

BARWON WATER

REGIONAL FORUM #4

Summary notes ('what was said' report)

25 July 2022

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This report has been compiled from the participant notes produced during the workshop. Comments and ideas that appear in this report have not been endorsed by Barwon Water.



EXECUTIVE SUMMARY

On 25 July 2022, more than 50 leaders, stakeholders and community members attended an online forum hosted by Barwon Water. The forum provided an opportunity for Barwon Water to share its refreshed strategic direction and sought input from forum attendees into shaping how water, sewerage and recycled water services would be delivered and how customer's key priorities would be met. Specifically, the forum invited attendees to provide feedback on the trade-offs Barwon Water considered to balance costs and the services and prices customers would pay in return.

The forum built upon five years of community engagement and was the fourth in the series of regional forum consultations. The purpose of the fourth regional forum was to:

- ♦ share the 2023 Price Submission journey to date
- ♦ share the remaining dilemmas Barwon Water is facing when balancing costs to deliver services and prices customers will pay in return.
- ♦ share broader community feedback on the refreshed strategic direction and proposed actions and investments over the coming five years.
- ♦ seek feedback on key dilemmas and any other considerations.

At the start of the session attendees learnt about three main dilemmas that Barwon Water was weighing up to resolve for their 5 year price submission. They then discussed and shared their learnings in relation to each of the three dilemmas:

1. Ageing infrastructure
2. Growing region, changing climate
3. Changing community expectations

When asked 'how comfortable are you with Barwon Water's proposed response to each dilemma':

76% of attendees either 'liked' or 'loved' the proposed response to **dilemma 1 ageing infrastructure** and 14% of attendees could 'live with it'.

61% of attendees either 'liked' or 'loved' the proposed response to **dilemma 2 growing region, changing climate** and 31% could 'live with it'.

64% of attendees either 'liked' or 'loved' the proposed response to **dilemma 3, changing community expectations** and 25% said they could 'live with it'.

When asked 'how comfortable do you feel **overall with Barwon Water's price submission draft**', three quarters (75%) of attendees either liked or loved it and 17% said they could live with it'.

Please refer to pages 28-29 for further detail.

Some themes from the conversation included:

THEME	DESCRIPTION <i>*an example of an attendee comment is included in italics for each theme</i>
Valuing the resource	<p>Water is an important resource for a range of reasons, including tourism, and charging an appropriate price along with education helps to protect the resource</p> <p><i>Natural rivers seen for their true values rather than just a water source.</i></p>
Balanced approach needed	<p>Comments from attendees suggested there is a balanced approach between investment and affordability. It was also noted that there is a fine line between proactive and reactive with affordability.</p> <p><i>Balance right around the level of proposed infrastructure upgrades to manage customer service levels - adaptability and flexibility.</i></p> <p><i>We need to engage in an appropriate level of development that matches our resources.</i></p>
Technology and innovation	<p>Technology and innovative investment was noted as important, combined with a need to ensure it will work effectively.</p> <p><i>Advanced technology, timing is critical, so you don't invest too early in undeveloped tech.</i></p>
Open and transparent	<p>A range of comments from the day appreciated the transparency in developing this pricing submission as well as relief that Barwon Water is open to community feedback and to see the level of community support.</p> <p><i>Relief Barwon Water's culture is open to community feedback on these challenging topics.</i></p>
Large growth	<p>Growth in the region was noted as a significant factor, some comments referenced uncertainty and a sense growth in the region is likely to be higher than forecasted.</p> <p><i>Still a bit early to see where the greatest pressures will emerge for the higher growth.</i></p>
Better designs in partnership	<p>Some comments encouraged greater partnering between councils and developers for more sustainable and effective designs and planning.</p> <p><i>Involve councils in planning rules early so that we have more permeable surfaces.</i></p>
Rising costs and infrastructure needs	<p>A range of comments from attendees acknowledged the challenges in replacing ageing assets and needing high levels of investment with rising costs.</p> <p><i>Capital investment into ageing infrastructure is necessary- otherwise will not meet expectations of customers or regulator.</i></p>
Be bold and progressive	<p>A number of attendees encouraged Barwon Water to use future opportunities to be bold – strong community support for Barwon Water to be more progressive.</p> <p><i>There is a sense of needing to take a more ambitious approach.</i></p>
Sustainability and ecology	<p>A range of comments focused upon sustainability, responding to changing climate, and caring for local ecology.</p> <p><i>Important that Barwon Water maintains the ecology, community much more aware of the requirement.</i></p>

ATTENDEES

Representatives from almost 30 different groups and organisations attended the forum - including Wadawurrung Traditional Owners Aboriginal Corporation, G21 region mayors and deputy mayors, Geelong youth deputy mayor and other young people, community and environmental group leaders and businesses.

NAME		ORGANISATION
Cr Adrian	Schonfelder	Surf Coast Shire
Andrea	Montgomery	Upper Barwon Landcare Network
Andrew	Giddy	Western Vic Primary Health Network
Angelle	Mackay (She/Them)	City of Greater Geelong Youth Council - Deputy Junior Mayor
Anne	Fairbairn	Customer Advisory Committee
Ben	Scott	Kardinia Park Stadium Trust
Bill	Mithen	Give Where You Live
Brett	Ince	Tourism Geelong and the Bellarine
Cameron	Duthie	Colac Otway Shire
Cameron	Steel	People for a Living Moorabool (PALM)
Chris	Pike	Surf Coast Shire
Cr Chris	Potter	Colac Otway Shire
Daniel	Morrissey	Water for our Future Community Panel
Daryl	Hoffman	Environmental Advisory Committee
Deborah	Evans	Environmental Advisory Committee
Cr Donnie	Grigau	Borough of Queenscliffe
Doug	McNeill	Colac Otway Shire
Emily	Farlow (She/her)	City of Greater Geelong Youth Council
Eric	Braslis	Golden Plains Shire - CEO
Gavin	Gamble	Golden Plains Shire - Mayor
Cr Graham	Costin	Colac Otway Shire - Deputy Mayor
Greg	Chadwick	City of Greater Geelong Youth Council
Jenny	Downey	Bulla Dairy Foods

NAME		ORGANISATION
Joey	Chatfield	Environmental Advisory Committee
John	Nolan	Barwon Heads Association
Kelly	Harris	Worksafe
Kristy	Stewart	Upper Barwon Landcare Network
Kylie	Armstrong	Bulla Dairy Foods
Lachie	Gordon	Friends of the Barwon
Cr Libby	Stapleton	Surf Coast Shire - Mayor
Linette	Harriot	Customer Advisory Committee
Cr Liz	Pattison	Surf Coast Shire - Deputy Mayor
Cr Margaret	White	Colac Otway Shire
Martin	Gill	Borough of Queenscliffe - CEO
Mary	Dracup	Upper Barwon Landcare Network
Matt	Jones	Business and Tourism Anglesea
Cr Michael	Grout	Borough of Queenscliffe
Naomi	Wells	Bellarine Catchment Network
Paul	Davis	Wadawurrung Traditional Owners Aboriginal Corporation
Cr Peter	Murrihy	City of Greater Geelong - Mayor
Phil	Josipovic	Golden Plains Shire
Phil	Sporton	Customer Advisory Committee
Raylene	Fordham	Anglesea Community Network
Rodney	Thomas	City of Greater Geelong
Cr Ross	Ebbels	Borough of Queenscliffe - Mayor
Scarlet	Cridland (She/Her)	City of Greater Geelong Youth Council
Trevor	Hodson	Birregurra Community Group
Vanessa	Schernickau	Geelong Regional Library Corporation

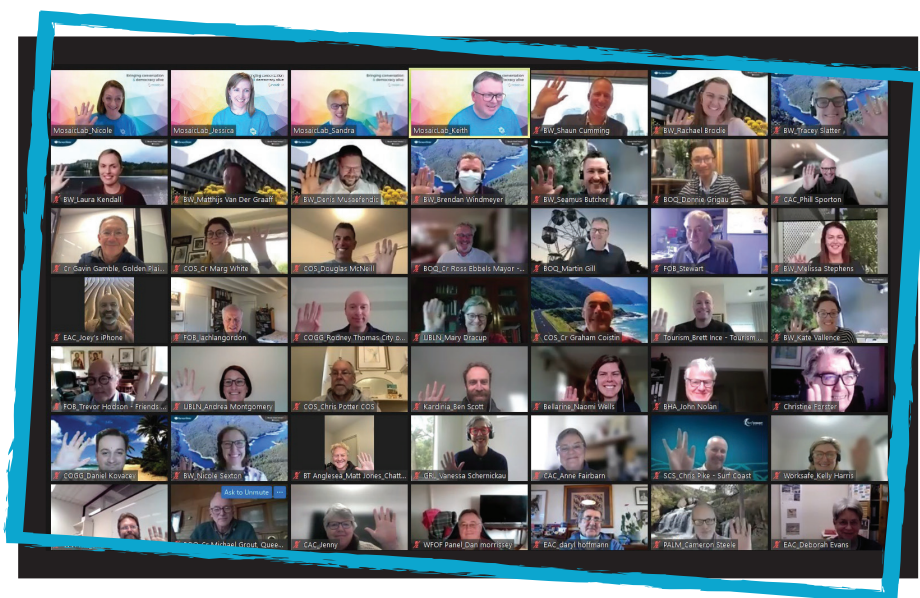
PAST ATTENDEES

NOVEMBER 2019		52 attendees
DECEMBER 2020		37 attendees
NOVEMBER 2021		33 attendees
JULY 2022		63 attendees

Barwon Water was represented by:

NAME

Brendan	Windmeyer	Melissa	Stephens	Tracey	Slatter
Denis	Musaefendic	Nicole	Sexton	Bernard	Walsh (Board)
Kate	Vallence	Rachael	Brodie	John	Gavens (Board)
Laura	Kendall	Seamus	Butcher	Peta	Maddy (Board)
Matthijs	Van Der Graaff	Shaun	Cumming		



The MosaicLab facilitators were Nicole Hunter, Keith Greaves, Jessica Connor Kennedy and Sandra Barling.

AGENDA

The forum was originally planned to be held face to face but in light of rising local COVID-19 and Flu cases and ensuring the health and safety of participants, the forum was hosted online. The design of the forum included a balance of whole group presentation and conversation in the main room, small group conversations and individual thinking time. Below is an overview of the forum agenda.

TIME	DETAILS
1.00PM	Welcome, introductions and hopes for the session
	Setting the scene Three big dilemmas <ol style="list-style-type: none">1. Ageing infrastructure2. Growing region, changing climate3. Changing community expectations
	Understanding the dilemmas
	<i>Break</i>
	Sharing learnings across the dilemmas
	Feedback session - levels of comfort
	Thank you and next steps
4.00PM	CLOSE



SUMMARY OF GROUP INTRODUCTIONS

Participants were asked several questions during the introductory phase of the forum.

Q1 WHERE ARE YOU BASED IN THE REGION?

55 attendees answered this question

7%	Borough of Queenscliffe (Queenscliff, Point Lonsdale)	4 participants
18%	Colac Otway Shire (Colac, Apollo Bay, Birregurra, Barunah Plains)	10 participants
4%	Golden Plains Shire (Bannockburn, Smythesdale, Meredith)	2 participants
27%	Surf Coast Shire (Torquay, Winchelsea, Lorne)	15 participants
42%	Greater Geelong (Geelong, Barwon Heads, Drysdale, Anakie, Little River)	23 participants
2%	Somewhere else	1 participant

Q2 WHO DO YOU REPRESENT HERE TODAY?

54 attendees answered this question

35%	Local government	19 participants
4%	State government	2 participants
37%	Community Organisation (eg. Friends of/Landcare) or Representative	20 participants
0%	University or Academia	-
4%	Business Sector	2 participants
4%	Not for Profit	2 participants
17%	Other	9 participants

Q3 DID YOU ATTEND THE REGIONAL FORUM IN

52 attendees answered this question

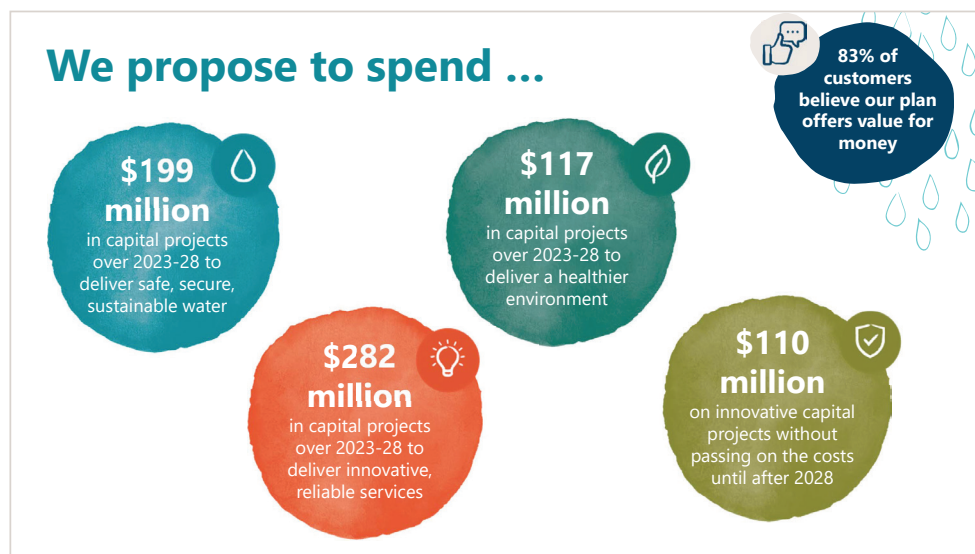
13%	2019 ?	7 participants
17%	2020 ?	9 participants
23%	2021 ?	12 participants
83%	2022 ?	43 participants

Participants were asked what their hopes were for the session.



CONTEXT

The forum began with a presentation delivered by Barwon Water Managing Director Tracey Slatter. The presentation included information on Barwon Water's refreshed strategic direction, proposed investments and projects for the coming five years. Broader customer and community feedback and the three core dilemmas Barwon Water faces were also shared to highlight the balance between services and prices customer would pay in return.



For more information on the 2023 Price Submission project,
please visit:

<https://www.yoursay.barwonwater.vic.gov.au/deliveringthefuture>

UNDERSTANDING THE 'THREE BIG DILEMMAS'

To understand and deliberate if the proposed five year investment balance was right, Barwon Water provided participants with background information prior to the forum, outlining three dilemmas facing the organisation in preparing its 2023 Price Submission. The dilemmas focused on - ageing infrastructure, a growing region and changing climate, a growing region and changing climate and changing community expectations.

The dilemmas



TRADE-OFFS FOR EACH DILEMMA

Each dilemma provided detailed information customer and community feedback relating to the dilemma, an example or topic aligning to the dilemma and a rating scale of the level of investment Barwon Water could consider. For more information on the dilemma information sheets, please visit <https://www.yoursay.barwonwater.vic.gov.au/deliveringthefuture>.

AGEING INFRASTRUCTURE DILEMMA



GROWING REGION, CHANGING CLIMATE DILEMMA

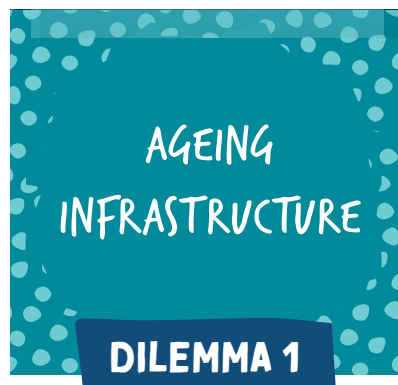


CHANGING COMMUNITY EXPECTATIONS DILEMMA



INITIAL FEEDBACK ON THE DILEMMAS

To help forum attendees understand and explore the background information on the three dilemmas, each attendee was allocated one dilemma and asked to discuss, broaden their understanding and explore the trade-offs between investment scales in small groups. Forum attendees feedback is captured below.



General feeling that the dilemma is managed with a balanced approach.

BW must be brave in Capital Investment; you don't want to defer greater costs into future years.

Global benchmarking review for best tech.

Capital works needs to allow for an adequate OPEX budget for servicing and maintenance over time.

The Barwon Water Leadership want to leave the right legacy for the future, that means being bold and brave in investments today.

We like the ideas of sensors and any investments that deliver increases in proactive management - proactive is always cheaper than reactive.

Ensure that there is a reliability of service with minimal risk of service, in the long term, at the most effective and efficient cost.

Identifying and understanding risk tolerance and highest risk factors and assets and making sure an eye is cast over those/ managed proactively. Also understand that things lower down on our risk tolerance may be managed reactively.

Barwon Water will have to be adaptive to manage changing risks.

Need to balance.

Best practice control processes to ensure best value for money from investments. Plan, design, build and Post Implementation Review - ensure that the returns, planned in business case are achieved.

Need to ensure we maintain a reliability of service.

Advanced technology, timing is critical, so you don't invest too early in underdeveloped tech.

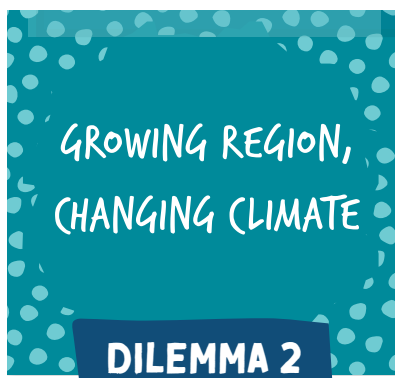
In the Price Submission - Barwon Water has to be able to reassure the Essential Services Commission that their CAPEX project does deliver value. Closed system - best practice project controls.

Capital investment into ageing infrastructure is necessary - otherwise will not meet expectations of customers or regulator.

Standardisation of solutions to minimise costs of projects.

Bias toward CAPEX solution. Reactive is ALWAYS the most expensive option, can you look at OPEX Projects with a lens to upgrade and capitalise.

Ensure accurate asset register, stocktake of assets - data quality issue.



Reduce water demand.

Need worst-case scenarios, triggers for desalination

Still a bit early to see where the greatest pressures will emerge for the higher growth.

Grey water and stormwater and integrated water network planning. Tracking projects adaptive management. Support proposed approach to Northern Western Geelong Growth Area (NWGGA) exporting water rather than importing water.

Priority in using recycled water.

Focus on improving the quality of design of housing.

Involve councils in planning rules early so that we have more permeable surfaces.

Support more dense growth.

Less reliance on potable water.

Sustainable growth is key.

We need to focus on the demand as well as the supply side - decreasing demand so that we don't have to supply as much water.

We need to engage in an appropriate level of development that matches our resources.

Potable reuse options? Indirect potable reuse? Third pipe?

Working with Catchment Management Authorities to monitor environmental conditions is critical.

We need a pathway for returning water to the Barwon and the Leigh River - similar to what we have for the Moorabool.

Consideration for future supplies of water - if we need desalination in the future we are going to need to start considering it soon.

Plans for spare land like Montpellier - might we be selling assets that are vital later on?

Developer contributions - who pays for the new development?

Water availability for Melbourne-Geelong pipeline - what happens if we run out of water, who will get first preference?

Capturing stormwater and reusing is the hardest bit.

Like the concept of the new suburb (like northern growth areas) becoming net positive in water management. Preferred scenario to be water resilient up front.

Growth and residential growth, higher numbers are likely to occur in the northern western growth area (100,000 new residents in that area). Making sure the importance in planning ahead for that. Making the housing stock as resilient as possible in that region and what level of influence Barwon Water has in making sure housing developments are more sustainable and resilient against climate change.

Developer contributions - too high impacts on affordability/too low impacts on service

Developers have to pay up front costs to Barwon Water with conditions.

Net decrease of 15% identified - need to apply this to environmental levy?

Water and sewerage provisions play a big role in facilitating growth. e.g. investment in Forrest/Colac will help tourism and population growth in those areas.

Showcases the need to work collaboratively across the region. Seen some great examples recently (e.g. Regional Renewable Organics Network and sourcing of renewable energy as a collective purchase).

Constrained supply from Melbourne due to climate change.

Landlords - requirements for water saving.

Importance of planning ahead - many orgs across the region have climate change and/or growth strategies. Really important for forecasts.

Take a higher growth approach amidst given the post-covid trends in our region and rural areas in general - likely to continue.

Need to act now long lead time for project 7+ years.

Money allocated to water recycling to produce potable water* - urgent now because of long lead time.

Money allocated to design of equipment for manufactured water (Barwon Water specific).

* This is a community sentiment and is not currently supported by the Victoria's Safe Drinking Water Act 2003

CHANGING COMMUNITY EXPECTATIONS

DILEMMA 3

Education - generational changes re. water usage, remembering millennial drought.

Find alternatives for high volume users (e.g. industry, farming, etc).

Splitting costs up around when community pay for different things may be too advanced for many.

Use water from desalination and have rivers healthier and not in any detriment if that river is sacred - has been exploited to a large degree and time to have more respect for the water.

River being treated as an entity in its own right - it is of value to multiple players in the eco-system and a right to exist fundamentally in itself (e.g. New Zealand Wanganui River has this right).

Quantifying the benefit to others that are struggling to pay their bills and the small impact that this is having for others i.e. where does your money go (i.e. 100 drops of water - half a drop to supporting others, 90 drops to infrastructure management and investment).

Opportunity to promote water as an essential service.

Replenishing the environment and expectation that river flows and have wetlands that are healthy - water is for industry, agricultural, human consumption and environment.

Benefit of the initiatives (recycled water/environmental improvements etc.) need to be demonstrated and explained to the broader customer base.

Tariffs for particular choices, e.g. pool or European garden.

Fountains in public areas very important, e.g. heatwaves. Overseas people have been cooling down in water fountains - consideration when developing parks and easements.

Digital meters in Birregurra have changed the way people use their water. Barwon Water have had a strong educative program to encourage people to use less water.

Audit for rental properties, educate tenants too.

Balance of recycled water - where there are clear beneficiaries and a commercial benefit is fair that they pay a source of income, fair where government contributes for broader projects, broader customer base picks up the full costs associated for the service.

Explain the broader benefits of recycled water through case studies of what is happening on the Bellarine in regard to this.

Aspirations from the community around using stormwater for beneficial purposes such as North Torquay stormwater being utilised for agriculture.

What are the opportunities for developing home and commercial composting toilet systems? This could contribute a vast saving in water use across the region. Also, biogas composting toilet systems could be looked at providing gas for cooking and saving water.

Contribution from outside region for tourism, increased visitation, e.g. Forrest. Charge more to business, e.g. Airbnb.

Water is precious resource - city people have a more relaxed attitude to using water to those on tank water - maybe it is not expensive as it should be?

Adopt Integrated Water Management principles to maximise use of stormwater.

Who pays more for recycled water - residential vs non-residential customers?

What proportion of our community is being supported?

Barwon Water to include messaging around efficiency gains and the impact on cost to the community.

Recycled water done elsewhere in the world - we support it in our region.

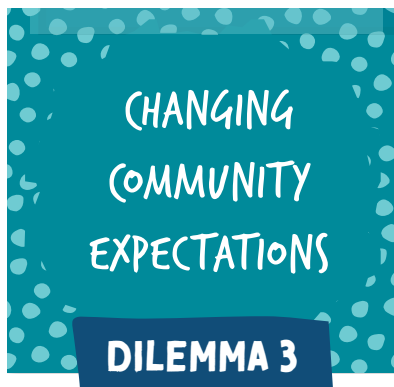
Traditional Owners participating in Care for Country.

In the next five years - accept recycled water for potable purposes (drinking water)* - not government policy.

The Barwon River is the most natural resource in the whole region - if we don't have water we can't exist.

...continued overleaf

* This is a community sentiment and is not currently supported by the Victoria's Safe Drinking Water Act 2003



CHANGING COMMUNITY EXPECTATIONS

DILEMMA 3

...continued

Potential for unclear messaging around flat pricing over the next five years however there will be Consumer Price Index (CPI) increase and this may be significant given the current rate of inflation.

Important that Barwon Water maintains the ecology, community much more aware of the requirement.

Top of Barwon network, has been very, very low - and yet it has flooded and closed roads - increased expectation for Barwon Water to be careful how it manages the resource it has, not to be irresponsible and overusing.

Needs to be equitable, however water is an undervalued resource. More broadly, people that can afford to pay more for water should.

Stormwater opportunities - appetite and a commercial use.

Considering costs of living and maintaining affordable living for our community.

Expectation for Barwon Water to use technology in the hinterland area - plans to recycle water - used for farming/watering parks and gardens.

Changing community expectations - lower rainfall, using recycled water.

SHARING LEARNINGS ACROSS THE DILEMMAS

In new small groups, attendees were asked to discuss the trade-offs within each of the three dilemmas, focusing on **what stood out**, **what was concerning or worrying** and **what was a relief or energising**. Forum attendees feedback is captured below.



**WHAT IS
STANDING
OUT?**

A need to map out the infrastructure and being clear.

Balance seems to be good.

Balance where best practice technology can be used to support infrastructure life at efficient cost.

Balancing act - proactive versus reactive repair.

Bias towards CAPEX (Capital infrastructure) solutions for improvements, particularly around technology. E.g. smart sewer sensors.

Balance can only be judged with the information we have here today which is limited.

Barwon Water must be brave in Capital Investment, don't want to defer significant costs into future years.

CAPEX program has appropriate allowance for maintenance and capital over time.

Challenging time in the history of Barwon Water as large amounts of infrastructure are coming to end of life all at once.

Dilemma between capital works and operations spending.

Ensure reliable service with minimal impacts in the long term at the most efficient cost.

Finding a balance between investing in the capital and not relying on reactive measures.

Most of the comments are agreeing with the balance on the sheet.

Group agreed the balance that Barwon Water provided - move dial back to more allocation to maintenance rather than capital works, ensure a high level of security of supply if not right balance the community is not going to be happy.

Have not seen decentralised infrastructure considerations.

Invest in assets early.

Need to fix some in advance, not wait for them to collapse.

Proactive approach and not reactive.

Security of supply is important - community does not like failures - therefore meet community needs and environmental values.

Technology moving quickly, benchmarking/best practice is important. Making investment at the right time.

There are conflicting priorities in the community regarding pricing. Also, water pricing isn't going up at the same rate as other costs such as energy, household bills. Barwon Water perhaps needs to continue educating people more on why water prices need to be higher, the benefits people gain from the bills they pay.

Very heavy CAPEX requirements.

Vital the Barwon Water today leave a great legacy for Barwon Water tomorrow.

AGEING INFRASTRUCTURE

DILEMMA 1



WHAT IS CONCERNING OR WORRYING?

Any failure is unacceptable
- sufficient knowledge and technology to economically manage the system to not have failures (e.g. stand-by pumps through automatic stand them up).

Concerned with the proposed risk profile; appears to be increasing risk, doing more reactive, this is only good policy if Barwon Water believe there is some level of historical over investment and some capacity to absorb some delays without creating reactive work. It will not help patch up the network as it only pushed more pressure on the next Price Submission. This Price Submission is already pushing costs into the next through the CAPEX projects that won't be billed to customers. It's ok to push costs forward if you are expecting "better times" than now, but I don't think that is a good bet. The Barwon Water of today need to make sure they leave the right legacy for the Barwon Water of tomorrow, this issue is the Barwon Water of today needs more CAPEX than it can afford, so the focus needs to be optimising the CAPEX spend to ensure best value each time, every time.

Developer contributions and how they impact the services and affordability.

Economic balance - risk of gold-plating if investment not balanced with loss of approach.

Ensuring all Capital Investments deliver the promise in the business case at the best price.

Ensuring we collect and manage water in the catchment, e.g. remove contamination from fertilisers/animals/humans, keep weed free.

Going reactive to save money in the short term.

How much water we are importing from Melbourne/ environment versus how many self-sustaining sources we have like desalination.

Infrastructure maintenance is too often after the fact and not as a preventative measure.

It looks like there will be an increase in expenditure over the next five years.

Lot of assets reaching end of life - tough to find \$ to replace, costs more today and advancements in technology - managing this is a huge challenge.

Need to explain that sewerage detection will have a preventative role.

Need to scrutinise right level of investment for cost benefit to the customer - what is the economic benefit for customers.

Potential trade-off between more aspirational investment vs maintaining base assets.

Recycling to potable is critical, must start now*.

Risks associated with investing.

Some risk associated with the approach.

The level of investment required to manage infrastructure.

Too costly to reduce leakage to zero - an amount of leakage is the economic point.

Wouldn't like to see drop off in service levels.

** This is a community sentiment and is not currently supported by the Victoria's Safe Drinking Water Act 2003*

AGEING INFRASTRUCTURE

DILEMMA 1



WHAT
IS A
RELIEF OR
ENERGISING?

Balance right around the level of proposed infrastructure upgrades to manage customer service levels - adaptability and flexibility.

Barwon Water has a bias to upgrade (CAPEX) versus repair (OPEX).

Exciting use of technology to look for leaks etc. - world first - make sure that that is better and clearly explained to stakeholders.

Generally have good processes.

Maintain what we have got before we build new and shiny things - noting you have to replace things.

Ongoing use of technology as a preventative measure.

Relief about % support in surveys.

Relief about how willing Barwon Water is to receive community feedback and that those concerns are taken into account.

Relief Barwon Water is talking about this and that they are being shared with customers.

Relief that large \$ are going to be spent on infrastructure renewal.

Relief that there is willingness to acknowledge challenges of ageing infrastructure and risk prioritisation, and that the community understands and is aware.

Relief, Barwon Water's culture to be open to community feedback on these challenging topics.

Relieved to see that people are keenly aware of the need to be responsible for both the present and the future - that there are no really rash suggestions that would need to be tempered.

The new technology to predict failures etc.

Using sensors in the sewer's pipework.

Using technology to improve services.

Waiting to see what the data says to inform investment.

GROWING REGION, CHANGING CLIMATE

DILEMMA 2



WHAT IS STANDING OUT?

Ageing infrastructure, balance looks right.

Aim to keep the price of water reasonable for most with policies around staged costs based on consumption bands.

Barwon Water has to accept the population increase that they have to cater for.

Concern we need to make choices about use by industrial use and other uses.

Consider reusing recycled water for drinking water* by whatever means is acceptable for the community.

Consideration for future supplies of water.

Developer contribution.

Future water availability.

Grey water and stormwater and Integrated Water Network planning. Tracking projects - adaptive management. Support proposed approach to Northern Western Geelong Growth Area (NWAGGA) - exporting water rather than importing water.

Less reliance on potable water.

Level of growth is significant and is it sustainable?

Make the most of underutilised land to maximise the profit for Barwon Water and feed into keeping water prices down.

More usage of storm and recycled water for agriculture, industry, parks and gardens.

Need to have mechanism of funding in place to move to desalination.

Only thing we know about future climate is it is uncertain - then plan for worst case based on trigger points and have the planning ready.

Planning for the lag time for when we need the asset to when it actually needs to be in service.

Rate of development and growth, the uncertainty around predictions into the future.

Significant amount of 'new' assets in the CAPEX (35%).

Strong planning is required, adapt to changing circumstances.

Sustainable growth is key.

The regularity of hundred-year storm events on ageing infrastructure.

Water efficient housing - star level like electricity.

Would like to see desalination operating now.

Money allocated to design of equipment for manufactured water (Barwon Water specific).

** This is a community sentiment and is not currently supported by the Victoria's Safe Drinking Water Act 2003*

GROWING REGION, CHANGING CLIMATE

DILEMMA 2



WHAT IS CONCERNING OR WORRYING?

Are there plans in place for this worst-case scenario?

Barwon Water cannot support small town infrastructure without additional support.

Cost management and control.

Do developers pay enough? Their share?

Doubling population sounds scary, especially if we talk about risks of reducing consumption due to this and due to climate. Hence, we need more self-sustaining sources like desalination.

Drought-proofing our community.

Early education re Barwon Water uses and acceptance by customers is key because it takes time to build that trust and acceptance.

Education around water use needs to be improved - communities need to value water more - we all have an impact on the water system, and everyone can do their bit.

Ensuring that full funding achieved for Forrest sewerage scheme.

Failing infrastructure, investment needed.

Have a longer-term vision, not getting caught up in the immediate.

How are 15% of actual savings being used by Barwon Water?

Is there adequate budget to investigate for the future scenarios?

Is there enough water to go around?

Is there government funding for sewerage of small towns.

Keeping up with infrastructure maintenance and renewal.

Lack of porous surfaces for water infiltration.

Management of the water in the upper Barwon catchment.

Montpellier Basin.

Need to ensure we consider water use and managing demand - water efficiency is important - need to change behaviours.

Not using recycled water to its fullest extent.

Opportunity to look at Barwon Water as more of a long-term goal in substituting potable water.

Protecting our water supply and not taking water for granted.

Risk that some things might be overlooked because we haven't considered the costs for new water sources. A lot more to talk about.

Surplus land - risk we may need in future - needs to be carefully considered.

Taking on new assets (e.g. from development) and the need to maintain.

That the politics of using more recycled water* may not manage the will or intention of the community.

The product of recycled water is maybe not of the quality that we can and should use more.

We use and waste too much water - it is a more valuable resource so can we do more to minimise customer water use.

What are the cost-sharing arrangements in place for major infrastructure, e.g. Melbourne Geelong Pipeline, desalination and state asset sharing other communities?

What happens if Melbourne needs more water, re using the pipeline?

Where is the pathway for the Leigh and Barwon rivers for environmental flows?

Adaptive management is critical.

* This is a community sentiment and is not currently supported by the Victoria's Safe Drinking Water Act 2003

GROWING REGION, CHANGING CLIMATE

DILEMMA 2



WHAT
IS A
RELIEF OR
ENERGISING?

Achieving carbon neutrality is great.

Carbon neutrality around the Commonwealth Games - how, offsets within the region... 'Green Games' - localising offsets.

Converting waste to energy and getting the multiple benefits is great.

Developers' contributions - good thing to see, puts cost back on the developer - developer charges need to be such not to impact customer affordability.

Local and State Government agencies are being much more proactive in the sustainable housing development space.

Net positive water output from the northern growth area (if this can be achieved).

Not all ratepayers funding all infrastructure, e.g. wastewater at Forrest will require some cross subsidy.

Opportunities of new developments, recycled/reuse water.

Opportunity for collaboration across government, business etc. Councils helping to reduce land stress.

Relief about % support in surveys.

Relief Barwon Water is talking about this and that they are being shared with customers.

Relief, Barwon Water's culture to be open to community feedback on these challenging topics.

Barwon Water usage in Armstrong Creek, Torquay, Northern Western Geelong Growth Area (NWGGA) etc. is fantastic - use it to green our parks, recreation assets, greening the regional to attract tourism to region.

Supporting small town development – Forrest.

Use of recycled water.

Whilst we're planning for the next five years, there's a view to look much longer term.

CHANGING COMMUNITY EXPECTATIONS

DILEMMA 3



WHAT IS STANDING OUT?

Barwon River is sacred - natural resource - river health and waters (incl. Lake Modewarre) ...improve flora and fauna – environment.

Barwon River is sacred.

Barwon River's importance to tourism.

Benefits of recycled water for the environment and diverting for beneficial uses.

Can a balance be maintained between sustaining the river and meeting water demand?

Developer contributions being extended to community facilities/ roads path/major infrastructure upgrades/social housing, etc. - wrap up these different costs it is passed on to purchaser which impacts affordability.

Extends the development timeframe; if the costs too high, will hang onto the land - and therefore unable to increase housing and have an impact on that.

Getting the balance right around pricing - different tariffs by usage.

Importance of habitat of endangered species at waterways including Lake Modewarre.

Importance of health and wellbeing of people.

Lot of the summer water goes to watering lawns, do we need to move away from lawn - high expectation water available for non-essential purposes?

Maximise the use of storm water - e.g. solar panels on your roof.

Natural rivers seen for their true values rather than just a water source.

Price of water does not reflect true costs/impacts to the environment.

The importance of recycled water, where it can be well used, education on what recycled water is and its application.

Tourism's role in delivery message around sustainable water use - previous campaigns have been useful.

True cost of water has not been adequately addressed in the past.

Under value the cost of water.

Water is not seen as precious as it was in the past - the importance of education.

Water is too cheap - price it so people look after it more.

Water tank in every home - just like solar energy, government subsidies will save the building of new dams.

CHANGING COMMUNITY EXPECTATIONS

DILEMMA 3



**WHAT IS
CONCERNING
OR
WORRYING?**

Balance between cost-of-service vs environment requirements e.g. river health.

Barwon Water can do more with regard to potable water use - looking at tech like compostable toilets.

Cost of living and impact on households.

Customers don't really understand where their water rates are being spent.

Education of both users and government.

Expenses associated with increased water demand and using other water supplies.

Expensive recycled water plans for smaller towns that are looking to deal with the influx of visitors. The costs of which will be put on to more permanent residents.

Extraordinary climate events and the impact on services (infrastructure, water supply, drainage).

How can we meet increasing water demand without causing excessive strain on the Barwon River?

How to communicate how the capital works that will be paid for later category of expenditure is going to work.

Is there sufficient resourcing for community engagement to manage the demand/supply issues and other mechanisms to manage demand?

Amount of time and energy Barwon Water has undertaken to engage with community and stakeholders to inform the Price Submissions etc. (genuine, valued etc.).

More conventional approach to asset management could provide opportunities for investment in innovation.

Need to communicate expenditure more clearly.

Next generation doesn't remember the millennium drought.

Tensions between community vs business, tension between landlords and people struggling to pay bills. Audits of properties.

Utilising sources other than the river to fuel water supply.

Water is undervalued and is under-priced.

What is the role of the State Government?

Why aren't we looking at composting toilet systems to alleviate household water use?

CHANGING COMMUNITY EXPECTATIONS

DILEMMA 3



WHAT
IS A
RELIEF OR
ENERGISING?

Achieving water sustainability in northern growth areas.

Barwon Water is committed to maintaining reasonable prices.

Commitment to a plan.

Commitment to maintaining reasonable pricing.

Commitment to recycled water use and capital projects i.e. Melbourne Geelong Pipeline.

Commitment to try and right some of the 'wrongs' and invest in more innovative approaches.

Community sees the value in recycled water.

Education is an opportunity; we know people care about the environment.

How Barwon Water is aiming to meet equity goals - by spreading the cost across a growing community.

Increased use of recycled water.

Passing costs onto those that can afford to pay e.g. commercial, developers etc.

Relief about % support in surveys.

Relief Barwon Water is talking about this and that they are being shared with customers.

Relief, Barwon Water's culture to be open to community feedback on these challenging topics.

The fact that Barwon Water are looking at recycling and its impact as part of their future.

Transparency by Barwon Water in developing this plan.

Use case studies re recycled water e.g. Bellarine (communications)

Use of technology in Birregurra with smart meters has helped people be more water conscious.





Use water drops to show the breakdown in program/project expenditure.

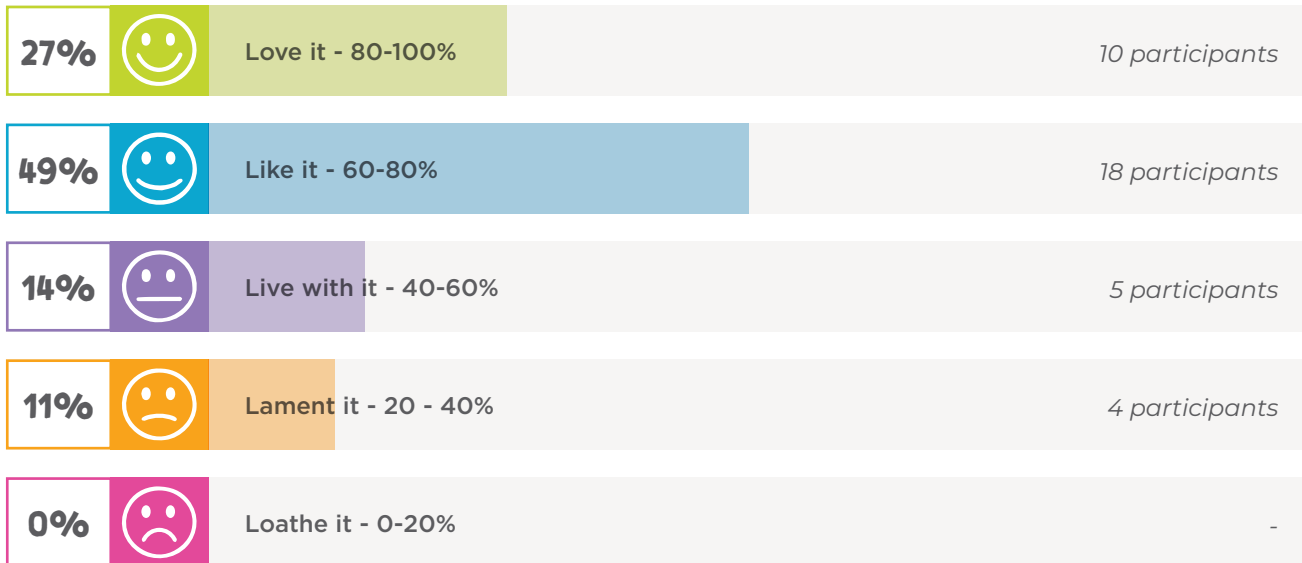
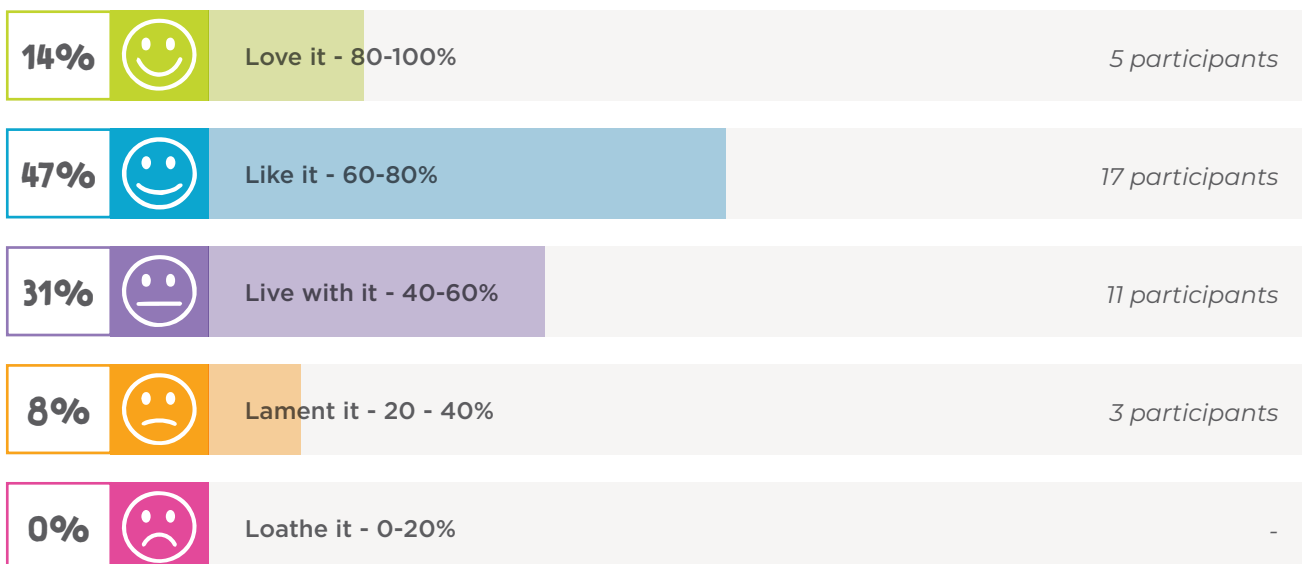
Water is a precious resource, charging a decent price will help make people to be more aware of this.

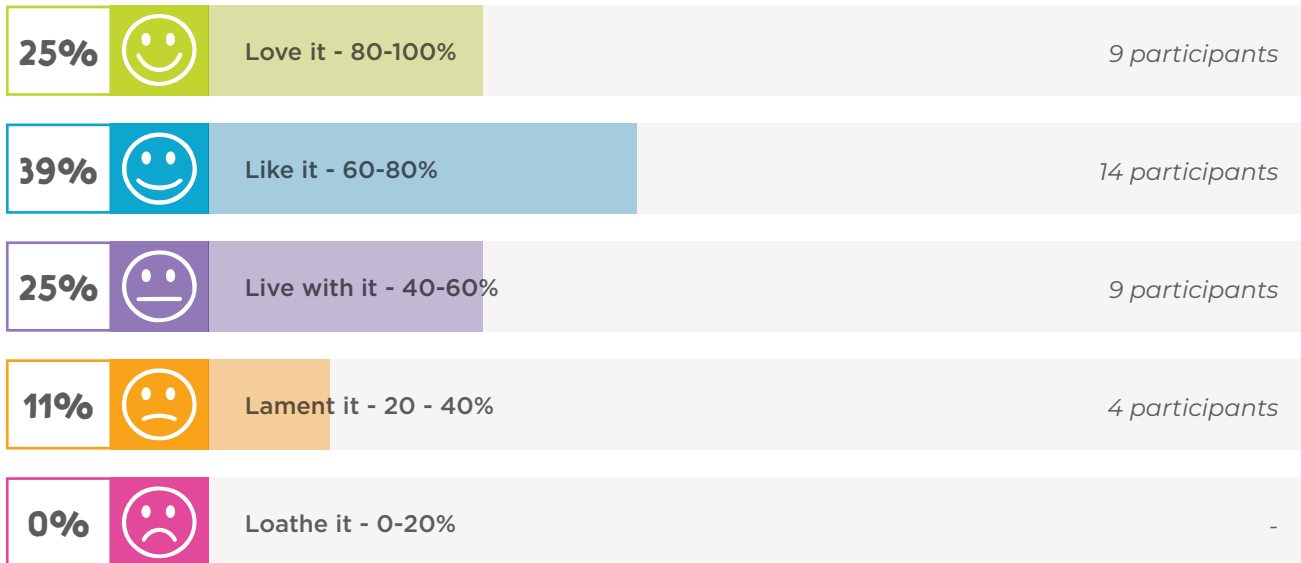
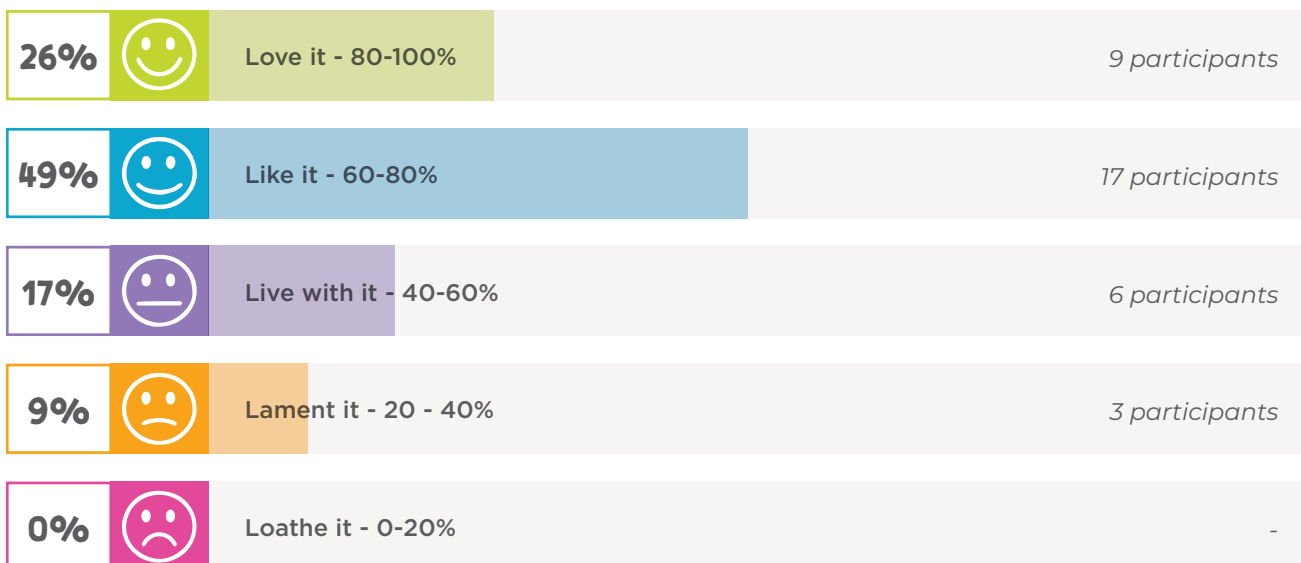
LEVELS OF COMFORT

Forum attendees were given time to look at and reflect on group feedback on each dilemma. Then, in small groups, attendees discussed and shared their levels of comfort around each dilemma, and on the draft 2023 price submission. Results are shown on the following pages.

This is how the levels of comfort were scaled:

 LOVE IT	I am 80-100% comfortable with this option. Only minor tweaks, if any, are required. I am very happy.
 LIKE IT	I am 60-80% comfortable with this option. Some small changes required but I am mostly happy.
 LIVE WITH IT	I am 40-60% comfortable with this option. Some changes are required but I can accept it as it is.
 LAMENT IT	I am 20-40% comfortable with this option. There are lots of changes required.
 LOATHE IT	I am 0-20% comfortable with this option. It needs an overhaul, I can't see it working at all.

Q1**DILEMMA 1 – AGEING INFRASTRUCTURE***37 attendees answered this question***Q2****DILEMMA 2 – GROWING REGION, CHANGING CLIMATE***36 attendees answered this question*

Q3**DILEMMA 3 – CHANGING COMMUNITY EXPECTATIONS***36 attendees answered this question***Q4****HOW COMFORTABLE DO YOU FEEL OVERALL WITH BARWON WATER'S PRICE SUBMISSION DRAFT?***35 attendees answered this question*

Participants then had a general discussion about their responses to the level of comfort results and shared some considerations for Barwon Water to keep in mind. This conversation happened in the main room and a facilitator took notes.



CLOSING

In closing, forum attendees were thanked for sharing their insights and views to help Barwon Water finalise its 2023 Price Submission and fairly balance the costs of water, sewerage and recycled water services and the prices customers would pay in return. Barwon Water shared the next steps of how the 2023 Price Submission would be finalised and also shared that an online survey was still open to all Barwon Water customers to capture additional feedback on the draft submission.





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PLEASE NOTE: While every effort has been made to transcribe participants comments accurately a small number have not been included in this summary due to the legibility of the content. Please contact Jessica Connor Kennedy at jessica@mosaiclab.com.au for any suggested additions.

This report has been prepared by MosaicLab on behalf of and for the exclusive use of Barwon Water. The sole purpose of this report is to provide a summary of what was said at the Regional Forum in July.

This report has been prepared in accordance with the scope of services set out by Barwon Water. In preparing this report, MosaicLab has relied upon the information provided by the participants at the forum. Barwon Water can choose to share and distribute this report as they see fit. MosaicLab accepts no liability or responsibility whatsoever for or in respect of any use of or reliance upon this report by any third party.

MosaicLab is a Victorian-based consultancy that specialises in community and stakeholder engagement, facilitation, negotiation, strategic planning and coaching.