



Southern
Rural Water

Corporate Plan 2024-25

Acknowledgements

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.

Southern Rural Water operates on the lands of the following Traditional Owner groups: Bunurong, Gunaikurnai, Gunditjmarra, Eastern Maar, Wadawurrung and Wurundjeri Country.



Gunai Elder Aunty Sandra Patten led a Welcome to Country as part of NAIDOC Week (2023).

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Foreword

The 2024-25 corporate plan reflects an exciting time at Southern Rural Water. Extensive consultation completed during our Price Submission 2023, and valuable discussions with stakeholders at our November 2023 Strategic Futures Forum, mean we have a clear picture of the value we create for our customers and community now and into the future.

These important conversations inform our strategic priority areas, that combined with the government's priorities and our statutory obligations, provide the foundation for delivery over the 2024-25 financial year. This corporate plan outlines the focus areas, goals, and initiatives we aim to achieve now and sets us up for success over the time horizon of our Price Submission 2023-28.

Taking action to mitigate and adapt to the impacts of climate change is a critical strategic goal. We are on target to achieve our net-zero emissions target by 2025. We have started work on several important far-sighted projects the potential for substitution of surface water with high quality recycled water that will help us prepare, as best we can, for managing and supplying water in a volatile and uncertain climate future.

We are on track to complete our multi-million-dollar infrastructure modernisation projects in the Macalister and Werribee irrigation districts this financial year. This investment will deliver water savings that benefit our customers and the environment and already provides better service and efficiencies that are positively impacting our customers' businesses. We plan on continuing the roll-out of modern water meters and building our compliance

capacity to enforce our zero tolerance to water theft approach.

We remain focused on maintaining our existing assets to remain safe and fit-for-purpose using a risk-based model of critical works and prudent capital expenditure.

People are at the heart of everything we do, and we will encourage diverse perspectives, strengthen collaboration within our team, and build on trusted partnerships with our customers and community. Increasing gender diversity (specifically in STEM occupations), reporting on other factors to increase inclusivity, and developing wellbeing programs identified in the Water Industry Mental Health Framework Assessment are some of the ways that we will attract and maintain talent who help Southern Rural Water be a great place to work and thrive.

We feel privileged to be a steward of water resources in southern Victoria and recognise the importance of including customers and our community in conversations that impact them. We already use customer committees, face-to-face events, workshops, strategic forums and digital communications to engage. We plan to build on these solid foundations to improve our decision-making processes.

Southern Rural Water supports Traditional Owner self-determination and this will be an ongoing focus.

Our program of work is ambitious, however on behalf of the Board, I am confident this corporate plan provides the blueprint for success and allows us to look ahead with optimism.



Joanne Butterworth-Gray
Chair



Cameron FitzGerald
Managing Director

Introduction

Who we are

Gippsland and Southern Rural Water Corporation, trading as Southern Rural Water (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 and service the environment.

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 of our contribution to an agricultural economy within 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 more than 170 people.

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

Our service area



Our vision and values

Our vision is great value for customers and community through excellence in rural water management.

Our aspirations are to provide:

- Customer value through outstanding service.
- Community value to help our regions thrive.
- Excellence in everything we do by empowering our people to deliver results.

Our values set out the way we work, they inspire the right behaviours and set the tone for our culture.

Our values statement is: We are **always safe, accountable**, working as **one team** to deliver a lasting **legacy**.



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 Victorian Environmental Water Holder (VEWH). Water shares are held by individual customers within the Macalister, Werribee and Bacchus Marsh irrigation districts.

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.

Storages

Storage	Size (ML)	River	Customers
Blue Rock Lake	198,280	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	177,000	Macalister / Thomson	Irrigators, licensed diverters, VEWH
Rosslynne Reservoir	25,400	Maribyrnong	Greater Western Water, Melbourne Water, licensed diverters
Melton Reservoir	14,360	Werribee	Irrigators, licensed diverters
Merrimu Reservoir	32,215	Werribee	Greater Western Water, irrigators, licensed diverters, VEWH
Pykes Creek Reservoir	22,119	Werribee	Greater Western Water, irrigators, licensed diverters

Irrigation districts

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

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 water restrictions and advise when people can and cannot use water to protect the environment.

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 barbeques to boat launching ramps. 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 Lake, to the more intensive motorised boating activities at Pykes Creek, Melton Reservoir and Lake Glenmaggie. 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 Lake in partnership with Better Boating 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 has 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.

This includes designing and delivering an annual critical infrastructure resilience emergency risk management exercise under an 'all hazards' context and facilitating an annual independent statutory audit of SRW's emergency risk management system.

SRW also facilitates formal after-action reviews after each incident. These activities support the development of our emergency management systems, processes and internal capability. SRW also has corporate business continuity and disaster recovery plans embedded across the organisation.

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 Victorian

Government’s *Water is Life: Traditional Owner Access to Water Roadmap* is an important step towards self-determination. It outlines actions to increase Traditional Owner access to water and management of water landscapes.

In October 2023, we issued two licences for water use to the Gunaikurnai Land and Water Aboriginal Corporation – one for 200 ML of groundwater in Buchan Munji and one for 500 ML from the Tambo River – to own and manage the water for spiritual, cultural, environmental, and social-economic initiatives.

This follows on from the allocation of a 2,000 ML licence for an annual allocation from the Mitchell River to the Gunaikurnai Land and Waters Aboriginal Corporation in 2020 and a 2,500 ML per year water licence to Gunditj Mirring Traditional Owner Aboriginal Corporation for use within the UNESCO World Heritage listed Budj Bim cultural landscape in March 2022.

SRW remains committed to supporting the implementation of *Water is Life* and the Treaty process by building relationships with Traditional Owners and working in partnership with Department of Energy, Environment and Climate Change (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 other 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.



Our structure

SRW is governed by a board of directors, currently comprising six 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.

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.

The business units are outlined in the following table.

Unit	Functions
Service Delivery	Operating our Macalister, Werribee, and Bacchus Marsh irrigation districts, managing licence diversions from surface water and groundwater, and the construction of bores and dams in a manner that supports climate change adaptation.
Asset Futures	Managing the full lifecycle of SRW's engineered assets, from planning to renewal and/or decommissioning. Developing and delivering the capital plan including large modernisation projects, with a focus on dam safety management.
Strategy, People and Culture	Strategic planning to ensure sustainable management of 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, and development of a diverse, knowledgeable, and engaged future ready workforce including pathways for Aboriginal and Torres Strait Islanders across all levels of our business including the board.
Customers and Technology	Providing customer service via telephone, online and face-to-face channels, supported by digital technologies aligned to customer expectations and supporting customers during hardship. Implementation of Information Technology systems and networks and investment in technology to support strategic objectives and mitigate risks including cyber security.
Finance, Safety and Risk	Supporting and delivering fiscal management, risk management and corporate governance. Implementing safe systems of work to ensure our people are always safe. Managing procurement, facilities, and fleet to ensure contemporary, accessible, and sustainable work environments and resources.
Corporate Secretary	Supporting and delivering governance, freedom of information, privacy and legal advice. Overseeing corporate governance compliance practices and assurance activities, ensuring statutory obligations are met.

Operating environment

Economic regulation

This Corporate Plan is formed as part of the second year of the Price Determination 2023 issued by the Essential Service Commission in June 2023. This determination caps price increases at no more than CPI for 86 percent of our customers and includes efficiency measures designed to deliver productivity savings of 1 percent per annum.

Planning assumptions

The quantities on which our revenue is forecast are generally stable across the planning period with only moderate adjustments to reflect the proposed sale of water entitlements. This stability reflects the entitlement-based nature of our services including:

- Eastern irrigation: delivery volumes of 147 GL per annum being approximately the same as the last 10-year average.
- Groundwater and rivers application fees: applications for new groundwater and surface water licences are subject to ongoing volatility (influenced by factors such as seasonal conditions and government policy). Going forward, we have projected a similar demand to that experienced over recent years.
- Werribee and Bacchus Marsh irrigation: delivery of river water entitlements consistent with demand experienced in recent years. It is anticipated there will be sufficient carry-over from 2023-24 to meet customer water supply needs into 2024-25.

Construction costs

Our future capital budgets assume infrastructure construction costs will increase at CPI.

Staffing

Our staffing levels are expected to be consistent at 170 prescribed full time equivalents.

Labour rates

SRW's new enterprise bargaining agreement was approved by the Fair Work Commission in March 2024. This new four-year agreement provides a 3 percent annual wage increase for employees. Employees also received a lump sum payment of \$1,858 per employee in February 2024, and will receive further lump sum payments of \$1,627 and \$1,162 in December 2024 and December 2025. These payments are all incorporated within the labour cost assumptions.

Fuel

While we have an extensive fleet of 100 vehicles, we have not adjusted budgets for any real change to fuel prices. As part of our commitment to zero net carbon emissions by 2025 and to lower costs, we are progressively moving to more energy efficient models as the existing vehicles reach their trade-in date.

Electricity

As most of our water supply is gravity-fed our electricity costs are largely for office use and accordingly represent a minor expense for the corporation. We have installed solar cells at several of our major facilities (including Maffra and Werribee offices) which has effectively reduced our electricity costs at these facilities by around 50%. We expect to manage electricity price movements within our general basket of external costs.

Water availability

Wet conditions in the 2023-24 season have established a good starting position for seasonal determinations in the declared water systems for the start of the 2024-25 season.

We expect an early high allocation of High Reliability Water Supply and the possibility of Spill entitlement for eastern irrigation customers.

Key water savings projects

During the past 15 years, SRW has invested in large capital-intensive modernisation works in each irrigation district. By the end of 2024, we expect to have completed \$218 million worth of modernisation projects.

This investment creates opportunities for customers to increase on-farm efficiencies, expand profitability and generate state-wide economic benefits. At the same time, it improves delivery efficiency, reduces water losses and helps to build ongoing resilience by making more water available to our customers. For instance, in the Bacchus Marsh Irrigation District, delivery efficiency has increased from 60 percent in 2015-16 to 87 percent in 2022-23, meaning that the amount of water lost in delivery has reduced from 40 percent to just 13 percent, increasing the amount of water available for our customers and the environment.

Our investment in modernisation since 2011

District	Works	SRW \$m	Victorian Government \$m	Federal Government \$m	Total investment \$m
Macalister Irrigation Area	Leading works	4			4
	Phase 1A	19	16		35
	Phase 1B	25	20	20	65
	Phase 2*	21	10	31	62
	MID Sub total	69	46	51	166
Bacchus Marsh Irrigation District and Werribee Irrigation District	WID (stages 1,2,3 + BMID)	15	15		30
	WID (stage 4 and 5)*	11		11	22
	WID / BMID Sub total	26	15	11	52
Total investment \$m		95	61	62	218

*Project underway but not yet complete.

Our strategic priorities

In addition to our business plans, which set the foundations for achievement of our vision, we are committed to pursuing five strategic outcomes designed to ensure our services meet the needs of future generations as well as those of today.

SRW is a key enabler for water transformation of the agriculture sector in southern Victoria. We will bring our customers and communities on this journey, and together we will prepare and respond to climate change, taking advantage of breakthrough technologies, to create a productive, sustainable and resilient future for southern Victoria.

Strategic outcomes

Optimising water supply and use

Our five-year vision

Ensuring every drop of water is being used to greatest effect, achieving both reliability of supply in dry times and expansion of irrigation. This will enhance our services to locations across the south of Victoria.

Our 2024-25 goal

- Delivering on our water sales plan, making more water available across southern Victoria within consumptive limits.
- Understanding long term water security across all supply systems through a climate change mitigation and adaptation lens.

Our 2025-2028 goals

- Continue our modernisation journey to support optimised networks.
- Commercial customers are digitally connected to SRW via modern outlets and remote meters.

Developing renewable energy investments

Our five-year vision

Take advantage of access to electricity grid connections in Gippsland to develop a portfolio of renewable energy investments with a particular focus on hydropower and hydrogen fuel opportunities to support our energy use and beyond.

Our 2024-25 goal

- Assess the full suite of renewable energy opportunities across our service area.

Our 2025-2028 goals

- Investment prospectus is developed for our most attractive opportunities across our geographical area.
- Generating commercial return on investment on diversified renewable energy investments.

Harnessing recycled water

Our five-year vision

Harnessing recycled water opportunities in Melbourne's green wedges to expand high value fruit and vegetable production, delivering local food security to the growing metropolis. Rivers will be revitalised and Melbourne's green wedge 'lungs' will breathe easier.

Our 2024-25 goal

- Complete customer engagement for alternative water sources, in particular in the Werribee Irrigation District to enhance the quality of water provided to Werribee customers.

Our 2025-2028 goals

- Develop an innovative water recycling program plan with less waste, more reuse and greater productivity.
- Educate the community on the value of water and the link between food security, environmental outcomes, public health and the link with economic prosperity and wealth creation.
- Recycled water is viewed as a viable and safe option for agribusiness.

Investing in resilient infrastructure

Our five-year vision

Understanding climate, water security and service risks, we augment the natural advantages of southern Victoria with targeted investment in resilient infrastructure.

Our 2024-25 goal

- Complete a climate risk and infrastructure vulnerability assessment with an initial focus in the south west region.

Our 2025-2028 goals

- Investigate opportunities for the Dilwyn aquifer to support growth in the south west region.
- Continually finding new ways to secure funding and invest wisely in infrastructure that is resilient to climate change.
- Build and evidence base that enhances understanding of water resource capability and competing demands across our catchments.

Strategic expansion of our network and service

Our five-year vision

Understanding where our system limits are, we expand our network and service while continuing to deliver great value for existing customers. We are delivering efficient and reliable irrigation services spanning from Traralgon to Bairnsdale to support the central Gippsland food bowl. We will drive regional growth, supporting jobs and allied infrastructure investment.

Our 2024-25 goal

- Making more water available to enable growth through strategic projects including the Macalister Fresh initiative and delivering on the Central and Gippsland Sustainable Water Strategy action 4-8 known as the reallocation of the Latrobe 3-4 bench entitlement, to

reallocate 16 GL of water from Blue Rock Lake to irrigators, the environment and Traditional Owners.

Our 2025-2028 goals

- Through partnerships across our service region, we have opportunities to expand recycled water use and transition to hydrogen production.

Strategic enablers

Future-ready workforce and culture of innovation

Our five-year vision

Fostering a culture of innovation, supported by capable leadership and the mindsets and skills required to enable the transformation at scale. This will support us to achieve productivity savings through optimising our business processes.

Our 2024-25 goal

- Complete workforce planning to ensure we have the skills and capabilities in place to succeed in light of a changing climate and transformations in technology.

Our 2025-2028 goals

- Workforce transition is well advanced to support our modernised infrastructure and changing customer needs.

Strength-based strategic partnerships

Our five-year vision

Being an organisation that knows what we do well and partners with others to deliver the functions where we don't have scale and capability.

Forming new partnerships through innovative models (for example, shared service partnerships with other government agencies) to share risks and rewards.

Our 2024-25 goal

- Implement the outcomes of the strategic partnerships framework review, identifying stakeholder expectations and where the best opportunities are to expand our partnerships approach.
- Supporting the Victorian Government to implement the Latrobe Valley Regional Rehabilitation Strategy.

Our 2025-2028 goals

- Develop partnership agreements with Traditional Owners, where appropriate, to support self-determination.
- We have leveraged our position as a trusted partner to take advantage of the benefits of shared services with other water businesses, government agencies, industry bodies and the private sector as appropriate to drive best value.
- Demonstrated our working commitment with water corporations to our partnerships.

Modernising our operating technologies

Our five-year vision

Retaining our focus on our fundamental of dam safety, reliable water delivery, customer experience, clear regulation and great asset and financial management. The basics don't change, but the way we deliver will. We will apply modern operating technologies including smart meters, drones, automated water supplies and field sensors to enhance the efficiency of our service delivery.

Our 2024-25 goal

- Complete a technology maturity assessment aligned to providing great customer value and implement the outcomes of the review.

Our 2025-2028 goals

- Asset and information management capabilities are expanded.
- Technology partnerships in place with similar organisations to maximise scale.
- We understand where our system limits are.
- Data driven decision making capabilities are at the forefront of our operating capabilities.

Business plan

Our Price Submission 2023-28 was developed with extensive customer consultation that supports asset modernisation while delivering great outcomes for customers, stakeholders and our communities. This Corporate Plan is consistent with the objectives of the price submission, outlining six key priority areas:

- great service
- fair and reasonable prices
- reliable water
- sustainable water
- valued community member, and
- a great place to work.

SRW is implementing a range of business plans that set the foundations for achievement of these priority areas and supports the requirements of our Letter of Expectation and Statement of Obligations. More detail on how we are addressing the Letter of Expectations is outlined in the Government priorities chapter.

People Plan

Our people are at the heart of everything we do: they enable us to deliver on our strategy. 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.

Our focus

- Ensuring our people and the public are safe.
- Having a diverse, inclusive, and safe values-based workplace that will support our employees to be the best version of themselves.
- Create a culture of respect, trust and collaboration.

Key initiatives to be completed in 2024-25

- Continuing implementation of our values-based culture program One Self, One Team, One Southern Rural Water.
- Support field officers with training to meet their job requirements and professional development for current and future job needs.
- Successfully implementing our recently approved enterprise agreement.
- Redeveloping our recognition program to align with values statement, including encouraging peer-to-peer recognition.
- Delivering our new anti-bullying and harassment program to support leaders in both their preventative and remedial roles and provide better means for concerns to be raised and dealt with without retribution, as part of a culture of openness and trust.
- Growing an inclusive leadership culture by building awareness and understanding of inclusion and diversity by mitigating bias, and fostering diversity of thought.
- Refining our suite of wellbeing programs to focus on mental health and resilience, and other areas highlighted through the Water Industry Mental Health Framework Assessment.

Supporting Traditional Owner self-determination

We are committed to fostering mutual understanding and respect, to build trust and develop meaningful relationships with First Nations communities and to respect their knowledge and continuing connection to Country.

Our focus

- Increase opportunities to enhance cultural safety, providing direct and indirect employment, social procurement and early proactive engagement in asset planning.

Key initiatives to be completed in 2024-25

- Approach all Traditional Owners in our region (Bunurong, Gunaikurnai, Gunditjmarra, Eastern Maar, Wadawurrung and Wurundjeri) to listen and learn about their aspirations for Country and mob.
- We will appoint an independent Aboriginal delegate to our board.
- From our conversations with Traditional Owners, develop a strategic approach that is driven by their individual objectives.

Gender Equality Action Plan

We are committed to gender equality. We value the contribution of a diverse workforce that offers new and different perspectives, powering greater collaboration and innovation. We acknowledge that it is our responsibility to create gender equality and be inclusive.

Our focus

- Increase equality in gender composition across the organisation.
- Improve reporting with transparent content to support action and accountability.
- Shift gender norms, normalise respectful workplaces, provide flexible working for all employees.
- Ensure all leaders hold themselves and others to account for demonstrating gender-equitable behaviour.

Key initiatives to be completed in 2024-25

- Create opportunities to strengthen gender representation in select occupations (e.g. STEM and Service Delivery). This will be conducted via recruitment opportunities such as female only recruitment, where deemed necessary to enhance female applicants and through traineeships and graduate positions.
- Build on our analysis of pay data and develop targets and strategies to address gender pay gaps.
- Create a broader range of reporting, including intersectionality representation including gender, age, disability, ethnicity, gender identity, race, religion, sexual orientation and other attributes.
- Grow an inclusive leadership culture, enabling our leaders to drive conversations relating to gender equality and to reinforce a respectful culture that demonstrate the organisation's commitment to respectful workplaces.

Environmental Management System

We maintain an Environmental Management System (EMS) that allows us to protect and enhance the environment and meet our aspirational climate change goals. Our EMS provides a robust framework to manage our *Environment Protection Act 2017* statutory requirements, General Environmental Duty, and broader environmental and climate change risks. The EMS has incorporated our Climate Change Adaptation Plan and our Climate Change Mitigation Plan.

We have developed a set of environment and climate change focused objectives and targets that set out our strategic priorities over the next five years. These objectives and targets expand on SRW's compliance requirements, improve environmental performance across our activities, and elevate our existing climate action targets.

Our focus

- Implement our new EMS objectives and targets which includes:
 1. climate resilient water and assets ensuring we are planning for and adapting to a changing climate
 2. demonstrate environmental leadership by reducing our emissions over time in addition to transitioning to renewable energy
 3. healthy ecosystems to support improved outcomes across the land we manage and service; and
 4. partnerships and advocacy to work collaboratively with our partners to support outcomes greater than we can achieve alone.
- Continue to implement our 2025 net zero emissions target through exploration of carbon offsets sites across our service area.
- Meet or exceed our legislative requirements.

Key initiatives to be completed in 2024-25

- Determine and report on Scope 3 greenhouse gas emissions.
- Achieve net zero carbon emissions through the continued transition of our fleet to low emission vehicles and development of our carbon offset planting project.
- Embed our Climate Readiness Framework into water resource, asset planning and corporate planning.
- Develop circular economy principles in procurement and capital works.
- Ensure our electricity needs are being met by 100% renewables.

Compliance and Enforcement Framework

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.

Our focus

- Expanding training of staff to enhance compliance and investigative processes.
- Ensuring our metering program aligns with our zero-tolerance approach to unauthorised water take.

- Improving data quality systems to reduce the occurrence of false-negative balances based on automated meter reads.
- Implementing a large scale meter replacement program in line with the Metering Action Plan.
- Monitoring farm dams for compliance with licencing, including using innovative technologies including drones and photogrammetry.

Key initiatives to be completed in 2024-25

- Proactive dam inspections and surveillance, targeted to high risk catchments, utilising physical and technology-based field observations and surveillance.
- Compliance and investigations skills uplift for field operations staff across the business to align with zero tolerance approach to unauthorised take of water and identified contraventions of licensing and legislation.

Engagement Framework

Our engagement is guided by the International Association for Public Participation (IAP2) Public Participation Spectrum, a global model for how community members, groups and stakeholders can be engaged with us on our programs of work.

We engage with customers, communities and stakeholders at a strategic, project and operational level, often leveraging our engagement with partners across our service area. We aim to engage early to help build confidence, trust and goodwill.

Our focus

- Improve transparency in decision-making processes.
- Promote a shared understanding.
- Build a stronger evidence base to inform decisions.
- Meet regulatory requirements.

Key initiatives to be completed in 2024-25

- Engage customers in our dedicated forums including the Southern Groundwater and Rivers Forum and the Macalister Customer Consultative Committee, which provides a customer advisory group for our Macalister Irrigation Area and our groundwater and rivers business.
- Engage with customers and community members in a range of forums, including our Bacchus Marsh drop in sessions, hosted twice a year, and attendance at the Wyndham City Werribee Green Wedge Forum.
- Create engagement opportunities for those impacted by our projects and programs of work, with reference groups for our Macalister Fresh and Werribee Reconfiguration Project.
- Engage customers via ongoing forums and find additional face-to-face opportunities to meet with them.
- Host our annual strategic futures forum, inviting key customers, community groups and stakeholders from across our service area to help guide our organisation's decision making.

Recreational Area Management Plan

The *Water (Recreational Area) Regulations 2023* include a requirement for Southern Rural Water to develop management plans for the recreational areas under our management.

Our focus

- Review the existing recreational area determinations and make any required amendments as well as develop management plans.

Key initiatives to be completed in 2024-25

- Review of existing recreational area determinations.
- Develop recreational area management plans (through engagement with key stakeholders, including Traditional Owners) for the determined areas (currently Lake Blue Rock, Lake Glenmaggie, Lake Narracan, Melton Reservoir, and Pykes Creek Reservoir).

Financial Sustainability Plan

This Corporate Plan identifies a significant increase to SRW debt from \$82 million at June 2024 to \$98 million at June 2025 and \$168 million of debt at June 2029.

While these increases to debt are consistent with past Corporate Plans and our current price submission, and largely represent SRW's co-investment with Victorian and Australian governments to promote regional economic prosperity via irrigation modernisation, the organisation is very cognisant of associated financial sustainability risks.

In response, we have developed a long-term financial sustainability plan based on a 25-year capital program. This plan has been used to inform our price submission, which sets our price, cost and debt pathways for the next five years.

Since the current price submission was determined by the Essential Services Commission, an additional capital repatriation payment has been set by the Victorian Government to assist the state's repayment of COVID-19 generated debt. We have included provision for capital repatriation within this corporate plan, and continuation of these payments for the next 10 years forms part of our long-term financial sustainability planning.

Our focus

- Limiting operating expenditure to price submission expenditure allowances by achieving productivity savings.
- Tightly control capital expenditure so that all expenditure is rigorously reviewed against our asset management and risk management frameworks.
- Offsetting capital expenditure costs through water entitlement sales.

Key initiatives to be completed in 2024-25

- Deliver on operating and capital expenditure allowances set by year two of Price Submission 2023.
- 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.

Asset management plan

SRW's Asset Management Policy outlines our approach to achieve customer, shareholder, and stakeholder outcomes by:

- Embedding asset management as a core business process to achieve environmental sustainability, affordable pricing and minimise whole of life costs.
- Managing assets to be adaptable to climate change and operationally efficient to ensure the most reliable service to customers and provide ongoing opportunities to optimise their productivity.

- Complying with relevant legislation and government policy.
- Managing information and data to optimise decision making to manage SRW resources effectively and efficiently to achieve financial and environmental sustainability.
- Implementing risk-based decision making to assist in prioritising investment that is aligned with the SRW risk position statement and to consider future opportunities.
- Minimising safety risks to staff and community.

Our focus

- Implement our Asset Management Action Plan which includes a set of priority actions grouped under five key themes:
 1. leadership and accountability
 2. asset planning
 3. asset acquisition
 4. asset operation
 5. maintenance and asset information.

Key initiatives to be completed in 2024-25

- Continue to develop and complete Asset Class Plans for our most critical asset classes. This will be used to inform our long-term planning for these asset classes, and to inform and optimise our CAPEX and OPEX expenditure.
- Further develop a condition assessment framework, as well as integrated preventative maintenance programs for our most critical assets.
- Implement data governance, standards, and quality assurance frameworks for key asset information software.
- Continue work on delivering the Asset Management Information System improvement project.

Integrated Water Management

Integrated Water Management considers the entire water cycle to provide the best community outcomes when planning, delivering and operating infrastructure and water services.

Our focus

- Be a valued contributor in Integrated Management Forums in our region.
- Work collaboratively with partners in the region to explore opportunities to future proof our irrigation districts.
- Make best community use of water resources.

Key initiatives to be completed in 2024-25

- Continue to engage with customers on the Werribee Reconfiguration Project to understand appetite for a reconfiguration of the Werribee Irrigation District system, in line with the Central and Gippsland Sustainable Water Strategy action.
- Support the delivery of a preliminary business case and a submission to Infrastructure Australia for funding for a detailed business case.

Government priorities

Our strategic outcomes and board approved strategies are aligned with the Victorian Government's water policy priority areas as defined in Water for Victoria and the Minister's Letter of Expectation Key Performance Indicators (KPIs). We have set KPIs to monitor and report on our activities aligned with these goals.

Risk management

Southern Rural Water continues to enhance our enterprise risk management framework in alignment with the International Standard ISO 31000:2018 and requirements under the SoO.

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:

1. people
2. financial sustainability
3. reputation
4. third party losses
5. customers; and
6. environment.

Risks are regularly reviewed and considered including potential new risks and occurrences. The Audit, Risk and Governance Committee is guided by the board and considers changes to our strategic business risks.

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.

Our strategic business risks and primary controls are outlined in Appendix B.

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 SoO and LoE provide greater clarity of the Victorian Government's requirements of us.

Letter of expectation

The Minister for Water's LoE was issued in April 2024 to all water corporations and contains prescribed key performance indicators for each of the priority areas in Water for Victoria.

Climate change and energy (LoE 1)

Taking action to mitigate and adapt to the impacts of climate change is a key goal enshrined in SRW's EMS.

The EMS contains a number of climate related objectives and targets, alongside the climate change adaptation and mitigation plans, which have been embedded across core planning and decision processes to ensure successful implementation.

In 2016, the Victorian Government announced a long-term target of zero net greenhouse gas emissions by 2050 (now 2045), and in 2017 SRW pledged to an ambitious target of net zero emissions by 30 June 2025.

This commitment is outlined in the SoO and includes the obligation to source 100% of our electricity needs from renewable sources by 2025.

We are reducing Scope 1 emissions by working towards converting our vehicle fleet to low emissions and electric vehicles. Furthermore, we are planning a Carbon Reforestation Offsets Project, which seeks to sequester approximately 54,000 tonnes of carbon dioxide from the atmosphere over 25 years.

To reduce Scope 2 emissions, we continue to assess opportunities for behind-the-meter energy generation and have invested in large-scale renewable energy through the Zero Emissions Water initiative.

Within our EMS, we have also set a target to determine and report on Scope 3 emissions by 2025, which extends beyond current legislative requirements.

As the impacts of climate change present increased risks to the organisation, SRW is taking steps to ensure we are resilient to the challenges that come with a changing climate.

We continue to implement our Climate Change Adaptation Plan and have included a number of targets in the EMS that align with adaptation principles, ensuring that our assets and water resources are resilient to climate change impacts.

Two key projects demonstrate this commitment. Firstly, SRW has developed a Climate Readiness Framework that identifies and prioritises intervention options, highlights tipping, turning and decision points, and barriers and limits to adaptation for future supply availability.

This framework will be embedded into water resource planning, asset planning and corporate planning. Secondly, SRW is completing an infrastructure risk assessment across our assets to understand vulnerabilities under different climate change scenarios.

Through these initiatives, SRW will increase its resilience and preparedness for climate challenges now, and into the future.

To read more about our EMS visit the Business Plan chapter.

Customer, community and engagement (LoE 2)

At SRW, we engage with our customers and community at a strategic, project and operational level, often leveraging our engagement with partners across our service area. This engagement is two-way and provides great insights for us as well as for our customers and the community.

We engage via multiple mechanisms, including consultative committees, customer reference groups, strategic stakeholder forums, third party committees, drop-in sessions, partnership opportunities and via events and sponsorships. These forums provide value in enabling us to support our continued drive towards customer and community value and provide us with an opportunity to respectfully partner with our customers.

Supporting good engagement is effective communication, so that customers and the community better understand our role as a water regulator and manager that is delivering positive outcomes in southern Victoria.

We measure ourselves against our engagement principals and seek to ensure customers are aware of the following:

- Southern Rural Water's role as a resource steward, water regulator, storage and irrigation district operator and recreational water facilities manager.
- Our work in supporting food production in southern Victoria.
- Our expertise in managing critical projects and initiatives that support the agricultural economy as well as environmental and cultural outcomes.

To read more about our engagement, visit our website.

Below is our customer responsiveness indicator targets. Forecasted pricing tariffs and billing impacts can be found in the Macalister Irrigation District, Werribee Irrigation District, Bacchus Marsh Irrigation District and Groundwater and Rivers and Bulk Entitlement chapters.

Customer responsiveness indicator targets	ESC code*	2024-25
Water bills – customers on flexible payment plans No. of customers with instalment plans	UPP 1	
Water bills – customers awarded hardship grants No. of customers awarded hardship grants	UPP 6	
Customer responsiveness – number of payment issue complaints No. of complaints per 100 customers	CRS 7	<1
Customer responsiveness - total complaints No. of complaints per 100 customers	CRS 3	<1

*As part of our Corporate Plan requirements, the ESC codes are required to appear as an indicator for government purposes.

Recognise Aboriginal values (LoE 3)

At SRW we are committed to fostering mutual understanding and respect, to build trust and develop meaningful relationships with First Nations communities and to respect their knowledge and continuing connection to Country.

SRW's service area traverses six Traditional Owner lands: Bunurong, Gunaikurnai, Gunditjmarra, Eastern Maar, Wadawurrung and Wurundjeri.

During recent years SRW has worked with Traditional Owners to support access to water through the granting of three water licences to the Gunaikurnai (Mitchell River, Tambo River and Buchan Munji groundwater) and one licence for the Gunditjmarra (Budj Bim).

In addition to supporting Traditional Owners in access to water, we will focus our efforts to listen and learn about Traditional Owner aspirations for Country and mob.

For more information about how we are supporting Traditional Owner self-determination, visit our Business Plan chapter.

Recognising recreational values (LoE 4)

SRW manages six recreational areas which provide communities with a range of recreational facilities and activities. SRW will continue to develop an understanding of the communities desired recreational values. This year, SRW will begin to engage with recreational users and Traditional Owners to assist in the development of Recreational Area Management Plans. These plans will include aspirations to develop the recreational areas and enhance the value provided to the community.

We will continue to look to partner with other agencies to enhance the existing recreational areas. This includes working with Better Boating Victoria to install a new all abilities pontoon at Blue Rock Lake and extend the boat ramps at Lake Glenmaggie to ensure the waterway remains accessible when the water level is lower. SRW will also work with Better Boating Victoria and Melton City Council to investigate ways of improving recreational facilities and access to the water at Melton Reservoir.

SRW has continued to review its communication and engagement with community to ensure that information is accessible and easily available.

Other works at the recreational areas include:

- Erosion repairs at the Coongulla boat ramp at Lake Glenmaggie.
- Tree inspections and maintenance at all sites.
- The rehabilitation of Cowwarr Weir from 2021 flooding including installation of a new barbeque and picnic tables.
- Toilet block septic system renewal at Blue Rock Lake.
- Major repairs to the Pykes Creek Reservoir boat ramp retaining walls.
- Upgrades to the Pykes Creek Reservoir boat ramp.

Resilient and liveable cities and towns (LoE 5)

SRW has developed a new target under the EMS to create sustainability principles in procurement and capital works planning by the end of 2024.

This target reflects a commitment in our Environment and Climate Change Policy to use circular principles to meet our emissions target and align with the United Nations Sustainable Development Goals wherever appropriate.

SRW has obligations to manage water quality under various legislative instruments. SRW continues to manage risks to water quality in special water supply catchments through the review of planning referrals under the *Planning and Environment Act 1987*.

As a water storage manager, SRW maintains and implements risk management plans (RMP) for water storages that supply drinking water under the *Safe Drinking Water Act 2003*. The Act provides for regular independent audits of the RMP at the request of the Department of Health, with the next audit scheduled for 2025.

In preparation for this audit, SRW will conduct a review of the RMP, including catchment inspections, chemical storage audits and training sessions with relevant operations staff.

SRW manages flows in streams and groundwater levels in aquifers to ensure equitable access and long-term sustainability of the resources relied on by cities and towns across southern Victoria.

During 2024, SRW will consolidate modelled and calculated sustainability estimates across its region as a basis for climate adaptation.

SRW is leading the engagement with Werribee Irrigation District irrigators to facilitate the Werribee Reconfiguration project. SRW in partnership with Melbourne Water, Greater Western Water and DEECA will prepare a business for substitution of river water with recycled water for irrigation. For more information about how we are implementing our Integrated Water Management, visit our Business Plan chapter.

Leadership, diversity and culture (LoE 6)

Our People Plan and Gender Equality Action Plan (GEAP) support leadership diversity and culture at SRW.

In 2024 we submitted our GEAP mid-progress report which indicated that we are reducing our gender pay gap, increasing female recruitment, particularly in field and operational roles, increasing access to flexibility for all employees, reducing barriers to success at work and challenging inappropriate workplace behaviours, including a zero-tolerance approach.

Our GEAP progress will be published once approved by the Commission for Gender Equality in the public sector.

SRW has a small cohort of executive positions that has previously maintained a balance of genders. With one female executive exiting in 2023, this has shifted to 29 percent female at executive level, however women in our senior leadership group remains strong at 45 percent.

Integration to a new payroll system will allow for more fulsome collection of diversity demographic data in the coming years. Currently, we are unable to collect this information. Diversity targets are outlined below:

Goal	Target by 2026	Current Jan 2024
Overall women at SRW	>40%	35%
Women holding executive positions	50%	29%
Women in SRW in the leadership group	50%	45%
Women in SRW holding degree-required positions (other than engineering)	50%	48%
Women in SRW holding STEM positions	>40%	27%
Women in SRW holding field positions *includes storage operators, water service officers, field officers and compliance officers but not supervisors or managers	>30%	12%
Women holding non-executive director positions on our board	N/A	66%
Percentage of the workforce with an identified disability	>10%	NA
Under 25 years	>5%	4%
Maintain or increase proportion of staff who identify as of Aboriginal and Torres Strait Islander descent	>2%	2% (HC 3 employees)

Our People Plan supports leadership development, and the embedding of our SRW values with the launch of our new culture program, which will be delivered across SRW this year.

In 2023, 84 percent of employees completed the People Matter Survey and a series of roadshows were conducted by the Managing Director to share the results of the People Matter and Global Safety surveys, to listen to our employees and create a culture of respect, trust and collaboration. We are redeveloping our recognition program, reinforcing our zero tolerance to inappropriate workplace behaviour and building on our program of wellbeing to support a resilient and effective workforce.

We are strengthening our ties to Traditional Owners and Aboriginal Victorians by:

- The appointment of an independent Aboriginal or Torres Strait Islander delegate to the board.
- Launching a cultural safety framework, including training, to our board and executive, with a program design to follow.
- Ensuring all employees complete our diversity and inclusion First Nations cultural awareness training.

For more information on our People Plan or GEAP, please visit the Business Plan chapter, or our website.

Performance and financial management (LoE 7)

SRW has implemented a performance reporting framework that is clear and consistent across the organisation, includes key performance indicators that align with our strategic framework. We maintain a strong focus on value whilst advancing our efforts to report our achieved excellence to all stakeholders.

The following Key Performance Indicators are required by the Victorian Water Industry Corporate Planning and Reporting Guidelines 2024-25. We have established the relevant targets based on organisational history, customer feedback and best practice.

Our financial performance is outlined in the Financial Statements chapter.

Financial Performance	
Key Performance Indicator	2024-25
Cash Interest Cover Net operating cash flows before net interest and tax/net interest payments	2.1
Gearing Ratio Total Debt (including finance leases)/total assets	5.9%
Internal Financing Ratio Net operating cash flow less dividends/net capital expenditure	18.6%
Current Ratio Current assets/current liabilities (excluding long-term employee provisions and revenue in advance)	42.6%
Return on Assets Earnings before net interest and tax/average assets	-0.4%
Return on Equity Net profit after tax/average total equity	-1.0%
EBITDA Margin Earnings Before Interest, Tax, Depreciation and Amortisation/total revenue	22.3%

Operational performance	
Water service indicators	2024-25
Rural water supply deliveries Number of orders delivered / total number of orders	95%
Transfer of water shares - applications completed within agreed timeframes Number of applications completed / total number of applications	90%
Unavailability of domestic and stock supply Duration that domestic and stock service is unavailable in excess of on-property storage requirement / length of water season	N/A
Groundwater supply Number of transfers processed within target period / total number of transfers processed	90%

Compliance and enforcement (LoE 8)

SRW reviewed and updated its key documents relating to compliance and enforcement in 2023-24, including the Strategy, Policy and Unauthorised Take Procedure. These documents set out how we are applying a consistent, transparent and risk-based zero-tolerance approach to unauthorised take of water.

SRW continues to use strong and resolute compliance and enforcement action to protect the environment for Victorian water users. This year, we will continue to implement key actions from the compliance and enforcement plan. For more information, see the Business Plan chapter.

Customer protection, including the prevention of harm from family violence

SRW understands the significant impact that family violence can have on our customers, employees and the communities we serve.

We are committed to ensuring customers and employees affected by family violence have access to support when they need it and in a way the best meets their individual circumstances.

We seek to create a safe and supportive environment by treating our customers and employees with respect, empathy, sensitivity and confidentiality.

We are committed to addressing the impact of family violence by raising awareness through the organisation and connecting with family violence support services to provide appropriate support.

Our policy seeks to establish clear direction for supporting customers and employees who may be affected by family violence. It accords with Clause 10 - Water Industry Standard – Rural Customer Service.

As part of our approach, we:

- provide ongoing tailored training to our staff
- provide support including referral assistance to customers experiencing family violence
- provide for the secure handling of information, especially that pertaining to those affected by family violence
- establish as single point of contact so affected customers do not have to re-tell their story.

- maintain a panel of case managers, specifically trained to assist customers affected by family violence.

Cyber security

IT Security is a significant concern to all levels of government, and to SRW, as an operator of critical infrastructure and essential services, we are required to follow government cyber-security regulations and recommendations.

The Australian Cyber Security Centre (ACSC) developed a list of baseline mitigation strategies to assist organisations in protecting their systems against various cyber security incidents. The mitigation strategies, commonly known as “The Essential Eight”.

We have adopted the Essential Eight approach to manage our cyber security response.

Implementing the Essential Eight proactively can be more cost-effective in terms of time, money and effort than having to respond to a large-scale cyber security incident.

The Essential Eight outlines four levels of maturity from zero to Level three. The Department of Home Affairs requires SRW to achieve Level 1 against the Essential Eight Mitigation Strategies.

In 2023, we engaged RSM to undertake an assessment of our cyber security strategy against the Essential Eight framework, finding that we were at Level One in five areas. As part of our cyber security uplift we have implemented monthly reporting, multi-factor authentication, security training and other initiatives designed to strengthen and improve SRW response with a view to achieving Maturity Level 1 across all eight areas.

We will further invest in cyber security outcomes in this corporate planning period as detailed in our capital program. We will also train our employees on cyber security, and our board members on their roles and reporting responsibilities.

Capital expenditure overview

Our capital expenditure program has been informed by our 25-year capital plan and risk-based prioritisation of critical works to ensure we continue to deliver customer value through asset reliability and long term water security. The program is funded by Southern Rural Water customers and existing government grants.

As modernisation works in the Macalister Irrigation District and Werribee Irrigation District are nearing completion, the capital program includes increased investment in an asset renewal program. The program includes our forecast, as of 1 April 2024, of capital expenditure during the next five years. The program assumes:

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

The proposed capital expenditure program defers low and moderate risk projects, which is consistent with our Price Submission 2023. Projects that will receive significant capital investment in 2024-25 are described below. Should an unplanned asset failure occur we would seek to reprioritise our capital program to address the business risk.

Macalister modernisation

The Macalister Irrigation District 2030 Phase 2 modernisation works will be completed during the 2024 winter period.

The \$62.7 million program of works is being supported with \$31 million from the Australian Government, \$10.4 million from the Victorian Government and the remainder from SRW. The project benefits include improved water delivery and better performance across some of the least efficient zones in the MID. The 2024 winter works program will focus on completing customer outlet upgrade works.

Werribee modernisation

The Werribee Irrigation District modernisation project will replace the region's ageing and inefficient channel irrigation network with a modern piped system. The National Water Grid Authority has committed to funding the remaining Stages 4 and 5 of the Werribee Irrigation District modernisation works with a 50 percent contribution (\$11 million) together with an equivalent contribution from SRW.

These works will complete the modernisation of the district and will see the high value, intense growers in Wyndham thrive along with improved river health and sustainability outcomes.

Stage 4 pipeline works were completed during winter 2023 and Stage 5 works will commence in winter 2024. 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.

Capital projects and programs 2024-2029

Project	Forecast (\$,000)	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
MID Modernisation program		21,066	5,604	596			
WID Modernisation program		5,527	8,857				
GW&R meter replacement program		1,077	1,175	3,100	2,500		1,288
Main Southern Channel Siphon No. 2		544	630				
Ladders & Walkway Compliance Program		60	870	1047	730	793	
Blue Rock isolating butterfly valve replacement		104	500	388			
Main Southern Channel concrete flume joint repair		173	158	521	491	391	
Main Southern Channel Tunnel No 5 refurbishment		270	236	1,794	1,310		
MID Regulator Replacement Program		266	746	2,383	2,064	1,755	1,573
MID Channel Reconstruction		50	269	1,850	1,850	1,850	
MID Nuntin Improvements		61	243				
WID Automation upgrade		60	459	929	1311	651	
WID automation - flow meter			248	647			
Cowwarr Weir new switch board and control room fit out		40	305	838	215		
Melton spillway left training wall upgrade			282	748	1,616		
Glenmaggie re-paint spillway gates		72	107	770	771	768	
Pykes Creek design review and risk assessment			288	288			
Yallourn Weir design review and risk assessment		135	250				
Civil works (erosion, tracks, fencing, etc)		464	937	3,948	3,432	3,288	2,314
SCADA Upgrades		141	410	1,204	1,444	179	870
Electrical Upgrades		434	499	1,269	1,552	1,160	107
Workshop / depot upgrades		639	525	279	137	231	
Dam Safety, Condition Assessments and modelling activities)		726	1,977	3,384	1,094	369	4,283
Carbon Reforestation Project		104	868	825	292		
Information & Communications Technology		1,074	1,729	1,986	3,655	1,682	1,299
All other capital works		5,094	842	4,357	1,096	2,210	6,758
TOTAL		38,232	29,016	33,152	25,494	15,329	18,491

Groundwater and river meter replacement program

This project will replace 1,100 older style non-compliant meters with pattern approved meters across priority areas of the groundwater and river region. SRW is obligated to replace these meters.

The purchase and installation of these meters represents Phase 2 of SRW's Metering Action Plan. The plan 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.

Asset renewals program

Incorporating the Main Southern Channel concrete flume joint repair, the Main Southern Channel Tunnel No 5 refurbishment, the MID Regulator Replacement Program and the MID Channel Reconstruction, prioritised works are to address critical assets that are at high-risk of failure within the MID.

Ladders and walkway compliance program

The program seeks to update platforms, walkways, stairways and ladders at each of SRW's dam sites to achieve compliance with current safety standards.

Dam safety activities

A program of consultancy activities to perform:

- compliance driven (ANCOLD) dam safety reports/assessments; including design review and risk assessment, dam break and consequence assessments , intermediate and comprehensive dam safety inspections and

Dam Safety Emergency Plan and Flood Plan document updates.

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

Civil works contract (erosion, tracks, fencing, vegetation)

In alignment with SRW's procurement strategy, we have commenced the engagement of a large organisational wide civil works panel to support the efficient delivery of smaller civil works programs and projects.

Our technology investment program

Our Information and Communication Technology (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 and our price submission.

SRW is undergoing a significant re-positioning of its ICT services to meet customer expectations and align to our risk management framework, in particular cyber security.

Our customers are expecting a more modern level of service with respect to how they interact with us and the quality and timeliness of information they receive. This has culminated in our ICT renewals and improvement and compliance programs, which support customer expectations and government requirements will address four overarching areas.

Improved customer service

Our customers have told us that improvements are required to enable efficient management of their accounts and the services that we provide. It is imperative that we continue to enhance our cyber security and provide a customer friendly service that enables access data and self-serve functions.

Key programs include:

- information management improvements, providing greater customer data security
- data management upgrade to facilitate more informed decision making
- application programming interface, allowing greater connectivity between SRW's operating systems
- enhanced digital services designed to improve productivity and the services we provide to our customers
- move to off-premises global storage solutions to provide greater data security.

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.

We will continue to upgrade systems, deploy new and modern solutions, and aligning processes to smarter operations, we will realise workforce efficiencies across several areas of its business.

Key programs include:

- updating our bulk entitlement management system
- exploring AI business automation opportunities that could improve productivity
- updating our asset management system to optimise our assets through their entire lifecycles, from design to decommissioning
- reviewing and upgrading our operating systems and environment to ensure that we have the necessary software systems that facilitate productivity and business efficiencies.

Security requirements

The Australian and Victorian governments now define cyber security standards that government organisations must meet to remain compliant. We must invest in our systems to secure our data, and to improve and standardise our business practices.

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.

Key programs include:

- uplift in security and compliance activities
- move to the Cloud and off-site storage solutions to provide greater data security
- Victorian Protective Data Security Framework critical security program.

Redundancy uplift

We are implementing a program to ensure our ICT hardware and software is resilient and able to deliver the level of service expected by our customers. This includes core software that we use to manage customer data, along with both hardware and software to deliver the services expected of us. These activities will also help to reduce the risk of system failures, that could affect supply, improve the speed at which our systems operate while bolstering SRW's cyber-security position.

Key programs include:

- software replacements designed to improve productivity and provide for better security
- network upgrades, including improvements to our field towers and associated infrastructure to minimise the risk of outages
- CCTV integration providing better security and monitoring at our storages
- network segmentation to protect SRW information and operational networks from being breached
- hardware replacements including the replacement of aging servers and laptops, that will become prone to fail, along with the provision of more robust field devices
- mobile phone replacements providing for greater productivity and security.

Macalister Irrigation District

Overview

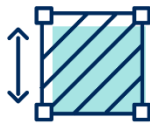
The Macalister Irrigation District (MID) is the largest irrigation district in southern Victoria. The district is considered one regulated system, situated around Maffra in central Gippsland, and sources water from the Macalister River via Lake Glenmaggie and from the Thomson River via Cowwarr Weir.

The district has secure water supplies supplemented by good rainfall. The 10-year average inflows into the storages that supply the district is 400,426 ML with an average of 137,820 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.

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	23-24	24-25	25-26	26-27	27-28
Reliable water supply							
Districts	Orders delivered at time agreed	Percentage of all orders delivered on day that was confirmed	95%	95%	95%	95%	95%
MID	Orders delivered without interruption	Total number of unplanned disruptions of 10+ days	0	0	0	0	0
Sustainable water							
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within one week	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	1000	1000	1000	1000	1000
MID	Delivery efficiency	Percentage of water released that is delivered to customers	85%	85%	90%	90%	90%
Great service							
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	5	4	3	2	1

Over recent years with a wetter than usual winter/spring and dry summer the district has experienced short periods of high demand which has led to some operational challenges and resulted in decreased delivery efficiency. SRW is working to optimise the system, within existing constraints, to improve our operation in these circumstances.

Pricing

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

Our prices for 2024-25 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 percent 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 Victorian Water Register (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

Tariff Description (average increase of 1.5% per annum) + CPI	2023-24	2024-25	2025-26
High reliability water share (per ML)	\$15.77	\$16.57	\$17.41
Low reliability water share (per ML)	\$7.89	\$8.29	\$8.71
Delivery share (per ML/day)	\$6,262.35	\$6,581.19	\$6,913.70
MID Service Point - Metered Outlet (each)	\$246.58	\$259.13	\$272.23
Macalister/Thomson/MID Service Point - Metered Pump (each)	\$128.72	\$135.27	\$142.11
Macalister/Thomson/MID Service Point - Unmetered (each)	\$57.57	\$60.50	\$63.56
Standard usage	\$10.80	\$11.36	\$11.93
MID Casual Use	\$63.65	\$66.90	\$70.28
MID Drainage Diversion Entitlement & Sales	\$22.81	\$23.97	\$25.18
Salinity mitigation	\$0.71	\$0.74	\$0.77
MID Delivery share - termination fee (each)	\$93,935.30	\$98,717.78	\$103,705.49
Pre-application fee (per hour)	\$160.53	\$160.53	\$172.16
Site visit (per hour)	\$160.53	\$160.53	\$172.16
Peer review	At cost	At cost	At cost
Advertising fee	At cost	At cost	At cost

MID bill impacts

		2023-24	2024-25	Bill change
	qty	charge	charge	%
Small customer				
High reliability water share (ML)	5.0	\$79	\$83	
Low reliability water share (ML)	2.5	\$20	\$21	
Delivery share (ML/day)	0.058	\$360	\$378	
Service point - metered outlet (each)	1	\$247	\$259	
Usage (ML)	5.0	\$54	\$57	
Salinity mitigation (ML)	5.0	\$4	\$4	
		\$763	\$802	5.1%
Medium customer				
High reliability water share (ML)	50.0	\$789	\$829	
Low reliability water share (ML)	25.0	\$197	\$207	
Delivery share (ML/day)	0.575	\$3,601	\$3,784	
Service point - metered outlet (each)	1	\$247	\$259	
Usage (ML)	50.0	\$540	\$568	
Salinity mitigation (ML)	50.0	\$36	\$37	
		\$5,409	\$5,684	5.1%
Large customer				
High reliability water share (ML)	250.0	\$3,943	\$4,143	
Low reliability water share (ML)	125.0	\$986	\$1,036	
Delivery share (ML/day)	2.875	\$18,004	\$18,921	
Service point - metered outlet (each)	3	\$740	\$777	
Usage (ML)	250.0	\$2,700	\$2,840	
Salinity mitigation (ML)	250.0	\$178	\$184	
		\$26,550	\$27,901	5.1%
Medium river water customer				
High reliability water share (ML)	50.0	\$789	\$829	
Low reliability water share (ML)	25.0	\$197	\$207	
Service point - metered pump (each)	1	\$247	\$259	
Usage (ML)	50.0	\$540	\$568	
Salinity mitigation (ML)	50.0	\$36	\$37	
		\$1,808	\$1,900	5.1%

Werribee Irrigation District

Overview

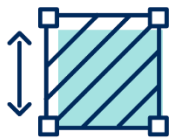
The Werribee Irrigation District (WID) is one of Victoria’s prime horticulture regions located on Melbourne’s doorstep at Werribee South.

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 from reservoirs on tributaries to the Werribee River and on the Werribee River itself. These reservoirs 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



8.2 km

Length of channels



48 km

Length of pipes



64 km

Length of drains



256

Delivery outlets



313

Customers (irrigation and stock and domestic)



10,977 ML

High reliability water shares



5,170 ML

Low reliability water shares



144 ML/day

Delivery shares



6,766 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
Reliable water supply								
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
Sustainable water								
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%
Great service								
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

Pricing

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

Our prices for 2024-25 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

Tariff Description (average annual increase of 1% + CPI)	2023-24	2024-25	2025-26
High reliability water share (per ML)	\$147.18	\$153.65	\$160.22
Low reliability water share (per ML)	\$73.59	\$76.83	\$80.11
Delivery share (per ML/day)	\$18,008.00	\$18,846.60	\$19,701.29
WID service point - metered outlet (each)	\$274.55	\$287.33	\$300.36
Werribee system/WID service point - metered pump (each)	\$137.54	\$143.94	\$150.47
Werribee system/WID service point - unmetered (each)	\$68.63	\$71.83	\$75.08
Recycled water contracted volume (ML)	\$407.00	\$424.00	\$0.00
WID recycled water sales	\$326.00	\$336.00	\$0.00
WID recycled water uncontracted use	\$759.00	\$789.00	\$0.00
WID Delivery share - termination fee (each)	\$270,121.93	\$282,698.94	\$295,519.34
Pre-application fee (per hour)	\$160.53	\$160.53	\$172.16
Site visit (per hour)	\$160.53	\$160.53	\$172.16
Peer review	At cost	At cost	At cost
Advertising fee	At cost	At cost	At cost

WID bill impacts

		2023-24	2024-25	Bill change
	qty	charge	charge	%
Small customer				
High reliability water share (ML)	5.0	\$736	\$768	
Low reliability water share (ML)	2.5	\$184	\$192	
Delivery share (ML/day)	0.078	\$1,396	\$1,461	
Service point - metered outlet (each)	1	\$275	\$287	
		\$2,590	\$2,708	4.6%
Medium customer				
High reliability water share (ML)	50.0	\$7,359	\$7,683	
Low reliability water share (ML)	25.0	\$1,840	\$1,921	
Delivery share (ML/day)	0.775	\$13,956	\$14,606	
Service point - metered outlet (each)	1	\$275	\$287	
		\$23,430	\$24,497	4.6%
Large customer				
High reliability water share (ML)	100.0	\$14,718	\$15,365	
Low reliability water share (ML)	50.0	\$3,680	\$3,841	
Delivery share (ML/day)	1.55	\$27,912	\$29,212	
Service point - metered outlet (each)	2	\$549	\$575	
		\$46,859	\$48,993	4.6%
Large recycled water customer				
High reliability water share (ML)	100.0	\$14,718	\$15,365	
Low reliability water share (ML)	50.0	\$3,680	\$3,841	
Delivery share (ML/day)	1.55	\$27,912	\$29,212	
Service point - metered outlet (each)	2	\$549	\$575	
Recycled water	100.0	\$40,700	\$42,400	
		\$87,559	\$91,393	4.4%

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 and for irrigation of community recreational facilities.

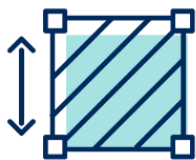
Current estimates indicate that around \$50 million of economic activity is generated per year. The BMID supports approximately 430 full-time jobs.

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.

Modernisation works has changed the way water is supplied to customers. Approximately 90 percent 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.

The BMID has been completely piped with the last open channels replaced in 2023. Replacement of the channels has reduced water losses through leaks, evapotranspiration and improved pressure in the system.

BMID at a glance



1,368 ha

District area



75.2 ML/day

Delivery shares



44 km

Length of pipes



158

Delivery outlets



162

Customers (irrigation and stock and domestic)



4,378 ML

High reliability water shares



2,011 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
Reliable water supply								
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
Sustainable water								
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 2024-25 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

Tariff Description (average annual increase of 0%) + CPI	2023-24	2024-25	2025-26
High reliability water share (per ML)	\$147.18	\$153.65	\$160.22
Low reliability water share (per ML)	\$73.59	\$76.83	\$80.11
Delivery share (per ML/day)	\$13,874.00	\$14,350.14	\$14,852.40
BMID service point - metered outlet (each)	\$251.50	\$259.41	\$268.48
BMID service point - metered pump (each)	\$125.75	\$129.70	\$134.24
BMID service point - unmetered (each)	\$64.21	\$66.23	\$68.55
BMID delivery share - termination fee (each)	\$208,110.00	\$215,252.17	\$222,786.00
Pre-application fee (per hour)	\$160.53	\$160.53	\$172.16
Site visit (per hour)	\$160.53	\$160.53	\$172.16
Peer review	At cost	At cost	At cost
Advertising fee	At cost	At cost	At cost

BMID bill impacts

		2023-24	2024-25	Bill change
	qty	charge	charge	%
Small customer				
High reliability water share (ML)	5.0	\$736	\$768	
Low reliability water share (ML)	2.5	\$184	\$192	
Delivery share (ML/day)	0.0925	\$1,283	\$1,327	
Service point - metered outlet (each)	1	\$252	\$259	
		\$2,455	\$2,547	3.8%
Medium customer				
High reliability water share (ML)	25.0	\$3,680	\$3,841	
Low reliability water share (ML)	12.5	\$920	\$960	
Delivery share (ML/day)	0.4625	\$6,417	\$6,637	
Service point - metered outlet (each)	1	\$252	\$259	
		\$11,268	\$11,698	3.8%
Large customer				
High reliability water share (ML)	100.0	\$14,718	\$15,365	
Low reliability water share (ML)	50.0	\$3,680	\$3,841	
Delivery share (ML/day)	1.85	\$25,667	\$26,548	
Service point - metered outlet (each)	2	\$503	\$519	
		\$44,567	\$46,273	3.8%

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.

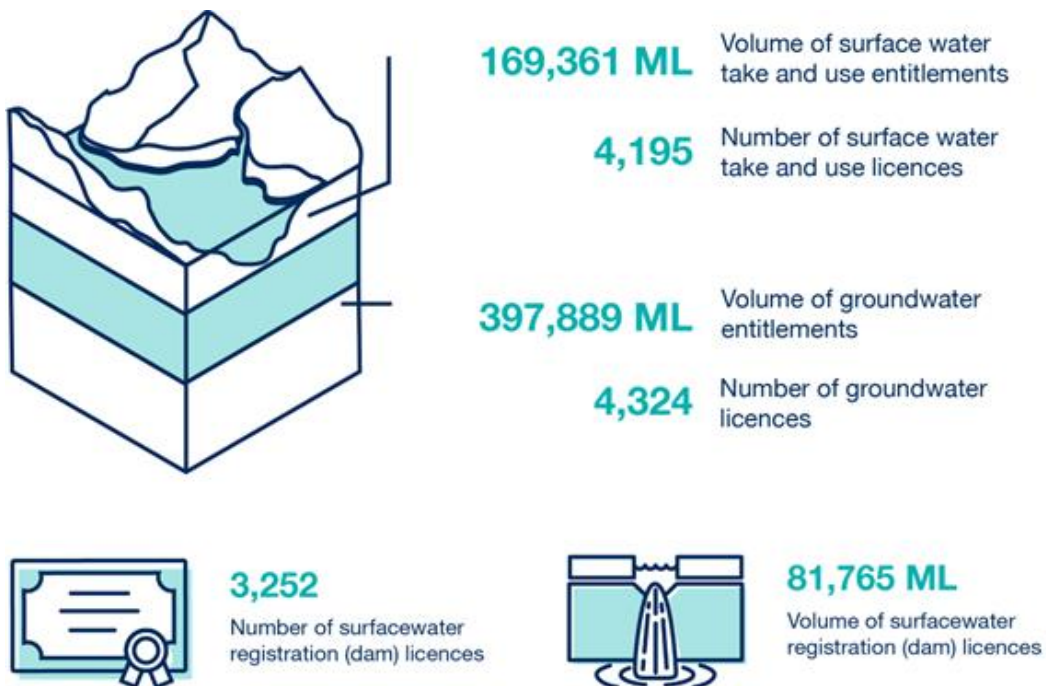
Licence holders on the Latrobe and Maribyrnong systems contribute to costs of operating storages to harvest and release water at Blue Rock Lake on the Latrobe River and Rosslynne Reservoir on the Maribyrnong River.

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.

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	23-24	24-25	25-26	26-27	27-28
Sustainable water							
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	100%	100%	100%	100%	100%
Great service							
G&R	Applications completed within set timeframes	Applications that do not require public notification completed within: allocation trades, divide a water share, take and use licences: 3 days licence transfers, water share transfers, information statements, subdivisions: 7 days farm dam licences: 60 days	90%	90%	90%	90%	90%

Pricing

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

Our prices for 2024-25 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 (average annual increase of 0% + CPI)	2023-24	2024-25	2025-26
Licence charges			
Take and use licence	\$404.27	\$418.90	\$433.57
Operating licence - decontamination bore and hazardous dam	\$261.66	\$271.13	\$280.62
Licensed volume charges			
Surface water licensed volume and sales - standard	\$13.00	\$13.47	\$13.94
Surface water licensed volume - offstream winterfill	\$9.10	\$9.43	\$9.76
Aquaculture diversion rate	\$85.88	\$88.99	\$92.10
Groundwater licensed volume	\$4.44	\$4.60	\$4.76
System management charges			
Surface water - Thorpdale	\$10.38	\$10.76	\$11.13
Surface water - Latrobe system	\$12.52	\$12.97	\$13.43
Surface water - Maribyrnong	\$55.91	\$57.93	\$59.96
Groundwater - Deutgam	\$29.75	\$30.83	\$31.91
Salinity mitigation	\$0.70	\$0.74	\$0.77
Administrative charges			
Pre-application fee (per hour)	\$160.53	\$160.53	\$172.16
Site visit (per hour)	\$160.53	\$160.53	\$172.16
Peer review	At cost	At cost	At cost
Advertising fee	At cost	At cost	At cost

Surface water bill impacts

		2023-24	2024-25	Bill change
	qty	charge	charge	%
Small customer				
Licence charge (each)	1.0	\$404.27	\$418.90	
Volumetric charge (ML)	5.0	\$65.00	\$67.35	
		\$469.27	\$486.26	3.6%
Medium customer				
Licence charge (each)	1.0	\$404.27	\$418.90	
Volumetric charge (ML)	50.0	\$650.00	\$673.53	
		\$1,054.27	\$1,092.43	3.6%
Large customer				
Licence charge (each)	1.0	\$404.27	\$418.90	
Volumetric charge (ML)	200.0	\$2,600.00	\$2,694.12	
		\$3,004.27	\$3,113.02	3.6%

Groundwater bill impacts

		2023-24	2024-25	Bill change
	qty	charge	charge	%
Small customer				
Licence charge (each)	1.0	\$404.27	\$418.90	
Volumetric charge (ML)	5.0	\$22.20	\$23.00	
		\$426.47	\$441.91	3.6%
Medium customer				
Licence charge (each)	1.0	\$404.27	\$418.90	
Volumetric charge (ML)	150.0	\$666.00	\$690.11	
		\$1,070.27	\$1,109.01	3.6%
Large customer				
Licence charge (each)	1.0	\$404.27	\$418.90	
Volumetric charge (ML)	300.0	\$1,332.00	\$1,380.22	
		\$1,736.27	\$1,799.12	3.6%

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 Description (average annual increase of 0% + CPI)	2023-24	2024-25	2025-26
Construct, alter or decommission class A or B bore	\$527.57	\$546.67	\$565.80
Transfer of licence (repeat temporary transfer or sale of property)	\$143.90	\$149.11	\$154.33
Information statement	\$131.89	\$136.66	\$141.45

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 percent compliance with the bulk entitlement order.

Latrobe system service measures

Customers	Output	Measure	23-24	24-25	25-26	26-27	27-28
Reliable water supply							
Bulk entitlements	Orders delivered	Orders delivered as per bulk entitlement order	100%	100%	100%	100%	100%
Sustainable water							
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	100%	100%	100%	100%	100%
Bulk entitlements	Environmental flows delivered	Percentage of orders delivered	100%	100%	100%	100%	100%
All	Complaints managed quickly	Percentage of all complaints responded to within 10 business days	90%	90%	95%	95%	95%
Community value							
Bulk entitlements	Environmental flows	Environmental flows are released in accordance with bulk entitlements obligations	100%	100%	100%	100%	100%
Bulk entitlements	Headworks management	Percentage of times obligations are met	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 percent) and MID customers (4 percent).

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 percent compliance with the bulk entitlement order.

Werribee and Maribyrnong service measures

Customers	Output	Measure	23-24	24-25	25-26	26-27	27-28
Bulk entitlements	Orders delivered	Orders delivered as per bulk entitlement order	100%	100%	100%	100%	100%
All	Investigation of unauthorised use	Percentage of all reported/observed incidents investigated within 1 week	100%	100%	100%	100%	100%
Bulk entitlements	Environmental flows delivered	Percentage of orders delivered	100%	100%	100%	100%	100%
Bulk entitlements	Environmental flows	Environmental flows are released in accordance with bulk entitlements obligations	100%	100%	100%	100%	100%
Bulk entitlements	Headworks management	Percentage of times obligations are met	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.