



28 September 2023

Marcus Crudden
Acting Chief Executive Officer

water@esc.vic.gov.au

Dear Marcus,

Goulburn-Murray Water – Pricing Submission 2024-2028

On behalf of the Board of Directors, Executive and staff at Goulburn-Murray Water, I am pleased to submit Goulburn-Murray Water's four-year Price Submission.

Goulburn-Murray Water is dedicated to meeting the evolving requirements of our diverse customer base. Our customers are impacted by climate effects on water availability, including environmental water recovery, cultural water flows, competition from other regions and changing commodity prices. By committing to maintaining an average decrease of 0.1 per cent in the typical customer bill over the four-year period before CPI adjustments, we can maintain some certainty for our customers in an uncertain future.

Goulburn-Murray Water is committed to providing excellent service while focusing on prudent and efficient expenditure and making long-term improvements. Providing customer value is at the core of Goulburn-Murray Water's 2024 Price Submission.

Key features of our submission include:

1. Our price submission is structured around the Essential Services Commission's (ESC) PREMO framework, and we have assessed it as Standard based on the 2024 water price review guidance paper.
2. Our performance over the 2020-2024 period has been strong despite the significant challenges faced, with overall customer outcomes met or largely delivered each year. These savings have been passed back to customers and offset increased expenses including flood costs in the current regulatory period. While maintaining our service performance, we also delivered a capital expenditure program at \$17.4 million less than the ESC approved determination.
3. Our most extensive, inclusive, and adaptable customer engagement program to date, which was tailored to cater to our diverse customer base. We invested in a new online engagement platform for this price submission and branded it YourSay@GMW. We received more than 4100 visits to our service planning and price submission website pages and more than 1400 pieces of feedback that were used to inform our submission.

4. Our prices will be maintained at an average decrease of 0.1 per cent in the typical customer bill over the four-year period before CPI adjustments, despite committing to an investment of \$114.6 million in capital works. Our operating expenditure is forecast to be \$371.5 million and any operational increases above CPI will be absorbed through efficiency savings.
5. Our refreshed suite of outcomes and annual performance review will deliver more of what customers want while keeping ourselves accountable to our customers. We collaborated with our Water Services Committees and customers to review and develop our six key outcomes and corresponding measures. These will be delivered through simplified tariffs, that are maintained within the ESC's published pricing determination.

Goulburn-Murray Water looks forward to working with customers, community, stakeholders and regulators to deliver on the commitments proposed in our 2024 Price Submission and in preparation for the challenges thereafter.

Please find attached our Price Submission document, financial model, and snapshot summary of our submission.

Yours sincerely



Charmaine Quick
Managing Director

