

## Gippsland 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. GW VALUE: Do Your Job Well	Green	Yellow	Grey	Grey	Grey
2. GW VALUE: Be Easy To Deal With	Green	Green	Grey	Grey	Grey
3. GW VALUE: Be Affordable and Fair	Green	Green	Grey	Grey	Grey
4. GW VALUE: Prepare and Protect	Green	Green	Grey	Grey	Grey
5. GW VALUE: Be Involved	Green	Green	Grey	Grey	Grey
Overall	Green	Green	Grey	Grey	Grey

## Business comments

This is the second year we've had the opportunity to self-assess and share detailed, measurable results with our customers about how we're tracking against the promises we made to them through our 2018 price submission.

We consider we've performed well overall, rating our performance as 'green'. Essentially this means we're largely on track to deliver what we promised across the five areas our customers said were most important to them.

When we spoke with our customers in 2017, they told us they wanted us to be more involved in our community. This has been a significant area of focus for us in the last twelve months and our performance has been very strong as a result.

We exceeded our community support targets with seventeen new drinking fountains installed around the region, seven water-focused community initiatives supported through our sponsorship program and broad community support received for our collaborative health and environmental campaigns.

We continued to find ways to make it easier for our customers to deal with us, delivering our new online services and redoubling our efforts to support customers experiencing financial hardship, resulting in a 46% increase in the amount of people we've been able to support with flexible payment options.

As always, there are opportunities for improvement. We assessed our performance against the theme of 'Do our job well' is 'orange', with rationale and context provided in the detailed results below. In summary terms, this result can be mainly attributed to complexity of the jobs involved and the impacts of a storm-induced precautionary boil water alert for Moe and surrounding townships.

Of course, what matters most is how our customers and community assess our performance against the promises we made to them. With this in mind, we'll be embarking on a program of customer and community engagement during the coming weeks to share the results contained within this report; check whether our assessments ring true and gain further insights into how we can do better for the communities we serve.

## Outcome 1: GW VALUE: Do Your Job Well

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Unplanned water supply interruptions restored within 5 hours	Percentage	Target	98%	98%	98%	98%	98%	98%	98%
		Actual	98.8%	98.62%	98.3%	97.16%			
b Average time to rectify a sewer blockage	Minutes	Target	95	95	95	95	95	95	95
		Actual	72.7	75.47	73.82	73.84			
c Sewer spills contained within 5 hours	Percentage	Target	98%	98%	98%	98%	98%	98%	98%
		Actual	100%	100%	100%	100%			
d Population receiving water meeting E.Coli standards	Percentage	Target	100%	100%	100%	100%	100%	100%	100%
		Actual	100%	100%	100%	100%			
e Number of sewer spills within a house not contained within 1 hour.	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0			
f Number of planned interruptions going over advised times.	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	5			
g Number of Safe Drinking Water Act non-compliances (water sampling and audit)	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	1			

Overall outcome 1 performance for the regulatory period so far:



## **Business comment**

We rated our overall performance against this theme as orange, given four of the seven agreed targets we're met.

We narrowly missed achieving the target set for *Indicator 1a – Unplanned water supply interruptions restored within 5 hours*. This was due to the complexity of the works, such as assets being difficult to get to or requiring special techniques, materials and parts required to complete the repair safely and effectively.

While we fell short on meeting our target for *Indicator 1f - Number of planned interruptions going over advised times*, it's important to consider the result in context – out of 209 planned isolations, 5 isolations or 2.4% went over the agreed time and all due to the complexity of the work.

In February 2020, a significant storm caused damage to our Moe water treatment plant which ultimately led to a precautionary boil water alert being issued for our customers in Moe and surrounding towns. The alert lasted for around 14 days, causing inconvenience for many of our customers.

We've committed to honouring on the promise we made in our 2018 price submission to donate \$5,000 to a community project to make up for the inconvenience caused by the Moe and surrounding towns precautionary boil water alert, and we'll asking affected communities to help us decide where and how the funds will be best spent as soon as the current coronavirus (COVID-19) restrictions allow.

## Outcome 2: GW VALUE: Be Easy To Deal With

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Complaints investigated by the Energy and Water Ombudsman Victoria	Number per 1000 customers	Target	0.08	0.03	0.03	0.03	0.03	0.03	0.03
		Actual	0.06	0	0	0			
b Contacts are resolved at the first point of contact	Percentage	Target	NA	NA	88%	88%	88%	88%	88%
		Actual	NA	NA	96%	97%			
c Affected customers receiving a minimum of 5 days notification prior to a planned interruption taking place	Percentage	Target	NA	NA	100%	100%	100%	100%	100%
		Actual	NA	NA	100%	100%			
d Customers receive a response to correspondence within 5 days from receipt	Percentage	Target	NA	NA	100%	100%	100%	100%	100%
		Actual	NA	NA	100%	100%			

Overall outcome 2 performance for the regulatory period so far:



### Business comment

This Outcome is rated green overall because we achieved all of our targets.

This is our third consecutive year of no complaints escalating and requiring investigation by EWOV.

We continue to improve our customer experience by resolving the majority of enquiries at first point.

Utilising our complaints management framework and policy has contributed to our good results, streamlining our processes and improving customer response times and experience.

### Outcome 3: GW VALUE: Be Affordable and Fair

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Prices contained to CPI + 0.57% per annum until 30 June 2023	Yes / No	Target	NA	NA	Yes	Yes	Yes	Yes	Yes
		Actual	NA	NA	Yes	Yes			
b Customers in hardship program with water supply restricted for non-payment	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0			
c Hardship customers paying through instalments	Percentage	Target	NA	NA	55%	55%	55%	55%	55%
		Actual	NA	NA	59%	60%			
d Customers over 120 days paying through instalments	Percentage	Target	NA	NA	23%	23%	23%	23%	23%
		Actual	NA	NA	28%	25%			

Overall outcome 3 performance for the regulatory period so far:



### Business comment

This Outcome is rated green overall because we achieved all of our targets.

Our continued focus on those most vulnerable in our community, and our continuing management of trade debtors, has seen an increase in the number of customers entering into payment plans during 2019-20.

## Outcome 4: GW VALUE: Prepare and Protect

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Total CO <sub>2</sub> equivalent emissions	Tonnes (000's)	Target	70.0	70.0	43.1	43.6	43.7	38.6	36.7
		Actual	37.5	37.88	43.73	34.75			
b Biosolids reuse	Percentage	Target	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		Actual	100.0%	100.0%	100.0%	100%			
c Deliver all actions outlined in Gippsland Water's 2017 Urban Water Strategy	Yes / No	Target	NA	NA	On track	On track	On track	On track	Yes
		Actual	NA	NA	On track	On track			
d Supply reliability of 95% (Water restrictions no more prevalent than 1 in 20 years)	Percentage	Target	NA	NA	95%	95%	95%	95%	95%
		Actual	NA	NA	95%	95%			
e Penalties issued by the Environment Protection Authority or the Department of Health and Human Services	Number	Target	NA	NA	0	0	0	0	0
		Actual	NA	NA	0	0			

Overall outcome 4 performance for the regulatory period so far:



### Business comment

Our greenhouse gas emissions decreased by 8,975 tonnes of CO<sub>2</sub>-e compared to 2018-19. All three sources of greenhouse gas emissions (fugitive wastewater, fuel combustion and electricity consumption) experienced declines over the financial year.

Our fugitive emissions produced through wastewater treatment saw a significant decline of 43%. This is the result of no major desludging activities taking place across this financial year. Further contribution to this fall include the quality of wastewater entering the plants as well as what we safely discharge to the environment.

Fuel emissions from our vehicle fleet fell by more than 5 percent as a result of reduced travel forced by COVID-19 and remote work in the latter part of the year.

Emissions from electricity consumption fell by 5.6 per cent (1,415 tonnes of CO<sub>2</sub>-e) from last financial year. This decline in electricity emissions was driven by a combination of new solar installations, efficiency upgrades and wetter weather conditions in the regions of our larger water treatment sites.

The wetter weather allowed us to rely on gravity-fed water sources for more of the year and effectively reduce electricity emissions from pumped sources. This, combined with a major upgrade of pumping infrastructure in one of our most-used pump stations saw our water treatment emissions fall by 8.4 per cent (122 tonnes of CO<sub>2</sub>-e).

Our renewable energy project investments have already provided major benefits, with large solar installations completed at four of our sites reducing our emissions from the consumption of grid energy by 615 tonnes of CO<sub>2</sub>-e – which equates to 2 per cent of our overall electricity consumption. These installations have been strategically planned and installed at some of our largest energy consuming sites, where their production can be most effectively used to reduce the reliance on grid electricity into the future.

We are on track to deliver the actions in our 2017 Urban Water Strategy. However, one of these actions, the Boisdale aquifer long term assessment requires input from other organisations, such as DELWP and Southern Rural Water. Therefore, at this point, we have not yet commenced on this action. It is currently anticipated that this will be addressed in the development of the Central and Gippsland Region Sustainable Water Strategy by DELWP.

In respect of our supply reliability level of service we have reported this as 95%. While we briefly imposed stage 2 water restrictions in Briagolong in January and February 2020, this being only 12.5 years since restrictions were last lifted in that system, the level of service target is calculated as an average over a much longer term as part of the demand vs yield modelling process we undertake every 5 years. Average demand levels in all of our systems remains below the current climate baseline yield as estimated in our Urban Water Strategy at a 95% annual reliability level of service. We will be reviewing all of our system yields next year as part of our next Urban Water Strategy development and this process will take



into account updated department climate guidelines as well as more recent climate and water resource history, including the recent 3 year East Gippsland drought that impacted upon Briagolong. Any systems identified then as being subject to a lesser than accepted level of service will be addressed. No other water restrictions occurred in our area in 2019-20.

## Outcome 5: GW VALUE: Be Involved

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Operating and capital expenditure spent in Gippsland Water region – develop this measure by June 2020. (Targets can then be established for the subsequent years of the regulatory period.)	Yes / No	Target	NA	NA	On track	60%	53%	57%	60%
		Actual	NA	NA	On track	60%			
b Funding provided for community benefit projects	\$ value	Target	NA	NA	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
		Actual	NA	NA	\$49,200	\$92,055			

Overall outcome 5 performance for the regulatory period so far:



### Business comment

This Outcome is rated green overall because we achieved all of our targets.

We have developed a tracking measure for outcome 5a of our operating (including our +300 employee labour cost) and capital expenditure spend in the Gippsland Water region based on the postcode of our Contractor's and Supplier's. For 2020-21 the major capital project of Drouin WWTP will form up to 17% of our estimated operating and capital expenditure spend. This will impact our percentage of spend with Gippsland Water region based suppliers as the Drouin WWTP contractor is Melbourne based. From 2022-23 onwards we anticipate Gippsland Water region operating and capital expenditure will return to our historical levels of 60%.

We exceeded our target for outcome 5b with \$92,055 spent on community benefit projects. Of this amount, \$16,023 was awarded to local community and not-for-profit organisations through our annual Community Support Program. A further \$76,032 went to community health and environmental initiatives, including new 17 permanent drinking water installed throughout the region in partnership with local government and the community.

One of the highlights of the year was our 'Free drinking water here' project, delivered in partnership with the Latrobe Health Assembly with support from the Victorian government, which saw 114 local businesses join together to promote the benefits of and improve access to tap water in our major towns.

Over and above these financial contributions, we continued to support other community-focused initiatives including opening up environmentally important sites for recreational access; delivering community and school education programs and supporting environmental projects.