

# Greater Western Water Determination

1 July 2024 – 30 June 2028

12 June 2024

## **Acknowledgement**

We acknowledge the Traditional Owners of the lands and waterways on which we work and live.

We acknowledge all Aboriginal and Torres Strait Islander communities, and pay our respects to Elders past and present.

As the First Peoples of this land, belonging to the world's oldest living cultures, we recognise and value their knowledge, and ongoing role in shaping and enriching the story of Victoria.

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# 1. General

## 1.1 Introduction

- (a) Clause 14 of the **WIRO** requires the commission to either:
  - (i) approve the maximum prices the **regulated entity** may charge for **prescribed services** or the manner in which the **regulated entity's** prices are to be calculated, determined or otherwise regulated, as proposed by the **regulated entity** in its price submission (as defined in the **WIRO**); or
  - (ii) specify the maximum prices the **regulated entity** may charge for **prescribed services** or the manner in which the **regulated entity's** prices are to be calculated, determined or otherwise regulated.
- (b) On 12 June 2024, the commission made its decision in respect of the prices which **Greater Western Water** may charge for **prescribed services** during the regulatory period.
- (c) This Determination is made by the commission under section 33 of the **ESC Act**, pursuant to clauses 10 and 14 of the **WIRO**.
- (d) The purposes for the making of this Determination are to:
  - (i) give effect to the decision of the commission referred to in clause 1.1(b);
  - (ii) specify the maximum prices which **Greater Western Water** may charge for **prescribed services** during the **regulatory period** or the manner in which such prices are to be calculated, determined or otherwise regulated;
  - (iii) facilitate the achievement of the commission's objectives in the **ESC Act** and the **WI Act**; and
  - (iv) reflect the requirements of the **WIRO**.
- (e) The reasons for the making of this Determination are as set out in the decision of the commission made on 12 June 2024.

## 1.2 Application

This Determination applies to **Greater Western Water** and its successors and assigns in respect of the business carried on by **Greater Western Water** at the date of this Determination.

## 1.3 Effective period

### (a) Term

This Determination takes effect on the later of the date on which notice of its making is published in the Government Gazette or 1 July 2024, and subject to clause 1.3(b),

has effect until the date on which it is amended or revoked by a later determination or 30 June 2028.

**(b) Next regulatory period**

Subject to clause 2.3(b)(iv) and clause 2.3(c)(ii), if the commission has not made a determination in respect of the prices to apply in the **next regulatory period** on or before 30 June 2028, the prices or the manner in which such prices are to be calculated or otherwise determined as set out in this Determination will continue to apply in respect of **prescribed services** provided by **Greater Western Water** from 1 July 2028 to the day before the date on which the determination for the **next regulatory period** comes into effect.

## **1.4 Modification of time periods**

The commission may, by notice to **Greater Western Water**, extend or reduce the time by which, or the period within which, **Greater Western Water** or the commission must comply with an obligation under this Determination.

## **1.5 Summary and structure**

Clause 2 of this Determination specifies the prices which will apply to **prescribed services** during the **regulatory period** and sets out the procedure and formula according to which prices may be adjusted during the **regulatory period** on an annual basis. Clauses 3 to 6 provide for the circumstances in which prices may be adjusted or amended during the **regulatory period** other than in accordance with clause 2. Clause 7 outlines specific requirements in relation to **Greater Western Water's** stormwater harvesting scheme during the **regulatory period**.

## **1.6 Definitions and interpretation**

In this Determination, unless the contrary intention appears:

- (a) words and phrases in bold italics have the meanings given to them in part A of Schedule 1 (or, where only used within a clause, the meaning given upon their first use); and
- (b) the rules of interpretation in part B of Schedule 1 will apply.

## **1.7 Annexure A**

- (a) For convenience, Annexure A to this Determination summarises the assumptions underpinning the prices to apply to **Greater Western Water** during the **regulatory period** or the manner in which such prices are to be calculated, determined or otherwise regulated.

- (b) Full details of these assumptions are contained in the commission's decision in which it has set out its reasons for this Determination.
- (c) For the avoidance of doubt, Annexure A does not form part of this Determination.

## 2. Price control

### 2.1 General principles

Subject to this Determination:

#### (a) Scheduled prices

**Greater Western Water** must not charge more than:

- (i) the scheduled prices in Schedule 2, during the first **regulatory year**; and
- (ii) the amounts determined in accordance with clause 2.3, during each subsequent **regulatory year**,

in respect of those **prescribed services** to which the scheduled prices in Schedule 2 relate.

#### (b) Application principles

The application principles in Schedule 3 will apply to the prices charged by **Greater Western Water** in respect of **prescribed services** specified or deemed to be included in Schedule 2 during the **regulatory period**.

#### (c) Pricing principles

During the **regulatory period**, **Greater Western Water** must apply the pricing principles in Schedule 4 when determining the prices to apply to the **prescribed services** to which the pricing principles in Schedule 4 relate.

### 2.2 Ancillary matters

#### (a) Contracts

Where **Greater Western Water** has entered into a contract which relates to the provision of **prescribed services** prior to 1 July 2024 (a **relevant contract**), **Greater Western Water** may charge the prices for **prescribed services** which are set out in that **relevant contract** until its expiration, termination or a periodic review of the prices set out in the contract. Once a **relevant contract** has expired or been terminated or the prices in a **relevant contract** have been subject to a periodic review, the scheduled prices in Schedule 2 (as adjusted in accordance with this Determination) or the prices determined in accordance with the pricing principles in Schedule 4 will apply for the remainder of the **regulatory period**.

**(b) Dispute Resolution**

Any dispute as to whether a price has been set in accordance with this Determination will be determined by the commission on the basis of the commission's interpretation of this Determination.

**(c) Publication**

**Greater Western Water** must publish a list of its current prices and pricing principles for **prescribed services**, and all relevant supporting information that it has relied upon to apply the prices or pricing principles, on its website at all times during the **regulatory period** and must provide a written copy of the list to its customers on request. The list must clearly indicate in respect of each price, the amount determined in accordance with this Determination, the amount of **GST** payable and the total price.

**(d) GST**

**Greater Western Water** will not be considered to be in contravention of this Determination if a price charged by it for a **prescribed service** exceeds the amount determined in accordance with clause 2 only by reason of the levying of a charge on account of **GST**.

## **2.3 Annual adjustment of prices**

**(a) Adjustment**

- (i) Subject to Schedule 2 Part A, Schedule 5 and clause 2.3(b)(iii), the scheduled prices in Schedule 2 Part A will be adjusted in each subsequent **regulatory year** in the **regulatory period** in accordance with the formulas in clause 2.3(b)(ii) and Schedule 5, and the procedure in clause 2.3(d), and will apply to the **prescribed services** to which the scheduled prices in Schedule 2 Part A relate in that **regulatory year**.
- (ii) Subject to Schedule 2 Part B and Schedule 5, the scheduled prices in Schedule 2 Part B will be adjusted in each subsequent **regulatory year** in the **regulatory period** in accordance with the formula in clause 2.3(c)(i) and the procedure in clause 2.3(d), and will apply to the **prescribed services** to which the scheduled prices in Schedule 2 Part B relate in that **regulatory year**.

**(b) Tariff basket formula**

- (i) Subject to Schedule 2 Part A and if applicable Schedule 5, each price for the **prescribed services** referred to in clause 2.3(a)(i) will be adjusted in accordance with the formula set out in clause 2.3(b)(ii) with effect from the beginning of each subsequent **regulatory year** and all subsequent regulatory years remaining in the **regulatory period** (the **revised tariff schedule**).



- (ii) The average price movement for the relevant **regulatory year** and for each subsequent **regulatory year** in the **regulatory period** determined in accordance with the **revised tariff schedule** must not exceed the weighted average price movement that would otherwise have applied under this Determination as calculated in accordance with the following formula:

$$\frac{\sum_{i=1}^n \sum_{j=1}^m p_{t,ij} * q_{t-2,ij}}{\sum_{i=1}^n \sum_{j=1}^m p_{t-1,ij} * q_{t-2,ij}} \geq \frac{\sum_{i=1}^n \sum_{j=1}^m \hat{p}_{t,ij} * q_{t-2,ij}}{\sum_{i=1}^n \sum_{j=1}^m p_{t-1,ij} * q_{t-2,ij}}, i = 1,2, \dots n \text{ and } j = 1,2, \dots, m$$

where **Greater Western Water** has  $n$  tariff categories, which each have up to  $m$  tariff components, and where, for each **regulatory year**  $t$  for which the calculation is undertaken:

- $p_{t-1,ij}^{\square}$  is the tariff charged in **regulatory year**  $t-1$  for component  $j$  of tariff  $i$
- $p_{t,ij}^{\square}$  is the proposed tariff for component  $j$  of tariff  $i$  determined in accordance with Schedule 2 Part A where the **revised tariff schedule** is not applied
- $\hat{p}_{t,ij}$  is the proposed tariff for component  $j$  or tariff  $i$  determined in accordance with Schedule 2 Part A where the **revised tariff schedule** is applied and excludes commission approved pass-throughs
- $q_{t-2,ij}^{\square}$  is the quantity of component  $j$  of tariff  $i$  that was sold in **regulatory year**  $t-2$ , or, if an actual quantity is not available, either an estimate of the quantity of component  $j$  of tariff  $i$  that would have been sold in **regulatory year**  $t-2$  or a forecast of the quantity of component  $j$  of tariff  $i$  that is expected to be sold in **regulatory year**  $t-2$

- (iii) An increase in any scheduled price in Schedule 2 Part A, in addition to adjustments in accordance with Schedule 5, in any regulatory year must not exceed the weighted average of all scheduled price increases in that regulatory year by more than 10 % in real terms
- (iv) If the commission has not made a determination in respect of the prices to apply in the **next regulatory period** on or before 30 June 2028,  $PPM_t$  will be set equal to zero and prices in Schedule 2 Part A will be adjusted in accordance with the formula in clause 2.3(b)(ii) for **regulatory years** commencing on or after 1 July 2024 until the date on which this determination is amended or revoked by a later determination.

**(c) Price cap formula**

- (i) Subject to Schedule 2 Part B and Schedule 5, each price for the **prescribed services** referred to in clause 2.3(a)(ii) will be adjusted in accordance with the following formula with effect from the beginning of each subsequent **regulatory year** in the **regulatory period**:

$$p_t = p_{t-1} \times \frac{CPI_t}{CPI_{t-1}} \times (1 + PPM_t)$$

where:

$p_t$  is the price component for **regulatory year** 't'

$p_{t-1}$  is the price component for **regulatory year** 't-1'

$\frac{CPI_t}{CPI_{t-1}}$  for the particular **regulatory year** is:  
the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics for the March quarter immediately preceding the start of the relevant **regulatory year**

divided by

the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics for the March quarter immediately preceding the March quarter referred to above

$PPM_t$  is the prescribed price movement for the price component for **regulatory year** t determined in accordance with Schedule 2 Part B.

- (ii) If the commission has not made a determination in respect of the prices to apply in the **next regulatory period** on or before 30 June 2028,  $PPM_t$  will be set equal to zero for the purpose of adjusting prices in accordance with the formulas in clause 2.3(c)(i) and formulas in Schedule 5 for **regulatory years** commencing on or after 1 July 2028 until the date on which this Determination is amended or is revoked by a later determination.

**(d) Adjustment procedure**

- (i) At least 30 **business days** prior to the commencement of each subsequent **regulatory year** in the **regulatory period**, **Greater Western Water** must submit its proposed prices for the **prescribed services** referred to in clause 2.3(a) to apply in that subsequent **regulatory year** (the **revised scheduled prices**) to the commission for approval, together with sufficient information to enable the commission to assess whether the proposed prices comply with this Determination.
- (ii) The commission will approve the **revised scheduled prices** if it considers that they have been calculated in accordance with the formula set out in clause 2.3(b)(ii) and 2.3(c)(i).
- (iii) The commission will be deemed to have approved the **revised scheduled prices** if it has not provided notice under clause 2.3(d)(iv) to **Greater Western Water** within 20 **business days** from the date of its receipt of the **revised scheduled prices**.
- (iv) If the commission does not approve the **revised scheduled prices**, the commission:
  - (A) will provide notice to **Greater Western Water** (including a statement of its reasons);
  - (B) may request **Greater Western Water** to provide any additional information specified by the commission;
  - (C) will take any additional information provided by **Greater Western Water** into account; and
  - (D) will determine the **revised scheduled prices**.

## **2.4 Price changes during a billing period**

**(a) Application of this clause**

This clause 2.4 applies where **Greater Western Water** issues an invoice in respect of a billing period during which a change to any price for a **prescribed service** comes into effect in accordance with this Determination.

**(b) Method of charging**

**Greater Western Water** must not charge the prices determined in accordance with this Determination in respect of any part of a billing period prior to the effective date of the change but may charge for **prescribed services** in respect of the periods before and after the effective date of the change at the prices applicable for each of those periods on a pro-rata basis.

## 2.5 Reporting requirements

- (a) **Greater Western Water** must make available to the commission all information reasonably requested by the commission from time to time for the purpose of enabling it to confirm that **Greater Western Water** is complying with this Determination.
- (b) Without limiting clause 2.5(a), if, during the **regulatory period**, **Greater Western Water** enters into a contract for **prescribed services** which is renewed, renegotiated or entered into during the **regulatory period (new contract)** which relates to the provision of a **prescribed service** to which the pricing principles in Schedule 4 relate, **Greater Western Water** must, on request by the commission, provide the commission with a notice specifying:
  - (i) details of the **new contract**; and
  - (ii) information which demonstrates the way in which the prices in the **new contract** reflect the relevant pricing principles.
- (c) Without limiting clause 2.5(a), if **Greater Western Water** proposes to stop providing a **prescribed service** or refuses to provide a **prescribed service** to a customer, or potential customer, during the **regulatory period**, it must:
  - (i) in the case of a proposal to stop providing a **prescribed service**, provide a notice to the commission stating the nature of the **prescribed service** which it proposes to stop providing and the reason why it proposes to stop providing the **prescribed service**. This notice must be provided at least 30 **business days** prior to the date upon which **Greater Western Water** proposes to stop providing the **prescribed service**; and
  - (ii) in the case of a refusal to provide a **prescribed service** to a customer, or potential customer, **Greater Western Water** must provide a notice to the commission within 5 **business days** of the refusal, stating the nature of the **prescribed service** and the reason for the refusal

## 3. Uncertain or unforeseen events

### 3.1 General principles

- (a) **Greater Western Water** may apply to the commission for the amendment of this Determination and/or the adjustment of the scheduled prices in Schedule 2 to reflect increased or decreased costs incurred by **Greater Western Water** and/or increased or decreased revenue received by **Greater Western Water** as a result of events which were uncertain or unforeseen at the time this Determination was made (an **uncertain events application**).
- (b) Whether or not **Greater Western Water** makes an application under clause 3.1(a), **Greater Western Water** must promptly notify the commission upon becoming aware of an event which could form part or all of the basis of an application.
- (c) The commission may on its own initiative, and in its sole discretion, initiate its own process to amend this Determination and/or adjust the schedule of prices in Schedule 2 to reflect increased or decreased costs incurred by **Greater Western Water** and/or increased or decreased revenue received by **Greater Western Water** as a result of events which were uncertain or unforeseen at the time this Determination was made. Such a process may only be initiated if the commission identifies an event or events which it, in its sole discretion, considers has had or may have a material impact on **Greater Western Water's** operating and/or capital expenditure and/or revenue.
- (d) The commission may only adjust prices in response to an **uncertain events application**, or a process initiated by the commission under clause 3.1(c), where the commission is satisfied that such action is necessary or desirable to take account of events that were uncertain or unforeseen at the time of making this Determination and that such action takes into account the interests of customers. The commission may limit an adjustment to only some events or a single event.

### 3.2 Considerations by the commission

#### (a) Examples of uncertain or unforeseen events

Examples of potential uncertain or unforeseen events include, but are not limited to:

- (i) actual licence fees or contributions payable by **Greater Western Water** during a **regulatory year** in the **regulatory period** under section 51 of the *Safe Drinking Water Act 2003* (Vic), section 55 of the *Environment Protection Act 2017* (Vic) and section 4H(2) of the **WI Act** which differ from the forecast licence fees or contributions set out in Annexure A for that **regulatory year**;

- (ii) changes in the timing or scope of expenditure by **Greater Western Water** on major capital projects;
- (iii) instances where the commission is satisfied that there is a material difference between the forecast demand levels set out in Annexure A and actual demand levels for **Greater Western Water** in one or more **regulatory years** during the **regulatory period**; or
- (iv) a change in or to any of the following:
  - (A) the **WI Act**, the **Water Act**, the *Safe Drinking Water Act 2003* (Vic), the *State Owned Enterprises Act 1992* (Vic) and the *Environment Protection Act 2017* (Vic) or relevant regulations or orders or other statutory instruments made under any of them;
  - (B) any licence issued pursuant to any of the Acts referred to in clause 3.2(a)(iv)(A);
  - (C) any tax imposed by or payable directly or indirectly to any government or public authority in the Commonwealth of Australia (including **GST**) but excluding:
    - (1) penalties and interest for late payment of any tax; and/or
    - (2) any tax that replaces any of the taxes referred to in (C), where tax includes any rate, duty, charge or other like or analogous impost.
  - (D) the **Statement of Obligations**; or
  - (E) the introduction or cessation of a statutory carbon price or tax or a national emissions trading scheme or other scheme relating to the reduction of greenhouse gas emissions.

**(b) Exclusions**

In considering an **uncertain events application** or a process initiated by the commission under clause 3.1(c), the commission will not take into account matters that:

- (i) are or should be within **Greater Western Water's** control;
- (ii) were or should have been known by **Greater Western Water** at the time the Determination was made;
- (iii) could reasonably have been foreseen by **Greater Western Water**;
- (iv) should be or should have been planned for or managed by **Greater Western Water**; and/or
- (v) reflect inefficient expenditure by **Greater Western Water**.

**(c) Dispute resolution**

Any dispute as to whether a matter should be taken into account by the commission under this clause 3 will be determined by the commission in its absolute discretion.

### 3.3 Procedure

#### (a) Application information for *Greater Western Water*

- (i) An ***uncertain events application*** must be accompanied by a statement setting out:
  - (A) the details of each relevant uncertain or unforeseen event;
  - (B) the amount and timing of any increase or decrease in operating and/or capital expenditure associated with the relevant event during the ***regulatory period*** and/or the amount and timing of any increase or decrease in revenue associated with the relevant event during the ***regulatory period***;
  - (C) the basis for calculating the increase or decrease in operating and/or capital expenditure and/or revenue referred to in clause 3.3(a)(i)(B); and
  - (D) details of the proposed action to be taken by the commission under clause 3.3(b).
- (ii) The commission may request ***Greater Western Water*** to provide any additional information specified by the commission in connection with an ***uncertain events application***. ***Greater Western Water*** is obliged to provide the requested information.

#### (b) Commission processes

- (i) The commission may in its sole discretion decide the steps, timing of and processes to be followed in relation to an ***uncertain events application*** or a process initiated by it under clause 3.1(c).
- (ii) The commission may in its sole discretion decide the nature and extent of stakeholder consultation it will undertake in relation to such an ***uncertain events application*** or process.
- (iii) The commission will advise ***Greater Western Water*** of the matters in clause 3.3(b)(i) and clause 3.3(b)(ii) in writing and publish details of this on its website.
- (iv) In most cases, an amendment of this Determination and/or adjustment of the scheduled prices in Schedule 2, will be undertaken in accordance with the commission's standard consultation process for price determinations, including the issue of a draft decision and an invitation for interested parties to make submissions to the commission in relation to the draft decision, as set out in clause 16(a) and (b) of the ***WIRO***.

- (v) In some limited circumstances, the commission may amend this Determination and/or adjust the scheduled prices in Schedule 2 without or with only limited consultation. This will be the case where there is urgency that justifies the commission moving quickly, as set out in clause 16(c) of the **WIRO**. In these circumstances, the commission will provide its reasons for proceeding with the amendment without consultation (or with a modified consultation process).
- (vi) The commission may request **Greater Western Water** to provide information to the commission required for any purposes of an uncertain events application or the process initiated by the commission under clause 3.1(c). **Greater Western Water** is obliged to provide the requested information to the commission.

**(c) Action by the commission**

If the commission is satisfied of the matters set out in clause 3.1(d) in respect of an **uncertain events application** or a process initiated by the commission under clause 3.1(c), the commission may, in its absolute discretion:

- (i) amend this Determination or adjust the scheduled prices in Schedule 2 (and make any consequential adjustments to Annexure A) with effect from a date and in a manner decided by the commission (in respect of one or more events) at a time decided by the commission; or
- (ii) take the **uncertain events application** or any process initiated by the commission under clause 3.1(c) into account in making its determination in respect of the prices which **Greater Western Water** may charge for **prescribed services** in the **next regulatory period**.

**(d) Effective date of amendment or adjustment**

A determination made by the commission under this clause 3 to amend this Determination takes effect from the date on which notice of its making is published in the Government Gazette or any later date of commencement as may be specified in the determination.



## 4. Material error or unintended consequences

(a) Where the commission is satisfied that in any material respect:

- (i) this Determination or any information relied upon in the making of this Determination contains an error, deficiency or miscalculation;
- (ii) any information on which this Determination was based was false or misleading in a material respect; or
- (iii) such amendment or adjustment is necessary or desirable to avoid an unintended consequence of this Determination,

the commission may decide to amend this Determination and/or adjust the scheduled prices in Schedule 2, provided that it is satisfied that such amendment and/or price adjustment takes into account the interests of customers.

(b) In most cases, an amendment will be undertaken in accordance with the commission's standard consultation process for price determinations, including the issue of a draft decision and an invitation for interested parties to make submissions to the commission in relation to the draft decision, as set out in clause 16(a) and (b) of the *WIRO*.

(c) In some limited circumstances, the commission may amend this Determination without further consultation, or with only limited consultation. This will be the case where an amendment is not sufficiently material to warrant a full consultation process, or where there is urgency that justifies the commission moving quickly, as set out in clause 16(c) of the *WIRO*. In these circumstances, the commission will provide its reasons for proceeding with the amendment without consultation (or with a modified consultation process).

(d) A determination made by the commission under this clause 5 to amend this Determination takes effect from the date on which notice of its making is published in the Government Gazette or any later date of commencement as may be specified in the determination.

## 5. Adjustment to Schedule 2 – pass through of changed prices for storage operator and bulk water services (Melbourne Water Corporation)

(a) Where the commission:

- (i) makes a price determination for storage operator and bulk water services (as defined in the *WIRO*) provided to **Greater Western Water** by Melbourne Water Corporation for some or all of the **regulatory period**; and
- (ii) declares that such price determination provides for different prices to be charged to **Greater Western Water** from those assumed by the commission in the making of this Determination,

the commission may decide to specify a price adjustment and/or a mechanism for making a price adjustment to scheduled prices in Schedule 2 to take into account the impact this has for the commission's assumptions made for storage operator and bulk water service prices in making this Determination, provided that it is satisfied that such amendment and/or price adjustment takes or will take into account the interests of customers.

- (b) If the commission exercises its discretion under clause 5(a), the commission will also specify the relevant **regulatory year** for which the price adjustment and/or a mechanism for making a price adjustment to prices specified in Schedule 2 for storage operator and bulk water service.
- (c) **Greater Western Water** is obliged, in any proposal for an annual adjustment to prices made to the commission under clause 2.3, to propose an adjustment to storage operator and bulk water service prices specified in Schedule 2, that is consistent with the price adjustment and/or price adjustment mechanism specified by the commission under clause 2.3(a).
- (d) The adjustment procedure and outcomes of that procedure specified in clause 2.3(d) will apply to the proposals made by **Greater Western Water** under clause 5(c).

## 6. Requirements regarding stormwater harvesting program

- (a) **Greater Western Water's** capital expenditure on any stormwater harvesting schemes (**stormwater harvesting program**) must adhere to the following requirements:
- (i) Capital expenditure on the **stormwater harvesting program** is capped at \$12.8 million over the **regulatory period (stormwater harvesting program allowance)**.
  - (ii) **Greater Western Water** can only use the **stormwater harvesting program allowance** to fund stormwater or integrated water management projects; any unspent **stormwater harvesting program allowance** at the end of the **regulatory period** may not be diverted for other uses.
  - (iii) Projects that **Greater Western Water** funds using the **stormwater harvesting program allowance** must deliver on the objective to substitute potable water.
  - (iv) In selecting projects to fund using the **stormwater harvesting program allowance**, **Greater Western Water** must prioritise projects that are expected to have a lower cost per megalitre of stormwater yield.

# Schedule 1 – Definitions and interpretation

## A Definitions

**business day** means a day on which banks are open for general banking business in Melbourne, not being a Saturday or a Sunday.

**ESC Act** means the *Essential Services Commission Act 2001* (Vic).

**GST** has the meaning given in section 195-1 of the *A New Tax System (Goods and Services) Tax Act 1999* (Cth).

**miscellaneous services** means services that are provided in direct connection with **prescribed services**, prices in respect of which are either included in Schedule 2 or determined in accordance with the relevant pricing principles in Schedule 4.

**NCC** means a new customer contribution levied by **Greater Western Water** under section 268 of the *Water Act 1989* (Vic).

**next regulatory period** means the period commencing on 1 July 2028 and ending on a date specified by the commission.

**prescribed services** has the meaning given in the **WIRO** and includes **miscellaneous services**.

**RAB** means regulatory asset base.

**regulated entity** has the meaning given in the **WIRO**.

**regulatory period** means the period commencing on 1 July 2024 and ending on 30 June 2028.

**regulatory year** means each period of twelve months commencing on 1 July and ending on 30 June.

**Greater Western Water** means Greater Western Water Corporation (trading as Greater Western Water (ABN 89 066 902 467)

**Statement of Obligations** means an applicable statement of obligations made under section 4I(2) of the *Water Industry Act 1994* (Vic).

**Water Act** means the *Water Act 1989* (Vic).

**WI Act** means the *Water Industry Act 1994* (Vic).

**WIRO** means the Water Industry Regulatory Order 2014 in force as at the date of this Determination.

## B Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural, and the converse also applies.
- (b) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (c) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
- (d) A reference to a clause or schedule is a reference to a clause of or schedule to this document.
- (e) A reference to a determination, agreement or document (including a reference to this document) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this document or that other agreement or document.
- (f) A reference to an Act, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.
- (g) If a period of time is specified and commences on a given day or on a day of an act or event, the period of time is to be calculated inclusive of that day.
- (h) Any “notice” to be given or matter to be “notified” must be in writing.
- (i) The symbol ‘ $\Sigma$ ’ requires a summation to be performed over the range of variables specified in respect of the algebraic terms specified.
- (j) All data which is utilised in calculations made under this Determination will be utilised to the accuracy, in terms of the number of decimal places, to which it is given.
- (k) A fixed price, charge or fee determined in accordance with this Determination is to be rounded down and specified to two decimal places.
- (l) A volumetric price, charge or fee determined in accordance with this Determination is to be rounded down and specified to four decimal places.
- (m) When a calculation is required under this document:
  - (i) **regulatory year** ‘t’ is the **regulatory year** in respect of which the calculation is being made;
  - (ii) **regulatory year** ‘t-1’ is the **regulatory year** immediately preceding **regulatory year** ‘t’;
  - (iii) **regulatory year** ‘t-2’ is the **regulatory year** immediately preceding **regulatory year** ‘t-1’.

## Schedule 2 – Prices

This schedule should be read in conjunction with Schedule 3, Schedule 4 and Schedule 5. Variable water, sewerage, recycled water and trade waste charges are rounded down to 4 decimal places. All other charges are rounded down to 2 decimal places.

### Part A: Tariff basket services

Tariff and Price Component (Central region)	Price (1 July 2024)	PPM Year 2	PPM Year 3	PPM Year 4
<b>1.1 Residential water tariff</b>				
<b>Fixed potable water prices</b>				
Water network fee (per annum)	220.28	0.00%	0.00%	0.00%
<b>Volumetric potable water prices for customers receiving both water and sewerage services</b>				
Water usage fee (per kL)				
Price step 1 (0-440 litres/day)	3.5290	0.00%	0.00%	0.00%
Price step 2 (>440 litres/day)	4.0437	0.00%	0.00%	0.00%
<b>Volumetric potable water prices for customers receiving only water services</b>				
Water usage fee (per kL)				
Price step 1 (0-440 litres/day)	3.0566	0.00%	0.00%	0.00%
Price step 2 (>440 litres/day)	3.5915	0.00%	0.00%	0.00%
<b>1.2 Non-residential water tariff</b>				
<b>Fixed potable water prices</b>				
Water network fee (per annum)	318.47	0.00%	0.00%	0.00%
<b>Volumetric potable water prices</b>				
Water usage fee (per kL)	3.1308	0.00%	0.00%	0.00%
<b>1.3 Residential sewerage tariff</b>				

Tariff and Price Component (Central region)	Price	PPM	PPM	PPM
	(1 July 2024)	Year 2	Year 3	Year 4
<b>Fixed sewerage prices</b>				
Sewerage network fee (per annum)	287.07	2.70%	2.63%	2.56%
<b>1.4 Non-residential sewerage tariff</b>				
<b>Fixed sewerage prices</b>				
Sewerage network fee (per annum)	521.77	-1.16%	-1.18%	-1.19%
<b>Volumetric sewerage prices</b>				
Sewerage disposal fee (per kL)	2.0525	0.00%	0.00%	0.00%
<b>1.5 Residential recycled water (Class A) tariff</b>				
<b>Fixed recycled water prices</b>				
Recycled water network fee (per annum)	39.29	5.29%	5.03%	4.78%
<b>Volumetric recycled water prices</b>				
Recycled water usage fee (per kL)	2.5749	-0.90%	-0.91%	-0.92%
<b>1.6 Non-residential recycled water (Class A) tariff</b>				
<b>Volumetric recycled water prices</b>				
Recycled water usage fee (per kL)	2.6870	-0.83%	-0.84%	-0.85%
<b>1.7 Other tariffs</b>				
<b>Private fire services connections</b>				
Private fire service connection fee (per connection)	128.03	0.00%	0.00%	0.00%

Tariff and Price Component (Western region)	Price	PPM	PPM	PPM
	(1 July 2024)	Year 2	Year 3	Year 4
<b>2.1 Residential water tariff</b>				
<b>Fixed potable water prices (per annum)</b>				
Water network fee - 20mm	220.25	0.00%	0.00%	0.00%
Water network fee - 25mm	344.15	0.00%	0.00%	0.00%
Water network fee - 32mm	563.85	0.00%	0.00%	0.00%
Water network fee - 40mm	881.02	0.00%	0.00%	0.00%
Water network fee - 50mm	1376.60	0.00%	0.00%	0.00%
Water network fee - 80mm	3524.10	0.00%	0.00%	0.00%
Water network fee - 100mm	5506.41	0.00%	0.00%	0.00%
Water network fee - 150mm	12389.43	0.00%	0.00%	0.00%
<b>Volumetric potable water prices (per kL)</b>				
Water usage fee				
Price step 1 (0-440 liters/day)	2.4623	3.41%	3.30%	3.19%
Price step 2 (441+ litres/day)	3.2343	1.93%	1.89%	1.86%
<b>2.2 Non-Residential water tariff</b>				
<b>Fixed potable water prices (per annum)</b>				
Water network fee - 20mm	220.25	0.00%	0.00%	0.00%
Water network fee - 25mm	344.15	0.00%	0.00%	0.00%
Water network fee - 32mm	563.85	0.00%	0.00%	0.00%
Water network fee - 40mm	881.02	0.00%	0.00%	0.00%
Water network fee - 50mm	1376.60	0.00%	0.00%	0.00%
Water network fee - 80mm	3524.10	0.00%	0.00%	0.00%
Water network fee - 100mm	5506.41	0.00%	0.00%	0.00%
Water network fee - 150mm	12389.43	0.00%	0.00%	0.00%



Tariff and Price Component (Western region)	Price	PPM	PPM	PPM
	(1 July 2024)	Year 2	Year 3	Year 4
<b>Volumetric potable water prices (per kL)</b>				
Water usage fee	3.1308	0.00%	0.00%	0.00%
<b>2.3 Residential sewerage tariff</b>				
<b>Fixed sewerage prices</b>				
Sewerage network fee (per annum)	542.24	-4.06%	-4.23%	-4.42%
<b>2.4 Non-residential sewerage tariff</b>				
<b>Fixed sewerage prices</b>				
Sewerage network fee (per annum)	550.90	-2.42%	-2.48%	-2.55%
<b>2.5 Residential and non-residential recycled water (Class A) tariff</b>				
<b>Fixed recycled water prices (per annum)</b>				
Recycled water network fee – 20mm	127.27	-7.01%	-7.53%	-8.15%
Recycled water network fee – 25mm	198.98	-7.01%	-7.54%	-8.15%
Recycled water network fee – 32mm	326.01	-7.01%	-7.54%	-8.15%
Recycled water network fee – 40mm	509.40	-7.01%	-7.54%	-8.15%
Recycled water network fee – 50mm	796.00	-7.01%	-7.54%	-8.15%
Recycled water network fee – 80mm	2037.93	-7.01%	-7.54%	-8.15%
Recycled water network fee –100mm	3184.33	-7.01%	-7.54%	-8.15%
Recycled water network fee –150mm	7164.85	-7.01%	-7.54%	-8.15%
<b>Volumetric recycled water prices (per kL)</b>				
Residential - Recycled water usage fee	2.0712	1.92%	1.88%	1.85%

## Schedule 2 Part B : Price Cap services

Tariff and Price Component (Central region)	Price 1 July 2024	PPM Year 2	PPM Year 3	PPM Year 4
<b>1.8 New Customer Contributions</b>				
<b>Water (standard charge, all zones, per lot)</b>				
All lot sizes	859.53	0.00%	0.00%	0.00%
<b>Sewerage (standard charge, all zones, per lot)</b>				
All lot sizes	859.53	0.00%	0.00%	0.00%
<b>Recycled water (West Werribee and Greek Hill zone, per lot)</b>				
All lot sizes	3108.57	0.00%	0.00%	0.00%
<b>1.9 Non-residential trade waste tariffs</b>				
<b>Trade waste application prices (per application)</b>				
Risk Rank 1	2635.96	0.00%	0.00%	0.00%
Risk Rank 2	2635.96	0.00%	0.00%	0.00%
Risk Rank 3	2635.96	0.00%	0.00%	0.00%
Risk Rank 4	725.38	0.00%	0.00%	0.00%
Risk Rank 5 (Commercial Food Business)	95.34	0.00%	0.00%	0.00%
Risk Rank 5 (General)	377.74	0.00%	0.00%	0.00%
<b>Trade waste agreement prices (per annum)</b>				
Risk Rank 1	22935.98	0.00%	0.00%	0.00%
Risk Rank 2	19024.66	0.00%	0.00%	0.00%
Risk Rank 3	9551.26	0.00%	0.00%	0.00%
Risk Rank 4	2085.99	0.00%	0.00%	0.00%
Risk Rank 5 (General incl. commercial food businesses)	396.02	0.00%	0.00%	0.00%
<b>Food waste services prices (per registered bed per annum)</b>				

Food waste service fee	64.06	0.00%	0.00%	0.00%
<b>1.10 Non-residential trade waste volumetric and quality tariffs</b>				
<b>Trade waste volumetric prices</b>				
Volume (per kL)	0.9944	0.00%	0.00%	0.00%
<b>Trade waste quality prices</b>				
Biochemical Oxygen Demand (per kg)	1.2141	0.00%	0.00%	0.00%
Suspended Solids (per kg)	0.6576	0.00%	0.00%	0.00%
Total Kjeldahl Nitrogen (per kg)	2.3370	0.00%	0.00%	0.00%
Inorganic Total Dissolved Solids (per kg)	0.0234	0.00%	0.00%	0.00%
<b>1.11 Core miscellaneous fees and charges (per application)</b>				
Potable water meter assembly and installation (20mm) – new connection	331.32	0.00%	0.00%	0.00%
Recycled water meter assembly and installation (20mm) – new connection	347.16	0.00%	0.00%	0.00%
Potable water meter installation (20mm) – new connection	128.22	0.00%	0.00%	0.00%
Meter with remote device and installation (20mm)	287.75	0.00%	0.00%	0.00%
Property service short side installations (20mm)	1986.53	0.00%	0.00%	0.00%
<b>1.12 Non-core miscellaneous services</b>	At cost	At cost	At cost	At cost

Tariff and Price Component (Western Region)	Price (1 July 2024)	PPM Year 2	PPM Year 3	PPM Year 4
<b>2.6 Non-residential trade waste tariffs</b>				
<b>Trade waste application prices (per application)</b>				
Risk rank 1	1168.92	0.00%	0.00%	0.00%
Risk rank 2	492.87	0.00%	0.00%	0.00%
Risk rank 3	265.48	0.00%	0.00%	0.00%
Risk rank 4	168.87	0.00%	0.00%	0.00%

<b>Trade waste agreement prices (per annum)</b>				
Risk rank 1	3131.62	0.00%	0.00%	0.00%
Risk rank 2	1539.25	0.00%	0.00%	0.00%
Risk rank 3	688.47	0.00%	0.00%	0.00%
Risk rank 4	328.19	0.00%	0.00%	0.00%
<b>2.7 Non-residential trade waste volumetric and quality tariffs</b>				
<b>Trade waste volumetric prices (per kL)</b>				
Volumetric - category B	2.0481	0.00%	0.00%	0.00%
Volumetric - category C	1.4337	0.00%	0.00%	0.00%
<b>Trade waste quality prices (per kg)</b>				
Biochemical Oxygen Demand >400mg/L	0.4139	0.00%	0.00%	0.00%
Suspended Solids >400mg/L	0.2636	0.00%	0.00%	0.00%
Total Phosphorus >30mg/L	0.6164	0.00%	0.00%	0.00%
Total Combined Nitrogen >60mg/L	0.7928	0.00%	0.00%	0.00%
Total Oxidisable Sulphur >100mg/L	1.1456	0.00%	0.00%	0.00%
Sodium >250mg/L	0.1751	0.00%	0.00%	0.00%
Arsenic >0.2g/day	0.2635	0.00%	0.00%	0.00%
<b>2.8 Trade waste quality prices – heavy metals (per kg)</b>				
Cadmium >0.4g/day	0.2635	0.00%	0.00%	0.00%
Chromium (III & VI) >100g/day	0.2635	0.00%	0.00%	0.00%
Copper >100g/day	0.2635	0.00%	0.00%	0.00%
Lead >100g/day	0.2635	0.00%	0.00%	0.00%
Mercury >0.2g/day	0.2635	0.00%	0.00%	0.00%
Nickel >10g/day	0.2635	0.00%	0.00%	0.00%
Selenium >10g/day	0.2635	0.00%	0.00%	0.00%
Zinc >100g/day	0.2635	0.00%	0.00%	0.00%
<b>2.9 Non-residential trade waste penalty units (per event)</b>				

1 <sup>st</sup> major breach	212.0892	0.00%	0.00%	0.00%
2 <sup>nd</sup> major breach	447.7727	0.00%	0.00%	0.00%
3 <sup>rd</sup> major breach	1001.6107	0.00%	0.00%	0.00%
4 <sup>th</sup> major breach	2038.5973	0.00%	0.00%	0.00%
<b>2.10 New customer contributions (per lot)</b>				
Customer contribution – Standard	3246.92	0.00%	0.00%	0.00%
Customer contribution – Greenfield	7517.47	0.00%	0.00%	0.00%
<b>2.11 Miscellaneous fees and charges (per application)</b>				
Water tapping fees – drinking water (20mm installation)	524.18	0.00%	0.00%	0.00%
<b>2.12 Non-core miscellaneous services</b>	At cost	At cost	At cost	At cost

Tariff and Price Component (Greater Western Water)	Price	PPM	PPM	PPM
	(1 July 2024)	Year 3	Year 4	Year 5
<b>2.12 Miscellaneous fees and charges (per application)</b>				
Information statement - standard	21.55	0.00%	0.00%	0.00%
Information statement - priority	62.58	0.00%	0.00%	0.00%
Land development administrative fee: 1-10 lots	5282.64	0.00%	0.00%	0.00%
Land development administrative fee: >10 lots	8720.23	0.00%	0.00%	0.00%
Recycled water connection inspection – residential	288.27	0.00%	0.00%	0.00%
Plumbing application – residential	144.45	0.00%	0.00%	0.00%

As set out in clause 1.1(d) of this Determination, the role of the Commission in making this Determination is limited to determining the maximum prices that **Greater Western Water** may charge for **prescribed services** during the **regulatory period**, or the manner in which such prices are to be calculated, determined or otherwise regulated.

It is the role of **Greater Western Water** to set a tariff for **prescribed services** in accordance with the **Water Act** and to ensure the tariff complies with this Determination. The commission does not have a role in hearing disputes about individual billing issues that users may have.

## Schedule 3 – Application of prices

### 3.1 Water usage charges

- (a) It is the role of **Greater Western Water** to apply a water usage charge in accordance with the **Water Act**.
- (b) A water usage charge shall be calculated by reference to the volume, expressed in kilolitres, or part thereof, of water supplied during a meter-reading period.

### 3.2 Residential property

For the purpose of Schedule 2, a 'residential property' means:

- a property used or intended to be used primarily as a residence or residences;
- in the case of vacant land, land zoned for residential purposes;

but does not include a property used or intended to be used as:

- a guest house, motel, hotel or caravan park;
- a farming enterprise; or
- a residence attached to a shop or professional suites.

### 3.3 Non-residential property

For the purpose of Schedule 2, a non-residential property is a property which is not a residential property.

### 3.4 Block tariff charges

A block tariff is applicable for residential customers with different price increments occurring up to 440L/day and greater than 440L/day. Where multiple dwellings are supplied from a single meter, the blocks are multiplied by the number of dwellings. For example, the steps for a 2 dwelling residential property would be up to 880L/day and greater than 880L/day.

### 3.5 Private Extension Fees

**Greater Western Water** may, as a term of any agreement with the owner of a property for the supply of water from its works made under section 124(7) of the Water Act, require that owner to pay:

- (a) an annual private extension supply fee equivalent to the Service charge (per annum); and
- (b) a private extension usage fee equivalent to the Usage charge (per kL),

specified in item 1.1 of Schedule 2.

### **3.6 Sewage disposal charges**

- (a) Where **Greater Western Water** applies a sewage disposal charge it must be in accordance with the **Water Act**.
- (b) A sewage disposal charge shall be calculated by reference to the volume, expressed in kilolitres, or part thereof, of sewage discharged or estimated to have been discharged during a billing period.
- (c) Except as provided for in the next three paragraphs, the volume of sewage discharged to the sewerage system during a billing period shall be calculated according to a formula specified below.
- (d) If **Greater Western Water** is satisfied that the use of the formula is likely to systematically and substantially overestimate or underestimate the volume of sewage discharged, **Greater Western Water** may use another formula or method for estimating the volume.
- (e) **Greater Western Water** may apply 'property specific' sewage disposal charge factors to customers that are served by a third pipe recycled water supply, or any other form of alternative water supply (e.g. rainwater tanks). In those circumstances, **Greater Western Water** would undertake a 'water balance' of potable water consumed as against expected discharges to sewer.
- (f) A customer may seek a customised discharge factor using consumption history to determine the assumed percentage of water discharged to the sewer annually. The formula used to calculate the volume of sewage may differ from that otherwise applied with the standard discharge factor replaced by a customised discharge factor.

### **3.7 Sewage disposal charge formula – residential**

Greater Western Water will not apply a specified sewage disposal charge for residential customers.

### 3.8 Miscellaneous fees and charges

The following table sets out the definitions of the miscellaneous charges contained in Schedule 2.

Miscellaneous service	Definition
Land development administrative fee	A development works application applies when an extension of Greater Western Water’s reticulated water, recycled water or sewerage mains is required to service a property. Application and acceptance fees cover the costs of City West Water employees to process development works application. This administrative fees cover the costs associated with: processing an application and generating development deed/conditions of offer, with the subsequent developments works, and connections to our system, i.e. shutting down the main, notifying property owners, supervision of the connection and flushing and recharging the main.
Recycled water connection inspection – residential	Greater Western Water requires that the internal plumbing of all residential recycled water properties is inspected. This inspection ensures that, at time of development, there is no cross connection between potable water pipes and recycled water pipes.
Water meter assembly and installation (20mm) – new connection	In the case of a dry tapping installation (tapping installed by developer at time of water main installation), Greater Western Water will provide both the associated pipework and the meter assembly, including property hose tap and dual check valve. The 20mm connection cost relates to connection of a 20mm water meter.
Potable water meter installation (20mm) – new connection	Under the Water Act 1989, Greater Western Water must permit a property to be connected to the water supply or sewerage systems once an owner or occupier requests connection by notice. However, the owner (or their authorised agent) must agree to meet the cost of making that connection. Connection costs for water supply differ by connection (meter) size. The meter size can range from 20mm to 250mm. The 20mm connection cost relates to connection of a 20mm water meter
Meter with remote device and installation (20mm)	This is an optional mechanism that allows remote meter reading. It is additional to standard meter charges and can be purchased with a new meter. Note that not all existing meters are suitable to be fitted with the remote supplement.
Property service short side installations (20mm)	Providing the connection is not inclusive of a private fire service connection (PFSC), Greater Western Water’s nominated meter services contractor is responsible for the installation of the main to meter pipework up to and including five metres from the water main to the property boundary (short side). This also includes all excavation and reinstatement. This is to standardise the installation of all related works for water service connections.



Miscellaneous service	Definition
Water tapping fees – drinking water (20 mm)	This includes the cost of the meter and tapping materials, assessment of network flows and the field team installation. Also includes the administration for the application to be processed. The differing costs relate to the higher flows (and therefore risk) associated with meters and tapplings of increasing size. Costs cover both dry (empty pipe) and wet (pressured pipe) tapplings.
Information statements	Under s32 (2)(b) of the <i>Sale of Land Act 1962</i> , vendors of property in Greater Western Water’s service area are required to provide potential purchasers with an information statement from Greater Western Water prior to contract signing. All property-based fees billed by Greater Western Water are included on the information statement. The statement details any encumbrance affecting the land (excluding those shown on land titles), works required to be carried out, matters outstanding and any relevant price or fee. This information is provided in the form of a rates and encumbrance certificate.
Plumbing application fee	Before undertaking any plumbing works, a property owner (or their authorised agent) must obtain Greater Western Water’s consent to connect. Building plans must be submitted with the application (e.g. new building or extension) if requested by Greater Western Water. An application fee is required for all plumbing applications made to Greater Western Water. The fee covers employee costs for assessing and processing the plumbing application.

## Schedule 4 – Pricing principles

### 4.1 Recycled water pricing principles

Recycled water prices should be set so as to:

- have regard to the price of any substitutes and customers' willingness to pay;
- cover the full cost of providing the service (with the exception of services related to specified obligations or maintaining balance of supply and demand); and
- include a variable component.

Where **Greater Western Water** does not propose to fully recover the costs associated with recycled water, it must demonstrate to the commission that:

- it has assessed the costs and benefits of pursuing the recycled water project;
- it has clearly identified the basis on which any revenue shortfall is to be recovered; and
- if the revenue shortfall is to be recovered from non-recycled water customers, either the project is required under the Statement of Obligations which applies to **Greater Western Water** or pursuant to other government policies that apply to **Greater Western Water** or there has been consultation with the affected customers about their willingness to pay for the benefits of increased recycling.

### 4.2 Pricing principles where scheduled prices do not apply

Where the prices set out in Schedule 2 do not apply because the nature of the service provided to a particular customer (including, in the case of trade waste customers, the volume or load of waste treated) is unique, prices must be set as follows:

- variable prices (including, in the case of trade waste customers, load-based charges) should reflect the long run marginal cost of providing services (including, in the case of trade waste customers, trade waste transfer, treatment and disposal);
- the total revenue received from each customer should be greater than the cost that would be avoided from ceasing to serve that customer, and (subject to meeting avoidable cost) less than the stand alone cost of providing the service to the customer in the most efficient manner;
- the methodology used to allocate common and fixed costs to that customer should be clearly articulated and be consistent with any guidance provided by the commission;
- prices should reflect reasonable assumptions regarding the customer's demand for services (including, in the case of trade waste customers, the volume and strength of trade waste anticipated to be produced by that customer);

- depreciation rates and rates of return used to determine prices should be consistent with those adopted by the commission for the purposes of making this Determination;
- customers should be provided with full details of the manner in which prices have been calculated and any new, renewed or renegotiated contractual agreements with customers should indicate that the prices to apply are subject to any Determination made by the commission;
- where applying these principles results in significant changes to prices or tariff structures, arrangements for phasing in the changes may be considered and any transitional arrangements should be clearly articulated.

### 4.3 Pricing principles for NCC

#### Core pricing principles

**NCC**, including standard or negotiated **NCC**, will be calculated by applying the following core **NCC** pricing principles.

Subject to clause 11 of the WIRO, Standard and negotiated **NCC** will:

- have regard to the incremental infrastructure and associated costs in one or more of the statutory cost categories attributable to a given connection;
- have regard to the incremental future revenues that will be earned from customers at that connection;
- be greater than the avoidable cost of that connection and less than the standalone cost of that connection.

Notes:

1. Given that **NCC** are to be based on the net incremental cost of connection (ie incremental costs net of incremental benefits), in this context, the costs referred to in the efficient pricing bound are the net costs, specifically the avoidable net cost of connection and standalone net cost of connection.
2. Where the connection arrangement requires assets to be gifted, the value of gifted assets will be excluded for the purpose of calculating net costs.
3. Incremental costs may include financing costs associated with constructing an asset sooner than planned.

#### NCC application

**NCC** are applied on a per lot basis and may be levied on any connection of a new customer that is separately titled or is, or can be, individually metered.

## Incremental financing costs

Incremental financing costs (IFC) should be calculated using this formula:

$$\text{IFC} = \left(1 - \left[\frac{1}{(1+r)^n}\right]\right) \times \text{cost of capital being provided sooner than planned}$$

where:

r estimated pre-tax regulatory rate of return

n the number of years the asset is required sooner than planned.

## Gifted Assets

**Greater Western Water** can require developers to provide and gift to **Greater Western Water** specified assets as a condition of connection, provided that **Greater Western Water**:

- makes clear to potential developers which assets a developer will be responsible for providing and gifting, and which will be provided by **Greater Western Water**;
- confirms that negotiation of any non-standard connection and associated charges will be undertaken in accordance with **Greater Western Water**'s published negotiating framework; and
- the value of gifted assets will be excluded for the purposes of calculating net costs.

## 4.4 Pricing principles for *miscellaneous services* not included in Schedule 2

Prices for *miscellaneous services* must be set according to actual cost calculated on the basis of the aggregate of:

- direct third party or contractor invoice cost;
- direct marginal internal costs, including labour, materials and transport costs; and
- a fair contribution to overheads.

For bank dishonour, debt collection and legal fees, the third party costs must be charged directly to the customer with no contribution for internal costs or a contribution to overheads.

## 4.5 Guidelines

**Greater Western Water** must comply with any guidelines issued by the commission from time to time which relate to the setting of prices for *prescribed services* to which Schedule 4 relates.

## Schedule 5 – Adjustment to Schedule 2 – changes in costs associated with annual updates to the trailing average cost of debt

If in any **regulatory year** Condition A and/or Condition B and/or Condition C and/or Condition D and/or Condition E apply (per Schedule 5B below), the formula set out in clause 2.3(b) is not applicable to the extent it relates to the prices listed in Schedule 5A. The prices in Schedule 5A are specified in Schedule 2.

Instead, the prices in Schedule 5A will be adjusted in accordance with the formulas (as applicable) provided in Schedule 5B, with effect from the beginning of each subsequent **regulatory year** in the **regulatory period**.

**Greater Western Water** must comply with any guidance issued by the commission from time to time which relate to the setting of prices for **prescribed services** to which Schedule 2 and 4 relates.

### Schedule 5A – Adjustment to prices

Tariffs	Condition A (Annual cost of debt update)	Condition B (Melbourne Water bulk water cost change)	Condition C (Melbourne Water bulk sewerage cost change)	Condition D (Melbourne Water desalination water order)	Condition E (Southern Rural Water bulk water cost change)
Residential water fixed charge	X	X			X
Residential water variable charge	X			X	
Non-residential water service charge	X	X			X
Non-residential water variable charge	X			X	

Schedule 5 – Adjustment for costs associated with annual updates to the trailing average cost of debt

Residential sewerage fixed charge	X	X
Non-residential sewerage fixed charge	X	X
Non-residential sewerage variable charge	X	
Residential recycled water fixed charge	X	
Non-residential recycled water fixed charge	X	
Residential recycled water variable charge	X	
Non-residential recycled water variable charge	X	

## Schedule 5B – Prices

### Condition A – Annual cost of debt update

Condition A will apply when the trailing average cost of debt in any **regulatory year** 't' changes in that year. The adjustment is calculated as per formula 4 below.

The difference in the forecast and actual regulatory rate of return in any **regulatory year** 't' is multiplied by the average of the **RAB** to determine the change in **Greater Western Water's** total expected return. The **RAB** is set out in Table 5 of Annexure A.

The trailing average cost of debt adjustment will be apportioned across the tariffs listed in Schedule 5A.

### Formula 1: Determining the nominal cost of debt

$$CoD_t^{nominal} = \sum_{i=t-10}^{t-1} \frac{CoD_i^{nominal}}{10}$$

Schedule 5 – Adjustment for costs associated with annual updates to the trailing average cost of debt

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$CoD_t^{nominal}$	<p>Is equal to the simple average of the 10 years up to (but not inclusive of) <b>regulatory year 't'</b> of:</p> <ul style="list-style-type: none"> <li>- The historical nominal cost of debt series outlined in Table 1 of Annexure A</li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>- RBA Table F3 – Non-financial corporate BBB-rated bonds – Yield – 10-year target tenor [Series ID FNFYBBB10M]</li> </ul> <p>from 1 April to 31 March before the start of <b>regulatory year 't'</b> (e.g. 1 April 2023 to 31 March 2024 in relation to 2024-25)</p>
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### Formula 2: Determining the real cost of debt

$$CoD_t^{real} = \frac{(1 + CoD_t^{nominal})}{(1 + \pi^{det})} - 1$$

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$\pi^{det}$	Is the inflation factor which is equal to 2.9% for all regulatory years (unless updated in accordance with Note 1 below, in which case it is equal to the updated amount set by the commission)
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Formula 2 outlines the process for converting the trailing average cost of debt from nominal to real using the Fisher equation.

### Formula 3: Determining the real regulatory rate of return

$$RRR_t^{real} = 0.4 \times CoE_t^{real} + 0.6 \times CoD_t^{real}$$

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$RRR_t^{real}$	Is the post-tax 'vanilla' regulatory rate of return in real terms for <b>regulatory year 't'</b> rounded to two decimal places, i.e. 2.7525% is rounded to 2.75%
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$CoE_t^{real}$	Is the real cost of equity which is equal to 4.1 % for 2024-25 to 2027-28
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### Formula 4: Trailing average cost of debt adjustment

$$CDA_t^j = (RRR_t^{act} - RRR_t^{det}) \times \left( \frac{RAB_{opening,t}^{det} + RAB_{closing,t}^{det}}{2} \right) \times \frac{CPI_t}{CPI_{base}} \times \frac{\alpha_t^j \times q_{j,t}^{det}}{\sum_{j=1,n}^{t=t} (\alpha_t^j \times q_{j,t}^{det})} \times \frac{1}{q_{j,t}^{det}}$$

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$CDA_t^j$	Is the trailing average cost of debt adjustment applied proportionally to tariff j, based on tariff j's relative share of total revenues. Total revenues refer to the sum of all revenue received across the tariffs listed in Schedule 5A to which the cost of debt adjustment will apply
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$RRR_t^{act}$	Is the actual calculated real post tax 'vanilla' regulatory rate of return in <b>regulatory year 't'</b>
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Schedule 5 – Adjustment for costs associated with annual updates to the trailing average cost of debt

$RRR_t^{det}$	Is the determination real post tax ‘vanilla’ regulatory rate of return in <b>regulatory year ‘t’</b>
$RAB_{opening,t}^{det}$	Is the determination opening <b>RAB</b> in <b>regulatory year ‘t’</b>
$RAB_{closing,t}^{det}$	Is the determination closing <b>RAB</b> in <b>regulatory year ‘t’</b>
$CPI_t$	Is the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics (6401.0 - Table 8) for the March Quarter immediately preceding the start of the relevant <b>regulatory year</b>
$CPI_{base}$	Is the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics (6401.0 - Table 8) for the March Quarter in year 2023 equal to 132.6.
$\alpha_t^j$	Is the price for tariff j at <b>regulatory year ‘t’</b> before the cost of debt adjustment where: $\alpha_t^j = p_{t-1}^j \times \frac{CPI_t}{CPI_{t-1}} \times (1 + PPM_t^j)$
$p_{t-1}^j$	Is the price for tariff j in <b>regulatory year ‘t-1’</b>
$q_{j,t}^{det}$	Is the determination quantity for tariff j in <b>regulatory year ‘t’</b>
$\sum_{j=1,n}^{t=t} (\alpha_t^j \times q_{j,t}^{det})$	Is the sum of all revenue received across the tariffs listed in Schedule 5A to which the cost of debt adjustment will apply
$PPM_t^j$	Is the prescribed price movement for the price component of tariff j in <b>regulatory year ‘t’</b> as per the determination

Formula 4 outlines the process for calculating the adjustment to prices outlined in Schedule 5A to reflect the new cost of debt. This is done in two steps. The first step is to calculate the change in the revenue requirement by multiplying the adjustment to the rate of return, to reflect the updated cost of debt, by the average regulatory asset base.

The second step is to apply the change in the revenue requirement proportionally to tariff j, based on tariff j’s relative share of total revenues. Total revenues are defined as the sum of all revenues received across the tariffs listed in Schedule 5A to which the cost of debt adjustment will apply.



### Condition B – Bulk water costs adjustment

Condition B will apply when **Melbourne Water's** bulk water costs in any **regulatory year 't'** differ from forecast in that year. The changes in costs will be calculated in accordance with formula 6 and apply to the tariffs listed in Schedule 5A.

### Condition C – Bulk sewerage costs adjustment

Condition C will apply when Melbourne Water's bulk sewerage costs in any regulatory year t differ from forecast in that year. The changes in costs will be calculated in accordance with formula 8 and apply to the tariffs listed in Schedule 5A.

### Condition D – Water order – Desalination plant

Condition D will apply when the water order volume in any regulatory year differs from a water order of 0 GL and where the costs are passed on to customers. The changes in costs incurred for desalinated water orders will be calculated in accordance with formula 10 and apply to the tariffs listed in Schedule 5A

### Condition E – Bulk water entitlement cost adjustments – Southern Rural Water

Condition E will apply when **Southern Rural Water's** bulk water costs in any **regulatory year 't'** differ from forecast in that year. The changes in costs will be calculated in accordance with formula 11 and apply to the tariffs listed in Schedule 5A.

## Formula 5: Water charges

$$p_{W,t}^j = p_{W,t-1}^j \times \frac{CPI_t}{CPI_{t-1}} \times (1 + PPM_t^j) + BWA_{W,t}^j + SRWA_{W,t}^j + CDA_t^j$$

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$p_{W,t}^j$

Is the water charges for tariff j at **regulatory year 't'** that accounts for the changes in **Greater Western Water's** trailing average cost of debt and

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Schedule 5 – Adjustment for costs associated with annual updates to the trailing average cost of debt

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**Melbourne Water's** bulk water costs and **Southern Rural Water's** bulk water costs.

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$p_{W,t-1}^j$  Is the water charge for tariff j in **regulatory year** 't-1'

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$CPI_t$  Is the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics (6401.06 - Table 8) for the March Quarter immediately preceding the start of the relevant **regulatory year**

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$PPM_t^j$  The prescribed price movement for the price component for tariff j in **regulatory year** 't' as per the determination

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$BWA_{W,t}^j$  Is the bulk water cost adjustment applied to **Greater Western Water's** tariff j in **regulatory year** 't' to account for changes in **Melbourne Water's** trailing average cost of debt and desalination contract cost outlined in formula 6.

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$SRWA_{W,t}^j$  Is the bulk water price adjustment applied to **Greater Western Water's** tariff j in **regulatory year** 't' to account for changes in **Southern Rural Water's** bulk water entitlement costs as outlined in formula 11.

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$CDA_t^j$  Is the trailing average cost of debt adjustment applied proportionally to tariff j, based on tariff j's relative share of total revenues as outlined in formula 4. Total revenues refer to the sum of all revenue received across the tariffs listed in Schedule 5A to which the cost of debt adjustment will apply.

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## Formula 6: Melbourne Water Bulk water cost adjustment

$$BWA_{t,j}^W = PT_t^W \times \frac{\alpha_{W,t}^j \times q_{W,t}^{j, det}}{\sum_j^n (\alpha_{W,t}^j \times q_{W,t}^{j, det})} \times \frac{1}{q_{W,t}^{j, det}}$$

$BWA_{t,j}^W$	is the adjustment to the water charge for tariff j ( $p_{W,t}^j$ ) from changes to <b>Melbourne Water's</b> bulk costs ( $PT_t^W$ ) as a proportion of the total water revenue $\sum_j^n (\alpha_{W,t}^j \times q_{W,t}^{j, det})$
$PT_t^W$	Is the total amount of expenditure to be passed through (either positive or negative) in <b>regulatory year</b> t on the water charges to account for changes in <b>Melbourne Water's</b> bulk costs.
$\alpha_{W,t}^j$	The water charge for tariff j in <b>regulatory year</b> t before the bulk cost and cost of debt adjustments where $\alpha_{WF,t}^j = p_{WF,t-1}^j \times \frac{CPI_t}{CPI_{t-1}} \times (1 + PPM_t^j)$
$q_{W,t}^{j, det}$	Is the determination quantity for tariff j in <b>regulatory year</b> t
$\sum_j^n (\alpha_{W,t}^j \times q_{W,t}^{j, det})$	Is the sum of all revenue received across water charges in <b>regulatory year</b> t

Schedule 5 – Adjustment for costs associated with annual updates to the trailing average cost of debt

## Formula 7: Sewerage tariff adjustment

$$p_{S,t}^j = p_{S,t-1}^j \times \frac{CPI_t}{CPI_{t-1}} \times (1 + PPM_t^j) + BSA_{t,j}^S + CODA_t^j$$

$p_{S,t}^j$	The sewerage charge for tariff j in <b>regulatory year</b> 't' as a result of changes in <b>Greater Western Water's</b> trailing average cost of debt and <b>Melbourne Water's</b> bulk sewerage costs.
$p_{S,t-1}^j$	Is the sewerage charge for tariff j in <b>regulatory year</b> 't-1'
$CPI_t$	Is the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics (6401.0 - Table 8) for the March Quarter immediately preceding the start of the relevant <b>regulatory year</b>
$PPM_t^j$	The prescribed price movement for the price component for tariff j in <b>regulatory year</b> 't' as per the determination.
$BSA_{t,j}^S$	Is the bulk sewerage cost adjustment applied to <b>Greater Western Water's</b> sewerage tariff j in regulatory year t to account for changes in Melbourne Water's trailing average cost of debt as outlined in formula 8
$CODA_t^j$	Is the trailing average cost of debt adjustment applied proportionally to tariff j, based on tariff j's relative share of total revenues. Total revenues refer to the sum of all revenue received across the tariffs listed in Schedule 5A to which the cost of debt adjustment will apply.

Schedule 5 – Adjustment for costs associated with annual updates to the trailing average cost of debt

**Formula 8: Price adjustment to account for changes in Melbourne Water’s bulk sewerage costs**

$$BSA_{t,j}^S = PT_t^S \times \frac{\alpha_{S,t}^j \times q_{S,t}^{j,det}}{\sum_j^n (\alpha_{S,t}^j \times q_{S,t}^{j,det})} \times \frac{1}{q_{S,t}^{j,det}}$$

$BSA_{t,j}^S$  is the adjustment to the sewerage charge for tariff j ( $p_{S,t}^j$ ) from changes to **Melbourne Water’s** bulk sewerage costs ( $PT_t^S$ ) as a proportion of the total sewerage revenue  $\sum_j^n (\alpha_{S,t}^j \times q_{S,t}^{j,det})$ .

$PT_t^S$  Is the total amount of expenditure to be passed through (either positive or negative) in **regulatory year** ‘t’ on the sewerage charges to account for changes in **Melbourne Water’s** bulk sewerage costs.

$\alpha_{S,t}^j$  The sewerage charge for tariff j in **regulatory year** ‘t’ before the bulk sewerage cost and cost of debt adjustments where:

$$\alpha_{S,t}^j = p_{S,t-1}^j \times \frac{CPI_t}{CPI_{t-1}} \times (1 + PPM_t^j)$$

$q_{S,t}^{j,det}$  Is the determination quantity for tariff j in **regulatory year** ‘t’

$\sum_j^n (\alpha_{S,t}^j \times q_{S,t}^{j,det})$  Is the sum of all revenue received across sewerage charges in **regulatory year** ‘t’

## Formula 9: Water variable tariff adjustment

$$p_{WV,t}^j = p_{WV,t-1}^j \times \frac{CPI_t}{CPI_{t-1}} \times (1 + PPM_t^j) + DWOA_t^j$$

$p_{WV,t}^j$	The water variable charge for tariff j in <b>regulatory year</b> 't' as a result of costs associated with a desalination plant water order.
$p_{WV,t-1}^j$	Is the water variable charge for tariff j in <b>regulatory year</b> 't-1'
$CPI_t$	Is the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics (6401.0 - Table 8) for the March Quarter immediately preceding the start of the relevant <b>regulatory year</b>
$PPM_t^j$	The prescribed price movement for the price component for tariff j in <b>regulatory year</b> 't' as per the determination.
$DWOA_t^j$	Is the desalinated water order cost adjustment applied to water variable charge for tariff j in <b>regulatory year</b> 't' as outlined in formula 10

## Formula 10: Desalination water order cost adjustment

$$DWOA_t^j = \frac{BDWOC_t^{act} - BDWOC_t^{det} \times \frac{CPI_t}{CPI_{base}}}{\sum_{j=1}^n (q_{WV,t}^{j,det})}$$

$DWOA_t^j$	Is the desalinated water order cost adjustment applied to the water variable charge for tariff j in <b>regulatory year 't'</b>
$CPI_t$	Is the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics (6401.0 - Table 8) for the March Quarter immediately preceding the start of the relevant <b>regulatory year</b>
$CPI_{base}$	Is the Consumer Price Index: All Groups Index for the Eight Capital Cities as published by the Australian Bureau of Statistics (6401.0 - Table 8) for the March Quarter in year 2023 equal to 132.6
$q_{WV,t}^{j,det}$	Is the determination quantity for each water variable tariff j in <b>regulatory year 't'</b>
$BDWOC_t^{act}$	Is the actual bulk desalinated water order costs incurred by <b>Greater Western Water</b> in <b>regulatory year 't'</b>
$BDWOC_t^{det}$	Is the determination bulk desalinated water order costs incurred by <b>Greater Western Water</b> in <b>regulatory year 't'</b>

## Formula 11: Bulk water entitlement cost adjustment – Southern Rural Water

$$SRWA_{WS,t}^j = PT_{WS,t}^{SRW} \times \frac{\alpha_{WS,t}^j \times q_{WS,t}^{j,det}}{\sum_j (\alpha_{WS,t}^j \times q_{WS,t}^{j,det})} \times \frac{1}{q_{WS,t}^{j,det}}$$

$SRWA_{WS,t}^j$	is the price adjustment to the water service charge for tariff j ( $p_{WS,t}^j$ ) from changes to <b>Southern Rural Water's</b> bulk water entitlement costs ( $PT_{WS,t}^{SRW}$ ) as a proportion of the total water service revenue $\sum_j (\alpha_{WS,t}^j \times q_{WS,t}^{j,det})$ .
$PT_{WS,t}^{SRW}$	Is the total amount of expenditure to be passed through (either positive or negative) in <b>regulatory year 't'</b> on the water fixed service charges to account for changes in <b>Southern Rural Water's</b> bulk water entitlement costs.

Schedule 5 – Adjustment for costs associated with annual updates to the trailing average cost of debt

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 $\alpha_{WS,t}^j$ 

The water fixed service charge for tariff j in **regulatory year** 't' before the bulk water cost and cost of debt adjustments where:

$$\alpha_{WS,t}^j = p_{WS,t-1}^j \times \frac{CPI_t}{CPI_{t-1}} \times (1 + PPM_t^j)$$

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 $q_{WS,t}^{j,det}$ 

Is the determination quantity for tariff j in **regulatory year** 't'

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$$\sum_j^n (\alpha_{WS,t}^j \times q_{WS,t}^{j,det})$$

Is the sum of all revenue received across water fixed service charges in **regulatory year** 't'

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**THE COMMON SEAL** of the )  
**ESSENTIAL SERVICES COMMISSION** )  
was affixed pursuant to the authority of )  
the Commission on 18 June 2024 )



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Kate Symons  
**CHAIRPERSON**

# Annexure A

**Table 1 Historical cost of debt (nominal)**

Per cent

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Cost of debt	5.36%	5.27%	4.91%	4.53%	4.61%	3.31%	3.05%	3.75%	6.76%	6.53%

**Table 2 Forecast real regulatory rate of return**

Per cent

	2024-25	2025-26	2026-27	2027-28
Regulatory rate of return	2.75%	2.82%	2.89%	2.99%

**Table 3 Benchmark revenue requirement**

\$m 2023-24

	2024-25	2025-26	2026-27	2027-28
Operating expenditure	622.2	623.8	624.7	627.1
Return on assets	95.8	102.7	109.7	117.7
Regulatory depreciation	101.6	107.0	112.4	117.7
Tax allowance	33.8	36.6	36.7	38.5
<b>Final decision revenue requirement</b>	<b>853.5</b>	<b>870.0</b>	<b>883.5</b>	<b>900.9</b>

**Table 4 Closing regulatory asset base**  
\$m 2023-24

	2018-19	2019-20	2020-21	2021-22	2022-23
Opening RAB at 1 July	2,766.9	2,826.8	2,914.8	3,021.1	3,109.6
<i>Plus</i> Gross capital expenditure	230.1	274.5	286.8	281.4	336.4
<i>Less</i> Government contributions	0.0	0.0	0.0	12.1	5.7
<i>Less</i> Customer contributions	68.8	85.3	72.9	67.7	88.1
<i>Less</i> Proceeds from disposals	1.3	0.8	1.0	3.0	1.0
<i>Less</i> Regulatory depreciation	100.0	100.4	106.6	110.0	95.8
<b>Closing RAB at 30 June</b>	<b>2,826.8</b>	<b>2,914.8</b>	<b>3,021.1</b>	<b>3,109.6</b>	<b>3,255.5</b>

**Table 5 Forecast regulatory asset base**  
\$m 2023-24

	2023-24	2024-25	2025-26	2026-27	2027-28
Opening RAB at 1 July	3,255.5	3,398.3	3,567.3	3,713.8	3,879.4
<i>Plus</i> Gross capital expenditure	330.4	363.3	337.0	352.9	309.1
<i>Less</i> Government contributions	15.6	18.2	0.2	0.0	0.0
<i>Less</i> Customer contributions	75.5	73.7	82.5	74.2	79.0
<i>Less</i> Proceeds from disposals	0.8	0.8	0.8	0.8	0.8
<i>Less</i> Regulatory depreciation	95.7	101.6	107.0	112.4	117.7
<b>Closing RAB at 30 June</b>	<b>3,398.3</b>	<b>3,567.3</b>	<b>3,713.8</b>	<b>3,879.4</b>	<b>3,990.9</b>

**Table 6 Approved licence fee and environmental contribution assumptions**  
\$m 2023-24

	2024-25	2025-26	2026-27	2027-28
Essential Services Commission licence fee	0.6	0.7	0.8	0.8
Department of Health licence fee	0.2	0.2	0.2	0.2
Environment Protection Authority licence fee	0.2	0.2	0.2	0.2
Environmental contribution	34.3	33.4	32.4	31.5

**Table 7 Bulk water purchases**  
\$m 2023-24

	2024-25	2025-26	2026-27	2027-28
Bulk water purchases	375.8	378.3	379.2	380.8

**Table 8 Demand forecast**

	2024-25	2025-26	2026-27	2027-28
<b>Water assessments (no.)</b>				
Residential	589,878	608,023	625,159	642,306
Non-residential	43,738	44,919	46,056	47,230
Total	633,617	652,941	671,216	689,535
<b>Sewerage assessments (no.)</b>				
Residential	583,052	601,197	618,333	635,480
Non-residential	41,484	42,665	43,802	44,976
Total	624,537	643,861	662,136	680,455
<b>Billable water consumption (ML)</b>				
Residential	80,154	81,558	83,316	85,116
Non-residential	42,319	42,695	43,084	43,488

**Table 9 Major capital projects**

Project	Expected start date	Expected completion date
Woodend Recycled Water Plant - Major Upgrade	2023-24	2029-30
Macedon Ranges Transfer Augmentations	2023-24	2026-27
CBD Stage 4 - Siddeley St (Melbourne Main Sewer) Capacity expansion	2025-26	2027-28
Holden Tank Water Pumping Station & Transfer Main	2023-24	2027-28
Bald Hill Tank Construction	2023-24	2024-25
Emu Creek Branch Sewerage main (Melbourne-Lancefield Rd) & Sunbury road outfall Sewerage	2021-22	2030-31
Gisborne Recycled Water Plant - Upgrade	2021-22	2024-25
Platypus Billing & Collections system	2019-20	2023-24
Romsey Water Filtration Plant - New Filtration Plant	2023-24	2026-27
Romsey Recycled Water Plant – Plant upgrade stage 1	2023-24	2026-27