






In June 2023 the Essential Services Commission released its final decision on South Gippsland Water's price submission. The final decision completes our review of the maximum prices that South Gippsland Water may charge for its services for a five-year regulatory period from 1 July 2023 to 30 June 2028.

Snapshot

Bills	Tariffs	Outcomes
		
Typical annual residential owner occupier water and sewerage bills for 2023-24 will be \$1,265 (including inflation), a 9.6 per cent increase from \$1,154 in 2022-23.	South Gippsland Water's water tariff structure between fixed and volumetric, will remain unchanged for the period between 2023-28.	South Gippsland Water has refined its customer outcome commitments, strengthening its wastewater, environment, and integrity outcomes and measures for greater transparency and accountability. It will maintain Guaranteed Service Level commitments for customers and include an additional commitment for water quality.

Information about, our price review process, our draft decision and South Gippsland Water's price submission is available at www.esc.vic.gov.au/water-price-review-2023.

What are the changes to prices and tariffs?

A typical annual owner occupier water and sewerage bill for 2023-24 will be \$1,265 (including inflation), a 9.6 per cent increase from \$1,154 in 2022-23.

For the remaining four years of the price period, South Gippsland Water will increase its water and sewerage prices by 2.5 per cent in 2023-25, then 3.5 per cent per year over the remaining three years (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. Estimated typical bills for different customer groups and water volumes are below.

Typical water and sewerage bills (including inflation)

Customer Group	Average consumption (kL p.a.)	2022-23 annual bill	2023-24 annual bill
Residential (Owner occupier)	121	\$1,154	\$1,265
Residential (Tenant)	200	\$437	\$479
Non-residential	250	\$1,435	\$1,574

What are the outcomes for customers?

As part of its price submission, South Gippsland Water consulted with customers to develop a set of outcomes to guide service delivery during 2023 to 2028. South Gippsland Water worked with its customers to develop five outcomes, with measures and targets to track its performance.

South Gippsland Water's outcome commitments to its customers are:

- Reliability - plan for the future, be reliable and minimise unplanned interruptions to services
- Water - provide safe, clean drinking water
- Wastewater - safe wastewater service that contributes to the liveability of our communities
- Environment - be environmentally sustainable and adapt to a future impacted by climate variability
- Integrity - we will act with honesty, respect and strive to balance affordability, value-for-money and fairness.



In addition, South Gippsland Water will maintain Guaranteed Service Level commitments for customers and include an additional commitment for water quality.

South Gippsland Water will also:

- undertake projects to protect the environment and ensure that it continues to provide reliable services to its customers
- introduce new programs such as its co-payment scheme, to help re-engage with customers with outstanding payments and help them reduce debt.

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

(\$ million before inflation)

Project	Detail	Total
Renewal and upgrade of Venus Bay Outfall and Korumburra sewer network	These projects will help avoid wastewater spills, ensure compliance with environmental requirements and provide the regions two largest water customers with reliable wastewater services.	18.6
Lance Creek Water Treatment Plant Clear Water Storage	This project will construct an additional clear water storage at the Lance Creek Water Treatment Plant to increase system capacity and maintain reliability.	8.7
Wonthaggi Sewerage System upgrade	This project will upgrade four pumping stations and reconfigure existing sewer catchments, improving the Wonthaggi sewerage systems capacity. This will ensure the system will be able to meet current and future growth, and will protect the environment from spills.	7.0
Poowong, Loch and Nyora Water Infrastructure upgrade	Nyora and Poowong water distribution infrastructure will be upgraded to cater for growth.	5.9

This project will result in less low water pressure events and supply interruptions for customers.

Foster Wastewater Treatment Plant upgrade	This upgrade will improve treated effluent quality from the Foster Wastewater Treatment Plant, support re-use, assist protecting the environment and ensure compliance standards are met.	5.8
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How much revenue is required from 2023 to 2028?

Our final decision for South Gippsland Water allows operating expenditure of **\$128.5 million** and gross capital expenditure of **\$136.3 million** to provide its services to customers over the next five years. To fund this, South Gippsland Water requires **\$202.4 million** in revenue.

Got a question?

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