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Aboriginal Acknowledgement

Pictured below: Uncle Lloyd Hood and Uncle Nicky Moffat perform a smoking ceremony at Gippsland Water during a 2019 NAIDOC Week event.



South Gippsland Water proudly acknowledges Aboriginal people as Australia's first peoples and the local Traditional Owners as the original custodians of the land and water on which we rely.

We pay our deepest respects to their Elders, past, present and emerging. We acknowledge the continued cultural, social and spiritual connections that Aboriginal people have with the lands and waters, and recognise and value that the Traditional Owner groups have cared for and protected them for thousands of generations.

In the spirit of reconciliation, we remain committed to working in partnership with local Traditional Owners to ensure their ongoing contribution to the future of the water management landscape while maintaining their cultural and spiritual connections.

1. MESSAGE FROM THE MANAGING DIRECTOR AND CHAIR

The 2020/21 – 2024/25 Business Plan has been developed in unprecedented circumstances. South Gippsland Region, Australia, and the world has been impacted by the emergence, spread and response to coronavirus (COVID-19). A State of Emergency was declared by the Victorian Government from 16 March 2020 to slow the spread of coronavirus (COVID-19) and protect public health. Stage Three restrictions were put in place across Victoria on 30 March, limiting social contact and movement. This action has resulted in wide ranging impacts across the South Gippsland Region.

The full extent of these impacts are yet to be understood and will continue to evolve throughout the current planning period and beyond. South Gippsland Water, along with the rest of the water industry, are preparing for the significant challenges around the likelihood of customer hardship, impacts to revenues, ability to meet capital and operational plans, potential service disruptions and service quality.

South Gippsland Water has recently completed an extensive Price Submission process with the Essential Services Commission (ESC) which the Corporation believes will provide for appropriate investment in ageing infrastructure and a price path necessary to meet our customer's expectations, and start to provide for a more financially sustainable business.

The Price Path proposed in response to the Draft Decision (5% real, followed by two further annual increases of 2% real), is supported by robust assessment through the Commission's price determination processes and is consistent with South Gippsland Water meeting service expectations and in line with customer preference for price escalation.

However, in the context of current pandemic circumstances, South Gippsland Water proposes to defer pricing increases and implement flat prices (plus CPI) from 1 July 2020 to all customers, followed by a 5% real increase from 1 November 2020 (not reflected in financials as subject to final determination).

Importantly, the Corporation will ramp up targeted support for those who need it most, i.e. continue to understand those in our communities and work with them to tailor a range of vulnerability initiatives.

This Business Plan remains committed to the projects, services and prices provided in the ESC's Draft Decision. ¹The plan demonstrates our long term vision to find an appropriate balance between price, service and being sustainable while responding to future challenges.

On behalf of the Board of Directors and executive team South Gippsland Water presents its 2020/21 Business Plan.

¹ The ESC final price and service decision due for release in mid-June 2020. Variance to the Draft Decision will be incorporated in South Gippsland Water business planning process.

2. STATEMENT OF CORPORATE INTENT

South Gippsland Water is responsible to the Victorian Minister for Water through the General Statement of Obligations (December 2015), the Emissions Reduction Statement of Obligations (March 2018) and the Minister's Letter of Expectation for all water corporations in Victoria.

In accordance with Section 247 and 248 of the *Water Act 1989*. The Business Plan outlines how South Gippsland Water will deliver its obligations and accountabilities in providing water, sewerage, and associated services to customers for the years 2020/21 to 2024/25.

The Business Plan complies with the revised requirements and timings to the guidelines issued by the Department of Land Water and Planning (DELWP) and the Department of Treasury and Finance.

3. BUSINESS OBJECTIVES

This Business Plan builds on the outcomes and programs identified in the development of the 2020 Price Submission to the ESC. The document has been developed in unprecedented circumstances of an environment impacted by coronavirus (COVID-19). The impacts on customer affordability, the changing profile of customer hardship, potential variances in non-residential demand, and operating constraints are evolving. South Gippsland Water are monitoring many external and internal factors to be in a position to anticipate and pivot to these.

As noted above, South Gippsland Water proposes to defer the implementation of a 5% real price increase from 1 July 2020 to 1 November 2020 (will first be seen by customers in the January 2021 billing cycle). This will provide some immediate financial relief for all customers, however, providing targeted support to those customers most in need will be of paramount importance.

South Gippsland Water is continuing with proposed capital and operational programs to meet our customer expectations. The challenges of climate change, varying rainfall patterns, economic development and population growth remain. The Business Plan represents a balanced approach of managing environmental, social, and economic factors to provide quality water and wastewater services to the communities of South Gippsland.

The Corporation has built on existing programs to assist customers who may be experiencing financial difficulties. Particularly with respect to short and long term financial stress. The customer support program will continue throughout the Business Plan period and offers flexible options to enable South Gippsland Water's Customer Service Team to respond to individual customer needs.

South Gippsland Water is committed to providing a safe, healthy, diverse, and supportive workplace. The corporate culture of excellence has continued, underpinned by committed leaders throughout the organisation. The safety of our people will be paramount as the Corporation's finds a Future Way of Working as coronavirus (COVID-19) restrictions are eased.

With a focus on higher levels of collaboration between water corporations and other local stakeholders such as local government, South Gippsland Water will continue to drive business improvements and efficiencies through its ongoing partnership with Westernport Water, East Gippsland Water, Gippsland Water, and Southern Rural Water. The Gippsland Region Water Alliance represents a unique alliance of regional water businesses that delivers improvement opportunities through collaboration that ultimately benefits staff, customers and the wider Gippsland community.

South Gippsland Water is committed to delivering on the strategic outcomes identified by customers, the state government, other key stakeholders and the Board in the most efficient manner. Operational investment has been subject to a process of thorough internal and external review and assessment and is considered prudent and efficient. Confidence in the capital program is informed by a risk based approach to project prioritisation and robust asset condition assessment and analysis.

The 2020/21 Business Plan provides a sound framework to achieve South Gippsland Water's primary business objectives.

OUR SERVICES

Our Region

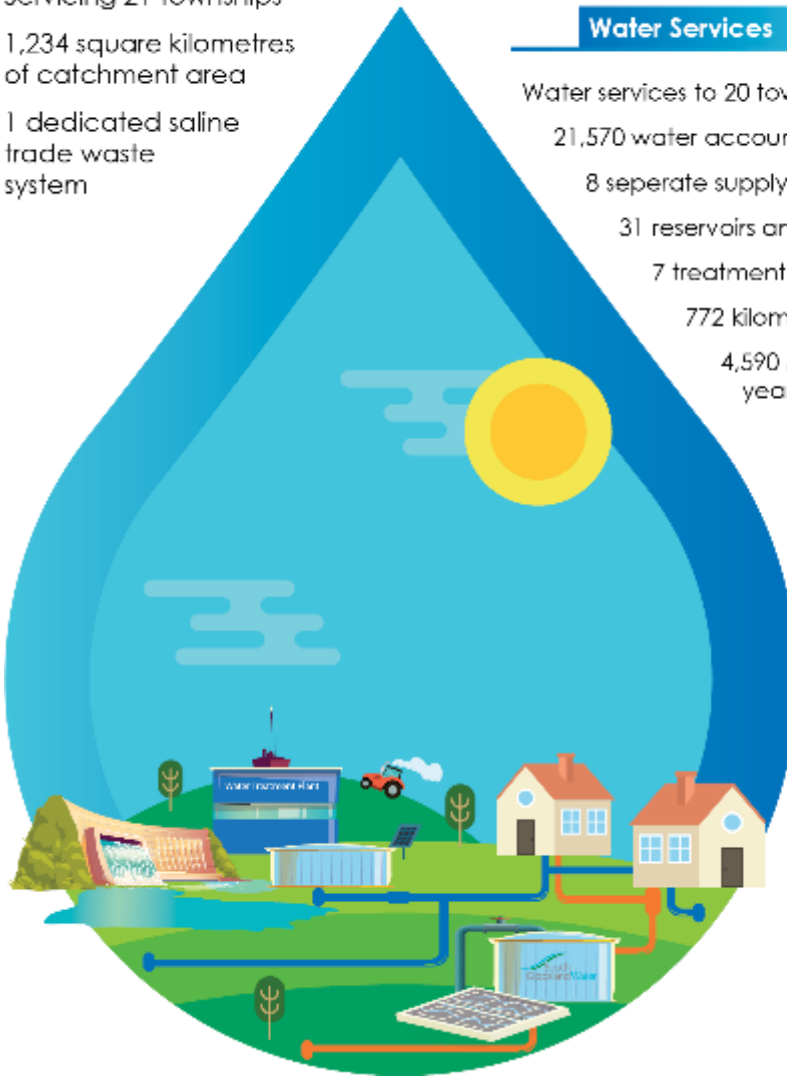
Servicing 21 townships
1,234 square kilometres
of catchment area
1 dedicated saline
trade waste
system

Water Services

Water services to 20 townships
21,570 water accounts
8 separate supply systems
31 reservoirs and service storages
7 treatment plants
772 kilometres of water main
4,590 ML of metered water supplied each
year

Wastewater Services

Sewer services to 16 townships
19,339 wastewater accounts
(including trade waste)
Collecting 4,095 ML & treating
3,104 ML of wastewater
10 conventional, 1 vacuum & 2
pressure sewer systems
11 sewerage treatment plants
505 km of wastewater mains



The base population of serviced towns is some 36,819. The population of a number of individual townships may increase in peak holiday periods by as much as 100%.

The services that South Gippsland Water provides are essential to the economic survival, development, and well-being of the region. Accordingly, collaborative programs and activities with other regional agencies provides an integrated regional approach in developing strategies and plans for services, partnerships, and natural resource management.

Figure 1 South Gippsland Water Service Area



4. OUR OPERATING ENVIRONMENT

South Gippsland Water provide a full range of water supply functions for households and major customers. These include; environmental stewardship of drinking water catchments, water storage, treatment, delivery, and maintenance of townships reticulated supplies. The corporation also collect wastewater for treatment to be released back into the environment or reused for environmental, livability and/or economic benefit.

The Corporation produces 4,590 ML of potable drinking water from its water treatment plants. It also collects and produces treated waste streams (4,095 ML) from its sewerage treatment plants. Of the eight water systems some 60% of water customers are supplied from one system, Lance Creek, which is connected to the Melbourne water supply network. The remaining seven water systems service regional townships with an average customer base of approximately 1,000 per system as demonstrated in table one below.

Table 1 Water System Customer Base

Water System	Agnes River	Battery Creek	Deep Creek	Ruby Creek	Tarra River	Tarwin River	Tarwin River
Townships	Toora, Port Franklin, Welshpool, Port Welshpool	Fish Creek	Foster	Leongatha and surrounds	Yarram, Port Albert, Alberton and Devon North	Meeniyar	Dumbalk
Customers	1,124	201	833	3,312	1,882	278	107

The quality of raw water varies seasonally across the region, because catchments are generally open and diverse, and the storages are small. This creates water treatment challenges which are a significant driver of operating costs.

South Gippsland Water employs a diverse multi skilled workforce. In March 2020, due to the impacts of coronavirus (COVID-19), South Gippsland Water experienced a major operational shift in business practices with the introduction of physical distancing requirements. All areas of the Corporation encompassing planning, administration, finance, customer services, engineering, operations, maintenance, and construction management have been impacted.

The delivery of water and wastewater services have continued within this environment, while meeting stringent environmental demands, satisfying customer expectations and meeting the requirement of safe working within a coronavirus (COVID-19) environment. South Gippsland Water operates with a team that is small by industry standards and at an average bill to customers that is amongst the lowest in the nation.

The Corporation's Price Submission process to the ESC will be finalised in mid-June 2020. The earlier Draft Decision resulted in a moderate price increase from 1 July 2020 (5%) with the aim of supporting investment into ageing infrastructure to continue to meet customer's expectations, and start to provide for a more

financially sustainable business. While South Gippsland Water proposes to defer the 5% increase to 1 November 2020, delivery of the proposed programs associated with the Corporation's five-year plan will continue to be assessed.

The Corporation has a skills-based, eight-member Board, appointed by the Minister for Water. The Corporation is managed by an executive team, led by the Managing Director, who also is a Board member.

5. CORONAVIRUS (COVID-19) INITIATIVES

A number of initiatives have been introduced to support our communities and staff during coronavirus (COVID-19).

A customer support program for residential and non-residential customers has been initiated. The multi-level approach to providing customer support consists of flexible options for customers who may experience short or long term financial difficulty and consists of:

Proactive Communication:

- An outbound call program for non-residential community groups, tourism, hospitality, and retail industries to further understand individual circumstances and offer options where payment is more difficult than usual
- Strengthening communication, understanding, and bolstering partnerships with regional support services
- General promotional program to raise awareness of available assistance
- Planned work notification timing extended

Standard customer support processes reinforced:

- Application of all eligible concessions to customer accounts
- Activate agreed Centrepay process if applicable
- Review grant program eligibility, assist with application process (e.g. Utility Relief Grants, community rebates)

Additional customer support options:*

- Time extension of up to 12 weeks to account balances
- Two-year instalment plan option to help ease immediate financial pressure
- Ensure no interest will be charged on accounts that are in arrears, and no debt collection processes take place until at least 31 December 2020
- Entry to higher level support program for customers who are defined as in hardship

Internal structure to maintain a customer focus:

- A dedicated officer for customers who require a little further assistance
- Internal support program awareness and training
- A database of customer needs and feedback maintained, further support options based on insight analysis

- An organisational value to treat all customers with sensitivity and without judgment

**Programs are a minimum and will be adapted in response to the impact to customers as a result of coronavirus (COVID-19)*

Internal initiatives to provide for the health, safety and wellbeing of staff and to slow the spread of coronavirus (COVID-19) have included:

- Increased facility and equipment cleaning and hygiene regime
- Social distancing practices that include work from home arrangements with enhanced IT support, one person per South Gippsland Water vehicle
- operational teams working on a rotational basis
- Additional support for staff during this time include elevated internal communications, regular coronavirus (COVID-19) updates, structured team catch-up meetings online
- Daily staff location and absenteeism tracking implemented
- Leave and support mechanisms have been clarified and communicated to staff including a program of free flu vaccinations
- Staff communications and engagement, including safety interactions

Lance Creek Reservoir



6. WATER FOR VICTORIA

In 2017 the Victorian Government released its water plan, “*Water for Victoria*” that sets the long term strategic direction for water management in Victoria. *Water for Victoria* has provided the pillars to create a water system that is efficient, innovative, future focused and affordable. In addition, the Minister for Water has set out performance expectations for 2020/21 and beyond via a Letter of Expectations (LOE) for water corporations. The Corporation is committed to delivering upon the seven policy areas set out in the Minister's Letter of Expectations.

The section below provides a summary of South Gippsland Water's programs to deliver on the seven priority areas, the potential impact of coronavirus (COVID-19) and subsequent actions to address the impacts.

Climate Change <i>Provide services that minimise environmental impacts, mitigate climate change and put in place adaption strategies and actions</i>	Impacts of coronavirus (COVID-19)	Mitigating actions
<p>The Corporation is committed to reducing greenhouse gas emissions by 15% by 2025 and transitioning to zero emissions by 2050.</p> <p>Stage two behind the meter solar projects will be commissioned during 2020/21 to reduce emissions:</p> <ul style="list-style-type: none"> • Lance Creek Water Treatment Plant • Korumburra Waste Water Treatment Plant • Inverloch Waste Water Treatment Plant • Leongatha Waste Water Treatment Plant <p>South Gippsland Water will produce and commence implementation of a 2050 Carbon Emission Strategy.</p> <p>The Corporation will continue to enhance its understanding of climate change/variability and the impacts on the region's catchments and water supply systems.</p>	<p>Some project delays experienced due to difficulty in sourcing project materials and physical distancing protocols relating to coronavirus (COVID-19). On track to achieve a reduction of 15% greenhouse gas emissions by 2025</p>	<p>None required</p>

Customer and community outcomes <i>All aspects of service delivery will be customer and community centered</i>	Impacts of coronavirus (COVID-19)	2020/21 actions
<p>Five key outcomes, including associated measures and targets, were approved by customers during the 2020 Price Submission process. The five areas are; reliability, water, wastewater, environment, and customer integrity.</p> <p>South Gippsland Water will:</p> <ul style="list-style-type: none"> • Continue to deliver programs to meet and improve on the outcomes measures and targets agreed with customers. • Further understand customer aspirations for regional water security with an agreed position to be incorporated into the Corporation's new Urban Water Strategy • Continue to measure customer satisfaction and utilise results to inform future projects by participating in and learning from: <ul style="list-style-type: none"> ○ The Essential Service Commission Customer Satisfaction Survey ○ The South Gippsland Water annual qualitative telephone survey, in partnership with the Gippsland Region Water Alliance <p>SGW customer and community engagement process is available on the Corporation's website www.sgwater.com.au/publications. Individual project engagement requirements are captured via a customer impact assessment process.</p>	<p>Impacts have been experienced to planned and reactive works, and some slippage in operational and capital programs has been experienced due to the complexity of meeting restrictions imposed during the pandemic</p> <p>Risks to meeting service standards due to impacts on programs and initiatives</p> <p>Difficulties in engaging customers without traditional engagement techniques, including attendance at community events, face to face interactions, etc.</p>	<p>Coronavirus (COVID-19) Management Team introduced to monitor service delivery impacts and proactive planning with respect to continued delivery of reliable services</p> <p>Establishment of a Business Continuity Planning taskforce to ensure "Business as Usual" imperatives - operations, capital delivery and administrative</p> <p>Increased support for customers who maybe experiencing financial hardship</p> <p>Review engagement processes and leverage social media and technology solutions</p>

Deliver water for Aboriginal cultural, spiritual, and economic values <i>Recognise and support Aboriginal culture values and economic inclusion in the water sector</i>	Impacts of coronavirus (COVID-19)	2020/21 actions
<p>South Gippsland Water will:</p> <ul style="list-style-type: none"> • Continue to be an active member of the Gippsland Environmental Agencies (GEA) and the Gunikurnai Land and Waters Aboriginal Corporation (GLaWAC) partnership and action plan activities • Continue organisational cultural training and review procurement policies and practices in order to increase economic opportunities • Seek collaboration opportunities with GLaWAC and the Bunurong Land Council Aboriginal Corporation (BLCAC) with respect to water access 	<p>Partnership and plan activities impacted by physical distancing protocols related to coronavirus (COVID-19)</p>	<p>Work with GEA and Aboriginal Councils to review plans/activities and design alternatives</p>
Resilient and liveable cities and towns <i>Contribute to healthy communities by supporting safe, affordable, high quality services and resilient environments</i>	Impacts of COVID-19	2020/21 actions
<p>South Gippsland Water will:</p> <ul style="list-style-type: none"> • Design and implement targeted customer support programs that considers the impacts of COVID-19 on South Gippsland Water customers • Be a strong participant in the Gippsland Region Integrated Water Management (IWM) forum which provides a platform to identify alternative water sources, potable replacement, or demand management projects. The Leongatha water system will be a key opportunity during 2020/21 to collaborate with key stakeholders on local opportunities and projects with liveability benefits • Engage with and review the business in light of the actions, learnings and opportunities of the current COVID-19 pandemic. The Corporation will redesign and produce a roadmap for “Future Ways of Working” that provide for safe, affordable, high quality services and resilient environments • Further optimise State Water Grid and Lance Creek Reservoir blend ratios to deliver optimum taste and odour results for customers connected to the Lance Creek Water Supply System 	<p>The full economic and social impact of coronavirus (COVID-19) is yet to be realised across the region. The Corporation will continue to monitor the external environment for the benefit of customers</p>	<p>A proactive outreach program has commenced with further fit for purpose programs to be introduced throughout 2020/21 as customer needs evolve</p>

Recognise recreational values <i>Support the well-being for rural and regional communities by considering recreational values in water management (where water storages are accessible for recreation)</i>	Impacts of coronavirus (COVID-19)	2020/21 actions
<p>South Gippsland Water will:</p> <ul style="list-style-type: none"> • Finalise the Rethinking Reservoirs community and stakeholder engagement and assessment process to inform the future purposes of the Korumburra and Poowong Reservoirs • Work with local groups to permit appropriate recreational benefit at the Corporation's recreational assets 	<p>Access for recreational fishing at SGW reservoirs denied during staged restrictions</p>	<p>Agreement with the community groups to adhere to physical distancing requirements, in order to enable access</p>
Leadership and culture <i>Water corporations reflect the needs of our diverse communities</i>	Impacts of coronavirus (COVID-19)	2020/21 actions
<p>South Gippsland Water will:</p> <ul style="list-style-type: none"> • Review the Corporation's Diversity & Inclusion Plan in line with Government expectations regarding leadership and culture • Complete Phase two of the Leadership and Development program, assess outcomes and decide future roadmap for effective leadership • Implement the Health, Safety and Wellbeing roadmap for cultural improvement in line with program 	<p>Some slippage in leadership and culture activities due to stage three restrictions</p>	<p>Alternate delivery mechanisms to be initiated to continue planned programs</p>

Financial sustainability <i>Delivering safe and cost -effective water and wastewater services in a financially sustainable way</i>	Impacts of coronavirus (COVID-19)	2020/21 actions
<p>South Gippsland Water will:</p> <ul style="list-style-type: none"> • Implement the 2020 Price Decision to improve financial sustainability, while managing impacts of tariff increases on vulnerable customers via deferral of price increase and targeted support programs and initiatives • Utilise the Gippsland Strategic Water Alliance (GSWA) as a vehicle to help deliver productivity/efficiencies, including the potential for shared benefit in ICT • Recommence the Sustainable Strategy Direction Partnership with DELWP. The process resulted in confirmation that South Gippsland Water operates in a prudent and efficient manner • Implement a 1% operating expenditure efficiency target in line with the Corporation's Price Submission • Review the Strategic Asset Management Plan in order to provide a clear framework for strategic asset decision making that aligns with achievement of wider corporate performance objectives and targets 	<p>Delaying tariff increases in order to reduce the impact on customers in hardship during coronavirus(COVID-19)</p> <p>The full economic and social impact of coronavirus (COVID-19) is yet to be realised across the region</p> <p>Many water businesses are internally focused in their response to coronavirus (COVID-19) with less time and resources to collaborate</p>	<p>Close monitoring of revenue and expenditure and ongoing impacts to debt and financial ratios</p> <p>Monitor the customer sentiment and hardship demographics</p> <p>Engage strongly with DELWP and the GRWA</p>

7. CORPORATE FOCUS AREAS

South Gippsland Water prices and services are governed by an independent regulator, the Essential Service Commission. From 1 July 2020, the Corporation commences year one of a three-year price determination. In dealing with ongoing challenges and emerging issues, short, medium and long term plans have been developed. A key issue for the Corporation in this environment will be delivering on customer expectations, the prices we charge and being sustainable into the future.

Projects associated with the Corporation's customer outcome focus and corporate vision have been developed to address and deliver on the customer and stakeholder expectations and priorities as identified below.

OUR CUSTOMER FOCUS

Together with customers, South Gippsland Water developed Customer Outcome statements, measures of success and programs which will be reported annually to customers and stakeholders via a Customer Scorecard.

Reliability: We will plan for the future, be reliable and minimise unplanned interruptions to services

- To manage the risks associated with reliable services we will;
 - Renew high risk pump stations, wastewater and water pipes
 - Ensure timely communication of planned and unplanned interruptions
 - Optimise preventative maintenance via proactive wastewater cleaning and inspections to manage blockages, spills and interruptions
 - Manage the most effective and economical balance between proactive and reactive maintenance
 - Maintain information and technology systems to monitor and identify when systems fail

Water: We will provide safe, clean drinking water

- In order to do this we will:
 - Improve Water Treatment Plants treatment processes during algae outbreaks and for disinfection
 - Invest to renew aging water treatment plants and treated water storages
 - Continue scheduled maintenance programs to prevent discoloured water

Wastewater: We will provide a safe wastewater service that contributes to the liveability of our communities

- In order to do this we will:
 - Invest in sewer system upgrades and expansion to ensure compliance and cater for growth areas
 - Undertake preventative maintenance programs to reduce wastewater blockages and spills
 - Upgrade wastewater treatment assets

Environment: We will be environmentally sustainable and adapt to a future impacted by climate variability

- In order to do this we will:
 - Continue the SGW greenhouse gas emissions reduction program
 - Continue to operate within, and build on, our social procurement strategy
 - Promote water efficiency across the region and actively participate in water reuse programs
 - Actively participate in catchment management programs

Customer Integrity: We will act with honesty, respect and strive to balance affordability, value for money and fairness

- In order to do this we will:
 - Provide a range of programs to strengthen our support for customers by implementation of our hardship Policy
 - Provide open and honest communications as identified in our vulnerability study

OUR SGW VISION 2023

The Corporate Plan is articulated through the corporate Purpose and Vision statements, Vision 2023.

Purpose - We provide sustainable water services that are essential to the prosperity and wellbeing of our communities and natural environments

Vision 2023 Our customers value the services and outstanding experience proudly delivered by our capable, committed teams

Our **Achievement Culture** and **Productive Practices** deliver **Outstanding Customer Experiences** and **Valued Services**, that contribute to **Thriving Communities** and a **Healthy Environment**.

8. BUSINESS PLAN ASSUMPTIONS

AT A GLANCE

- 9% increase in tariffs, 5% 2020, 2% 2021, 2% 2022
- 13% increase in tariffs over Regulatory Period 5 2022/23 – 2027/28
- 1.80% residential customer growth
- 0.75% non-residential growth
- Average household water consumption 121kL (that is, the ten-year average)
- Inflation rate of 2.3%
- Wage inflation of 2.5%
- 0.5% annual increase in the superannuation guarantee from 2021/22 to 2025/26
- Borrowing forecast rates include 1.17% weighted average for the Financial Accommodation Levy (FAL), plus average interest rate of 2.43% (0.8% reduction)

DEMAND

Demand analysis completed for the Corporation's five-year price submission has been adopted for the Business Plan 2020/21.

Residential property connection are forecast to grow at 1.80% per annum for water and wastewater connections. South Gippsland Water has used the Victoria in Future Small Areas (VIFSA) growth rate forecast as at 30 June 2021. The Corporation's ten-year average rate is significantly lower at 1.45% per annum (including vacant land). Estimates predict that growth will continue to increase and therefore the higher growth rate has been adopted for this purpose.

Non-residential property connection growth is expected to be 0.75% per annum.

A ten-year average residential water consumption of 121kl has been forecast. Water consumption has remained relatively stable for the period, and is amongst the lowest water usage in the State.

Non-residential and major customer water consumption has been based on recent trends and direct customer forecasts. The impact of coronavirus (COVID-19) on non-residential and major customer water consumption is yet to be fully understood. Non-residential consumption is difficult to predict due to the current environment. The recent volatile nature of the economic environment has added considerable risk to demand forecasting. The Corporation has assumed predicted demand forecasts and will monitor fluctuations with a view to absorbing any downside risk for 2020/21.

Table two below provides an overview of historic and forecast water consumption trends.

Table 2 Water consumption trends 2014/15 - 2022/23

Water Volume Consumption (ML)	Actuals					Estimated	Forecast		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Residential	1,911	2,124	2,034	2,067	2,090	2,111	2,152	2,193	2,237
Non-Residential	589	556	588	576	611	587	592	596	600
Agreement	404	445	340	354	347	380	383	386	389
Concessional	215	246	236	238	240	235	237	239	241
Standpipe	17	33	17	35	40	28	28	28	28
Subtotal	3,135	3,404	3,215	3,271	3,329	3,342	3,392	3,442	3,495
Other Majors	391	259	193	189	176	161	161	161	161
Burra Foods	272	217	309	343	326	335	360	390	390
Saputo	786	890	896	727	811	1,000	1,000	1,000	1,000
Subtotal	1,450	1,367	1,398	1,259	1,313	1,496	1,521	1,551	1,551
Total	4,585	4,771	4,613	4,530	4,642	4,838	4,913	4,993	5,046

WATER ALLOCATION AND SUPPLY AVAILABILITY

South Gippsland Water's Urban Water Strategy contains a detailed analysis of demand and supply options, across the region, including growth, demand reduction initiatives, water delivery efficiency and augmentation options for the next 50 years.

An Annual Water Security Outlook, based on water resource modelling, is developed each year, and shared with customers, and stakeholders.

The Lance Creek Supply systems to Korumburra and Poowong, secures approximately 60% of the Corporation's customer base. South Gippsland Water's Lance Creek Water Connection project was completed in 2019. The Lance Creek system is connected to the Melbourne Supply System, utilising a Bulk Entitlement to access up to 1 GL of water. The current water security outlooks suggest that by 2023/24 the Corporation will need to supplement current yield. South Gippsland Water propose to purchase a 2GL Bulk Entitlement in 2023/24 at a capital cost of \$0.8M to secure the supply for the long term.

A significant number of variables may alter demand forecasting and water security analysis, especially as a result of coronavirus (COVID-19). During 20/21 South Gippsland Water will complete further demand analysis on the non-residential customer's cohort including demand and hardship variances.

9. MAJOR RISKS

MANAGING BUSINESS IN CONTEXT OF A CORONAVIRUS (COVID-19) WORLD

As noted previously, the South Gippsland Region, has been impacted by coronavirus (COVID-19). The State of Emergency was declared by the Victorian Government from 16 March 2020 and Stage Three restrictions were put in place across Victoria on 30 March resulting in wide ranging impacts across the South Gippsland Region.

These impacts will be realised throughout the current planning period and beyond. South Gippsland Water, along with the rest of the water industry, has been assessing the significant challenges around the likelihood of customer hardship, impacts to revenues, ability to meet capital and operational plans, potential service disruptions and service quality.

In response to the pandemic, a Crisis Management Team (CMT) comprising Senior Management and risk, safety and communications specialists was established. Also established was a Business Continuity Planning (BCP) taskforce to ensure "Business as Usual" imperatives, including operations, capital delivery and administrative would continue to be met.

OHS considerations have been at the forefront of the Corporation's planning and have included the risks of contracting and spreading coronavirus (COVID-19), and injury from revised working practices, including personal wellbeing as a result of extended isolation. Staff communications and engagement, including safety interactions have been utilised to assess how the Corporation has been managing the safety aspects of the pandemic response. Feedback has been overwhelmingly positive.

A customer support program is being established for residential and non-residential customers based on a multi-level approach to providing support for customers who may experience short or long term financial difficulty.

Further details of South Gippsland Water's response to coronavirus (COVID-19) are detailed in Section 6, including initiatives to support our staff and the communities.

MAINTAINING THE BALANCE - PRICE, SERVICE AND BEING SUSTAINABLE INTO THE FUTURE

Implementation of the proposed South Gippsland Water 2020 Price Decision commenced a path to improve financial sustainability while delivering on programs required to achieve customer outcomes. Coronavirus (COVID-19) has resulted in further complexity in managing impacts of tariff increases for customers impacted by the pandemic.

Targeted support programs and initiatives have been introduced. However, a delay in the introduction of the 2020 5% price increase provides further complexity in delivering South Gippsland Waters five-year price and service delivery plan.

The Corporation will continue to participate in programs to understand and achieve a balance between price, services and being sustainable. These include:

- Utilise the Gippsland Strategic Water Alliance (GSWA) as a vehicle to help deliver productivity/efficiencies, including the potential for shared benefit in ICT
- Recommence the Sustainable Strategy Direction Partnership with DELWP
- Implement a 1% operating expenditure efficiency target in line with the Corporation's Price Submission
- Review the Strategic Asset Management Plan in order to provide a clear framework for strategic asset decision making that aligns with achievement of wider corporate performance objectives and targets

UNCERTAINTY OF DEMAND FOR WATER FROM MAJOR CUSTOMERS

Non-residential water usage, including six major customers, equates to approximately 30% of South Gippsland Water consumption. The Corporation's two largest major customers, Burra Foods and Saputo alone provide approximately 25% of the demand.

Long-term industrial growth is hard to predict due to short planning horizons and a range of external impacts. While both Saputo and Burra Foods are currently operating at high levels of production, international market risks have recently heightened, especially in to some Asian markets.

The volatile nature of the Corporation's two major customers has added considerable risk to demand forecasting and recovery of past capital investment. The loss of a dairy producer in Poowong and an abattoir in Wonthaggi has been reflected in the volume forecast for Major Customers.

Saputo's (located in Leongatha) demand has fluctuated over the last five years. Previously, Saputo's business has been impacted by international market factors, influencing production volumes and milk prices. Advice from Saputo is that demand and supply is expected to grow. This is evident in 2019/20 year to date results.

Burra Foods, located in Korumburra, are however, predicting a growth phase, forecasting an increase of 55 ML over the next three years. Burra Foods demand over the last five years has also fluctuated considerably.

Significant fluctuation in demand, is evidenced by other major customers, notably the abattoirs in Poowong (GBP).

South Gippsland Water maintains close relationships with major customers in order to understand and respond as best as possible to their needs.

UNCERTAINTY ABOUT THE IMPACTS OF CLIMATE CHANGE

Climate science indicates that Victoria will become warmer and drier in the coming decades, with more extreme events including drought, floods, and heatwaves. Average annual streamflow reductions of around 50 per cent could occur in some catchments by the year 2065.

South Gippsland Water operates seven separate Water Supply Systems, the majority are annual fill and spill systems. Four of South Gippsland Water systems, supplying fourteen towns, require water supply augmentation projects in the short to medium term. The Corporation monitors water security by continuously tracking inflows, storage volumes and demand.

Table three below provides an overview of at risk systems including management response.

Table 3 Water Supply System Risks

System	Towns Service	Risk	Management
Lance Creek	Wonthaggi Inverloch Cape Paterson Korumburra Poowong Loch Nyora	Low Security of Supply 2020 and 2025	Purchase additional Bulk Entitlement (BE) under existing agreement with state government
Ruby Creek	Leongatha Koonwarra	Low Security of Supply 2019 - onwards	Options investigated and strategy to augment water supply developed
Battery Creek	Fish Creek	Low Security of Supply 2019 - onwards	Options under investigation
Agnes River	Toora Welshpool Port Welshpool Port Franklin	Low Security of Supply 2030 - onwards	Options investigated

In addition, South Gippsland Water endeavors to better understand and monitor the potential impacts of climate change/variability via active involvement in assessing climate developments together with experts and other bodies, i.e. BOM, CSIRO, DELWP, VicWater, etc. The understanding will help the Corporation in planning water availability across its region and to proactively manage water storages for the benefit of customers.

ATTRACTING, RETAINING, AND RESOURCING THE ORGANISATION IN THE LONG TERM

The remote location and size of the Corporation presents challenges with respect to attracting and retaining skilled staff. South Gippsland Water's current People and Culture Plan includes a number of strategies to continue addressing these challenges, including:

- Ensuring attraction and recruitment methods reach and appeal to a diverse range of high quality, skilled candidates
- The Corporation has implemented a range of diversity and inclusion priorities. Results to date include improved gender diversity. Sourcing diverse high quality candidates will continue to be a priority. Next stage work will focus on broadening inclusion of Aboriginal community members in Corporation decision-making, and employment opportunities
- Continuing work to position the Corporation locally and regionally to be recognised as an employer of choice including prioritizing support for flexible work arrangements
- Ensuring staff have access to appropriate learning and development opportunities that address future workforce requirements and enhance current succession planning strategies, with a focus on building the capacity of current and future leaders
- Further formalising systems, processes, and practices to ensure staff are recognised and rewarded and promoting a safe, healthy, motivated, engaged and innovative workforce
- Continuing to build partnerships with the Corporation's Gippsland Strategic Alliance partners and other industry networks to investigate innovative ways of working together and resourcing our needs in an innovative and efficient manner

10. MATERIAL CHANGES FROM PREVIOUS 2019/20 CORPORATE PLAN

Material changes from the period covered by the 2019/20 Corporate Plan include:

- **Revenue:** total revenue has increased by \$1.7M for this period due to an increase in the forecast for major customer trade waste \$4.6M (the forecast now includes liquidated damages). This is offset in part, by a reduction in the forecast for gifted assets, of \$2.9M which reflects the timing of developer activities.
- **Operating expenditure:** total operating costs for the period has reduced by approximately \$8M due predominately to lower depreciation (\$6.0M) resulting from delays in capital program delivery (lower asset capitalisation) and borrowings, resulting in lower interest expense (\$3.0M). This reduction is offset in part by an increase in salaries (\$1.0M).
- **Capital expenditure:** total capital expenditure for the period has reduced by \$9.7M. The capital program presented is consistent with the approved allocation in the recent 2020 Pricing Submission.
- **Loans:** as a result of movements in revenue, operating costs, capital expenditure and the opening loan position, the borrowing forecast has reduced by \$9.0M to \$98.0M at the end of 2023/24.

11. SIGNIFICANT DEVIATIONS FROM REGULATORY PERIOD 4

South Gippsland Water submitted a Pricing Submission in 2019 that covers the remainder of Regulatory Period 4, from 2020/21 to 2022/23. The Business Plan does not contain any material changes to revenue forecast for this period.

A reconciliation of the operating expenditure (opex) for 2020/21 is provided in table four below:

Table 4 Operating Expenditure Reconciliation 2020/21

Operating Expenditure (opex)	Pricing Submission (2020/21)	Business Plan (2020/21)
Controllable opex	\$19.003M	\$20.113M
Non-controllable opex	\$2.125M	\$2.116M
Total opex	\$21.128M	\$22.229M

Key drivers for the variance to the approved controllable opex in 2020/21 are associated with the ability to leverage efficiencies, sustain growth and absorb cost increases required by the Enterprise Bargaining Agreement. Delayed implementation of behind the meter solar initiatives has resulted in higher electricity costs for the period. South Gippsland Water is participating in a Sustainable Strategic Directions Review which aims to identify further opportunities to aid in achievement of the 1% operating cost efficiency target.

Table 5 Capital Expenditure Reconciliation 2020/21 - 2022/23

Capital Expenditure (2020/21 to 2022/23)	Pricing Submission	Business Plan
Headworks	\$724,000	\$724,000
Water Treatment	\$2,169,000	\$4,459,154
Water Distribution	\$8,756,000	\$9,634,731
Sewer Treatment	\$6,369,000	\$6,253,737
Sewer Distribution	\$15,364,000	\$14,314,935
Facilities	\$1,727,000	\$1,584,200
ICT and SCADA	\$3,456,000	\$3,611,000
Plant & Equipment	\$1,512,000	\$4,446,740
Carbon Emission Reduction Upgrades	\$0	\$1,925,864
Other	\$965,000	\$672,000
Total capital expenditure	\$41,042,000	\$47,626,361

Proposed capital expenditure for the period is higher than the approved expenditure in the pricing submission which is largely due to the carry forward of budget from 2019/20 for discrete projects including the carbon emission reduction strategy (\$1.9M), water treatment plan disinfection improvements (\$1.5M), Lance Creek powdered activated carbon upgrades (\$1.5M), improvements at the Wonthaggi Water Storage Basin (\$1.5M) and carry forward of new operational vehicles (\$2.2M).

Leongatha Wastewater
Treatment Plant



12. FINANCIAL DETAILS

OPERATING STATEMENT

Table six details the projected operating statement for 2020/21 to 2024/25. Refer to Appendix A for a quarterly breakdown of the 2020/21 financial year.

Table 6 Operating Statement 2020/21 - 2024/25

PROFIT AND LOSS \$'000	2019/20 forecast	2020/21	2021/22	2022/23	2023/24	2024/25
Service Charges	15,269	16,676	17,696	18,796	20,147	21,599
Volume Charges	8,835	9,969	10,572	11,147	11,871	12,644
Trade Waste	3,871	3,969	4,104	4,245	4,406	4,576
Capital Income	3,776	4,310	4,111	4,130	4,455	3,864
Other	1,019	1,387	1,030	902	1,199	1,222
TOTAL REVENUE	32,769	36,311	37,514	39,219	42,079	43,905
Salary and On costs	10,476	10,928	11,256	11,593	11,941	12,300
Financing Costs	2,925	2,980	3,200	3,355	3,965	4,752
Depreciation	11,905	12,632	12,570	12,576	12,640	13,335
Other Expenses	12,028	11,901	11,369	11,617	12,899	13,059
TOTAL COSTS	37,334	38,441	38,395	39,141	41,445	43,445
SURPLUS/(DEFICIT) BEFORE TAX	(4,565)	(2,130)	(881)	78	634	460
Tax expense	1,255	586	242	(22)	(174)	(127)
	Forecast					
SURPLUS/(DEFICIT) AFTER TAX	(3,310)	(1,544)	(639)	57	459	334

CASHFLOW STATEMENT

The Table below details the projected cash flows for 2020/21 to 2024/25. Refer to Appendix A for a quarterly breakdown of the 2020/21 financial year.

Table 7 Projected Cash Flow 2020/21 -2024/25

CASHFLOW \$'000	2019/20 forecast	2020/21	2021/22	2022/23	2023/24	2024/25
Total Cash Receipts from Operations	32,381	38,533	37,198	39,138	42,477	46,179
Total Cash Payments from Operations	(27,446)	(26,153)	(26,449)	(27,326)	(30,871)	(32,109)
Net Cash provided/(used) by Operating Activities	4,935	12,380	10,749	11,812	11,606	14,069
Proceeds from Sale of Assets	297	660	248	83	385	385
Payments for Non-Current Assets	(20,244)	(23,670)	(14,604)	(15,597)	(19,923)	(32,730)
Net Cash provided/(used) in Investing Activities	(19,947)	(23,010)	(14,357)	(15,515)	(19,538)	(32,345)
Proceeds/(Repayments) from Borrowings	15,000	10,600	3,700	3,700	7,900	18,100
Proceeds from Government Equity Cont.		0	0	0	0	0
Contractors deposits	(170)	26	(94)	21	41	125
Net Cash provided/(used) from Financing Activities	14,830	10,626	3,606	3,721	7,941	18,225
Net Increase/(Decrease) in Cash	(183)	(4)	(2)	18	10	(51)
Beginning Cash	682	499	495	493	510	520
ENDING CASH	499	495	493	510	520	469

BALANCE SHEET

The table below details the projected balance sheet for 2020/21 to 2024/25. Refer to Appendix A for a quarterly breakdown of the 2020/21 financial year.

Table 8 Projected balance Sheet 2020/21 - 2024/25

BALANCE SHEET	\$'000	2019/20 CB forecast	2020/21	2021/22	2022/23	2023/24	2024/25
Cash and Bank	499	495	493	510	520	469	
Receivables	4,117	1,795	1,900	2,008	2,140	2,282	
Other current assets	2,854	3,066	3,167	3,279	3,415	3,562	
Total Current Assets	7,471	5,357	5,560	5,797	6,076	6,313	
Receivables-Long term	372	342	312	282	252	222	
Fixed Assets	409,000	419,970	423,134	426,346	432,908	448,511	
WIP	4,708	4,591	3,151	3,775	4,826	7,540	
Deferred Tax Assets	25,922	26,508	26,750	26,729	26,554	26,428	
Total Non-Current Assets	440,002	451,411	453,347	457,132	464,540	482,701	
TOTAL ASSETS	447,473	456,767	458,907	462,929	470,616	489,015	
Provisions	5,885	5,885	5,885	5,885	4,370	2,934	
Other payables	3,231	3,465	2,434	2,704	3,174	4,562	
Total Current Liabilities	9,878	10,112	9,081	9,351	8,307	8,258	
Loans - Non-Current	71,420	82,020	85,720	89,420	97,320	115,420	
Provision - Non-Current LSL	620	623	733	729	1,100	1,114	
Deferred Tax Liabilities	81,214	81,214	81,214	81,214	81,214	81,214	
Total Non-Current Liabilities	153,254	163,857	167,667	171,363	179,634	197,748	
TOTAL LIABILITIES	163,131	173,969	176,748	180,713	187,941	206,006	
NET ASSETS	284,342	282,798	282,159	282,216	282,675	283,009	
Government Equity Contributions	95,333	95,333	95,333	95,333	95,333	95,333	
Asset Revaluation Reserve	136,667	136,667	136,667	136,667	136,667	136,667	
Accumulated Funds (Losses)	52,343	50,798	50,160	50,216	50,676	51,009	
TOTAL EQUITY	284,342	282,798	282,159	282,216	282,675	283,009	

FINANCIAL PERFORMANCE INDICATORS

The table below details the projected financial performance indicators for 2020/21 to 2024/25.

Table 9 Financial Performance Indicators 2020/21 - 2024/25

KEY RATIO'S	2019/20 forecast	2020/21	2021/22	2022/23	2023/24	2024/25
Current Ratio	0.76	0.53	0.61	0.62	0.73	0.76
Quick Ratio	1.55	0.72	1.06	1.01	0.91	0.66
Gearing Ratio	16.4%	18.3%	19%	20%	21%	24%
Internal Financing Ratio	24.7%	53.8%	75%	76%	59%	43%
Interest Cover (EBIT)	(0.56)	0.29	0.72	1.02	1.16	1.10
Interest Cover (Cash)	2.69	5.15	4.36	4.52	3.93	3.96
Debt / Equity	25%	29%	31%	32%	35%	41%

SERVICE STANDARDS

Table 10 SGW Service Standards

Service Standard	2020-21	2021/22	2022/23
Water			
Number of customers experiencing more than 5 unplanned water supply interruptions in the year (number)	0	0	0
Average time taken to attend bursts and leaks (priority 1) (minutes)	30	30	30
Average time taken to attend bursts and leaks (priority 2) (minutes)	35	35	35
Average time taken to attend bursts and leaks (priority 3) (minutes)	500	500	500
Average duration of unplanned water supply interruptions (minutes)	110	110	110
Average duration of planned water supply interruptions (minutes)	240	240	240
Sewerage			
Customers receiving more than 3 sewer blockages in the year (number)	0	0	0
Average time to attend sewer spills and blockages (minutes)	30	30	30
Average time to rectify a sewer blockage (minutes)	120	120	120
Spills contained within 5 hours (per cent)	95	95	95

13. APPENDIX A - FINANCIAL TABLES

Table 11 2020/21 Operating Statement - quarterly breakdown

'\$000	Q1 30 SEP 2020	Q2 31 DEC 2020	Q3 31 MAR 2021	Q4 30 JUN 2021	Total Budget 2020/21
Income					
Service charges	4,142	4,156	4,176	4,203	16,676
Volume charges	2,836	3,192	3,644	2,903	12,575
Trade waste and cisterns	318	343	386	316	1,363
Capital income	1,075	1,078	1,078	1,079	4,310
Other	347	349	348	344	1,387
Total income	8,718	9,117	9,632	8,844	36,311
Expenditure					
Salary and on costs	2,726	2,770	2,640	2,793	10,928
Financing costs	783	748	724	724	2,980
Depreciation	3,157	3,157	3,157	3,161	12,632
Other expenses	2,883	2,893	3,201	2,924	11,901
Total expenditure	9,549	9,568	9,722	9,602	38,441
Total surplus (deficit)	(831)	(451)	(90)	(758)	(2,130)

Table 12: 2020/21 Cashflow Statement - quarterly breakdown

'\$000	Q1 30 SEP 2020	Q2 31 DEC 2020	Q3 31 MAR 2021	Q4 30 JUN 2020	Total Budget 2020/21
Service and Usage Charges Income	9,710	5,265	8,633	9,003	32,611
Developer Contributions	502	502	502	502	2,009
Other income	1,069	1,352	674	818	3,912
Payments to Suppliers and Employees	(5,681)	(5,810)	(5,872)	(5,810)	(23,173)
Interest and Other Costs of Finance Paid	(217)	(1,317)	(167)	(1,280)	(2,980)
Net cashflow from operations	5,384	(8)	3,771	3,233	12,380
Proceeds from sale of assets	165	165	165	165	660
Payments for non-current assets	(7,460)	(7,683)	(4,283)	(4,244)	(23,670)
Net cashflow from investing activities	(7,295)	(7,518)	(4,118)	(4,079)	(23,010)
Net proceeds from borrowing	2,000	7,800	(100)	900	10,600
Government contributions	-	-	-	-	
Contractor deposits	7	7	7	7	26
Net cashflow from financing activities	2,007	7,807	(93)	907	10,626
Net increase (decrease) in cash	96	280	(440)	60	(4)
Cash held at the beginning of the period	499	595	875	435	499
Cash held at the end of the period	595	875	435	495	495

Table 13: 2020/21 Balance Sheet - quarterly breakdown

\$000	Closing Balance- 30 Sept 2020	Closing Balance- 31 Dec 2020	Closing Balance- 31 Mar 2021	Closing Balance- 30 June 2021
Cash at bank	100	100	100	100
Short term investments	495	775	335	395
Receivables	5,975	7,171	3,334	1,843
Other current assets	2,467	2,043	5,877	3,018
Total current assets	9,038	10,089	9,646	5,357
Receivables - long term	365	357	350	342
Fixed assets	411,758	414,516	417,294	419,970
Capital works in progress	2,374	6,979	1,872	4,591
Deferred tax assets	25,922	25,922	25,922	26,508
Total non-current assets	440,418	447,774	445,438	451,411
Short term loans	762	762	762	762
Provisions	2,959	2,984	3,009	2,934
Other current liabilities	6,751	7,680	5,020	6,416
Total current liabilities	10,472	11,426	8,791	10,112
Long term loans	73,420	81,220	81,120	82,020
Provisions - long term	481	481	481	481
Other	129	110	130	142
Deferred tax liabilities	81,214	81,214	81,214	81,214
Total non-current liabilities	155,244	163,024	162,945	163,857
Net assets	283,740	283,413	283,348	282,798
Total equity and reserves	283,740	283,413	283,348	282,798

14. APPENDIX B - CUSTOMER TARIFFS

Table 14: Customer Tariffs

Tariffs are expressed in nominal \$	Frequency of charge	Price as at 1 July 2019	Approved 1 July 2020	Approved 1 July 2021	Approved 1 July 2022	Approved 1 July 2023	Proposed 1 July 2024
1.1 Water access fees (per annum)							
Access fee – Developed	Tri-annual	305.70	328.37	342.64	357.53	376.73	396.95
Access fee – Undeveloped	Tri-annual	305.70	328.37	342.64	361.03	380.42	400.84
Access fee – Agreements	Tri-annual	275.10	295.50	308.34	324.90	342.34	360.72
Access fee – Concessional	Tri-annual	245.25	263.44	274.88	289.64	305.19	321.58
1.2 Water usage charges (per kL)							
Volumetric fee – Murray Goulburn	Monthly	2.24	2.41	2.51	2.62	2.76	2.91
Volumetric fee – Other Majors	Monthly	1.84	1.98	2.06	2.15	2.27	2.39
Volumetric fee – All others	Tri-annual	1.84	1.98	2.06	2.15	2.27	2.39
1.3 Sewerage access fees (per annum)							
Residential and non-residential							
Access fee – Developed	Tri-annual	474.45	509.63	531.78	554.89	584.68	616.07
Access fee – Undeveloped	Tri-annual	268.50	288.41	300.94	314.02	330.88	348.65
1.4 Cistern access fees (per annum)							
1-2 Cisterns	Tri-annual	161.55	173.53	181.07	188.94	199.08	209.77
3-5 Cisterns	Tri-annual	424.95	456.46	476.30	497.00	523.68	551.80
6-10 Cisterns	Tri-annual	823.05	884.08	922.50	962.59	1,014.27	1,068.73
11-15 Cisterns	Tri-annual	1,318.80	1,416.59	1,478.15	1,542.39	1,625.21	1,712.46
16-20 Cisterns	Tri-annual	2,199.15	2,362.22	2,464.88	2,572.00	2,710.09	2,855.60
21-26 Cisterns	Tri-annual	3,147.60	3,380.99	3,527.93	3,681.26	3,878.90	4,087.16
27-35 Cisterns	Tri-annual	3,858.00	4,144.07	4,324.17	4,512.10	4,754.36	5,009.62
36–Greater Cisterns	Tri-annual	4,408.50	4,735.39	4,941.19	5,155.93	5,432.76	5,724.44
Volume Charge – (per kL)							
Volume Charge	Tri-annual	1.8400	1.97	2.06	2.15	2.26	2.38
1.6 Minor trade waste fees							

Tariffs are expressed in nominal \$	Frequency of charge	Price as at 1 July 2019	Approved 1 July 2020	Approved 1 July 2021	Approved 1 July 2022	Approved 1 July 2023	Proposed 1 July 2024
Application fees (per application)							
Category 1	Tri-annual	127.55	130.48	133.48	136.55	139.70	142.91
Category 2	Tri-annual	203.45	208.13	212.92	217.81	222.82	227.95
Category 3	Tri-annual	272.50	278.77	285.18	291.74	298.45	305.31
Access fees (per annum)							
Access fee – Category 1	Tri-annual	655.80	704.43	735.04	766.99	808.17	851.56
Access fee – Category 2	Tri-annual	871.20	935.80	976.47	1,018.91	1,073.61	1,131.25
Access fee – Category 3	Tri-annual	1,080.45	1,160.57	1,211.00	1,263.63	1,331.48	1,402.97
Volumetric fees (per kL)							
All Categories	Tri-annual	0.8800	0.9453	0.9863	1.0292	1.0845	1.1427
Quality fees (per kg)							
BOD	Tri-annual	0.7036	0.72	0.7363	0.7533	0.7706	0.7883
SS	Tri-annual	0.6639	0.68	0.6948	0.7108	0.7271	0.7438
Nitrogen	Tri-annual	2.9719	3.04	3.1102	3.1817	3.2549	3.3298
Phosphorus	Tri-annual	16.9312	17.32	17.7190	18.1265	18.5434	18.9699
Additional sampling (per sample)							
All Categories	Per occasion	At cost	At cost	At cost	At cost	At cost	At cost
Exceedance fees (per kg)							
Oil & Grease	Per occasion	0.1060	0.11	0.1109	0.1135	0.1161	0.1188
Sodium	Per occasion	0.1060	0.11	0.1109	0.1135	0.1161	0.1188
TOS	Per occasion	0.7586	0.78	0.7939	0.8122	0.8308	0.8499
Asset protection fee							
<i>Alternate annual fee available to customers that do not elect to install a grease trap (cost prohibitive).</i>	Per annum	1,488.72	1,522.96	1,557.99	1,593.82	1,630.48	1,667.98
Treatment violation fee							
<i>Fee imposed for customers that do not fill in a trade waste application; or do not maintain their pre-treatment apparatus</i>	Per occasion	305.2	312.22	319.40	326.75	334.26	341.95

Tariffs are expressed in nominal \$	Frequency of charge	Price as at 1 July 2019	Approved 1 July 2020	Approved 1 July 2021	Approved 1 July 2022	Approved 1 July 2023	Proposed 1 July 2024
<i>(e.g. do not pump out their grease trap.)</i>							
1.7 New customer contributions (per lot)							
Water & Sewer (all customers)		2,318.45	2,371.77	2,426.33	2,482.13	2,539.22	2,597.62
1.8 Miscellaneous fees and charges							
Property information statements		57.75	59.08	60.44	61.83	63.25	64.70
<i>Fee imposed for providing a certificate issued in accordance with Section 158 of the, Water Act 1989.</i>							
Special meter readings		44.35	45.37	46.41	47.48	48.57	49.69
<i>Fee imposed for providing a certificate which indicates water usage charges up to a specified date. Generally provided, on application, for property sales.</i>							
As constructed charge		71.50	73.14	74.83	76.55	78.31	80.11
<i>As constructed charge</i>							
20mm Tapping Fee		399.04	408.22	417.60	427.21	437.04	447.09
<i>Fee imposed for meter and labour associated in providing a tapping to the water main.</i>							
Plumbing Industry Commission (PIC) Fee		224.05	229.20	234.47	239.87	245.38	251.03
<i>Fee imposed for providing sewer plans and processing</i>							

Tariffs are expressed in nominal \$	Frequency of charge	Price as at 1 July 2019	Approved 1 July 2020	Approved 1 July 2021	Approved 1 July 2022	Approved 1 July 2023	Proposed 1 July 2024
<i>applications to connect or modify plumbing.</i>							
Standpipe Water Sales (per kL)							
<i>Fee imposed for the sale of water via a metered standpipe.</i>							
- Registered Users		5.97	6.23	6.50	6.85	7.22	7.60
- Unregistered Users		7.96	8.31	8.67	9.13	9.62	10.14
Septic Tank Waste Receival (per kL)							
<i>Fee imposed on septic tank waste carters, for the disposing of sewage and/or other acceptable waste.</i>							
Non-Core Miscellaneous Services							
<i>Non-core miscellaneous services</i>		At cost	At cost	At cost	At cost	At cost	At cost

*"Contributing to thriving communities
and a healthy environment"*

