



Southern  
Rural Water

# Corporate Plan

2023-2024



## Acknowledging Traditional Owners

Southern Rural Water acknowledges and recognises Aboriginal people as the Traditional Owners and Custodians of the land and waters on which we work and live, and we respect their deep and ongoing connection to Country. We are committed to honouring the knowledge, aspirations, and ongoing connection to Country of Aboriginal Victorians in our operations, water planning activities and decision-making. We understand the mutual benefit of working in partnership and seek to embed this ethos into everything we do.

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# Foreword

Southern Rural Water is pleased to present our Corporate Plan for 2023-24.

We are investing for a long-term sustainable organisation – one that can *deliver great value for customers and community through excellence in rural water management* now and into the future.

This is the Southern Rural Water Plan:

- Commence the implementation of a new five-year price submission designed to secure our long-term financial sustainability. In developing the price submission, we took a 25-year time horizon, considering the opportunities and threats to Southern Rural Water's long term financial sustainability, including the impacts of funding a large asset renewal program and the ongoing impact of climate change. The result is a strategic shift to real price increases in our Macalister and Werribee irrigation districts to fund, along with state and federal governments, significant upgrades in water services through our modernisation program which will involve a further \$48.4m investment during 2023-24. This has been achieved while ensuring the 86% of customers who do not operate within our irrigation districts experience no real price increases over the next five years.
- Take a leading role in climate adaptation and mitigation. We remain on track to achieve our net zero greenhouse gas emissions target by 2025 and we are advanced in our implementation of our climate adaptation plan. Southern Rural Water will seek to take advantage of the once in a generation shift in energy generation, by exploring future opportunities to expand our hydro-power network, consider larger scale solar installations and explore hydrogen fuel opportunities.
- The safety and wellbeing of our people will continue to be a key focus with new initiatives to drive positive outcomes for our culture, diversity and inclusion, and safety and wellbeing. Southern Rural Water is proud to have substantially reduced our injury frequency rates over recent years to below the water industry benchmark and our “always safe” behaviours are embedded in our culture. Our workforce is starting to reflect our diverse communities and our People Plan has a strong focus on safety, culture and inclusion, including meeting the requirements of the Gender Equality Act 2020.
- Engage in meaningful and long-term partnerships with Traditional Owners. Southern Rural Water is proud to have played a significant role in taking steps towards water justice through recent water licensing decisions for Traditional Owners. We are firmly committed to promoting self-determination of Traditional Owners and partnering with Traditional Owners and all levels of government to achieve the aspirations expressed in the Victorian Government's Water is Life policy.

In recent times Southern Rural Water has faced the challenges of a global pandemic, high rainfall events, widespread flooding, an earthquake, increasing cyber security threats and changing economic circumstances leading to cost escalation. Yet our organisation has thrived through these challenging circumstances, continuing to deliver the services our customers need to produce local, high quality and nutritious food and fibre as well as delivering water security for both electricity production and urban water suppliers in Gippsland and Melbourne's west.

Southern Rural Water looks forward to a bright 2023-24, investing in our assets and our people to provide great value to our customers and the communities that we serve through excellence in rural water management.



Joanne Butterworth-Gray  
Chair



Cameron FitzGerald  
Managing Director

## Qualification

Southern Rural Water (SRW) submitted its Price Submission 2023 to the Essential Services Commission (ESC) in September 2022. The Submission describes our proposed services levels, costs, and prices over the next five years. The ESC will release its final decision on our price submission in May 2023. This Corporate Plan is therefore subject to review pending the ESC's final determination.

## Acronyms

AI	Artificial Intelligence
ANCOLD	Australian National Committee on Large Dams
BMID	Bacchus Marsh Irrigation District
CPI	Consumer Price Index
DEECA	Department of Energy, Environment and Climate Action
DELWP	Department of Environment, Land Water and Planning
EA	Enterprise Agreement
ERP	Enterprise Resource Planning
ESC	Essential Services Commission
GL	Gigalitre
GLaWAC	Gunaikurnai Land and Waters Aboriginal Corporation
ICT	Information Communication Technology
IT	Information Technology
LoE	Letters of Expectation
ML	Megalitre
MID	Macalister Irrigation District
NWGA	National Water Grid Authority
OT	Operational Technology
SCI	Safety Culture Index
SDG	Sustainable Development Goals
SoO	Statement of Obligations
SRW	Southern Rural Water
The Water Act	Water Act 1989 (Victoria)
VEWH	Victorian Environmental Water Holder
VWR	Victorian Water Register
WID	Werribee Irrigation District
WIRO	Water Industry Regulatory Order 2003

# Introduction

## Who we are

Gippsland and Southern Rural Water Corporation, trading as SRW, is a state-owned water corporation.

We supply water to irrigators, power generators and urban water corporations, and we work with the Victorian Environmental Water Holder (VEWH) alongside catchment management authorities and Melbourne Water to manage the release of environmental flows.

We service customers across 88,000 square kilometres, or 37 percent of the state, stretching from the South Australian border to the New South Wales border, and from the Great Dividing Range to the Victorian coastline.

We operate seven major dams, eight diversion weirs and three irrigation districts, and we manage take and use licences for waterways, licences relating to catchment dams, and farm dam registration.

We recognise the important role we play as stewards of water resources, ensuring that we manage them sustainably for the long term.

We are proud to be the lifeblood of the agricultural economy of southern Victoria.

Our services support a food and fibre sector that contributes more than \$14.2 billion to the economy each year.

With approximately \$1.85 billion in assets, we deliver water from catchment to farm gate, businesses and industry and employ 160 people.

We have business centres located in Maffra, Werribee and Warrnambool, and also have smaller offices scattered across our regions, ensuring we remain closely connected to our customers across our whole service area.

### **SRW service area**



## What we do

Under the Water Act 1989 (Vic), SRW has functions that include the delivery of water and irrigation drainage services as well as the delegated responsibility for administering water shares and take and use licences. Our services and functions are further defined by the Statement of Obligations (SoO), which provides the framework for the economic regulation of water corporations, the Letter of Expectations (LoE) to support delivery of actions identified in Water for Victoria, as well as specific directions provided by the Minister for Water.

The water we harvest, store, manage and license is primarily for agricultural, urban and industrial purposes. Bulk entitlements are held by power generation companies, urban water corporations for raw water to treat for urban supplies, and by the VEWH. Water shares are held by individual customers within the districts.

## Irrigation districts

We manage the release and delivery of water to the Werribee, Bacchus Marsh and Thomson/Macalister irrigation districts. This includes operating and maintaining regulated rivers, channels, pipeline networks, drainage systems, and the supply of recycled water.

## Large dams

We operate and maintain seven dams to harvest water on behalf of irrigators and bulk entitlement holders, including power generators and urban water utilities. In addition to the dams, we manage eight weirs and the Willang Yarn balancing storage, all of which help us to manage water flows through our system.

### *SRW storages*

Storage	Size (ML)	River	Customers
Blue Rock Lake	208,000	Latrobe	Gippsland Water, power generators, licensed diverters, VEWH, Department of Treasury and Finance
Lake Narracan	7,230	Latrobe	Power generators, Department of Treasury and Finance
Lake Glenmaggie	177,640	Macalister / Thomson	Macalister irrigators, licensed diverters, VEWH
Rosslynne Reservoir	25,400	Maribyrnong	Greater Western Water, Melbourne Water, licensed diverters
Melton Reservoir	14,360	Werribee	Werribee irrigators, Bacchus Marsh irrigators, licensed diverters
Merrimu Reservoir	32,215	Werribee	Greater Western Water, Werribee irrigators, Bacchus Marsh irrigators, licensed diverters, VEWH
Pykes Creek Reservoir	22,119	Werribee	Greater Western Water, Werribee irrigators, Bacchus Marsh irrigators, licensed diverters



## Groundwater and rivers

We are delegated under the Water Act 1989 to manage licensed water use from southern Victoria's unregulated rivers and groundwater aquifers.

This includes assessing applications to:

- take and use water from unregulated rivers and groundwater aquifers
- construct new farm bores
- Construct, decommission or alter private farm dams

In addition to applications we also meter water use, ensure compliance with legal requirements and monitor rivers, aquifers and farm dams and apply rosters and restrictions to protect environmental outcomes.

We manage water use from unregulated rivers and groundwater aquifers across southern Victoria, including groundwater in urban areas.

## Recreational facilities

We provide a range of recreational facilities at our storages. These range from picnic grounds, playgrounds and barbecues to boat launching ramps catering for fishing and water-skiing. We are responsible for the ongoing maintenance of these facilities to ensure they meet the needs of the broader community.

These facilities cater for a variety of visitors, from those engaging in passive activities like picnicking and fishing at Blue Rock, to the more intensive motorised boating activities at Pykes Creek, Melton and Lake Glenmaggie. Consistent with Water for Victoria we continue to work with government departments and agencies to ensure that we are providing appropriate and fit for purpose access to these amenities, such as the funding for a new boat ramp at Blue Rock in partnership with Better Boats Victoria.

## Emergency management

SRW is required to meet Part 7A of the Emergency Management Act 2013 and the Emergency Management (Critical Infrastructure Resilience) Regulations 2015. The aim of this is to improve the resilience of Victoria's critical infrastructure by taking an 'all communities, all emergencies' approach to emergency risk management. SRW have developed an Emergency Risk Management Plan that provides an overview of our emergency risk management framework and demonstrates how we comply with the above obligations.

## Supporting Traditional Owner self-determination

We are committed to honouring the knowledge, aspirations, and ongoing connection to Country of Traditional Owners in our operations, water planning activities and decision-making. The release of the *Water is Life: Traditional Owner Access to Water Roadmap* is an important step towards self-



determination. It proposes a range of actions to increase Traditional Owner access to water and management of water landscapes.

In March 2022, we allocated a 2,500 ML per year water licence to Gunditj Mirring Traditional Owner Aboriginal Corporation for cultural use within the UNESCO World Heritage listed Budj Bim cultural landscape.

This follows from a 2020 decision to issue a 2,000 ML licence for an annual allocation from the Mitchell River to the Gunaikurnai Land and Waters Aboriginal Corporation.

SRW is committed to supporting the implementation of *Water is Life* in partnership with Traditional Owners and DEECA. We will continue to explore water availability in our managed systems where water ownership supports assertion of native title rights and cultural values.

## Other functions

We also undertake a range of ancillary functions, including:

- operating as resource manager for some surface water catchments
- operating and maintaining groundwater pumps in and around the Macalister Irrigation District (MID) to manage salinity
- providing administrative support to the Drillers Licence Board Victoria
- leading, supporting, and collaborating on joint projects relating to the water sector.

## Our regulatory context

The Water Act 1989 provides the legal framework for managing Victoria's water resources. Water for Victoria provides the policy context while our SoO and LoE provide greater clarity of government requirements.

## How we do it

### SRW board

SRW is governed by a board of directors, comprising seven non-executive directors (including the Chair) appointed by the Minister for Water, and a Managing Director appointed by the board.

We have a Corporate Secretary responsible for resourcing the secretariat function and providing professional guidance and assistance on governance matters.

The board will continue to seek improvement in its governance planning and practices by:

- conducting an annual review of the board's performance, and subsequently developing and implementing a continuous improvement plan
- establishing and supporting board committees support the board's effectiveness and meet governance requirements . The committees are:
  - Audit, Risk and Governance
  - Asset Governance
  - People, Safety and Culture
- Working closely with our three customer consultative committees, which comprise a diverse range of customers, to provide input and feedback to the board and provide critical guidance and insight into customer thinking.
- locating board meetings throughout our region to engage with customers and stakeholder groups through field tours, stakeholder receptions, and face-to-face meetings
- reporting on board meetings to our customer committees
- encouraging director attendance at relevant industry forums and encouraging directors' continuing professional development
- supporting the principles of Aboriginal self-determination and a commitment to undertake Aboriginal Cultural Safety training
- monitoring government policy and ensuring corporation alignment to policy
- cultivating an inclusive culture that models public sector values and SRW trademark behaviours.

### Business units

SRW's structure is focused on enabling our people to be flexible, agile, and collaborative in the workplace. We work cross-functionally across all areas of the business to ensure we achieve operational excellence. Many initiatives within this plan will be delivered by project teams with representatives from different teams and business units.

The business units that deliver for our customers and community are outlined in the following table.

***Business units***

Unit	Functions
Service Delivery	Operating our Macalister, Werribee, and Bacchus Marsh irrigation districts, managing licence diversions from surface and groundwater, and the construction of bores and dams.
Asset Futures	Developing and delivering the capital plan including critical modernisation projects, with a focus on outstanding asset management and dam safety management.
Strategy, People and Culture	Strategic planning to ensure sustainable management of our water resources, pricing, business performance, environment and planning to mitigate climate impact. Providing communications and engagement activities for customers, stakeholders, and communities. Managing the employment, engagement, and development of a diverse, knowledgeable, and engaged workforce.
Customers and Technology	Providing customer service via telephone, online and face-to-face channels, supported by digital technologies aligned to customer expectations. Implementation of IT systems and networks and investment in technology to support our strategic objectives and mitigate risks including cyber security.
Finance, Risk and Safety	Supporting and delivering fiscal management, risk management and corporate governance. Managing our procurement, facilities, and fleet to ensure contemporary, accessible, and sustainable work environments and resources. Supporting the health, safety, and wellbeing of our people.

# Risk

## Our risk management approach

Our work on risk management continues to be consistent with the International Standard ISO 31000:2018 and requirements under the Statement of Obligations.

Appropriate controls and treatments have been established to manage each risk. We review these on an ongoing basis.

Consequence assessment considers each risk against six themes: people, financial sustainability, reputation, third party losses, customers, and environment.

Risks are regularly reviewed and considered including potential new risks and occurrences. Changes are considered via the Audit, Risk and Governance Committee followed by board approval.

Risks are recorded in a comprehensive risk register. An annual risk review is conducted and presented to the board in June each year. Strategic risks are individually reviewed at board committee level throughout the year, allowing for a comprehensive presentation by risk owners, and a thorough examination of the topic by the board committee.

An attestation by the Managing Director to each board meeting and to the Audit, Risk and Governance Committee, includes risk occurrence for the month, changes to individual risk ratings, changes to risk mitigation strategies, and any emerging risks which may have been identified.

## Strategic risks and controls

The following table identifies our strategic risks and controls. These controls are regularly assessed for their adequacy and their performance:

### SRW Risks

Risk	Primary controls
Terrorism	<ul style="list-style-type: none"> <li>• Compliance with, and associated annual attestation, to Part 7A of the <i>Emergency Management Act 2013</i>.</li> <li>• Monitoring national terrorist alert system or other government advice.</li> <li>• Facilities management plans (secure access to vulnerable infrastructure, alarms, remote monitoring, and video surveillance).</li> </ul>
Industrial relations	<ul style="list-style-type: none"> <li>• Operating in accordance with enterprise agreement, policies, and procedures.</li> <li>• Effective engagement with staff including employee consultative committee.</li> <li>• Effective engagement and communication with our people through the Employee Consultative Committee. We have commenced good faith bargaining in enterprise agreement negotiation</li> </ul>
Dam failure	<ul style="list-style-type: none"> <li>• Asset management systems compliant with the Asset Management Accountability Framework set by government, including:               <ul style="list-style-type: none"> <li>○ performance standards consistent with guidelines issued by the Australian National Committee of Large Dams (ANCOLD)</li> <li>○ periodic review of the design capability of our dams</li> <li>○ on-going dam surveillance</li> </ul> </li> </ul>

Financial sustainability	<ul style="list-style-type: none"> <li>○ integration with financial planning.</li> <li>• Dam Safety Emergency Plans for all large dams and high hazard structures.</li> <li>• Ongoing licensing of all potentially hazardous dams which aims to ensure that dam owners are compliant with their obligations.</li> <li>• Operate in accordance with our financial sustainability narrative, which: <ul style="list-style-type: none"> <li>○ sets measures of financial sustainability</li> <li>○ directs the integration of SRW's financial planning with its asset management systems</li> <li>○ directs an annual review of SRW's long-term financial model</li> <li>○ identifies strategies to manage financial sustainability risk</li> <li>○ directs early notification to government and customers if the long-term financial model indicates that current pricing is not sustainable.</li> </ul> </li> <li>• Avoid large unplanned expenditure by: <ul style="list-style-type: none"> <li>○ high-standard asset management systems</li> <li>○ high-level technical understanding of dam engineering requirements to avoid sudden expenditure due to changes in ANCOLD design standards, loss of life value or increase in downstream population</li> <li>○ insurance policies held for catastrophic asset damage.</li> </ul> </li> </ul>
Align with government policy	<ul style="list-style-type: none"> <li>• Engagement with Ministers and departmental staff to best understand government policy objectives.</li> <li>• Formal communication of policy delivery through the annual Corporate Plan and Annual Report.</li> <li>• Adherence to SRW policies and corporate instructions, including compliance with licensing practices, purchasing, and tendering procedures.</li> </ul>
Climate change	<ul style="list-style-type: none"> <li>• Maintain SRW's Climate Adaptation Plan to ensure that we continue to provide an appropriate response to climate change risk to its operations and assets.</li> <li>• Modernising our irrigation districts resulting in increased efficiency and reduced losses.</li> <li>• Improve irrigation district resilience by having access to multiple water sources.</li> <li>• Continue the implementation of SRW's Net Zero and Beyond Emissions Reduction Plan.</li> </ul>
Environmental and cultural heritage damage	<ul style="list-style-type: none"> <li>• Conduct operations in accordance with SRW's environmental management plans and cultural heritage management plans.</li> <li>• Monitoring of surface water systems and aquifer levels (and quality if required) by technical staff and hydrogeologists, including the use of groundwater models to assess potential impacts in high-risk aquifers.</li> </ul>
Occupational health and safety	<ul style="list-style-type: none"> <li>• Operate the occupational health and safety management system which identifies, reports, and resolves safety hazards associated with our work activities and the conduct of our operations, which includes: <ul style="list-style-type: none"> <li>○ risk management procedure</li> <li>○ safety indicators for all operations conducted by the business</li> <li>○ consultation via SRW's Health, Safety and Environment Committee</li> <li>○ public safety risk registers</li> <li>○ robust contractor safety management.</li> </ul> </li> <li>• Regular validation of occupational health and safety risk management processes through internal and external audits and reviews.</li> </ul>
Pandemic operational impact	<ul style="list-style-type: none"> <li>• Maintain a contemporary pandemic plan, which includes: <ul style="list-style-type: none"> <li>○ cross-reference to incident management and business continuity arrangements</li> <li>○ strategies for concurrent business continuity failure</li> <li>○ technical and other logistical arrangements for remote working</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ authorisation and logistical arrangements for the imposition of government mandates in respect of quarantine, lockdowns and the supply and distribution of essential health and safety materials.</li> </ul>
Reputation	<ul style="list-style-type: none"> <li>• Regular engagement with stakeholders, opinion leaders and customers.</li> <li>• Provision of timely and accurate information to our customers and community through traditional and social media communication channels.</li> <li>• Public consultation process for significant or controversial issues, in particular a structured approach to consultation of contentious licence application decisions.</li> <li>• Support lead agencies during incidents, or as the lead agency manage communications by best practice principles.</li> </ul>
Financial mismanagement and fraud prevention	<ul style="list-style-type: none"> <li>• Set and review financial parameters via the Water Plan and Corporate Plan, including maintenance of the 25-year financial model.</li> <li>• Compliance with the Financial Management Act Standing Directions issued by the Assistant Treasurer, including: <ul style="list-style-type: none"> <li>○ financial controls and reconciliations</li> <li>○ procurement obligations</li> <li>○ customer debt management</li> <li>○ treasury management.</li> </ul> </li> <li>• Regular third-party review and audit, including an internal audit program and annual Victorian Auditor-General audit of the annual financial statements and associated processes.</li> </ul>
Loss of control of Information Communication Technology (ICT) systems	<ul style="list-style-type: none"> <li>• Compliance with the Victorian Protective Data Security Framework and Standards to proactively reduce the likelihood of a cyber breach causing ICT system failure.</li> <li>• Key ICT infrastructure is maintained by secure off-site government-approved data centres, with associated disaster recovery arrangements.</li> <li>• Business continuity plans that establish manual controls so that we can continue operation during disaster recovery.</li> </ul>
Loss of control of sensitive data	<ul style="list-style-type: none"> <li>• Compliance with the <i>Data Privacy and Protection Act</i> and <i>Freedom of Information Act</i> ensuring appropriate information categorisation and supporting systems.</li> <li>• Compliance with the VPDSF and Standards to proactively reduce the likelihood of having to respond to a cyber security data breach.</li> </ul>
Legal and policy compliance	<ul style="list-style-type: none"> <li>• Operate our compliance framework including: <ul style="list-style-type: none"> <li>○ a register of compliance obligations</li> <li>○ annual report of the performance of compliance obligations</li> <li>○ regular maintenance of the compliance register, via engagement with government, industry forums and professional governance bodies.</li> </ul> </li> </ul>
Reliable water supply	<ul style="list-style-type: none"> <li>• Asset management systems compliant with the Asset Management Accountability Framework set by government, which includes: <ul style="list-style-type: none"> <li>○ performance standards</li> <li>○ criticality assessments</li> <li>○ regular inspections</li> <li>○ integration with financial planning.</li> </ul> </li> <li>• Business continuity plans designed to respond to short and long-term (drought) supply interruption.</li> <li>• Regular review of allocation and streamflow rostering models to enable appropriate resource allocation and customer notifications.</li> <li>• Regular water quality monitoring.</li> <li>• We actively monitor stream flow conditions through the year to ensure rosters and restrictions are consistently managed in accordance with documented rules to ensure water is equitably shared whilst avoiding environmental impacts.</li> </ul>

# Government priorities

## Legislative framework

The *Water Act 1989* (Vic) provides the legal framework for managing Victoria's water resources.

Water for Victoria provides the policy context while our Statement of Obligations and Letter of Expectation (LoE) provide greater clarity of the State government's requirements of us, with the LoE being an annual focus from government

## Letter of expectation

SRW is proud to be leading the implementation of a range of priorities specified in the government's Water for Victoria policy. Below we indicate the eight priority areas identified in the Minister's LoE. Implementation of these priorities is consistent with our recently submitted price submission and strongly aligns with our vision of great value for customers and community through excellence in rural water management. This also provides an overview of the internal plans that support delivery of the eight priorities.

### *Letter of expectation*

Letter of expectation priority	Letter of expectations performance indicator	Delivered in 2023-24 via	
		Our Focus areas	Our Plans
LoE1 - Climate change and Energy	CC1 Emissions reduction	Strategic partnerships	Climate plan
	CC2 Electricity Consumption		Climate plan
	CC3 Adaptation to climate change and variability	Modern assets	Climate plan
LoE2 - Customer and community outcomes	C1.3R Customer satisfaction	Modern assets Efficient operations Strategic partnerships	Customer Engagement review recommendations
	C2 Customer and community engagement	Strategic partnerships	Customer Engagement review recommendations
LoE3 - Water for Aboriginal cultural, spiritual, and economic values	AC1 Supporting Aboriginal self-determination	Strategic partnership	Reconciliation plan
	AC2 Partnerships with Traditional Owners	Strategic partnership	Reconciliation plan
	AC3 Aboriginal Inclusion/Reconciliation Action Plan	Strategic partnership	Reconciliation plan



LoE4 - Recognising recreational values	Rec1 Consideration of recreational values in business operations	Strategic partnerships	Land and water management plan
	L1 Integrated water management	Not applicable (urban only)	
	L2 Water efficiency	Not applicable (urban only)	
	L3 Circular economy outcomes		Climate plan Environmental Policy
LoE5 - Resilient and liveable cities and towns	L4 Environmental Statutory Obligations	Strategic partnership	Environmental Management System
	L5 Sustainable Water Use	Modern assets Strategic partnership	
LoE 6 - Leadership, diversity, and culture	G1 Diversity and inclusion		People plan Gender equality action plan
	G2 Health and Safety		People plan (Always safe)
LoE7 - Performance and financial sustainability	PF.1 Audited statement of performance	Financial sustainability	Financially sustainability plan Price Submission
LoE8 - Compliance and enforcement	CE1 Apply zero-tolerance approach to unauthorised take of water		Compliance & enforcement framework plan
	CE2 Demonstration of continuous improvement toward implementation of compliance and enforcement strategies, frameworks, and reporting		Compliance & enforcement framework plan
	CE3 Customer requirements		Compliance & enforcement framework plan
	BE1 Demonstrate bulk entitlements are compliant with individual reporting conditions	Strategic partnership	

## Sustainable Development Goals

In 2015, the United Nations Member States adopted the 2030 Agenda for Sustainable Development, providing a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs) which recognise that ending poverty and other deprivations must go together with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The United Nations SDGs draw on the outcomes from various international forums and agreements, such as the Intergovernmental Panel on Climate Change (IPCC). :

SRW is aligned to all the SDGs and a more sustainable future with particular focus on clean water and sanitation.

## Assisting customers in hardship

We understand that, from time to time, our customers may experience financial difficulties. We have a well-established Debt Management and Hardship Procedure documented on our website and skilled customer service and finance teams ready to support our customers.

Around 1,586 customers accessed flexible payment options in the 2022-23 fiscal year, with 105 customers on more formal payment plans to manage their water bills.

# Our focus for 2023-24

Our strategy sets out our vision of *great value for customers and community through excellence in rural water management*. This is delivered through our aspirations, foundations and by our people (as documented in the strategy drop)

Our priorities for 2023-24 are shown in the diagram below.

The following pages outline the focus areas in more detail.

They are specific to 2023-24, helping us to deliver on our obligations and our strategy, providing great value for customers and community through excellence in rural water management.



## Our focus for 2023-24

### Our priorities for 2023-24:

- Modern assets
- Efficient operations
- Strategic partnerships
- Financial sustainability

### Helping us to deliver:

- Customer value
- Community value
- Excellence in rural water management

### Supported by our:

- People plan (including health, safety, wellbeing, culture and diversity)
- Climate plan
- Reconciliation plan

# Our priorities for 2023-24

## Priority 1 Modern assets

Priority 1:	Modern assets
	<p>SRW manages a diverse portfolio of assets including dams, weirs, irrigation supply networks, drains, meters, monitoring equipment, building plant and machinery. Our asset management decisions and practices have a direct impact on customer service levels and pricing.</p> <p>Our investments provide long-term water security, improve water availability, and facilitate private investment in economic productivity. They also help to improve environmental and safety outcomes.</p>
<i>Strategic context - why is this important?</i>	<p>Effective asset management is therefore a core business process, designed to support customers and the communities that we serve.</p> <p>We are committed to modernisation and the pursuit of outstanding asset management which strengthens our ability to effectively manage our assets, both through life cycle and operationally, to achieve optimum efficiency, reliability, safety, and sustainability.</p> <p>With a key focus on completing our modernisation journey, we have developed an ambitious program for 2023-24 that will lead to a significant investment in our assets and the way we maintain them.</p>
<i>What does it support?</i>	<div> <div> <p>This builds on our strategic foundations:</p> <ul style="list-style-type: none"> <li>outstanding asset manager</li> <li>efficient systems</li> <li>resilient organisation.</li> </ul> </div> <div> <p>This supports LoE:</p> <ul style="list-style-type: none"> <li>1 – Climate change and energy, notably, CG3 Adaption to climate change and variability</li> <li>2 – Customer and community outcomes, notably, C1.3R Customer Satisfaction</li> <li>5 - Resilient and liveable cities and towns, notably, L5 Sustainable water use.</li> </ul> </div> </div>
<i>Desired outcomes – what outcomes do we want to achieve in 2023-24?</i>	<p>In 2023-24 we seek to:</p> <ul style="list-style-type: none"> <li>complete our next level of criticality assessments and asset class plans.</li> <li>deliver on our modernisation works, including the top ten projects described herein, especially MID modernisation Phase 2.</li> </ul>
<i>Risk</i>	<p>This priority goes directly to reducing our risk of not being able to provide a reliable water supply and meet the needs of our customers, however this could also have a flow on effect on other of our strategic corporate risks including:</p> <ul style="list-style-type: none"> <li>reputation – not meeting customer needs</li> <li>financial sustainability – increased costs to deliver</li> <li>align with government policy – not meeting shareholder expectations</li> </ul>
<i>KPI's</i>	<p>Our key measures of success include:</p> <ul style="list-style-type: none"> <li>delivering increasing efficiency and higher service standards consistent with our price submission</li> <li>delivering on our \$48 million CAPEX plan for 2023-24</li> <li>completing all Priority 1 work orders on time</li> <li>completing 85% of Priority 2 work orders on time.</li> </ul>

## Priority 2 Efficient operations

Priority 2:	Efficient operations
Strategic context - <i>why is this important?</i>	<p>To make sure we can keep prices affordable while continuing to deliver a high level of service, we need to continually look at ways of improving the efficiency and productivity of our business. This needs to be considered in terms of people, processes, and technology.</p> <p>As part of our Price Submission 2023, we have also committed to an average year-on-year productivity improvement of 1%.</p> <p>We will continue to enhance our service offering to our customers and update internal systems through technology and asset enhancements to achieve efficiencies for customers and our business alike.</p> <p>We have an ambitious program that will lead to significant efficiencies in our operations in 2023-24.</p>
What does it support?	<p>This builds on our strategic foundations: This supports LoE:</p> <ul style="list-style-type: none"> <li>efficient systems</li> <li>outstanding asset manager</li> <li>resilient organisation</li> <li>insight driven</li> <li>financially sound.</li> <li>2 - Customer and community outcomes, notably, C1.3R Customer satisfaction</li> <li>7 - Performance and financial sustainability.</li> </ul>
Desired outcomes – <i>what outcomes do we want to achieve in 2023-24?</i>	<p>In 2023-24 we seek to:</p> <ul style="list-style-type: none"> <li>Implement a procurement optimisation project to drive efficiency in our procurement and align to government policies.</li> <li>Undertake actions so that we can realise the operational efficiencies identified in our Price Submission for 2024-25 and 2025-26.</li> </ul>
Risk	<p>This priority goes directly to reducing our risk of not being able to provide a reliable water supply and meet the needs of our customers, however this could also have a flow on effect on other of our strategic corporate risks including:</p> <ul style="list-style-type: none"> <li>reputation – not meeting customer needs</li> <li>financial sustainability – increased costs to deliver.</li> <li>align with government policy – not meeting shareholder expectations</li> </ul>
KPI's	<p>Our key measures of success include:</p> <ul style="list-style-type: none"> <li>delivering increasing efficiency and higher service standards consistent with our price submission</li> <li>reduced goods and services supply costs to support ESC requirement for 1% productivity savings</li> <li>95% of water orders delivered on day agreed</li> <li>90% of written queries and complaints answered within 10 business days</li> <li>90% of applications processed within published times:             <ul style="list-style-type: none"> <li>allocation trades, divide a water share, take and use licences: 3 days</li> <li>licences, transfers, water share transfers, information statements, subdivisions: 7 days</li> <li>farm dam licences: 60 days.</li> </ul> </li> </ul>

## Priority 3 Strategic partnerships

Priority 3:	Strategic partnerships
<p><i>Strategic context - why is this important?</i></p>	<p>We cannot achieve our vision in isolation. To deliver excellence in rural water management we need to work in partnership with our customers, stakeholders, our people, and the broader community to achieve our desired outcomes.</p> <p>We cannot do it alone. By working together we will achieve our objectives and help to achieve those of our partners. Ultimately, we can create shared value through these partnerships.</p> <p>All aspects of service delivery will be customer and community centred and will continue to build extensive and effective community engagement and partnerships in planning and implementation of service delivery.</p> <p>We seek to contribute to healthy communities by supporting safe, affordable, high-quality services and resilient, liveable environments. Similarly, we are firmly committed to partnering with Traditional Owners and all levels of government to achieve the aspirations expressed in the Victorian Government's Water is Life policy.</p> <p>We have an ambitious program based on the development of strong partnerships to help us achieve our plans for 2023-24.</p>
<p><i>What does it support?</i></p>	<p>This builds on our strategic foundations:</p> <ul style="list-style-type: none"> <li>• great partner</li> <li>• resource steward</li> <li>• insight driven.</li> </ul> <p>This supports LoE:</p> <ul style="list-style-type: none"> <li>• 1 – Climate change and energy, notably CC1 Emission reduction</li> <li>• 2 – Customer and community outcomes, notably C1.3R Customer satisfaction</li> <li>• 3 – Deliver water for Aboriginal cultural, spiritual, and economic values</li> <li>• 4 – Recognising recreation values</li> <li>• 5 – Resilient and liveable cities, notably L4 Environmental Statutory Obligations and L5 Sustainable Water Use</li> <li>• 8 – Compliance and enforcement.</li> </ul>
<p><i>Desired outcomes – what outcomes do we want to achieve in 2023-24?</i></p>	<p>In 2023-24 we seek to:</p> <ul style="list-style-type: none"> <li>• partner for maximum benefits, influence, and outcomes</li> <li>• develop and implement a framework for strengthening relationships with Recognised Aboriginal Parties in our area of operations</li> <li>• implement recommendations from customer engagement review to effectively engage with customers</li> <li>• promote the recreational values of our open storages.</li> </ul>
<p><i>Risk</i></p>	<p>This priority is to support reducing our reputational risk but could also lead to flow on impact on other corporate strategic risks including:</p> <ul style="list-style-type: none"> <li>• align with government policy</li> <li>• environmental and cultural heritage damage</li> <li>• occupational health and safety</li> <li>• legal and policy compliance</li> <li>• reliable water supply.</li> </ul>
<p><i>KPI's</i></p>	<p>Our key measures of success include:</p> <ul style="list-style-type: none"> <li>• maximum of two formal customer complaints per 1,000 customers</li> <li>• maximum of no more than two written complaints from stakeholders.</li> </ul>

## Priority 4 Financial sustainability

Priority 4:	Financial sustainability
<p><i>Strategic context - why is this important?</i></p>	<p>SRW has a history of managing costs and setting prices based on prudent and efficient expenditure.</p> <p>Recent work has demonstrated that significant action is required to ensure our long-term financial sustainability. In response, we have developed a long-term sustainability plan (see attached summary) based on a 25-year capital program. This plan has been used to inform our price submission, setting our price and cost pathways for the next five years. This will be further reviewed following the outcome of the Essential Services Commission (ESC) price determination process.</p> <p>This corporate plan reflects the first year of our new price submission period with a focus on:</p> <ul style="list-style-type: none"> <li>Limiting operating expenditure to price submission expenditure allowances seeking productivity savings</li> <li>tightly controlling capital expenditure so that all expenditure is rigorously reviewed against our asset management and risk management frameworks</li> <li>offsetting capital expenditure costs through water sales.</li> </ul> <p>We have a strong financial plan that will help us achieve our plans for 2023-24 and our longer-term financial sustainability.</p> <p>We cannot achieve our vision without financial stability.</p>
<p><i>What does it support?</i></p>	<p>This builds on our strategic foundations:</p> <ul style="list-style-type: none"> <li>financially sound</li> <li>resilient organisation.</li> </ul> <p>This supports LoE:</p> <ul style="list-style-type: none"> <li>7 - Performance and financial sustainability.</li> </ul>
<p><i>Desired outcomes – what outcomes do we want to achieve in 2023-24?</i></p>	<ul style="list-style-type: none"> <li>deliver on operating and capital expenditure allowances set by year one of Price Submission 2023.</li> <li>make more water available to our customers within sustainable limits, across our regulated and unregulated systems, as set out in our board approved annual water sales plan.</li> <li>\$2.5m of revenue from water sales.</li> <li>commission a new online selling platform.</li> <li>work with the Treasury Corporation of Victoria to ensure our treasury management approach is fit for purpose given a significant increase in debt instruments forecast for 2023-24.</li> </ul>
<p>Risks</p>	<p><b>Increasing debt and associated interest rate and liquidity risks</b></p> <p>This Corporate Plan identifies a significant increase to SRW debt:</p> <ul style="list-style-type: none"> <li>From \$58m at June 2023 to \$93m at June 2024</li> <li>\$162m of debt at June 2028</li> </ul> <p>While these increases to debt are consistent with the Financial Sustainability strategy and draft Price Submission determination, and largely represent SRW co-investment with state and federal government to promote regional economic prosperity via irrigation modernisation, the organisation is very cognisant of associated financial risks:</p> <ul style="list-style-type: none"> <li>Interest rates: We have conservatively estimated that interest costs across the corporate plan period will not decline. In addition, and noting that the 2023-28 Price Submission has not been finalised, we have not updated future revenue forecasts for an increase to the ESC Rate of Return for this higher cost of debt.</li> </ul> <p>SRW will continue to operate within the government's treasury management framework and will consult with the Treasury Corporation of Victoria to</p>



ensure that the establishment of debt instruments is fit-for-our -purpose, and our low risk appetite.

- Liquidity risks. SRW will continue to work closely with the Department of Treasury and Finance to ensure that our forecast financial position is consistent with government expectations, and in doing so, we expect to continue to receive annual re-financing approvals.

### Operational settings

Capital and operating expenditure – SRW budgets will continue to cap our activities within expenditure allowances set by the 2023-28 price submission process. Any year to year fluctuation due to unforeseen costs will be managed within the confines of the 5-year expenditure allowances set by the price submission.

Water sales – The 2023-24 Corporate Plan includes \$2.6m of water entitlement sales. This is consistent with our water sales strategy of 1GL of sales per annum, and acts to under-pin SRW's financial sustainability by generating additional revenue (and thereby reducing new debt instruments). Should SRW not deliver water sales any given year, this is not expected to effect our longer term financial sustainability as any shortfall can be recouped from future periods.

This priority goes directly to our financial sustainability risk but could lead to flow on impact to other strategic corporate risks including:

- reputation
- align with government policy
- financial mismanagement and fraud prevention
- legal and policy compliance
- reliable water supply

### KPI's

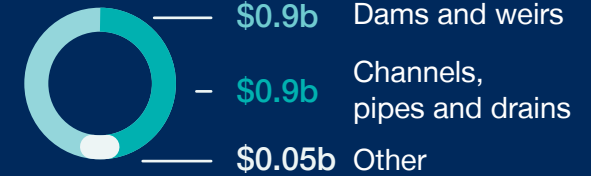
Our key measures of success include:

- Selling 1 GL water in the MID in 2023-24.
- Restrict operating and capital expenditure to allowances set by the 2023-28 Price Submission
- Implement productivity saving initiatives consistent with our price submission
- Deliver capital program benefits within time, budget and scope.



**\$1.85b**  
assets

# Pathway to financial sustainability in 25 years



## Financial trajectory without intervention

Dam safety



Channels, pipes & drains



**Modernisation 74% complete**

Current debt at 2022

**\$58.5m**

Future debt\* at 2047

**\$178m**

\*calculated based on ESC pricing methodology and includes 2% year on year price increases

## Current state at 2022

Ratios

2022

Cash interest cover

4

Capital replacement

0.8

Renewal gap \$223m

Difference between current and future revenue (25 years)

Renewal ratio 38%

Ratio of PS1 to PS2 renewal expenditure

AM maturity 2.6

Asset Management (AM) maturity (AMAF min. score)

Backlog 6.4%

Replacement value of assets that are poor or failing

## Our actions

Intervention

Risk

### Real prices

Sustained increases of CPI plus 1%-2% p.a

Customer, ESC and government support

### Modernisation

Complete by 2024

Increasing costs

### Water sales

1 GL p.a at \$2,500 ML = \$50m (capped)

Customer demand and Ministerial approvals

### Asset management

Optimised program focused on high risk assets

Increasing costs

### Efficiency & productivity

0.75%-1% p.a reduction in operating costs

Industrial relations challenges and compliance requirements

## Our destination

Financially sound

Outstanding asset manager



2028 target

2047 target

Risk

Moderate

Low

Real prices

↑ 5-10%

↑ 25-50%

Renewal gap

\$189m

\$0

Renewal ratio

67%

100%

AM maturity

3

4

Backlog

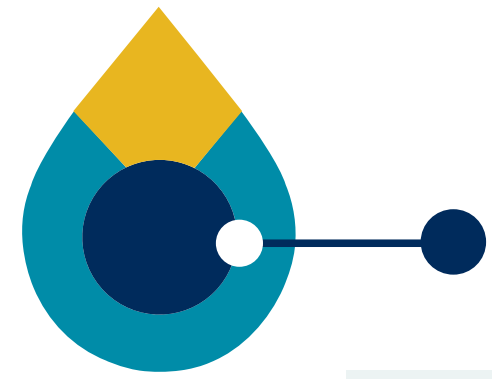
3.7%

0%

Our priorities in 2023-24 will be supported by a series of on-going programs plans and policies, with the key enablers set out below:

### ***Key enablers for 2023-24***

<b>Plan</b>	<b>Focus for 2023-24</b>
<b>People plan</b>	<p>Our people are at the heart of everything we do: they enable us to deliver on our aspirations. We need to support our people to adapt to new ways of working and continue to build personal resilience to enable our people to face the demands of an ever-changing future. Our ambition is to be known as an organisation with a culture of excellence, collaboration, innovation, and inclusion.</p>
Our key focus for 2023-24 will be:	<ul style="list-style-type: none"> <li>• Always safe and well: ensuring that our people and the public are safe and not harmed at SRW.</li> <li>• People and culture: having a diverse, inclusive, and safe values-based workplace will support our employees to be the best version of themselves.</li> <li>• Future ready: delivering on our Gender Equality Action Plan.</li> </ul>
<b>Climate change plan</b>	<p>We are committed to zero net carbon emissions by 2025.</p> <p>We undertake activities and provide services that minimise environmental impacts, reduce greenhouse gas emissions, adapt to climate change, increase renewable energy use, and demonstrate progress in integrating climate change adaptation into planning and decision making across the business.</p> <p>The energy industry is experiencing rapid change both through a transition to green energy and with the transition of mine voids. Having an eye to future opportunities is critical to ensure that we can adapt to whatever changes we may face.</p>
Our key focus for 2023-24 will be:	<ul style="list-style-type: none"> <li>• undertake a strategic scoping exercise to explore the potential for energy transition across our service area</li> <li>• continue to drive our net zero carbon emission target through the continued transition of our fleet to low emission vehicles</li> <li>• report against our climate action targets.</li> </ul>
<b>Reconciliation plan</b>	<p>We recognise and support self-determination of Aboriginal cultural values and economic inclusion in the water sector.</p>
Our key focus for 2023-24 will be:	<ul style="list-style-type: none"> <li>• work in partnership with Traditional Owners and DEECA to progress water allocations back to Traditional Owners in addition to the water made available for production</li> <li>• develop and implement a framework for strengthening relationships with Recognised Aboriginal Parties in our area of operations.</li> </ul>
<b>Compliance and enforcement framework</b>	<p>We apply a zero-tolerance approach to unauthorised water take and adopt a consistent risk-based approach to manage compliance and enforcement with improved oversight and reporting.</p>
Our key focus for 2023-24 will be:	<ul style="list-style-type: none"> <li>• improving data quality systems to reduce the occurrence of 'false-negative balances' based on automated meter reads</li> <li>• large scale meter modernisation programs under the SRW Metering Action Plan</li> <li>• monitoring farm dams for compliance with licencing.</li> </ul>



# People plan

Our people are the heart of our strategy, our people enable us to provide great value to customers and community through excellence in rural water management

Our values: We are **always safe** and **accountable** working as **one team** to deliver a lasting **legacy**

	Where are we now (2022)	Strategic intervention	Outcomes	Measures of success (by 2024)	We are committed to a workplace where:
 <b>Always Safe and Well</b>	Global safety index: 59 People Matters survey <ul style="list-style-type: none"><li>• <u>Safety climate</u>: 53%</li><li>• <u>Work related stress</u>: 21% (high to severe)</li></ul>	Target a step-change in psychological risk prevention to create the right environment for physical and mental safety.	Our people have the resources and support to live and work safely, we look out for each other and create a great place to work.	Global safety index: 60-65 People Matters survey <ul style="list-style-type: none"><li>• <u>Safety climate</u>: 60%</li><li>• <u>Work related stress</u>: 15% (high to severe)</li></ul>	Our people are respectful, always safe and well
 <b>People and Culture</b>	People Matters survey <ul style="list-style-type: none"><li>• <u>Engagement index</u>: 63</li><li>• <u>Satisfaction score</u>: 65%</li></ul>	Values based culture program for all staff to drive the behaviours required to create an inclusive workplace.	Our people thrive, they feel welcomed and safe, they are accountable for the work they do and their interactions with others, they are resilient and innovative.	People Matters survey <ul style="list-style-type: none"><li>• <u>Engagement index</u>: 65</li><li>• <u>Satisfaction score</u>: 67%</li></ul>	Our people feel included, welcomed and care about each other
 <b>Future Ready</b>	People Matters survey <ul style="list-style-type: none"><li>• <u>Inclusion score</u>: 75%</li></ul> Improved gender diversity in leadership with improvement required in field and STEM roles.	Strategic workforce planning aligned to changing needs of customers now and into future including implementation of the Gender Equality Action Plan.	We'll have the right people in the right roles at the right time. Our people are resilient and capable and our organisation is prepared for tomorrow.	People Matters survey <ul style="list-style-type: none"><li>• <u>Inclusion score</u>: 80%</li></ul> Increased diversity in our people at SRW as per targets	Our people can perform to their highest potential

# Net zero 2025 pledge



## Net zero emissions

Refers to achieving an overall balance between greenhouse gas emissions produced by a corporation and greenhouse gases removed from the atmosphere.



### Past

Baseline emissions:  
1,559 tCO<sub>2</sub>-e



### Present

2021/22 emissions:  
654 tCO<sub>2</sub>-e



### Future

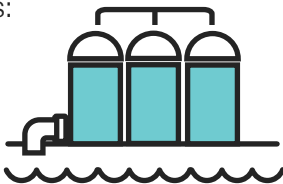
2024/25 emissions:  
0 tCO<sub>2</sub>-e

## Current source of emissions from operations:

### Power for water supply sites

Maddingley pump:  
142 tCO<sub>2</sub>-e / year

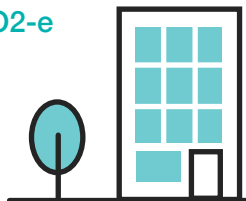
Other pumps:  
165 tCO<sub>2</sub>-e / year



### Power for other operations

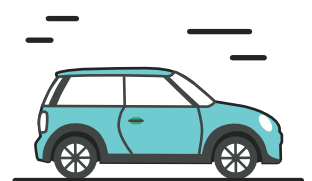
(Offices, depots, recreation facilities etc.)

217 tCO<sub>2</sub>-e / year



### Vehicle fleet

559 tCO<sub>2</sub>-e / year



**2015**  
Paris Climate Agreement signed.

**2016/17**  
Zero-2025 pledge developed.

**2017/18**  
Zero-2025 pledge implemented.

**2018**  
SRW and other water corporations' emissions reduction pledges incorporated into the Statement of Obligations.

**2025**  
Goal of achieving net zero emissions.

**2050**  
Victorian Government goal of achieving net zero emissions.

## Our capital projects

Our capital expenditure program for 2023-24 is on the following page and was informed by our 25 year capital plan.

The substantial part of the program includes the continuation of modernisation works in the Macalister Irrigation District and Werribee Irrigation District.

The program includes our forecast, as of 1 April 2023, of capital expenditure during the next five years. The program assumes:

- existing dam design standards, as set by the Australian National Committee on Large Dams (ANCOLD)
- existing safety design and construction standards
- no natural disasters or other major unplanned incidents.

Projects that will receive significant capital investment in 2023-24 are described below. These address our existing high risk assets and are consistent with our price submission. Should an unplanned asset failure occur we would seek to reprioritise our capital program to address the business risk.

### MID Modernisation Phase 2

MID2030 Phase 2 modernisation works continue. The \$62.7 million program of works is being supported by \$31 million from the Commonwealth Government, \$10.4 million from the Victorian Government and the remainder from SRW MID customers which will allow us to complete this important project that is providing benefits including improved water delivery and better performance across some of the least efficient zones in the MID. Works will continue on upgrading the Newry channel systems this year.

### WID Modernisation

The National Water Grid Authority (NWGA) has committed to funding the remaining Stages 4 and 5 Werribee irrigation modernisation works with a 50 percent contribution (\$11 million) together with an equivalent contribution from SRW. These works will complete the original proposed Werribee Irrigation District modernisation works. The works will continue to see the high value, intense growers in Wyndham thrive along with improved river health and sustainability outcomes.

Stage 4 works will commence in 2022-23 with Stage 5 works programmed to follow in 2023-24. The staging of works from the top of the district to the bottom, allows for reduction in system capacity and the project works progressively eliminate losses and provide more operational flexibility.

### Main Northern Channel Siphon No. 2

The Macalister Northern Main channel (MNC) Siphon 2 has a total length of approximately 80 metres and consists of two 1.8m diameter barrels of reinforced concrete construction running in an East-West alignment. The most likely date of construction is 1942. The siphon is at end of life and condition assessments have confirmed that it is in poor condition and as such we have commenced work to mitigate this risk of failure. This project has commenced to replace the siphon with an elevated concrete flume. Works are scheduled to be undertaken in the irrigation off-season of 2023.



**Capital projects and programs 2023-2028**

Project	Forecast (\$,000)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
MID Modernisation program		23,449	24,542	6,886			
WID/BMID Modernisation program		5,084	10,226	6,686			
GW&R meter replacement program		316	429	2,950	3,100		
Main Southern Channel Siphon No. 2		436	268	770			
Main Northern Channel Siphon No. 2		1,270	2,153				
Blue Rock isolating butterfly valve replacement		15	100	500	388		
Main Southern Channel concrete flume joint repair		51	163	350	350	350	358
Main Southern Channel Tunnel No 5 refurbishment			150	620	1,740	300	
Glenmaggie re-paint spillway gates				450	675	225	900
Melton spillway left training wall upgrade				248	745	1,407	
Workshop / depot upgrades		98	460	1008	547		243
Regulator Replacement Program			320	1,795	1,745	1,390	1,392
Civil works (erosion, tracks, fencing, etc)		427	112	3,162	3,024	2,124	1,970
MID Channel Reconstruction		20	168	1,460	1,717	1,148	1,468
Ladders & Walkway Compliance Program		4	158	1,268	698	728	771
WID/BMID Pipeline Works Program			225	540	423	448	448
SCADA Upgrades		48	215	132	514	300	
Electrical Upgrades		290	281	663	753	747	301
Tower Retrieval Systems		130	1,805				
Dam Safety, Condition Assessments and modelling activities)		454	654	1,812	1,330	940	321
Information & Communications Technology		401	1,562	3,722	1,943	2,190	1,615
All other capital works		4,582	1,441	6,330	3,437	5,880	4,470
<b>TOTAL</b>		<b>37,075</b>	<b>45,432</b>	<b>41,352</b>	<b>23,129</b>	<b>18,177</b>	<b>14,257</b>



## Tower Retrieval Systems

These projects are to provide a reliable and safe entry and retrieval system in the Rosslynne Outlet Tower and the Merrimu Outlet Tower to enable timely evacuation of a staff member in the event of injury or illness and to address current non-compliances of the tower access systems. Existing tower access is comprised of platforms/levels with fixed ladders. Headworks staff are required to access the tower to undertake visual inspections as well as other works as required.

## Dam Safety, Condition Assessments and modelling activities

A program of consultancy activities to perform:

- compliance driven (ANCOLD) dam safety reports/assessments; including design review and risk assessment, potential loss of life updates, bathymetric surveys
- flood plan modelling and review work
- critical asset condition assessments and design reviews.

These services are to be procured and delivered under a combined engineering consultancy panel arrangement.

## Workshop / Depot Upgrades

These works are to begin the design of several office and workshop upgrades which are required to ensure the ongoing support infrastructure for our modernised districts, particularly in 2023/24 for the design of the Maffra Depot and Cowwarr Weir Office.

## GW&R meter replacement program

This project is to replace 1100 older style non-compliant meters with “pattern approved” meters across priority areas of the GW&R region. SRW is obligated to replace these meters. The purchase and installation of these meters represents Phase 2 of SRW’s Metering Action Plan (MAP). The SRW MAP has been developed in line with the Victorian Non-Urban Water Metering Policy. This policy was developed to deliver on requirements of the Murray-Darling Basin Compliance Compact.

## Our ICT investment program

The ICT investment program is designed to unlock service value through technology and improved processes for customers and the community. The core drivers are directly aligned to our business strategy.

The overall program consists of four key areas (as detailed below) which complement each other and will facilitate SRW’s capability to meet key compliance requirements and statement of obligations.

### 1. Establishing operating efficiencies

We will seek to achieve operating efficiencies through the implementation of software systems which are fit for purpose, modular, secure, and flexible according to SRW’s business needs.

Moving from on-premises to a cloud-based architecture aligns SRW with Victorian Government standards. The cloud environment will enable efficient deployment, upgrade, and ongoing vendor support.

Efficiencies are expected through the replacement of bespoke software and intelligent workflows which will enable opportunities for process improvement previously unavailable to SRW.

Key projects include:

- refreshing of SRW's Enterprise Resource Planning system, to support stronger interconnection between core applications around staff and finance, and moving this key capability to the cloud
- AI Business Automation, achieved by mapping and digitising key business processes, as part of a broader multi-year assessment, consolidation and productivity improvement through more automated processes
- refresh and upgrade of our Asset Management system, to support more efficient management of both physical and technology assets.

## 2. Security requirements

This program is designed to meet the increasing demands of the cyber landscape. Additionally, it will help SRW meet its compliance obligations as well as the Water Industry Act requirements. The program includes the protection of assets including infrastructure, data, as well as the ability to meet customer obligations.

It will also help provide a level of assurance to stakeholders that SRW is following appropriate guidelines as provided by bodies such as Department of Home Affairs, Office of the Victorian Information Commissioner, and the Joint Cyber Security Centre.

The security program will implement improved technology practices, regular audits, and cyber-related exercises to constantly monitor and adjust its cyber posture according to the current level of cyber risk.

The key project involves network segmentation, which is a foundational project to ensure our ongoing security. The intent of network segmentation is to enable isolation of any potential successful breach on any field or operational devices from the rest of the our IT systems. This will mean that if one point of data collection or management is compromised, then the impact to the rest of SRW operating capability is minimal. The project will be multi-year to reflect the changing nature of cyber security and the complexities of requirements.

## 3. Improved customer service

This program will enable SRW to optimise its use of its data assets, implement efficient processes, provide business insights, and deliver improved value to customers and the community.

This will be done through the optimal management of data and implementation of customer-oriented digital services.

Key objectives include:

- a consolidated view of the customer, leveraging a maturity of both process and data capability, and enhancing the end to end view of customers, and how we support them with our services

- secure and positive customer experience when accessing digital services such as electronic payment, online streamlined application forms and accessing information that allows customer self-service
- leveraging mobile technologies in the field to eliminate the need for manual processes and enable timely information to assist with decision making that benefits SRW customers and wider stakeholders.

Projects in this area include business process mapping, and data consolidation into a single source of truth that can be accessed by all stakeholders, to assist users in service management, analysis, and reporting.

## 4. Hardware uplift

This program is a foundational piece to support the three other focus areas. In order to achieve the outcomes in the previous focus areas, we need to upgrade hardware. These activities are to bolster SRW's operational position in terms of security, resilience, availability, and safety through the design and implementation of an ongoing hardware program.

It will establish a robust network to help meet current standards and be flexible enough to meet future business demands.

SRW has adopted Victorian government standards, to develop and maintain a flexible and supportable network, to address an increasing number of threats to business operations and community services.

SRW will implement a holistic infrastructure solution which will result in improved security, efficiencies, and minimise risk to core SRW services.

Hardware will be replaced with supported equipment and solutions to enable staff to operate both safely and efficiently in the office and in the field.

Key projects include upgrading of hardware to support communication infrastructure, both in the IT and operational technology space, network redesign and upgrade for enhanced security and resilience.

# Service levels and targets

The following table sets out the service levels and targets we have included in our Price Submission 2023 and were developed in consultation with our Customer Reference Group to focus on what matters most to our customers.

## Service levels and targets

Customers	Output	Measure	22-23	23-24	24-25	25-26	26-27	27-28
<b>Reliable water supply</b>								
Districts	Orders delivered at time agreed	Percentage of all orders delivered on day that was confirmed	N/A	95%	95%	95%	95%	95%
MID	Orders delivered without interruption	Total number of unplanned disruptions of 10+ days	N/A	0	0	0	0	0
WID		Total number of unplanned disruptions of 3+ days	N/A	1	1	1	0	0
BMID		Total number of unplanned disruptions of 3+ days	N/A	1	1	1	0	0
WID	Quality water supplied	Number of times p/a that recycled water cannot be supplied for 5 consecutive days due to high salinity ( $\leq 1,800$ ) or BGA	N/A	2	2	2	2	2
Bulk entitlements	Orders delivered	Orders delivered as per bulk entitlement order	N/A	100%	100%	100%	100%	100%
<b>Sustainable water</b>								
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	N/A	100%	100%	100%	100%	100%
MID	Release of additional water entitlements	Megalitres of permanent water offered for sale, but with any sale subject to the reserve being reached	800	1000	1000	1000	1000	1000
BMID			0	0	0	0	0	0
WID			0	0	0	0	0	0
MID	Delivery efficiency	Percentage of water released that is delivered to customers	85%	85%	85%	90%	90%	90%
BMID			80%	80%	80%	85%	85%	85%
WID			80%	80%	80%	85%	85%	85%
Bulk entitlements	Environmental flows delivered	Percentage of orders delivered	N/A	100%	100%	100%	100%	100%
<b>Great service</b>								
All	Customer complaints	Number of complaints per 1,000 customers	N/A	<2	<2	<2	<1	<1
All	Complaints managed quickly	Percentage of all complaints responded to within ten business days	N/A	90%	90%	95%	95%	95%

G&R	Applications completed within set timeframes.	Applications that do not require public notification completed within:	90%	90%	90%	90%	90%	90%
		<ul style="list-style-type: none"> <li>allocation trades, divide a water share, take and use licences: 3 days</li> <li>licence, transfers, water share transfers, information statements, subdivisions: 7 days</li> <li>farm dam licences: 60 days</li> </ul>						
MID	Drains - MID	Number of rainfall events at a frequency of more than 1:50, resulting in complaints of water being on properties for more than 24 hours	N/A	5	4	3	2	1
MID	Drains - MID	Proportion of priority drains maintained on annual basis	N/A	10%	15%	20%	25%	25%
WID	Drains - WID	For rainfall events at a frequency of more than 1:50, resulting in complaints of water being on properties for more than 24 hours	N/A	5	4	3	2	1
WID	Drains - WID	Proportion of priority drains maintained on annual basis	N/A	10%	15%	20%	25%	25%
<b>Community value</b>								
All	Emission reductions	Net tonnes CO2 emissions	N/A	800	800	0	0	0
Bulk entitlements	Environmental flows	Environmental flows are released in accordance with bulk entitlements obligations	N/A	100%	100%	100%	100%	100%
Bulk entitlements	Headworks management	Percentage of times obligations are met	95%	95%	95%	95%	95%	95%

Our Customer Charter includes other targets such as:

- we will acknowledge a complaint within one day of receiving it. This may be by post, phone, or email
- we will work to resolve the complaint within 10 working days. If we are unable to meet this timeframe, we will notify the complainant of our progress on a weekly basis until the matter is resolved. In our response we will provide the reasons for our decision, including details of any legislative or policy issues.

The measures below are specified under Appendices 2C, 2D and 2E of the Victorian Water Industry Performance Reporting Framework.

We report our performance against all relevant measures in our annual report.

***Victorian Water Industry Performance measures***

Measure	Target 2023-24
Orders delivered at time agreed [C1.4]	95%
Applications (water share transfers) completed within agreed timeframes [C1.5]	90%
Groundwater supply (number of transfers processed within target period) [WSR3]	90%
Billing complaints (per 1000 customers) [CRR2]	<1
Net tonnes CO2 emissions (E2)	800

# Macalister Irrigation District

## Overview

The Macalister Irrigation District (MID) is the largest irrigation district in southern Victoria. The district is considered one regulated system, situated around Maffra in central Gippsland, and sources water from the Macalister River via Lake Glenmaggie and from the Thomson River via Cowwarr Weir.

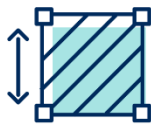
The district has secure water supplies supplemented by good rainfall. The 10-year average inflows into the storages that supply the district is 384,185 ML with an average of 145,000 ML delivered to customers annually.

The region has productive soils, a strong dairy sector, and developing vegetable and cropping industries. Approximately 33,500 hectares are currently used for irrigation and of this 90 percent is under pasture. Estimates put annual economic contribution variably more than \$500 million per annum.

The irrigation season runs from 15 August to 15 May. On average we process up to 20,000 irrigation orders each season in the MID.

More information on our storage operation functions is included later in this plan.

### *MID at a glance*



**54,753 ha**

District area



**542 km**

Length of channels



**67 km**

Length of pipes



**411 km**

Length of drains



**2,016**

Delivery outlets



**1,140**

Customers (irrigation and stock and domestic)



**156,193 ML**

High reliability water shares



**74,812 ML**

Low reliability water shares



**1,416 ML/day**

Delivery shares



## Service measures

The table below details our service measures for the MID.

### *MID service measures*

Customers	Output	Measure	22-23	23-24	24-25	25-26	26-27	27-28
<b>Reliable water supply</b>								
Districts	Orders delivered at time agreed	Percentage of all orders delivered on day that was confirmed	N/A	95%	95%	95%	95%	95%
MID	Orders delivered without interruption	Total number of unplanned disruptions of 10+ days	N/A	0	0	0	0	0
<b>Sustainable water</b>								
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	N/A	100%	100%	100%	100%	100%
MID	Release of additional water entitlements	Megalitres of permanent water offered for sale, but with any sale subject to the reserve being reached	800	1000	1000	1000	1000	1000
MID	Delivery efficiency	Percentage of water released that is delivered to customers	85%	85%	85%	90%	90%	90%
<b>Great service</b>								
MID	Drains - MID	Number of rainfall events at a frequency of more than 1:50 resulting in complaints of water being on properties for more than 24 hours	N/A	5	4	3	2	1
MID	Drains - MID	Proportion of priority drains maintained on annual basis	N/A	10%	15%	20%	25%	25%

## Pricing

We set prices annually to reflect our operating and capital budgets.

Our prices for 2023-24 are consistent with the pricing principles and constraints proposed in our Price Submission 2023.

In addition to the operating and capital costs of running the irrigation district MID prices must also contribute to costs of operating storages to harvest and release water.

The costs of managing the dams are shared in accordance with bulk entitlements, with MID customers contributing to just over 91% of the costs of Lake Glenmaggie.

More information on our storage operation function is included later in this plan and our full tariff schedule is detailed in the Appendices.

We also collect application fees on behalf of the VWR for transactions relating to water shares and allocations.

The following tables set out our prices and provides indicative bill impacts for small, medium, and large customers in the MID.

### *MID prices*

<b>Tariff Description (average increase of 1.5% per annum + CPI)</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2025-26</b>
Water Share - High Reliability	14.70	16.00	16.80
Water Share - Low Reliability	7.35	8.00	8.40
Delivery share - infrastructure fee (ML/day)	5,765.00	6,305.00	6,640.00
Delivery share - service point fee - Metered Outlet (each)	227.00	247.50	260.00
Delivery share - service point fee - Metered Pump (each)	118.50	129.50	136.00
Delivery share - service point fee - Unmetered (each)	53.00	57.75	60.75
Delivery share - water usage fee – Usage (ML)	9.95	10.70	11.05
Delivery share - water usage fee - Casual Use (ML)	58.60	63.90	67.10
Drainage Diversion Entitlement & Sales	21.00	22.90	24.05
Salinity mitigation	0.65	0.70	0.75
Delivery share - termination fee (each)	86,475	94,355	99,120

***New prices***

<b>Tariff description (average annual increase of 0% + CPI)</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Pre-application fee (per hour)	N/A	150	155.50
Site visit (per hour)	N/A	150	155.50
Peer review	N/A	At cost	At cost
Advertising fee	N/A	At cost	At cost

***MID bill impacts***

	<b>Quantity</b>	<b>Charge 2022-23</b>	<b>Charge 2023-24</b>	<b>% nominal change (CPI)</b>
<b>Small customer</b>				
High reliability water share (ML)	5.0	\$74	\$80	
Low reliability water share (ML)	2.5	\$18	\$20	
Delivery share (ML/day)	0.058	\$331	\$363	
Service point – metered outlet (each)	1	\$227	\$248	
Usage (ML)	5.0	\$50	\$54	
Salinity mitigation (ML)	5.0	\$3	\$4	
Total cost		<b>\$703</b>	<b>\$767</b>	<b>9.1%</b>
<b>Medium customer</b>				
High reliability water share (ML)	50.0	\$735	\$800	
Low reliability water share (ML)	25.0	\$184	\$200	
Delivery share (ML/day)	0.575	\$3,315	\$3,625	
Service point – metered outlet (each)	1.0	\$227	\$248	
Usage (ML)	50.0	\$498	\$535	
Salinity mitigation (ML)	50.0	\$33	\$35	
Total cost		<b>\$4,991</b>	<b>\$5,443</b>	<b>9.1%</b>
<b>Large customer</b>				
High reliability water share (ML)	250.0	\$3,675	\$4,000	

Low reliability water share (ML)	125.0	\$919	\$1,000	
Delivery share (ML/day)	2.875	\$16,574	\$18,127	
Service point – metered outlet (each)	3.0	\$681	\$743	
Usage (ML)	250.0	\$2,488	\$2,675	
Salinity mitigation (ML)	250.0	\$163	\$175	
<b>Total cost</b>		<b>\$24,499</b>	<b>\$26,719</b>	<b>9.1%</b>
Medium river water customer				
High reliability water share (ML)	50.0	\$735	\$800	
Low reliability water share (ML)	25.0	\$184	\$200	
Service point – metered pump (each)	1.0	\$227	\$248	
Usage (ML)	50.0	\$498	\$535	
Salinity mitigation (ML)	50.0	\$33	\$35	
<b>Total cost</b>		<b>\$1,676</b>	<b>\$1,818</b>	<b>8.5%</b>

# Werribee Irrigation District

## Overview

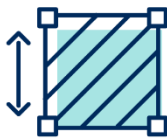
The Werribee Irrigation District (WID) is one of Victoria's prime horticulture regions located on Melbourne's doorstep at Werribee South.

Water supply to the WID consists of river water, groundwater and Class A recycled water sourced from Melbourne Water's Western Treatment Plant. We can also supply additional water which was purchased in 2016 from the Thomson drought reserve.

River water for the WID is harvested in dams on tributaries to the Werribee River and on the Werribee River itself. These dams also hold entitlements for the Bacchus Marsh Irrigation District and for Greater Western Water.

The WID specialises in the production of green leafy vegetables, most notably broccoli, lettuce, and cauliflower, with a farm gate value more than \$187 million per year. The WID employs approximately 660 people.

### WID at a glance



**2,981 ha**

District area



**19 km**

Length of channels



**40 km**

Length of pipes



**64 km**

Length of drains



**267**

Delivery outlets



**244**

Customers (irrigation and stock and domestic)



**11,169 ML**

High reliability water shares



**5,232 ML**

Low reliability water shares



**144 ML/day**

Delivery shares



**7,864 ML**

Recycled water customer contracted volume

## Service measures

The table below details our service measures and targets for the WID.

### WID service measures

Customers	Output	Measure	22-23	23-24	24-25	25-26	26-27	27-28
<b>Reliable water supply</b>								
Districts	Orders delivered at time agreed	Percentage of all orders delivered on day that was confirmed	N/A	95%	95%	95%	95%	95%
WID	Orders delivered without interruption	Total number of unplanned disruptions of 3+ days	N/A	1	1	1	0	0
WID	Quality water supplied	Number of times p/a that recycled water cannot be supplied for 5 consecutive days due to high salinity ( $\geq 1,800$ ) or blue green algae	N/A	2	2	2	2	2
<b>Sustainable water</b>								
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	N/A	100%	100%	100%	100%	100%
WID	Release of additional water entitlements	Megalitres of permanent water offered for sale, but with any sale subject to the reserve being reached	0	0	0	0	0	0
WID	Delivery efficiency	Percentage of water released that is delivered to customers	80%	80%	80%	85%	85%	85%
<b>Great service</b>								
WID	Drains – WID	For rainfall events at a frequency of more than 1:50, resulting in complaints of water being on properties for more than 24 hours	N/A	5	4	3	2	1
WID	Drains – WID	Proportion of priority drains maintained on annual basis	N/A	10%	15%	20%	25%	25%

## Pricing

We set prices annually to reflect our operating and capital budgets.

Our prices for 2023-24 are consistent with the pricing principles and constraints proposed in our Price Submission 2023.

In addition to the operating and capital costs of running the irrigation district, WID prices must also contribute to costs of operating storages to harvest and release water.

The costs of managing the dams are shared in accordance with bulk entitlements and for the WID the shares are:

- 70.4% of Pykes Creek
- 71.3% of Melton
- 14.3% of Merrimu
- 7.13% of Lerderderg diversion.

More information on our storage operation function is provided later in this plan and our full tariff schedule is detailed in the Appendices.

We also collect application fees on behalf of the VWR for transactions relating to water shares and allocations.

The following tables set out our prices and provides indicative bill impacts for small, medium, and large customers in the WID.



**WID prices**

<b>Tariff Description (average annual increase of 1% + CPI)</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
<b>Water Share – High Reliability (ML)</b>	136.50	146.50	151.50
Water Share – Low Reliability (ML)	68.25	73.25	75.75
Delivery share – infrastructure fee (ML/day)	16,660.00	18,210.00	19,160.00
Delivery share – service point fee – Metered Outlet (each)	254.00	276.00	289.00
Delivery share – service point fee – Metered Pump (each)	127.25	138.25	144.50
Delivery share – service point fee – Unmetered (each)	63.50	69.00	72.25
Delivery share – water usage fee – Casual Use (ML)	259.00	281.00	294.00
Drainage Diversion Entitlement & Sales	121.50	132.00	138.00
Recycled water contracted volume	379.00	407.00	421.00
Recycled water sales	303.00	326.00	337.00
Recycled water uncontracted use	704.00	757.50	785.00
Delivery share – termination fee (each)	249,900	271,300	283,600

**New prices**

<b>Tariff Description (average annual increase of 0% + CPI)</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Pre-application fee (per hour)	N/A	150	155.50
Site visit (per hour)	N/A	150	155.50
Peer review	N/A	At cost	At cost
Advertising fee	N/A	At cost	At cost

**WID bill impacts**

	Quantity	Charge 2022-23	Charge 2023-24	% nominal change (CPI)
<b>Small customer</b>				
High reliability water share (ML)	5.0	\$683	\$733	
Low reliability water share (ML)	2.5	\$171	\$183	
Delivery share (ML/day)	0.0775	\$1,291	\$1,411	
Service point - metered outlet (each)	1.0	\$254	\$276	
Total cost		<b>\$2,398</b>	<b>\$2,603</b>	<b>8.5%</b>
<b>Medium customer</b>				
High reliability water share (ML)	50.0	\$6,825	\$7,325	
Low reliability water share (ML)	25.0	\$1,706	\$1,831	
Delivery share (ML/day)	0.775	\$12,912	\$14,113	
Service point - metered outlet (each)	1.0	\$254	\$276	
Total cost		<b>\$21,697</b>	<b>\$23,545</b>	<b>8.5%</b>
<b>Large customer</b>				
High reliability water share (ML)	100.0	\$13,650	\$14,650	
Low reliability water share (ML)	50.0	\$3,413	\$3,663	
Delivery share (ML/day)	1.55	\$25,823	\$28,226	
Service point - metered outlet (each)	2.0	\$508	\$552	
Total cost		<b>\$43,394</b>	<b>\$47,090</b>	<b>8.5%</b>
<b>Large recycled water customer</b>				
High reliability water share (ML)	100.0	\$13,650	\$14,650	
Low reliability water share (ML)	50.0	\$3,413	\$3,663	
Delivery share (ML/day)	1.55	\$25,823	\$28,226	
Service point - metered outlet (each)	2.0	\$508	\$552	
Recycled water	100.0	\$12,150	\$13,200	
Total cost		<b>\$55,544</b>	<b>\$60,290</b>	<b>8.5%</b>

# Bacchus Marsh Irrigation District

## Overview

The Bacchus Marsh Irrigation District (BMID) is located north-west of Melbourne on a fertile flood plain of the Werribee and Lerderderg Rivers.

The district is dominated by several large-scale enterprises producing a significant proportion of the total output. Vegetable growing and orchards are the primary businesses.

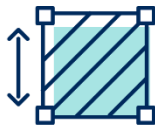
We also provide water for sand-washing to several major quarries supplying the construction industry.

Current estimates indicate that around \$50 million of economic activity is generated per year. The BMID supports approximately 430 full-time jobs.

There is a small volume of licensed groundwater, and river water is supplied from Pykes Creek Reservoir. An important priority is to secure a viable alternative water supply.

The first stage of modernisation works has changed the way water is supplied to customers. Approximately two-thirds of the district is now supplied via a pump station on the Werribee River at the Maddingley Weir. This has improved the responsiveness of the supply system to changes in customer demand, raising the overall service level.

### BMID at a glance



**1,368 ha**

District area



**12 km**

Length of channels



**32 km**

Length of pipes



**75.2 ML/day**

Delivery shares



**165**

Delivery outlets



**130**

Customers (irrigation  
and stock and domestic)



**3,950 ML**

High reliability  
water shares



**1,865 ML**

Low reliability  
water shares

## Service measures

The table below details our service measures and targets for the BMID.

### BMID service measures

Customers	Output	Measure	22-23	23-24	24-25	25-26	26-27	27-28
<b>Reliable water supply</b>								
Districts	Orders delivered at time agreed	Percentage of all orders delivered on day that was confirmed	N/A	95%	95%	95%	95%	95%
BMID	Orders delivered without interruption	Total number of unplanned disruptions of 3+ days	N/A	1	1	1	0	0
<b>Sustainable water</b>								
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	N/A	100%	100%	100%	100%	100%
BMID	Release of additional water entitlements	Megalitres of permanent water offered for sale, but with any sale subject to the reserve being reached	0	0	0	0	0	0
BMID	Delivery efficiency	Percentage of water released that is delivered to customers	80%	80%	80%	85%	85%	85%
Bulk entitlements	Environmental flows delivered	Percentage of orders delivered	N/A	100%	100%	100%	100%	100%

## Pricing

We set prices annually to reflect our operating and capital budgets.

Our prices for 2023-24 are consistent with the pricing principles and constraints proposed in our Price Submission 2023.

In addition to the operating and capital costs of running the irrigation district BMID prices must also contribute to costs of operating storages to harvest and release water.

The costs are shared in accordance with bulk entitlements and for the BMID the shares are:

- 28.3% of Pykes Creek
- 28.7% of Melton
- 5.7% of Merrimu
- 2.9% of Lerderderg diversion.

More information on our storage operation function for the Werribee and Maribyrnong systems is included later in this Plan and our full tariff schedule is detailed in the Appendices.

We also collect application fees on behalf of the VWR for transactions relating to water shares and allocations.

The following tables set out our prices and provides indicative bill impacts for small, medium, and large customers in the BMID.

**BMID prices**

<b>Tariff Description (average annual increase of 0% + CPI)</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Water Share - High Reliability (ML)	136.50	146.50	151.50
Water Share - Low Reliability (ML)	68.25	73.25	75.75
Delivery share - infrastructure fee (ML/day)	13,000	13,980	14,470
Delivery share - service point fee - Metered Outlet (each)	235.00	253.00	262.00
Delivery share - service point fee - Metered Pump (each)	117.50	126.25	130.75
Delivery share - service point fee - Unmetered (each)	60.00	64.50	66.75
Delivery share - water usage fee - Casual Use (ML)	295.00	317.00	328.00
Delivery share - termination fee (each)	195,000	210,000	215,000

**New prices**

<b>Tariff Description (average annual increase of 0% + CPI)</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Pre-application fee (per hour)	N/A	150	155.50
Site visit (per hour)	N/A	150	155.50
Peer review	N/A	At cost	At cost
Advertising fee	N/A	At cost	At cost

**BMID bill impacts**

	Quantity	Charge 2022-23	Charge 2023-24	% nominal change (CPI)
<b>Small customer</b>				
High reliability water share (ML)	5.0	\$683	\$733	
Low reliability water share (ML)	2.5	\$171	\$183	
Delivery share (ML/day)	0.0925	\$1,203	\$1,293	
Service point – metered outlet (each)	1.0	\$235	\$253	
Total cost		<b>\$2,291</b>	<b>\$2,462</b>	<b>7.5%</b>
<b>Medium customer</b>				
High reliability water share (ML)	25.0	\$3,413	\$3,663	
Low reliability water share (ML)	12.5	\$853	\$916	
Delivery share (ML/day)	0.4625	\$6,013	\$6,466	
Service point – metered outlet (each)	1.0	\$235	\$253	
Total cost		<b>\$10,513</b>	<b>\$11,297</b>	<b>7.5%</b>
<b>Large customer</b>				
High reliability water share (ML)	100.0	\$13,650	\$14,650	
Low reliability water share (ML)	50.0	\$3,413	\$3,663	
Delivery share (ML/day)	1.85	\$24,050	\$25,863	
Service point – metered outlet (each)	2.0	\$470	\$506	
Total cost		<b>\$41,583</b>	<b>\$44,682</b>	<b>7.5%</b>



# Groundwater and rivers

## Overview

Our groundwater and rivers business regulates and monitors the use of water from unregulated rivers and groundwater aquifers in southern Victoria. It is also responsible for licensing the construction of bores and farm dams. Each year around 1,600 bore construction licences are issued, mostly for stock and domestic use, with higher numbers of applications in dry years.

Groundwater and rivers staff engage with customers on a regular basis to assist with accessing groundwater and surface water via trades or new entitlement along with advice on required works and licencing requirements. Field staff undertake site inspections, meter maintenance and compliance activities.

Groundwater and rivers staff also monitor river flow conditions and manage irrigation rosters and restrictions during dry periods in accordance with established rules to support equitable access to water and protect environmental values.

Licence holders on the Latrobe and Maribyrnong systems contribute to costs of operating storages to harvest and release water at Blue Rock Lake on the Latrobe River and Rosslynne Reservoir on the Maribyrnong River.

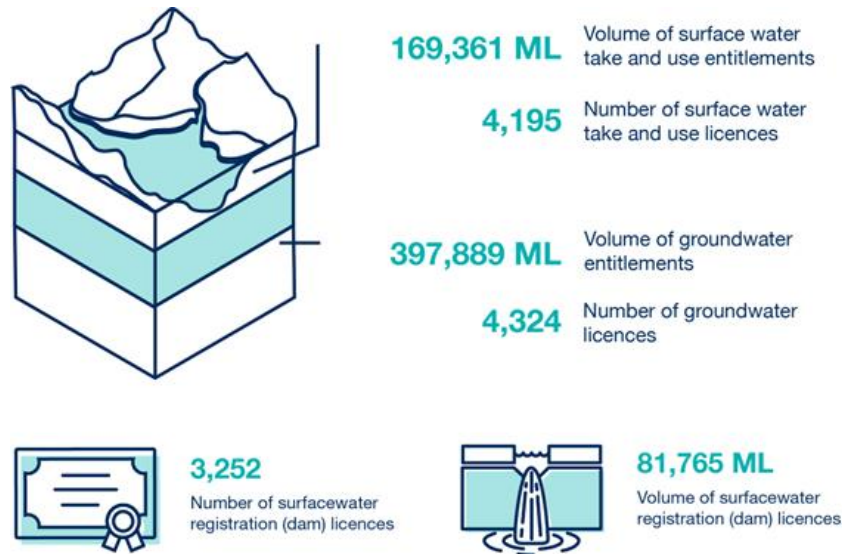
The costs are shared in accordance with bulk entitlements and, in the case of Blue Rock Lake, also includes a pro-rata apportionment of the drought reserve, which was established through the Bulk Entitlement Order 2013 and set aside a proportion of water to enable consumptive users the ability to access water during droughts.

The shares are:

- 2.59% of Blue Rock for the Latrobe system
- 4.5% of Rosslynne for the Maribyrnong system.

More information on our storage operation functions is provided later in this plan.

### ***Groundwater and rivers at a glance***



## Service measures

The table below details our service measures and targets for processing applications and for promoting trade in unregulated systems.

### Groundwater and rivers service measures

Customers	Output	Measure	22-23	23-24	24-25	25-26	26-27	27-28
<b>Sustainable water</b>								
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	N/A	100%	100%	100%	100%	100%
<b>Great service</b>								
Applications that do not require public notification completed within:								
G&R	Applications completed within set timeframes	<ul style="list-style-type: none"> <li>allocation trades, divide a water share, take and use licences: 3 days</li> <li>licence transfers, water share transfers, information statements, subdivisions: 7 days</li> <li>farm dam licences: 60 days</li> </ul>	90%	90%	90%	90%	90%	90%

## Pricing

We set prices annually to reflect our operating and capital budgets.

Our prices for 2023-24 are consistent with the pricing principles and constraints proposed in our Price Submission 2023 – this means no change to prices.

Our full tariff schedule is detailed in the Appendices.

We also collect application fees on behalf of the VWR for transactions relating to water shares and allocations.

The following tables below lists the major prices for our groundwater and rivers customers.

### *Groundwater and rivers prices*

Tariff Description	2022-23	2023-24	2024-25
<b>Groundwater (average annual increase of 0% + CPI)</b>			
Licensed groundwater volume (ML)	4.15	4.45	4.60
System management charges – Deutgam (ML)	27.80	29.90	30.90
<b>Surface water (average annual increase of 0% + CPI)</b>			
Licensed volume and sales – standard (ML)	12.15	13.05	13.50
Licensed volume and sales – off-stream winterfill (ML)	8.51	9.14	9.45
System management charges – Thorpdale (ML)	9.70	10.45	10.80
System management charges – Latrobe (ML)	11.70	12.60	13.05
System management charges – Maribyrnong (ML)	52.25	56.25	58.25
Hazardous dam and decontamination bore (each)	244.50	263.00	272.00
Aquaculture diversion rate (ML)	80.25	86.25	89.25
Fixed licence charge (each)	377.75	406.00	420.00

### *New prices*

Tariff Description (average annual increase of 0% + CPI)	2022-23	2023-24	2024-25
Pre-application fee (per hour)	N/A	150	155.50
Site visit (per hour)	N/A	150	155.50
Peer review	N/A	At cost	At cost
Advertising fee	N/A	At cost	At cost

**Surface water bill impacts**

Surface water	Quantity	Charge 2022-23	Charge 2023-24	% nominal change (CPI)
<b>Small customer</b>				
Licence charge (each)	1.0	\$377.75	\$406.00	
Volumetric charge (ML)	5.0	\$60.75	\$65.25	
Total cost		<b>\$438.50</b>	<b>\$471.25</b>	<b>7.5%</b>
<b>Medium customer</b>				
Licence charge (each)	1.0	\$377.75	\$406.00	
Volumetric charge (ML)	50.0	\$607.50	\$652.50	
Total cost		<b>\$985.25</b>	<b>\$1,058.50</b>	<b>7.4%</b>
<b>Large customer</b>				
Licence charge (each)	1.0	\$377.75	\$406.00	
Volumetric charge (ML)	200.0	\$2,430.00	\$2,610.00	
Total cost		<b>\$2,807.75</b>	<b>\$3,016.00</b>	<b>7.4%</b>

**Groundwater bill impacts**

Groundwater		Charge 2022-23	Charge 2023-24 <sup>1</sup>	% nominal change (CPI)
<b>Small customer</b>				
Licence charge (each)	1.0	\$377.75	\$406.00	
Volumetric charge (ML)	5.0	\$20.75	\$22.25	
Total cost		<b>\$398.50</b>	<b>\$428.25</b>	<b>7.5%</b>
<b>Medium customer</b>				
Licence charge (each)	1.0	\$377.75	\$406.00	
Volumetric charge (ML)	150.0	\$622.50	\$667.50	
Total cost		<b>\$1,000.25</b>	<b>\$1,073.50</b>	<b>7.3%</b>
<b>Large customer</b>				
Licence charge (each)	1.0	\$377.75	\$406.00	
Volumetric charge (ML)	300.0	\$1,245.00	\$1,335.00	
Total cost		<b>\$1,622.75</b>	<b>\$1,741.00</b>	<b>7.3%</b>

## Application fees

We charge application fees for a range of different transactions in relation to water licences and works licences (bores and dams). Overall, our application fees will not increase more than CPI.

The table below lists the most common fees.

Our full tariff schedule is detailed in the Appendices.

**Common application fees**

Tariff	2022-23	2023-24	2024-25
Construct, alter or decommission class A or B bore	493.00	530.00	549.00
Transfer of licence (repeat temporary transfer or sale of property)	134.50	144.50	149.50
Information statement	123.00	132.00	136.50

# Latrobe Bulk Entitlements

## Overview

SRW is the appointed storage manager for the Latrobe River basin. Our role is to harvest, store and release water on behalf of entitlement holders. This involves managing large and complex infrastructure including dam walls, embankments, spillways and associated mechanical and electrical equipment.

We manage Blue Rock Lake, Lake Narracan and Yallourn Weir on behalf of Gippsland Water and the Latrobe Valley power companies. A small share of entitlement from Blue Rock Lake is held by SRW for downstream licence holders, and the Department of Treasury and Finance is the custodian for water entitlements issued to the former State Electricity Commission of Victoria. Blue Rock Lake also holds an environmental entitlement and a drought reserve.

The table shows the entitlement shares on the Latrobe system:

### *Latrobe system entitlements*

Entitlements	Blue Rock	Narracan and Yallourn
Gippsland Water	17.08%	
Yallourn power station (held by Energy Australia)	15.72%	29.94%
Loy Yang A power station (held by AGL Loy Yang Partnership)	17.22%	32.80%
Loy Yang B power station (licensed by SRW)	8.61%	16.4%
Loy Yang 3-4 Bench (held by Minister for Water)	10.95%	20.86%
Irrigation (licensed by SRW)	2.10%	
Environmental entitlement	9.45%	
Drought reserve	18.87%	

## Service measures

Maximising the accuracy of water release helps us to minimise water losses. We measure performance as the percentage of time the released flow is within defined limits of the ordered flow. Our target is 100% compliance with the bulk entitlement order.

***Latrobe system service measures***

Customers	Output	Measure	22-23	23-24	24-25	25-26	26-27	27-28
<b>Reliable water supply</b>								
Bulk entitlements	Orders delivered	Orders delivered as per bulk entitlement order	N/A	100%	100%	100%	100%	100%
<b>Sustainable water</b>								
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	N/A	100%	100%	100%	100%	100%
Bulk entitlements	Environmental flows delivered	Percentage of orders delivered	N/A	100%	100%	100%	100%	100%
All	Complaints managed quickly	Percentage of all complaints responded to within 10 business days	N/A	90%	90%	95%	95%	95%
<b>Community value</b>								
Bulk entitlements	Environmental flows	Environmental flows are released in accordance with bulk entitlements obligations	N/A	100%	100%	100%	100%	100%
Bulk entitlements	Headworks management	Percentage of times obligations are met	95%	95%	95%	95%	95%	95%

## Charges

Charges for the Latrobe storage operation are based on the cost reimbursement arrangements set by the bulk entitlement agreements determined by the Victorian Government. These tariffs are designed to fully recover our costs of managing these systems. Costs are shared in proportion to the entitlements held in the systems (excluding the Blue Rock drought reserve).

The costs of providing and maintaining recreational facilities at our eastern storages are charged to Gippsland Water (96%) and MID customers (4%).

Costs associated with renewal and upgrade works at Yallourn and Narracan are treated as recoverable works and charged to the power generators as incurred.



# Werribee and Maribyrnong bulk entitlements

## Overview

SRW is the appointed storage manager for dams on the Werribee and Maribyrnong River systems. Our role is to harvest, store and release water on behalf of entitlement holders. This involves managing large and sophisticated infrastructure including dam walls, embankments, spillways and associated mechanical and electrical equipment.

We manage the Pykes Creek, Melton and Merrimu reservoirs on the Werribee system that also includes diversion weirs and tunnels to divert water, from the Werribee River into Pykes Creek Reservoir and from the Lerderderg River into Merrimu Reservoir via Goodmans Creek. This system provides water for Greater Western Water and for our Werribee and Bacchus Marsh irrigation districts. There is also an environmental entitlement to the flows into Merrimu Reservoir.

On the Maribyrnong River we manage Rosslynne Reservoir which holds entitlements for Greater Western Water, Melbourne Water and for SRW on behalf of downstream licence holders.

The table below shows the entitlement shares on the Werribee and Maribyrnong systems.

### *Werribee and Maribyrnong system entitlements*

Entitlements	Pykes Creek	Melton	Merrimu Capacity	Merrimu inflows	Rosslynne
Greater Western Water	1%	0%	80%	80%	86%
Melbourne Water	0%	0%	0%	0%	9.5%
SRW	99%	100%	20%	10%	4.5%
Environmental entitlement	0%	0%	0%	10%	0%

## Service measures

To maximise seasonal allocations for customers it is important water harvest is maximised in our off-stream storages at Pykes Creek and Merrimu Reservoirs (other major storages are on-stream so harvest performance does not apply).

Our target is 100% compliance with the bulk entitlement order.

### *Werribee and Maribyrnong service measures*

Customers	Output	Measure	22-23	23-24	24-25	25-26	26-27	27-28
<b>Reliable water supply</b>								
Bulk entitlements	Orders delivered	Orders delivered as per bulk entitlement order	N/A	100%	100%	100%	100%	100%
<b>Sustainable water</b>								
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	N/A	100%	100%	100%	100%	100%
Bulk entitlements	Environmental flows delivered	Percentage of orders delivered	N/A	100%	100%	100%	100%	100%
<b>Community value</b>								
Bulk entitlements	Environmental flows	Environmental flows are released in accordance with bulk entitlements obligations	N/A	100%	100%	100%	100%	100%
Bulk entitlements	Headworks management	Percentage of times obligations are met	95%	95%	95%	95%	95%	95%

## Charges

Charges for the Werribee and Maribyrnong storage operations are based on cost reimbursement arrangements set by bulk entitlement agreements determined by the Victorian Government. These tariffs are designed to fully recover our costs of managing these systems. Costs are shared in proportion to the entitlements held in the systems.

The Werribee environmental entitlement is not a chargeable entitlement under the terms by which it was created and so the costs for securing inflows to Merrimu are shared by Greater Western Water and SRW in proportion to their respective shares.

The costs of providing and maintaining recreational facilities at our western storages are charged to Greater Western Water.

## PUBLIC NOTICE

### 2023-2024 Water tariffs

In accordance with the provisions of Section 260 of the Water Act 1989, notice is hereby given by the Gippsland and Southern Rural Water Corporation of the making of a Resolution setting the following water tariffs for the year **1 July 2023 to 30 June 2024**.

(ML) = megalitre

(each) = each

(p/h) = per hour

## Schedule 2 – Application fees

<b>Tariff and Price Component</b>	<b>Unit</b>	<b>Price</b>
<b>2.1 Irrigation District</b>		
Application to amend district boundary	(each)	1,383.70
<b>2.2 Irrigation District: Delivery Shares</b>		
Applications relating to Delivery Shares, Water Use Licences and Registrations, and Drainage Diversion Agreements	(each)	279.68
<b>2.3 Issue of Take and Use or Underground Disposal Licence</b>		
Fixed Component – Domestic and Stock	(each)	886.15
Fixed Component – Volume up to 20ML	(each)	1,937.18
Fixed Component – Medium Impact	(each)	2,437.67
Fixed Component – High Impact	(each)	3,927.36
Volumetric Component	(ML)	23.90
Water Availability Assessment	(each)	131.89
<b>2.4 Amendment / Amalgamation of Licence</b>		
Licence Amendment – Significant	(each)	653.57
Licence Amendment – Minor	(each)	143.66
<b>2.5 Transfer of Licence</b>		
Low Impact Transfer (Up to 20ML or Amalgamation)	(each)	441.60
Medium Impact Transfer	(each)	947.98
High Impact Transfer	(each)	2,431.78
<b>2.6 Construction Licences – New</b>		
Construct Farm Dam – Not Potentially Hazardous and No Engineering	(each)	1,136.40
Construct Farm Dam – Potentially Hazardous and No Peer Review	(each)	3,097.14
Construct Farm Dam – Potentially Hazardous, Peer Review or On-Stream Dam, Requiring a s.51 Licence	(each)	6,412.14
Construct or Alter Domestic and Stock Bore	(each)	527.57
Construct or Alter Class A or B Bore	(each)	527.57
Construct, Alter or Decommission Class C Bore	(each)	1,507.35
Construct, Alter or Decommission Class D Bore	(each)	1,990.17
Construct Additional Investigation Bore	(each)	119.52
<b>2.7 Construction Licences – Existing</b>		
Hazardous Dam – Operating Licence	(each)	1,554.45
Farm Dam – Alter or Decommission	(each)	877.32
Amend, Renew or Transfer Works Licence	(each)	143.66
Bore Construction Licence Renewal	(each)	143.66

## 2.8 Private Works

Private Works – Domestic & Stock Pipe Permit	(each)	376.83
Private Works - Other	(each)	730.12
Transfer Licence to Use Works	(each)	279.68

## 2.9 General

Applications – Additional Assessment (per hour)	(p/h)	155.44
Information Statement	(each)	131.89
Information Report – Mail Out or Standard	(each)	465.15
Information Report – Short	(each)	131.89
Information Report - Complex	(each)	1,448.47
Special Meter Reading	(each)	131.89
Diversion Works on Crown Lands	(each)	388.61

## Miscellaneous Fees and Charges

Pre-application fee (per hour)	(p/h)	160.53
Site visits (per hour)	(p/h)	160.53
Peer review fee		at cost
Public advertising fee		at cost

## Schedule 3 – Rural prices

### Irrigation / Regulated systems

#### 3.1 Macalister Irrigation / Macalister and Thomson Regulated Systems

Macalister/Thomson Water Share – High Reliability	(ML)	15.77
Macalister/Thomson Water Share – Low Reliability	(ML)	7.89
MID Delivery Share	(ML/day)	6,262.35
Delivery Share — Termination Fee*	(each)	93,935.30
MID Service Point – Metered Outlet	(each)	246.58
Macalister/Thomson/MID Service Point – Metered Pump	(each)	128.72
Macalister/Thomson/MID Service Point – Unmetered	(each)	57.57
Macalister/Thomson/MID Usage	(ML)	10.80
MID Casual Use	(ML)	63.65
MID Drainage Diversion Entitlement and Sales	(ML)	22.81

#### 3.2 Werribee and Bacchus Marsh Irrigation / Werribee Regulated System

Werribee System Water Share – High Reliability	(ML)	147.18
Werribee System Water Share – Low Reliability	(ML)	73.59
WID Delivery Share	(each)	18,008.00
Delivery Share — Termination Fee (WID)*	(each)	270,121.93
BMID Delivery Share	(each)	13,874.00
Delivery Share — Termination Fee (BMID)*	(each)	208,110.00
WID Service Point – Metered Outlet	(each)	274.55
Werribee System/WID Service Point – Metered Pump	(each)	137.54
Werribee System/WID Service Point – Unmetered	(each)	68.63
BMID Service Point – Metered Outlet	(each)	251.50
BMID Service Point – Metered Pump	(each)	125.75
BMID Service Point – Unmetered	(each)	64.21
WID Casual Use	(ML)	279.95
BMID Casual Use	(ML)	315.71
WID Drainage Diversion Entitlement and Sales	(ML)	131.33

### Unregulated surface and groundwater

#### 3.3 Licence Charges

Take and Use Licence	(each)	404.27
Operating Licence – Decontamination Bore & Hazardous Dam	(each)	261.66

#### 3.4 Licenced Volume Charges

Surface Water Licenced Volume & Sales – Standard	(ML)	13.00
Surface Water Licenced Volume – Offstream Winterfill	(ML)	9.10
Aquaculture Diversion Rate	(each)	85.88
Groundwater Licenced Volume	(ML)	4.44

#### 3.5 System Management Charges

Surface Water – Thorpdale	(ML)	10.38
Surface Water – Latrobe System	(ML)	12.52
Surface Water – Maribyrnong	(ML)	55.91
Groundwater – Deutgam	(ML)	29.75
Salinity Mitigation	(ML)	0.70
Groundwater Control Pump Usage	(ML)	29.69

#### 3.7 Transfer of Licence

Simple Transfer (Repeat Temporary Transfer or Sale of Property)	(each)	143.90
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## Additional charges

	Unit	Price
Replace existing licensed bore – no increase in volume	(each)	671.40
Additional bore on current licence – no increase in volume	(each)	671.40
Bulk Entitlement Charges		As per BE order
Recreation facilities		As agreed with GW and GWW
Recycled water sales		As agreed under Melb Water contracts
Recycled water uncontracted use		As agreed under Melb Water contracts
Account collection fee	(each)	80.25
Change of address - Location trace on account holder	(each)	160.50
Freedom of Information fee	(each)	31.80
Drillers licensing fees		As per regulation

## Liability for payment

With the exception of Water Share Fees, the person liable to pay each fee, charge and tariff specified above is the owner of the property subject to the respective works, service or licence. Notwithstanding that Southern Rural Water may enter into payment arrangements, including accepting payment from a tenant or occupier (where the owner is not the occupier), the owner of the property subject to the respective works, service or licence remains liable for all fees, charges and tariffs. The person liable for each Water Share Fee is the owner of the Water Share.

## Payment due

Werribee recycled water fees are due and payable quarterly on 21 August 2023, 20 November 2023, 20 February 2024 & 20 May 2024.

Macalister/Thomson Regulated System water usage fees are due and payable on 31 August 2023. All other water fees are due and payable on 20 December 2023.

These may be paid in four instalments, due as follows:

20 November 2023, 22 January 2024, 20 March 2024 and 20 May 2024

## Payment of accounts

Payment of accounts for any of the above tariffs can be made in any of the following ways:

- by telephone or internet banking using BPAY or POST BillPay
- by internet banking using BPAY View
- by Direct Debit or Direct Credit
- at any Australia Post Office
- in person or by mail to Southern Rural Water, 88 Johnson Street (PO Box 153), Maffra, Vic. 3860

## Recovery of collection fees and other costs:

Account collection fee of **\$80.25** will apply to overdue charges referred to a debt collection agency. A further charge of **\$160.50** will be payable if a change of address is not advised, and a trace is required to locate an account holder.

Any other costs incurred in relation to the recovery of any outstanding amounts owed to Southern Rural Water by a person ("Debtor"), including without limitation costs incurred in locating Debtors, legal costs on a full indemnity basis and debt collection costs, are payable in full by the Debtor within 14 days of the costs being incurred.

## Privacy disclaimer

The discharge of Southern Rural Water's functions, including the provision of services, supply of water and invoicing, is subject to Southern Rural Water's Privacy Policy as set out on its website: [www.srw.com.au](http://www.srw.com.au)

Under the terms of its Privacy Policy, Southern Rural Water may disclose any information held by it in relation to a customer to any person for the purposes related to the collection of overdue payments relating to amounts owed by a customer and may exchange information about a customer to a customer's credit providers including those named in a consumer credit report issued by a credit reporting agency.