

## Barwon 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 2018-19 to 2021-22 reporting years. 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. A reliable, secure water future for our region	Green	Yellow	Yellow	Yellow	Grey
2. Timely, innovative services for our customers	Green	Green	Green	Green	Grey
3. A healthier environment for all	Green	Yellow	Green	Yellow	Grey
4. Deeper knowledge and partnerships with our community	Green	Green	Green	Green	Grey
5. Affordability for all of our customers	Green	Green	Green	Green	Grey
Overall	Green	Green	Green	Green	Grey

## Business comments

With our customers in mind, we set ambitious targets for ourselves and in 2021-22 we met 26 of our 33 measures and are continuing to manage our performance to ensure we achieve all outcomes by the end of the regulatory period (30 June 2023).

Supporting customers remains our priority, which is why we committed an extra \$2.5 million over the life of the five year price period to help customers in hardship. We also committed an extra \$2.5 million to help customers with water efficiency initiatives including identifying and reducing leaks which is not only good for the environment but also helps keeps bills down.

## Performance engagement

We felt it was important to test our assumptions about our performance with our independent Customer Advisory Committee (CAC). We met with them in June 2022 to share the progress of our top 10 capital works programs. Following the meeting, we invited members to provide feedback on our performance, using our self-rating which they confirmed in 2021, for each outcome. In July 2022, the committee members completed a short survey which has helped inform our final outcome ratings.

The CAC were positive about Barwon Water's performance in 2021-22. Building on their feedback provided for the Year 3 performance scorecard stating more flexibility is required in the targets, many members felt Barwon Water should be green across 4 out of 5 outcomes ("Amber" for Outcome 1). We presented our updated assessment based on CAC feedback to our Board in August 2022. We are pleased to report green as our overall performance.

## Our priorities

Barwon Water exists to deliver essential water and sewerage services, while ensuring the health, wellbeing and safety of our community and employees.

During 2021-22, we continued our positive performance across all five customers' outcomes. In particular our focus areas included:

- providing timely, innovative services for our customers through dedicated efforts to improve customer experience including evolving our Voice of Customer program
- strengthening our Customer Support Program and ensured continued, meaningful and genuine community engagement was conducted to understand customers changing needs
- investigating and establishing new projects to contribute to producing electricity from renewable sources. This further supports our 'total greenhouse emissions produced (CO<sub>2</sub>e)' targets which remain on track to be met by the end of the regulatory period (June 2023)


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- prompt and vigilant responses to EPA licence conditions. No adverse impacts to public health were had in relation to the two non-compliances. More detail is provided in the Outcome 1 section below
- strong focus on delivering COVIDSafe plans for unplanned and planned service interruptions. Methodologies were continually revised to ensure compliance for public safety was upheld at all points, despite lengthier works times

Further details for our performance are outlined in the following pages.

**Outcome 1: A reliable, secure water future for our region**

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Volume of recycled water allocated for productive use by 2022-23	ML	Target	–	2,600	2,700	3,100	3,200	3,400	3,600
		Actual	2,600	2,600	2,606	3,140	3,239	3,348	
b Number of non-compliances with EPA License conditions	No.	Target	–	0	0	0	0	0	0
		Actual	0	0	1	3	1	2	
c Number of Safe Drinking Water Act non-compliances (water sampling and audit)	No.	Target	–	0	0	0	0	0	0
		Actual	1	0	1	0	2	0	
d Number of non-compliances with bulk entitlement and licence conditions	No.	Target	–	0	0	0	0	0	0
		Actual	0	0	0	0	0	0	
e Percentage of time water restrictions are in place	Percentage of time	Target	–	<5%	<5%	<5%	<5%	<5%	<5%
		Actual	0	0	0.4%	0.4%	0.3%	0.3%	

Overall outcome 1 performance for the regulatory period so far: 

**Business comment**

Our Outcome 1 performance was strong in all but two measures. Our Customer Advisory Committees and our Board supported this assessment and therefore our overall **assessment for this outcome is amber**.

During year 4, were unable to meet two targets:

- Our volume of recycled water allocated for productive use was increased through a number of initiatives including partnering with Deakin University at Waurn Ponds, Portarlington Road customers on the Bellarine, and Barwon Park at Winchelsea (1a). Although the end of year result was just below our 4th year target, we remain confident that we will meet the targets by the end of this regulatory period.
- We failed to comply with two of the EPA licence conditions. The two non-compliances relate to a single event, which occurred at the Black Rock Water Reclamation Plant. Programming maintenance works on the plants control system caused a decanter failure and resulted in two breaches of licence conditions, the discharge of partially treated wastewater and a delayed notification of the event to the EPA. An investigation was completed and corrective actions have been implemented to prevent reoccurrence (1b).  
Note, the total number of EPA licence conditions across all sites is 122.

We performed strongly with improvements across all other measures:

- We were fully compliant with Safe Drinking Water Act (water sampling and audit) (1c).
- We were fully compliant with bulk entitlement and licence conditions (1d).
- Our customers did not experience any time under water restrictions (1e). Close system monitoring and short to medium term forecasting of system storage levels provides early warning of declining storage levels and requirement for implementation of short-term contingency measures which ensures security of supply. Longer-term modelling and planning processes ensures requirements for long-term system augmentations are identified to provide security of supply.

## Outcome 2: Timely, innovative services for our customers

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Number of customers who receive e-billing	Number of customers	Target	–	17,500	20,500	28,000	38,000	51,000	54,000
		Actual	14,500	20,587	45,372	60,914	66,613	90,896	
b Modify customer survey to capture first-point-resolution rate through the Customer Centre and collect initial data to set a target	Met / not met	Target	–	NA	NA	Met	NA	NA	NA
		Actual	NA	NA	NA	Met	NA	NA	
c Customers who are able to receive communications via SMS	Percentage	Target	–	64%	66%	68%	70%	73%	75%
		Actual	62%	61%	67%	70%	73%	76%	
d Customer 'ease of doing business' with BW (survey respondents giving 9 or 10 out of 10)	Percentage of customers surveyed	Target	–	78%	79%	80%	81%	83%	85%
		Actual	77%	78.3%	83%	81%	82%	82%	
e Customers who have an unplanned water supply interruption have their water back on within 5 hours	Percentage	Target	–	97%	97%	97%	97%	97%	97%
		Actual	96.5%	96.6%	96.8%	97.3%	93.4%	95.0%	
f Customers who have a planned water supply interruption have their water back on within 5 hours	Percentage	Target	–	85%	85%	85%	85%	85%	85%
		Actual	85%	91.6%	91.7%	92.3%	95.4%	95.7%	
g Number of customers who have more than five unplanned water supply interruptions in the year	Number of customers	Target	–	100	100	100	100	100	100
		Actual	1	0	0	0	0	0	

h	Number of customers who have more than two sewer spills to their property in a year	Number of customers	Target	–	1	1	1	1	1	1
			Actual	1	0	2	0	0	0	
i	Customer satisfaction with the overall quality of drinking water (survey respondents answering "Satisfied" or "Extremely Satisfied")	Percentage of customers surveyed	Target	–	85%	85%	85%	85%	85%	85%
			Actual	85%	NA	Tracking methodology to be developed	85%	85%	90%	
j	Water quality complaints	Number per 1,000 customers	Target	–	3	3	3	3	3	3
			Actual	3	0.08	1.11	1.22	1.42	1.15	
k	Complaints to Energy Water Ombudsman Victoria	Number per 1,000 customers	Target	–	0.65	0.65	0.65	0.65	0.65	0.65
			Actual	0.05	0.04	0.28	0.26	0.12	0.07	
l	Customer survey respondent agreed their query was resolved at first point of contact at customer centre	Percentage of survey respondents	Target		NA	NA	82%	82%	82%	82%
			Actual		NA	NA	89%	86%	86%	

Overall outcome 2 performance for the regulatory period so far:



## Business comment

Our Outcome 2 performance was strong and met all but two of the targets. Our Customer Committees and our Board supported this assessment and therefore rated our overall **assessment for this outcome is green**.

During year 4, we were unable to meet two targets:

- Customers who have an unplanned water supply interruption to have their water back on within 5 hours. Out of 601 water interruptions, 30 exceeded the five hour duration primarily due to two key factors:
  1. an increased safety focus, including additional checks when performing ground penetration and the implementation of COVIDSafe plans and social distancing precautions; or
  2. external contractor planned jobs exceeding their planned duration (2e).

Barwon Asset Solutions (BAS) and Barwon Water have been working on a range of improvement initiatives to improve performance against this target.

- Customer 'ease of doing business' fell slightly short of target. Recent performance has been affected by a combination of factors including pandemic-related unplanned leave creating service backlog (in various technical areas), new staff gaining proficiency while working remotely in accordance with Government guidelines, customer referrals between teams, customer notifications, and survey distribution. A comprehensive response plan is currently being implemented (2d).

We achieved positive performance which included:

- Continued increase in customers who receive e-billing, building on the work from year 1 and an improvement in a range of initiatives to encourage conversion for those customers we have an email address for but have not yet switched to e-bills (2a).
- Establishing a target for capturing first-point-resolution at our Customer Centre after two years of data collection. We set a target of 82% for 2020-21 and for each subsequent year (2b and 2l).
- Capturing mobile phone numbers during all customer channels including calls and written correspondence to contribute to us meeting our target for customers who are able to receive communications via SMS (2c).
- Improvement in our target for customers who have a planned water supply interruption to have their water back on within 5 hours (2f).
- The system of alerts introduced in 2019-20 for multiple instances of water interruptions and sewer spills has meant we are able to proactively manage any at risk customers (2g,h).
- The customer satisfaction measure for the overall quality of drinking water favourable to target in the biennial National Customer Perceptions Study conducted by WSAA, surveyed in 2021 (2i).



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- Barwon Water has met our water quality and Ombudsman complaint targets. The number of water quality complaints received in 2021-22 was well below target (2j). The number of Ombudsman complaints reduced throughout 2021-22, with 13 referrals this year, to record low levels in this period (2k).

### Outcome 3: A healthier environment for all

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Total greenhouse emissions produced (CO <sub>2</sub> e)	tCO <sub>2</sub> e	Target	–	40,195	39,811	35,659	30,904	29,627	28,742
		Actual	42,986	39,505	43,238	44,259	30,082	28,166	
b Proportion of electricity from renewable sources	Percentage	Target	–	2%	5%	18%	34%	39%	43%
		Actual	0%	5%	5.6%	10.6%	28.7%	36.1%	
c Biosolids mass re-used	Percentage	Target	–	100%	100%	100%	100%	100%	100%
		Actual	100%	100%	100%	100%	100%	100%	
d 'Unaccounted for' water	Percentage	Target	–	9%	9%	9%	9%	9%	9%
		Actual	9%	9%	7.12%	5.68%	6.35%	7.05%	
e Development of a tool for tracking of industrial waste recycled from BW operations and collection of initial data – by June 2020, with targets for subsequent years to be established	Met /not met	Target	–	NA	On-track	Met	NA	NA	NA
		Actual	NA	NA	On-track	Met (targets established)	NA	NA	
f Undertake research into water treatment sludge re-use options	Project status	Target	–	NA	On-track	On-track	On-track	Complete	NA
		Actual	NA	NA	On-track	On-track	On-track	70%	
g Construct and commission works for waste to energy capture	Project status	Target	–	On-track	On-track	On-track	On-track	Complete	NA
		Actual	NA	On-track	On-track	On-track	Complete	Complete	

h Industrial waste sent to landfill	Percentage	Target	–	–	–	–	44%	42%	37%
		Actual	NA	NA	NA	NA	35%	25%	

Overall outcome 3 performance for the regulatory period so far:



### Business comment

Our Outcome 3 performance was strong and met all but two of the targets. Our Customer Committees and our Board supported this assessment and therefore rated our overall **assessment for this outcome is amber**.

During year 4, we were unable to meet two targets:

- Proportion of electricity from renewable sources. Less-than projected generation was experienced in both the Zero Emissions Water (ZEW) Power Purchase Agreement (PPA) with the Kiamal solar farm, which experienced several unplanned outages, and the Colac WRP biogas cogen which had a biogas scrubber issue (3b). Although the end of year result was just below our 4th year target, we remain confident that the target will be met by the end of this regulatory period.
- Research into water treatment sludge re-use options. Research extended by 12 months due to delays associated with Covid (e.g. lack of laboratory access, inability to travel to sites to collect samples, etc) (3f).

We made positive steps to deliver a healthier environment for all which included:

- Total greenhouse emissions produced (CO2e) reduced further compared to last year’s result, primarily a result of increased renewable electricity supply and reduced electricity consumption (3a).
- All biosolids produced continue to be re-used through the Biosolids Management Project, delivering a sustainable program for the treatment and beneficial re-use of the biosolids across Barwon Water reclamation plants (3c).
- Continued implementation of programs including maintenance of closed distribution networks, the mains replacement program, pressure management programs and low flow system monitoring. These have supported our increased focus on response times and preventative work around burst water mains, reducing our ‘unaccounted for’ water (3d).
- Establishing industrial waste to landfill targets to meet our overall zero waste target by 2030 by measuring the per cent of industrial waste to landfill, with a steady reduction year on year. We will first focus on wastes that can be re-used and recycled, such as concrete, clean soil (dry)


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and drilling mud / hydro slurry. In these targets, wastes that currently do not have the technology to process them for re-use or recycle, such as asbestos, screenings sludge, and sewer pipeline cleaning waste have not been included (3e and 3h).

- The construction and commissioning of the Colac biogas waste to energy plant (3g).

**Outcome 4: Deeper knowledge and partnerships with our community**

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Stakeholder perceptions (large customers / regional stakeholders / strategic partnerships)	Percentage net positive	Target	NA	NA	NA	75%	80%	85%	90%
		Actual	NA	NA	NA	84%	86%	86%	
b Residential per capita water consumption (annual average)	Litres/person /day	Target	–	NA	Set target	207	205	203	201
		Actual	202	208	218	203	205	199	
c New community green / open space provided using existing BW land (cumulative total across regulatory period)	Hectares	Target	–	0	4	8	12	16	20
		Actual	0	2	5	59	61	63	
d Social media engagement (Twitter, Facebook, Instagram and LinkedIn) – posts served to customers' feeds	Number of impressions per year	Target	–	960,000	960,000	1,991,000	2,050,000	2,092,000	2,133,000
		Actual	960,000	2,242,424	2,043,809	3,638,432	7,076,697	10,847,836	
e Gender balance in senior leadership team	Percentage men: percentage women	Target	–	50:50	50:50	50:50	50:50	50:50	50:50
		Actual	62:38	47:53	54:46	50:50	47:53	45:55	

Overall outcome 4 performance for the regulatory period so far: 

**Business comment**

Our Outcome 4 performance was exceptional with all targets met and with improvements across all measures. Our Customer Committees and our Board supported this assessment and therefore rated our overall **assessment for this outcome is green**.

We performed strongly across all targets including:


- Leveraging existing community and stakeholder engagement underway to support the development of the 2023 Price Submission. The key customer and stakeholder perception surveys were combined and included as a question in our 2023 Price Submission online survey which was issued to the same respondents (4a).
- Continued focus on water efficiency and despite a slightly wetter climate, our Water Assist audits contribute to the steady residential per capita water consumption (annual average) and our target being achieved (4b).
- The provision of new community green / open space using existing Barwon Water land. The 54ha of land at Bostock reservoir was transferred to the Wadawurrung Traditional Owner Aboriginal Corporation in mid-2019, enabling the Wadawurrung traditional owner community to use the land and contributing to our overall target. Our 2022-23 target is 20ha and we are pleased to have met our final year target earlier than anticipated (4c).
- Social media reach continues to perform very well across a number of platforms, with more than 10 million impressions. This is largely attributed to the targeted promotion of key programs and projects, particularly in the customer support space. Given the financial stresses placed on customers and businesses throughout the pandemic, this financial year we prioritised raising awareness of our concessions, support and payments assistance options for vulnerable customers. (4d).
- Barwon Water's senior leadership positions have marginally more women at the end of 2021-22 with the turnover at the senior leadership remaining quite stable (4e).

## Outcome 5: Affordability for all of our customers

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Customers who receive a grant (rebate bill credit) from Arrange & Save payment incentive program. (Total per year)*	Number of customers	Target	–	1,200	1,250	1,300	1,350	1,450	1,500
		Actual	1,150	1,278	1,588	1,827	3,099	3,171	
b Dollar benefit from continuous improvement activities	\$ 2017-18 million	Target	–	NA	\$4	\$7	\$11	\$16	\$19
		Actual	NA	NA	\$6.1	\$14.6	\$23.9	\$25.2	
c** Capital works program on budget (+/- 10% tolerance, \$ 2017-18) cumulative**	\$ 2017-18 million	Target	–	\$82.2	\$86.0	\$165.1	\$222.7	\$273.1	\$328.6
		Actual	\$82.20	\$66.4	\$79.5	\$154.7	\$217.1	266.5	
d Controllable opex / property (\$ 2017-18)	\$ 2017-18	Target	–	682	\$681	\$664	\$652	\$644	\$629
		Actual	682	640	\$662	\$665	\$636	\$675	
e Affordability measure – average customer residential bill as percentage of region's median wage	Percentage	Target	–	NA	Set target	<2%	<2%	<2%	<2%
		Actual	NA	NA	Target set	1.9%	1.9%	1.9%	

\* It should be noted that this measure has been renamed since our 2018 Price Submission where it was called 'Number of customers engaged and supported through Barwon Water's hardship payment plans'.

\*\* The capital works program has been modified from a yearly measure to a cumulative measure based on community feedback.

Overall outcome 5 performance for the regulatory period so far: 

### Business comment

Our Outcome 3 performance was strong and met all but one target. Our Customer Committees and our Board supported this assessment and therefore rated our overall **assessment for this outcome is green**.

During year 4, we were unable to meet one target.

- Controllable opex / property. The increase in operating expenditure is mainly attributable to water security for our region, safety expenditure and compliance costs (5d).

Our strong performance for 'affordability for all of our customers' included:

- Performing above target on the number of hardship payment plans achieving customer grants. All customer contact teams are showing consistent results in identifying and encouraging eligible customers onto support payment plans through proactive and empathetic outbound calling (5a).
- Delivering on savings and creating new revenue as part of our Customer Affordability Pipeline (CAP) program. The program continues to deliver efficiency and improvement activities to meet one of the most ambitious productivity hurdles proposed in the 2018 Victorian Price Submissions (5b).
- Capital works program on budget (+/- 10% tolerance, \$2017-18) cumulative is only two percent below target (5c).
- Barwon Water's 2018 Price Submission price path continues to keep the regions average customer bill below 2% of the median household income resulting in the affordability measure - average customer residential bill as percentage of region's median wage being met (5e).