



Community consultation informs final Water Plan 3 proposal

3 October 2012

All media enquiries: Jenny Hammett 5177 4793 or 0448 905 833

Gippsland Water has released its final Water Plan 3 proposal to the Essential Services Commission following an extensive public consultation process.

The Water Plan 3 document – which outlines proposed tariffs, operational and capital expenditure and proposed service standards for the five year period from July 2013 to June 2018 – features an annual rate rise of just under 1% plus CPI for the next five years.

Gippsland Water's Managing Director, David Mawer said the corporation had looked for operational efficiencies to minimise tariff increases over the five year period of the plan.

"Our customers have experienced rising costs across all utilities in recent years, which undoubtedly has an impact. After consulting and receiving community feedback, we have worked hard between the draft plan and our final submission to reduce tariff increases even more," Mr Mawer said.

"When you are managing almost \$1 billion worth of assets and infrastructure, there are significant costs involved just to keep the business-as-usual side of things going. So the key for us was to look for opportunities to reduce costs in areas that would not compromise the quality of our ongoing service delivery," he said.

"Over 500 people took the opportunity to participate in the consultation process by visiting our online forum, or attending one of 39 community sessions and presentations. We would like to take this opportunity to thank those who engaged in the process," Mr Mawer continued.

Gippsland Water set-out to capture customer opinions in relation to three particular issues via surveys on the corporation's Share Your View website. The results of the survey on tariff options proved inconclusive, with similar numbers of customers preferring either an upfront tariff increase or an annual average increase. Whilst there was no significant support for the introduction of guaranteed service levels, Gippsland Water was able to identify two potential guaranteed service levels that were of most interest to the respondents to that survey.

The billing options surveyed failed to identify significant support for a change in the current four monthly billing cycle. While a number of customers were in favour of change; a similar number favoured maintaining the current arrangements.

The final Water Plan 3 proposal is available for Gippsland Water's customers and the wider community to view, via the Gippsland Water website at www.gippswater.com.au.

Customers who would prefer to receive a printed copy of the final proposal can email Gippsland Water at contactus@gippswater.com.au or call Gippsland Water's Customer Assistance Team on FREECALL 1800 066 401.

The ESC is expected to begin reviewing Water Plan proposals from water corporations across Victoria in late October 2012. The review process is expected to include a rigorous assessment of Gippsland Water's final Water Plan 3 proposal.

Current indications are that the ESC will release a Draft Decision in February 2013 and it is expected to consult directly with Gippsland Water customers once the Draft Decision is made public. Gippsland Water is also provided with an opportunity to comment on the Draft Decision.

The ESC is then expected to release a Final Decision in May 2013. When approved, new tariffs will apply from July 2013. For more information about the water plan process, please visit the ESC website at www.esc.vic.gov.au

ENDS