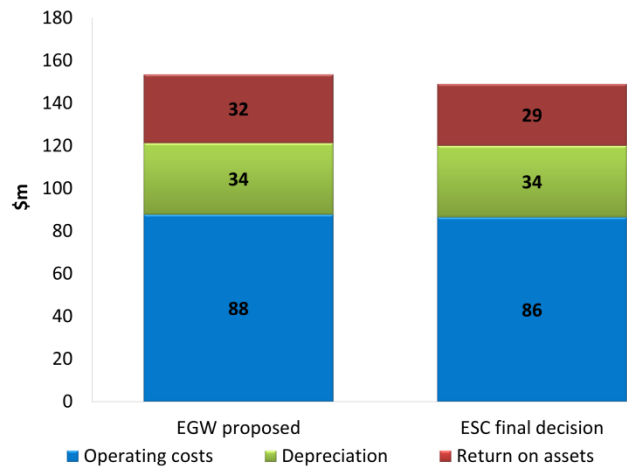


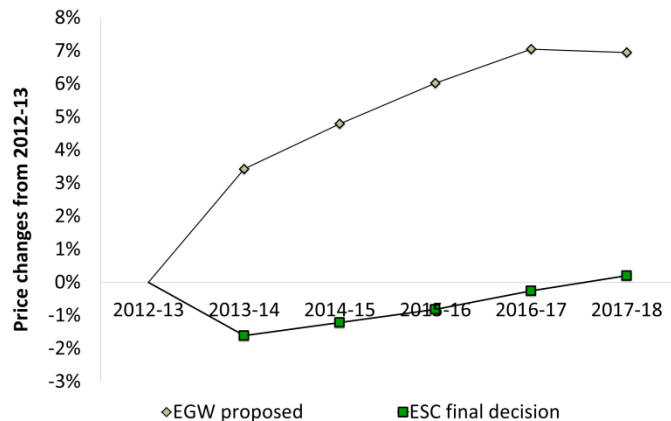
Breakdown of costs*

The ESC's final decision has approved a reduction of East Gippsland Water's costs of 2.9% (or \$4 million) over the five years from 2013-14.



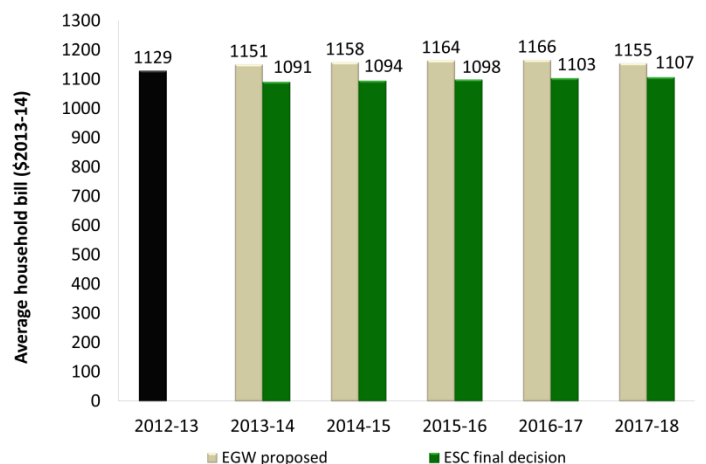
Prices*

The ESC's final decision has approved an increase in average prices of 0.2% 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 East Gippsland Water household bills would be reduced by \$301*.



*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.

Key Final Decision Outcomes

Expenditure

Operating Expenditure

- The final approved operating expenditure by the Commission is \$86.5 million.
- This is \$1.3 million (1.5 per cent) lower than the proposed expenditure of \$87.8 million.

Capital Expenditure

- East Gippsland Water proposed capital expenditure of \$46.1 million.
- The Commission's final decision approved capital expenditure of \$48.2 million.
- This is \$2.1million (4.6 per cent) higher than the proposed expenditure by the water business.

Tariffs

Retail Water Tariffs

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

Recycled Water Tariffs

- East Gippsland proposed to maintain a two part tariff structure — a fixed component and a variable component for residential and non-residential sewerage tariffs.
- In its final decision, the Commission has approved East Gippsland Water's proposal to maintain existing tariff structures for residential and non-residential sewerage services.