

Water customers to have their say on prices

Customers of 15 of Victoria's water businesses will continue to have a chance to talk service levels and prices with their provider, as a new round of price reviews kicks off.

The Essential Services Commission has released a paper to guide the businesses as they prepare submissions, due in September next year, <u>for new prices commencing 1 July 2023</u>.

The price submissions provided by water businesses will outline the prices they propose to apply from July 2023, and set out the service levels and value customers can expect to receive.

The commission's guidance paper outlines information the businesses must provide us before we make price determinations in June 2023. It also outlines the commission's expectations for customer engagement, including for customers experiencing vulnerability and First Nations people.

Commission pricing director Marcus Crudden says the <u>PREMO pricing framework</u>, first used in the <u>2018 price review</u>, will again put the focus on delivering value for customers.

"Our water pricing framework requires all water businesses to put emphasis on customer engagement and take accountability for delivering on their service commitments.

"The framework provides strong incentives for water businesses to deliver better value for customers, requiring them to submit pricing plans that demonstrate how they've considered the services customers want.

"Ultimately, we expect price submissions that reflect a business's best offer to its customers," he said.

The second round of price reviews under the PREMO framework will introduce a 'performance' element that holds businesses accountable for proposals from their previous price review.

The commission will also engage with customers after water businesses have submitted their proposals to us in late 2022.

The 2023 price review does not include Melbourne Water, Goulburn-Murray Water or North East Water.

The commission has also received a request from Greater Western Water to extend the pricing period for its region by one year to 30 June 2024. Their request is available on our website and stakeholders can comment via water@esc.vic.gov.au by 11 November 2021.

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