



Victoria's water businesses send us submissions on proposed prices and key outcomes for their customers. We assess the submissions and make price determinations on the maximum price they can charge for their services. New prices need to be in place by 1 July 2018.

### Snapshot

Bills	Prices and Tariffs	Outcomes
Typical annual residential owner occupier water bills for 2018-19 will be \$858 before inflation, up from \$854 in 2017-18. An <b>increase of \$4, or 0.4%</b> each year over the next eight year regulatory period. In 2027-28 the typical annual bill is forecast to be \$874 (not including inflation).	Consistent with previous regulatory periods, North East Water will continue to move towards cost reflective pricing. The tariff loading North East Water will apply to each location will reflect the capital invested, operating costs and growth in customer numbers.	North East Water has proposed a range of service standards relating to water, sewerage and customer service. Twice yearly it will report to customers on its performance.

Do you want to know the difference between bills and prices? For this and more information about our price review process and North East Water's price submission, go to <http://www.esc.vic.gov.au/waterpricereview>

### Send us your feedback on North East Water's proposal

Submitting your feedback to North East Water's price submission by **10 November 2017** will help us prepare for the release of our draft decision.

Any feedback submitted after this date will still be considered as part of our consultation process. Send your feedback to [water@esc.vic.gov.au](mailto:water@esc.vic.gov.au) or call (03) 9032 1300.



## What are the changes to prices and tariffs?

Overall, proposed prices for North East Water customers will **go up** by 0.45 per cent annually over the proposed **eight year** price period between 2018 and 2026. North East Water has proposed to maintain its existing tariff structures, including:

- tariff loadings on the water fixed service charge for some locations ranging from 10 per cent to 20 per cent above the base level tariff.
- tariff loadings on the wastewater fixed service charge for some locations ranging from 20 per cent to 50 per cent above the base level tariff.
- All charges increase by 0.45 percentage points each year over eight years.

## How will this affect your bill?

Prices and tariffs are only part of the bill. Your actual bill depends on factors such as the amount of water and services you use. North East Water provided us with typical bills for different customer groups and water volumes.

### Typical water and sewerage bills (not including inflation)

Customer group	Average consumption (kL p.a.)	2017-18 annual bill	2018-19 annual bill	2022-23 annual bill
Residential (Owner occupier)	190	\$854	\$858	\$874
Residential (Tenant)	190	\$418	\$420	\$428
Non-residential (Small)	100	\$656	\$659	\$671
Non-residential (Medium)	500	\$1,652	\$1,660	\$1,689
Non-residential (Large)	2,000	\$5,911	\$5,937	\$6,045

## What are the outcomes for customers?

As part of their price submission, water businesses must propose a set of outcomes that customers will receive during the regulatory period. North East Water proposed six outcomes along with 21 Customer Service Standards, 14 of which relate to water services, 5 to the provision of sewerage and 2 apply to customer service. It will report on its performance twice per year in a report card published on its website and regional press.

Some service levels and targets will be lower than past years as North East Water seeks to reduce operational costs and increase cost efficiencies.





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

(\$ million before inflation)

Project	Detail	Total
Wodonga WWTP Capacity & Emissions Reduction	The West Wodonga Wastewater Treatment Plant treats all wastewater and trade waste from Wodonga. This project proposes to upgrade the plant to meet future growth and development demands in Wodonga, and to reduce greenhouse emissions.	11.7
Wodonga Wastewater Treatment Plant Major Upgrade	The West Wodonga Wastewater Treatment Plant was last upgraded in 2002. This project proposes to upgrade the plant to ensure that it can continue to operate in an efficient and reliable manner and meet increasing demand in the region.	8.1
Beechworth Wastewater System Upgrade	While necessary to meet the requirements of the Environment Protection Authority, this project aligns with North East Water's sustainability outcome. The system must be upgraded to meet the needs of future growth in the region.	6.0
Wodonga Wastewater Treatment Plant Solar Project	As part of North East Water's carbon emissions reduction pledge, this project proposes to establish a 2 megawatt solar facility. This was supported by the deliberative forum to harness by-products and generate power from operations where possible.	4.8

## How much revenue is required from 2018 to 2026?

We require each business to tell us what revenue it will need for the next regulatory period. This helps us understand North East Water's prices in its submission.

North East Water forecasts that it needs **\$341 million** of operating expenditure and **\$146 million** of capital expenditure to provide its services to customers over the next **eight** years. To fund this, North East Water requires **\$513 million in revenue**, an **increase** on the annual average from past years and which is contributing to North East Water's proposed price increase.

## Got a question?

[View our contact details](#) and follow us on [LinkedIn](#) and [Twitter](#).

