

29 August 2024

Lucy Idle
Manager, Customer and Engagement
Price Monitoring and Regulation Division
Essential Services Commission
water.compliance@esc.vic.gov.au

Hi Lucy,

GUIDELINES ON SELF-REPORTING NON-COMPLIANCE

Thank you for your correspondence of 14 August 2024 regarding the Commission's draft decision paper on self-reporting non-compliance with the Water Industry Standards.

Westernport Water has reviewed the draft guidance for self-reporting and appreciates the clarity that has been provided in relation to material adverse impact, in particular the level of harm and how widespread the effects of the non-compliance are. The case studies are also helpful to understand how these definitions can be applied.

Our staff have highlighted two potential areas of improvement the Commission may want to consider in the guidelines:

- **Interaction with other reporting requirements.** This section states that "Where potential or actual non-compliance with an applicable Water Industry Standard may have a material adverse impact, the matter must be reported to the commission regardless of whether there is a separate reporting obligation to another entity"... it goes on to say in an untreated water supply case study ... "While the water business may not be fully satisfied that this event is non-compliant with the Water Industry Standards, as a widespread event affecting many customers across multiple suburbs, this potential non-compliance with the Water Industry Standards should be reported to the commission."

It would be helpful in the above to provide the relevant clause in the Water Industry Standard that this relates to, otherwise it infers that it's reportable due to the widespread nature of the event. The use of the word 'potential' is also confusing due to the prolonged nature of the example.

- **Commission's role and response.** Quite rightly, the guidelines focus on the role and responsibilities of water corporations. However, it would be helpful to better understand how the Commission will use and respond to the self-reporting. For example, can we expect to receive an acknowledgement of receipt? How will the Commission seek to use the information?

Our areas of feedback are relatively minor. Congratulations on undertaking a consultative approach to the development of the guidelines. Sadly, Westernport Water representatives are unable to attend the planned workshop due to a conflict with our September Board meeting. I wish you the best of luck for a productive workshop.

Regards,



Gareth Kennedy
General Manager, Corporate & Customer