

August 2008

Stepped Tariff Pricing

Pricing Structure for Residential Customers

From July 1, 2005 a stepped tariff pricing structure has been applied to all residential customers. The stepped tariff does not apply to commercial customers or rural licence holders.

Why this tariff structure?

The State Government's 2004 *Our Water Our Future* White Paper proposed a new pricing structure for the water industry, designed to encourage more efficient water use. Instead of charging a flat rate for your water consumption, the new system applies a stepped tariff that will mean the price of water increases as the level of water consumed increases. Customer feedback received as part of our water strategy planning in 2004 showed strong support for this approach.

How are prices determined?

Price structures are reviewed and approved by the Essential Services Commission, an independent regulatory authority for the Victorian utilities industry.

What is a stepped tariff?

Stepped tariffs are based on a user-pays system that rewards customers for saving water. Stepped tariffs recognise the need to provide water for essential domestic use at an affordable price. Coliban Water uses a three step tariff. This is calculated on a daily basis of 0.548 litres per day (1 kl = 1,000 litres). The maximum daily consumption in each step per property is:

Step 1 – 0 to 0.548 kL per day (or 0 – 548 litres per day)

Step 2 – 0.549 to 1.096 kL per day (or 549 – 1096 litres per day)

Step 3 – 1.097 or more kL per day (or more than 1097 litres per day)

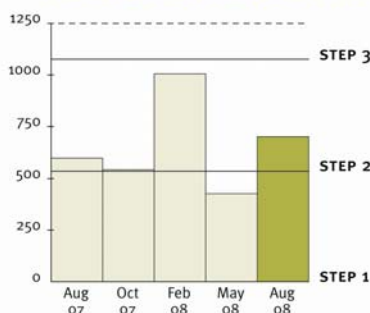
How does it work?

From 1 July 2005 the stepped tariff rates have been applied to your average daily water usage. Each billing period we take a meter reading at your property to check how many kilolitres of water have been used since your last meter reading.

We then calculate your average daily water usage by dividing the total consumption for the property by the number of days in the billing period. Your daily average consumption will determine the proportion of your water usage that falls within each step of the tariff. To help you manage your future water consumption, the graph on your account shows your historical average daily consumption.



Average daily usage in litres



Here is an example of what your consumption graph may look like on your Coliban Water account.

Coliban Water
 PO Box 2770 Bendigo
 Victoria 3554
 Tel: 1300 363 200
 Fax: 03 5434 1341
coliban@coliban.com.au

Tariffs vary according to your service area.

To find out which service area you are located in contact Coliban Water on 1300 363 200 or visit www.coliban.com.au

This publication was correct at the time of printing - August 2008.

Water and sewer service charges

Your water and sewer service (access) charges are fixed annual fees that are calculated daily, and apply in addition to water consumption charges.

Concessions

Eligible pensioners and Health Care Card holders can receive 50% off their total water and sewerage bill (both fixed service and volume charges) up to a maximum of \$189.70 per year. The maximum concession amount is indexed by the Consumer Price Index (CPI) each year.

The concession amount shown on your bill is calculated at a daily rate and applied to your bill each quarter. If you believe you may be eligible, but haven't yet provided us with your concession details, call 1300 363 200 to register.

Financial hardship

If you are experiencing difficulty making a payment, please contact us on 1300 363 200. We can arrange alternative payment options, or advise you on government assistance and concessions that may be available to you.

Save more water

Government rebates for selected water saving products are available. Call us for more information on 1300 363 200 or visit our website – www.coliban.com.au

Example of consumption charges

Based on Bendigo Residential tariffs 2008/2009:

Example of Consumption Charges on 1st account after 1 July 2008

(Based on Bendigo Residential Tariffs) 1 Kilolitre = 1000 Litres

VOLUME CALCULATION FOR 01/07/08 TO 26/08/08

Daily Allowance	x Days	= Total Step Volume	Your Consumption	Amount
Step 1 0.548 kL	x 56	= 30.688 kL	30.688 kL @ 1.0276	\$31.53
Step 2 0.548 kL	x 56	= 30.688 kL	30.688 kL @ 1.2430	\$38.15
Step 3	x 56	= remaining volume	3.624 kL @ 2.0390	\$7.39
				\$77.07

Maximum Daily Consumption > The maximum daily consumption in each step is calculated by multiplying the number of days by the maximum 548 litres (0.548 kL) per day in Step 1 and Step 2.

Consumption > Your consumption in each Step is detailed here.

WATER ACCESS FEE

Service Number	Size	Date From	Date To	Days	Rate	Amount
MS68381	20mm	30/05/08	30/06/08	32 @	32.43 c/day	\$10.38
MS68381	20mm	01/07/08	25/08/08	56 @	27.61 c/day	\$15.46
						\$25.84

Your account will also include water and wastewater access fees where applicable.

WASTEWATER ACCESS FEE

Service Number	Size	Date From	Date To	Days	Rate	Amount
MS68381	20mm	30/05/08	30/06/08	32 @	\$0.8913 /day	\$28.52
MS68381	20mm	01/07/08	25/08/08	56 @	\$1.0682 /day	\$59.82
						\$88.34