



Share your thoughts. Shape our future



Our prices - Help shape our commitment to affordability and equity.

At Wannon Water, we provide our customers with the water and sewerage services they need to build healthy and strong communities. As a not-for-profit organisation, we prioritise what we are investing in to make sure we are meeting our customers' needs and expectations while also keeping their bills affordable. We're keen to hear your views so we can make the right decisions for the future.

Keeping bills affordable

Over the past decade, we're proud to have been able to keep prices stable for our 44,000 customers despite a number of challenges:

- The geographical size of our region which is the second largest operating area of Victorian water corporations
- The need to pump water significant distances to provide services to customers
- We have 46 metres of water mains per customer – the highest in the state – placing increasing pressure on operating costs and asset renewal costs
- Growth in new customer numbers is very low compared to other water corporations, so our ability to absorb cost increases through new revenue is also limited
- The varying nature of our water supply systems.

Our average annual residential bill of \$1,088 for owners is \$20 less than two years ago. For renters, the average annual bill is \$212 - the same as two years ago.

Understanding your bill

Many of Wannon Water's operating costs are fixed, so, regardless of the amount of water that customers use, we still face the same level of expenditure e.g. maintaining and replacing assets, and treatment operation costs.

Our current bills include fixed charges that help to cover the cost of the sewerage and water services provided to each property, plus a variable rate based on the amount of water that is used each day.

In the past, some customers have told us that they would like more control over their bills by being rewarded for reducing their water use. However, changing the bill structure would have different impacts on different customer group.

For example, the average annual bill for a property owner of \$1,088 comprises a \$707 fixed sewerage service charge, \$169 fixed water service charge and \$212 water usage charge.

As you can see, the variable charge only makes up 20% of the total bill so even if property owners use less water, their total bill won't be reduced by a significant amount.

For renters, the variable charge represents 100% of their bill (the property owner pays the fixed charges) so they have more incentive to save water.

If we were to increase the variable charges to encourage customers to save water, renters would be disproportionately impacted. If we were to increase the fixed charges, property owners would be impacted – not renters.

Businesses pay a flat rate for water use and, as they typically use more water, they would also be impacted by any increase in variable charges.

For example, if prices were to increase by 10% over a number of years the impact would be:

- **Water usage price increase** - a property owner's bill would rise by 1.9% and a renter's bill by 10%
- **Sewerage service charge increase** - a property owner's bill would rise by 6.5% but a renter's bill would not increase.

Question: How satisfied are you with your current bill structure?

Supporting our customers

In recent times, our world has changed and we're very conscious that many of our customers are experiencing significant challenges. The challenges can be quite different across different household and communities and we see that, as a regional leader, we have a job to do in providing support.

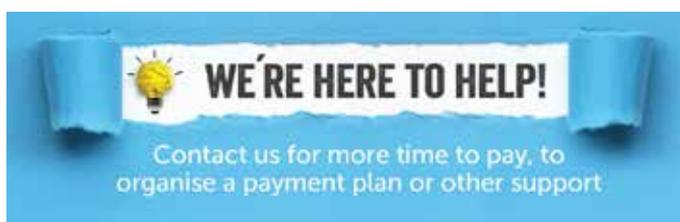
For those finding it difficult to pay, Wannon Water offers a wide range of options, including payment arrangements and free financial counselling referrals.

In 2020/21 we provided nearly \$400,000 worth of assistance to eligible customers including people in financial hardship, those who inadvertently used a high amount of water, and to not-for-profit groups to help maintain community facilities and open spaces. This support represented less than 1% of each customer's bill or \$8.87.

Question: Would you be willing to pay more to help other customers who are in need?

We're here to help

Please remember, if you're finding it difficult to pay your bill, get in touch to discuss your situation and find out how we can help you get back on track. We have lots of options, and we'll do everything we can to provide assistance.



Our customer promises

Four years ago, we asked our customers what mattered most to them and we made some promises that reflect what they told us.

As part of our annual community engagement, we continue to check in to ensure those promises are still relevant and to help us plan for the future. One of those promises relates to our prices:

To ensure
we provide
great value

Question: Are there other promises you think we should be making?

Your feedback is important

Every five years we have to prepare a Price Submission to the Essential Services Commission (ESC) that sets out our business plan and justifies the water and sewerage charges on our customers' bills. It's a balancing act.

We consider operating and capital costs, and the requirement to accommodate further growth and development in the region, and set our tariffs and charges accordingly.

Feedback from our customers and community is a fundamental part of the development of our business plan and the Price Submission process.

We want to understand your current view of our products and services, plus what you expect of us in the future. Put simply, we aim to provide the services you value the most - and deliver them as efficiently as possible.

That's why we encourage you to take part in our engagement program. It all starts with a simple scan of the QR code below.



Further information:

Website: wannonwater.com.au

Email: engagement@wannonwater.com.au

Freecall: 1300 926 666