

2018-23 Summary

Our performance so far

Summary Table

		18/19	19/20	20/21	21/22	22/23
1	Current levels of water and sewerage services maintained	●	●	●		
2	Safe, high quality drinking water supplies delivered	●	●	●		
3	No increase in the average customer bill	●	●	●		
4	Supporting environmental sustainability	●	●	●		
5	Enhanced liveability and resilience in our region	●	●	●		
OVERALL		●	●	●		

Business comments

This is the third year we have rated ourselves against five key outcomes that our customers told us they valued most. These outcomes were determined through extensive engagement with our customers in the lead up to our 2018-2023 price submission.

Our Customer Committee recommended some minor changes to two output measures which we have adopted. These changes are intended to ensure that East Gippsland Water remains accountable for our cumulative targets, if they're not met in the years prior. Further detail of the changes is provided within the relevant sections below.

For 2020-21 we have rated our overall performance green because we met four of the five outcomes. The traffic light scores for each outcome have been endorsed by our Customer Committee. While the majority of the outcomes have been met, we have put measures in place to address any deficiencies and ensure we continuously strive to meet our commitments to customers.

The 2020-21 financial year continued to present significant challenges for our region and our business with the ongoing challenges associated with responding to the coronavirus COVID-19 pandemic. We are proud of our response to COVID-19; particularly as our staff have been, and continue to be, personally impacted. We prioritised the continuity of essential services and the provision of customised support solutions for our customers. We also delivered one of our largest capital investment programs in order to maintain the high levels of service our customers expect of us.

● Target met this year

● Target largely met this year

● Target not met this year

Outcome 1: Current levels of water and sewerage services maintained

		Unit	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
A	Customers experiencing no unplanned water supply interruptions each year	Percentage	Target	-	N/A	93%	93%	93%	93%
		Actual	95%	93%	94%	89%	93%		
B	Average time to restore unplanned water supply interruptions	Minutes	Target	-	75	75	75	75	75
		Actual	92	76	72	169	74		
C	Average time taken for sewer spills and blockages to be rectified	Minutes	Target	-	45	45	45	45	45
		Actual	34	33	38	32	35		
D	Total Customer Complaints	Number	Target	-	94	94	94	94	94
		Actual	95	87	88	81	68		
E	Customers receiving bills by email	Percentage	Target	-	N/A	12%	13%	14%	16%
		Actual	7%	9%	17%	23%	25%		
F	Percentage of customers aware of our financial assistance program (via survey)	Percentage	Target	-	N/A	60%	60%	60%	60%
		Actual	N/A	57%	63%	64%	69%		

Overall outcome 1 performance for the regulatory period so far ●

We committed to maintaining current levels of service and have rated our performance for this outcome as green, with all of our targets achieved. In 2019-20 Outputs 1a and 1b were impacted by three significant unplanned events that were challenging to resolve and affected a large number of customers. In 2020-21 we did not experience similar events and met our targets. It is important to note that we continue to focus on making improvements in our proactive maintenance and renewal of assets.

In 2020-21 staff across the business continued to work towards a step-change in our operations, to enable us to better manage our assets into the future. A number of projects are currently underway to ensure we maintain current levels of service for our customers.

We continue to actively promote and engage with customers to encourage e-bills and have been proactively phoning and issuing SMS messages to customers to raise awareness of, and encourage participation in, our financial assistance program. Information is also provided to customers through our quarterly bill inserts and via a monthly public information page in our local papers. Customer complaints are actively monitored and where possible they are investigated to ensure they do not recur in the future. We are pleased with our improved progress against these targets during a particularly challenging year.

Outcome 2: Safe, high quality drinking water supplies delivered

		Unit	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
A	Number of Safe Drinking Water Act non-compliances (water sampling and audit)	Number	Target	-	N/A	0	0	0	0
		Actual	0	0	0	0	1		
B	Number of water quality complaints	Number / 1000 customers	Target	-	NA	≤3	≤3	≤3	≤3
		Actual	3	2.1	2.4	2.7	1.9		

Overall outcome 2 performance for the regulatory period so far ●

We rated our overall performance for Outcome 2 as amber because we met one of the two targets.

In 2020/21 our drinking water consistently complied with the 2015 Safe Drinking Water Regulations for water quality. However, the last Department of Health audit of our risk-based management system for water quality identified a minor non-conformance. Importantly, this related to an administration process that did not present an immediate risk to public health and has since been rectified.

Of significance, in the 2020-21 financial year we brought into service a new 36 million litre water storage tank at Wy Yung, that will help ensure the delivery of safe drinking water to 24,000 customers well into the future. Other projects to improve water quality completed in 2020-21 included:

- disinfection monitoring and control upgrades at various sites to enhance our management of water quality
- replacing a number of sections of ageing water main around the region
- replacing the shade cloth covers on the water storages in Mallacoota that were damaged by bushfires. This project also involved the installation of a UV treatment unit to further reduce water quality risks in this water supply system
- cleaning and relining existing tanks holding treated water for drinking.

Outcome 3: No increase in the average customer bill

		Unit	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
A	Average annual residential customer bill (based on 146 kilolitres usage per annum and CPI 1.9%)	Dollars (\$)	Target	-	N/A	1,184	1,207	1,235	1,263
		Actual	1,189	1,195	1,184	1,207	1,202		

Overall outcome 3 performance for the regulatory period so far ●

In the 2018-23 price submission we committed to maintaining current levels of service, with no increase in the average customer bill except for inflation.

Outcome 4: Supporting environmental sustainability

		Unit	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
A	Value of grants issued under our Native Vegetation Fund	Dollars (\$)	Target	–	NA	90,000	180,000	270,000	360,000	450,000
			Actual	N/A	N/A	181,444*	234,307*	318,929		
B	CO ₂ e emission targets en-route to our pledge of ≤6,496 tonnes by 1/7/2025	CO ₂ e tonnes	Target	–	NA	8,405	8,315	8,240	7,900	6,870
			Actual	8,557	8,348	8,872	8,335	7,636		

*Figures for previous years adjusted to align with new reporting methods. The traffic light rating remains what was reported to ESC previously

Overall outcome 4 performance for the regulatory period so far



Supporting environmental sustainability is important to us and our Customer Committee. Our Customer Committee works conscientiously throughout the year to assess and issue grants through our Native Vegetation Fund. Following discussion with the Committee, Output 4a is now to be reported as the overall value of projects approved by them in each financial year. We have modified the target to be cumulative across the 2018-23 price submission period, as some projects are planned to run over a number of years and this ensures we remain accountable to our customers if we do not meet year-to-year targets.

During 2020/21 the Customer Committee approved \$318,929 worth of projects. We are expecting the value invoiced each year to fluctuate, but we are committed to spending \$450,000 in total across the five years on native vegetation grants.

Our whole-of-business CO₂e emissions for 2020-21 were lower than our target and have been rated as green. Key reasons for this result included:

- the commissioning of the Innovative Water Network's Large Scale Renewables project - enabling us to obtain and voluntarily surrender 479 Large Generation certificates
- changes to reporting factors associated with emissions from our wastewater treatment activities, which reduced our reportable emissions. It is likely that as Australian factors are brought in-line with international standards, the reported level of this type of emission will increase in future years
- a new solar system installed at our head office, which more than doubled the previous solar energy capacity. This means we now have 245kW of solar systems installed at some 18 separate sites across our region
- significant progress was made on reducing infiltration into our sewer networks, through our ongoing pipe relining program (leading to less intensive treatment and pumping needs)
- taking into consideration the combined heat and power unit at our Bairnsdale Wastewater Treatment Plant, we are now generating approximately five per cent of our overall energy needs through behind-the-meter renewable energy initiatives.

Design work also progressed on two new large-scale solar systems totalling more than 200kW, that will help reduce electricity costs and reduce emissions.

Outcome 5: Enhanced liveability and resilience in our region

		Unit	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
A	Drinking fountains installed per annum	Number	Target	–	N/A	3	6	9	12	15
			Actual	3	1	2	5*	8		
B	Value of bill rebates provided to not-for-profit recreation groups	Dollars (\$)	Target	–	N/A	6,000	12,000	18,000	24,000	30,000
			Actual	NA	0	6,985	12,945*	19,499*		
C	Moderate water restrictions (stages 1 and 2) will occur no more than one in 10 year frequency	Pass/Fail	Target	–	N/A	Pass	Pass	Pass	Pass	Pass
			Actual	Pass	Pass	Pass	Pass	Pass		
D	Severe water restrictions (stages 3 and 4) will occur no more than one in 15 year frequency	Pass/Fail	Target	–	N/A	Pass	Pass	Pass	Pass	Pass
			Actual	Pass	Pass	Pass	Pass	Pass		

*Figures for previous years adjusted to align with new reporting methods. The traffic light rating remains what was reported to ESC previously

Overall outcome 5 performance for the regulatory period so far



We rated our overall performance for Outcome 5 as green because we achieved the majority of our outcomes.

Similar to Output 4a we have modified the targets for Outputs 5a and 5b to be cumulative across the 2018-23 price submission period, in order to ensure we remain accountable to our customers if we do not meet year-to-year targets. Output 5a was rated as amber as we met the financial year target, but still remain behind our cumulative target of nine drinking fountains installed by June 30 2021. This has not been a priority due to COVID-19 restrictions limiting the use of the fountains by the public.

Bill rebates were provided to all eligible outdoor, community run, not-for-profit recreation groups, which totalled \$19,499 up to the end of June 2021 - slightly ahead of the cumulative target for this point in the five year price submission period.

Our performance against Outputs 5c and 5d is measured as the average frequency of water restrictions in each of our nine supply systems over a long-term period. Weather conditions during 2020-21 were much more favourable for water supplies and therefore staged water restrictions were not required in any of our water supply systems.

Through our community engagement process for both the Urban Water Strategy and the Price Submission 2023-28, we will continue to work with our Customer Committee and actively seek customer input in relation to long-term water resource security and levels of service.