

South East 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 2020-21 reporting year. The business has given itself a “traffic light” rating (green = met target, red = not met, yellow = 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. Get the basics right, always	Green	Green	Green	Grey	Grey
2. Warn me, inform me	Green	Green	Green	Grey	Grey
3. Fair and affordable for all	Green	Yellow	Green	Grey	Grey
4. Make my experience better	Green	Green	Yellow	Grey	Grey
5. Support my community, protect my environment	Green	Green	Yellow	Grey	Grey
Overall	Green	Green	Green	Grey	Grey

Business comment

Overall, the 2020-21 year self-assessed as ‘met’, was a positive one given the coronavirus pandemic and the ongoing impacts on both our business and customers. This year shows two of our five customer outcomes awarded an amber status (on track), one greater than 2019-20, with the remaining three outcomes deemed green (met).

Getting the basics right and continuing to improve our notifications to customers around service interruptions were a strong focus and underpin continued strong performance in these outcomes. We recorded our first drinking water non-compliance this year on the back of an event in Koo Wee Rup where, although unlikely there was an impact on public health, we decided to issue a boil water advisory as a precaution to ensure the safety of our customers in the area. On the back of continued improvement around our notification of supply interruptions to customers we are looking to raise the bar again this year and will include all affected customers in the calculation, not just those who have provided us contact details. These advanced notifications remain a top priority for customers and this will ensure we continue to look for new and improved ways to communicate with the community which will in turn help increase satisfaction and trust.

Our complaints per 100 customers metric has fallen outside the tolerance band for the first time and has therefore been rated as not met. This is an expected result based on the recent introduction of our complaints framework that has redefined how we capture, treat and report customer enquiries and feedback. This is in line with recent industry movements towards increased capture of complaints presenting greater opportunities for businesses to improve their services and has been championed by Water Services Association of Australia (WSAA). Despite this our customer satisfaction rating continues to increase and remains above target, noting that we increased the score deemed positive back in 2019-20 from six out of ten to seven, but held our targets firm.

Total CO2 emissions received its' first not met rating this year although we believe that the reason will also be the solution, and that we remain on track to meet our greenhouse gas emission targets moving forward. Delays associated with a variety of solar projects were a large contributor but these are now operational and will help to meet our future targets. We have also entered a large-scale generation certificates (LGC) contract to procure renewable energy in the grid from a local windfarm.

Construction of all strategic recycled water connections was impacted by the coronavirus pandemic last year which also lead to us not meeting our planned percentage of recycled water usage in designated areas. A cooler, wetter climate coupled with an increase in residential demand as a result of working and schooling from home was also a significant factor here as recycled water is predominately used outdoors and in the garden but not in cooking, drinking or bathing areas. We remain confident that this metric will met target moving forward with fewer, shorter restrictions and a return of many workers to their primary workplace over progressively over the year.

While the number of customers supported through our Assist program was below target, we continued to provide an increased amount of assistance throughout the year and committed to not exiting any accounts under the COVID environment. This target was designed to capture new customers into the program as well as any short term or one off services provided during the year which sees our total number of customers registered in the support program just under 10,000 by years end.

Outcome 1: Get the basics right, always

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Number of Safe Drinking Water Act non-compliances (water sampling and audit)	No.	Target		0	0	0	0	0	0
		Actual	0	0	0	0	1		
b Number of water quality complaints per 100 customers	no. per 100 customers	Target		0.18	0.18	0.18	0.18	0.18	0.18
		Actual	0.18	0.10	0.10	0.10	0.13		
c Number of customers receiving greater than 5 unplanned water supply interruptions	No.	Target		532	532	532	532	532	532
		Actual	468	265	226	244	315		
d Number of customers receiving 3 or more sewerage blockages	No.	Target		17	17	17	17	17	17
		Actual	21	24	31	19	22		

Overall outcome 1 performance for the regulatory period so far:



Business comment

Overall, we consider our performance for outcome 1 to be green as two of the four target measures have been met with the remaining two missed but within the tolerance level.

- a. There was one detection of trace amounts of E.coli in Koo Wee Rup concurrently with high chlorine residuals which provided a high level of disinfection. While the high disinfection levels meant that it was unlikely there was an impact on public health, we issued a boil water advisory as a precaution to allow further investigation. The safety of our customers was our top priority and we worked hard through a letterbox drop, door knocking and phone calls to critical customers to make sure as many customers as possible had the information and support they needed. We posted regular notifications on our website, social media and sent emails and SMS messages for those customers whose details we have in our system. Emergency water supplies were deployed to the local hospital and vulnerable customers, with bottled water distributed to local schools, kindergartens and childcare centres. Investigations point towards issues with the tank being the most likely cause of the water quality issue. New technology is under review to provide early indicators of storage tank integrity issues. Additional chlorine monitoring is also underway to better observe disinfection levels.
- b. As part of the chlorination strategy, a new chlorinator has recently been deployed in the Selby area, which is due for commissioning in the coming weeks. Two other areas of the network with low chlorine residual have also been identified and site suitability is currently being assessed before

installation of additional chlorination units. Once these units have been commissioned, the chlorine in the network downstream will be monitored, allowing adjustments to optimise the disinfection barrier without impacting on the taste and odour of our customers water supply.

- c. We have had a slight increase in unplanned water supply interruptions due to some repeated failures shortly after repairs had been performed. This is generally indicative of poor structural condition of pipes, and these have been targeted for replacement on our ongoing renewal program.
- d. We have experienced a seasonal increase in blockage numbers which is normal, however we continue to target properties with repeated blockages for replacement or renewal on a prioritised basis.

Outcome 2: Warn me, inform me

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Percentage of customers notified per unplanned water supply interruption (for customers who have provided email/mobile details)	% of affected customers	Target		64%	68%	72%	76%	78%	80%
		Actual	60%	65%	79%	89.9%	94.2%		
b Average duration of unplanned water supply interruptions	minutes	Target		88	88	88	88	88	88
		Actual	87.7	84	82	81.6	81.1		
c Percentage of customer interruptions that are in peak hours	%	Target		28.0%	27.9%	27.8%	27.7%	27.6%	27.6%
		Actual	28.1%	28.9%	27.9%	26.4%	25.9%		
d Planned water interruptions restored within notification period	%	Target		98%	98%	98%	98%	98%	98%
		Actual	98%	98%	99%	98.8%	98.8%		

Overall outcome 2 performance for the regulatory period so far:



Business comment


Overall we consider our performance for outcome 2 to be green as all four of the target measures have been met and continue to improve year on year.

- Using a diverse range of communication channels has helped us to increase the number of ways we can keep our customers informed when their service is interrupted. Our website and social media channels are regularly used in addition to direct communication to our customers through email and SMS. During incidents including Silvan, Koo Wee Rup and Albert Park, where there was a direct impact on customers, we supported these channels through letterbox drops and door knocking to ensure the safety of our customers. We continue to strengthen our community relationships across our service area with stakeholders, local MP's, councils and community groups to build trust and improve communication should an issue occur.
- The length of time taken to repair failed water mains remains consistent with last quarters repair times. Our maintenance contractors are doing a good job performing repairs in a timely manner.
- The volume of repairs requiring shutdowns of the water supply system have been down in number this quarter with a corresponding decrease in the volume that occur within peak periods.

- d. We are continuing to closely monitor works associated with major projects where they are impacting our water network and ensure the work they are performing is manageable in the proposed shutdown period.

Outcome 3: Fair and affordable for all

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Operating cost per property (residential and non-residential).	\$2017-18 per property	Target		161	158	155	152	150	147
		Actual	161	158	161	160	NA	NA	NA
a Operating cost per property (residential and non-residential).	\$2017-18 per property	Target		161	158	155	152	150	147
		Actual			156	153	147		
b Customers supported by South East Water Assist program	No.	Target		5057	5310	5575	5854	6147	7147
		Actual	4557	5,298	5,485	6,599	5,839		
c Average level of debt upon entry to South East Water Assist program	\$2017-18	Target		925	875	825	800	800	800
		Actual	925	909	839	674	616		

Overall outcome 3 performance for the regulatory period so far: 

Business comment

Overall we consider our performance for outcome 3 to be green as two out of the three targets have exceeded target with the third just outside and within the tolerance band.

- a. With a change to accounting policy that now includes costs previously capitalised in this metric, we have introduced a revised measure for the 2020-21 year to show our true performance against the targets set under the previous policy. The results previously reported for the 2018-19 and 2019-20 years have been restated to exclude these costs and more accurately reflect our performance with the targets set in the 2018 submission and does not impact customer prices during this pricing period. The 2020-21 result is preliminary and pending final audit sign off and submission of regulatory accounts in October 2021.

- b. The year has seen a huge impact in the economy through phased restrictions within Victoria throughout the year. This impact is noticed across all customer segments and propensity to pay has gradually dropped. Throughout the year we have initiated proactive communications, campaigns and increased support services across all channels to help our customers in need. The volumes clearly show that the first half of the year had a huge increase in number of customers seeking all types of payment support due to job losses, business impacts and high water bills due to increased household occupancy. The second half of the year reflects how the economy started to bounce back with job opportunities, rebates, waivers, grants and government support. Customer's affordability and propensity to pay has slowly improved and the need to be in the program or seeking ongoing support has reduced. Our Assist team is constantly fine tuning our design principles and customer entry criteria to ensure we are inclusive in our approach and support offerings.
- c. Customer debt upon entry has been lower than expected, demonstrating that our eligibility criteria for the Assist program and our proactive outreach has successfully helped us identify customers who need support to help manage their bills.

Outcome 4: Make my experience better

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Customers satisfied (rating of 7 or above out of 10) via SEW's post-interaction survey	% of survey responses	Target		81%	81%	83%	83%	85%	85%
		Actual	81%	83%	89%	83%	84%		
b Customers who consider SEW provides value for money (rating of 7 or above out of 10) via SEW's post interaction survey	% of survey responses	Target		New	68%	69%	70%	71%	72%
		Actual	New	68%	74%	74%	73%		
c Total complaints per 100 customers	per 100 customers	Target		0.43	0.41	0.40	0.39	0.38	0.37
		Actual	0.36	0.27	0.32	0.42	0.58		

Overall outcome 4 performance for the regulatory period so far:



Business comment

Overall we consider our performance for outcome 4 to be amber as two out of the three targets have been met while the other is not met and is outside the tolerance band.

- a. Our overall Customer Satisfaction target was achieved predominately by strong results with our customers who've engaged with our Customer Contact Centre with a satisfaction score of 91 per cent. Satisfaction with our mySouthEastWater customer portal scored slightly lower this year due to a drop when we made changes to upgrade our website. Satisfaction has now improved since the website upgrade.
- b. Our customers continued to tell us that there's strong Value-for-Money in our Customer Contact Centre teams and the service they provide with a score of 78 per cent. Customers have indicated that they would like more Value-for-Money from our mySouthEastWater portal and how we manage Unplanned Water Supply Interruptions. As a result we're developing plans for improvements by notifying more customers before we turn the water off.
- c. This year we rolled our broader complaint definition and new reporting practices out to our Customer Contact Centre business and customer care groups. This initially resulted in more complaints being reported. We developed a database of information to help solve customer problems more easily and identify any process improvements.

Outcome 5: Support my community, protect my environment

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Total net CO2 emissions	tonnes CO2e	Target		40,410	37,385	38,049	28,969	28,609	29,690
		Actual	41,745	47,359	38,264	32,007	35,856		
b Number of EPA reportable sewer spills	No.	Target		20	20	20	20	20	20
		Actual	20	19	17	14	10		
c Percentage of customers in designated greenfield areas receiving recycled water (residential only)	% of customers connected	Target		47%	46%	46%	65%	78%	77%
		Actual	New	New	44%	58%	59%		
d Volume of recycled water as a percentage of total water supplied to designated greenfield areas	%	Target		12%	12%	14%	16%	18%	20%
		Actual	New	New	12%	13%	13%		

Overall outcome 5 performance for the regulatory period so far:



Business comment

Overall we consider our performance for outcome 5 to be amber as two of four measures have fallen outside the tolerance bands, one is within tolerance but below target and only one favourable against target.

- The emissions of 35,856 tCO₂e is an early estimate of the 2020-21 net total emissions. Although we missed this year's target, we're on track to meet our greenhouse gas emission 2024-25 target. There were commissioning delays for the Kiamal Solar Farm and our behind-the-meter solar projects at Pakenham and Somers Water Recycling Plants contributing to the higher Scope 2 than predicted, but these are now operational and will help to meet our future targets. We have also entered a large-scale generation certificates (LGC) contract to procure renewable energy in the grid from a local windfarm.
- In the last quarter we have had three additional sewer spills occur, but we finished the year well below target. We are continuing to roll out sensors and perform regular maintenance in our sewer network to avoid significant sewage spills. One of our Advanced BlokAid® devices alerted us to a sewer blockage and subsequent spill into Albert Park Lake and at St Kilda West Beach. The spill and impact to customers could have been significantly larger if the sensor had not detected an issue.

- c. Due to COVID-19 restrictions there have only been five months in the last year when we have been able to connect customers in urban areas to recycled water. Construction of all strategic recycled water connections continue as planned for 2021-22 and we believe the 77 per cent target is still on track, provided there are no excessive periods of lost time lost due additional COVID-19 lockdowns.
- d. Demand for recycled water reduced in 2020-21 due to the wetter than average weather experienced across our service area in summer and autumn as a result of La Nina conditions. Supply of recycled water was also impacted by having fewer customers connected in urban areas than planned (see comment c) above).