

## South East Water – Outcomes – 2018–23

### Summary table

Outcome	18-19	19-20	20-21	21-22	22-23
1. Get the basics right, always	Green	Green	Green	Green	Green
2. Warn me, inform me	Green	Green	Green	Green	Green
3. Fair and affordable for all	Green	Yellow	Green	Green	Yellow
4. Make my experience better	Green	Green	Yellow	Yellow	Red
5. Support my community, protect my environment	Green	Green	Yellow	Yellow	Green
Overall	Green	Green	Green	Green	Yellow

### Business comment – 2022–23


This 2022-23 Q4 report on outcomes for our customers is our final report of the 2018-23 regulatory period. Overall we are pleased to have supplied high quality and reliable services to our customers. Complaints about water quality and instances of unplanned service interruptions are low and within target, and we have had one instance of water quality non-compliance in 2022-23. We have improved our notification of customers when unplanned interruptions occur and exceeded our target for completing planned interruptions on time. We acknowledge that customer satisfaction and perceptions of value for money is within tolerance but below target. Work is already underway to improve customer satisfaction and we will continue work towards strengthening our performance in this area. We are pleased to have been able to provide support to more customers experiencing hardship through our Customer Care

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Program and to be reaching customers earlier when they need our help. We understand the importance of getting the basics right, warning and informing our customers, making water fair and affordable for all, improving customer experience, and supporting communities and the environment. These will continue to be key objectives for the 2023-28 regulatory period with updated performance measures, reported twice a year via our website, providing insight and updates against the delivery of our commitments to customers.

**Outcome 1: Get the basics right, always**

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Number of Safe Drinking Water Act non-compliances (water sampling and audit)	No.	Target		0	0	0	0	0	0
		Actual	0	0	0	0	1	0	1
b Number of water quality complaints per 100 customers	no. per 100 customers	Target		0.18	0.18	0.18	0.18	0.18	0.18
		Actual	0.18	0.10	0.10	0.10	0.13	0.12	0.15
c Number of customers receiving greater than 5 unplanned water supply interruptions	No.	Target		532	532	532	532	532	532
		Actual	468	265	226	244	315	0	104
d Number of customers receiving 3 or more sewerage blockages	No.	Target		17	17	17	17	17	17
		Actual	21	24	31	19	22	21	19

Overall outcome 1 performance for the 2018-23 regulatory period: 

**Business comment**

We consider our performance in 2022-23 for outcome 1 to be **GREEN**.

- a. There have been no Safe Drinking Water non-compliances in the final quarter of this financial year. SEW’s chlorination strategy to address areas of the network with low chlorine residual has resulted in additional chlorination units being deployed at strategic locations with the purpose of providing enhanced disinfection to keep microbial detections to a minimum. The chlorination strategy will continue to develop under the regulatory guidance to reach a target of >0.2mg/L free chlorine in the network, where achievable, and completes the 2018-23 regulatory period with a total of 2 non-compliances. While this result is 2 above the 5-year target we are confident that the chlorination strategy review provides greater direction and investment to avoid future impact to customers.
- b. The number of water quality complaints has remained within target throughout the 2018-23 regulatory period. Complaints for discoloured water increased compared to the previous year, predominately due to an increase in significant events within the network uplifting natural sediment in the


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main (i.e. water main bursts, renewals and unplanned shutdowns). A water mains cleaning project has been initiated to help remove the natural sediment deposits in the main that cause discoloured water during emergency works with areas identified as having elevated discoloured water complaints prioritised moving forward.

- c. The number of customers receiving greater than 5 unplanned water supply interruptions continues to meet target. This is due to South East Water's ongoing water main and service renewal programs targeting assets experiencing multiple failures with ongoing wetter weather over the past 18 months also contributing to the lower numbers. Moving forward we have enhanced this measure to include water, sewer and water quality disruptions to service into a combined measure with a reduced target of 450 customers experiencing these matters. This supports our ongoing commitment to improving the reliability of the services we offer to customers.
- d. We have continued to see a reduction in total sewer blockages compared to the previous 5-year average with the declining number of customers experiencing 3 or more interruptions to their sewerage services proving comfort that we are heading the right direction. The "Proof of Clean" requirement in the new maintenance model is aiding the decision-making processes that will help us make better informed decisions on the sewer defects. This will allow us to prioritise and be more proactive in reducing the customers affected by multiple blockages.

## Outcome 2: Warn me, inform me

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Percentage of customers notified per unplanned water supply interruption (for customers who have provided email/mobile details) * superseded	% of notifiable customers	Target		64%	68%	72%	76%	78%	80%
		Actual	60%	65%	79%	89.9%	94.2%	NA	NA
a Percentage of customers notified per unplanned water supply interruption (as a percentage of total customer affected)	% of affected customers	Target						59%	61%
		Actual					72.2%	71.8%	77.1%
b Average duration of unplanned water supply interruptions	minutes	Target		88	88	88	88	88	88
		Actual	87.7	84	82	81.6	81.1	79.2	89.1
c Percentage of customer interruptions that are in peak hours	%	Target		28.0%	27.9%	27.8%	27.7%	27.6%	27.6%
		Actual	28.1%	28.9%	27.9%	26.4%	25.9%	26.6%	27.6%
d Planned water interruptions restored within notification period	%	Target		98%	98%	98%	98%	98%	98%
		Actual	98%	98%	99%	98.8%	98.8%	98.7%	99.5%

Overall outcome 2 performance for the 2018-23 regulatory period: 

### Business comment

We consider our performance in 2022-23 for outcome 2 to be **GREEN**.

- a. Our focus on providing advanced notification to customers impacted by unplanned disruptions is delivering positive results, with performance well above target. As a result, we have set a higher customer notification target of 75% for the 2023-28 regulatory period. Planning is underway to identify


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opportunities to utilise existing engagement with customers to capture contact details to ensure we can maintain these results for all customers, regardless of locality, and deliver timely information to ease any impact caused by network upgrades and repairs.

- b. The 2022-23 average duration of unplanned water interruptions exceeded target however remained within tolerance. This is the first time this measure has not been within target for the five-year period. Complex repairs and unforeseen events over the final quarter of the year drove this result and included bursts on large mains, heavy rain filling trenches, asbestos cement pipe, secondary leaks and associated road damage hampering access.
- c. We continue to meet our target for the percentage of customer interruptions that are in peak hours reporting five positive results across each year of the 2018-23 regulatory period. Our maintenance crews are aware of the importance of minimising disruptions to water supplies during peak hours; undertaking repairs outside of peak hours where possible, supporting our commitment to delivering reliable services to customers.
- d. Planned water supply interruptions restored within the notification period communicated to customers delivered another annual result within target. This is the fifth year of consistently meeting this expectation.

### Outcome 3: Fair and affordable for all

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Operating cost per property (residential and non-residential). * superseded	\$2017-18 per property	Target		161	158	155	152	150	147
		Actual	161	158	161	160	NA	NA	NA
a Operating cost per property (residential and non-residential).	\$2017-18 per property	Target		161	158	155	152	150	147
		Actual			156	153	147	150	155
b Customers supported by South East Water Assist program	No.	Target		5,057	5,310	5,575	5,854	6,147	7,147
		Actual	4557	5,298	5,485	6,599	5,839	7,102	8,966
c Average level of debt upon entry to South East Water Assist program	\$2017-18	Target		925	875	825	800	800	800
		Actual	925	909	839	674	616	650	622

Overall outcome 3 performance for the 2018-23 regulatory period: 

### Business comment

We consider our performance in 2022-23 for outcome 3 to be **AMBER**.

- Operating costs per property were 5.6 per cent above target for the 2022-23 financial year, primarily associated with external market pressures. Over the five-year regulatory period we have delivered a total operating cost per property result 0.3 per cent below target and the 2018-23 determination amount approved by the Essential Services Commission (ESC).
- South East Water has assisted 8,966 customers experiencing payment difficulties in 2022-23, our fourth green result across the five-year regulatory period. Our commitment remains strong to assist as many customers as possible who are experiencing financial hardship or vulnerability. In the next 2023-28 regulatory period we have increased the target and aim to support at least 10,000 customers across each of the five years.


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- c. Promoting our support offerings through bills, reminders and final notices, plus proactive outbound campaigns and digital notifications “warning and informing” customers of detected high usage, is having a positive impact and driving earlier engagement with our support teams. This allows us to get to customers in need earlier which can lead to lower, more manageable levels of debt at the time of entry to the program. This is another strong result showing continued impact over the five years with each annual target exceeded.



### Outcome 4: Make my experience better

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Customers satisfied (rating of 7 or above out of 10) via SEW's post-interaction survey	% of survey responses	Target		81%	81%	83%	83%	85%	85%
		Actual	81%	83%	89%	83%	84%	82%	82%
b Customers who consider SEW provides value for money (rating of 7 or above out of 10) via SEW's post interaction survey	% of survey responses	Target		New	68%	69%	70%	71%	72%
		Actual	New	68%	74%	74%	73%	72%	71%
c Total complaints per 100 customers	per 100 customers	Target		0.43	0.41	0.40	0.39	0.38	0.37
		Actual	0.36	0.27	0.32	0.42	0.58	0.57	0.65

Overall outcome 4 performance for the 2018-23 regulatory period: 

### Business comment

We consider our performance in 2022-23 for outcome 4 to be **RED**.

- a. The customer satisfaction score remains within tolerance at the completion of the regulatory period however has seen a gradual decline below target since July 2021. This is partially attributable to a change in methodology to assess satisfaction: scores of 6 and above were previously counted as positive, followed by a change requiring a score of 7 or above for a positive rating. We are expanding the satisfaction survey to encompass more of our key customer channels to gain insights into customer experience and improvement opportunities. In the last year we transitioned to the new Service Maintenance contract where we experienced a backlog of work during the transition which attributed to lower levels of satisfaction however a series of improvement initiatives have helped improve these scores in recent months. Additionally, ongoing resourcing pressures within the Customer Contact team have resulted in delayed response times; directly impacting customer satisfaction.
- b. In the last five years, we have seen a downward trend in the Value-For-Money (VFM) score which is attributed to the inclusion of unplanned water supply interruptions and BrandTracker surveys which notably have lower VFM scores than our transactional contact centre surveys. The transition to a new Service Maintenance contract mentioned above and a consequent backlog of work has also contributed to the drop in scores. Improvement initiatives across the service delivery and customer experience groups have seen some positive results and we continue to seek out improvement


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opportunities. Bill related enquiries continues to be a key enquiry type for our customers. Making our bills simple and easy to understand as well as continuing to focus on enhancing customer awareness around usage and water literacy will be key to addressing these feedback themes.

- c. Total Complaints continue to increase and exceed target due to our ongoing focus to consistently capture and record complaints across the business, supporting identification and delivery of service improvements. This change has seen an increase in most complaint categories including payment issues, water quality and customers experiencing unexpected high bills following an undetected leak at their property. The new regulatory period that commenced on 1 July 2023 has a strong focus on the rollout of digital meters to assist customers with near real time notification of potential leaks and other benefits aimed at improving both the value offered and level of control our customers have over their usage.

### Outcome 5: Support my community, protect my environment

Output	Unit		16-17	17-18	18-19	19-20	20-21	21-22	22-23
a Total net CO2 emissions	tonnes CO2e	Target		40,410	37,385	38,049	28,969	28,609	29,690
		Actual	41,745	47,359	38,264	32,007	37,277	27,556	27,780
b Number of EPA reportable sewer spills	No.	Target		20	20	20	20	20	20
		Actual	20	19	17	14	10	11	16
c Percentage of customers in designated greenfield areas receiving recycled water (residential only)	% of customers connected	Target		47%	46%	46%	65%	78%	77%
		Actual	New	New	44%	58%	59%	74%	78%
d Volume of recycled water as a percentage of total water supplied to designated greenfield areas	%	Target		12%	12%	14%	16%	18%	20%
		Actual	New	New	12%	13%	14%	15%	17%

Overall outcome 5 performance for the 2018-23 regulatory period: 

### Business comment

We consider our performance in 2022-23 for outcome 5 to be **GREEN**.

- a. Our carbon emissions are reported annually in October and we are forecasting a 2022-23 result of 27,780 tonnes, within our 29,960-tonne target.
- b. Wetter, more extreme weather events continue to put a strain on the network and cause sewer spills however our performance remains with target.
- c. With an additional 1,200 plus residences being connected to the recycled water network to round out the 2022-23 financial year, we have exceeded our 5-year target and reached an all-time high 78% of designated greenfield customers connected to recycled water.
- d. Demand for recycled water for outdoor use was low this year due to a much cooler and wetter summer, a direct result of the La Nina weather pattern. With the decreasing La Nina signal and potential for a rebound into El Nino, resulting in warmer, drier conditions, we're forecasting for future targets to be met however will be reporting under a new measure for the 2023-28 regulatory period that includes all alternative water sources as a percentage of the total water supplied to all customers.