

22 June 2004

Ms Natalia Southern  
 Director Regulation  
 Essential Services Commission  
 Level 2, 35 Spring Street  
 Melbourne Vic 3000

Attention: Marcus Crudden

Dear Natalia

**CONSULTATION PAPER No.2, DRAFT PERFORMANCE REPORTING FRAMEWORK  
 ~ CUSTOMERS EXPERIENCING MORE THAN THREE BLOCKAGES PER ANNUM**

Further to City West Water's response of 16 July 2004, an additional matter has been identified in respect to customers experiencing more than three blockages per annum. Essentially this is a definitional matter of whether performance reporting includes or excludes blockages that occur in the house connection branch. Different maintenance responsibilities exist throughout the State, which has implications for reporting on customer impacts and drawing comparisons between metropolitan and regional urban water businesses. CWW seeks review of this measure by the Commission and Working Group.

As part of the proposed performance reporting framework a change to previous performance reporting is proposed that accommodates the fact that regional urban water businesses are not responsible for maintaining house connection branches (HCBs). The Melbourne businesses are responsible for this activity, and have been reporting on this basis for many years. The impact of changing the definition is indicated below with analysis of reporting that includes and excludes blockages within HCBs:

**Table 1 Customers with >3 blockages in 12 months**

Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	May-04
1	3	0	0	0	0	0	0	0	0	1	3	4	4	7	5	1	0
1	0	0	0	0	0	0	0	0	0	1	1	1	2	1	1	1	0

In Table 1 the top row represents customers with greater than 3 blockages in House Connection Branches (HCBs) and reticulation sewers and the bottom row details those customers that had greater than 3 blockages in reticulation sewers only.

**Table 2 Customers with 2 or 3 repeat blockages in 12 months**

Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	May-04
25	22	34	32	26	31	30	27	25	40	46	55	70	79	71	59	37	37
218	266	246	237	236	228	257	251	258	271	294	350	407	450	438	411	369	359
5	4				4	4	3	4	8	9	10	15	10	12	12	7	7
						57	52	66	66	75	82	58	79	74	68	72	62

In Table 2 the top row represent customers with 3 blockages in the previous 12 months in reticulation sewers and HCBs and the second row repeats this data for customers experiencing two blockages. The bottom two rows represent customers with 3 and 2 (respectively) reticulation blockages only. Based on a change in definition from reticulation and HCBs to only those blockages occurring in the reticulation pipes, the numbers would be reduced by 15 to 20 percent of current numbers reported to the Commission.

Table 3 Total numbers of blockages in previous 12 months

Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	May-04
340	336	343	344	344	341	330	320	324	325	349	380	433	472	492	486	453	440
5	0	6	3	0	3	5	8	8	5	3	0	1	6	2	2	4	5
887	886	949	921	912	930	869	896	918	905	976	1047	1094	1162	1216	1184	1131	1090

Finally, table 3 reveals the ratio of reticulation blockages to total blockages, which varies from 24 to 28 percent.

In conclusion, excluding HCBs from CWW's performance reporting will reduce the number of customers reported as being affected by blockages. CWW is committed to continuing to measure itself against total blockages and be responsive to all customer service interruptions, whether it is a blockage in the reticulation pipes or house connection branch. CWW proposes that different definitions apply to the metropolitan Melbourne businesses (given different maintenance responsibilities) and that this is explained in future Comparative Performance Reports released by the Commission.

I look forward to discussing this matter at the Working Group meeting later this week. If you require any further information please contact me on 9313 8518.

Yours sincerely

**Kylie Sykes**  
**Planning and Regulatory Manager**