

Coliban Water – Outcomes – 2018–2023

In this document, the water business provides a summary report of its actual performance against each of its outcome commitments for the 2019-20 reporting year. The business has given itself a “traffic light” rating (green = met target, red = not met, yellow = close or largely met) for its performance on each measure, outcome and an overall rating. The business has provided its own comments about its performance on each outcome and overall.

Summary table

Outcome	18-19	19-20	20-21	21-22	22-23
1. We will supply high quality water you can trust	Green	Yellow	Grey	Grey	Grey
2. We will provide infrastructure and services to meet the needs of our customers now and into the future	Green	Green	Grey	Grey	Grey
3. We will reduce our environmental footprint and achieve a socially responsible, sustainable business for future generations	Green	Green	Grey	Grey	Grey
4. We will be open and transparent with customers about affordable pricing, service disruptions and repairs	Yellow	Yellow	Grey	Grey	Grey
5. We will support the liveability in the region	Green	Green	Grey	Grey	Grey
Overall	Green	Green	Grey	Grey	Grey

Business comments (2019-20)

In this second year of this five year pricing period, Coliban Water weathered the impacts of the pandemic while maintaining the critical services our communities need.

Rather than relying solely on a self-assessment of performance against the Customer Outcomes, this year we decided to empower customers to provide input to this assessment. A total of 24 Coliban Water customers attended three online Annual Forums in May and June 2020 to discuss our annual performance. Preliminary data (for 10 months YTD performance where available, and utilising estimated data in some instances) was presented and discussed at the Forum. For each of the Outcomes, between 58% and 88% of customers agreed that we had Met or Exceeded our Outcomes. In addition, customers provided feedback in various areas and these have been subsequently analysed to identify areas of improvement.

For some indicators (Outcome 1 and 4), the full year performance was actually lower than the partial year performance data presented to customers. Therefore, in the interests of transparency, we have self-assessed our performance as Amber (close or largely met) for these two Outcomes. In alignment with the majority of customer opinions, we have assessed overall performance as Green in 2019-20.

Where amber or red status is noted for individual performance measures, in some instances this has been due to issues beyond our control. In some areas, green performance is shown for measures that are whole of regulatory period targets. Due to the nature of these measures (for example, fencing around water storages, water audits, Main Channel renewal), while interim annual targets may not be achieved in any individual year, we are confident of achieving the overall targets within the PS18 regulatory period. This notion was tested with customers and is in alignment with the feedback we received in the Annual Forums.

Outcome 1: We will supply high quality water you can trust

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Systems meeting all parameters in Coliban Water System Customer Index	Percentage	Target	–	NA	90.0%	90.0%	90.0%	90.0%	90.0%
		Actual	NA	New	84.6%	75.9%			
b Number of Safe Drinking Water Act non-compliances (water sampling and audit)	Number	Target	–	NA	0	0	0	0	0
		Actual	15	8	3	14			
c Customer agreement that "I am satisfied with the quality of water delivered by Coliban Water" (annual Customer Satisfaction Survey)	Percentage	Target	–	NA	75.0%	87.0%	87.0%	87.0%	87.0%
		Actual	NA	New	87.0%	84.0%			
d Water quality to low palatability towns - No of towns deemed to be low palatability	Number	Target	–	NA	0	0	0	0	0
		Actual	0	0	0	0			
e New fencing added around major storages across the regulatory period	Kilometres (cumulative)	Target	–	NA	3.0	6.0	9.0	12.0	15.0
		Actual	14.8	4.9	1.5	3.7			
f Length of water mains cleaned to remove sediment and improve delivered water quality across the regulatory period	Kilometres (cumulative)	Target	–	NA	100.0	200.0	300.0	400.0	500.0
		Actual	42	239	130.0	331.0			

Overall outcome 1 performance for the regulatory period so far:



Business comment (2019-20)

The majority (58%) of Forum attendees assessed the performance as Green for Outcome 1, with the remaining 42% assessing performance as Amber. Based on the results for each performance measure, with three of six measures green, one amber and two red, we have assessed Customer Outcome 1 as Amber overall.

In 2019-20, 173 out of 228 customer system index assessments were rated 90% or higher, representing this year's 75.9% result for this indicator.

Of the 14 Safe Drinking Water Act non-compliances, 3 are for positive E.coli readings, 1 for chlorine, 6 for THM (Laanecoorie system) and 4 for NDMA (all in Laanecoorie system).

There was a small reduction in customer sentiment regarding water quality this year compared to the previous year's result. However, we note that there was only 5.0% dissatisfaction.

An additional 2.2 km of fencing was added around storages and catchments in 2019-20. While the total of 3.7 km is well below the cumulative 6.0 km target at this time, we note that there is in excess of 4.5 km of new fencing planned for 2020-21 and are confident of achieving this measure by the end of the regulatory period.

This year, 201 km of water mains were cleaned, including Echuca, Boort and Raywood / Sebastian. In addition, flushing took place in Big Hill, Junortoun, Tarnagulla and Guildford/Yapeen.

Outcome 2: We will provide infrastructure and services to meet the needs of our customers now and into the future

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Access to fit for purpose water: Rural allocation provided	Percentage	Target	–	NA	100%	100%	100%	100%	100%
		Actual	100%	100%	100%	100%			
b Access to fit for purpose water: Number of towns on water restrictions (not including PWSR)	Number	Target	–	NA	0	0	0	0	0
		Actual	0	0	0	0			
c Unaccounted for water (urban)	Percentage	Target	–	NA	15.0%	15.0%	15.0%	15.0%	15.0%
		Actual	8%	11.3%	10.1%	13.1%			
d New digital meters installed and operational across the regulatory period	Number (total)	Target	–	NA	5,000	10,000	15,000	20,000	25,000
		Actual	NA	New	1,244	23,658			
e Undertake Water Efficiency Audits with major non-residential customers	Number (cumulative)	Target	–	NA	3	6	9	12	15
		Actual	NA	New	0	1			
f Renew Coliban Main channel: length renewed	Kilometres (cumulative)	Target	–	NA	0.6	1.2	1.8	2.4	3.0
		Actual	0.9	0.8	0.3	0.8			

Overall outcome 2 performance for the regulatory period so far:



Business comment (2019-20)

The majority (63%) of forum attendees assessed performance as Met or Exceeded, with the balance assessing performance as Amber.

With four of six performance measures rated Green and two Amber, we have assessed Customer Outcome 2 green.

We installed in excess of 22,000 digital meters to customers in 2019-20. We remain on track to significantly exceed the target number of digital meters across the regulatory period.

Only one Water Efficiency Audit was conducted in 2019-20. A number of planned Audits for late in the financial year were cancelled due to ongoing concerns with the pandemic, although it is anticipated that performance by the end of the regulatory period will be in alignment with the performance measure.

An additional 0.5 km of the Coliban Main Channel was renewed in 2019-20, with the cumulative result of 0.8 km now below target.

Outcome 3: We will reduce our environmental footprint and achieve a socially responsible, sustainable business for future generations

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Annual CO ₂ emissions	Tonnes CO ₂ -eq	Target	–	NA	32,505	32,505	32,505	32,505	29,305
		Actual	33,645	28,898	33,857	29,938			
b Number of EPA reportable sewer spills	Number	Target	–	NA	19	18	17	16	15
		Actual	22	14	10	16			
c Annual chemical consumption expenditure (Real \$2017-18)	\$ per ML (water/wastewater) treated	Target	–	NA	\$103	\$101	\$99	\$97	\$95
		Actual	NA	\$105	\$76	\$107			
d Number of sewer blockages per 100km sewer main	Number per 100km	Target	–	NA	42.0	40.0	38.0	36.0	35.0
		Actual	40.5	29.6	27.1	22.3			

Overall outcome 3 performance for the regulatory period so far:



Business comment (2019-20)

Forum attendees viewed our performance for this Outcome positively, with 83% of attendees rating our performance as green. We have reflected this assessment in our overall rating of Green.

This year's greenhouse gas emissions performance has been supported by favourable environmental conditions and a revised pumping strategy reducing the need to pump water to Bendigo from Lake Eppalock.

Increased cleaning and maintenance of sewer mains have led to significant reductions in sewer blockages. Also, we have undertaken additional cleaning along waterways to reduce the potential of environmentally significant sewer spills.

This year's chemical expenditure for water and wastewater treatment is due to a number of factors, including high chemical costs associated with ATADs at the Epsom WWTP (offline for most of 2018-19).

Outcome 4: We will be open and transparent with customers about affordable pricing, service disruptions and repairs

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Average customer minutes off water supply (planned and unplanned)	Minutes	Target	–	NA	13.0	12.8	12.3	11.8	11.5
		Actual	14.6	10.2	13.6	25.2			
b Planned or unplanned water supply interruptions restored within 5 hours	Percentage	Target	–	NA	98%	98%	98%	98%	98%
		Actual	98%	100%	97.9%	99.4%			
c Customers experiencing 5 or more planned or unplanned water supply interruptions	Number	Target	–	NA	5	5	5	5	5
		Actual	8	68	17	29			
d Average time to rectify a sewer blockage	Minutes	Target	–	NA	80.0	80.0	80.0	80.0	80.0
		Actual	81.2	70.7	67.4	63.6			
e Customers receiving 3 or more sewer blockages in the year	Number	Target	–	NA	16	16	16	16	16
		Actual	16	4	12	0			
f Residential customers receiving 1 or more planned or unplanned water service interruption in year	Percentage	Target	–	NA	10.5%	10.2%	10.0%	9.8%	9.6%
		Actual	9.4%	11.1%	8.5%	16.6%			
g Utility Relief Grants provided by DHHS to Coliban Water residential customers	Number per 1,000 residential customers	Target	–	NA	8.8	8.8	8.8	8.8	8.8
		Actual	9.3	4.9	5.4	9.1			

h Total value of Hardship Grants awarded to customers (excluding government schemes)	\$ real \$2017-18	Target	–	NA	\$165,000	\$195,000	\$225,000	\$255,000	\$285,000
		Actual	\$136,013	\$76,099	\$144,243	\$102,561			

Overall outcome 4 performance for the regulatory period so far:



Business comment (2019-20)

The majority of forum attendees (67%) assessed our performance this year as green for Outcome 4. However, given four measures have been self-assessed as Red, we have opted for an Amber overall rating.

This year saw significant improvements for average unplanned minutes off supply and rectification of interruptions within 5 hours. The improvement is largely due to the incident in 2018-19 that saw a large number of customers experience a 5+ hour service interruption due to third party damage. For the first time, we have included for planned mains cleaning (air scouring) works as an interruption. This program alone has contributed an average of 15.4 minutes off supply for customers, and an additional 6,621 customers receiving at least one service interruption. The air scouring program is a key initiative to deliver high quality water supply to our customers. If air scouring was excluded and data was to have been reported on the same basis the measures were made, then we would have self-assessed “Green” for both water interruption indicators.

The 29 customers who experienced 5 or more service interruptions were located in Guildford and Castlemaine. Works have been prioritised to address the local network issues and to prevent future poor performance.

A significant improvement is seen in our sewer performance indicators in 2019-20, following the increased utilisation of CCTV inspection to reduce multiple issues at the same site.

The total value of hardship grants for the year was well below target due to delays to the commencement of our relationship with Anglicare until March 2020. The Plumber Assist program was put on hold late in the year due to concerns around site visits with COVID-19.

Outcome 5: We will support the liveability in the region

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Volume of water delivered to councils through recreational pricing	ML	Target	–	NA	0.0	50.0	100.0	200.0	300.0
		Actual	0	New	0.0	70.0			
b Maintain or improve our credit rating	Credit rating	Target	–	NA	BBB	BBB	BBB	BBB+	BBB+
		Actual	BBB	BBB	BBB	BBB			
c We will pay down our debt	\$ (nominal)	Target	–	NA	\$4.0M	\$4.0M	\$4.0M	\$4.0M	\$4.0M
		Actual	\$3.5M	\$3.5M	\$4.0M	\$4.0M			

Overall outcome 5 performance for the regulatory period so far:



Business comment (2019-20)

Of Forum attendees, 88% assessed our performance of this Outcome as Met or Exceeded.

Coliban Water has maintained our credit rating at BBB, enabling debt repayment costs to be lower and mitigating the risk of passing on any additional financing costs to our customers in the long term. To support this, we have met the \$4.0 million debt repayment target. However, we are currently reviewing the sustainability of ongoing debt repayment, as we are becoming increasingly cognisant of customer expectations of a higher level of service, and this may require increased investment in our regional assets.