



DELIVERING FOR **OUR REGION AND OUR FUTURE**

KEY ELEMENTS OF GMW'S
PROPOSED PRICING SUBMISSION 2024-28

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Acknowledgement

Goulburn-Murray Water acknowledges the Aboriginal and Torres Strait Goulburn-Murray Water respectfully acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners and custodians of the land and water on which all Australians rely.

We pay our respects to their Elders past, present and future, as Traditional Owners and the custodians of the land and water on which we rely and operate.



About our Pricing Submission 2024-28

EVERY FOUR YEARS, GMW IS REQUIRED TO DEVELOP A PRICING SUBMISSION THAT OUTLINES THE PROPOSED PRICES AND SERVICE LEVELS FOR THE NEXT REGULATORY PERIOD.

To develop our Pricing Submission 2024-28, we are engaging closely with our customers to determine their priorities and needs related to the level of service and GMW's fees and charges.

Our Pricing Submission, including our proposed fees and charges for the 2024-28 regulatory period, will be submitted to the Essential Services Commission (ESC) in September 2023. It will also include the proposed service levels we will provide and the efficient costs related to delivering these services.

Our submission will be based on extensive engagement with you – our customers – through workshops, drop-in sessions, meetings and conversations.

It is also based on our Service Plans, which were developed with the help of our customers to outline the future direction for our services. You can read more about our Service Plans on page 6.

As a non-profit authority, our pricing is structured to recover the costs of the services we provide to you and to maintain our assets – the dams, channels and meters we operate – into the future.

Once we develop and submit our Pricing Submission in September, the ESC will review and release the draft submission and their pricing determination for further engagement with our customers.

Once approved, the new prices and service levels will come into effect on 1 July 2024.

WHAT WE WANT TO ACHIEVE WITH YOU

Our Pricing Submission 2024-28 has a number of proposed outcomes which outline GMW's commitment to our customers for the regulatory period of 2024-28.

These outcomes represent the value our customers will receive during that period, and GMW will define output measures and associated annual targets that will be monitored annually.

OUR PROPOSED OUTCOMES



RELIABLE SUPPLY

We need our water to stay in the region and to deliver flow rates in the right timeframes.



CREDIBLE BUSINESS

We need GMW to be transparent, honest and trustworthy.



FAIR PRICING

We need prices that fairly reflect the true use of services and infrastructure by all water users (including irrigators, investors and the environment).



EFFICIENT OPERATIONS

We need the business to run lean enough to deliver affordable prices that support farmers to stay on the land.



RESPONSIVE SERVICES

We need GMW people and systems to efficiently deliver our services with digital information and communications systems that are fast and simple.



SOCIALLY RESPONSIBLE

We need to deliver on environmental, cultural and recreational outcomes that matter to our customers.



Our Vision and Values

GMW'S VISION OF "DELIVERING FOR OUR REGION AND OUR FUTURE" RECOGNISES THE SIGNIFICANT ROLE WE HAVE IN CONTRIBUTING TO THE PROSPERITY OF OUR REGION. WE WILL DO THIS BY PROVIDING ESSENTIAL RURAL WATER SERVICES TO OUR CUSTOMERS AT AN AFFORDABLE LONG TERM COST.

VISION

We take pride in knowing that we are the custodians of the infrastructure and services which form such an integral part of economic activity in our region.

Our five Strategic Outcomes, listed below, reflect our corporate aspirations.

Safe, skilled, engaged people

- We have a safe, inspiring and diverse workplace where learning is encouraged and people are supported.

Satisfied customers, trusting partners

- Our customer-first culture and strategic partnerships provide benefits for our customers and communities.

Innovation, data and technology driven services

- We innovate and use data and technology to deliver efficient services.

Sustainable business, viable customers

- We make long term, sustainable decisions focused on efficiency, finance and assets.

Water security and other water values are recognised

- We champion the cultural, economic and environmental opportunities that water provides to our communities.

VALUES

Core values are essential and enduring principles of an organisation. Values underpin its culture and provide a standard against which the Board and employees can test their decisions, actions and behaviours.

We have committed to the following organisational values to guide our culture:



EXCELLENCE

We pursue quality, innovation and continuous improvement in everything we do.



HONESTY

We are truthful and transparent in all our dealings and communications.



ACCOUNTABILITY

We take responsibility and ensure we follow through on all our commitments.



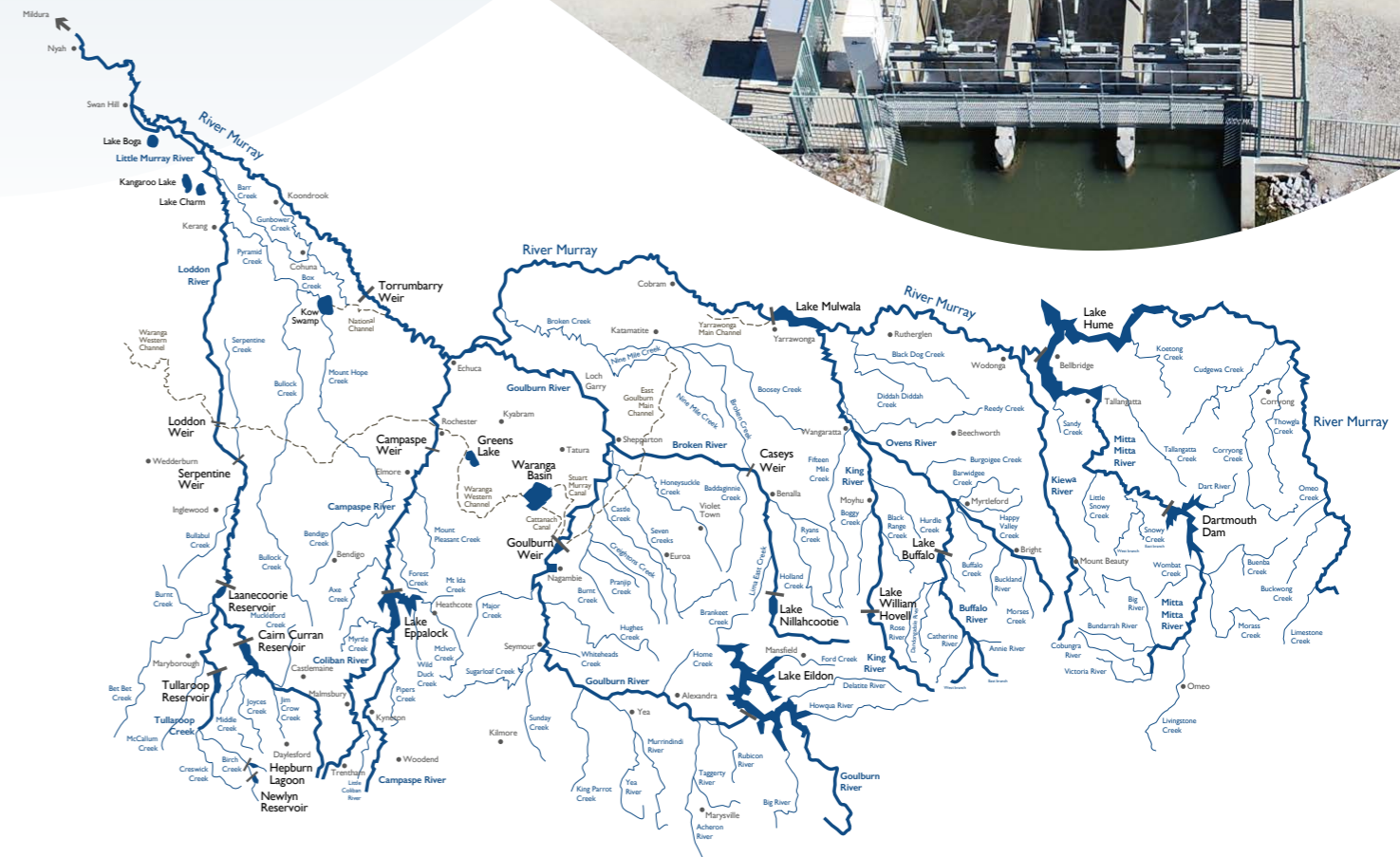
COURAGE

We take considered risks and step forward with conviction into a new future.



CARING

We look out for each other and demonstrate genuine empathy for our customers.



Who we are

GMW manages water resources on behalf of northern Victoria and the largest irrigated agriculture region in the nation. We harvest, store and deliver water for domestic use, to grow food and fibre and to protect flora and fauna. Our rivers and inland water storages provide recreation for Victorians while serving their economic and environmental interests. Water is our region's lifeblood and vital to all who live, work and play in northern Victoria. We are proud and privileged to manage this precious resource.

THE MAP ABOVE SHOWS THE 68,000 SQUARE KILOMETRE GMW REGION, BORDERED BY THE GREAT DIVIDING RANGE IN THE SOUTH AND THE RIVER MURRAY IN THE NORTH AND STRETCHING FROM CORRYONG IN THE EAST DOWN RIVER TO NYAH.



Developing our Service Plans

OUR SERVICE VISION



“OUR SERVICES ALIGN WITH RESILIENCE PRINCIPLES, UNDERPIN A FLOURISHING REGIONAL COMMUNITY AND ARE FINANCIALLY AND ENVIRONMENTALLY SUSTAINABLE.”

THROUGHOUT 2021-2022, WE DEVELOPED A SERIES OF SERVICE PLANS TO OUTLINE THE FUTURE DIRECTION OF OUR SERVICES.

A key focus was on our future infrastructure requirements so we can continue to support and deliver for the needs of our region.

The Service Plans underpin the overarching GMW Service Strategy, and establish an end-to-end plan for the individual services we provide.

Developing our Service Plans has been an important step in our Pricing Submission 2024-28.

WHAT SERVICE PLANS WERE DEVELOPED?

We developed a Service Plan for each of GMW's prescribed services:

- Gravity Irrigation
- Pumped Irrigation
- Drainage
- Water Districts (D&S)
- Diversions
- Bulk Water

HOW DID WE ENGAGE WITH CUSTOMERS?

For each Service Plan, GMW engaged with affected customers and stakeholders.

Customers provided feedback about the services they received from us via online surveys and focus groups, as well as in-person workshops. This helped us understand and prioritise what customers' needs were for the different services, and subsequently allowed us to pinpoint the areas we needed to focus on and explore further during this pricing submission period.



Our financial performance over the last four years

FOUR YEARS AGO WE TRANSFORMED OUR BUSINESS AND PASSED ON SAVINGS, REDUCING OUR PRICES BY AN AVERAGE OF 10 PER CENT. SINCE THEN, WE HAVE CONTINUED REVIEWING OUR OPERATIONS AND REDUCING OUR COSTS, WHILE DELIVERING SERVICE COMMITMENTS FOR OUR CUSTOMERS.

Throughout the delivery of the Pricing Submission 2020-24, we saved \$12 million in operating costs and further efficiencies in capital project delivery. This has been a result of careful financial management and the introduction of innovative practices.

Our focus over the last four years has been on streamlining the business to give our customers maximum value for money, which saw us being able to deliver a fairer deal for all over the last three years when it comes to pricing stability and structure.

Our prices remain lower than they were seven years ago, and our operating costs have trended below what was approved in our 2020-24 Pricing Submission.

In July 2022, we released our annual 2022/23 Price List. Despite the Consumer Price Index rising by 5.1 per cent, our prices only increased an average of two per cent across the board.

For our annual 2023/24 Price List, we were pleased to advise that despite a Consumer Price Index (CPI) of seven per cent, most typical customer bills will only see an increase between two to six per cent, which remains lower than CPI.

Over the 2020-2024 regulatory period we have worked hard to reduce costs while implementing several important changes to our tariff structure.

One of the major achievements in the past two years was the successful implementation of a single customer charge, which also saw:

- A uniform pricing for gravity irrigation customers
- A drop in the Infrastructure Access Fee and the Infrastructure Use Fee for gravity irrigation customers
- A move to system pricing for all water share owners; and
- Service point fees simplified by treating all meters the same way.

Our Pricing Submission 2024-28 will see us continue to simplify our systems and tariffs to make it easy to understand what you're paying for as a GMW customer.

GMW is committed to playing a part in building a strong and prosperous region and will pass any price cuts directly to our customers.

Success is always best shared and this will continue through our valued partnerships with customers, stakeholders, third parties and the communities we live and work in.

Our mandate is clear. Through strong governance and efficient and effective operations we will continue to deliver crucial services to our customers while being a socially responsible employer across the region. While there is still much more to achieve, we are looking to the future with confidence and optimism.

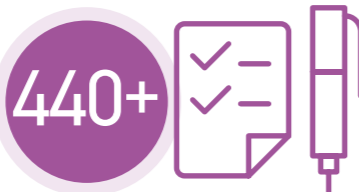


What we've heard so far

FOLLOWING THE DEVELOPMENT OF OUR SERVICE PLANS, WE HAVE BEEN DIGGING DEEPER AND ASKING OUR CUSTOMERS ABOUT A RANGE OF ISSUES AND OPPORTUNITIES. THERE IS STILL TIME TO HAVE A SAY, AND HERE'S SOME OF WHAT WE'VE HEARD SO FAR.



440+ SURVEYS FILLED OUT FOR OUR SERVICE PLANS



SERVICE STANDARDS

Service standards specify the quality, availability, reliability and safety of the service customers can expect to receive. We're asking customers for their thoughts on whether our service standards hit the mark, and if they're satisfied with some proposed changes.

88% APPROVAL

ARE YOU HAPPY WITH THE SERVICE STANDARD OF EXISTING FLOW RATE WITHIN 10% OF ORDER FOR GRAVITY IRRIGATION?



"More efficient billing - online availability is important."

BILLING

Each year, GMW sends out two types of accounts to customers – fixed and variable. We're asking customers if they would support the proposal to move from two variable invoices to one, and would they support the proposal to move the fixed charges due date from December to November.

CUSTOMER SERVICE POINT DEACTIVATION

GMW has some modernised customer service points (CSP) that have had limited or no use over continuous years. We're exploring the feasibility of deactivating these assets to minimise costs associated with maintenance and component replacement for periods where the service point is not being actively used, and are asking customers about whether they would be willing to deactivate their CSP.

Would you be likely to elect to deactivate one or more of your customer service points if you didn't plan to use it across multiple years?

73% APPROVAL

CAPITAL EXPENDITURE AND MAINTENANCE PROGRAM – WATER STORAGES

GMW operates major storages across northern Victoria – keeping these dams in good working condition now and into the future requires investment.

"User pays should be the number one priority."

CAPITAL EXPENDITURE AND MAINTENANCE PROGRAM – IRRIGATION NETWORK

Operating and maintaining our channels and irrigation network across the GMID is a big and challenging undertaking. To ensure the network continues to provide a reliable water supply over the next four years, investment will be needed for weed treatment, desilting and first-generation modernised assets componentry, alongside our regular channel bank and bridge/culvert upgrade programs.

All water entitlement holders should pay for the upkeep of the storage and delivery system infrastructure use fee, not just a storage fee."

HAVE YOUR SAY

Read our full proposals on the above and tell us your thoughts at yoursay.gmwwater.com.au

We can also organise for one of our Customer Relationship Coordinators or area staff to come speak to you one-on-one and take you through these options – phone us on 1800 013 357 to organise a time and day that suits you.

yoursay.gmwwater.com.au





What we're engaging on now

We're heading out on the road in June and July to speak to our customers on further proposals for our Pricing Submission 2024-28.

Our next round of engagement will involve more in-depth discussions around pricing, gravity irrigation, diversions, drainage, fee for service, water districts and pumped irrigation.

The proposals along with our road show dates can be found in full on our yoursay.gmwater.com.au

PRICING

We're asking for your feedback on our proposed fees and charges for the regulatory period of 2024-28. A full rundown of what a typical customer bill will look like for each service can be found on the following pages.

SERVICE STANDARDS

We're asking for your feedback on our proposed service standards we can then monitor our performance against. Descriptions of proposed changes are included within consultation papers for each service and also include changes to how we measure our service standards where applicable.

GRAVITY AND DIVERSIONS PRICING

We're asking for your feedback on our proposed fees and charges for the regulatory period of 2024-28. A full rundown of what a typical customer bill will look like for each service can be found on the following pages.

GMID DRAINAGE PRICING

We are proposing to reduce the number of drainage pricing entities, amalgamating Surface Drainage into East, West, Central and Tyntynder, and Subsurface Drainage into East and Central.

We are also proposing to phase out the Water Use Fee for Surface and Subsurface Drainage, and to make changes to Surface Drainage tariffs for drain diversion.

Our customers have told us that the Surface and Subsurface drainage tariffs are overly complicated and difficult to understand. The proposed changes will help us work towards a simpler, fairer and more cost-effective drainage tariffs.

WATER SUPPLY DISTRICTS

We've identified water infrastructure projects that will ensure the ongoing operation of these services into the future and are asking for your feedback on our proposed fees and charges for the regulatory period of 2024-28. We will also work with our customers to plan for future infrastructure and service needs to ensure customer needs are met in to the future.

CUSTOMER SERVICE POINT DEACTIVATION

We're continuing to seek feedback from customers about whether they would be willing to deactivate their Customer Service Point if the option was available. Feedback gathered will be used to inform further investigations and discussions into this option being available for customers in the future.

PUMPED IRRIGATION

Our pumped irrigation network has an aging infrastructure base. We will work with our customers to determine the infrastructure required to meet service needs into the future and want to know your priorities for this service.



How your bill is changing

The tables below show the bill impact on typical customers in the Goulburn-Murray Irrigation District (GMID) over the regulatory period of 2024/28 and excludes CPI.

Version updated on 8 June 2023

Gravity Irrigation		Small				
		2023/24	2024/25	2025/26	2026/27	2027/28
Shepparton		\$418	\$418	\$411	\$412	\$412
Central Goulburn		\$418	\$418	\$411	\$412	\$412
Rochester		\$418	\$418	\$411	\$412	\$412
Loddon Valley		\$418	\$418	\$411	\$412	\$412
Murray Valley		\$422	\$421	\$416	\$416	\$416
Torrumbarry		\$422	\$421	\$416	\$416	\$416

Gravity Irrigation		Medium				
		2023/24	2024/25	2025/26	2026/27	2027/28
Shepparton		\$7,801	\$7,827	\$7,649	\$7,680	\$7,708
Central Goulburn		\$7,585	\$7,617	\$7,456	\$7,505	\$7,550
Rochester		\$7,525	\$7,572	\$7,427	\$7,491	\$7,550
Loddon Valley		\$7,699	\$7,687	\$7,492	\$7,515	\$7,408
Murray Valley		\$7,773	\$7,824	\$7,715	\$7,765	\$7,815
Torrumbarry		\$7,428	\$7,493	\$7,397	\$7,458	\$7,515

Gravity Irrigation		Large				
		2023/24	2024/25	2025/26	2026/27	2027/28
Shepparton		\$25,006	\$25,042	\$24,230	\$24,288	\$24,338
Central Goulburn		\$24,088	\$24,150	\$23,408	\$23,538	\$23,662
Rochester		\$23,831	\$23,958	\$23,283	\$23,477	\$23,662
Loddon Valley		\$24,534	\$24,414	\$23,531	\$23,553	\$23,049
Murray Valley		\$24,867	\$25,010	\$24,489	\$24,628	\$24,777
Torrumbarry		\$23,399	\$23,598	\$23,126	\$23,309	\$23,489

Gravity Irrigation		Extra Large				
		2023/24	2024/25	2025/26	2026/27	2027/28
Shepparton		\$50,574	\$50,507	\$48,422	\$48,475	\$48,521
Central Goulburn		\$49,236	\$49,261	\$47,311	\$47,500	\$47,692
Rochester		\$48,803	\$48,940	\$47,103	\$47,404	\$47,692
Loddon Valley		\$50,791	\$50,441	\$48,215	\$48,209	\$46,984
Murray Valley		\$50,818	\$50,936	\$49,408	\$49,498	\$49,592
Torrumbarry		\$48,736	\$48,998	\$47,609	\$47,831	\$48,055



Pumped Irrigation		Small			
	2023/24	2024/25	2025/26	2026/27	2027/28
Woorinen	\$1,275	\$1,271	\$1,265	\$1,262	\$1,260
Nyah	\$1,209	\$1,207	\$1,203	\$1,202	\$1,201
Tresco	\$1,345	\$1,384	\$1,420	\$1,462	\$1,506

Pumped Irrigation		Medium			
	2023/24	2024/25	2025/26	2026/27	2027/28
Woorinen	\$8,033	\$8,349	\$8,568	\$9,033	\$9,555
Nyah	\$10,000	\$10,063	\$9,952	\$10,024	\$10,079
Tresco	\$9,580	\$9,867	\$9,979	\$10,284	\$10,582

Pumped Irrigation		Large			
	2023/24	2024/25	2025/26	2026/27	2027/28
Woorinen	\$19,411	\$20,094	\$20,491	\$21,476	\$22,578
Nyah	\$19,711	\$19,838	\$19,617	\$19,763	\$19,872
Tresco	\$18,870	\$19,446	\$19,671	\$20,283	\$20,879

Water Supply District		Small			
	2023/24	2024/25	2025/26	2026/27	2027/28
Normanville	\$2,255	\$2,278	\$2,298	\$2,322	\$2,347
Tungamah	\$1,626	\$1,474	\$1,469	\$1,468	\$1,468
East Loddon	\$966	\$1,016	\$1,061	\$1,116	\$1,176
East Loddon (North)	\$1,082	\$1,177	\$1,278	\$1,393	\$1,519
West Loddon	\$879	\$904	\$926	\$953	\$980
Mitiamo	\$2,195	\$2,202	\$2,206	\$2,215	\$2,224

Diversions		Small			
	2023/24	2024/25	2025/26	2026/27	2027/28
Regulated Surface (Murray)	\$531	\$508	\$484	\$465	\$448
Regulated Surface (Goulburn)	\$529	\$505	\$481	\$462	\$446
Unregulated Surface	\$379	\$369	\$360	\$353	\$346
Shepparton Groundwater	\$225	\$226	\$227	\$229	\$230
Groundwater	\$524	\$508	\$493	\$481	\$469



Diversions		Medium			
	2023/24	2024/25	2025/26	2026/27	2027/28
Regulated Surface (Murray)	\$1,654	\$1,661	\$1,549	\$1,562	\$1,567
Regulated Surface (Goulburn)	\$1,573	\$1,580	\$1,445	\$1,472	\$1,492
Unregulated Surface	\$812	\$832	\$848	\$875	\$892
Shepparton Groundwater	\$340	\$338	\$337	\$335	\$334
Groundwater	\$1,497	\$1,511	\$1,521	\$1,543	\$1,556

Diversions		Large			
	2023/24	2024/25	2025/26	2026/27	2027/28
Regulated Surface (Murray)	\$4,795	\$4,805	\$4,344	\$4,361	\$4,361
Regulated Surface (Goulburn)	\$4,470	\$4,480	\$3,929	\$4,003	\$4,061
Unregulated Surface	\$1,232	\$1,252	\$1,268	\$1,295	\$1,312
Shepparton Groundwater	\$594	\$586	\$578	\$569	\$561
Groundwater	\$2,955	\$2,969	\$2,980	\$3,002	\$3,015

Diversions		Extra Large			
	2023/24	2024/25	2025/26	2026/27	2027/28
Regulated Surface (Murray)	\$8,555	\$8,565	\$7,572	\$7,576	\$7,564
Regulated Surface (Goulburn)	\$7,859	\$7,869	\$6,683	\$6,809	\$6,921
Unregulated Surface	\$2,835	\$2,872	\$2,901	\$2,951	\$2,983
Shepparton Groundwater	\$1,044	\$1,024	\$1,004	\$984	\$964
Groundwater	\$5,766	\$5,791	\$5,808	\$5,848	\$5,870

Note: All prices and typical bills provided are calculated excluding CPI and could be subject to change as part of the consultation and determination process for the 2024-28 Pricing Submission.



How to have your say

There are a number of ways you can have your say on our Pricing Submission 2024-28.

- Read the proposals and fill out our surveys at yoursay.gmwater.com.au
- Phone our Customer Contact Centre on 1800 013 357 to organise an appointment with our Customer Relationship Coordinators
- Drop-in to one of our roadshow locations to speak to us face-to-face about the proposals and share your feedback

A full list of locations and dates where you can chat with us about our proposals and give your feedback can be found at yoursay.gmwater.com.au/pricing-submission-2024/roadshow

Next steps

We'll collate your feedback and finalise our proposed Pricing Submission 2024-28, which will be lodged with the Essential Services Commission on 29 September 2023.

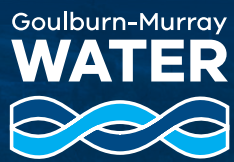
The ESC will then conduct a round of engagement as part of their review of our submission. You'll be able to comment to the ESC during that process.

The ESC will then deliver a draft decision in March 2024. A final price determination will be made in May 2024 for implementation from 1 July 2024.

For more information visit yoursay.gmwater.com.au

yoursay.gmwater.com.au






GMW CUSTOMER ENQUIRIES

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