

# Lower Murray Water – Rural



2018 water price review | Final decision

Customer fact sheet

In June 2018 the Essential Services Commission released its final decision on Lower Murray Water’s price submission. The final decision completes our review of the maximum prices that Lower Murray Water may charge for its services for a five year regulatory period from 1 July 2018 to 30 June 2023.

We undertook this review under Commonwealth’s Water Charge (Infrastructure) Rules 2010 (WCIR). We are accredited by the Australian Competition and Consumer Commission to regulate Lower Murray Water’s rural infrastructure related services.

As part of this process, water businesses sent us submissions on their proposed prices and key outcomes. In conducting our review we followed pricing principles made under the WCIR and sought feedback from customers at multiple points throughout the price review process to inform our decision making in an open and consultative manner.

## Snapshot

Bills	Outcomes	Tariffs
Depending on district, Irrigation customers using 100ML of water could see bill movements ranging from a decrease of 0.7% to an increase of 2.1% in 2018-19.	New projects for 2019-23 include replacement of irrigation mains (Mildura, Merbein, and Red Cliffs) and upgrades to the Mildura Central Pump Station rising main.	Irrigation tariff structures follow a locational pricing method and will remain unchanged. Prices are calculated for each district.
Do you want to know the difference between bills and prices? For this and more information about our price review process and Lower Murray Water’s final decision, go to <a href="http://www.esc.vic.gov.au/waterpricereview">http://www.esc.vic.gov.au/waterpricereview</a>		



## What are the changes to bills and tariffs?

Lower Murray Water will maintain the existing tariff structures for all of its services. Bill changes vary depending on the service, area and customer size. Estimates of bill movements between 2017-18 and 2018-19 are shown below (excluding inflation). Annual bill movements to 2022-23 will be subject to annual price adjustments.

### 2018-19 estimated bill changes (excluding inflation)

- Irrigation customers based on 100 megalitres of usage:
  - Mildura irrigation and drainage: 0.4 per cent increase
  - Merbein irrigation and drainage: 0.2 per cent increase
  - Red Cliffs irrigation and drainage: 1.0 per cent increase
  - Robinvale irrigation and drainage: 0.7 per cent decrease
  - Mildura High Pressure System: 2.1 per cent increase
- a 3 megalitre stock and domestic user: 1.0 per cent bill decrease
- a 400 kilolitre Millewa Urban user: 0.9 per cent bill decrease
- a 4,300 kilolitre Millewa Rural user: 1.8 per cent bill decrease
- diversion customers licenced with 1,000 megalitres of annual use limit will receive a 1.3 per cent bill increase.

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

(\$ million before inflation)

Project	Detail	Total
Irrigation Mains Replacement (Mildura, Merbein, Red Cliffs)	Lower Murray Water will replace several pipelines in response to the results of performance and condition assessments carried out.	9.3
Mildura Central Pump Station Replacement of Manifold/Rising Main	Lower Murray Water will replace the Central Rising Main at the Mildura Central Pump Station in order to minimise critical failures.	4.0

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

Our final decision for Lower Murray Water allows operating expenditure of **\$98 million** and gross capital expenditure of **\$34 million** to provide its rural services to customers over the next five years. To fund this, Lower Murray Water requires **\$ 128 million in revenue**, a **decrease** from the \$152 million required during 2013 to 2018.

\*The numbers in this section are in 2017-18 dollars.





## Got a question?

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