

Year 2 of Water Plan 2008-2013

Why are prices going up?

We are in the second year of our current Water Plan.

The water industry regulator, the Essential Services Commission (ESC), approved five annual tariff increases for Coliban Water early last year as part of its review for Coliban's 2008 – 2013 Water Plan.

How are prices related to the Water Plan?

The Water Plan sets out how we will deliver secure, high quality services to our customers over the next five years. This includes all projects we are going to complete, their costs and their impact on prices.

We have spent \$54 million on assets and infrastructure in the last 12 months. We plan to invest \$214 million to maintain and improve service to customers for the duration of the Water Plan.

How are prices determined?

All prices are based on the Essential Services Commission (ESC) price determination 1 July 2008 – 30 June 2013 and the Consumer Price Index (CPI) for 2009/2010 of 2.46%

Who is the Essential Services Commission?

The Essential Services Commission (ESC) is the independent organisation who checks that our costs are justified and that prices are fair.

Why is the price increase different each year?

Prices are higher for the first two years of the Water Plan, given the level of investment undertaken in the first two years – 2008 & 2009. (i.e. The Goldfields Superpipe, Bendigo Recycled Water Factory and permanent water purchases).

This year's average price increase for residential customer connected to both water and wastewater ranges from 12.9% in Echuca to just over 20% in Bendigo.

What do customers get for the price rise?

Pricing is directly linked to the cost of supply and treatment. It costs more to supply customers where we pump water than those located on river systems.

Projects in the current Water Plan include building pipelines to improve water security, making improvements to water quality in small towns, reducing the number of sewer blocks and upgrading sewer pump stations across our region.

Does the tariff change affect everybody?

Yes, prices across our region will be impacted.

Will prices continue to rise in the future?

It is inevitable that as we continue to invest in water security, building new infrastructure and replacing older infrastructure that prices will rise in the future. The extent to which this may happen will depend on the extent of the capital works program and future water purchases and treatment costs to further improve security of supply.



How will customers learn about the new tariffs?

Full page advertisements will begin appearing in all regional papers in our area from Friday 26 June. An all customer newsletter will be posted in July containing further information. All accounts issued in the quarter commencing on 1 July 2009 will carry a brief message advising that costs have risen, and referring customers to where they can obtain full information. Customers can also gain information from our website

www.coliban.com.au

Will there be discount for HealthCare Card Holders and Pensioners?

Concessions are available to eligible concession and HealthCare Card holders. Customers need to contact Coliban Water for further information or to register for concession.

Concessions for customers who have access to both water and sewerage services will be able to claim a concession of up to 50% of their account, up to a cap of \$216.60 (2009/10) – an increase of 14.18% on 2008/09.