

BOARD BULLETIN

A report of matters associated with Southern Rural Water's board meeting held in SRW Maffra office on Tuesday 30 March 2021.

Excellence in rural water management, driving growth and customer productivity in southern Victoria.



Present:

| | |
|------------------------|--------------------------------|
| Ms Diane James AM | Chairman |
| Mr Michael Malouf AM | Deputy Chairman |
| Ms Naomi Cleary | Director |
| Mr Christopher Edwards | Director |
| Mr. Angus Hume AM | Director |
| Ms Peta Maddy | Director (via videoconference) |
| Ms Michelle McCrum | Director |
| Ms Kylie Steel | Director |
| Mr Cameron FitzGerald | Managing Director |

Management:

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|-------------------------|---|
| Mr Stuart Wrigglesworth | Chief Financial Officer & Corporation Secretary |
| Ms Renae Cooke | Executive Assistant to the Managing Director |

For part of meeting:

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|----------------------|--|
| Mr. Hugh Christie | A/General Manager Service Delivery |
| Ms. Isabel Frederick | General Manager Customers and Technology |
| Ms Elisa Hunter | General Manager Strategy and Performance |
| Mr Simon Wilkinson | A/General Manager Assets and Environment |

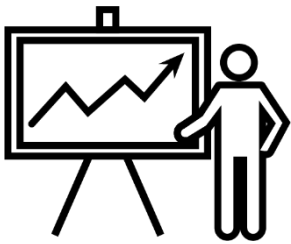




OUR MEETING

The SRW board met in Maffra, in the heart of the Macalister Irrigation District (MID), for its March 2021 meeting. The meeting represented the first opportunity for the board to return to Gippsland after a period of COVID-19 response, with newer directors taking the opportunity to visit SRW's assets across the MID, including Glenmaggie Weir and the siphon number one replacement project.

Directors met with staff at the Maffra office who have begun returning to the workplace over recent months. Chairman, Diane James AM, addressed the staff thanking them for their efforts over the past year to keep the water flowing for our customers.



OUR OUTCOMES

Discussions at the March board meeting centred around preparations for SRW's next pricing submission which is due to be provided to the Essential Services Commission in September 2022.

ESC Chair, Ms Kate Symons and Director, Price Monitoring and Regulation, Mr Marcus Crudden, attended the meeting via videoconferencing, presenting on the PREMO framework that ESC applies to assessing price submissions. Their presentation provided important context as the board considered how to approach our next pricing submission.

ESC representatives commented positively about SRW's customer engagement approach which was rated as "leading" in the last price submission. The board highlighted the criticality of continuing this focus as the next pricing submission is developed.

OUR ASPIRATIONS



Excellence

The past year has seen a significant focus on enhancing SRW's asset management program. This board meeting discussed a 25-year capital investment outlook that seeks to ensure SRW can continue to deliver its services reliably and securely over the long term. This work was supported by the development of a financial model that is being used to ensure appropriate funding strategies are adopted to meet required investment needs over the long term.

The board welcomed this work and highlighted the importance of including this analysis in the development of the next pricing submission.



Our Customers

The board discussed SRW's recent stakeholder survey and was pleased to receive results showing largely positive engagement between SRW's stakeholders and our senior leaders.

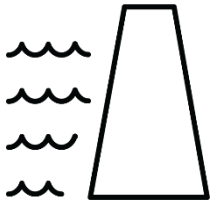
The board highlighted that a strong emphasis needs to be placed on enhancing our partner relationships in the South West of the State, with a view to supporting local aspirations for growth in agriculture through sustainable access to available water resources.



Our Community

The Chairman reported on the official opening of the recently completed mural on the heritage-listed water tower at SRW's Werribee office by the Victorian State Treasurer, Mr Tim Pallas. The board expressed their appreciation to SRW staff for their work to enable the renewal of this important local icon, which has been positively received by the local community.

The board also authorised the Managing Director to seek an agreement between SRW and Moorabool Shire to create a public access corridor within SRW's land that enhances community connection through the town. The walking and cycling corridor has strong community support, and is an excellent opportunity for SRW to continue to grow our partnership with Moorabool Shire.



OUR FOUNDATIONS

The board also considered:

- Approval of our annual regulatory accounts.
- A progress report on implementation of the Victorian Government's Water for Victoria policy.
- The financial assumptions for our upcoming 2021-22 Corporate Plan.

