

FAIRER WATER BILLS: Q&A South Gippsland Water



1. What are the savings South Gippsland Water has achieved for customers as a result of Fairer Water Bills?

South Gippsland Water customers will get an average of \$48 off their bills each year for the next four years as a result of Fairer Water Bills.

2. How will the savings be passed on to customers?

Benefits will be applied to all water and wastewater service charges, (excluding major and minor trade waste and cistern customers). Almost 90% of South Gippsland Water's residential customers will receive a benefit as a result of the Fairer Water Bills initiative.

3. Who is eligible for the Fairer Water Bills saving?

Customers who pay water and wastewater service charges, (excluding major and minor trade waste and cistern customers).

4. How much is a South Gippsland Water customer's average bill?

After the savings are applied, an average water and wastewater annual bill for a South Gippsland Water customer will be \$955 in the Southern District and \$930 in the East/West districts for owner occupiers.

In addition to implementing the Fairer Water Bills initiative, South Gippsland Water will take the opportunity to harmonise the two water district bills from 1 July 2016.

5. Will owners and tenants receive the discount? If not, why not?

South Gippsland Water has applied the Fairer Water Bills savings to property owner accounts across the South Gippsland region.

Tenants will continue to pay water volume costs only and will not be required to pay any service fees. This means tenants pay only for the water they use and continue to have control over their water costs.

6. How are you going to achieve the savings?

South Gippsland Water has identified capital and operational cost savings without any compromise to service standards or existing hardship protections that assist vulnerable customers. Examples of the types of savings achieved include:

- Partnering with South East Water to deliver the Liveable Small Towns Project, a sewerage scheme for Poowong, Loch and Nyora which will result in capital and operational expenditure efficiency
- Reduced chemical costs through more efficient chemical use at water and wastewater treatment plants
- Lower fleet management costs due to technology and scheduling initiatives

- Gippsland Region Water Corporation Memorandum of Understanding - Finding Better Ways team (a collaborative approach to researching and implementing efficiencies across the Gippsland Region water corporations)

7. How can you guarantee that the savings will be delivered in all of the next four years?

Each of the water corporation boards have committed to delivering the savings over the next four years in their corporate plans which have been approved by the Minister for Water.

8. How will you ensure that service standards will not reduce as a result of savings identified?

South Gippsland Water has committed to meeting approved targets for core water and wastewater service standards. The Essential Services Commission independently monitors compliance with service standards.

9. Despite the \$48 saving, will bills be increasing anyway?

Without the Fairer Water Bills savings, South Gippsland Water's prices would have increased by CPI each year. For a typical customer this would be an increase of around \$26 in 2014/15, which is more than offset by the reduction in the water access fee.

10. Will South Gippsland Water continue to be viable despite cost cutting and rebates?

Yes. All the initiatives have been closely scrutinised by internal and external experts to ensure there is no increase in financial, service delivery or safety risk.

11. Will hardship plans still apply?

Yes. These programs will continue to assist any customers experiencing financial hardship.

12. How will the saving be communicated to people?

In addition to today's announcement, the saving will be publicised on South Gippsland Water's website. It also will be detailed on the first bill in each of the next four financial years.