

## South East Water – Outcomes – 2023-2028

*In this document, the water business provides a summary report of its actual performance against each of its outcome commitments for the 2023-2024 reporting year. The business has given itself a “traffic light” rating (green = met target, red = not met, yellow = close or largely met) for its performance on each measure, outcome and an overall rating. The business has provided its own comments about its performance on each outcome and overall.*

### Summary table

Outcome	23-24	24-25	25-26	26-27	27-28	Overall for the period to date
1. Get the basics right, always	Green	Grey	Grey	Grey	Grey	Green
2. Warn me, inform me	Green	Grey	Grey	Grey	Grey	Green
3. Fair and affordable for all	Red	Grey	Grey	Grey	Grey	Red
4. Make my experience better	Green	Grey	Grey	Grey	Grey	Green
5. Support my community, protect our environment	Green	Grey	Grey	Grey	Grey	Green
Overall, for reporting year	Green	Grey	Grey	Grey	Grey	Green

## **Business comments**

At the end of the first year of our 5-year customer commitment, 13 of our 16 outcome measures have achieved target. Of the remaining 3, we remain confident that at least 2 will recover and achieve the overall target for the 2023–28 period.

Through our digital network, we're alerting customers to possible leaks at their property at rates higher than we initially forecast. We believe this will only increase as our rollout of digital meters accelerates across the 2024–28 regulatory period.

The level of our payment assistance and financial support has reached record highs. We have plans in place to better understand from customers the barriers stopping those with outstanding bills from utilising our support options.

We've outperformed the target we set for our new combined service disruptions.

While extreme weather events in summer 2024 and third-party damage have caused sewer spills, putting pressure on our network, our overall water quality hasn't been compromised.

Over the coming year, we'll expand the type of customer interactions that we capture feedback from to help improve our systems and services.

**Outcome 1: Get the basics right, always**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Number of Safe Drinking Water Act non-compliances (water sampling and audit)	No.	Target	0	0	0	0	0	0
		Actual	1	0				
b. Customers experiencing more than 5 unplanned disruptions in a 12-month period (water, sewer and water quality)	No.	Target	New	450	450	450	450	450
		Actual	New	184				
c. Total volume of water saved through digital detection of network leaks	ML	Target	New	0	461	737	1,007	1,271
		Actual	New	140				

How is SEW tracking for outcome 1 in the regulatory period so far?



**Business comment**

Our positive results have been driven by our chlorination strategy, which makes sure the water in our storages and networks remains safe. As part of this, we’re improving our water quality database to make it easier to review results and initiate action when needed. We’ve also continued our solid program of maintenance and testing.

Due to wet conditions over summer, we experienced very low numbers of bursts and leaks across our network. Our positive results are also due to our proactive renewals of water and sewer mains, which see us continue to target assets in poor condition and with a history of multiple failures before they impact customers or the environment.

Approximately 80 network leaks were detected through our digital sensors over the year and helped us finalise the methodology used to quantify and report the volume of water saved through early leak detection.

**Outcome 2: Warn me, inform me**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Customer savings realised through repair of digital meter detected property leaks	\$m	Target	New	\$1.1m	\$2.8m	\$4.5m	\$6.2m	\$7.8m
		Actual	New	\$2.9m				
b. Customers notified per unplanned water supply interruption as a percentage of total customers affected	%	Target	61%	78.5%	79%	79.5%	80%	80.5%
		Actual	77%	79%				
c. Water literacy of South East Water customers (captured via survey responses to a series of industry indicators)	% of survey respondents	Target	New	29%	29.5%	30%	30.5%	31%
		Actual	New	35%				

How is SEW tracking for outcome 2 in the regulatory period so far?



**Business comment**

We're proud that by alerting our customers early of continuous flows detected by our digital meters, they've saved significantly more off their bills than initially forecast, through the timely repair of leaks.

We now collect new customers' details / those who have changed address via the notice of sale process. It's an example of how we're continually expanding ways to capture customers' details.

In May we completed our first water literacy survey with 400 respondents directly within our service area. This covered a representative sample of gender, age, household composition, occupancy and income. We collected responses against 11 water literacy statements, with those correctly answering 9 or more deemed to have 'high' literacy. Those with 6-8 correct answers deemed 'medium' and 5 or fewer correct, 'low' literacy.

**Outcome 3: Fair and affordable for all**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Percentage of existing properties upgraded to a digital meter	%	Target	New	17%	34%	51%	68%	85%
		Actual	New	10.6%				
b. Number of customers supported (provided financial or payment assistance)	No.	Target	7,147	10,000	10,000	10,000	10,000	10,000
		Actual	8,966	18,245				
c. Percentage of customers with arrears older than 90 days who have received financial or payment assistance	%	Target	New	47%	49%	51%	53%	55%
		Actual	New	31%				

How is SEW tracking for outcome 3 in the regulatory period so far?



**Business comment**


Decisions made in 2023, to delay the start of the large volume digital meter rollout and minimise cost impact to customers in the first 2 years of the regulatory period, mean that we’re behind the original schedule. We remain confident we’ll achieve the 2028 target, through an increased installation program due to start towards the second half of 2024–25.

In a time of increased cost-of-living pressures for some of our customers, we’re pleased that our continued support of those experiencing hardship or payment difficulties has driven a significant increase in those receiving financial or payment assistance in the past year – up 104% from 2022–23.

There has been a reduced incentive for some customers to engage with financial or payment assistance during pause in debt recovery throughout 2023-24. We expect to see the number of customers activating support to increase over the coming months with debt recovery activity resuming from 1 July 2024.

### Outcome 4: Make my experience better

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Total number of inbound contacts received per 100 customers (calls, portal, web and email enquiries)	No.	Target	New	63	62	61	60.2	59.5
		Actual	New	62				
b. Overall customer satisfaction with South East Water (scores of 7 and above in customer surveys)	% of survey respondents	Target	New	68%	68.5%	69%	69.5%	70%
		Actual	82%	85%				
c. Number of enquiries relating to the explanation of charges (per 100 customers)	No.	Target	New	6.8	6.6	6.4	5.9	5.4
		Actual	New	5.5				

How is SEW tracking for outcome 4 in the regulatory period so far? 

### Business comment

Overall, we've seen a slight reduction of inbound contacts and an increase in first contact resolution. We continue to introduce new ways for customers to complete transactions quickly and easily via online channels, avoiding the need to contact us directly. Examples include the uplift of our corporate website and a refreshed and improved experience via our mobile app.

Our high customer satisfaction for the first year represents a 3% increase when compared to same time last year. Over the coming year, we'll expand the type of customer interactions that we capture feedback from to help improve our systems and services which was behind the reduction in overall targets for the 2023-28 regulatory period.

The result is more favorable than expected, with an overall decrease in enquiries received. This may be due to billing changes and the smoothing of annual charges across quarterly bills, as well as a wetter start to summer resulting in fewer customers experiencing high usage that leads to bill shock.



**Outcome 5: Support my community, protect our environment**

Output	Unit		22-23	23-24	24-25	25-26	26-27	27-28
a. Overall community trust in South East Water (scores of 7 and above in customer surveys)	% of survey respondents	Target	New	68%	68.5%	69%	69.5%	70%
		Actual	New	77%				
b. Total net greenhouse gas emissions (tCO2e)	tCO2e	Target	29,690	28,439	23,016	23,509	23,998	12,033
		Actual	27,871	26,223				
c. Number of EPA reportable dry weather sewer spills	No.	Target	20	15	15	15	15	15
		Actual	16	24				
d. Alternative water as a percentage of total water supplied to all customers	%	Target	New	4.5%	5%	6%	6.5%	7%
		Actual	New	4.7%				

How is SEW tracking for outcome 5 in the regulatory period so far?



**Business comment**

Our community trust is ranked high and well above target which likely shows the impact of our community strategy in action. This includes our award-winning Community Grants program and our ability to draw upon our strong relationships with local government and community partners, promoting openness and reducing impact in the event of a sewer spill.

Our interim net greenhouse gas emissions indicate we'll achieve well below our 2023–24 target and remain on track to reach our stretch target of net zero emissions by 2028 (as captured in our 2028 corporate strategy). We're also working to more accurately monitor and reduce emission hotspots from our operations and increase our generation of renewable energy.



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The number of dry weather sewer spills is higher than expected for the year. Six of the 24 spills have resulted from causes outside our control, including third-party damage to our network and power outages due to extreme weather. We continue to explore ways to best use smart devices to proactively detect sewer blockages and prevent spills.

Wet and cooler-than-expected weather conditions in early summer had an impact on the demand for alternative water for use in agriculture. While alternative water forecasts weren't realised for the year, the total volume of water provided to customers was also significantly lower. This resulted in the positive result and a higher percentage of alternative water.