

Water price review 2018

Submission received through Engage Victoria

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Water business: Yarra Valley Water

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From 6 December 2017, we began accepting submissions on our 2018 water price review via Engage Victoria (www.engage.vic.gov.au). On this website, people were given the option to send us general feedback or respond to a set of questions we provided.

This submission responds to those questions.

1. What do you think of the prices proposed by the water business?

As a tenant serviced by Yarra Valley Water (YVW), I'm happy with the tariffs YVW propose to charge over the next 5 years. It's a shame the \$100 government rebate will no longer be shown separately on a bill: it will be impossible to see it's effect when embedded in reductions to residential water supply system and sewage disposal charges, and increases to the sewerage system charges.

2. What do you think of the proposed outcomes?

YVW's seven proposed outcomes and measures of monitoring how it delivers these is good. Having these reported annually is good to see how YVW is performing and delivering service to its customers. Penalties if outcome targets at not reached are a good incentive for YVW to work harder and achieve these outcomes (or a significant percentage of them cf. Metro's targets for trains running and being on-time).

3. Are there any other customer outcomes or issues we should consider?

Biggest outcome I would like to see is effectiveness of raising customer awareness to issues like: - hoses must be used with a trigger nozzle (I still see too many people using hoses with non-trigger or no nozzle - instruct them that this is not allowed (also stop hose manufacturers selling hoses without trigger nozzles)); - watering gardens when rain has been forecast (I see too many people watering their gardens when it's about to rain - prompt them to listen to/watch weather forecasts before watering); - watering gardens at the wrong time of day (I see too many people watering their gardens in the middle of the day when the sun dries up the water before it can penetrate to the plants' roots - remind them that their gardens should be watered early morning or late evening when the sun is off them).

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4. What do you think of the proposed guaranteed service levels?

YVW's guaranteed service levels seem reasonable to me. \$100 for a service disruption greater than 12 hours sounds good (assuming this is recorded correctly against the affected households - Does YVW know exactly which customers are serviced by a particular water main? Does the disruption need to be reported by the customer before they will get the rebate?) \$1,000 rebate for a sewage spill may or may not be large enough depending on the impact of the spill on the customer (e.g. damaged garden/buildings/contents - a customer's own buildings/contents insurance may not pay the full amount needed to rectify the problem - in which case more than \$1,000 may be sought from YVW).

5. Do you have any comments on the proposed major projects?

YVW's four major projects seem reasonable. I assume they have been through cost/benefit analyses and tender submission processes for them to be priced most beneficially. \$242.4 million over five years seems a lot of money but, as I have no experience in this area, I assume it is justified.

6. Is there anything else we should consider as part of our price review process?

No, the PREMO rating process described in the 2018 Water Price Review draft decision seems a fair way of calculating how a water company measures up against key indicators and against other water companies. YVW's rating of "Advanced" seems to be right to me.