



Victoria's water businesses send us submissions on proposed prices and key outcomes for their customers. We assess the submissions and make price determinations on the maximum price they can charge for their services. New prices need to be in place by 1 July 2018.

### Snapshot

Bills	Tariffs	Outcomes
<p>Typical annual residential owner occupier water bills for 2018-19 will be \$1,006 before inflation, no change from 2017-18.</p> <p>In 2022-23 the typical annual bill is forecast to be \$1,043 (not including inflation).</p>	<p>Over 2018 to 2023, Barwon Water proposes to reduce its fixed water service charge and increase water volume charge for residential customers to provide greater control over bills.</p>	<p>Barwon Water has proposed new service standards and targets.</p> <p>It will report to customers annually on its performance and proposes to return money to customers if it does not meet its performance targets.</p>

Do you want to know the difference between bills and prices? For this and more information about our price review process and Barwon Water's price submission, go to <http://www.esc.vic.gov.au/waterpricereview>

### Send us your feedback on Barwon Water's proposal

Submitting your feedback to Barwon Water's price submission by **10 November 2017** will help us prepare for the release of our draft decision.

Any feedback submitted after this date will still be considered as part of our consultation process. Send your feedback to [water@esc.vic.gov.au](mailto:water@esc.vic.gov.au) or call (03) 9032 1300.



## What are the changes to prices and tariffs?

Overall proposed prices for Barwon Water customers will **go down**. Barwon Water has proposed to hold non-residential prices at inflation and to change its residential tariffs (not including inflation) through a combination of:

- reducing the water volume charge by 16.6 per cent in 2018-19, then gradually increase it over the following four years, until it returns to the same level as in 2017-18
- reducing the fixed water service charge by 25 per cent over the next five years
- maintaining the sewerage service charge at the same level for the next five years
- introducing a Transitional Rebate Adjustment scheme for tenants.

## 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. Barwon Water provided us with typical bills for different customer groups and water volumes.

### Typical water and sewerage bills (not including inflation)

Customer group	Average consumption (kL p.a.)	2017-18 annual bill	2018-19 annual bill	2022-23 annual bill
Residential (Owner occupier)	160	\$1,006*	\$1,006	\$1,043
Residential (Tenant)	160	\$281*	\$281	\$318
Non-residential (Small)	300	\$1,719	\$1,719	\$1,719
Non-residential (Medium)	3,000	\$12,635	\$12,635	\$12,635
Non-residential (Large)	50,000	\$202,643	\$202,643	\$202,643

\*includes a government rebate

## What are the outcomes for customers?

As part of their price submission, water businesses must propose a set of outcomes that customers will receive during 2018 to 2023. Barwon Water proposed five outcomes along with activities and targets to monitor how it performs in delivering these outcomes.

Barwon Water has proposed new service standards and higher targets along with a performance incentive scheme that will see it pass money back to customers where it does not meet targets.





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

(\$ million before inflation)

Project	Detail	Total
Property Realisation (Scenic Rd Highton)	This project proposes to improve Barwon Water's operational efficiency by rehabilitating, and preparing for sale, properties it no longer uses.	12.9
Colac Pipeline Upgrade	To deliver on Barwon Water's aim to deliver reliable and secure water, Barwon Water will upgrade the Colac pipeline.	6.3
Colac Water Treatment Plant Clear Water Storage Upgrade	This project will increase the capacity of existing water storage at the Colac Water Treatment Plant.	6.1
Gellibrand Water Treatment Plant Upgrade	This project will improve quality of the water produced at the Gellibrand Water Treatment Plant and improve reliability of the plant.	5.1

## How much revenue is required from 2018 to 2023?

We require each business to tell us what revenue it will require for the next five years. This helps us understand how Barwon Water calculated the prices in its submission.

Barwon Water forecasts that it needs **\$496 million** of operating expenditure and **\$329 million** of capital expenditure to provide its services to customers over the next five years.

To fund this it requires **\$987 million in revenue**, an **increase** from the \$965 million required during 2013 to 2018. This projected increase will not increase prices in the next five years because of growth in population and because Barwon Water will reduce its operating and capital expenditure compared to previous years, and made efficiencies in the way it runs its business.

## Got a question?

[View our contact details](#) and follow us on [LinkedIn](#) and [Twitter](#).

