
South Gippsland Water Draft Price and Service Plan to 2023

South Gippsland Water has now submitted its pricing and service submission to the Essential Services Commission (ESC) for the years 2020 – 2023.

The Corporation's last submission to the ESC was developed in 2018. This submission has been a process of building on the 2018 plan, and has resulted in minimal change for the next three years.

The price submission outlines the level of service South Gippsland Water delivers and how much customer's pay. Over the past few months the Corporation has sought input from customers to test what they value. This important part of the process has helped in finding the balance between delivering on customer expectations, the prices we charge and the organisation being sustainable into the future.

South Gippsland Water's draft price submission proposes to maintain existing service standards in line with customer preferences. A Capital program of \$41M over the three years will fund the replacement of aging assets to maintain reliable services and accommodate for growth areas across the region.

In 2018 the ESC determined that South Gippsland Water could apply a price increases, however, in the interest of customer affordability, the Corporation absorbed the extra costs without increased customer bills.

This position is no longer financially sustainable and a moderate increase in tariffs is now necessary. The average customer bill will rise by approximately \$50 (\$16 per account), in the first year and \$21.00 per year (\$7.00 per account) for the following two years (plus CPI).

South Gippsland Water's Managing Director, Philippe du Plessis said that, "Customers have been clear in their feedback and have provided direction regarding key areas of organisational focus. These include reliability and maintaining service standards, planning for the future, and that the Corporation deliver affordable services".

The ESC will assess the pricing submission for compliance with legislation, guidance and efficiency and on the basis of their assessment, make a pricing determination.

South Gippsland Water will receive a draft pricing determination around March 2020 which will be subject to further customer feedback, before a final determination in June 2020, with new prices due to come into effect from 1 July 2020.

Customers who wish to find out more regarding the three year plan can view information on the Corporation's website www.sgwater.com.au.