performance as green against our 'Be involved' outcome having successfully achieved both of our target measures.

We track our operating (including our 300+ employee labour cost) and capital expenditure across our service area. This year 60% of our expenditure contributed to the local economy, with Sale Sewer Pump Station upgrade project contributing 4% of our total expenditure.

We spent \$56,696 on community benefit projects this year, exceeding our target of \$30,000. Our focus was on installing water fountains to increase access to tap water in Gippsland. We donated eight drinking water fountains to local councils to install throughout our service area.

We continued to support other community-focused initiatives including opening up environmentally important sites for recreational access, delivering community and school education programs and providing in-kind support to community groups and events.

We gave water bottles to a range of community groups including the Rotary Club of Moe, Goodstart Early Learning Morwell, Race the Rubeena, Italian Australian Club and Wellington District Club Scouts.

We provided financial sponsorship to Morwell Neighbourhood House, Traralgon Tennis Club, Traralgon Railway Reserve, Traralgon Rotary Club, Moe Rotary Club, Baw Baw LLEN, Festival of Big Ideas, and the Gippsland New Energy Conference.