

Water price review 2024

Submission received through Engage Victoria

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Water business: Goulburn-Murray Water

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In October 2023, we began accepting submissions on Goulburn-Murray Water's 2024 price submission via Engage Victoria (www.engage.vic.gov.au/ESC-water-price-review-2024). On this website, people were given the option to send us general feedback or respond to questions we provided.

1. What do you think of the prices proposed by your water business?

We are small D&S users on an unregulated waterway. It is an excessive charge for a service which is NOT provided and has never been provided in the 23 years I have lived here. Our water supply is from a spring and all the infrastructure is supplied and paid for by us. GM Water contributes nothing to our supply and does not guarantee potable water or any quantity of it. They do not provide any form of Service point or access point but are happy to charge a fee for it. If the spring dries up we don't have any water. The price this year is \$379 for a Works Licence and next year will go down to \$370. If we received any sort of service there might be some justification for part of the charge but we get absolutely nothing, they have no infrastructure at all in the unregulated areas. At meetings held with GMW there has been no attempt on their part to justify how their "costs" relate to us, only that they do have costs and we should pay for them. Rather it would seem that we as small D&S users are subsidising large commercial users in regulated areas who do have infrastructure provided for them. In reality the only service we receive from GMW is the annual bill and that cannot possibly cost \$379 to send and process. This fee is in addition to the fee of \$700 for the 15 year Take and Use licence. To put this fee into perspective it was

until 2020 a no fee licence and then it was to become a 5 year licence for \$700. The change to 5 years from 15 was supposed to be due to environmental concerns but when there were many objections and it suddenly became a 15 year licence for \$700. It would seem that the environmental concerns disappeared when users objected. Now the GMW submission tells how they have saved us \$1400 over the period of the licence. They haven't saved us anything but simply charged \$700 for the same licence as we had before at no charge. This of course is in addition to the annual charges mentioned previously.

Having read the report of the "independent" consultant there were many areas where GMW did not provide evidence to support cost assertions so the consultants appear to have accepted the advice from GMW without question. Finally I will say that there cannot be any justification for the very high charges levied by GMW when they do not provide any service for it.

To put it plainly - "It doesn't pass the pub test."

2. What do you think of the proposed outcomes?

GMW proposes 6 promises in its fact sheet. Taking these in order I will address each one:

1. Reliable Supply - GMW does not guarantee ANY supply to us as an unregulated D&S user. They can't guarantee any supply when there is no infrastructure.

2. Credible Business - I don't see how GMW can claim to be credible when they are unable or unwilling to provide evidence of costs to users. The way GMW tried to introduce the 5 year licence for \$700 and then backpedaled on it shows a lack of credibility.

3. - Fair Pricing - GMW fails badly here. They should be able to show costs for services but they either can't or won't.

4. - Efficient Operations - This is a difficult one as we don't receive any service operations at all from GMW. Given that we are charged high fees for no service either GMW's operations are very inefficient or we are subsidising other large commercial users.

5. - Responsive services - As we don't get any services from GMW other than an annual bill I think it is fair to say this one fails too.

6. - Socially responsible - This appears to be a type of political statement or "spin". GMW claims "to deliver on environmental, cultural and recreational outcomes that matter to its customers....". This is padding and irrelevant. What we want is a fair price for services provided not feel good statements.

Overall GMW fails in its proposed outcomes and really needs to be pulled up by the ESC