

MEDIA RELEASE

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Price increases kept to a minimum

East Gippsland Water is once again keeping price increases to a minimum for the year ahead as part of its ongoing drive to hold costs down for customers.

The average residential customer, using 145kL (145,000 litres) of water a year, will see their combined bills for water and sewerage go up by 2.47 percent, or \$28.71, over the 12 month period. The actual cost will be lower for those consuming less water and higher for those consuming more.

In addition residential customers will receive a \$28 Victorian Government rebate on the first East Gippsland Water bill they receive in the new financial year. Those to benefit will be owner-occupiers and tenants.

The average business customer bill will be going up by 3.02 percent.

East Gippsland Water's Acting Managing Director, Dean Boyd, said, "Keeping price increases to a minimum has been made possible thanks to a number of efficiency-driven improvements made to our business operations over recent years. These improvements, which are also ongoing, mean that we have been able to absorb a large proportion of the increased prices associated with the goods and services required for our operations.

"As a state government-owned enterprise we are a provider of essential services and need to ensure that our customers receive reliable and high quality water and sewerage services now and well into the future. We also have to make sure that these services are provided efficiently and represent good value for money.

Over recent years East Gippsland Water has invested in a significant multi-million-dollar capital works program to help safeguard against the potentially harmful impact of extreme weather events on the services we provide. Integral to this has also been providing for a growing population.

Over the coming year we will be investing more than \$12 million in a major ongoing capital works program that involves upgrading and replacing various infrastructure in water and sewerage systems serving communities across East Gippsland. This infrastructure includes water storages, treatment plants, pump stations and an extensive network of pipelines.

More follows/...

Around \$10 million will also be invested to maintain and operate water and sewerage infrastructure. This is to ensure customers continue to receive reliable, efficient water and sewerage services as we look after the day to day operation of more than 900km of water pipelines and around 700km of sewer pipelines, along with numerous treatment plants, pump stations and pumps.

NOTE TO EDITORS:

The average residential customer bill (before \$28 rebate)

| Year | 2016/17 | 2017/18 |
|--|-------------------|-------------------|
| Fixed wastewater availability charge (for each Equivalent Tenant Unit) | \$643.24 | \$660.23 |
| Fixed water availability charge | \$219.38 | \$216.66 |
| Total water use charge (based on using 145kL/year) | \$301.76 | \$316.20 |
| Total bill | \$1,164.38 | \$1,193.09 |

Total cost of water/1,000 litres

| Year | 2016/17 | 2017/18 |
|--------------------|---------|---------|
| Water usage charge | \$2.08 | \$2.18 |