



Water Performance Report 2022–23

Performance of Victorian Urban Water and Sewerage Businesses

12 December 2023



Acknowledgement

We acknowledge the Traditional Owners of the lands and waterways on which we work and live.

We acknowledge all Aboriginal and Torres Strait Islander communities, and pay our respects to Elders past and present.

As the First Peoples of this land, belonging to the world's oldest living cultures, we recognise and value their knowledge, and ongoing role in shaping and enriching the story of Victoria.

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From the chairperson



Victorians faced several challenges in 2022-23. Cost-of-living pressures continued while severe flooding in spring 2022 impacted many communities in northern and central Victoria.

Our *Water Performance Report 2022-23* indicates that Victoria's water businesses maintained a strong focus on supporting their customers and community.

More customers received hardship grants, state government Utility Relief Grants and had concessions applied to their water accounts as water businesses provided assistance to customers experiencing payment difficulty. For the third consecutive year, there were no water restrictions applied to households by water businesses for non-payment of bills. The number of customers on

payment instalment plans also rose slightly in 2022-23.

Our 2023 review of the [family violence provisions](#) in the Water Industry Standards found that many businesses have successful approaches in place to meet their obligations to provide assistance to customers affected by family violence. However, there are still process and service improvements to be made which can increase protections and remove the barriers to support for water customers who may be experiencing vulnerability. For example, it is concerning that a victim of family violence may have their new address disclosed to a perpetrator because of a failure by a water business to secure their account details.

We saw a strong customer-focused response by water businesses to the flood events of 2022-23.

Businesses including Goulburn Valley Water, Coliban Water and Lower Murray Water placed customer impacts at the forefront of their decision making. This involved not only looking to maintain and restore critical services, but also communicating with communities so they were informed about the status of services and available support.

We acknowledge the efforts of these businesses – and the Victorian water sector – for providing support to critically affected businesses and communities.

More broadly, Victoria’s urban water customer base has now grown to just over three million connections.

Some key indicators of service performance, such as water and sewer network reliability, improved in 2022-23, indicating continued good levels of service overall. And despite a 5 percent inflation increase, the typical household bill fell on average, mainly due to lower water consumption in metropolitan Melbourne and across most parts of the state.

While we consider these outcomes show customers continue to receive good value from their water business, an ongoing focus on customers and demonstrating the delivery of value to them is even more important as cost-of-living pressures continue into 2023-24.

Kate Symons

Chairperson

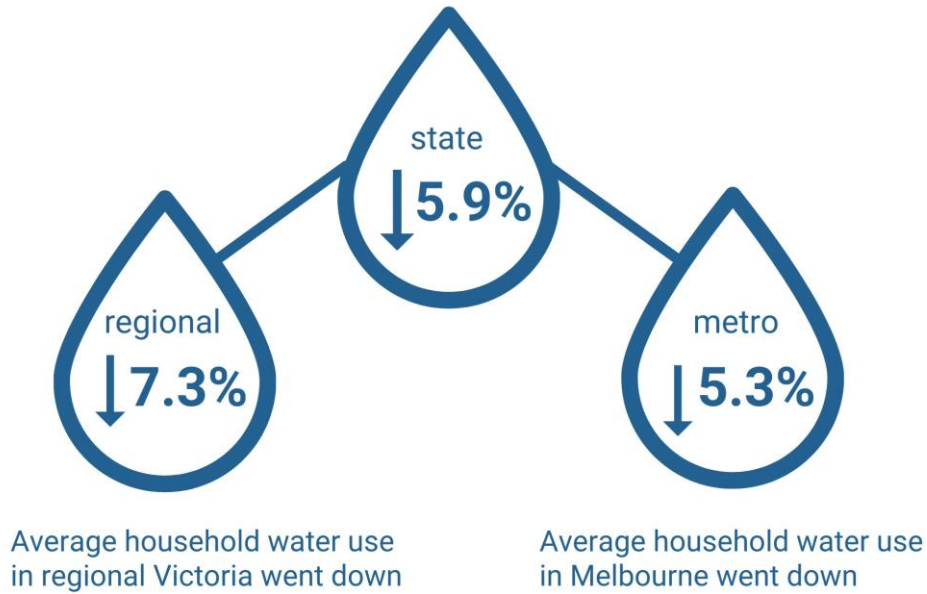
Essential Services Commission

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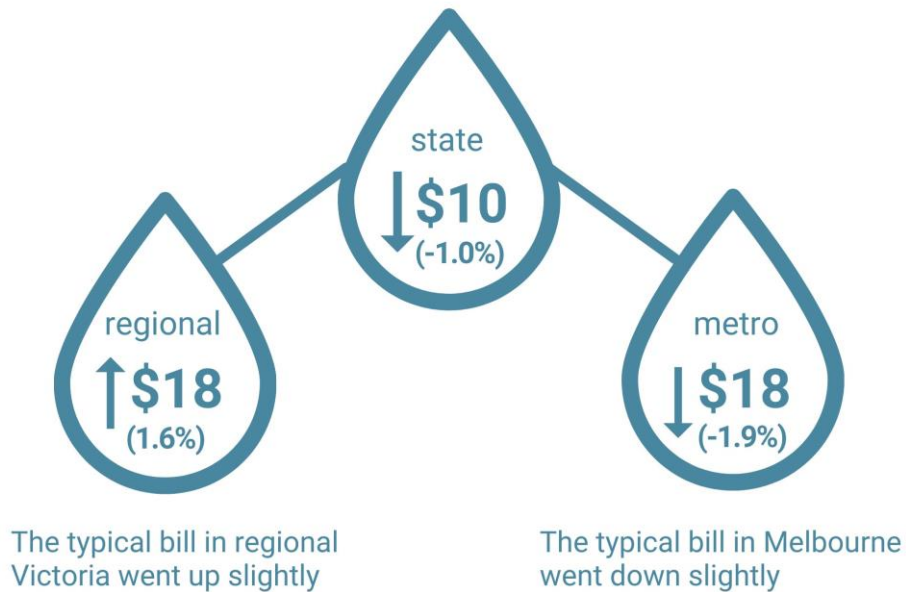
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Key changes from 2021-22 to 2022-23

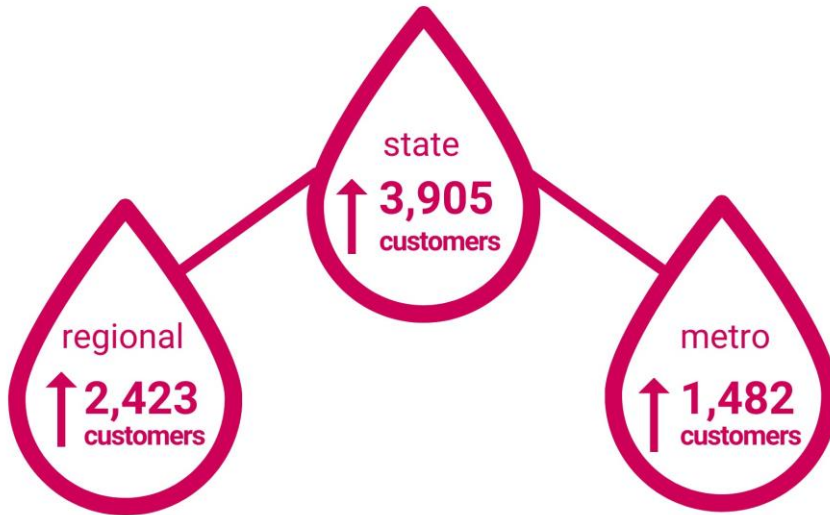
Victorians used less water



Typical bills down slightly in metro Melbourne, up slightly in regional Victoria



More customers received hardship grants from their water business to help pay their water bills



7,366 regional customers received hardship grants

11,992 Melbourne customers received hardship grants

Two businesses initiated legal action for unpaid water bills, while businesses have not applied any new water supply restrictions



In 2022-23 there were no new restrictions



In 2022-23 legal action was initiated against 38 customers, this compares to 14 customers in 2021-22

Monitoring performance

Victoria's 15 urban water businesses operate across a range of geographic, environmental and social conditions. The Essential Services Commission reports on the Victorian urban water sector's performance, both as a whole and as individual businesses.

We compare each water business in the areas of customer bills, household water use, and other key service measures such as customer experience.

The *Water Performance Report 2022-23* is just one of the ways we report on the sector. This report should be read in conjunction with:

- [water business outcome reports](#)
- [quarterly customer survey reporting](#)

Water business outcomes reports

Our outcomes reporting drives improvements to ensure better outcomes for water customers. It is tailored to the commitments each water business makes under our outcomes reporting framework.

Quarterly customer survey reporting

Our quarterly customer survey reporting measures customer satisfaction in four areas:

- value for money
- reputation in the community
- level of trust
- overall satisfaction.

What we found in 2022–23

Businesses continued to support customers experiencing vulnerability

In 2022-23, customers have been impacted by increased cost-of-living pressures and flooding in parts of the state. The support provided by water businesses is evident through the rise in the number of customers receiving hardship grants, state government-funded Utility Relief Grants, and flexible payment plans. Additionally, more residential customers have received concessions on their water accounts.

The typical Victorian residential water customer

In 2022-23, a typical Victorian residential water customer:

- **Used less water**

Average statewide household water use fell by 9 kilolitres (6 per cent) to 145 kilolitres, the second lowest recorded since our reporting commenced in 2004-05. This reflects a relatively wet year.¹ (See Section 1.2.)

- **In metropolitan Victoria received lower bills**

The typical annual bill decreased by \$18 to \$944 for Melbourne owner occupiers and by \$22 to \$465 for Melbourne tenants. Lower household water use and relatively flat prices contributed to the decrease in the typical bill for Melbourne customers. This decrease in bills is despite a 5 per cent increase in inflation. (See Section 1.3.)

- **In regional Victoria received higher bills if they were an owner occupier but lower bills if they were a tenant**

The typical bill for owner occupiers in regional Victoria increased by \$18, to \$1,124. For tenants in regional Victoria, the typical annual bill fell by \$7 to \$306. (See Section 1.3.)

- **Received support if experiencing payment difficulties**

Efforts by water businesses to support customers continued in 2022-23. More customers received hardship grants from their water business, increasing by 25 per cent compared to the previous year. More customers also received the state government-funded Utility Relief Grant with an increase of 16 per cent compared to the previous year and equating to \$9.1 million in water bill relief for Victorian customers. Slightly more customers were on flexible payment plans (a 2 per cent increase from the previous year), and the number of residential customers with concessions applied to their water account increased by one per cent, totalling 24 per cent statewide. (See Sections 0 and 1.7.)

¹ 'Victoria in 2022: fifth-wettest year on record, very warm nights', Bureau of Meteorology (2023), available at: [Victoria in 2022 \(bom.gov.au\)](https://www.bom.gov.au), accessed 10 November 2023.

- **Showed a slight decrease in satisfaction with their water business**

Our customer surveys revealed that the average customer ratings of water businesses have fallen slightly in all four survey areas compared to last year (see Section 2.2). The Victorian water sector's overall score in a customer service benchmarking study was one percentage point lower compared to the previous year. (See Section 2.3.)

- **Experienced fewer water supply interruptions**

Water networks were more reliable with a decrease in average customer 'minutes off supply' across the state. Sewer network reliability also improved with a decline in blockages and spills. (See Chapter 3.)

Victoria's urban water customer base has grown to just over three million connections, and customers continue to receive good service from their water businesses.

Why we report on performance

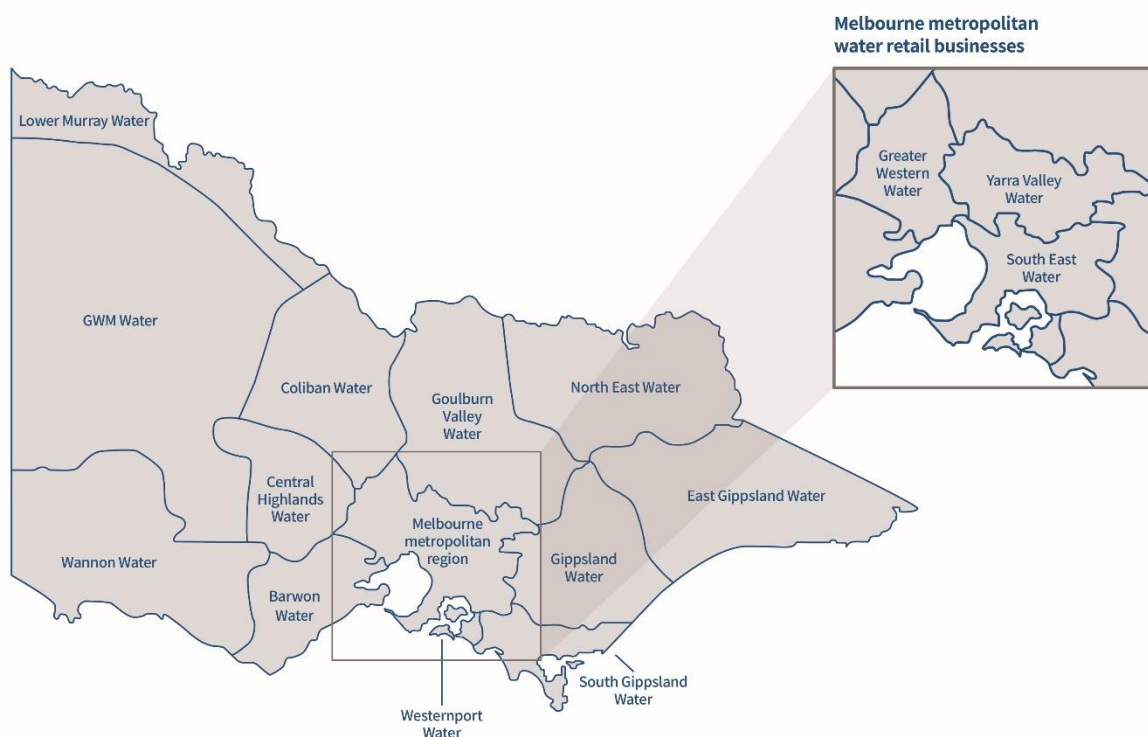
The Water Industry Regulatory Order 2014 (WIRO) requires the Essential Services Commission to monitor and report publicly on water sector performance. This report covers specific performance indicators of the 15 Victorian urban water businesses over a five-year period with attention given to their performance in 2022-23.²

For each business we compare these indicators against:

- other businesses
- its own performance over time.

Figure A shows the 15 urban water business boundaries and the Melbourne metropolitan region.

Figure A: Victorian urban water businesses in 2022-23



² Clause 18 of the Water Industry Regulatory Order 2014.

City West Water and Western Water merged on 1 July 2021 to form Greater Western Water. This report presents the second year's performance of the combined Greater Western Water business. In our 2021-22 report, we first merged City West Water and Western Water's historical data to form Greater Western Water's equivalent historical data.

Rural water businesses are excluded from this report, as well as the rural activities of GWMWater and Lower Murray Water, which provide both urban and rural services.

Figure A shows the 15 urban water business boundaries and the Melbourne metropolitan region.

Water business performance reporting:

- helps guide discussions between water businesses and their customers about service priorities and performance targets
- allows comparison between water businesses on service standards
- informs the decision-making processes of water businesses, regulatory agencies and the Victorian Government.

Water business customers

Table A shows the number of urban water and sewerage customers that each of the water businesses serviced in 2022-23, as well as the total numbers of customers in metropolitan Melbourne, regional Victoria and statewide.

In addition to a 2.4 per cent increase in population in Victoria in 2022-23, there were 50,148 more water customer connections.³ This is about a 1.7 per cent increase compared to the previous year.

³ 'National, state and territory population: Statistics about the population and components of change (birth, deaths, migration) for Australia and its states and territories', Australian Bureau of Statistics (2023), available at: <https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/latest-release#states-and-territories>, accessed 19 October 2023.

Table A Urban water and sewerage customers in 2022-23

	All water customers	Residential water customers	Non-residential water customers	Sewerage customers
Greater Western	615,619	568,267	47,352	606,004
South East	824,097	761,533	62,564	799,481
Yarra Valley	879,124	818,154	60,970	821,504
Barwon	178,505	165,419	13,086	162,729
Central Highlands	78,173	72,178	5,995	68,039
Coliban	80,865	73,795	7,070	73,856
East Gippsland	25,559	22,592	2,967	21,140
Gippsland	75,662	69,548	6,114	68,092
Goulburn Valley	63,110	56,569	6,541	55,829
GWMWater	32,465	27,774	4,691	26,346
Lower Murray	35,289	31,358	3,931	30,802
North East	55,273	50,445	4,828	50,689
South Gippsland	22,104	18,952	3,152	19,622
Wannon	44,844	38,346	6,498	38,526
Westernport	18,337	17,207	1,130	16,883
Metro total	2,318,840	2,147,954	170,886	2,226,989
Regional total	710,186	644,183	66,003	632,553
Statewide total	3,029,026	2,792,137	236,889	2,859,542

Our pricing framework

The PREMO framework – Performance, Risk, Engagement, Management and Outcomes – provides incentives for water businesses to deliver better value to customers and holds them accountable for delivering on their commitments. Our outcomes reporting tracks how each business has assessed its performance against its outcome commitments made to customers at its last price review. For 14 Victorian water businesses, the 2022-23 year marks the fifth and final year in the current outcomes reporting cycle under the PREMO framework. All outcome reports can be accessed on our [website](#).

Water price reviews

We have completed our water price review of 14 Victorian water businesses, and approved maximum prices they may charge from 1 July 2023.⁴

We are currently reviewing submissions from Goulburn-Murray Water and Greater Western Water on their proposed prices and key service outcomes to apply from 1 July 2024.

Our regulatory functions

We are the economic regulator of the Victorian water sector. One of our regulatory functions is to monitor and to report publicly on the performance of the Victorian Government-owned water businesses.

We are also responsible for regulating service standards and conditions of supply. However, we do not regulate or drive performance in the areas of water conservation, the environment and water quality, although some of these areas are covered in our report.

Other bodies with a role in the state's water services are:

- the Environment Protection Authority Victoria: responsible for regulating environmental standards
- the Department of Energy, Environment and Climate Action: responsible for water conservation measures
- the Department of Health: responsible for drinking water quality standards.

⁴ The businesses included in our 2023 price review were Barwon Water, Central Highlands Water, Coliban Water, East Gippsland Water, Gippsland Water, Goulburn Valley Water, GWMWater, Lower Murray Water, South East Water, South Gippsland Water, Southern Rural Water, Wannon Water, Westernport Water and Yarra Valley Water. North East Water has committed to outcomes over an eight-year regulatory period until 30 June 2026, hence was not included in our 2023 price review.

Why we report on performance

The data used in this report

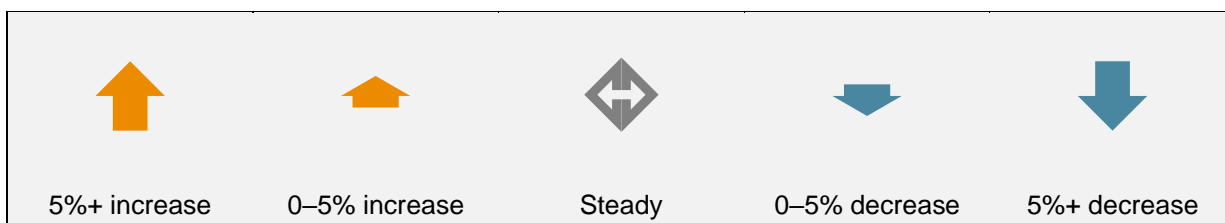
This report is based on:

- performance data reported by the businesses against key performance indicators specified by us, and comments from the businesses explaining their performance
- findings from independent regulatory audits on the reliability of the performance data reported by the businesses. Where data has not passed the audit requirements, it has been excluded from this report or qualified in our discussion.

Data snapshots

We use snapshots alongside some indicators to highlight changes made at metropolitan Melbourne and regional Victoria level, and the statewide trends. The averages presented in this report are weighted on the number of customers each business services. Accordingly, the state average is weighted towards the metropolitan average since there are more customers in metropolitan Melbourne than in regional Victoria. The arrows in the snapshot show the percentage change compared to the previous year with the exception of the change arrows in the recycled water usage snapshot which shows the percentage point change. Depending on the indicator, an increase could be an improvement or a deterioration in performance.

Snapshot symbol definitions



Access our 2022-23 water performance resources

Find our 2022-23 performance information at <https://www.esc.vic.gov.au/water-performance-reports>, including:

- this report comparing the performance of the 15 urban water businesses
- water business profiles that provide a snapshot of each business's performance
- a summary of the data behind our tables and charts in this report.

1. Household water use, typical bills, and payment assistance

This chapter looks at the average water use of households and typical bills at the average water usage level across Victoria.

The bill estimates in this chapter reflect prices charged by water businesses in the year from 1 July 2022 to 30 June 2023.

We also discuss how some customers are paying their bills. Government support and water business assistance programs are available where customers are experiencing payment difficulties. If bills remain unpaid, customers may face water supply restrictions or legal action.

1.1. 2022-23 at a glance

Annual average household water use decreased by 9 kilolitres (5.9 per cent) to 145 kilolitres.

The statewide typical annual bill for both owner occupiers and tenants decreased compared to the previous year. The statewide typical bill for owner occupiers decreased by \$10 to \$986 and for tenants it decreased by \$18 to \$428.

Compared to the previous year, more customers received grant assistance from the Victorian Government to help with one-off bill payments.

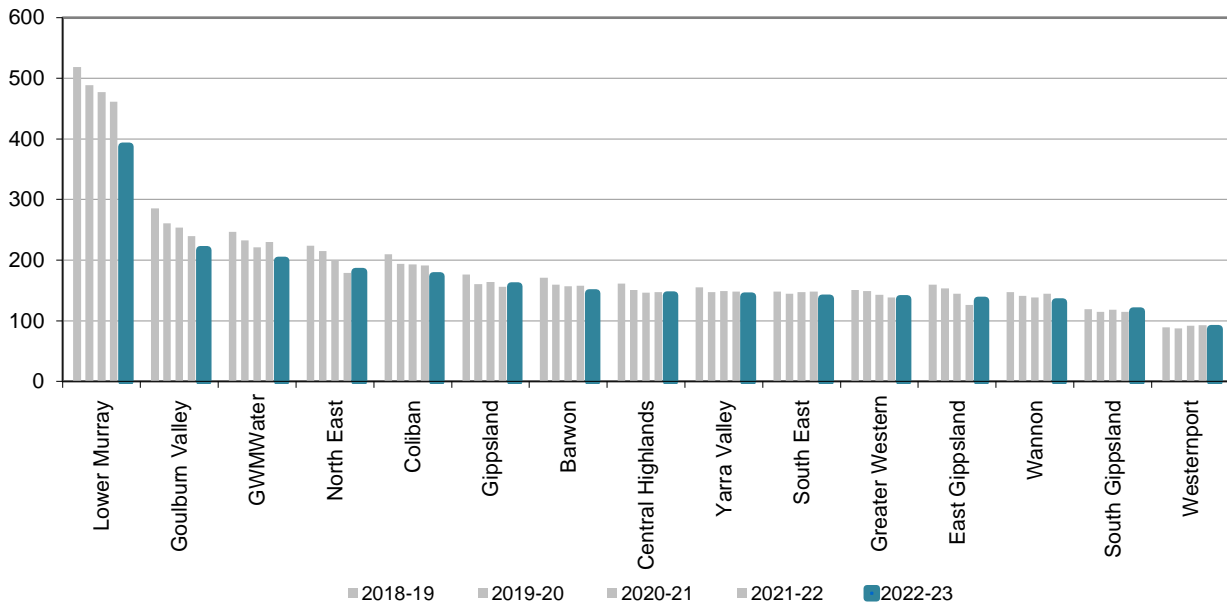
Compared to the previous year, water businesses awarded more hardship grants to customers. The average value of grants decreased from \$380 to \$321.

Two water businesses took legal action for non-payment of bills.

1.2. Average household water use

Water use varies around the state due to different climates, household demographics, property sizes, and any water restrictions that may be in place. Figure 1.1 shows the average annual household water use across the last five years, measured in kilolitres.

Figure 1.1 Average household use (kilolitres per household)



Snapshot (average household water use, kilolitres)

Statewide average		-5.9%	Metro average		-5.3%	Regional average		-7.3%
2022-23	145	↓	2022-23	138	↓	2022-23	169	↓
2021-22	154		2021-22	146		2021-22	182	

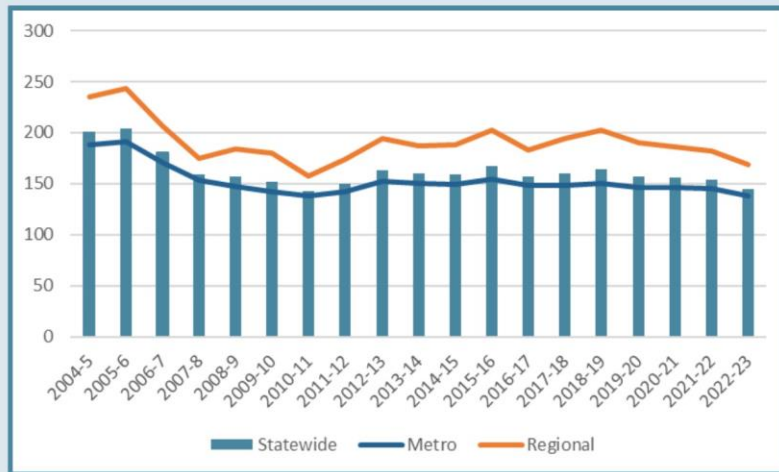
Key observations

- Across Victoria, average annual household water use in 2022-23 fell by 5.9 per cent, to 145 kilolitres. Most water businesses reported a fall in use, with nine businesses reporting a decrease of 5 per cent or more. This coincides with the wettest spring on record (since records began) in Victoria in 2022.⁵

⁵ Bureau of Meteorology: Victoria in spring 2022: wettest on record. <http://www.bom.gov.au/climate/current/season/vic/archive/202211.summary.shtml>, accessed 23 November 2023.

- In metropolitan Melbourne, average annual household water use decreased by 5.3 per cent. Of the three metropolitan water businesses, South East Water recorded the largest drop in use at 7.8 per cent. No metropolitan business recorded an increase in use.
- In regional Victoria, average annual household water use decreased by 7.3 per cent. Lower Murray Water recorded the largest decrease in use of 15.9 per cent due to record rainfall, and East Gippsland Water recorded the largest increase in use of 5.8 per cent.

Average household water usage (kL)



Victoria's average household water usage dipped this year to 145 kilolitres, the lowest average since 2010-11, the year after the millennium drought. For the ten years before 2022-23, average household water usage fluctuated slightly around 160 kilolitres.

1.3. Typical household bills

Household bills across Victoria vary due to:

- the cost to service different regions
- sources of water
- historical decisions about tariff structures
- the average volume of water used.

Bills are a combination of how much water is used, prices for fixed and variable rate charges, and other charges. Owner occupier households pay both fixed and variable charges for their bills.

Landlords pay the fixed charges for their property and the tenants only pay the variable charges. Only metropolitan Melbourne households had a variable sewerage charge in 2022-23.⁶ Note that although metropolitan businesses include waterways and drainage or parks charges in their bills on behalf of Melbourne Water, we do not include these charges in our calculations of the typical bills.

Figure 1.2 shows typical bills for owner occupiers across five years and Figure 1.3 shows typical bills for tenants across five years.

How typical bills are calculated

Typical household bills shown for each year are in that year's dollars. We use each business's average household usage (see Section 1.2) to calculate an indicative household bill for water and sewerage services. This includes both the fixed and variable water and sewerage charges, and any applicable rebate.⁷

For regional businesses with multiple pricing zones, we used the prices in the largest town to calculate that business's typical household bill.

Some water businesses previously applied a rebate to residential bills. For many water users, this rebate was shown as an annual credit on water bills. Following the 2018 price review, this rebate has either not applied or is being phased out.

⁶ In their 2023 price submissions, both South East Water and Yarra Valley Water proposed to remove the variable sewer disposal charge, and this will no longer apply from 1 July 2023. Greater Western Water has also proposed to remove this charge in its 2024 price submission, to apply from 1 July 2024. Based on customer feedback, the businesses have simplified residential customer bills by incorporating the sewer disposal charge into the variable water charge.

⁷ For consistency in comparison, we have excluded the metropolitan drainage charges for Melbourne Water and the metropolitan parks charges set by the Minister for Water, collected on their behalf by the metropolitan water businesses via water bills. These charges are not directly levied by these water businesses and are not part of their revenue stream.

Bill rebates for customers impacted by the October 2022 floods

The Department of Energy, Environment and Climate Action funded a support package for Goulburn Valley Water, Coliban Water and North East Water customers impacted by the October 2022 floods. Eligible customers had a one-off rebate applied to their bills at the value of \$600 if they experienced above floor flooding or \$300 otherwise in recognition of the significant impacts to water and sewerage services due to the floods. The total support package equated to \$6.2 million and provided water bill relief to 18,201 customers.

Greater Western Water also provided self-funded support to customers impacted by floods in its region in October 2022. It applied rebates to 321 of its customers' bills at a total value of \$175,400.

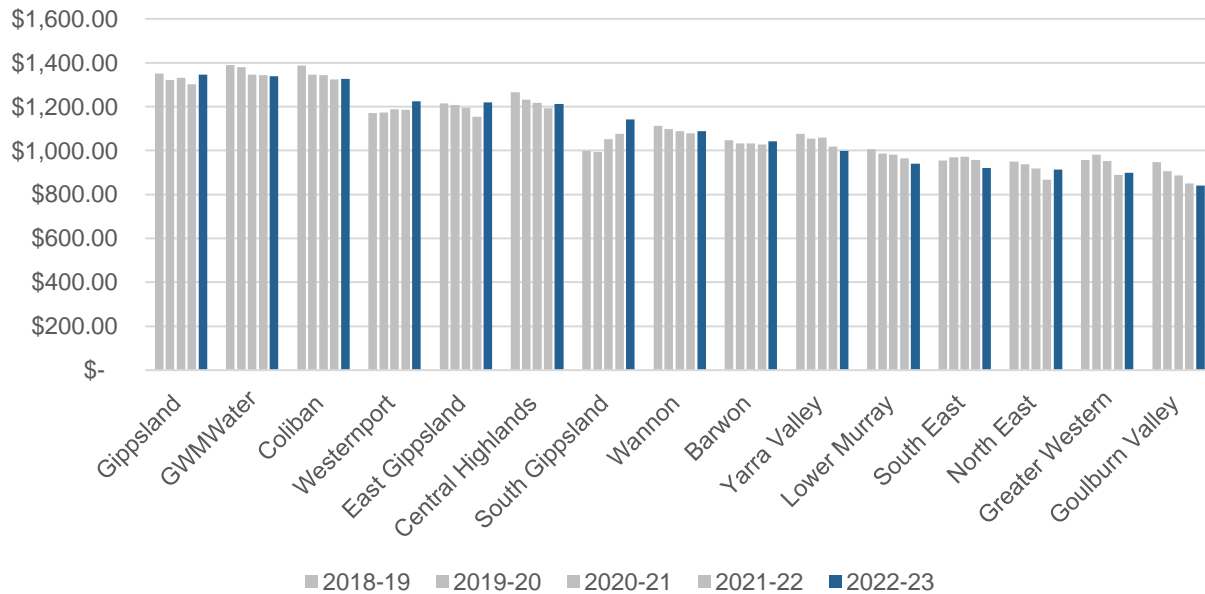
Want more information?

The interactive bill estimator, available at www.esc.vic.gov.au/water/information-water-consumers, calculates an indicative bill for annual water usage, and compares the bill across all water businesses.

Our website also explains some key terms for understanding bills, and describes how we regulate prices: www.esc.vic.gov.au/water/water-prices-tariffs-and-special-drainage/

Figure 1.2 Typical household bills including inflation, owner occupiers

(\$, nominal)



Greater Western Water bill based on former City West Water area

Typical annual bills have been rounded to the nearest dollar

Snapshot (typical owner occupier water bill, nominal dollars)

Statewide average		-1.0%	Metro average		-1.9%	Regional average		1.6%
2022-23	\$986	↓	2022-23	\$944	↓	2022-23	\$1,124	↑
2021-22	\$996		2021-22	\$963		2021-22	\$1,106	

Key observations

- In 2022-23, the statewide annual typical bill for owner occupiers dropped slightly by \$10 (1 per cent) to \$986. Lower household water use in 2022-23 and relatively flat prices contributed to this decrease in the statewide owner occupier typical bill. This slight drop is despite a 5 per cent increase in inflation that came into effect at the start of 2022-23.
- In metropolitan Melbourne, the annual typical owner occupier bill decreased by about \$18 to \$944 in 2022-23.
- South East Water customers saw the largest decrease in their bill, which dropped by \$37 from \$957 in 2021-22 to \$920 in 2022-23, which correlates to a relatively large fall in average household water use.

How much households use and pay for water

- In regional Victoria, the typical owner occupier bill increased by \$18, from \$1,106 in 2021-22 to \$1,124 in 2022-23. This is despite a 7 per cent decrease in annual household consumption in regional areas that more than offset the 5 per cent increase in inflation.
- Gippsland Water customers received the highest typical bill statewide in 2022-23 at \$1,347. Goulburn Valley Water customers received the lowest typical bill statewide for a fourth year in a row at \$841.

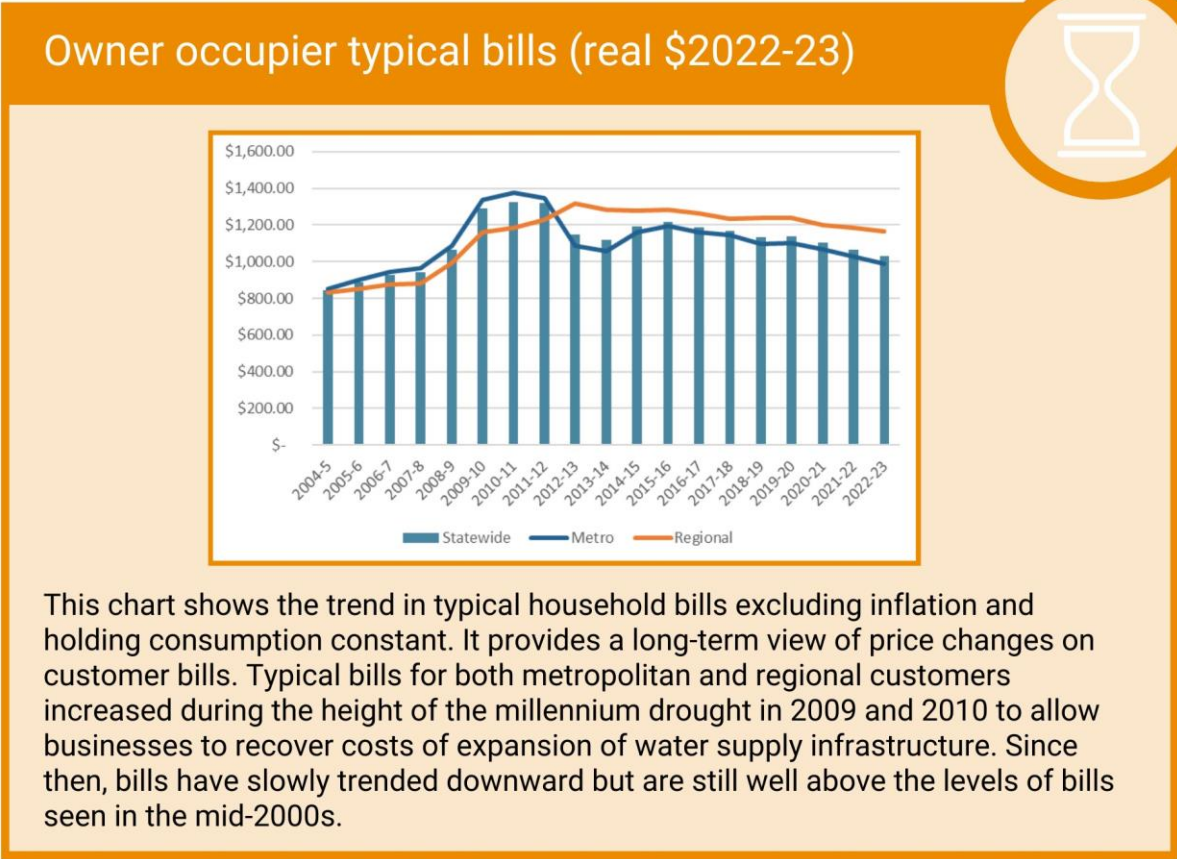
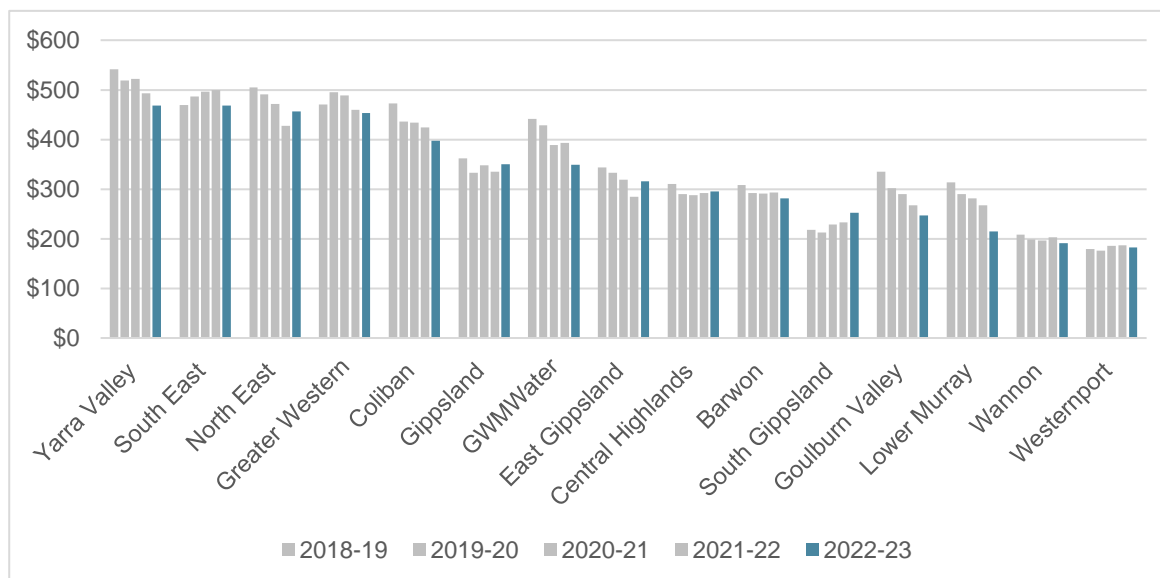


Figure 1.3 Typical household bill including inflation, tenants

(\$, nominal)



Typical annual bills have been rounded to the nearest dollar

Snapshot (typical tenant water bill, nominal dollars)

Statewide Average		-4.1%	Metro Average		-4.5%	Regional Average		-2.3%
2022-23	\$428	↓	2022-23	\$465	↓	2022-23	\$306	↓
2021-22	\$446		2021-22	\$486		2021-22	\$314	

Key observations

- The statewide annual typical bill for tenants decreased by \$18 (4.1 per cent), from \$446 in 2021-22 to \$428 in 2022-23. Relatively flat or falling prices and a decrease in average annual household water consumption in 2022-23, that exceeded the 5 per cent increase in inflation, has contributed to this decrease in the statewide typical tenant bill.
- In regional Victoria, tenants’ typical bills decreased by \$7 (2.3 per cent) to \$306 in 2022-23.
- In Melbourne, the typical bill for tenants decreased by \$22 (4.5 per cent), from \$486 in 2021-22 to \$465 in 2022-23.
- Each metropolitan water business recorded a decrease in typical tenant bills, with South East Water customers receiving the largest decrease at 6.2 per cent. This mainly reflects a 7.8 per cent decrease in South East Water customers’ annual household water use. Of the metropolitan water businesses’ customers, Greater Western Water customers received the smallest decrease in their typical bill at 1.3 per cent and also had the lowest decrease in annual household water use.

How much households use and pay for water

- East Gippsland Water’s customers saw the largest increase in their typical bill of 11.2 per cent from \$284 in 2021-22 to \$316 in 2022-23, however this is still lower than bills in the preceding years. Lower Murray Water’s customers saw the largest decrease of 19 per cent from \$267 in 2021-22 to \$215 in 2022-23.
- Yarra Valley Water and South East Water customers’ typical tenant bill was the highest in the state in 2022-23 at around \$468, despite bills falling by 4.9 and 6.2 per cent, respectively.
- Westernport Water customers continue to receive the lowest typical tenant bill statewide of \$182 (reflecting a relatively high share of fixed charges in bills) with a slight decrease of 2.6 per cent.

1.4. Concession customers

Twenty-four per cent of residential customers have a concession applied to their water bills this is the same as the previous year.⁸ The Victorian Government, through the Department of Families, Fairness and Housing, provides concessions to assist low-income households with water and sewerage bills at their principal place of residence. In 2022-23, \$180.1 million was contributed as concessions to residential water bills. The number of concession households increased by 3,426 (1 per cent), from 669,829 in 2021-22 to 673,225 in 2022-23.

Customers holding a concession card can contact their water business to apply for a concession. Concessions may be applied retrospectively.

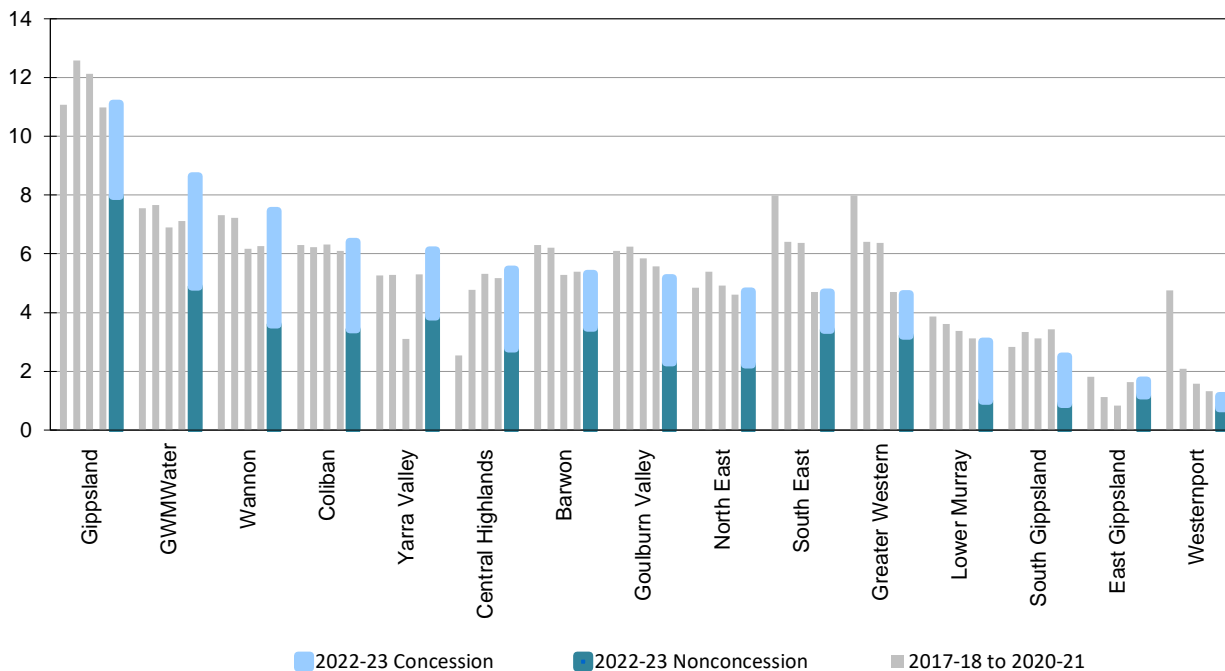
1.5. Customers on flexible payment plans

Instalment plans are alternative payment arrangements offered by water businesses to provide flexibility for customers in managing their bill payments and may assist those experiencing payment difficulties. Payment arrangements may include giving customers the ability to pay off their bill in monthly instalments. Figure 1.4 shows the number of customers on instalment plans per 100 customers as recorded on 30 June 2023 and split between the proportion of concession customers (light blue) and non-concession customers (dark blue).

⁸ Concession data sourced from the Department of Families, Fairness and Housing.

Figure 1.4 Residential customers with instalment plans per 100 customers

(at 30 June 2023)



Snapshot (residential instalment plans per 100 customers)

Statewide average		0.2%	Metro average		0.2%	Regional average		0.5%
2022-23	5.4	↔	2022-23	5.2	↔	2022-23	5.9	↔
2021-22	5.3		2021-22	5.2		2021-22	5.8	

Key observations

- The total number of residential customers on instalment plans at the end of 2022-23 increased from 146,789 to 149,657 (a 2 per cent increase), steadying on the downward trend of previous years. This is reflected in the slight increase of the overall rate of residential customers on instalment plans to 5.4 per 100 customers in 2022-23, from 5.3 in 2021-22.
- Most businesses reported a slight increase in the rate of customers on instalment plans.
- The rate of residential customers with instalment plans ranged from 1.2 per 100 customers for Westernport Water customers to 11.1 per 100 customers for Gippsland Water customers. This variation will be influenced by differences in demographics of water businesses’ customer bases, the structure of the payment plans and how each business promotes these to its customers.
- GWMWater and Wannon Water reported the largest increases in the rate of customers on instalment plans. GWMWater reported an increase of 13 per cent and Wannon Water reported

an increase of 5 per cent. Both businesses have a comparatively high rate of customers with instalment plans.

- South Gippsland Water (27 per cent) and North East Water (16 per cent) reported the largest decreases in customers with instalment plans. South Gippsland Water cited several reasons for the decrease, including: customer preferences for direct debit over a payment plan, cancelling payment plans that customers weren't adhering to, and its efforts to support customers in other ways such as with applications for the utility relief grant and issuing bill extensions.

1.6. Utility relief grants

The Utility Relief Grant scheme is a Victoria-specific grant scheme for eligible households that provides up to \$650 for each utility within a two-year period.

This grant significantly benefits customers experiencing financial difficulties by lowering their water bill debt, and reduces the bill debt carried by water businesses. The grant payment is generally used to assist with a temporary financial crisis. It is different from the hardship programs provided by the water businesses to customers who experience ongoing financial hardship.

Table 1.1 provides information relating to the number of customers that have received a utility relief grant in 2022–23. The wide spread in number and rate of customers receiving grants across the water businesses suggests some businesses are doing more than others to assist their customers to access these grants. Businesses with lower application and approval rates should consider how they can better help their customers to benefit from this available support.

Water businesses must assist customers experiencing payment difficulties on a case-by-case basis by appropriately referring customers to government funded assistance programs or to an independent financial counsellor. This includes helping eligible customers apply to the Department of Families, Fairness and Housing for a Utility Relief Grant.

Table 1.1 Utility relief grant scheme in 2022-23 (residential customers)

	Number of grants approved	Percentage of grants initiated that are approved	Average value of grant paid	Grants approved per 100 customers
Greater Western	4,409	81%	\$301.83	0.8
South East	5,729	88%	\$302.89	0.8
Yarra Valley	15,102	91%	\$227.31	1.8
Barwon	957	92%	\$270.13	0.6
Central Highlands	1,189	94%	\$350.60	1.6
Coliban	910	93%	\$367.40	1.2
East Gippsland	491	95%	\$297.50	2.2
Gippsland	1,303	93%	\$315.39	1.9
Goulburn Valley	705	96%	\$321.63	1.2
GWMWater	289	79%	\$475.52	1.0
Lower Murray	210	59%	\$334.93	0.7
North East	1,215	92%	\$234.73	2.4
South Gippsland	309	94%	\$331.32	1.6
Wannon	256	91%	\$429.44	0.7
Westernport	251	89%	\$292.76	1.5
Statewide	33,325	89%	\$272.20	1.3

Source: Department of Families, Fairness and Housing

Grants approved per 100 customers refers to the number of grants approved per the relevant water business's own residential customer base.

Approval rates greater than 100 per cent may arise where grants are approved after the end of the financial year in which they were lodged.

Key observations

- In total, the Department of Families, Fairness and Housing approved 33,325 Utility Relief Grants in 2022-23. This equates to \$9.1 million in utility relief for Victorian customers and is a 16 per cent increase on the total number of grants approved in 2021-22. This reflects continued efforts by both water businesses and the department to support customers during difficult financial times.

How much households use and pay for water

- The proportion of Victorian customers receiving grants also increased, from 1.1 per 100 customers in 2021-22 to 1.3 per 100 customers in 2022-23.
- The average grant value for the state was \$272, which is \$37 less than the average of \$309 in 2021-22. Across businesses, average grant values ranged from \$227 for Yarra Valley Water customers to \$476 for GWMWater customers.
- North East Water had the highest number of approved grants per 100 customers, with 2.4 out of every 100 customers receiving a grant. This is almost double the 2021-22 figure, which North East Water attributed to an increased focus on identifying and supporting customers experiencing hardship as well as an increase in its resources to assist customers access the grants.
- The proportion of Yarra Valley Water customers receiving the Utility Relief Grant remained high and was more than double the two other metropolitan businesses. Yarra Valley Water attributed its strong performance to its case management approach to the application process; checking in with eligible customers on each bill to see if they would like to apply for the grant again until they reach the cap of \$650 within a two-year period.
- Barwon Water had the lowest number of approved grants per 100 customers, with 0.6 out of every 100 customers receiving a grant. Lower Murray Water had the second lowest grant rate at 0.7 per 100 customers, and also had the lowest approval rate at only 59 per cent, suggesting it could do more to support its customers with their grant applications.
- Eighty-nine per cent of applications initiated were approved statewide. This is a decrease from 2021-22, where 97 per cent of applications initiated were approved statewide.

1.7. Customer hardship grants from water businesses

Hardship grants are another approach used by water businesses to assist customers experiencing payment difficulties. These often take the form of co-payment schemes, where the water business will waive a periodic payment if the customer meets a set number of scheduled payments, with the waived payment counted as a hardship grant. Table 1.2 provides information about the number and value of hardship grants received by customers from each water business in 2022–23. As with the Utility Relief Grants, there is a wide spread in the rate of customers receiving hardship grants across the water businesses.

Table 1.2 Hardship grants (residential customers, excluding inflation)

	Average value of a customer grant, 2022-23	Average value of a customer grant, 2021-22	Per 100 customers, 2022-23	Per 100 customers, 2021-22
Greater Western	\$210	\$463	0.18	0.20
South East	\$540	\$509	0.47	0.34
Yarra Valley	\$417	\$473	0.90	0.85
Barwon	\$113	\$116	1.99	2.10
Central Highlands	\$170	\$325	0.09	0.03
Coliban	\$144	\$451	2.82	0.43
East Gippsland	\$193	\$189	1.41	1.45
Gippsland	\$195	\$248	0.23	0.20
Goulburn Valley	\$161	\$136	0.56	0.43
GWMWater	\$254	\$348	0.40	0.14
Lower Murray	\$0	\$0	0.00	0.00
North East	\$126	\$950	1.32	0.18
South Gippsland	\$0	\$0	0.00	0.00
Wannon	\$314	\$221	0.35	0.40
Westernport	\$59	\$54	1.33	1.40
Statewide	\$321	\$380	0.69	0.56

Snapshot (hardship grants approved per 100 customers)

Statewide average		23.2%	Metro average		12.1%	Regional average		46.8%
2022-23	0.69	↑	2022-23	0.56	↑	2022-23	1.14	↑
2021-22	0.56		2021-22	0.50		2021-22	0.78	

Key observations

- Across the state, water businesses awarded hardship grants to a total of 19,358 customers in 2022-23, representing 0.69 customers receiving grants per 100 customers. This compares to 0.56 per 100 in 2021-22. This rate remains significantly higher than the years leading up to the pandemic.
- Regional Victoria businesses' rate of hardship grants awarded to customers increased from 0.78 customers awarded grants per 100 customers in 2021-22 to 1.14 customers awarded grants per 100 customers in 2022-23. In Metropolitan Melbourne the rate increased from 0.56 customers awarded grants per 100 customers in 2021-22 to 0.69 customers awarded grants per 100 customers in 2022-23.
- The state average grant value decreased, falling from \$380 in 2021-22 to \$321 in 2022-23.
- The average grant value for each business ranged from \$59 (Westernport Water) to \$540 (South East Water).
- Coliban Water reported the highest rate of hardship grants awarded with 2.82 grants awarded per 100 customers, followed by Barwon Water with 1.99 per 100 customers.
- South Gippsland Water and Lower Murray Water did not award any customers hardship grants in 2022-23.

1.8. Actions for non-payment of bills

Water legislation allows water businesses to limit the water flowrate to non-paying customers by inserting a restriction device in the customer's water supply line. Water businesses may also take legal action against customers to recover unpaid debt.

Water businesses must assist customers experiencing payment difficulties by:

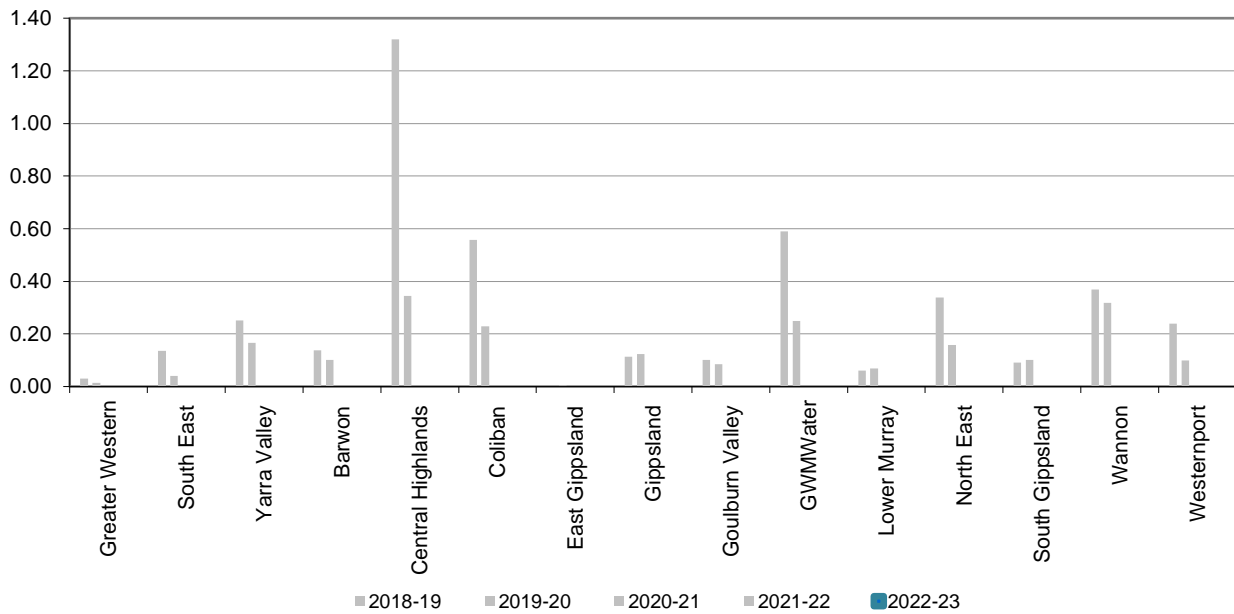
- observing minimum periods of notice before applying supply restrictions or pursuing legal action to recover outstanding debts
- not restricting water supply of a customer or pursuing legal action before first taking additional steps to secure payment, including making a reasonable attempt to contact the person, offering a payment arrangement and resolving any dispute over the outstanding amount.
- not restricting water supply of a customer who is receiving any form of assistance for payment difficulties under the water industry standard
- not restricting water supply of a customer who is eligible for and has lodged an application for an eligible concession card and the application is outstanding or a customer who has made an application under the Utility Relief Grant Scheme and the application is outstanding.

Our water industry standards set out the procedures water businesses are required to follow before restricting a customer's water supply or taking legal action.

During the pandemic and its associated lockdowns, water businesses suspended debt recovery actions against water customers, in line with the guidelines provided by our water industry standards. Lower Murray Water and Gippsland Water have since resumed legal action for non-payment of bills. The remaining water businesses did not undertake debt recovery actions in 2022-23.

Figure 1.5 shows the number of customers who had their water supply restricted per 100 customers for each water business across the last five years. Figure 1.6 shows the number of customers that faced legal action per 100 customers across the last five years.

Figure 1.5 Water supply restrictions for non-payment of bills (per 100 residential customers)



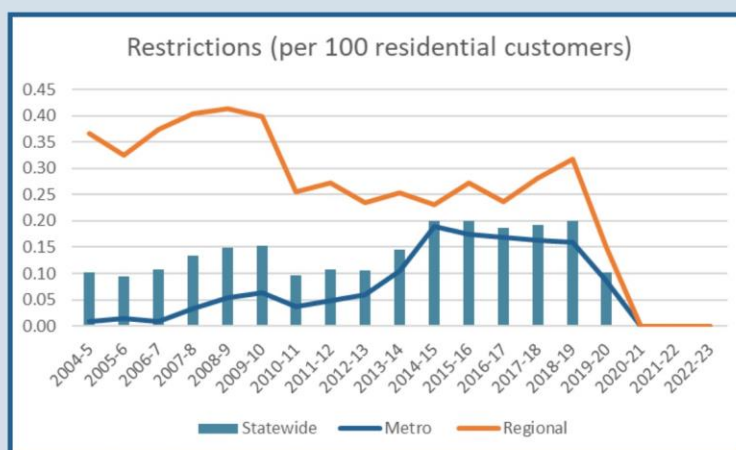
Snapshot (residential water supply restrictions per 100 customers)

Statewide average		0.0%	Metro average		0.0%	Regional average		0.0%
2022-23	0.00	↔	2022-23	0.00	↔	2022-23	0.00	↔
2021-22	0.00		2021-22	0.00		2021-22	0.00	

Key observations

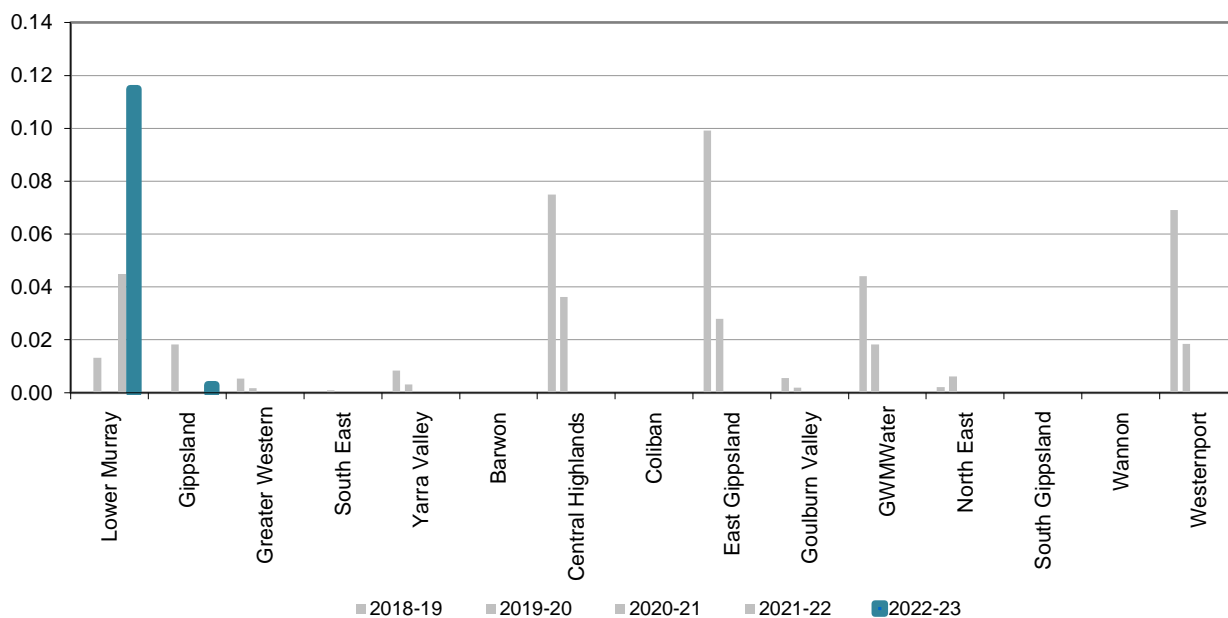
There were no new water supply restrictions for non-payment of bills in 2022-23, the same as the previous year.

Water supply restrictions for non-payment of bills



During the pandemic and its associated lockdowns, water businesses suspended debt recovery actions against water customers, in line with the guidelines provided by our water industry standards. As a result, the restriction rate for non-payment of water bills fell to zero in 2020-21. Since then, businesses have not applied any new water restrictions. In the past, the regional restriction rate was much higher than the restriction rate in Melbourne. The difference between the regional and Melbourne restriction rates started to narrow from about 2014-15.

Figure 1.6 Legal actions for non-payment of bills (per 100 residential customers)



Key observations

Lower Murray Water and Gippsland Water were the only water companies to pursue legal action for non-payment of bills in 2022-23. Lower Murray Water resumed legal action for non-payment of bills in 2021-22, the first business to do so since March 2020 when all water businesses suspended actions for non-payment.

Lower Murray Water and Gippsland Water confirmed no action was taken against customers identified as experiencing financial difficulty, and noted that they are targeting long-term outstanding debts, where amounts have been outstanding since before the start of the COVID-19 pandemic.

Legal actions for non-payment of bills



During the pandemic and its associated lockdowns, water businesses suspended debt recovery actions against water customers, in line with the guidelines provided by our water industry standards. As a result, the rate of legal action for non-payment of water bills fell to zero in 2020-21. In the past two years the rate of customers facing legal action has increased slightly due to two businesses recommencing legal activities. Besides these two businesses, all other businesses have not initiated legal activities since before the pandemic. Before the pandemic, the rate of legal action was trending towards zero.

2. How water businesses respond to their customers

This chapter explores how water businesses manage enquiries to their call centres. We also examine the most common areas for complaints made to water businesses and when customers take their complaints to the ombudsman.

Our Water Industry Standards places obligations on businesses for responding to enquiries or complaints and providing appropriate service. These obligations include:

- having policies, practices and procedures for handling customers' complaints and disputes
- providing certain information to customers on request.

Specific details can be found in each water business's Customer Charter, which is available on their websites.

2.1. 2022-23 at a glance

Our customer perception survey results for 2022-23 have fallen slightly compared to 2021-22 indicating customers are slightly less satisfied with their water business.

Our customer service benchmarking study indicates customers received a similar standard of customer service to previous years.

Across the state the number of complaints made to water businesses increased, and the largest proportion of complaints continue to relate to water quality.

Complaints about water quality also increased compared to the previous year.

2.2. How customers rate their water business

We survey 1,300 water customers every quarter (5,200 customers a year) across the 15 urban and regional water businesses on how they think their water business rates across four key areas:

- value for money
- reputation in the community
- level of trust
- overall satisfaction.

Our customer perception survey results for 2022-23 show average customer ratings of their water business have fallen in all four areas when compared to the previous year's results. For more information about our customer surveys and to view the trend over a longer period, see <https://www.esc.vic.gov.au/how-customers-rate-their-water-business>.

Figure 2.1 compares the state average scores in 2022-23 for each of the four areas surveyed with the survey scores in 2021-22. Figures 2.2 to 2.5 below show the scores out of 10 that customers gave their water business for each of these four areas for each quarterly survey in 2022-23 and the overall average for 2022-23. Businesses are ranked according to the average score for the year, as shown by the blue bar.

Figure 2.1 State average scores for each area surveyed

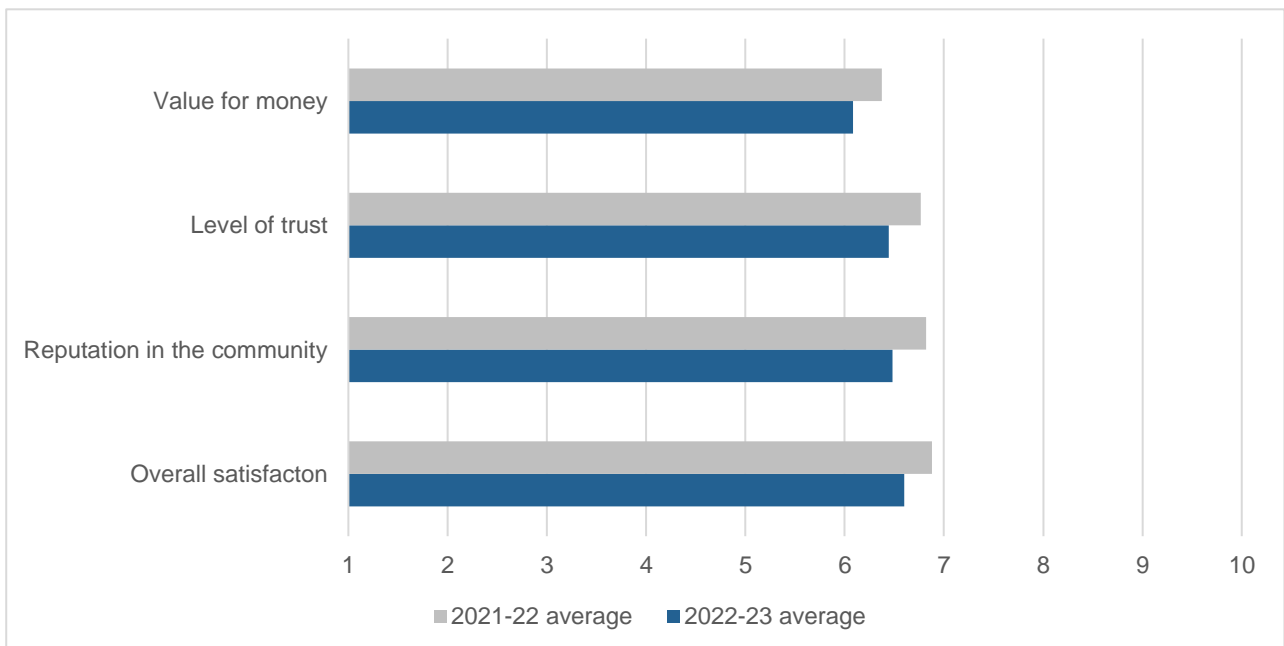


Figure 2.2 How customers rated their business for value for money

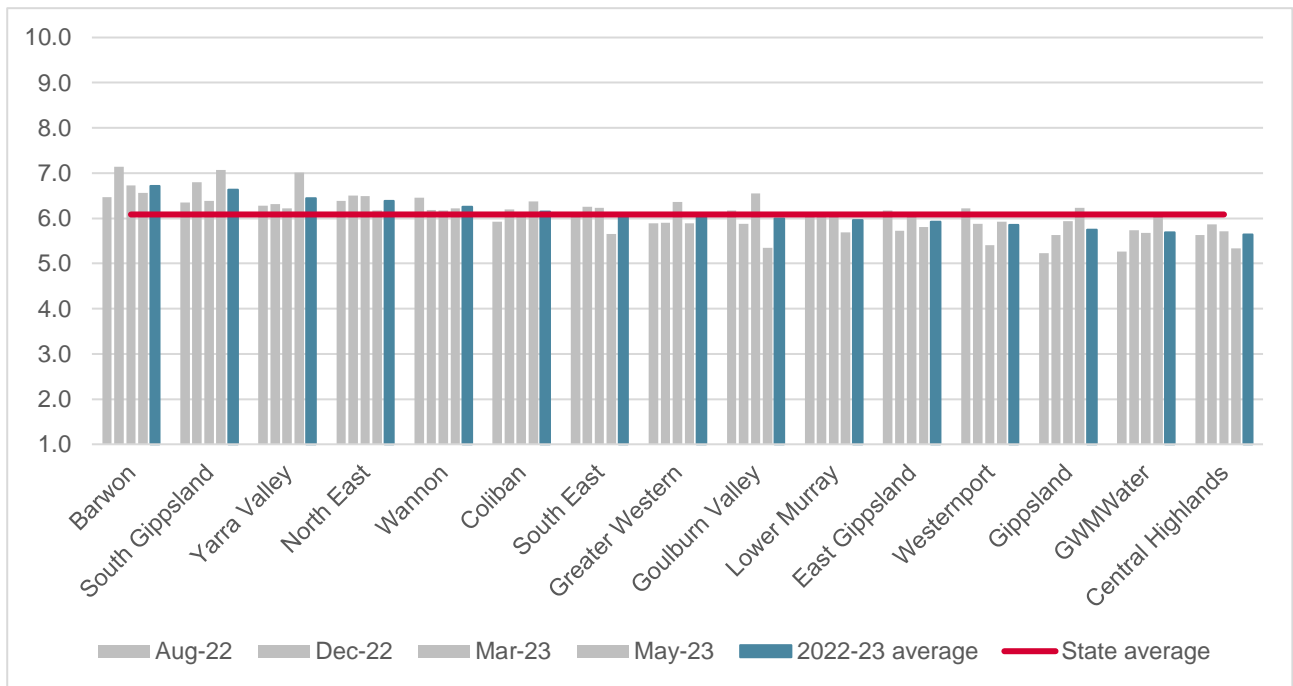


Figure 2.3 How customers rated their water business for level of trust

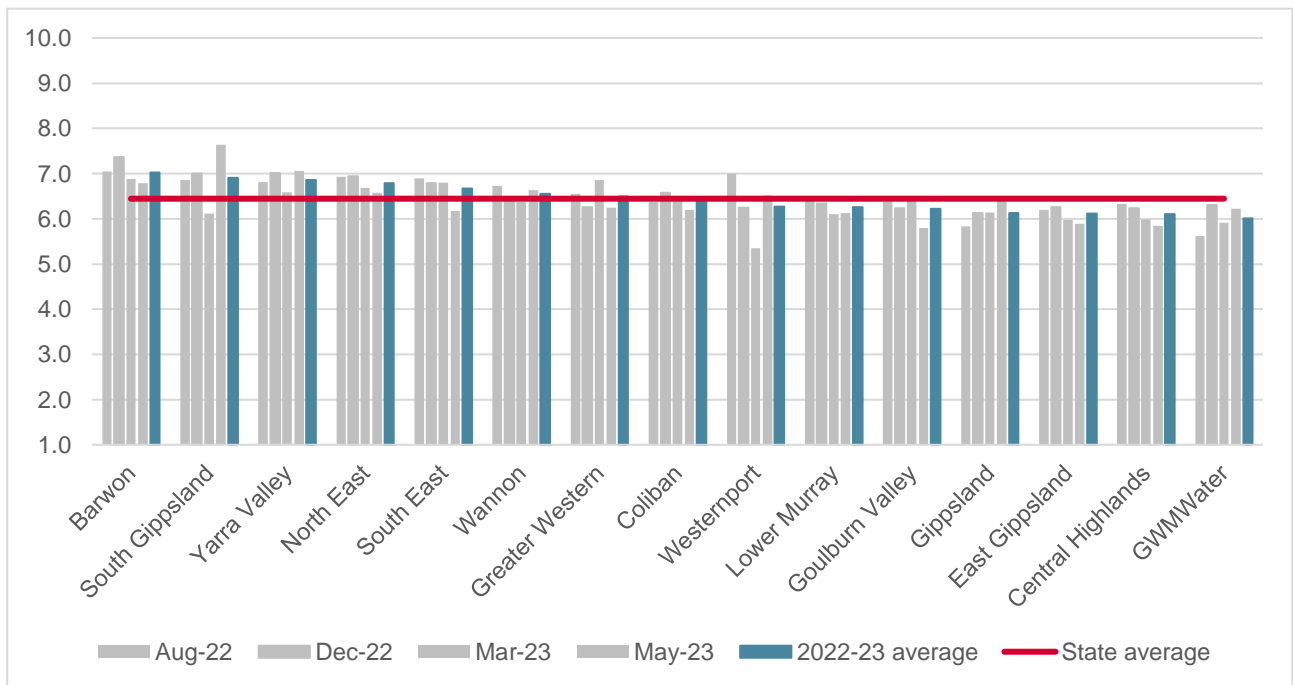


Figure 2.4 How customers rated their water business on reputation in the community

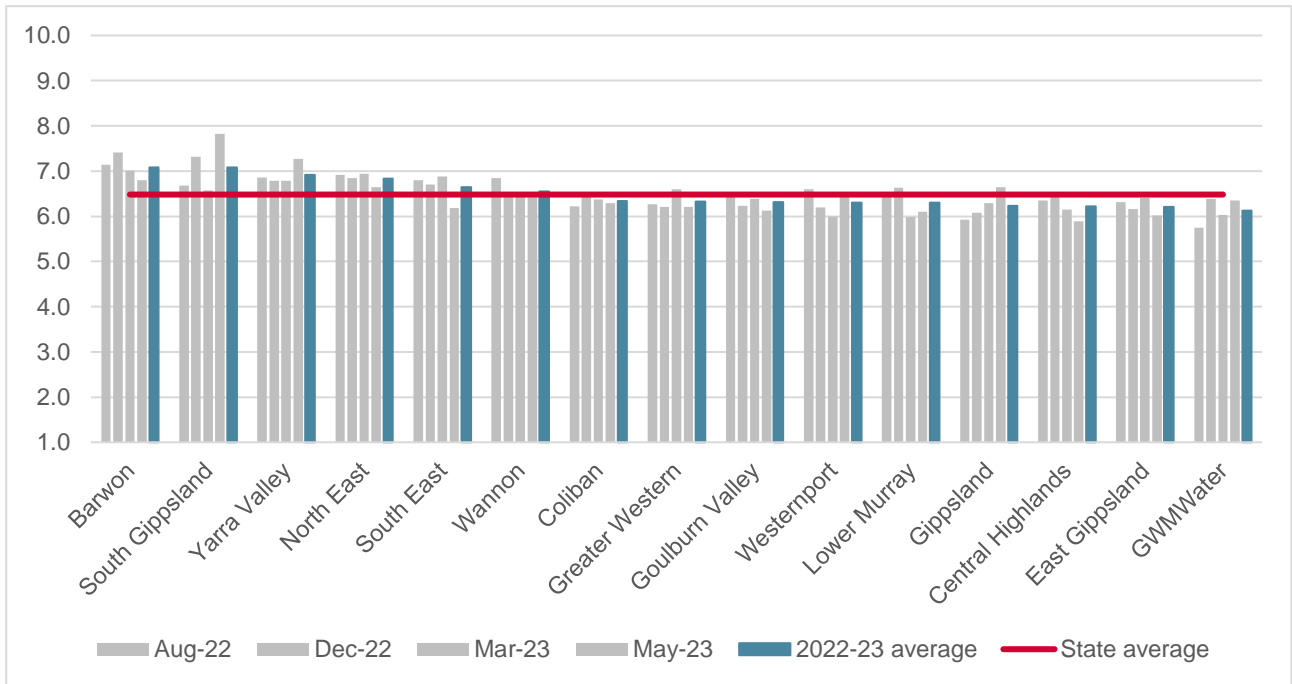
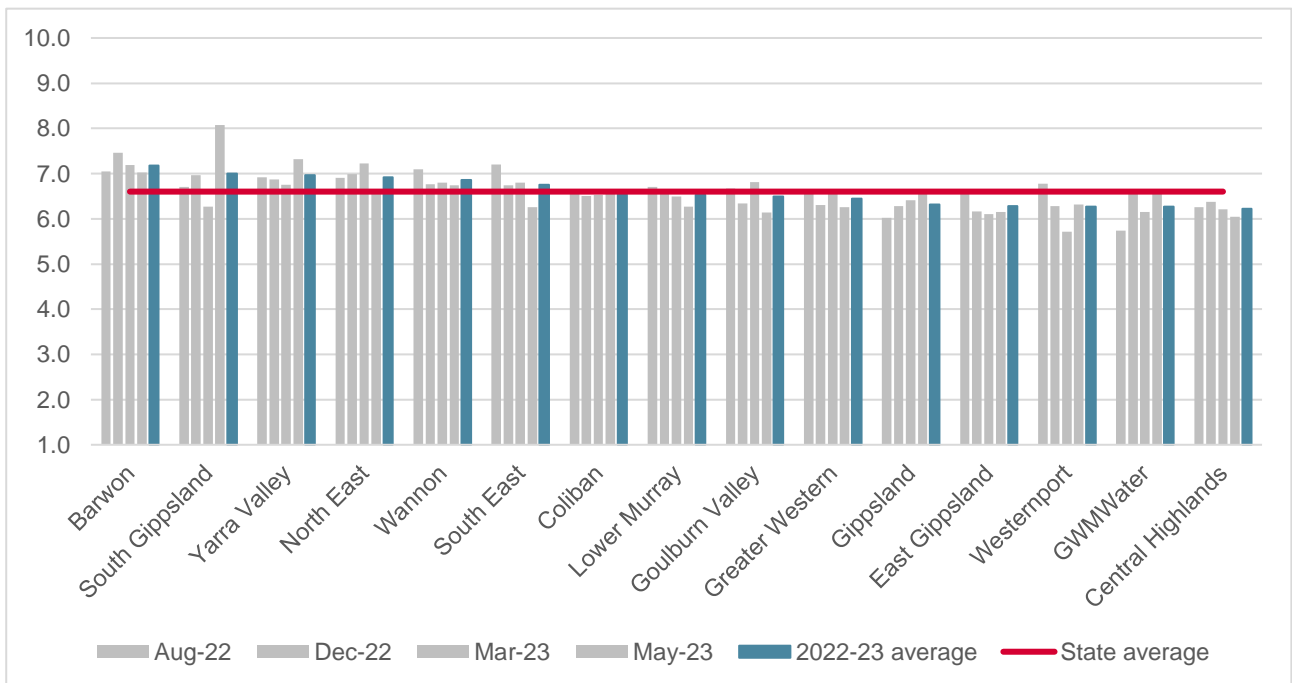


Figure 2.5 How customers rated their water business for overall satisfaction



Key observations

- Scores continue to vary only slightly from business to business. Similar to previous years, in 2022-23 the highest rated business and lowest rated business in each of the areas surveyed differed by approximately one point.
- Customers rated Barwon Water the highest in all four areas surveyed, scoring 6.7 out of 10 for value for money, 7 out of 10 for trust, 7.1 out of 10 for reputation in the community and 7.2 out of 10 for overall satisfaction.
- Customers rated South Gippsland Water second, just below Barwon Water, in all four areas surveyed.
- Customers rated Central Highlands Water the lowest for value for money and overall satisfaction and rated GWMWater the lowest for trust and reputation in the community.

2.3. Water business customer service

We asked Customer Service Benchmarking Australia (CSBA) to independently benchmark the call centre performance of Victorian water businesses. Posing as genuine customers with general enquiries, trained CSBA mystery shoppers contacted each of the water businesses' call centre agents on 60 occasions via the account line (as opposed to the fault line) and scored each interaction.

Customer Service Benchmarking Australia uses a proprietary approach called SenseCX for scoring the key aspects of the customer experience during a telephone call.

The key aspects are described as: **engage, introduce, clarify, resolve, and close**. The scoring approach measures performance in these key aspects across the following three areas:

- **Ease** – the effort the customer must expend to accomplish their goals. The interaction must be easy. The agent should actively guide the customer through a clear process towards resolution.
- **Sentiment** – how the experience and interaction make the customer feel. Customers want to be treated as an individual, not just another transaction in the agent's day.
- **Success** – the degree to which the customer is able to accomplish their goals. Customers want to get what they came for and move on. They need to be understood and provided with a no-fuss resolution.

The SenseCX approach provides a benchmark comparative score, and helps businesses identify specific areas where they can improve the customer experience. Points are allocated for meeting specific criteria across the three areas. The score is simply the percentage of total points achieved out of the total points available for each area. Overall, the Victorian water sector achieved a score of 56 per cent, one percentage point lower than in 2021-22.

Since 2017-18, Customer Service Benchmarking Australia has applied its SenseCX approach to score the water sector and compare it with other industry sectors' scores. Table 2.1 outlines the median scores for each of the sectors in 2022-23, which all fall within a nine percentage point range. The median scores of the metropolitan and regional Victorian water sectors and the water sector as a whole are higher than the median scores of all other Australian sectors measured by CSBA except for the education sector with the highest median score of 58.

Table 2.2 provides the overall average score for each water business, along with average scores for each of the three pillars: ease, sentiment and success.

Table 2.1 Victorian metropolitan and regional water sectors compared to other Australian sectors in 2022–23 (median score under SenseCX)

Sector	Median score (per cent)
Education	58
Victorian Regional Water Sector	56
Victorian Metropolitan Water Sector	56
Australian Water Sector	56
All Utilities	53
Government	51
Automotive	51
Commercial	50
Financial Services	50

Source: Customer Service Benchmarking Australia

Table 2.2 Water businesses' overall benchmark scores and scores for each area under SenseCX (per cent)

Water business	Score	Ease	Sentiment	Success
Barwon Water	70	64	79	68
Coliban Water	61	42	70	70
GWMWater	60	43	70	67
South East Water	58	41	67	65
South Gippsland Water	57	37	68	65
Yarra Valley Water	57	40	63	66
Wannon Water	56	34	66	65
Westernport Water	56	35	67	65
Greater Western Water	54	36	63	64
Central Highlands Water	54	38	62	60
Goulburn Valley Water	54	32	63	65
North East Water	53	34	61	63
Gippsland Water	53	32	62	65
Lower Murray Water	53	34	64	62
East Gippsland Water	52	35	61	60
Victorian Water Sector (average)	56	38	66	65

Source: Customer Service Benchmarking Australia

Key observations

- The Victorian water sector overall score and scores for each of the three areas – ease, sentiment, and success – changed slightly compared to the previous year. The overall sector score dropped by one percentage point to 56 per cent. The areas of ease and sentiment both improved by two percentage points to 38 per cent and 66 per cent respectively, while success dropped five percentage points to 65 per cent. The

How water businesses respond to their customers

improvement in ease and sentiment scores suggest customers had a slightly easier time navigating water business processes to get to a resolution and the service was slightly more personable. However, the regression in the success score indicates fewer customers had their problems resolved at least at the first point of contact.

- Despite improving slightly in 2022-23, ease continues to be the lowest scoring area for all water businesses with a sector average score of 38 per cent, well below the sector average scores for sentiment at 66 per cent and success at 65 per cent. This indicates helping customers stay informed and increasing transparency to guide them to a resolution continues to be an area for improvement for most water businesses. Customer Service Benchmarking Australia does note that challenges in this area are reflective of the broader customer service industry.
- Coliban Water was the only business to see an improvement in its success score, while all other businesses saw drops in this area, ranging from two (Yarra Valley Water) to fifteen (East Gippsland Water) percentage points.
- Coliban Water was the most improved business, seeing the highest increase in its score in each of the three areas.
- Barwon Water continues to be the best performing business, sitting comfortably above the rest of the sector at 70 per cent overall.

Want more information?

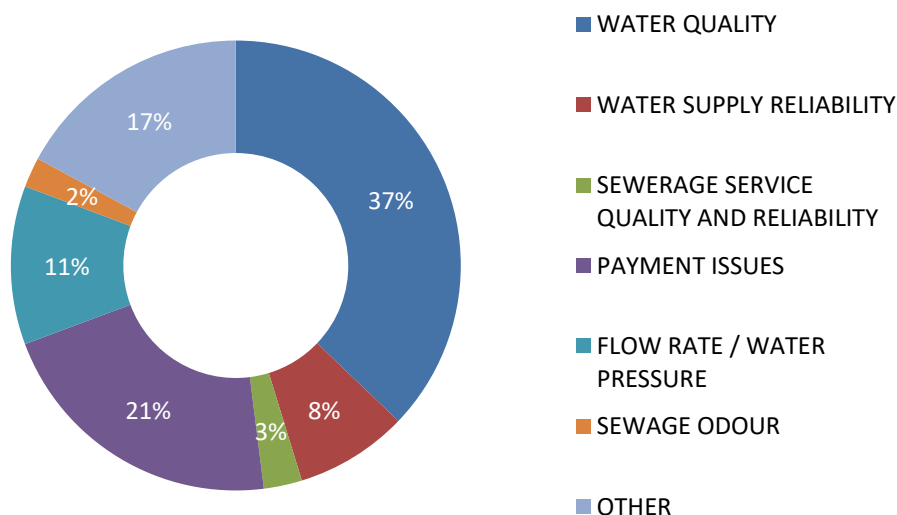
See our [data summary](#) which contains the data that forms the basis for our tables and charts.

2.4. Complaints made to water businesses

Customer complaints can indicate dissatisfaction with the services provided by water businesses.⁹ If a business cannot resolve a complaint directly with the customer, the customer may refer the matter to the Energy and Water Ombudsman (Victoria) for further investigation. Figure 2.6 shows the breakdown of total complaints made to water businesses in 2022-23 according to several categories and sizes each category according to its relative share of complaints.

⁹ A complaint is recorded if a customer registers dissatisfaction in a complaint category. Australian Standards define a complaint as an 'expression of dissatisfaction made to or about an organisation, related to its products, services, staff or handling of a complaint where a response is implicitly expected or legally required.' (AS/NZS 10002:2014) Under our reporting definitions, any customer query related to water quality must be recorded as a water quality complaint.

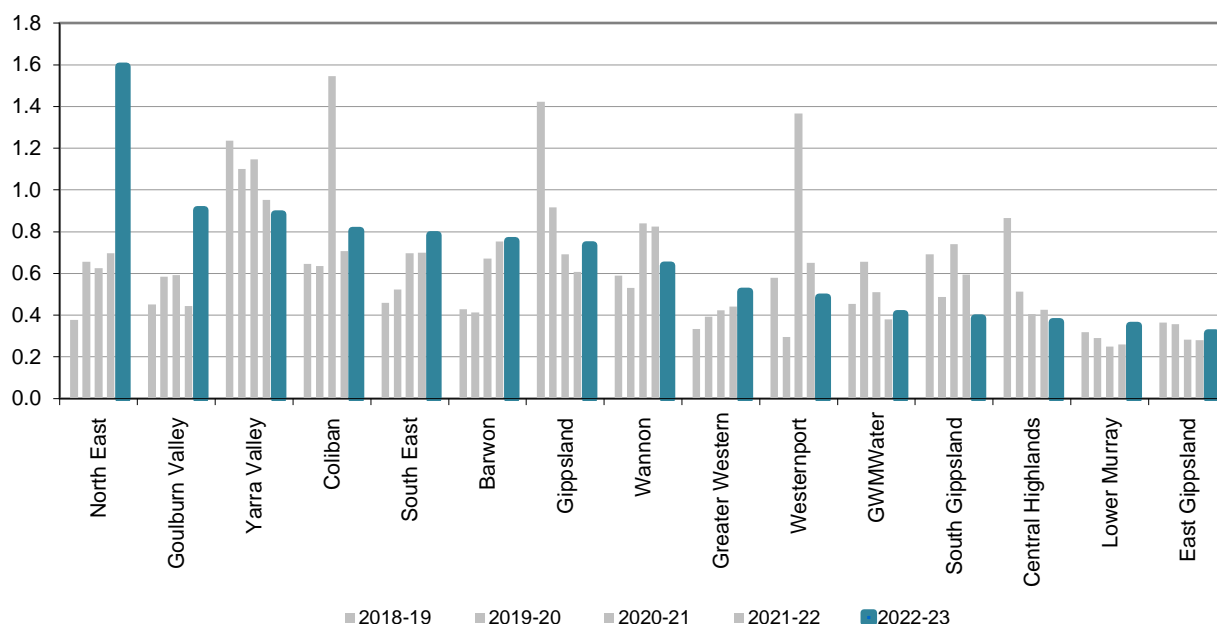
Figure 2.6 Complaints by category in 2021-22 (total complaints made to water businesses)



In 2022-23, businesses reported a total of 22,445 customer complaints across Victoria, an eight per cent increase from 20,818 total complaints in 2021-22. Water quality complaints again represented the largest proportion at 37 per cent of the total statewide complaints, which is 1 percentage point higher than in 2021-22. In contrast, the proportion of complaints in relation to payment issues decreased by 1 percentage point from 22 per cent in 2021-22 to 21 per cent in 2022-23.

Water quality complaints still outnumbered all other complaints for all water businesses except Barwon Water, Central Highlands Water, North East Water, South Gippsland Water and Westernport Water. Barwon Water and Westernport Water received more complaints about issues classified as 'other'. North East Water and South Gippsland Water received more complaints about water pressure/flow rate issues than water quality. Figure 2.7 shows the complaint rate for each water business per 100 customers.

Figure 2.7 Complaints made to water businesses (per 100 customers)



Snapshot (total complaints, per 100 customers)

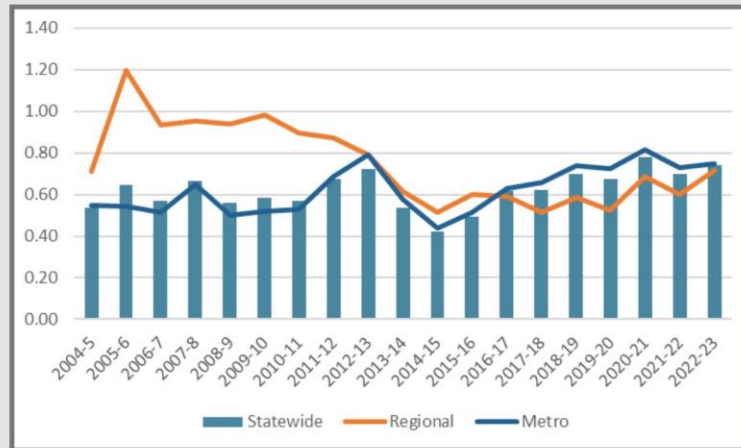
Statewide average		6.0%	Metro average		2.8%	Regional average		18.9%
2022-23	0.74	↑	2022-23	0.75	↑	2022-23	0.72	↑
2021-22	0.70		2021-22	0.73		2021-22	0.60	

Key observations

- The average customer complaint rate in 2022-23 was 0.74 complaints per 100 customers, this compares to 0.7 complaints per 100 customers in 2021-22, when the rate was 0.70 complaints per 100 customers.
- The increase in the statewide complaint rate reflects increases for both metropolitan and regional urban water businesses. The metropolitan complaint rate increased slightly to 0.75 from 0.73 complaints per 100 customers and the regional complaint rate rose to 0.72 from 0.6 complaints per 100 customers.
- North East Water reported the highest complaint rate with 1.59 complaints made per 100 customers, and also had the largest increase in its complaint rate, increasing by 0.9 from 0.7 complaints per 100 customers in 2021-22. North East Water explained that this increase in customer complaints was primarily due to delays billing customers after introducing a new billing system in October 2022.
- South Gippsland Water reported the largest decrease in its complaint rate, decreasing from 0.60 in 2021-22 to 0.38 in 2022-23.

- East Gippsland Water and Lower Murray Water reported the lowest rates of about 0.3 complaints per 100 customers.

Complaints made to water businesses

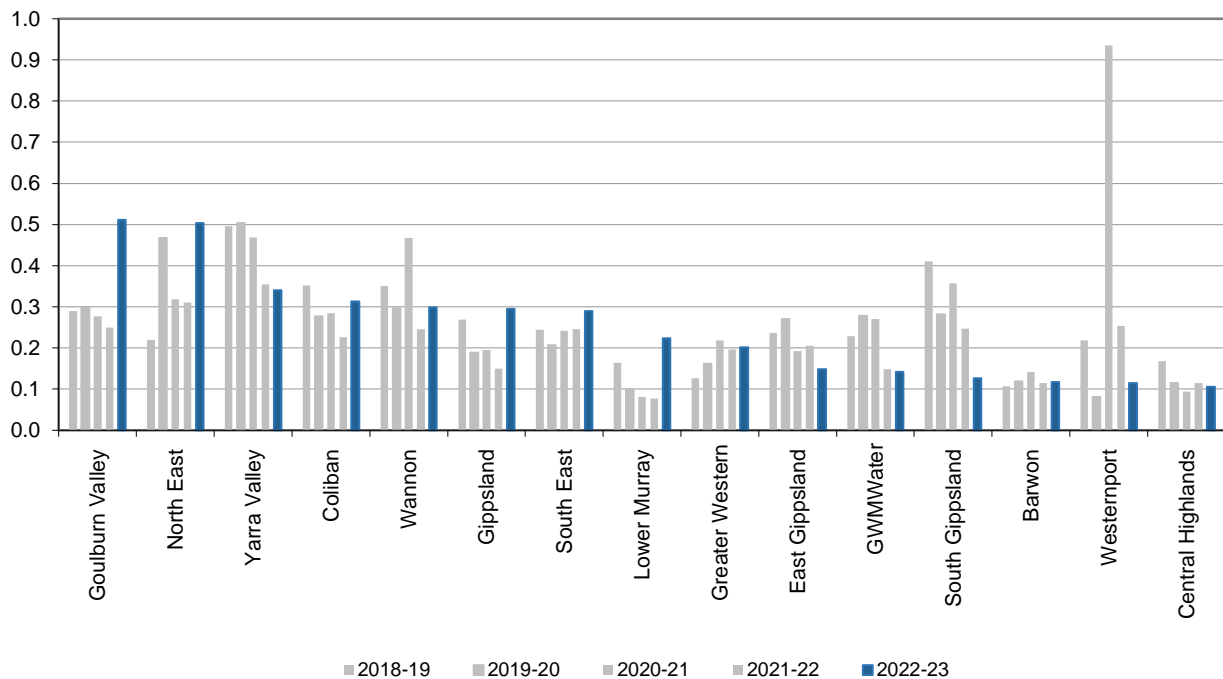


The rate of complaints made to water businesses has varied year on year in Victoria. The regional complaint rate has come down from a peak in 2005-6 to below the metropolitan rate. In recent years both the metropolitan and regional complaints rates have trended slightly up.

2.5. Water quality complaints made to water businesses

The number of water quality complaints is a measure of customer satisfaction with the colour, taste and odour of water supplied. Figure 2.8 shows the number of water quality complaints received by each water business per 100 customers across five years.

Figure 2.8 Water quality complaints made to water businesses (per 100 customers)



Snapshot (water quality complaints, per 100 customers)

Statewide average		9.5%	Metro average		4.2%	Regional average		36.0%
2022-23	0.28	↑	2022-23	0.29	↑	2022-23	0.24	↑
2021-22	0.25		2021-22	0.27		2021-22	0.18	

Key observations

- A total of 8,337 water quality complaints were made to water businesses across the state in 2022-23, an increase of 846 on the year before. This equates to 0.28 complaints per 100 customers and an increase on last year’s complaint rate of 0.25.
- In metropolitan Melbourne, water quality complaints per 100 customers increased from 0.27 in 2021-22 to 0.29 in 2022-23. Greater Western Water’s water quality complaint rate increased only slightly and South East Water’s rate increased from 0.25 per 100 customers

in 2021-22 to 0.29 per 100 customers in 2022-23. Yarra Valley Water was the only metropolitan business to report a decrease in its water quality complaint rate, decreasing from 0.36 per 100 customers in 2021-22 to 0.34 per 100 customers.

- The water quality complaint rate in regional Victoria also increased, from 0.18 per 100 customers in 2021-22 to 0.24 per 100 customers in 2022-23.
- Goulburn Murray Water reported the highest water quality complaint rate with 0.51 complaints per 100 customers. This is more than double its complaint rate of 0.25 in 2021-22. Goulburn Murray Water explained it received more complaints in November and December 2022 due to water discolouration in the Nathalia and Shepparton reticulation systems. Water discolouration in the Nathalia reticulation system occurred because extensive flooding in the Broken Creek catchment resulted in manganese oxidation in the water. Water discolouration in the Shepparton reticulation system occurred due to a sudden increase in demand for water causing resuspension of sediment in the network.
- Central Highlands Water and Westernport Water reported the lowest water quality complaint rates, both with 0.11 complaints per 100 customers.

3. Water and sewer network reliability

This chapter looks at reliability of the water and sewer networks, by exploring how often customers are without a water supply and how often sewer blockages and spills impact customers. Our measures only consider the pipe network and pumps under the control of the water businesses and exclude the private property connections managed by customers.

3.1. 2022-23 at a glance

Water networks were more reliable with a decrease in average customer minutes off supply across the state.

Sewer service reliability increased across the state, with a decline in sewer blockages and spills.

3.2. Water service – minutes off supply

'Minutes off supply' is a measure of how many minutes on average a customer for each water business was without their water supply during a year. This measure only looks at interruptions to water mains and excludes smaller ancillary pipelines or private connections.

Various factors affect average minutes off supply, including the:

- number of interruptions
- duration of each interruption
- number of customers affected by each interruption.

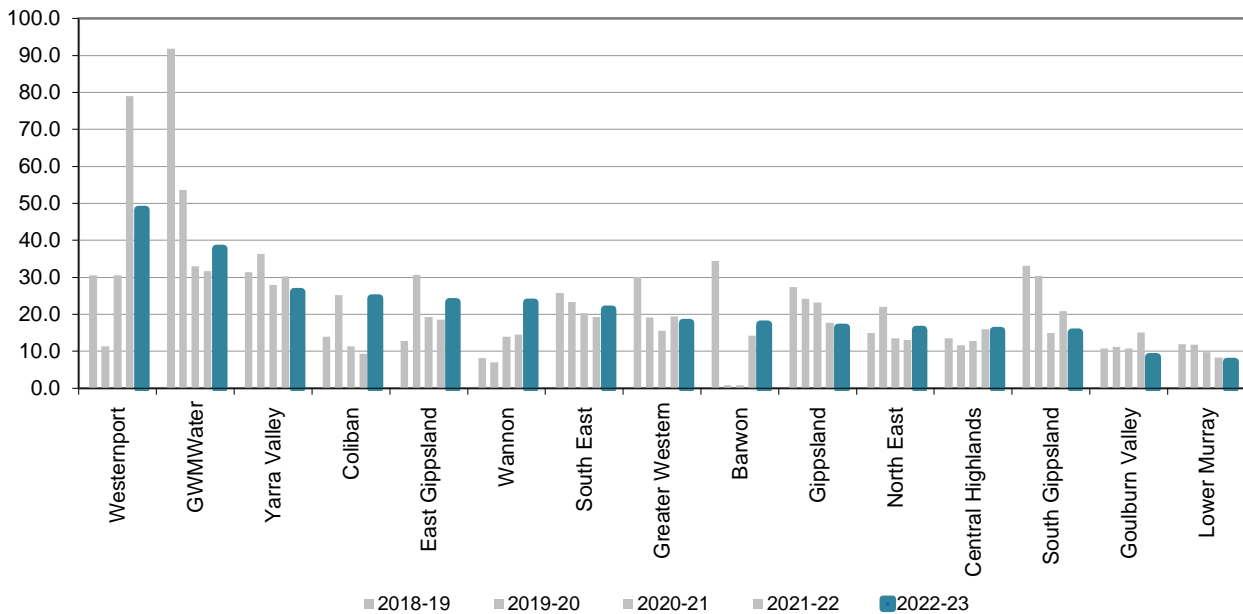
Whether interruptions are planned or unplanned also gives insight into the stability and reliability of the network. Figure 3.1 shows the average time in minutes a customer had their water supply interrupted for each water business across the last five years.

Types of interruptions – planned and unplanned

A planned interruption occurs when a customer has received at least two days' notice of an interruption to their water service. An unplanned interruption occurs when this notice was not given, or the duration of a planned interruption exceeded the time estimated.

The duration of supply interruptions can be greatly affected by factors including the size and location of the pipeline, access to the worksite, the availability of work crews to attend, and the nature of the repair required.

Figure 3.1 Average minutes off water supply per customer



Snapshot (average customer minutes off supply)

Statewide average		-2.6%	Metro average		-5.6%	Regional average		11.2%
2022-23	21	↓	2022-23	22	↓	2022-23	19	↑
2021-22	22		2021-22	23		2021-22	17	

Key observations

- Across Victoria, the average customer minutes off supply decreased by 2.6 per cent from 22 minutes in 2021-22 to 21 minutes in 2022-23.
- In Melbourne, the average customer minutes off supply decreased by 5.6 per cent from 23 minutes to 22 minutes.
- Regional Victoria saw an 11.2 per cent increase in customer minutes off supply, from 17 minutes to 19 minutes.
- Westernport Water reported the highest average customer minutes off supply at 48 minutes, despite a decrease from its 2021-22 value of 79 minutes, but still higher than the preceding years. Westernport Water attributed the high result to planned water mains air scouring to clean its water mains ahead of the tourist season.
- Lower Murray Water had the lowest average customer minutes off supply at 7.1 minutes, citing its renewals and preventative maintenance programs as the sources of its strong performance.

- Coliban Water more than doubled its average customer minutes off supply from 9.3 in 2021-22 to 24.4 minutes in 2022-23. Coliban Water attributed this increase to an incident in April 2023 in Kyneton where a significant water main burst caused the clear water storage to completely drain and the town system to completely depressurise.

3.3. Sewerage service – sewer blockages

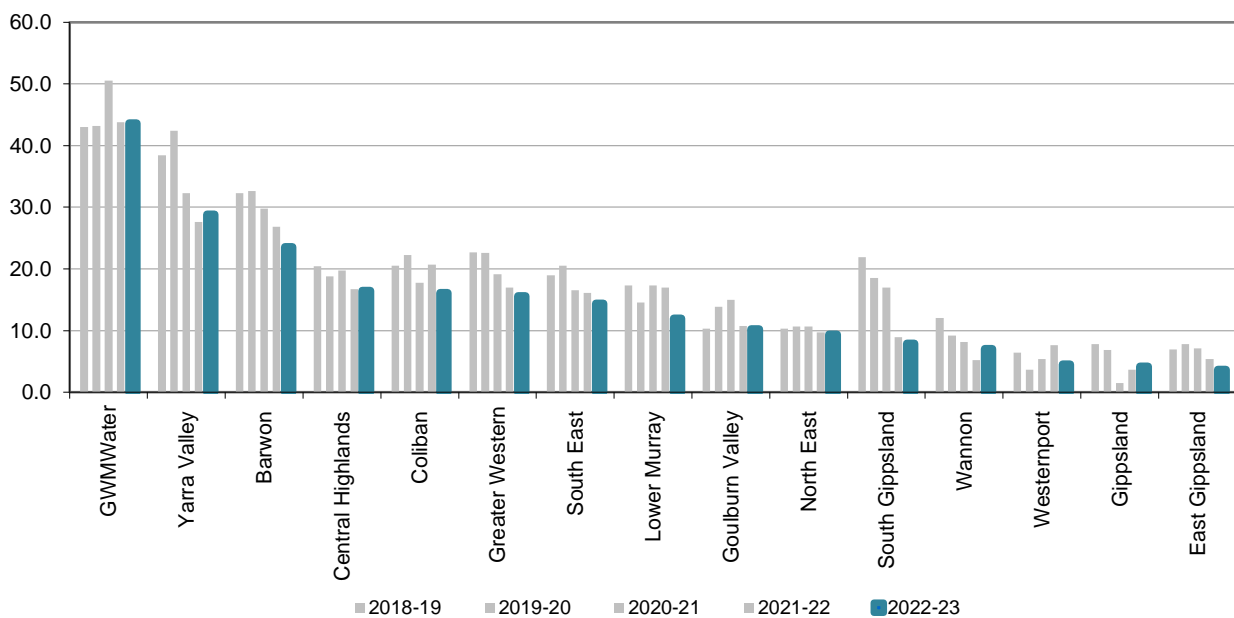
Sewer networks consist of:

- trunk and reticulation mains (core infrastructure involving large pipes and pumps to transfer sewage to treatment facilities)
- house connection branches and property drains (ancillary smaller infrastructure that transfers sewage from customers to the sewer mains)
- private connections from customers to connection branches or property drains (faults in these are the responsibility of customers).




Figure 3.2 shows the number of sewer blockages reported per 100 kilometres of sewer main for each water business across the last five years.

A sewer blockage is a partial or total obstruction of a sewer main that impedes sewage flow and does not include blockages in the ancillary infrastructure or private connections.

Figure 3.2 Sewer blockages per 100 kilometres of sewer main



Snapshot (sewer blockages per 100 kilometres of sewer main)

Statewide average		-4.9%	Metro average		-2.6%	Regional average		-10.1%
2022-23	18.0		2022-23	20.2		2022-23	14.3	
2021-22	19.0		2021-22	20.7		2021-22	15.9	

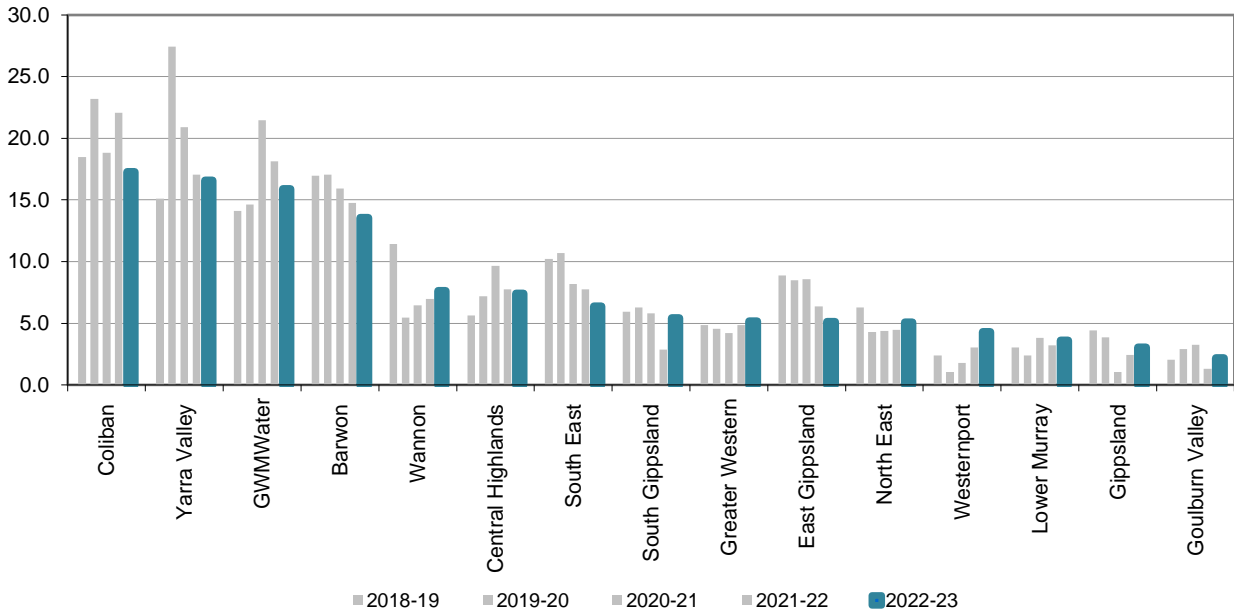
Key observations

- Across the state, the rate of sewer blockages decreased by 4.9 per cent, continuing the downward trend since 2019-20.
- Metropolitan Melbourne saw a 2.6 per cent decrease, with 20 blockages on average per 100 kilometres of sewer main. Of the three metropolitan businesses, Greater Western Water and South East Water have continued to report lower sewer blockage rates in 2022-23, while Yarra Valley Water has reported an increase of 4 per cent.
- In regional Victoria, the blockage rate was 14 per 100 kilometres of sewer main, down from 16 blockages per 100 kilometres of sewer main the previous year.
- GWMWater continues to report the highest rate of sewer blockages across the state with 44 blockages per 100 kilometres of sewer main and has reported the highest rate each year since 2016-17.
- Gippsland Water and East Gippsland Water reported the lowest sewer blockage rates with 4 blockages per 100 kilometres of sewer main in 2022-23.

3.4. Sewerage service – containment of sewer spills

Spills are a failure to contain sewage within the core sewer infrastructure. Figure 3.3 shows the number of sewer spills reported per 100 kilometres of sewer main for each water business across five years.

Figure 3.3 Sewer spills per 100 kilometres of sewer main



Snapshot (sewer spills per 100 kilometres of sewer main)

Statewide average		-6.6%	Metro average		-6.2%	Regional average		-7.4%
2022-23	9.5	↓	2022-23	9.9	↓	2022-23	8.7	↓
2021-22	10.2		2021-22	10.6		2021-22	9.4	

Key observations

- The statewide sewer spill rate decreased by 6.6 per cent, from 10 sewer spills per 100 kilometres of sewer main in 2021-22 to 9.5 spills per 100 kilometres in 2022-23.
- Of the fifteen water businesses across the state, seven reported a decrease in sewer spill rates, while the remaining eight reported an increase.
- For a second consecutive year, Coliban Water has reported the highest sewer spill rate of 17 spills per 100 kilometres of sewer main in 2022-23, despite a decrease from its 2021-22 value of 22 spills.

- Goulburn Valley Water has again reported the lowest sewer spill rate, with 2 sewer spills per 100 kilometres of sewer main in 2022-23, following an impressive rate of just 1 spill per 100 kilometres the previous year.

Containing spills within five hours

- Three businesses (Coliban Water, Lower Murray Water, and South Gippsland Water) contained 100 per cent of sewer spills within five hours in 2022-23. This is five businesses fewer than the previous year.
- Four businesses (Yarra Valley Water, Barwon Water, Greater Western Water, and South East Water) contained close to 100 per cent of spills within five hours, containing 99.8, 99.5, 99.4, and 99.1 per cent within five hours respectively.
- The percentage of spills contained within five hours for the remaining eight businesses were:
 - Central Highlands Water: 95.8 per cent, down from 98.3 per cent in 2021-22.
 - East Gippsland Water: 97.4 per cent, down from 100 per cent in 2021-22.
 - Gippsland Water: 98.2 per cent, up from 97.7 per cent in 2021-22.
 - Goulburn Valley Water: 90 per cent, down from 100 per cent in 2021-22.
 - GWMWater: 93.8 per cent, down from 100 per cent in 2021-22.
 - North East Water: 81.8 per cent, down from 91.2 per cent in 2021-22.
 - Wannon Water: 97.4 per cent, down from 98.5 per cent in 2021-22.
 - Westernport Water: 94.1 per cent, down from 100 per cent in 2021-22.

4. How much water is recycled

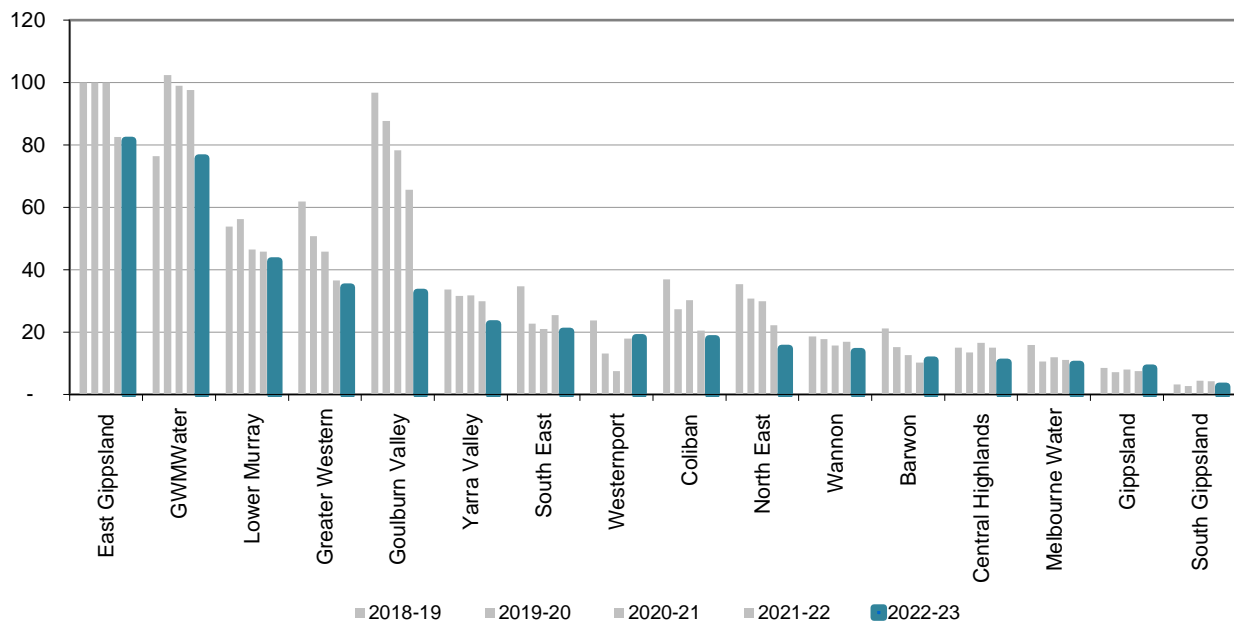
4.1. Recycled water – effluent treatment and reuse

Wastewater consists of residential and non-residential sewage, trade waste from commercial and industrial customers, and stormwater that reaches the sewer network. The wastewater treatment plants produce an effluent stream that, if unused or not recycled, is normally discharged to the environment.




Recycled water is generally used on turf farms, dairy farms, recreational lands (such as parks and golf courses) and is used in some industrial processes and for irrigation. Some businesses operate ‘third pipe’ recycled water supply systems to their customers, for non-potable uses such as watering the garden and flushing the toilet. Recycled water can also be used for beneficial environmental outcomes, such as maintaining wetlands.

Figure 4.1 shows the proportion of water recycled as a percentage of the volume of effluent produced by each water business across the last five years.

Figure 4.1 Recycled water used as a percentage of effluent volume produced



Snapshot (proportion of effluent reused, per cent, change from previous year, percentage point)

State Average		-2.5	Metro Average		-2.0	Regional Average		-4.17
2022-23	13		2022-23	11		2022-23	18	
2021-22	16		2021-22	13		2021-22	22	

Key observations

- Statewide effluent production increased by nine per cent in 2022-23, from 525,273 megalitres in 2021-22 to 573,679 megalitres in 2022-23.
- Thirteen per cent (74,364 megalitres) of the effluent produced was reused as recycled water. This compares to 81,436 megalitres of effluent reused as recycled water in 2021-22, or 16 per cent of that year's total amount of effluent produced.
- Most businesses reused significantly less than 50 per cent of the effluent they produced. In a wet year, it is common for water businesses to reuse less effluent due to the availability of excess water from rainfall and, subsequently, the reduced demand for reused water.
- East Gippsland Water (81 per cent) and GWMWater (76 per cent) were the only businesses that reused over 50 per cent of effluent produced.
- Goulburn Valley Water reported the biggest reduction in percentage reused, only half of the previous year. Goulburn Valley Water attributed the reduction to the wetter and cooler spring, summer and autumn which increased its effluent production while also reducing demand for recycled water.
- South Gippsland Water continues to report the lowest proportion of recycled water usage. In 2022-23 it reused three per cent of the effluent it produced, one percentage point lower than in 2021-22.



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