

## Lower Murray Water Urban – Outcomes – 2023-2028

In this document, the water business provides a summary report of its actual performance against each of its outcome commitments for the 2023-2024 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	23-24	24-25	25-26	26-27	27-28	Overall for the period to date
1. Provide customers value for money.	Green	Grey	Grey	Grey	Grey	Green
2. Provide customers with reliable and safe drinking water.	Yellow	Grey	Grey	Grey	Grey	Yellow
3. Provide customers with reliable sewerage services.	Green	Grey	Grey	Grey	Grey	Green
4. Provide customer service avenues that are responsive to resolve requests/enquiries.	Green	Grey	Grey	Grey	Grey	Green
5. Service our communities in a socially responsible and environmentally sustainable manner.	Yellow	Grey	Grey	Grey	Grey	Yellow
Overall, for reporting year	Yellow	Grey	Grey	Grey	Grey	Yellow

## **Business comments**

This is the first year of Urban Outcomes reporting under the new Water Plan (WP5). We have made solid progress in all outcome areas relative to target, resulting in an overall 'average' self-assessment rating.

Throughout the year, we continued to deal with water quality challenges across our urban treatment plants. We have completed and commissioned most of the new ultraviolet disinfection plants at nine sites. This will provide a secondary barrier of disinfection for water being supplied to our urban customers.

We continue to maintain a good relationship with our customers, with a slight improvement in our urban customer services survey result. We continue to prioritise the customer experience and are dedicated to further advancements in this area including the implementation of a new Customer Relationship Management System.

**Outcome 1: Provide customers with value for money.**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
<b>A:</b> Customer Satisfaction of overall services <i>value for money</i> . Measured by respondents who select a rating of satisfied, very satisfied, and extremely satisfied in an annual survey	% of respondents	Target	TBA	=/>22/23	=/>23/24	=/>24/25	=/>25/26	=/>26/27
		Actual	81%	79%				
<b>B:</b> Total controllable opex expenditure within 10% of LMW forecasted PS5 benchmark opex over regulatory period. (Plus annual CPI adjustments)	\$ under or over benchmark	Target	N/A	+/- 2.67M	+/- 2.69M	+/- 2.70M	+/- 2.74M	+/- 2.69M
		Actual		+1.07M				
<b>C:</b> Delivery of top 10 ‘Urban’ capital projects on time and budget. (Budget within 10% of forecast set by annual corporate plan, timing set by regulatory period)	Project status	Target	Complete 2028	On Track	On Track	On Track	On Track	Complete
		Actual	Complete 2028	On Track				

How is LMW tracking for outcome 1 in the regulatory period so far?



**Business comment**

A) During the past year, our customer satisfaction metrics indicate a slight decline in the perceived value of services, with overall satisfaction decreasing from 81% to 79%. This underscores the need for continuous improvement in our service offerings. We are committed to implementing targeted strategies to address the specific areas identified for improvement.

B) 2023-24 controllable opex costs are within the 10% tolerance, with the draft actual result being \$1.07 million (4%) above the benchmark. The variance is largely due to additional Urban filtration and treatment expenses, in part due to materially higher than benchmark chemical costs.

## OFFICIAL

C) The purchase of additional water to secure urban water entitlements was accelerated upon evaluating the current market conditions and forecasting a likely increase of future costs. Due to delays in completing a carry-over project from the 2022 floods, the project to increase the water pressure in the Red Cliffs urban network has subsequently been reprogrammed. This project is still forecast to be completed (on budget) within the next one to two years.

**Outcome 2: Provide customers with reliable and safe drinking water.**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
<b>A:</b> Number of Safe Drinking Water Act reportable non-compliances	Number of reportable incidents	Target	0	0	0	0	0	0
		Actual	0	0				
<b>B:</b> Customer satisfaction of water <i>service</i> . Measured by respondents who select a rating of satisfied, very satisfied, and extremely satisfied in an annual survey	% of respondents	Target	2022/23 Result	=/>22/2 3	=/>23/2 4	=/>24/2 5	=/>25/2 6	=/>26/2 7
		Actual	91%	90%				
<b>C:</b> Customer satisfaction of water <i>quality</i> . Measured by respondents who select a rating of satisfied, very satisfied, and extremely satisfied in an annual survey	% of respondents	Target	2022/23 Result	=/>22/2 3	=/>23/2 4	=/>24/2 5	=/>25/2 6	=/>26/2 7
		Actual	90%	88%				
<b>D:</b> Water <i>taste and odour</i> complaints	Total per annum	Target	=<25	=<25	=<25	=<25	=<25	=<25
		Actual	19	49	0	0	0	0
<b>E:</b> Boil water notices issued	Total per annum	Target	0	0	0	0	0	0
		Actual	0	0				

How is LMW tracking for outcome 2 in the regulatory period so far?



## **Business comment**

A) LMW recorded no non compliances under the Safe Drinking Act.

B and C) In the past year, we have observed a slight decline in customer satisfaction regarding our water services. This trend aligns with the challenges we have faced in source water quality and subsequent treatment processes imparting odour and taste issues.

D) LMW experienced an increase in water taste and odour complaints in Kerang due to a Blue Green Algae outbreak in the Channel System, which challenged our treatment processes.

E) LMW issued no Boil water notices during the year.

**Outcome 3: Provide customers with reliable sewerage services**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
<b>A:</b> Unplanned sewerage supply interruptions	No per 1,000 customers. LMW main	Target	=<5	=<5	=<5	=<5	=<5	=<5
		Actual	2.95	3.03				
<b>B:</b> Customer satisfaction of <i>sewerage service</i> . Measured by respondents who select a rating of satisfied, very satisfied, and extremely satisfied in an annual survey	% of respondents	Target	2022/23 Result	=/>22/2 3	=/>23/2 4	=/>24/2 5	=/>25/2 6	=/>26/2 7
		Actual	94%	94%				
<b>C:</b> <i>Odour</i> complaints (including sewerage systems and treatment plants)	Total per annum	Target	=<10	=<10	=<10	=<10	=<10	=<10
		Actual	1	4				
<b>D:</b> Number of sewer spills in houses caused by LMW assets failure	Total per annum	Target	=<3	=<3	=<3	=<3	=<3	=<3
		Actual	0	0				
<b>E:</b> Number of customers receiving more than 3 sewer blockages in the year	Total per annum	Target	0	0	0	0	0	0
		Actual	0	0				

How is LMW tracking for outcome 3 in the regulatory period so far?



**Business comment**

A) LMW’s ongoing sewer rehabilitation program includes root foaming and investment in CCTV to assess pipeline condition. Our annual replacement pipeline program and preventative maintenance activities effectively minimise the unplanned interruptions to customers.

## OFFICIAL

B) Customer satisfaction with sewerage services has remained steady throughout the reporting period.

C) LMW recorded four odour complaints for which two related to one of our treatment plants and the other two related to sewer pump stations which had media filter replaced to eliminate the odour. All complaints were investigated and resolved by our Water Quality team to the customers satisfaction.

D and E) LMW recorded no sewer spills in houses, nor any customer receiving more than three sewer blockages in a year.



**Outcome 4: Provide customer service avenues that are responsive to resolve requests/enquiries**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
<b>A:</b> Customer requests/enquiries resolved within the defined response time (Mean Time to Resolve)	%	Target	N/A	N/A	≥60%	≥65%	≥70%	≥75%
		Actual	N/A	N/A				
<b>B:</b> Resolve customer requests/enquiries 'First Time Right' (requests not reopened or recurring from same customer)	%	Target	N/A	N/A	≥60%	≥65%	≥70%	≥75%
		Actual	N/A	N/A				
<b>C:</b> Customers registered for self-service portal	% of total customers	Target	N/A	N/A	20%	30%	40%	50%
		Actual	N/A	N/A				
<b>D:</b> Customer satisfaction of <i>responsiveness to enquiries/requests</i> . Measured by respondents who select a rating of satisfied, very satisfied, and extremely satisfied in an annual survey	% of respondents	Target	2022/23 Result	=/>22/23	=/>23/24	=/>24/25	=/>25/26	=/>26/27
		Actual	78%	79%				

How is LMW tracking for outcome 4 in the regulatory period so far?



**Business comment**

A to C) LMW are implementing a new Customer Relationship Management System including an e-billing portal and online applications. Increased customer expectations are driving improvement including need to clarify services to customers, improve ability to monitor and measure service requests, improve efficiency of manual and complex processes, resolve system limitations causing inefficiencies. This project is part of the Technology Uplift Project which is expected to be completed by June 2026.

## OFFICIAL

D) In the past year, LMW has made positive progress in enhancing customer service, as reflected in the marginal increase in customer satisfaction levels regarding our responsiveness to inquiries and requests, now at 79%. We continue to prioritise the customer experience and are dedicated to further advancements in this area.

**Outcome 5: Service our communities in a socially responsible and environmentally sustainable manner.**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
<b>A:</b> Number of EPA reportable sewage spills per annum	Total per annum	Target	=<2	=<2	=<2	=<2	=<2	=<2
		Actual	0	1				
<b>B:</b> Compliance of Wastewater Treatment Plants EPA license conditions – Number of reportable incidents	Number	Target	0	0	0	0	0	0
		Actual	0	1				
<b>C:</b> Percentage of electrical energy from renewable sources – 26/27 & 27/28 years should be 100%	%	Target	100% by 2025	N/A	N/A	100%	100%	100%
		Actual		N/A				
<b>D:</b> Percentage of wastewater received at treatment plants that is recycled	%	Target	60%	60%	60%	60%	60%	60%
		Actual	47.37	58.82				

How is LMW tracking for outcome 5 in the regulatory period so far?



**Business comment**

A) LMW submitted a permission breach notification to the EPA in response to the failure of the centrifuge at the Koorlong wastewater treatment plant, which required the sludge to be stored in an old lagoon that was not part of the operating license.

B) LMW reported a pollution notification in response to a sewer spill that entered the storm water drainage and was discharged to a wetland.

## OFFICIAL

C) The responsibility for managing LMW's obligations relating to carbon emissions and renewable energy now sits within the newly created Strategy and Partnerships division. A review of current initiatives relating to carbon emissions and climate adaptation is currently being undertaken with the view to developing a new strategy to ensure LMW meets its zero emissions targets.

D) Favourable variance to the prior year is due to LMW sowing oats at the Mildura Farm, which increased the reuse volume compared to the previous year. In addition, LMW released reclaimed water into Fosters Swamp which is a semi-permanent wetland that supports large numbers of waterbirds. The EPA has approved the discharge of treated wastewater under the beneficial allocation that provides specific benefits to the ecological values of the swamp.