



Outcomes report 2018-19

Performance of Victoria's water businesses against their own commitments to customers

7 November 2019



An appropriate citation for this paper is:

Essential Services Commission 2019, Outcomes report 2018-19: Performance of Victoria's water businesses against their own commitments to customers, 7 November

Copyright notice

© Essential Services Commission, 2019



This work, Outcomes report 2018-19, is licensed under a Creative Commons Attribution 4.0 licence [creativecommons.org/licenses/by/4.0/]. You are free to re-use the work under that licence, on the condition that you credit the Essential Services Commission as author, indicate if changes were made and comply with the other licence terms.

The licence does not apply to any brand logo, images or photographs within the publication.

Overview

A focus on customer outcomes was a key part of the Essential Services Commission's new water pricing approach called PREMO, which applied for the first time at the 2018 water price review. During the price review, 17 water businesses established a set of 'outcomes' they would deliver to customers, generally over the following five years.¹ The outcomes established by water businesses were informed by engagement with customers. Tracking business progress against their outcome commitments can indicate whether customers are getting what they paid for.

This report provides a summary of the self-assessments submitted to us by water businesses setting out their performance against the outcomes they committed to deliver to their customers at the 2018 price review. Later in the report, we provide links to the full self-assessment documents provided to us by each water business, which are all available on our website.

Most water businesses (14 of 17) reported they have delivered on their outcome commitments for 2018-19. The remaining three reported they were close to achieving their outcomes. At this stage, all businesses appear able to deliver on their commitments over the five-year period, with those not meeting targets this year specifying how they intend to address performance shortfalls. Based on business reporting, customers should be reassured they are getting what they paid for, at this early stage.

Self-reporting to their customers is an important part of water businesses taking ownership for the commitments they have made, and is central to the PREMO model. Our report is not intended to be a substitute for businesses reporting directly to their customers on their performance.

We note most water businesses were slow to publish their 2018-19 outcomes performance results. After some prompting from us, all businesses have now published their own reports on their websites. We expect businesses will be more proactive in owning their performance in future by reporting directly to customers as soon as practical after the completion of each reporting year. Water businesses must demonstrate accountability for their performance, and for their performance reporting to customers, to warrant a good rating for the 'performance' element of PREMO at their next price review.

The water businesses have reported that almost a third of the scheduled major capital projects for the regulatory period are already delayed or deferred just one year into the five year pricing period. PREMO emphasised businesses prepare robust project forecasts with realistic timelines, so this

¹ Note that Goulburn Murray Water and Melbourne Water were not part of our 2018 water price review. Price reviews for these businesses will take place in 2020 and 2021, respectively. North East Water has committed to outcomes over an eight year regulatory period.

deviation from plan so early in the pricing period is a concerning sign, and we expect businesses will communicate with their customers. Significant changes to the major project schedule essentially change what customers get for their prices, and should be explained to customers by the water business.

Our reporting on outcomes will evolve in future years. We have generally confined our commentary in this year's report to summarising the self-assessments of water businesses, recognising this is only the first year of the new outcomes reporting framework, and that one year of performance data is generally not sufficient for us to form a view on performance. We anticipate our future reports will provide more commentary on how businesses are tracking against their outcome commitments, and possible implications for their 'performance' rating at the next price review.

Contents

Overview	ii
Outcomes reporting	1
What we found	5
Outcomes 2018-19 – snapshot	9
Outcomes 2018-19 – summary and overall rating	11
Outcomes 2018-19 – overall grade by PREMO rating	12
How are water businesses managing their major projects?	13
Water business summaries	17

Outcomes reporting

PREMO – Putting customer outcomes first

Our new PREMO water pricing framework puts customers squarely at the centre of the regulatory pricing process, and pivots Victoria's water businesses to focus on what their customers, rather than the regulator, want and expect from their water and sewerage service provider.

As part of the 2018 water price review, water businesses established a set of customer outcomes following extensive engagement with their customers to inform their price submissions. These outcomes, developed with the customers, essentially reflect what customers will receive for the prices they pay.

We worked with each business to firm up its outcome commitment, consistent with our PREMO framework requirements, to ensure clear and unambiguous measures and targets that represent successful delivery of each outcome. This culminated in each business re-affirming its commitment to the final set of outcomes and targets, which we published on our website in May 2019.

A business's performance against these outcomes is critical in establishing its rating for the 'Performance' element of PREMO, and therefore its overall PREMO rating, at the next price review.

What is PREMO?

PREMO is our new incentive mechanism whereby Victoria's water businesses self-assess their pricing proposals against five main elements, which together reflect the level of ambition to deliver better value to customers:

- **Performance** – a backward look at whether the business delivered on its outcomes commitment in its previous price review
- **Risk** – the extent to which the business has allocated risk to the party best positioned to manage that risk (such that customers don't pay more than they need to)
- **Engagement** – the effectiveness of the customer engagement that informed the price submission, in terms of depth, breadth and timing
- **Management** – the degree of expenditure efficiency improvement and cost control (prudent and efficient expenditure), strength and quality of the price submission
- **Outcomes** – the strength of customer outcomes, as derived through the engagement process – what customers value most.

Businesses rate each element as either Leading, Advanced, Standard or Basic, and provide a corresponding overall PREMO rating. The commission's assessment process confirms each rating, or where necessary proposes a lower rating.

The return on equity earned by a water business is linked to its overall PREMO rating.

What is outcomes reporting?

PREMO makes water businesses directly accountable to their customers for the services they provide, and for delivery of their price submission promises. This includes the customer outcomes commitments, and the delivery of the major capital investment projects funded through customer prices. In other words, businesses are required to let their customers know: *did they get what they paid for?* And if they didn't, what is being done to address the shortfall.

Each business is required to report at least annually to its customers on:

- its performance against the specified measures and targets for each outcome
- an overall assessment of whether it has delivered on expectations for each outcome, including the business's explanation for any performance shortfalls and how it intends to address them.

Under PREMO, we have entrusted the water businesses to self-report directly to their customers. However, in the interests of customers, we want to ensure this happens effectively and in a timely fashion. While we expect each business to report directly to its customers as soon as practical after the completion of each reporting year, we have requested businesses also provide us with a summary outcome report document using a standard template, and these are all published together on our website.

This outcomes report collates a summary of the businesses' self-reports, and our high-level observations on the self-reporting process and general performance against outcome commitments.

Businesses are asked to grade their performance using a simple traffic light rating system:

- Green = met – actual performance met or exceeded the target, due date, etc.
- Red = not met – actual performance fell short of the target
- Yellow/amber = came close, objectives mostly met

How is outcomes reporting different to our water performance report?

The new outcomes reporting process will complement our current water industry reporting.

Outcomes reporting considers the performance of Victoria's water businesses against their own commitments, made to their customers as part of the price review process. The set of outcomes, measures and targets will be unique to each business, reflecting those performance elements that matter most to its customers, as revealed through the customer engagement process. Given this, we expect the businesses to prioritise outcomes reporting, and for it to form the basis for the ongoing performance dialogue with customers.

Our annual water performance report, typically released in December each year, compares the water businesses with each other across a range of common performance measures, including water consumption, typical bills, managing payment processes, customer service and service reliability. This reporting requires businesses to provide annual data against a common set of key performance indicators, verify their data through a robust auditing process, and account for any noteworthy shifts in performance from year to year. This comparative report allows businesses, customers, and other stakeholders to see how performance varies over time, and how any business measures up against the other Victorian businesses.

We have brought forward the annual reporting of progress on major projects from the annual water performance report and included it with our first outcomes report. We consider timely delivery of infrastructure projects better aligns with customer outcomes reporting, because the approved prices reflect a water business's proposed timing for projects as set out in their price submissions.

This is the first year of outcomes reporting

Outcomes reporting is a new concept for Victoria's water businesses, and we recognise this represents a significant shift in reporting responsibility. For this first year of outcomes reporting, we have not provided a critique of individual business's performance and self-reporting because:

- One year of performance data on a new set of measures is not sufficient for us to form a view on overall performance.
- We want to allow businesses time to find their way with this new process – this first reporting round is effectively a 'grace period' to see how others have done it and let the best set the bar for future self-assessment and reporting.

Each business has provided us a summary template of their outcomes performance versus target commitments, along with some commentary, and we have published these together with this report on our website at <https://www.esc.vic.gov.au/water/sector-performance-and-reporting/outcomes-reporting>. The templates provide more detailed information than the business summaries we have presented in this report. Apart from some minor clarifications, the templates are published 'as

received', and present each water business's own self-assessment, own ratings and own comments on their performance.

The focus of this year's report is to provide some broad observations on how businesses have gone about their self-assessment and self-reporting process, and general views on how they have performed against their own promise to customers.

We consider that in the longer run, customers will be the final judge of their water business's performance and its self-assessment ratings. Customers' views will help shape the outcomes and targets for the next price review cycle and will also be reflected in our independent survey to gauge how customers perceive their water business.

What we found

We received a summary outcomes report from each business, using a common template we provided to ensure consistency in presentation across all businesses. We also received a summary of the status of each nominated major capital expenditure project as at the end of June 2019, compared with the timeline set out in the price submission or adopted in our approved price path. The summary outcome reports are all published on our website, along with a supplementary paper on the status of the major projects.

In this report, we set out our high-level observations on performance according to the businesses' self-reporting, and our views on how the self-reporting process has fared so far.

Performance – general observations for 2018-19

Our PREMO framework set out to establish a much stronger direct relationship between water businesses and their customers. The self-reporting of annual performance against the outcomes targets and major project delivery is all about honest and transparent feedback to customers on what commitments the business has met that year, and progressively across the whole pricing period as it unfolds. It is about what value the customers received for their prices paid, and what the business has done, or proposes to do, to address any shortfall or change in plan.

Some businesses put more than just their reputations on the line here – several made voluntary commitments to pay rebates or reduce prices where they did not deliver on their outcomes commitments. For example, Yarra Valley Water self-assessed that it did not meet two of its seven outcomes in 2018-19, and has voluntarily reduced its customer prices to lower the revenue collected in 2019-20 by \$3 million (that is \$1.5 million for each target missed). We commend Yarra Valley Water for the ownership it shows in taking this approach.

This is the first year of a five-year regulatory period (for most businesses), so the 2018-19 results represent the first step of a bigger performance picture. Rather than focus on any shortfalls at this early stage, we are more interested to see how businesses' performances against their commitments unfold over the coming years, and how the businesses address their shortcomings. We will raise concerns if low results do not show signs of improvement as the period progresses.

We are pleased to see many businesses have given themselves some yellow and red ratings where they have fallen short of targets. This shows that water businesses are serious in their self-assessments, are open and willing to acknowledge their shortcomings, and have plans to address them. It also suggests they set targets that were a stretch. Conversely, an all-green set of ratings at this early stage does not necessarily mean a strong performance and great customer value – it

might merely reflect an easily-achieved set of targets and must be viewed in comparison with historical performance to gauge whether customers are receiving better outcomes.

For 2018-19, 14 of the 17 businesses reporting outcomes have given themselves a green rating overall, suggesting that their customers have in general received the outcomes they paid for. This is a positive sign and indicates the businesses believe they are largely delivering on their commitments to customers.

Three businesses have rated themselves amber overall – GWMWater, North East Water and Westernport Water – and no businesses considered they had failed to deliver their promises overall with a red rating.

- GWMWater saw several of its measures impacted by the very dry seasonal conditions and an increased demand for water.
- North East Water missed the target on three of 13 measures, and rated itself amber on the three corresponding outcomes, and consequently amber overall.
- Westernport Water took a unique approach in rating each outcome according to the lowest individual measure rating for that outcome, regardless of the rating for the other measures – following this approach, its five amber measures (from 14 measures) resulted in an amber rating for all four outcomes, and an overall amber rating. We note other businesses with a similar spread of ratings have given themselves overall green ratings.

In general, in the summary outcome report templates we received, businesses explained the cause for a shortfall in performance against their commitment, and set out how this would be addressed, or why they were anticipating a better result in future years. We expect next year's business reporting to follow-up on these identified shortfalls, effectively closing the reporting loop with their customers.

We note some businesses have yet to finalise some of their measures to reflect their outcomes commitments, or to set targets for new measures. We encourage these businesses to attend to this as a priority, to have meaningful measures and targets in place as soon as possible.

We also note the use of "improving trend" as an annual target in some instances. This is not ideal without a proper reference point, allowing a lesser performance to be graded green as "improving" following a particularly poor year. Businesses should use this approach with caution, and provide a clear explanation for the grade assigned when the target is ambiguous.

Self-assessments – general observations

Businesses are required to self-rate their actual performance at multiple levels:

- against target for each individual measure
- at the aggregate outcome level
- an overall outcome achievement for the year.

A simple traffic light grading system allows easy recognition of achievement: green = met, red = fell short, yellow/amber = close or largely met. We did not provide strict guidance on this, instead allowing businesses to use their own discretion and ratings processes. This also reveals a little about each business, and its willingness to acknowledge and address performance shortfalls – or a tendency to give itself a free pass.

The traffic light gradings alone do not reflect the strength of a water business's performance relative to other businesses, merely how it went against the commitment it made to customers. A green traffic light simply means the business met the target – it reveals nothing about the target itself, whether it represented a high or low bar, or an improvement in customer service levels. This was a matter to be established between the water business and its customers as part of the price review process, when the outcomes, measures and targets were agreed and set.

We found the water businesses' use of traffic light ratings varied markedly. At the individual output/measure level, some measures just short of the target were graded red, while some well short were graded amber, or even green in some instances. Some water businesses graded their outcomes according to the rating of the lowest measure (e.g. one amber measure with all other measures green meant the outcome rating was amber). Other water businesses had outcomes with multiple red measures but still rated the outcome green overall. We will work with the water businesses over the next year to support a more consistent and equitable approach to self-rating. And when we take a more critical focus in our future outcomes reports, we anticipate this will help shape the expectations on the water sector for well-reasoned ratings and good reporting.

The use of the business comments section in the summary outcomes templates provided to us also varied. Some businesses provided very little additional information, while others only commented on performance shortfalls. We think the best use was to pull together a cohesive picture of what the business delivered and what customers received throughout the year, and whether the business is comfortable with this or striving to improve next year. Again, we think best practice will raise the bar for all businesses to do better in the future.

Self-reporting to customers

The self-reporting aspect of PREMO required the water businesses to report **directly to their customers**, and to provide us with a summary on the templates we provided. We emphasised this in our Water Pricing Framework and Approach Paper and our 2018 Water Price Review Guidance Paper and multiple times as we worked with businesses to review and finalise their outcomes commitments for the pricing period.

While we did receive the summary templates from all businesses, we found that many businesses had not, at the time we started preparing this report, made their outcome reporting available to customers on their websites, despite committing to do so in their price submissions. Interestingly, businesses were waiting for us to publish this report first before publishing their own reports, which seems at odds with a self-reporting framework. Following some prompting from us, all 17 businesses now have information on their 2018-19 outcomes reporting available on their websites.

We emphasise to the water businesses that this is a **self-reporting** process, and we expect them to take clear ownership of their performance results and to communicate these to their customers in a robust and timely fashion. We remind the businesses of their commitments to do so, and hope to see a much better effort for next year's reporting cycle.

Looking ahead

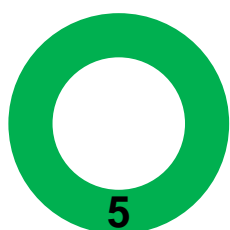
We see the customer engagement–outcomes–reporting process enshrined in PREMO as a dynamic process. That is, water businesses need not wait until the next price review cycle to review and refine their outcomes commitments, measures and targets. Given the customer engagement process is now an ongoing dialogue, changes in customer priorities, values and expectations can be captured within the price review cycle, and the outcomes commitments can be expanded or adjusted to reflect the latest customer sentiment.

We also expect the water businesses will learn from each other's published outcomes sets and reporting styles, allowing them to steadily improve and refine their own measures and targets throughout the pricing period, in consultation with their customers.

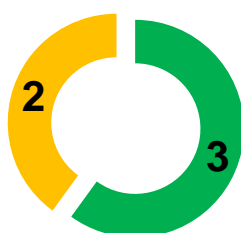
Outcomes 2018-19 – snapshot

These donut charts summarise each water business's outcomes performance based on its own self-assessment, showing relative proportions of outcomes: achieved (green), almost achieved (amber) and not achieved (red). For example, Central Highlands Water achieved three of its outcome targets, and almost achieved another two.

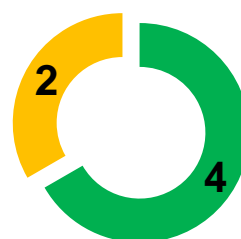
Barwon Water



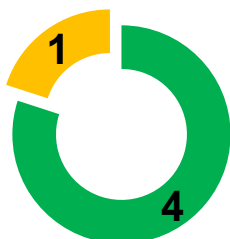
Central Highlands Water



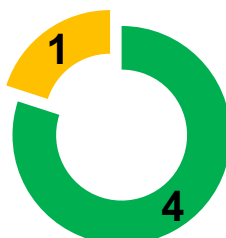
City West Water



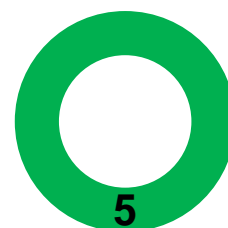
Coliban Water



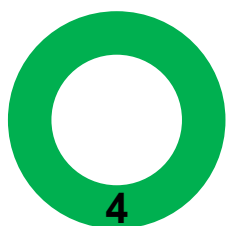
East Gippsland Water



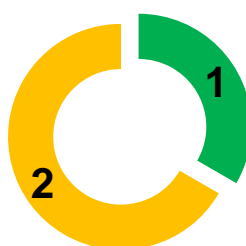
Gippsland Water



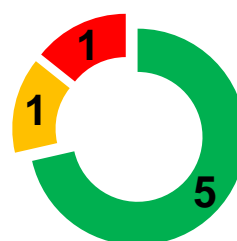
Goulburn Valley Water



GWMWater

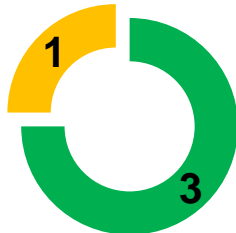


Lower Murray Water (urban)

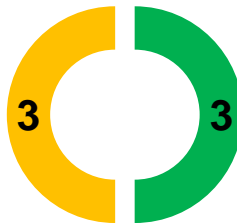


Outcomes 2018-19 – snapshot continued

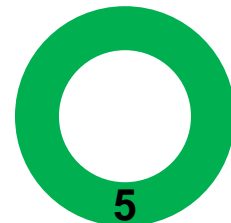
**Lower Murray Water
(rural)**



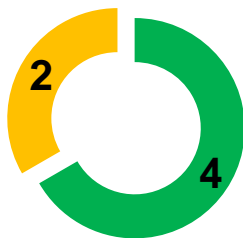
North East Water



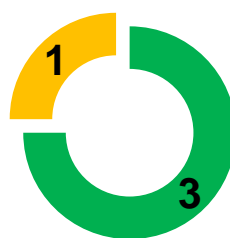
South East Water



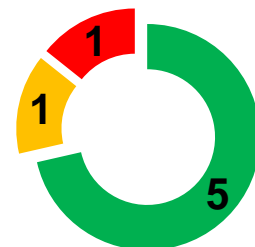
South Gippsland Water



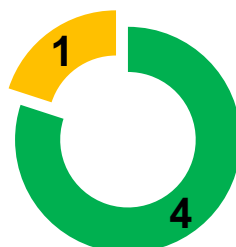
Southern Rural Water



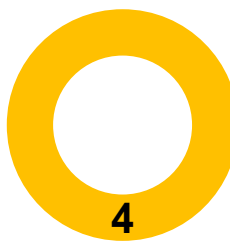
Wannon Water



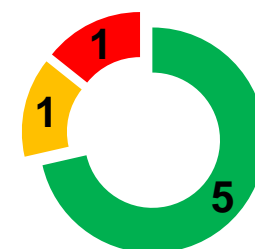
Western Water



Westernport Water



Yarra Valley Water



Outcomes 2018-19 – summary and overall rating

Water corporation	Achieved	Almost achieved	Not achieved	Overall
Barwon Water	5	0	0	Green
Central Highlands Water	3	2	0	Green
City West Water	4	2	0	Green
Coliban Water	4	1	0	Green
East Gippsland Water	4	1	0	Green
Gippsland Water	5	0	0	Green
Goulburn Valley Water	4	0	0	Green
GWMWater	1	2	0	Yellow
Lower Murray Water (urban)	5	1	1	Green
Lower Murray Water (rural)	3	1	0	Green
North East Water	3	3	0	Yellow
South East Water	5	0	0	Green
South Gippsland Water	4	2	0	Green
Southern Rural Water	3	1	0	Green
Wannon Water	5	1	1	Green
Western Water	4	1	0	Green
Westernport Water	0	4	0	Yellow
Yarra Valley Water	5	1	1	Green

Outcomes 2018-19 – overall grade by PREMO rating

This table shows the overall self-reported grading for outcomes for each business for their performance in 2018-19. It also shows their PREMO rating at the 2018 price review. The PREMO rating reflects the level of ambition of a business’s price submission, including the ambition of its outcomes by which it is measuring its performance.

Leading	Advanced	Standard	Basic	Not rated
Goulburn Valley Water	Barwon Water	East Gippsland Water	Wannon Water	South Gippsland Water
	Central Highlands Water	Gippsland Water		Western Water
	City West Water	Lower Murray Water (urban)		
	Coliban Water	Westernport Water		
	GWMWater			
	North East Water			
	South East Water			
	Southern Rural Water			
	Yarra Valley Water			

How are water businesses managing their major projects?

Each year, water businesses provide an update on the status of major project commitments made in their price submission, indicating if projects have been completed as scheduled, are delayed, or if priorities have changed over time. Major project delivery is a key cost component for water businesses and is reflected in the approved price path, and most will deliver material service benefits to customers. Significant changes to the major project schedule essentially change what customers get for their prices, and should be explained to customers by the water business – will customers be impacted by the change or delay, has a higher priority project emerged, or will prices be lowered to reflect the revenue is not needed?

The 16 urban water businesses, Southern Rural Water and Lower Murray Water Rural nominated major projects for completion in the five year pricing period from 2018–23. Melbourne Water also nominated major projects for completion in its five year pricing period from 2016–21. In total, 184 major capital projects were identified.

Water businesses are required to report how these 184 projects are tracking against the scheduled start and completion dates they committed to in their price submissions. Businesses have provided their comments to convey how the projects are progressing and why actual completion dates may differ from those initially expected.

The following table outlines the status of the scheduled major projects for each water business at the end of 2018-19 (which is the third year of the five year pricing period for Melbourne Water, and the first year for the remaining businesses).

Overall 118 major projects are running to schedule, and 14 were completed by the end of 2018-19 (seven of these are Melbourne Water projects). A total of 52 projects are either delayed or have been deferred. Barwon Water, Gippsland Water and Goulburn Valley Water have all reported at least half of their major projects are already delayed or deferred after the first year of the five year pricing period.

PREMO emphasised businesses prepare robust project forecasts with realistic timelines, so we are concerned to find almost a third of major projects behind schedule after only one year, including many businesses with higher PREMO ratings at the price review. While we understand circumstances and priorities change, we expect water businesses to communicate and address these significant changes to their initial commitment directly with their customers. This allows key stakeholders to test these changes with the water business.

How well a business delivers its capital program, and how it manages changes to that program with its customers, are key factors in establishing its rating for the 'performance' element of PREMO at the next price review. Given this concerning start to the period, we expect businesses to demonstrate clear accountability to their customers and we will continue to closely observe how water businesses deliver their capital program and communicate changes to customers throughout the pricing period.

Want more information?

Further commentary on the estimated schedule and actual status for each water business's individual projects can be found in the supplementary paper *Status of major projects supplement: outcomes report 2018-19*.

This supplement can be found at <https://www.esc.vic.gov.au/water/water-sector-performance-and-reporting>.

2018-19 snapshot of major projects scheduled for 2013–18 (2016–2021 for Melbourne Water)

	No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
Barwon	10	0	0	4	0	4	2
Central Highlands	10	0	0	8	0	0	2
City West	10	1	0	7	0	0	2
Coliban	10	0	0	9	0	0	1
East Gippsland	10	0	0	8	0	2	0
Gippsland	10	0	0	5	0	2	3
Goulburn Valley	10	0	0	5	0	3	2
GWMWater	12	0	0	7	0	0	5
Lower Murray – Urban	9	2	0	6	0	0	1
Lower Murray – Rural	5	1	0	1	0	0	3
North East	10	0	0	7	0	1	2
South East	10	0	0	6	0	2	2
South Gippsland	9	1	0	6	0	2	0
Southern Rural	9	1	0	6	0	2	0
Wannon	10	0	0	10	0	0	0
Western	5	1	0	3	0	0	1
Westernport	10	0	0	8	0	0	2
Yarra Valley	10	0	0	8	0	0	2
Melbourne Water	15	6	1	4	0	1	3
TOTAL	184	13	1	118	0	19	33

Water business summaries

The following business summaries provide a simple one-page snapshot for each water business's 2018-19 performance, including:

- The business's PREMO rating from the 2018 price review
- The business's traffic light self-rating for each of its outcomes
- The business's traffic light self-rating for its overall achievement against its outcomes commitments
- A summary of the reported status of its major capital projects.

As we explained earlier, for this year's report we have not provided any additional comment on the reported performance provided by businesses in these summaries.

Further information on each business's performance, including a breakdown of the rating for each outcome and how the business will address shortfalls in performance, is available from:

- The summary outcome reporting templates published on our website
- The water business itself.

Further details on all the major projects is also available through the supplement report provided on our website.

Sample business page

PREMO rating of the water business's price submission at the 2018 water price review

PREMO rating: Standard

Traffic light of performance for each outcome for 2018-19, self-assessed by the water business

Sample Business's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Customer service	Yellow	Grey	Grey	Grey	Grey
2. Drinking water quality	Green	Grey	Grey	Grey	Grey
3. Environmental sustainability	Green	Grey	Grey	Grey	Grey
4. Assisting vulnerable customers	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

Traffic light of overall outcomes performance for 2018-19, self-assessed by the water business

Sample Business's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	1	0	7	0	0	2

This shows the water business's total number of major projects for this pricing period, as set out in its price submission.

This shows the status of these major projects at the end of 2018-19, as reported by the water business.

Barwon Water

PREMO rating: Advanced

Barwon Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. A reliable, secure water future for our region	Green	Grey	Grey	Grey	Grey
2. Timely, innovative services for our customers	Green	Grey	Grey	Grey	Grey
3. A healthier environment for all	Green	Grey	Grey	Grey	Grey
4. Deeper knowledge and partnerships with our community	Green	Grey	Grey	Grey	Grey
5. Affordability for all of our customers	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

Barwon Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	4	0	4	2

Central Highlands Water

PREMO rating: Advanced

Central Highlands Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Better customer experience	Yellow	Grey	Grey	Grey	Grey
2. Safe clean drinking water that tastes great	Green	Grey	Grey	Grey	Grey
3. Reliable and sustainable water and sewer systems	Yellow	Grey	Grey	Grey	Grey
4. More efficient water use	Green	Grey	Grey	Grey	Grey
5. Increased value for money	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

Central Highlands Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	8	0	0	2

City West Water

PREMO rating: Advanced

City West Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Services to my home and business are safe, reliable and efficiently managed	Yellow	Grey	Grey	Grey	Grey
2. Customer service is accessible and my enquiries are resolved promptly	Green	Grey	Grey	Grey	Grey
3. Billing and payment options are efficient and convenient	Green	Grey	Grey	Grey	Grey
4. Customers in hardship are supported	Green	Grey	Grey	Grey	Grey
5. The whole of the water cycle is managed in an environmentally sustainable way	Green	Grey	Grey	Grey	Grey
6. CWW is a valued partner in servicing a growing Melbourne	Yellow	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

City West Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	1	0	7	0	0	2

Coliban Water

PREMO rating: Advanced

Coliban Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. We will supply high quality water you can trust	Green	Grey	Grey	Grey	Grey
2. We will provide infrastructure and services to meet the needs of our customers now and into the future	Green	Grey	Grey	Grey	Grey
3. We will reduce our environmental footprint and achieve a socially responsible, sustainable business for future generations	Green	Grey	Grey	Grey	Grey
4. We will be open and transparent with customers about affordable pricing, service disruptions and repairs	Yellow	Grey	Grey	Grey	Grey
5. We will support the liveability in the region	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

Coliban Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	9	0	0	1

East Gippsland Water

PREMO rating: Standard

East Gippsland Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Current levels of water and sewerage services maintained	Green	Grey	Grey	Grey	Grey
2. Safe, high quality drinking water supplies delivered	Green	Grey	Grey	Grey	Grey
3. No increase in the average customer bill	Green	Grey	Grey	Grey	Grey
4. Supporting environmental sustainability	Yellow	Grey	Grey	Grey	Grey
5. Enhanced liveability and resilience in our region	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

East Gippsland Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	8	0	2	0

Gippsland Water

PREMO rating: Standard

Gippsland Water's self-assessment

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

Gippsland Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	5	0	2	3

Goulburn Valley Water

PREMO rating: Leading

Goulburn Valley Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. The best price outcomes for customers					
2. Renewed focus on water quality and supply					
3. Modern and thoughtful customer service					
4. Meaningful environmental and recreational outcomes					
Overall					

Goulburn Valley Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	5	0	3	2

GWMWater

PREMO rating: Advanced

GWMWater's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Safe and Clean Water					
2. Reliable and Affordable Services					
3. Healthy and Liveable Region					
Overall					

GWMWater's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
12	0	0	7	0	0	5

Lower Murray Water (urban)

PREMO rating: Standard

Lower Murray Water (urban)'s self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Keep my costs to a minimum	Yellow				
2. Be easy to contact and quick to respond	Green				
3. Provide me with consistent, safe, clean drinking water	Green				
4. Provide me with reliable sewerage services	Green				
5. Be present and active in the community	Green				
6. Be mindful of our environment	Red				
7. Comply with other government obligations	Green				
Overall	Green				

Lower Murray Water (urban)'s major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
9	2	0	6	0	0	1

Lower Murray Water (rural)

PREMO rating: Not Applicable²

Lower Murray Water (rural)'s self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Supply me with water when I need it	Green	Grey	Grey	Grey	Grey
2. Keep my costs to a minimum	Green	Grey	Grey	Grey	Grey
3. Be easy to contact and quick to respond	Yellow	Grey	Grey	Grey	Grey
4. Comply with other government obligations	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

Lower Murray Water (rural)'s major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
5	1	0	1	0	0	3

² Lower Murray Water's rural business was not assessed under our PREMO framework, as it falls under the Commonwealth Government's Water Charge (Infrastructure) Rules assessment framework. However, Lower Murray Water elected to establish a set of rural customer outcomes and to report on these consistent with its urban water business.

North East Water

PREMO rating: Advanced

North East Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26
1. Affordable Prices								
2. Reliable Services								
3. Responsive Services								
4. Efficient Systems								
5. Local Focus								
6. Sustainable Region								
Overall								

North East Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	7	0	1	2

South East Water

PREMO rating: Advanced

South East Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Get the basics right, always	Green	Grey	Grey	Grey	Grey
2. Warn me, inform me	Green	Grey	Grey	Grey	Grey
3. Fair and affordable for all	Green	Grey	Grey	Grey	Grey
4. Make my experience better	Green	Grey	Grey	Grey	Grey
5. Support my community, protect my environment	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

South East Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	6	0	2	2

South Gippsland Water

PREMO rating: Not rated (Two-year period only)

South Gippsland Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. We will partner with community, local government and business to plan for future years	Green	Grey	Grey	Grey	Grey
2. We will be reliable, minimise unplanned interruptions to services and commit to communicating well with our customers	Yellow	Grey	Grey	Grey	Grey
3. Provide safe, clean drinking water for the benefit of our customers and communities	Yellow	Grey	Grey	Grey	Grey
4. Provide a safe wastewater service that contributes to the health and liveability of our communities and environment	Green	Grey	Grey	Grey	Grey
5. Environment	Green	Grey	Grey	Grey	Grey
6. Customer/Integrity	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

South Gippsland Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
9	1	0	6	0	2	0

Southern Rural Water

PREMO rating: Advanced

Southern Rural Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. SRW provides great customer service					
2. SRW's water supply system enables good practice irrigation					
3. SRW manages water resources well, maintaining a good balance between my needs as a water user and the sustainability of the resource					
4. SRW works with me to manage my needs and entitlements					
Overall					

Southern Rural Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
9	1	0	6	0	2	0

Wannon Water

PREMO rating: Basic

Wannon Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Provide safe and reliable water supplies	Green	Grey	Grey	Grey	Grey
2. Provide sewerage services that protect public health and the environment	Green	Grey	Grey	Grey	Grey
3. Ensure the long-term resilience of our services	Green	Grey	Grey	Grey	Grey
4. Be responsive and willing to adapt as customers' needs change	Green	Grey	Grey	Grey	Grey
5. Protect and enhance the environment in line with community expectations	Yellow	Grey	Grey	Grey	Grey
6. Partner with customer communities and helping our region flourish	Green	Grey	Grey	Grey	Grey
7. Ensure we provide great value	Red	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

Wannon Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	10	0	0	0

Western Water

PREMO rating: Not rated (Two-year period only)

Western Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Fair and affordable charges for all customers	Green	Grey	Grey	Grey	Grey
2. Reliable, safe services to existing and new customers	Green	Grey	Grey	Grey	Grey
3. Innovative approaches to addressing customer needs	Green	Grey	Grey	Grey	Grey
4. Care of the environment	Yellow	Grey	Grey	Grey	Grey
5. Sustainable contribution to the community and regional liveability	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

Western Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
5	1	0	3	0	0	1

Westernport Water

PREMO rating: Standard

Westernport Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Reliable water and wastewater services	Yellow	Grey	Grey	Grey	Grey
2. Better tasting water	Yellow	Grey	Grey	Grey	Grey
3. Affordable and responsive services	Yellow	Grey	Grey	Grey	Grey
4. A more sustainable community	Yellow	Grey	Grey	Grey	Grey
Overall	Yellow	Grey	Grey	Grey	Grey

Westernport Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	8	0	0	2

Yarra Valley Water

PREMO rating: Advanced

Yarra Valley Water's self-assessment

Outcome	18-19	19-20	20-21	21-22	22-23
1. Safe drinking water	Green	Grey	Grey	Grey	Grey
2. Reliable water and sewerage services	Green	Grey	Grey	Grey	Grey
3. Timely response and restoration	Green	Grey	Grey	Grey	Grey
4. Fair access and assistance for all	Green	Grey	Grey	Grey	Grey
5. Water availability and conservation	Red	Grey	Grey	Grey	Grey
6. Modern flexible service	Yellow	Grey	Grey	Grey	Grey
7. Care for and protect the environment	Green	Grey	Grey	Grey	Grey
Overall	Green	Grey	Grey	Grey	Grey

Yarra Valley Water's major projects status summary

No. major projects	Completed on time	Completed late	On-schedule	Cancelled	Deferred	Delayed
10	0	0	8	0	0	2