

STRATEGY 2030



We recognise Aboriginal and Torres Strait Islander peoples as the First Peoples of this nation. We proudly acknowledge the Traditional Custodians of the land and water on which we rely, and pay respects to their Elders, past, present and emerging.



We operate on the lands of Wadawurrung and Eastern Maar. We proudly acknowledge them as the Traditional Owners of the land and water on which we rely, and pay respects to their Elders, past, present and emerging.

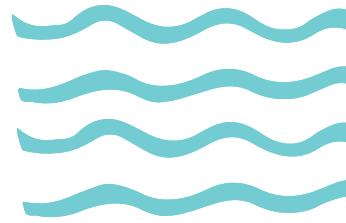
We also acknowledge that Wadawurrung and Eastern Maar never ceded this land or the water that flows through it. We thank them for the care they have taken of land, water and natural environment for tens of thousands of years and still continue this today.

Our vision for reconciliation is for all peoples to stand unified in an inclusive and connected community.

We will deeply support Wadawurrung and Eastern Maar in the development and implementation of their Country Plans and in their journey for self-determination.

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A new phase



Five years ago, we – the Board, management and staff at Barwon Water – began a bold and ambitious new phase in our organisation's history.

We knew that our commitment to service delivery had been our strength for more than 110 years. Clean, high quality drinking water and a world-class wastewater treatment system had kept our region healthy and safe.

We recognised that we are in a time of significant and rapid change – from climate change to population growth, technological advancements to economic transitions – with our society growing increasingly intolerant of inequity and injustice in any form.

Through deep, genuine and ongoing engagement, we have heard what our customers and community want from us in response to the global challenges we are facing. They want us to lean in and help address these challenges in partnership with them, by leveraging the intrinsic value of our services to enhance the prosperity of our region.

For us, each of the multiple dimensions of regional prosperity are important. We want our region to prosper economically, socially, culturally and environmentally.

Thinking about prosperity in a holistic way has shown us that these objectives are not mutually exclusive. We can save costs by reducing our environmental impact. We can support local jobs by embracing circular economy opportunities.

We know we need to be prepared for anything and agile enough to respond. We must be resilient across all aspects of our business – resilient to the many possible impacts of climate change, the threat of cyber-security attacks, the risk of supply chain failures.

By improving our resilience, and recommitting to our purpose of enabling regional prosperity, we will continue to be a relevant and valuable organisation for our community. We look forward to delivering this strategy in partnership with our community.

Jo Plummer
Chair

Tracey Slatter
Managing Director

WE LISTENED AND LEARNED

Through ongoing, genuine engagement with our customers and community, we refreshed our Strategy 2030 and developed our 2023 Price Submission. We committed to listen and learn from our customers to deliver the future our region values and expects.

Some of our customer and community engagement highlights over the last five-years have included:



More than **336,000** customer touch points



7,500 responses to our four price submission surveys



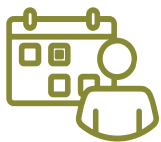
210 combined hours of Advisory Committee discussions over **6** workshops on the price submission



9 in-depth focus groups with vulnerable customers, businesses and community



26 targeted in-depth interviews



5 community markets or 'pop up' events



15 strategic community project collaborations



4 Regional Forums with **185** local leaders



3 webinars with Q&A forums



3 deliberative processes including our two-year Water for our Future Community Panel

Throughout our ongoing engagement, we consistently heard our customers want us to:



Protect and enhance our precious natural environment



Partner with me so that I can be more sustainable



Help us drive a clean and green regional economy



Support me when I need it most



Keep making our taps and toilets work, without any issues



Provide me with a service that is reliable, personable, responsive, accessible & knowledgeable

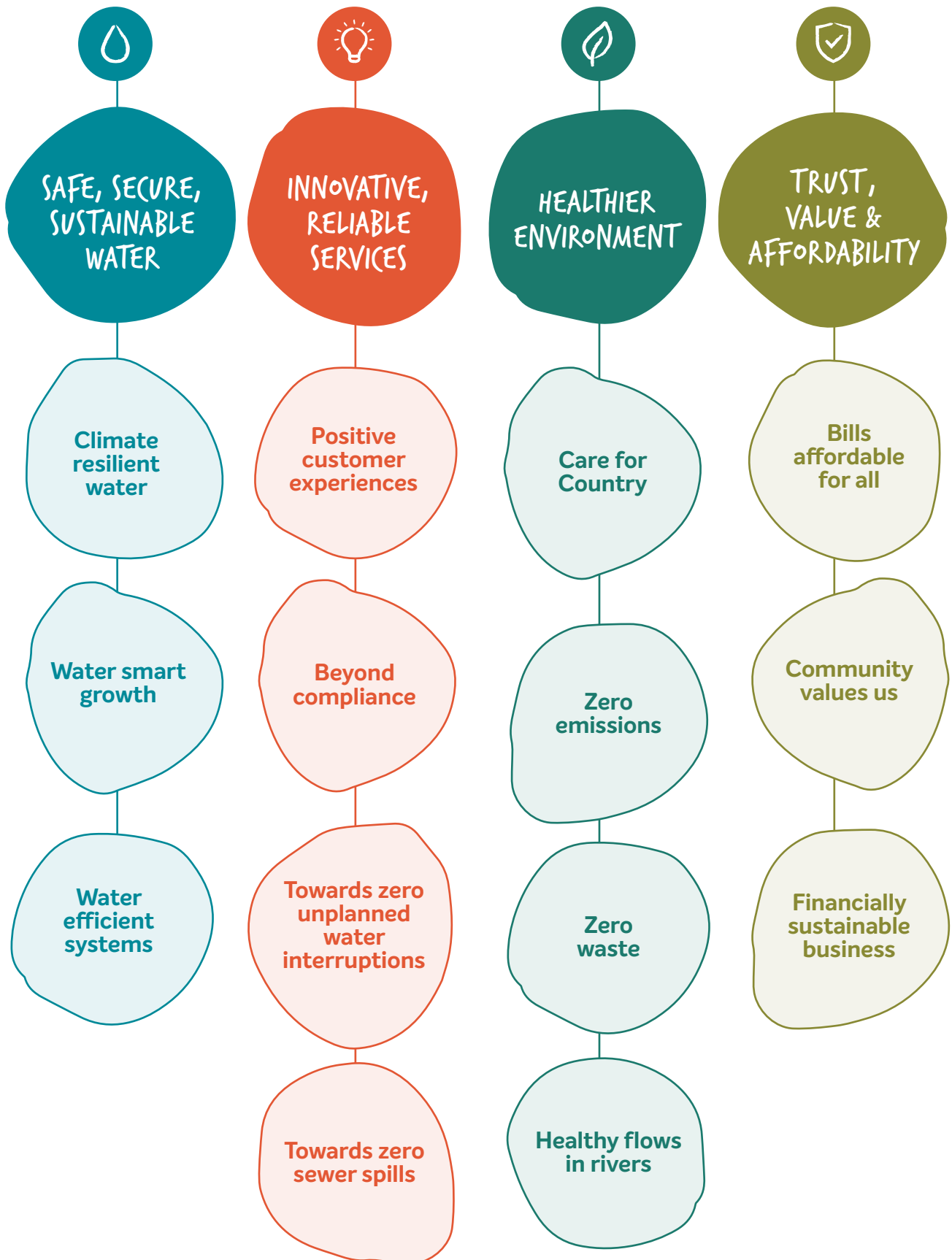
OUR ORGANISATION



OUR VALUES

CARING | SAFE | INCLUSIVE | ACCOUNTABLE | COURAGEOUS

OUR OUTCOMES



Drivers for change

By genuinely engaging with our community, we have heard – loudly and clearly – that our customers want us to lean in and help address global challenges in partnership with them, so that we can protect and enhance all that makes our region great.

CLIMATE CHANGE

The Wadawurrung and Eastern Maar have a deep connection with the water and waterways in our region, as they are essential to spiritual and cultural practices. Reliable water and sewerage systems also underpin the viability of our major industries, keep our parks and gardens green, and support our physical and mental health.

Yet the impact of climate change will mean a hotter, drier future with more extreme weather.

Streamflows in our region are expected to reduce by almost 50% under a high climate change scenario. Our modelling shows that we need to find or save up to 5 billion litres of water – over and above the 35 billion litres our region currently uses – every five years for the next 50 years.

From fires to floods, drying soils to coastal erosion, extreme weather will also place more stress on our infrastructure, threatening the essential services we provide to residential customers, regional businesses and industries. Increasing our resilience to all aspects of climate change will be essential for us to continue supporting our region's liveability.

POPULATION GROWTH

Our region continues to grow rapidly. With population growth comes the opportunity to service new and expanded industries, and support liveable communities, by planning and delivering water smart infrastructure.

Currently home to more than 300,000 people, the population serviced by our Geelong, Golden Plains, Bellarine and Surf Coast system is expected to more than double by 2065. Colac's population is expected to increase by 70% over the same timeframe. Meanwhile, the Surf Coast had one of the strongest growth rates across regional Australia in 2020–21.

Our investment in the infrastructure required to service a growing population will mean more local jobs. Through our proactive work with developers, we will ensure that housing remains affordable in our region. And more people means our costs will be spread over a larger customer base so our prices remain affordable, too.

ECONOMIC TRANSITION

Our regional economy is transitioning from a traditional manufacturing base to one driven by a diverse range of industries including advanced manufacturing, agribusiness, foods, services, education and tourism.

We already play a significant role in the economic prosperity of our region by providing essential services and supporting external employment through our annual capital and operating expenditure.

Going forward, we see that leveraging our assets and services and shifting our linear economy mindset of take, make and waste to a circular economy approach, where waste is minimised and reused providing an opportunity to generate even more value for our community.

We can also support our region to lead, and maximise the economic benefits from, the transition to new energy with wind, solar, bioenergy and hydrogen initiatives.



RAPID TECHNOLOGICAL ADVANCEMENT

Rapid advancements in technology are revolutionising how we live, work and play.

In today's customer-centric fast-moving digital marketplace, businesses that have learned to focus on customers' needs and harness technology to increase customer value have enjoyed more success more quickly than any firms in history.

Enhancing our digital and technological capability will shift our maintenance programs from reactive to proactive, enable smart decisions on when and how we deliver our assets, predict our customers' needs and provide them with the information they require, saving time and money for both us and our customers.

However, technological advancements also present new risks to our business. We must be resilient to the threats and challenges presented by the dynamic cyber-security landscape so that we can keep delivering our essential services.

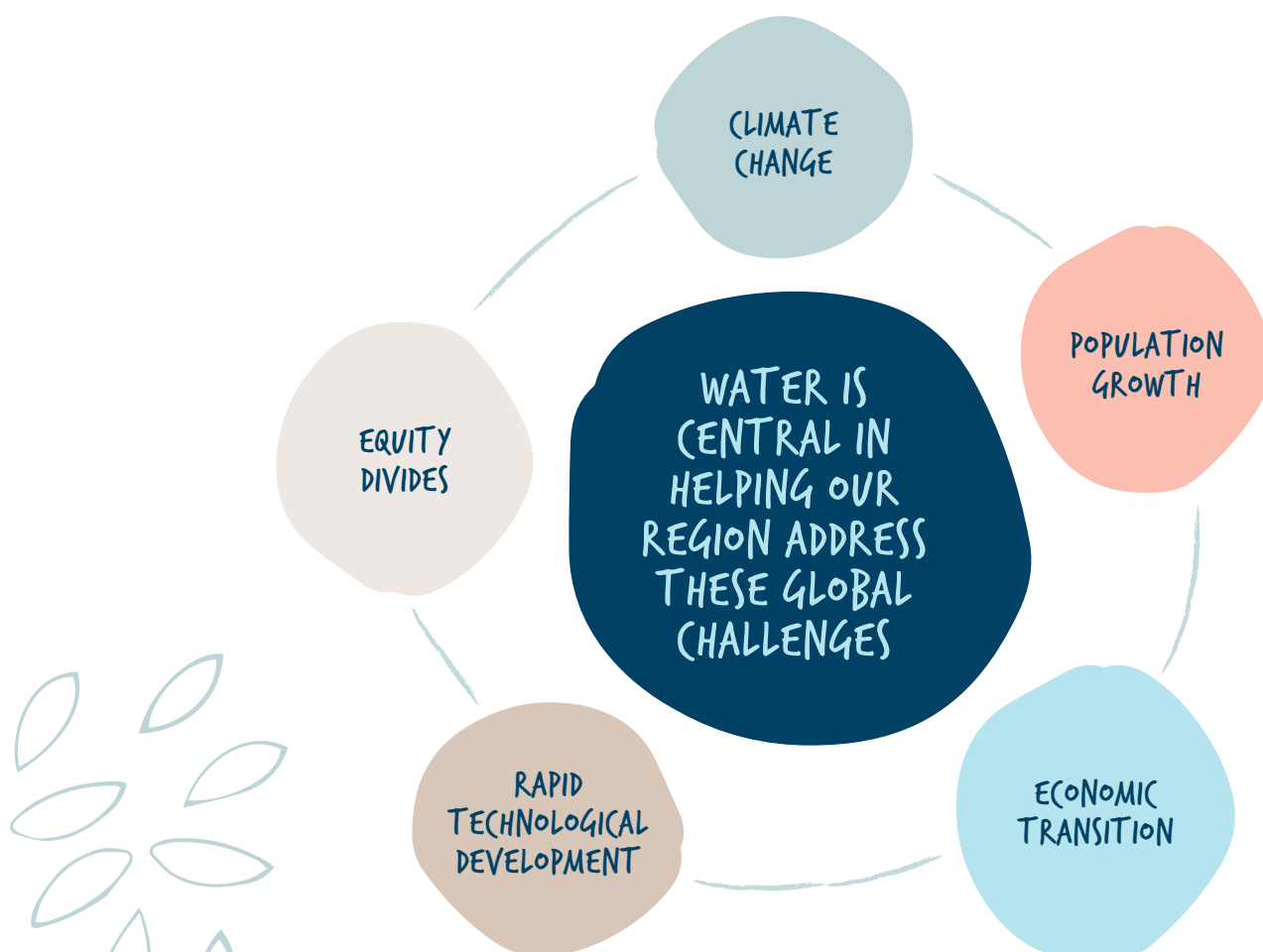
EQUITY DIVIDES

Our society is becoming increasingly intolerant of equity divides, with sound environmental and social governance now a clear community expectation that is increasingly reinforced through regulation and legislation.

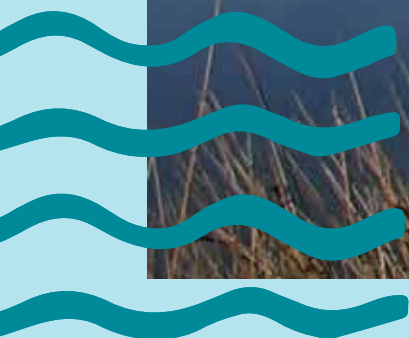
We are committed to deeply listening to, learning from, and helping to realise the recommendations and aspirations of Traditional Owners. We will prevent actual or potential harm to human health and the environment through a proactive and dynamic approach to the identification and management of risks.

Keeping abreast of emerging issues, such as contaminants of concern like micro-plastics, and changing community expectations will mean we focus our risk mitigation efforts at a level that delivers greatest community value.

At the same time, our region is socially and economically diverse, with some communities in our region among the most disadvantaged in Victoria. We can help to build the capacity and capability of our region, by offering traineeships, maximising social procurement practices, ensuring our staff are always safe, supporting our customers with proactive outreach programs and maintaining affordable bills.



We serve a
community of nearly
300,000
people across more than
8,000km²





The Barwon Water Group
has a combined annual
turnover of just over

\$250M

assets of
\$3.2B

and spends around

\$80M

in capital and related
infrastructure works each year.

Why we exist

our water, sewerage and recycled water services underpin the economic, social, cultural and environmental dimensions of regional prosperity.



ECONOMIC

We enable a strong and diverse business sector across our region by providing services and opportunities that businesses need to survive and thrive. We can create new models for commercial partnerships with established and emerging industries, small and large businesses, Aboriginal peoples and community groups.



CULTURAL

As our business relies so deeply on the lands, seas and waters of our region, we must support Traditional Owners in their connection to Country and in their journey to self-determination. We need to leverage Traditional Owner knowledge and wisdom in water and land management to create better outcomes for all.

Our business is well placed to support all these multiple dimensions of regional prosperity. For example, the organic materials and wastewater we manage can become resources under a circular economy mindset, creating valuable inputs for industry, agribusiness and the future hydrogen economy and strengthening our economic, social and environmental prosperity.



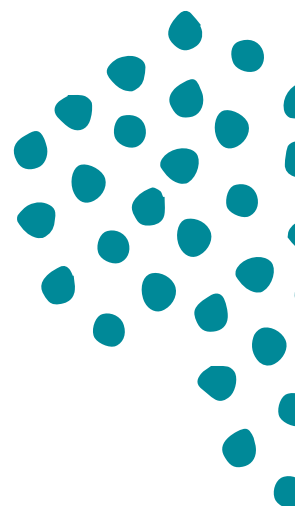
SOCIAL

Our services underpin the health of our communities and the liveability of our cities and towns. We can leverage the social value these services provide by becoming a major vehicle for community connectedness, building linkages and understanding and responding to the community's views.



ENVIRONMENTAL

We can build on our position as an environmental leader in the region by adopting an ethic of caring for Country across everything we do and protecting the natural assets upon which we all depend. Research also suggests that more sustainable businesses tend to perform better financially, as improved sustainability goes hand in hand with cost savings and operational efficiencies.





"Customer expectations
are aligned with Barwon
Water's investment areas"

- EY Sweeney, Customer
Willingness-to-Pay Research,
May 2022

A cluster of stylized, light green leaf outlines is positioned to the left of the Vision bubble, with some leaves overlapping its edge.

Vision

A prosperous region

A cluster of stylized, light blue water drop outlines is positioned to the right of the Mission bubble, with some drops overlapping its edge.

Mission

To strengthen the economic, social, cultural and environmental prosperity of our region through the delivery of sustainable, affordable, innovative and reliable water and sewerage services.



How we will work

The work of all our staff each and every day will be aligned to achieving the ambitious, bold aspirations we have set ourselves in this strategy.

OUR EXPECTATIONS OF OUR STAFF



PERFORM
AT OUR BEST

We create a safe environment where our people are motivated to do their best work, each and every day. We embrace the differences in people, their ideas and experiences. We foster a culture of creativity, innovation and continuous improvement. We govern ethically and boldly, often going further than regulations require, and we hold ourselves accountable for our performance.



LISTEN
& LEARN

We actively listen and welcome the opportunity to learn from the different perspectives of others. We listen especially closely to our Traditional Owners and seek to learn how to better care for Country. Because we care about our customers, community, region, environment and each other, we work hard to understand others' viewpoints and follow through until we reach resolution.



PARTNER STRATEGICALLY

We can design solutions to the challenges we face on our own, but we know we get better outcomes when we work in partnership with our customers, community and Traditional Owners. Where there is strategic alignment across our aspirations and challenges, we partner with businesses, industries, agencies, stakeholders and community groups to deliver high-value economic, social, cultural and environmental outcomes.



FIND THE WAY

We are committed to thinking differently and transforming our business, so that we can successfully deliver our strategy. We face roadblocks and barriers with tenacity, courage and perseverance. We do not give up unless and until we have exhausted all options to find the way – the right way – that leads to ethical, optimal, sustainable and highest value solutions.

our expectations about how our staff will work are underpinned by a commitment to remain true to our values of being caring, safe, inclusive, accountable and courageous.

In return, our employees will experience a working environment that challenges and supports them to achieve great things.

OUR VALUES

Our values are the core of who we are and what we stand for.

Our values will continue to guide the actions we take, the decisions we make, and how we work together with each other and our community in delivering Strategy 2030.

We are:

1

Caring

We care for our customers, community, region (including its lands, seas and waters) and each other.

2

Safe

We look out for the health, safety and wellbeing of ourselves, each other, our contractors and community.

3

Inclusive

We celebrate diversity and the unique talents we each bring, we show respect and collaborate. We learn from and work with Traditional Owners.

4

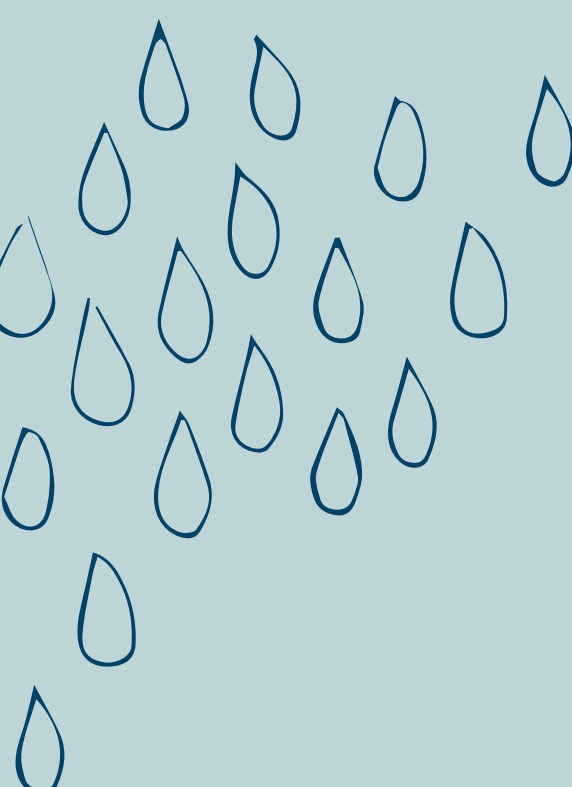
Accountable

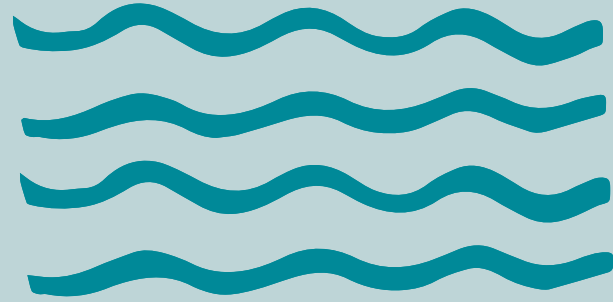
We take ownership, are trustworthy and committed to delivering outstanding outcomes in each of our roles.

5

Courageous

We speak up, lean in and challenge ourselves to grow.





OUR EMPLOYEE VALUE PROPOSITION

We lead. We learn. We deliver.
We care about a better future.

We care for our customers,
community, region, the environment
and each other.

The safety and wellbeing of
employees, contractors and
community members comes first.

We celebrate our diversity, show
respect and appreciate the unique
talents and perspectives that each
of us bring.

We learn from and work with our
Traditional Owners.

We believe that everyone is a leader.

Together we are empowered, trusted
and accountable for achieving our
ambitious goals. We come to
work with the courage to lean in,
challenge ourselves and celebrate
accomplishments big and small.

At Barwon Water you will not
only achieve more for yourself,
your contributions support the
community – helping make our
region more prosperous and our
world a better place.



What we will deliver

Over the past five years, we have listened to our customers and community to learn what is important to them. We have reframed what we do so that we deliver what our customers want.



OUR ASPIRATIONS

We have set ourselves 14 bold aspirations across four key outcomes customers have told us they want us to deliver.

These aspirations are deliberately ambitious. We know these aspirations will stretch and challenge us. Yet we think they are achievable if we truly adopt the growth mindset that is reflected in our expectations of how our staff will work and we do our best work.

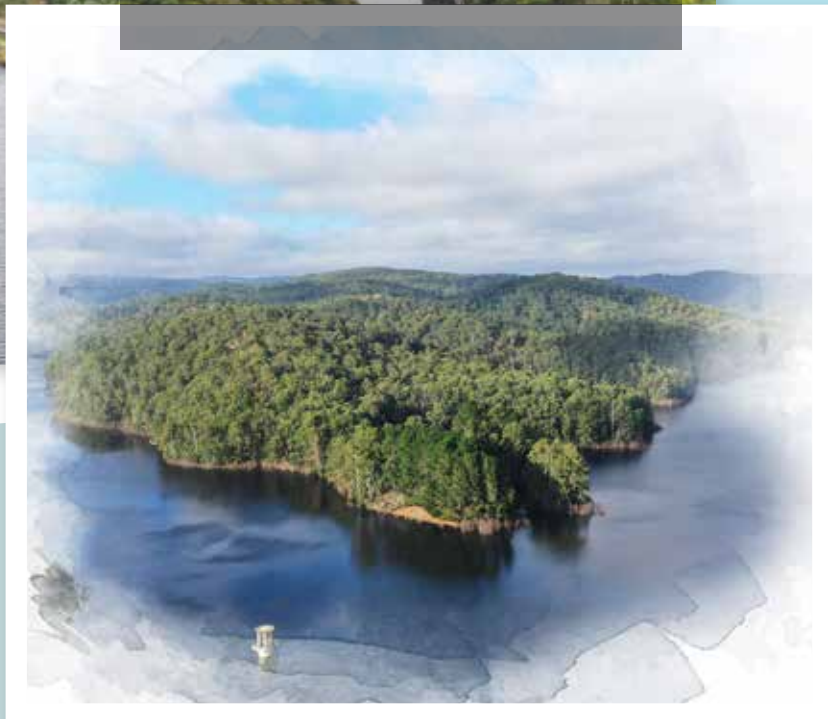


OUR MEASURES OF SUCCESS

To monitor our progress towards delivery of our strategy, we have developed a range of measures of success.

These measures describe what we expect to achieve over our next pricing regulatory period – from July 2023 to June 2028. We will review and update our progress against these measures at least every 12 months.

We will deliver more of what our customers and community want, with average bills decreasing in real terms (which means excluding inflation) for the next five years.





Safe, secure, sustainable water

As we face a hotter drier climate, we will support our growing region to be prosperous and sustainable, by securing enough water and building the infrastructure to meet all of our needs. We will strengthen water efficiency and shift to climate resilient water sources.



over the next 50 years,
our region's population
is set to double but
our traditional water
supplies will reduce
by up to 50%

98% of customers
surveyed want us to
ensure there is enough
water to meet all our
needs

We propose to spend
\$199 million
in capital projects
over 2023-28 to deliver
safe, secure, sustainable
water





OUR ASPIRATION

Climate resilient water

By 2030 this means...

We are ready for half of our supply to no longer come from rivers or groundwater in future



CASE FOR ACTION

Our region's population is set to double by 2065, increasing our demand for water from 35 billion litres per year to 66 billion litres per year. Yet the effects of climate change are predicted to reduce streamflows by almost 50% under a high climate change scenario. We have already seen a reduction of between 30 to 60% since 1997, compared to the long-term average.

Our Geelong, Golden Plains, Bellarine and Surf Coast system requires augmentation by 2027 for there to be enough water to meet our needs. Our Lorne and Apollo Bay systems also require augmentation by 2027 and 2028 respectively.

We explored this challenge for over two years with our community and regional leaders through the *Water for our Future* program. We reached over 5,000 people and facilitated almost 3,000 hours of deliberation by our Community Panel. We clearly heard our community want to address this challenge in a sustainable way.

Climate resilient water means we can maintain supply regardless of weather or climate. Whilst water from rivers and groundwater will still be part of our mix of supplies, we will transition over time to more climate independent sources of water. More than 60% of customers surveyed are already comfortable with desalination, recycled water and stormwater.



ACTIONS WE WILL TAKE

- Extend the reach of the Melbourne-Geelong Pipeline **\$22.4M**
- Cover our share of headworks and variable costs to Melbourne Water **\$31.4M** (opex)
- Build a pipeline to connect Birregurra to the Colac system, to diversify supply for this town and avoid costly water treatment plant upgrades **\$10.1M**
- Optimise the Lorne water treatment plant to further increase its water efficiency and defer the need for supply augmentation **\$4M**
- Readiness investigations for future major water supply **\$1.8M** and Barham catchment priority actions **\$1.6M** (opex).



OUR MEASURES OF SUCCESS BY 1 JULY 2028

Water restrictions will be rare for all water supply systems (<5% or 3 months out of the 5 years to July 2028)

Complete relevant actions from the *Water for our future* strategy to deliver 3,330ML of extra water security for our region

85% of customers surveyed are satisfied with the overall quality of drinking water.



OUR ASPIRATION

Water smart growth

By 2030 this means...

Smart, efficient and integrated water solutions
for all new housing & industrial developments



CASE FOR ACTION

Between 2011 and 2021, Geelong's population grew by 26.2%, the highest growth rate for any city in Australia.

This trend has accelerated in recent years, with Geelong's population now growing fastest out of Australia's largest 20 cities, experiencing the highest 5-year and 1-year growth rates in both 2019-20 and 2020-21.

More broadly, lifestyle changes since the emergence of coronavirus (COVID-19) have seen a clear migration from Melbourne to regional Victoria, with the Surf Coast having one of the strongest growth rates across all of regional Australia in 2020-21.

Yet with population growth comes opportunity. More local construction jobs as we invest in new infrastructure. A greater ability to support new and expanded industries via our essential services. And the chance to showcase servicing strategies that generate green, liveable communities and build regional water resilience by increasing the uptake of recycled water and stormwater – like our approach for the Northern and Western Geelong Growth Area.



ACTIONS WE WILL TAKE

- Begin construction of the water and sewer infrastructure necessary to service the new Northern and Western Geelong Growth Area (NWGGA) **\$28.3M**
- Construct other water and sewer infrastructure to service growth elsewhere **\$16.3M**
- Upgrade our existing assets to cater for our region's growth, including:
 - water treatment plants, pipelines, pump stations and tanks – across Queenscliff, Indented Head, Portarlington, Bannockburn, Point Lonsdale, Armstrong Creek, Torquay North **\$49.2M**
 - sewer pipelines and pump stations – across Bannockburn, Colac, Elliminyt, Apollo Bay, Fyansford, Torquay, Lara **\$21.3M**
 - water reclamation plants – at Colac, Clifton Springs, Bannockburn, Birregurra, Lara, Winchelsea **\$21.5M**



OUR MEASURES OF SUCCESS BY 1 JULY 2028

Completion of five-year actions in the Northern and Western Geelong Growth Area Integrated Water Management Plan

100% of Barwon Water actions in the Barwon Strategic Directions Statement for the Barwon Regional Integrated Water Management Forum have been completed

100% of new growth precincts (PSPs) or new town structure plans are informed by an integrated water management plan.



OUR ASPIRATION

Water efficient systems

By 2030 this means...

Amount of water our region uses has grown
by a smaller rate than our population



CASE FOR ACTION

The amount of drinking water used in our region each year is less today than in the early 1980s, despite our population almost doubling since then.

97% of our customers surveyed want us to further these gains in water-efficient behaviour by facilitating smarter water use in our system and by our community. There is strong support for programs to help reduce water wastage, such as suggestions and rules to encourage behaviour change and research into new water saving technology.

Our community also wants to be empowered through technology, with 83% of customers surveyed keen for a digital water meter.

At the same time, using technology to improve our use of existing data and collect new data will enable us to identify and fix leaks quickly, or even prevent issues ahead of time. This will enhance our resilience to the broad impacts of climate change – from reducing water losses in vulnerable systems (like Apollo Bay, Lorne and Geelong) to managing the impacts of extreme weather events such as floods and hotter temperatures on our water infrastructure.



ACTIONS WE WILL TAKE

- Install digital meters in Apollo Bay, Lorne and high leakage areas in Geelong **\$8.4M**
- Optimising assets across our system to reduce losses and improve system performance **\$17.5M**
- Partner with our community to encourage sustainable water use **\$2.5M** (opex).



OUR MEASURES OF SUCCESS BY 1 JULY 2028

Invested \$2.5 million to save an extra 1,000 ML of drinking water by partnering with our customers through programs, advice and information

Identified and addressed network losses through installation of 27,000 digital meters.





Innovative, reliable services

By listening to our customers and community, and by being forward thinking and technologically advanced, we will be innovative, continually improving, inclusive, caring and easy to deal with.



90% of customers surveyed are comfortable with us doing more with technology to enhance performance and services

1 in 4 customers rank "faster response time" as their most important service standard, and 6 in 10 rate it within their top three

We propose to spend \$303 million in capital projects over 2023-28 to deliver innovative, reliable services



**INNOVATIVE,
RELIABLE
SERVICES**

**Positive
customer
experiences**

**Beyond
compliance**

**Towards zero
unplanned
water
interruptions**

**Towards zero
sewer spills**



OUR ASPIRATION

Positive customer experiences

By 2030 this means...

our customers have a positive experience when they interact with us because we care and we listen



CASE FOR ACTION

We care deeply about our customers and their needs. We want our customers to have a positive experience whenever they want or need to engage with us.

We also understand, though, that our customers don't spend their time thinking about us in the same way we think about them. Most customers simply want to have confidence in reliable water services so that they don't need to think about us at all. They understand that problems can arise from time to time, but want us to keep this to a minimum. And, when there are issues, they want to know that we will respond, and respond quickly.

Our customers tell us that they expect an easy, personable and reliable experience when they do need to contact us. For many, the best experience involves no need for direct contact with us at all. Technological advancements offer us the opportunity to tailor our services more directly to our customers varied needs, saving time and money for both us and our customers.



ACTIONS WE WILL TAKE

- Enhance customer experience through our digital and technology uplift **\$8.8M**, including:
 - improved communications and more channels of communication for ease of service
 - easier access to our services regardless of circumstances
 - more proactive customer contact to connect more customers to the services and support they need earlier
- Smart networks **\$3.1M** (opex).



OUR MEASURES OF SUCCESS BY 1 JULY 2028

85% of customers who interact with us rate the ease of their experience as very good to excellent

85% of customers who interact with us rate the satisfaction of their experience as very good to excellent

Consistently rated within top four Victorian water businesses for customer satisfaction.



OUR ASPIRATION

Beyond compliance

By 2030 this means...

We are industry leaders in our proactive, dynamic and value-driven response to current and emerging risks



CASE FOR ACTION

Our business is highly regulated given the importance of our services to the health and wellbeing of our customers and the environment. We will continue to be 100% compliant with all regulations, 100% of the time.

Yet we aim to think proactively about current and emerging risks. 88% of customers surveyed indicated that they are comfortable in our proactive and dynamic response to current and emerging health, safety, environmental and cyber-security risks. So we look beyond compliance to ensure we proactively protect human health and the environment against the emerging challenges of the future.

Improving our resilience to cyber-security risks is also of fundamental importance for us as an essential service provider.



ACTIONS WE WILL TAKE

- Deliver a program of works to ensure the safety of the community and our employees, and the accuracy of our equipment **\$36.4M**
- Transition to the requirements of the new Environment Protection Act and ensure 100% compliance with EPA Licence Obligations **\$3.8M** (opex)
- Deliver our Beyond Zero Safety Strategy to advance a generative safety culture **\$0.9M** (opex)
- Cyber security uplift (opex) **\$5.3M**.



OUR MEASURES OF SUCCESS BY 1 JULY 2028

No more than two in 1,000 customers have complained about water quality each year

100% compliance with Safe Drinking Water Act

100% compliance with EPA licence conditions

Delivered a research portfolio on emerging contaminants of concern

Reach (at least) core maturity against the mandatory requirements of the Victorian Protective Data Security Standards

94% of staff identify that Barwon Water Group is "committed to supporting me to be healthy, safe and resilient".



OUR ASPIRATION

Towards zero unplanned water interruptions

By 2030 this means...

We are leveraging data and technology to minimise interruptions to customer water supplies



CASE FOR ACTION

Interruptions to water supply can occur from time to time for a range of reasons. We proactively communicate with customers when we plan to pause water supply for improvement works, but sometimes pipes can fail and cause unplanned interruptions.

When something does go wrong customers want to know that we will respond quickly and restore service as soon as possible. One in four customers identified a faster response time as their most important service standard.

While we have fewer unplanned water interruptions than the average across regional Victorian water corporations, the average number of minutes that our customers spend without water supply once an interruption does occur is higher than average. Climate change will increase the frequency of extreme hot days and volatile rainfall events, which will place more stress on our water supply assets.

Our customers tell us they want us to reduce the impact of unplanned interruptions, and technology change (such as smart sensors and new data analytics) provides an opportunity to drive improved performance. 91% of customers surveyed were comfortable with how we will leverage data and technology to minimise interruptions to water supplies.



ACTIONS WE WILL TAKE

- Renew and increase the resilience of our water pipelines to maintain or improve water supply service levels across Highton, Leopold, 13th Beach, Jan Juc, Drysdale, Colac, Apollo Bay **\$64.9M**
- Renew our water treatment plants to maintain service levels across Geelong, Colac, Birregurra, Lorne, Apollo Bay, Gellibrand, Forrest **\$16.2M**
- Renew our water tanks, basins, dams and reservoirs to maintain service levels **\$12.5M**.



OUR MEASURES OF SUCCESS BY 1 JULY 2028

Achieved better than the Victorian industry average number of unplanned water supply interruptions per 1,000 connections.



OUR ASPIRATION

Towards zero sewer spills

By 2030 this means...

We are leveraging data and technology to reduce the risk of raw sewage spilling from our assets



CASE FOR ACTION

The construction of centralised sewerage networks is one of our most significant contributions to public and environmental health and amenity. Yet blockages in our sewer system sometimes cause rare and unexpected spills, with the potential for environmental harm and significant nuisance for customers as a result.

90% of customers surveyed told us they were comfortable with our approach to leverage data and technology to reduce the risk of raw sewage spilling from our assets.

There is much room for improvement in the current performance of our sewer assets. We experienced more sewer spills and sewer blockages than average across either regional Victoria or metropolitan Melbourne during 2020/21. 17 suburbs experienced at least 10 spills per 100km of sewer main, with a handful of suburbs experiencing close to 50 spills.

Most of our sewer spills originate from access or relief points and are caused by blockages either in our mains or at our access points. With the benefit of new technology and data analytics, our risk-based approach will be continually improved to better focus on reducing high risk and high consequence spills. This will improve the resilience of our sewer systems to the impacts of extreme weather events under climate change.



ACTIONS WE WILL TAKE

- Renew our sewer pipelines, maintenance access holes and storages to maintain or improve sewerage service levels **\$104.3M**
- Roll out sewer sensors in strategic locations (17 suburbs with spill rates above 10 spills per 100km) and pressure sensors at all Sewage Pump Stations rated as extreme, high or medium **\$6.1M**
- Renew our water reclamation plants to maintain service levels **\$25.5M**.



OUR MEASURES OF SUCCESS BY 1 JULY 2028

Achieved 10% improvement in sewer spills performance per 100 kilometres of sewer main.



Healthier environment

We will apply a caring for Country approach to our land and waterways in partnership with Traditional Owners, other agencies and community members. We will strive for zero emissions and generate useful products from what we used to call “waste”.



97% of customers surveyed want us to collaborate to enhance waterway and catchment health

84% of customers surveyed are comfortable in our approach to achieve 100% renewable electricity and work towards zero emissions by 2030.

We propose to spend \$45 million in capital projects over 2023-28 to deliver a healthier environment

HEALTHIER ENVIRONMENT

Care for Country

Zero emissions

Zero waste

Healthy flows in rivers



OUR ASPIRATION

Care for Country

By 2030 this means...

100% of our staff identify they
Care for Country in their work



CASE FOR ACTION

The Traditional Owners of our region – the Wadawurrung and Eastern Maar – have cared for their Country for tens of thousands years and still continue this today.

Our work with Wadawurrung and Eastern Maar, has shown us that we have much to learn from Traditional Owners about how to care for Country, and that the water industry has a key role to play in reconciliation more broadly as Traditional Owners never ceded their rights to water.

Partnering with Traditional Owners and the community to enhance natural and cultural values of our sites is considered important by 79% of surveyed customers.

Sound environmental governance is also a clear expectation of our community, evident through the time and effort invested by members of our many community reference groups. Over the past five years, hundreds of people have collectively spent thousands of hours helping us manage potential environmental risks and opportunities arising from our operations.

Increasingly, community expectations are reinforced through regulation and legislation, such as the General Environmental Duty created via the amended Environment Protection Act 2017, which we are legally bound to meet.



ACTIONS WE WILL TAKE

- Support Traditional Owners in the development and implementation of their Country Plans and in their journey for self-determination by working constructively and respectfully on the goals and initiatives they choose for us to prioritise
- Deliver a Stretch Reconciliation Action Plan and strengthen relationships with Eastern Maar **\$0.7M** (opex)
- Begin construction of new public open space, and new environmental and cultural assets, at Porronggitj Karrong and along the Highton pipe track and Bellarine Basin **\$2.0M**
- Continue to transform our former Bellarine Basin site into more than 30 hectares of environmental and public open space
- Prepare and implement a decommissioning plan for the Barwon Downs borefield **\$0.8M** (opex)
- Continue to progress implementation of the remediation and environmental protection plan for Boundary Creek, Big Swamp and surrounding environment **\$2.9M** (opex).



OUR MEASURES OF SUCCESS BY 1 JULY 2028

100% of actions under Stretch Reconciliation Action Plan (RAP) delivered

Improvement in staff awareness, attitudes and perceptions towards Reconciliation (as measured by the Workplace Reconciliation Action Plan (RAP) Barometer).



OUR ASPIRATION

Zero emissions

By 2030 this means...

100% renewable electricity
and net zero emissions



CASE FOR ACTION

Treating and transporting water and sewage is an energy-intensive business. We previously emitted more than 40,000 tonnes of carbon dioxide equivalence a year, making us one of the biggest local contributors to greenhouse gases.

Our aim of zero emissions is not just about doing our part to combat climate change. Cutting emissions also means cutting costs.

For example, using less electricity from the grid, either by improving the energy efficiency of our operations or generating our own renewable energy, means we are less exposed to volatile electricity prices on the market. We can then pass these cost savings on to customers in the form of affordable prices.

Minimising the embodied energy in our infrastructure and reducing the indirect emissions created by our suppliers will mean either building less or building clever, which again will generate cost savings for us and price savings for our customers.

84% of surveyed customers want us to work towards achieving 100% renewable electricity and zero net emissions by 2030.



ACTIONS WE WILL TAKE

- Purchase renewable electricity through partnerships across the water industry (e.g. Zero Emissions Water) and in our region (e.g. Barwon Region Renewable Energy Partnership) **\$3.2M** (opex)
- Establish a regional approach to carbon sequestration, to offset the emissions we generate from our operations **\$3.2M**.



OUR MEASURES OF SUCCESS BY 1 JULY 2028

Carbon sequestration program in place (implementation of projects complete), so on track for zero Scope 1 emissions (from direct emissions we generate) by 2030

100% renewable electricity by 2025, so zero Scope 2 emissions (from electricity we use)

Plan developed by 2030, for addressing Scope 3 emissions (from our suppliers).



OUR ASPIRATION

Zero waste

By 2030 this means...

We are achieving optimal use of our resources to the fullest extent possible, including 100% recycled water allocated to productive use



CASE FOR ACTION

We are at the forefront of realising the AUD \$6.3 trillion* global economic opportunity offered by transitioning to a circular economy by 2030. Our Regional Organics Networks will create valuable products and renewable energy from organic waste while saving money for us, and our customers.

Recycled water is another key resource where there is potential to further maximise its value. Our community strongly supports the productive use of recycled water, with residential and business customers agreeing that increasing water recycling is their top investment priority, featuring prominently in *Water for our Future* with almost one-third of community ideas about new water sources relating to recycled water.

Recycled water can also play a role in the renewable energy transition for industries that cannot be electrified, as it will be a key input to the production of green hydrogen.

The appropriate management of industrial waste from our operations is integral to the environmental performance of our business and meeting our regulatory responsibilities.

Almost 90% of our customers surveyed support our zero waste aspiration.

*Accenture, *Waste to Wealth*, 2015



ACTIONS WE WILL TAKE

- Begin construction of the recycled water infrastructure necessary to service the new Northern and Western Geelong Growth Area (NWGGA) **\$13.5M**
- Construct new assets to support further uptake of recycled water in other growth areas, such as Torquay North and Armstrong Creek, and the productive use of recycled water at Deakin University and Winchelsea **\$12.5M**
- Upgrade the Portarlington water reclamation plant to supply higher quality recycled water **\$13.6M**
- Construct new assets to further support the productive use of recycled water including in the Surf Coast Hinterland **\$17.7M***
- Build the third stage of the Colac Renewable Organics Network at the site of our Colac Water Reclamation plant **\$15.9M***
- Build a Regional Renewable Organics Network at the site of our Black Rock water reclamation plant **\$38.5M***



OUR MEASURES OF SUCCESS BY 1 JULY 2028

Extra 1,000 ML/year of recycled water allocated for productive use

Completed feasibility assessment of large-scale alternative water grid (recycled water and treated stormwater)

85% of recoverable industrial waste reused or recycled

100% of biosolids put to beneficial use

In collaboration with local councils in our region, deliver an innovative design by July 2024 for an organic waste recycling facility.

*Costs of these strategic projects will not be passed onto customers in the next five years – refer Capital Expenditure section



OUR ASPIRATION

Healthy flows in rivers

By 2030 this means...

We have returned 8,500 ML per year of entitlement
to rivers by 2032, shared between environment and
Traditional Owners*



CASE FOR ACTION

Two of our major water sources – the Moorabool and Barwon Rivers – are among the most flow-stressed in Victoria, needing an additional 45 billion litres per year over the next 50 years to thrive. This is more than the 35 billion litres per year our entire region uses now, which means the need to augment our supplies is accelerated when we take both cultural and environmental water needs into account.

The declining health of our rivers is a major concern for our community. Over 1,000 customers surveyed in 2020 showed a clear preference for maintaining the health of our rivers, rather than affordability, by extracting less water from rivers and instead recycling, purifying or creating more water. 65% of customers told us that caring for, and protecting, the environment was one of the top priorities for us to keep in mind when planning for our region's water future.

There is almost universal support amongst our customers for collaboration to enhance waterway and catchment health.



ACTIONS WE WILL TAKE

- Support Traditional Owners to express their cultural values related to water, and achieve their goals, aspirations and outcomes for healthy flows in their waterways by returning water to them
- Contribute to initiatives aimed at improving catchment and waterway health and quality by funding initiatives such as citizen science, Landcare, willow removal programs and other river restoration works **\$5.6M** (opex) including Upper Barwon River health initiatives **\$0.9M** (opex)
- Continue to contribute a percentage of our revenue to the Victorian Government to fund initiatives that seek to promote the sustainable management of water or address adverse water-related environmental impacts – as required under the *Water Industry Act 1994* **\$45.2M** (opex).



OUR MEASURES OF SUCCESS BY 1 JULY 2028

3,700 ML/year long-term average equivalent entitlement returned to Moorabool River by 2025, to be shared between environment and Wadawurrung (subject to Ministerial approval)

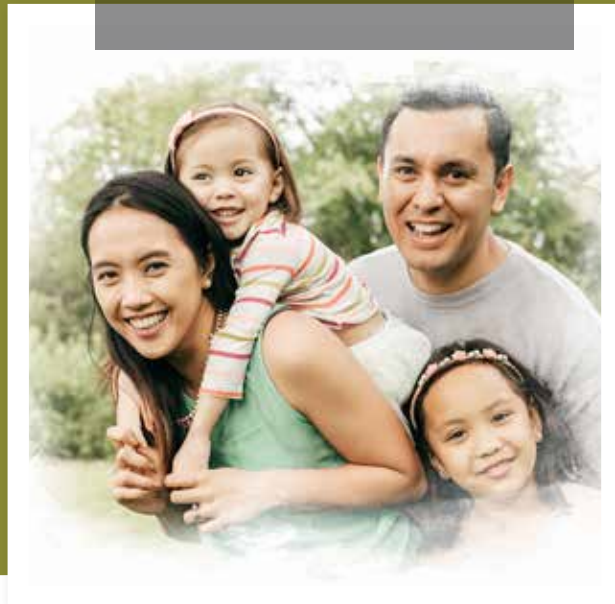
Spent \$7.3M to improve catchment and waterway health and quality by funding initiatives such as citizen science, Landcare, willow removal programs and other river restoration works.

*This is in addition to 3,700 ML/year of entitlement returned by 2025.



Trust, affordability & value

We will respond to the diverse needs and values of our customers and community and aim to be a valued and trusted leader; contributing positively to our region. We will actively support customers, keep bills affordable and resolve issues fairly.



95% of customers surveyed want us to care for customers who need support

In real terms, our bills have decreased by more than 15% over the past 10 years.

We propose to absorb the financial risk of \$111.7 million of several innovative capital projects, without passing on the costs until after 2028



TRUST,
VALUE &
AFFORDABILITY

Bills
affordable
for all

Community
values us

Financially
sustainable
business



OUR ASPIRATION

Bills affordable for all

By 2030 this means...

*We are contributing to our customers'
financial wellbeing*



CASE FOR ACTION

We continue to have one of the lowest average residential customer bills in Australia for a utility of our size. In real terms, our bills have decreased by 15% over the past 10 years.

Continuing to keep our bills affordable for all customers is important if our region is to prosper. It means we can support businesses and industries to grow our regional economy and reduce cost-of-living pressures on our socially and economically diverse community.

Understandably, our customers almost universally expect that we will manage our expenditure prudently while delivering on our commitments (96%) and that our charges will be designed and applied fairly (97%).

We not only work hard to keep costs low, but proactively support those who need help to pay their bills. This has strong support from our community, with 95% of our surveyed customers wanting us to care for those who need support.



ACTIONS WE WILL TAKE

- Most prices will decrease, in real terms for most customers for the next five years
- Transitional Rebate Adjustment (annual payment designed to support renters) will be gradually replaced with a package of increased support measures for any customer who needs assistance, whether they rent or not, including:
 - boosting financial assistance to a total of **\$3.0M** (opex) through customer support programs, including for our most vulnerable customers
 - upgrade customer contact centre and staff training to better support our customers **\$2.0M** (opex)
- Develop surplus land for improved use, including affordable and sustainable housing, generating additional revenue that will help to keep prices low **\$10.6M***

*Not all costs of this strategic project will be passed onto customers in the next five years
– refer "Capital Expenditure section"



OUR MEASURES OF SUCCESS BY 1 JULY 2028

One of the lowest residential bills in Australia for a water corporation of our size

Residential bills (home owner) do not increase beyond inflation and interest rate movements each year

96% of customers can pay, or are supported to pay, their bills before overdue notices are issued (over a 12-month period)

Business customers agree or strongly agree that their water bill is affordable.



OUR ASPIRATION

Community values us

By 2030 this means...

We are recognised and respected as a valued member of our regional community



CASE FOR ACTION

We believe that one of the best indications of our performance as an organisation is the view that others hold of us. If we are successful in delivering on our commitments, then we expect to be valued by our customers and community.

We know what is achievable because of the progress we have made. Customer perception survey results published by the Essential Services Commission in 2021 ranked us first among Victorian water businesses for value for money, reputation in the community, and overall satisfaction, and second for trust.

This result sets the benchmark that our customers expect, and we will strive to exceed. This strategy is an opportunity to deliver even greater value, by leveraging our skills and capabilities to support customers and communities in need and, in turn, support the economic development, safety and environmental health of our region. We know that if we get it right our customers will continue to assess us as one of the highest performing water corporations in Victoria.



ACTIONS WE WILL TAKE

- Leverage our learning and development budget to support competency uplift in inclusion and invest in diversity and inclusion activities **\$2.5M** (opex)
- Educate, engage and work with our customers and community to build confidence and trust **\$1.8M** (opex)
- Design a centralised wastewater system to service the town of Forrest, as existing onsite systems are unable to cope with peak tourism loads and cause odours, spills and discharges to sensitive receiving environments **\$1.9M**
- Explore installation of Forrest wastewater system **\$24.5M***

*Not all costs of this strategic projects will be passed onto customers in the next five years – refer "Capital Expenditure section"



OUR MEASURES OF SUCCESS BY 1 JULY 2028

Consistently rated within top four Victorian water businesses for value for money

Consistently rated within top four Victorian water businesses for level of trust

Community members believe we contribute positively to the region

90% of our key regional stakeholders and major business / industrial customers trust us

Our workforce represents the community we serve:

- Aboriginal & Torres Strait Islander – BW 4%, BAS 7%
- People with a disability – BW & BAS 17.5%
- Cultural and linguistic diversity – BW 25%, BAS 16%
- Gender balance – BW 43:57 BAS 25:75 (W:M).



OUR ASPIRATION

Financially sustainable business

By 2030 this means...

We have wisely funded significant infrastructure to support our region's future growth



CASE FOR ACTION

Delivering our high-quality services to a growing regional economy requires ongoing investment. The size and timing of our capital investments, along with the costs of operating our business day-to-day, impact how much our customers pay and our financial sustainability.

For a business like ours, financial sustainability requires a long-term outlook because the services we deliver rely on operating infrastructure with a long life and a large up-front cost. To balance our expenditure and the revenue we receive from customers over time, we prepare a plan every five years. This draft Price Submission is that plan.

An independent economic regulator – the Essential Services Commission – reviews this plan and sets prices that it considers to be fair, reasonable and in the long-term interests of customers. The Essential Services Commission will make their final determination on our plan between May and June 2023.



ACTIONS WE WILL TAKE

- Cost-effectively resource our uplift in digital capability, capital delivery and community engagement by bringing expertise in-house and replacing consultants with staff
- Deliver all capital projects on time and on budget, yet exclude several strategic, innovative projects from the prices our customers pay.

– refer "Capital Expenditure section"



OUR MEASURES OF SUCCESS BY 1 JULY 2028

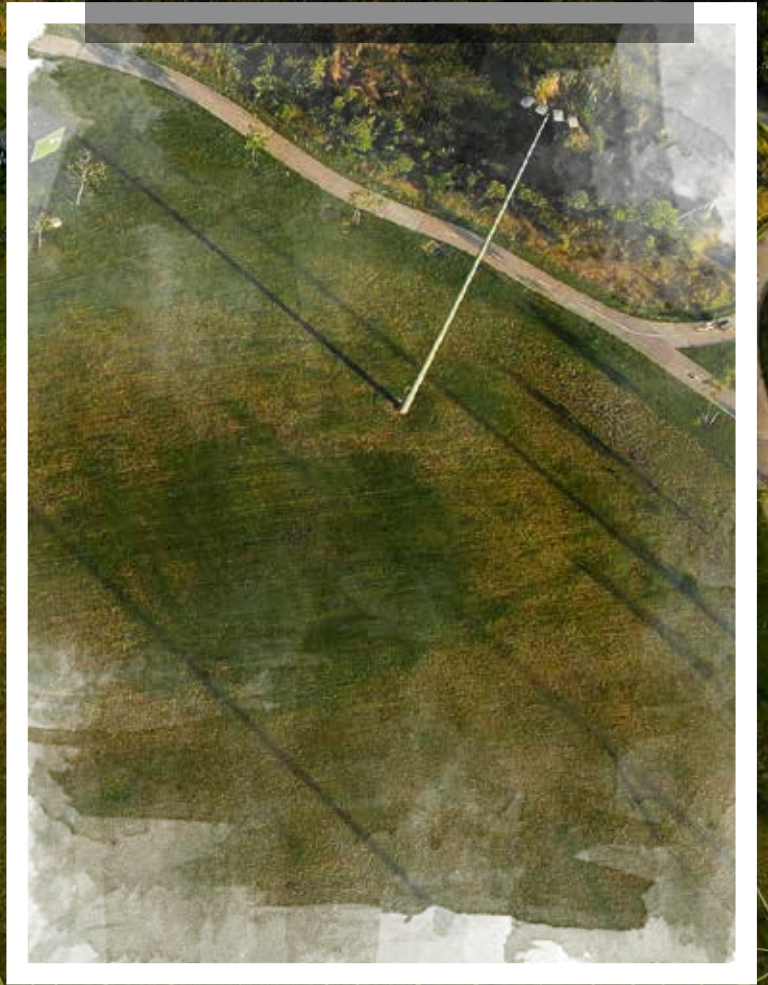
Operating expenditure is within +/- 10% of Price Submission forecasts (total across 5 years to July 2028)

Capital expenditure is within +/- 10% of Price Submission forecasts (total across 5 years to July 2028)

Advanced cash interest coverage ratio of 2.5 times or greater per annum over Price Submission period (5 years to July 2028)

Achieved an efficiency savings target of at least \$5.8M over the Price Submission period (5 years to July 2028).

Inputted an efficiency target of 1.95% per annum over the 2023 Price Submission period.



What we propose to charge

We fund our capital and operating expenditure through a combination of revenue collected from our customers and conservative debt borrowings within limits set by the Department of Treasury and Finance.

An independent economic regulator – the Essential Services Commission – will review our final 2023 Price Submission and set prices that it considers to be fair, reasonable and in the long-term interests of customers.

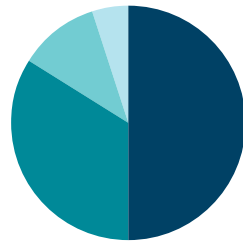
We continued to critically analyse our proposed capital and operating expenditure, and the prices we propose to charge to our customers, before our final 2023 Price Submission was submitted to the Essential Services Commission at the end of September 2022.

The Essential Services Commission will make their final determination on our plan between May and June 2023.



Our costs

CAPITAL EXPENDITURE



\$110M

Average annual expenditure

Renewal	45%
Growth	33%
Improved Service	15%
Compliance	7%

Our capital expenditure over the next five years is forecast to be around 29% more than in the previous five years, with an average annual spend of nearly \$109.9M and a total spend of almost \$549.4M.

Renewing and replacing our ageing infrastructure, so we can deliver reliable services to customers and increase resilience to the broad effects of climate change, accounts for 45% of capital projects.

Servicing the growing population of our region is also a key driver, with almost 33% of capital projects related to growth.

We will also pursue several strategic, innovative projects over the next five years, which total approximately \$111.7M, but will exclude these from customer prices:

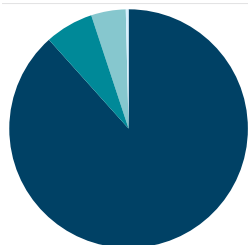
- Regional Renewable Organics Network \$38.5M
- Forrest Wastewater \$26.4M (Design \$1.9M and explore installation \$24.5M)
- Further support for the productive use of recycled water, including in the Surf Coast Hinterland \$17.7M
- Colac Renewable Organics Network – Phase 3 \$15.9M
- Property Realisation – Montpellier Stages 1–3 \$8.5M
- Property Realisation – South Geelong \$1.8M.

We will exclude these projects from customer prices at this time because:

- Elements of some projects are yet to be finalised – we don't want to charge customers unnecessarily based on preliminary options, cost estimates or timelines
- Some projects will generate their own revenue via new customers for new services we will deliver – it will be better for customers to match costs with timing of new revenue (i.e. from 2028 onwards).

Our prudent approach to delivering strategic projects means customers will pay less now and are likely to pay less overall.

OPERATING EXPENDITURE



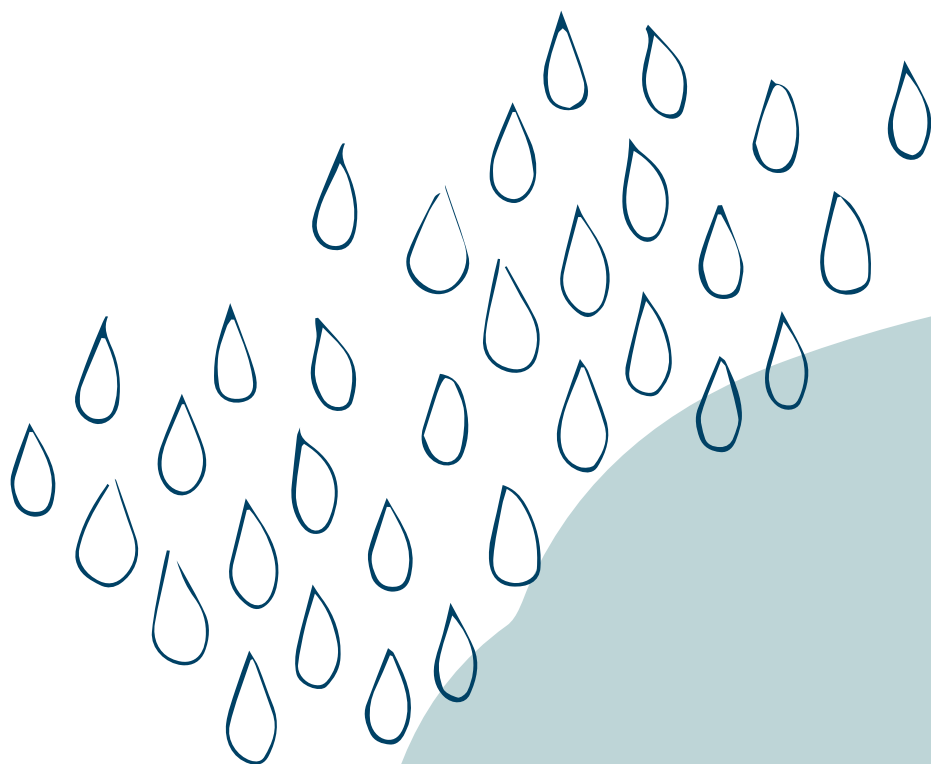
\$134M

Average annual expenditure

Labour, materials, electricity, safety controls, contractors	\$118.5M
Funding for sustainable water management	\$8.8M
Bulk water charges for Melbourne-Geelong Pipeline	\$6.3M
Fees to environmental, health, economic regulators	\$0.5M

Our key operating costs includes labour, materials, electricity, safety controls and contractors. Our average annual expenditure over the next five years of \$134M is similar to what we will have spent in 2021-22.

Increased revenue from our growing customer base will help to fund our capital and operating expenditure, without a need to materially increase prices or bills.



Your costs

RESIDENTIAL HOMEOWNERS

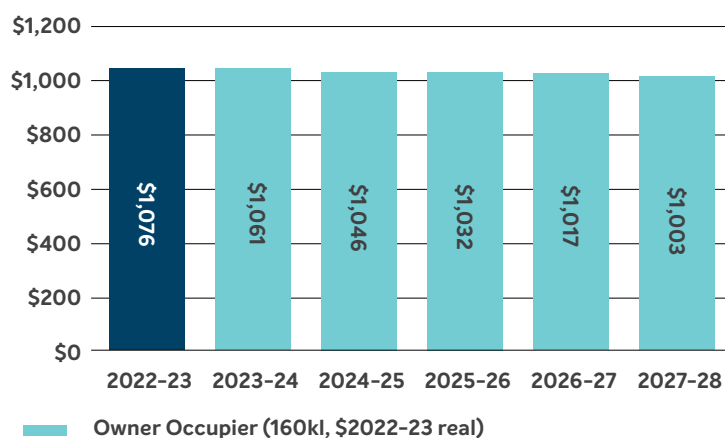
- Most prices will decrease, in real terms for most customers, excluding inflation
- More than 95% of customers want us to maintain affordability for all
- An enhanced customer support program will be here to help any customers struggling to pay their bills.

Water & sewerage charges:

	2022-23 current	2023-24	2024-25	2025-26	2026-27	2027-28
Water volume charge (per kL)	\$2.2286	\$2.1976	\$2.1671	\$2.1370	\$2.1073	\$2.0780
Water service charge (per year)	\$135.11	\$133.23	\$131.38	\$129.55	\$127.75	\$125.98
Sewerage service charge (per year)	\$584.37	\$576.25	\$568.24	\$560.34	\$552.55	\$544.87

Proposed charges are shown in 2022-23 dollars and will be subject to inflation.

Average annual homeowner water bill (based on 160kL per year)



Average bills will decrease in real terms for the next five years

Proposed bills are shown in 2022-2023 dollars and will be subject to inflation.

We will extend the reach of our existing, award-winning Customer Support Program by increasing the amount of financial assistance on offer and making support available to a broader range of customers who need it.

We will embed a more flexible, compassionate and proactive support program by:

- establishing a customer care team
- providing additional staff training to support customers dealing with financial and emotional stress, including family violence
- upgrading contact centre and website technology to improve access
- expanding our multi-lingual and translation services into customers preferred language to reduce communication barriers
- investing in advanced customer analytics to proactively offer support to at risk customers.

RESIDENTIAL TENANTS

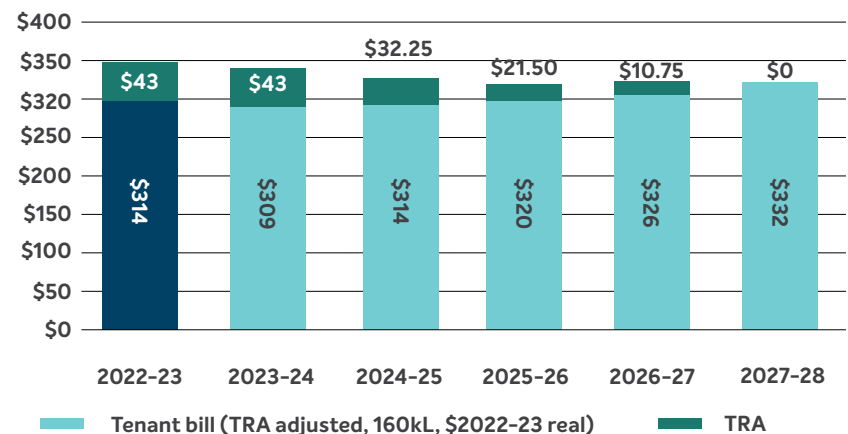
- Prices will remain steady for the next five years, excluding inflation – most renters only pay the water volume charge, with landlords paying the water and sewerage service charges
- Changes to renters’ bills will mean a gradual wind-back of the fixed rebate they currently receive each year
- Over four years, the rebate will reduce gradually from \$43 per year to \$0, with reductions starting from 1 July 2024
- We’re reallocating the rebate funds to an enhanced customer support program to help those who need it most, whether they rent or not.

Water charges:

	2022-23 current	2023-24	2024-25	2025-26	2026-27	2027-28
Water volume charge (per kL)	\$2.2286	\$2.1976	\$2.1671	\$2.1370	\$2.1073	\$2.0780

Proposed charges are shown in 2022-23 dollars and will be subject to inflation.

Average annual renter water bill (based on 160kL per year)



Proposed bills are shown in 2022-23 dollars and will be subject to inflation – enhanced support measures will be available to help customers manage increases to the out-of-pocket bill due to the wind-back of the rebate (shown in green).

Over the next five years, we’re looking to change the rebate – known as the Transitional Rebate Adjustment (TRA) – that was introduced for renters in 2018.

The rebate was designed to support renters as we transitioned to consistent water charges for all customers – residential and non-residential, home-owners and renters. It aimed to lessen the bill impact of increases to our variable water charges on renters by applying a fixed discount to renters’ water bills, regardless of how much water they used. It also applied to all renters, regardless of their financial circumstances.

From 2024 to 2028, we propose to gradually replace the rebate with enhanced support measures for any customer who needs assistance, whether they rent or not. The majority of customers support this change (five times the number of customers support this change versus oppose it). Renters bills will remain the same in 2023, but will gradually increase by around \$10 per year (roughly 85 cents per month) from 2024.

BUSINESSES

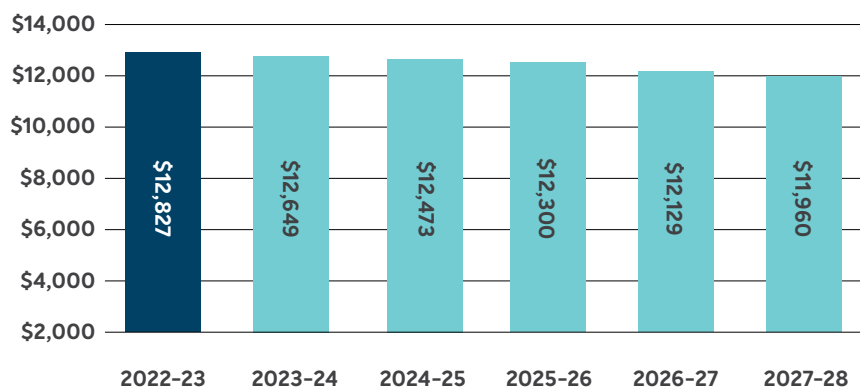
- Prices will decrease in real terms for the next five years, to provide bill certainty
- Trade waste fixed fees will remain steady, with variable charges to change slightly based on changes in treatment costs
- We've heard businesses want to work with us as partners to find efficiencies, so we're making grants and other support available to encourage water efficiency.

Water & sewerage charges:

	2022-23 current	2023-24	2024-25	2025-26	2026-27	2027-28
Water volume charge (per KL)	\$2.2286	\$2.1976	\$2.1671	\$2.1370	\$2.1073	\$2.0780
Water service charge (per year)	\$135.11	\$133.23	\$131.38	\$129.55	\$127.75	\$125.98
Sewerage volume charge (per KL)	\$1.9834	\$1.9558	\$1.9286	\$1.9018	\$1.8754	\$1.8493
Sewerage service charge (per year)	\$353.58	\$348.67	\$343.82	\$339.04	\$334.33	\$329.68

Proposed charges are shown in 2022-23 dollars and will be subject to inflation.

Example annual business water bill (based on 3,000kL per year)



Proposed charges are shown in 2022-23 dollars and will be subject to inflation.

Average bills will decrease in real terms for the next five years

Trade waste charges:

	2022-23 current	2023-24 to 2027-28
Trade waste volume charge – Geelong & Colac (per kL)	\$1.9834	\$1.9834 =
Trade waste quality charges – Geelong (per kL)		
COD Charge greater than 1200 mg/l	\$0.2981	\$0.3188 ^
TSS Charge greater than 500 mg/l	\$0.2229	\$0.1642 ∨
TKN Charge greater than 60 mg/l	\$1.3016	\$0.6230 ∨
Sulphur Charge greater than 50 mg/l	\$1.4228	\$0.9820 ∨
Trade waste quality charges – Colac (per kL)		
COD Charge greater than 1200 mg/l	\$0.5178	\$0.3516 ∨
TSS Charge greater than 500 mg/l	\$0.3009	\$0.2387 ∨
TKN Charge greater than 60 mg/l	\$1.5676	\$1.6422 ∨
Phosphorous Charge greater than 14 mg/l	\$3.6775	\$15.3662 ^

Proposed charges are shown in 2022-23 dollars and will be subject to inflation

= means charges will stay the same; (down arrow) means charges will decrease; (up arrow) means charges will increase.

Costs to treat some key components of trade waste have changed.

Whilst our treatment processes continue to improve, some analytes still need extra treatment to meet environmental standards, especially phosphorus in Colac. Conversely, the two new anaerobic lagoons at Colac can treat higher strength organic waste without higher electricity demand, helping to reduce operational costs.

Meanwhile, at Geelong, rising electricity costs are increasing treatment costs where there are high levels of COD (chemical oxygen demand – a measure of organic matter). We are investing in energy saving and renewable energy initiatives to reduce these costs in future.

RECYCLED WATER CUSTOMERS

- The price of Class A recycled water will remain 30% less than the price of drinking water to support regional prosperity and a secure, sustainable water future by encouraging its uptake
- Our customers have been telling us they would prefer standard recycled water charges for simplicity and consistency. We will move to a standardised price for Class B and C recycled water from smaller water reclamation plants, which will largely see reductions in recycled water charges
- Our costs at Black Rock are reducing. We will pass on these savings as a 10% reduction for both our "take or pay" and "pay for use" Class C recycled water customers.

Recycled water charges per ML:

	2022-23 current	2023-24 to 2027-28
Class C recycled water		
Black Rock – pay for use	\$435	\$387 ∨
Black Rock – take or pay	\$336	\$299 ∨
Anglesea – pay for use	\$109	\$109 =
Apollo Bay – pay for use	\$109	\$109 =
Bannockburn – pay for use	\$97	\$109 ^
Birregurra – pay for use	\$271	\$109 ∨
Winchelsea – pay for use	\$257	\$109 ∨
Portarlington – pay for use	\$257	\$257 =
Class B recycled water		
Portarlington – pay for use*	n/a	\$680
Class A recycled water		
Black Rock – pay for use	\$1,560	\$1,538 ∨

Proposed charges are "at the gate" of the water reclamation plant (excludes any transfer charges), and are shown in 2022-23 dollars and will be subject to inflation.

*By 2025, higher quality, lower salinity Class B recycled water will be provided at Portarlington.

= means charges will stay the same; ∨(down arrow) means charges will decrease; ^ (up arrow) means charges will increase.

The costs of providing recycled water have been assessed for each recycled water system.

The price required to recover the transfer and monitoring costs for five of our small regional recycled water systems were found to be very similar, enabling a standard price of \$109 per ML to be proposed for these systems. The Bannockburn tariff is slightly increasing due to a small increase in operating costs and to help standardise across similar recycled water systems.

DEVELOPERS

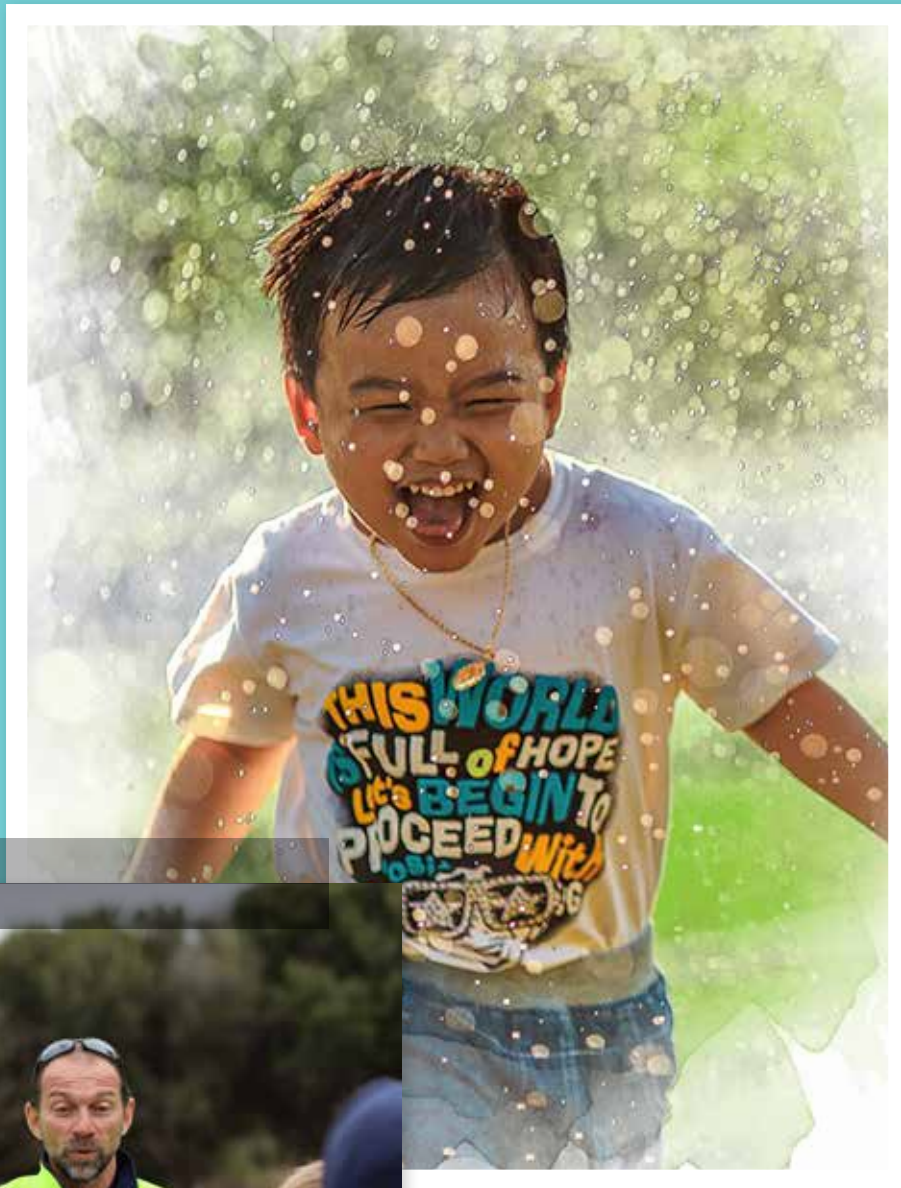
- Standard “new customer contribution” charges will apply for all greenfield and infill developments across our region – developers pay these on behalf of new customers that connect to our system
- Just over 40% of our investment in capital projects in the next five years will cater for our growing population
- We will move to a longer-term model with a 30-year outlook to determine new customer contributions to better reflect the cost of servicing growth and minimise fluctuations in future prices.

New customer contributions

	2022-23 current	2023-24 to 2027-28
Greenfield (per connection)		
Water	\$3,348	\$3,680 ^
Sewer	\$0	\$539 ^
Total	\$3,348	\$4,219 ^
Infill (per connection)		
Water	\$675	\$736 ^
Sewer	\$0	\$108 ^
Total	\$675	\$844 ^

Proposed charges are shown in 2022-23 dollars and will be subject to inflation.

= means charges will stay the same; v(down arrow) means charges will decrease; ^ (up arrow) means charges will increase.



Sustainable Development Goals

Delivering our strategy also means that will be doing our part to meet the United Nations Sustainable Development Goals. Our strategy directly contributes to more than half – 11 out of 17 – of these goals. We will indirectly contribute the other 6 goals, too.

1 NO POVERTY



We aim to make water bills affordable for every person in our region.

3 GOOD HEALTH AND WELL-BEING



We aim to provide secure, sustainable water and use our land to deliver cultural and community outcomes.

6 CLEAN WATER AND SANITATION



We aim to ensure water supply is never interrupted without notice, raw sewage never flows into sensitive environments and 100% of our water supply is from climate resilient sources.

7 AFFORDABLE AND CLEAN ENERGY



We aim to switch to 100% renewable electricity by 2025 and achieve net zero emissions by 2030.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



We aim to have innovative and reliable services and infrastructure.

11 SUSTAINABLE CITIES AND COMMUNITIES



We are aiming for all greenfield urban growth to exemplify integrated water management principles.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



We aim to move beyond zero waste.

13 CLIMATE ACTION



We aim to be agile, adapting and acting on climate challenges and opportunities.

14 LIFE BELOW WATER



We aim to recycle 100% of our wastewater.

15 LIFE ON LAND



We aim to help care for Country through our business practices.

17 PARTNERSHIPS FOR THE GOALS



We aim to create, nurture and sponsor meaningful partnerships with our customers, community, industry and agencies to create regional prosperity.

SUSTAINABLE DEVELOPMENT GOALS



