



Water quality and taste Customer Forum

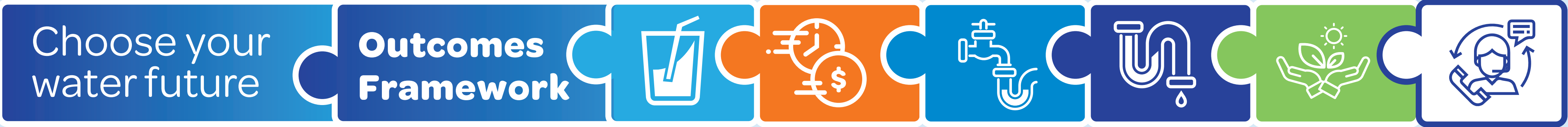
Primary Topic: Water Quality and Taste

Secondary Topic: Performance Management

Choose your
water future

Thursday
7 April

Pre-reading
material



Enclosed in your pre-reading material:

Overview of previous customer engagement

Highest customer priorities

Background

Primary topic: Water quality and taste

- Water quality performance against current customer commitments
- Achievements and recent investment
- What initiatives should Westernport Water plan for today for improved and consistent tasting water tomorrow?

Secondary topic: Performance management

- Should Westernport Water continue to provide rebates to customers every 5 years if we fail to deliver on our pricing submission promise?
- Is there a more desirable use of those funds?

Glossary

Manganese	If tap water appears yellowish/brown through to brownish/black, and sometimes containing sediments, it is actually due to the presence of naturally occurring manganese that can sometimes accumulate within tanks and pipes over time.
Chloramination	Disinfection process where small amounts of chlorine and ammonia are added to the water to produce chloramines.

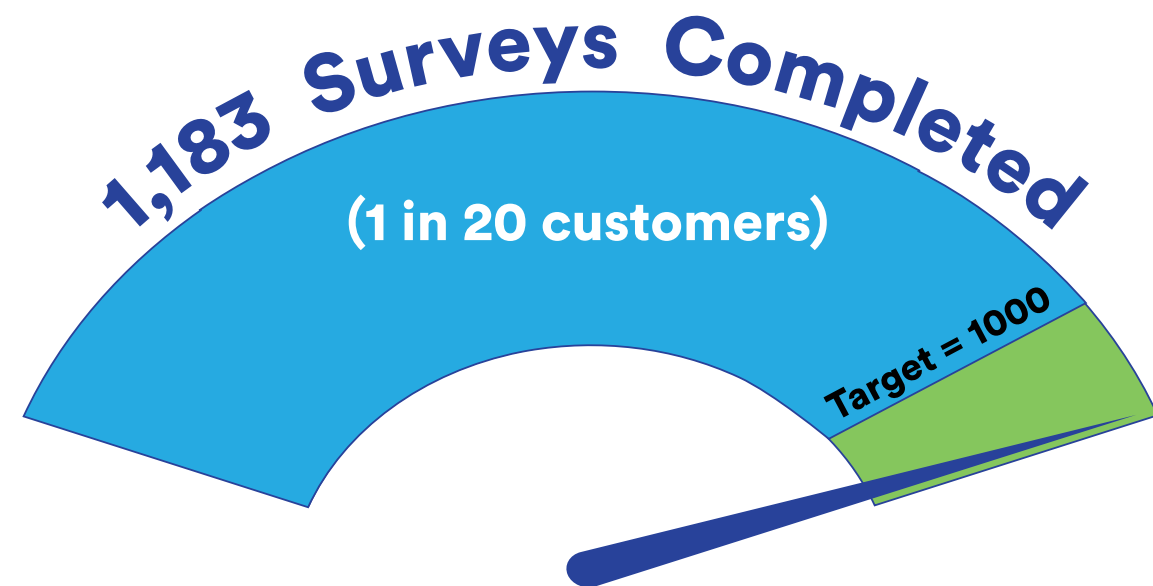
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Phase 1: Customer Consultation

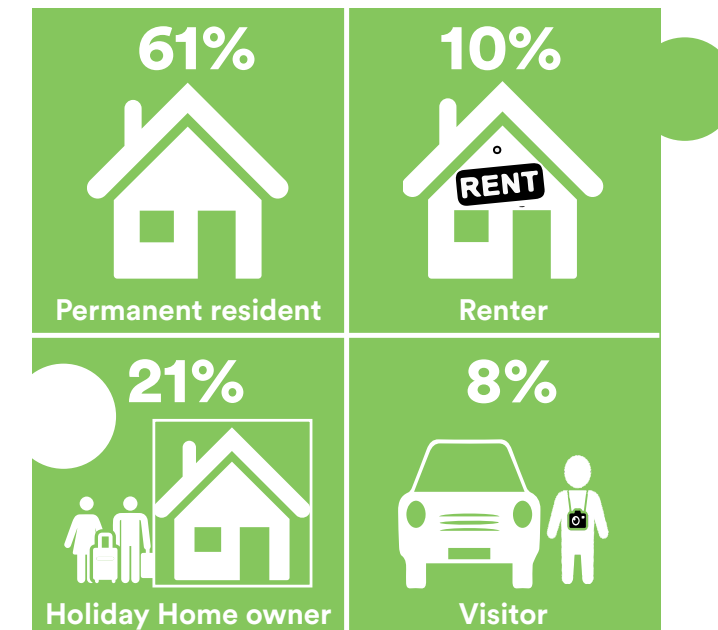


Who did we speak to
during phase 1
engagement and how?

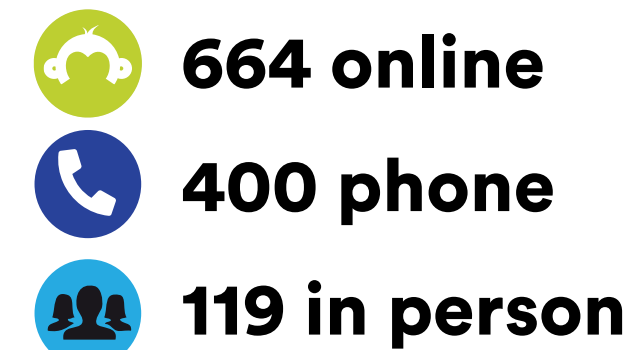
We welcomed feedback from anyone who
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our area.



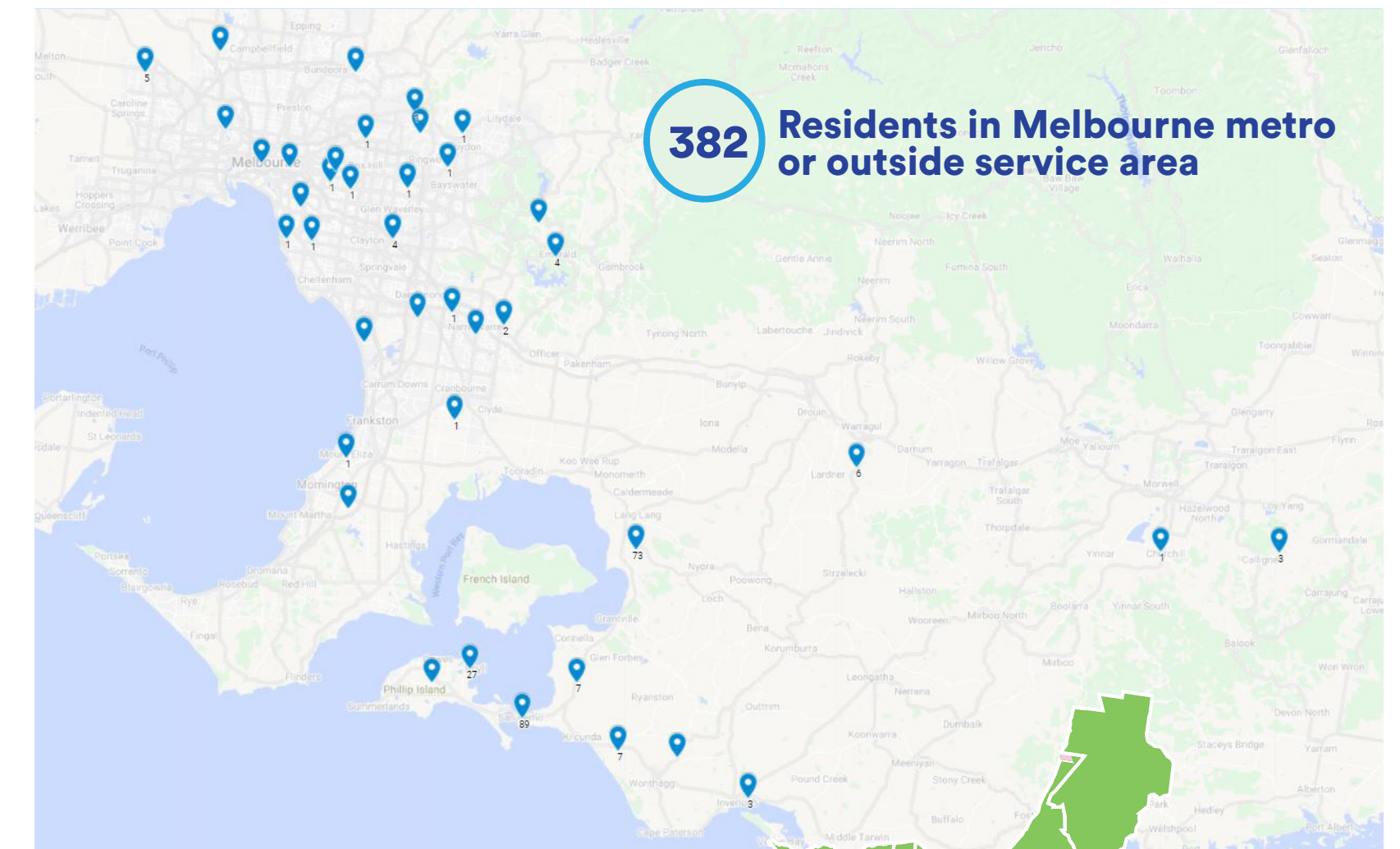
Respondent type



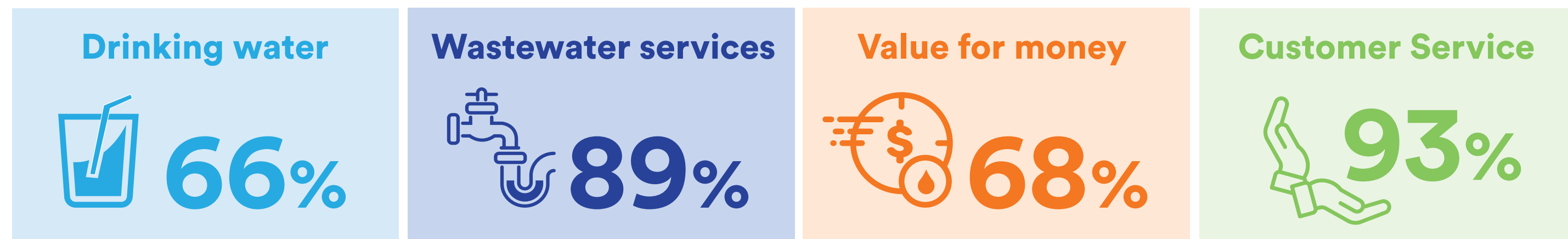
Survey method



Customer survey geographic data

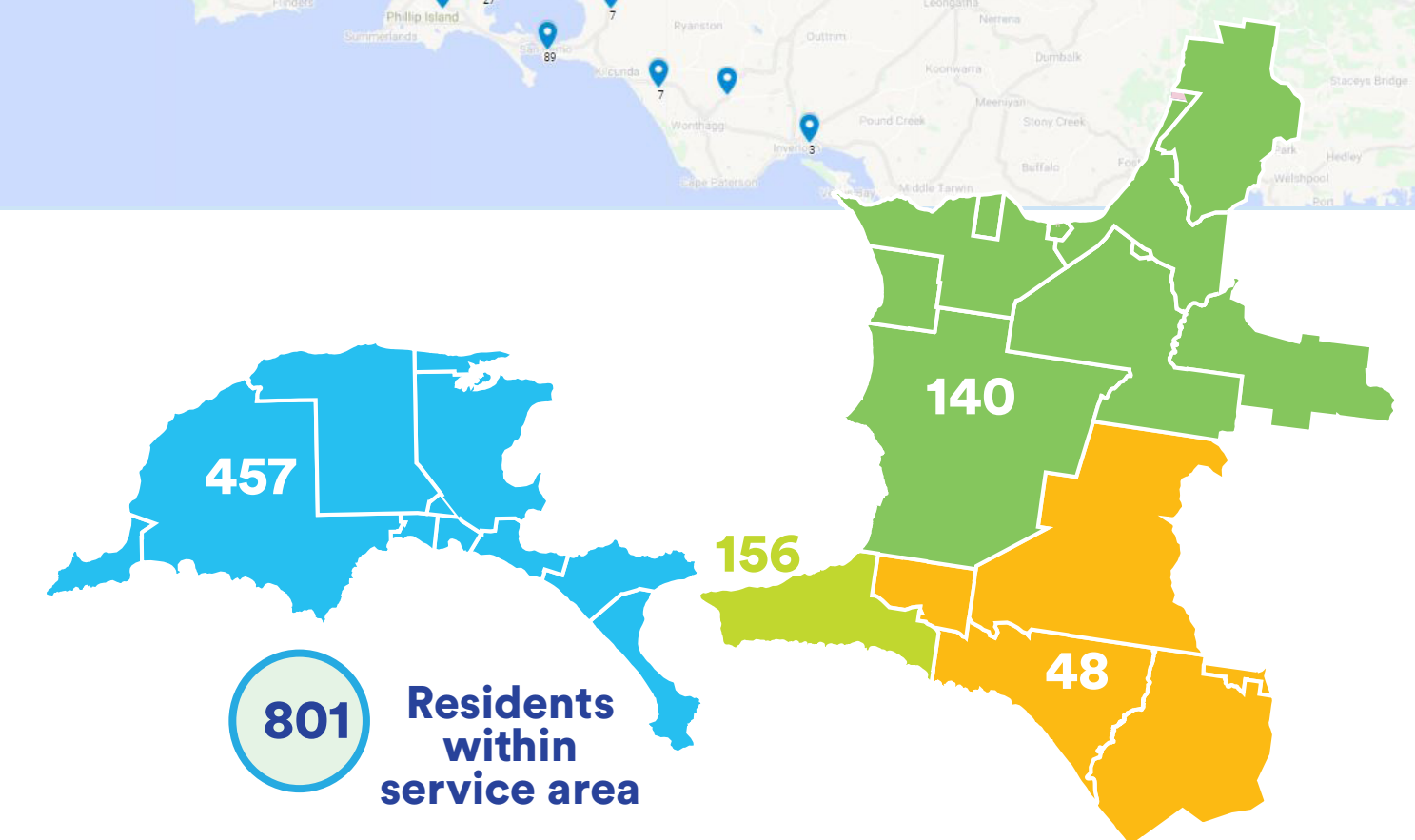


What you told us - Satisfaction levels overall with:



What we learnt: Of all our services, these are the top 3 that matter most to customers:

- Provide consistent, great tasting water that tastes and looks the same every time 67%
- Planning for, and adapting to, climate change 41%
- Ensure bills are affordable for everyone 34%



Choose your
water future

**Phase 1:
Customer
Consultation**



Highest priorities
for our customers.

What customers expect from their water provider?



Provide safe and clean drinking
water that looks and tastes the
same every time



Provide reliable water and
wastewater services



Deliver friendly
and accessible
customer service



Ensure bills are affordable for
everyone



Plan for, mitigate and
adapt to climate change

Quotes from customers about climate change and sustainability:

*“Improve the quality of drinking water.
I have had to fit filters to my supply to
enable me to drink the water.”*

*“It would be good if the
water didn’t smell like a
swimming pool.”*

*“The taste has
improved ten-fold over
last 15 years but still
room for improvement.”*

*“The water quality is not very
good, many of my friends and
family buy water when they visit...”*

*“The taste and quality of the
water is perhaps the most
important issue for me.”*

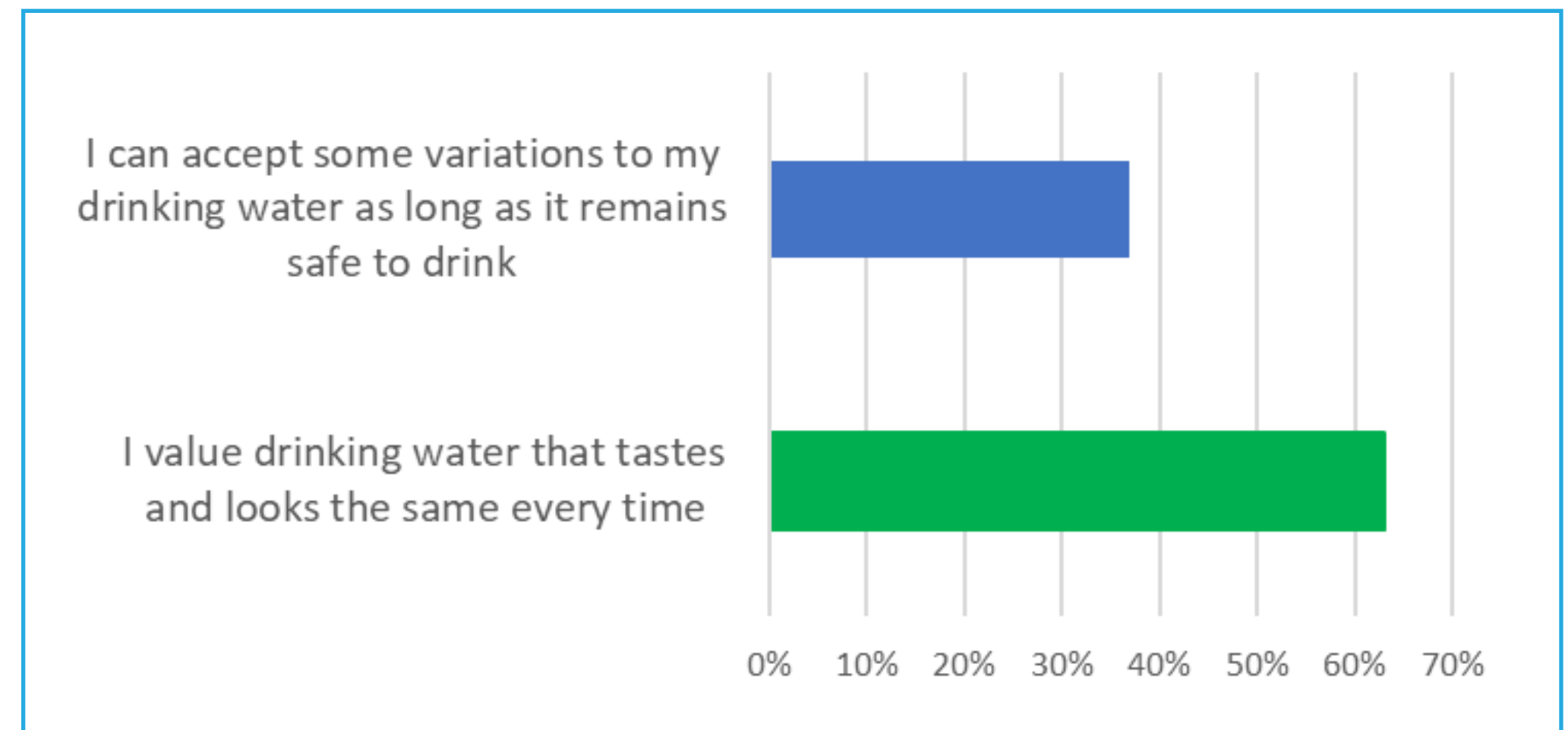
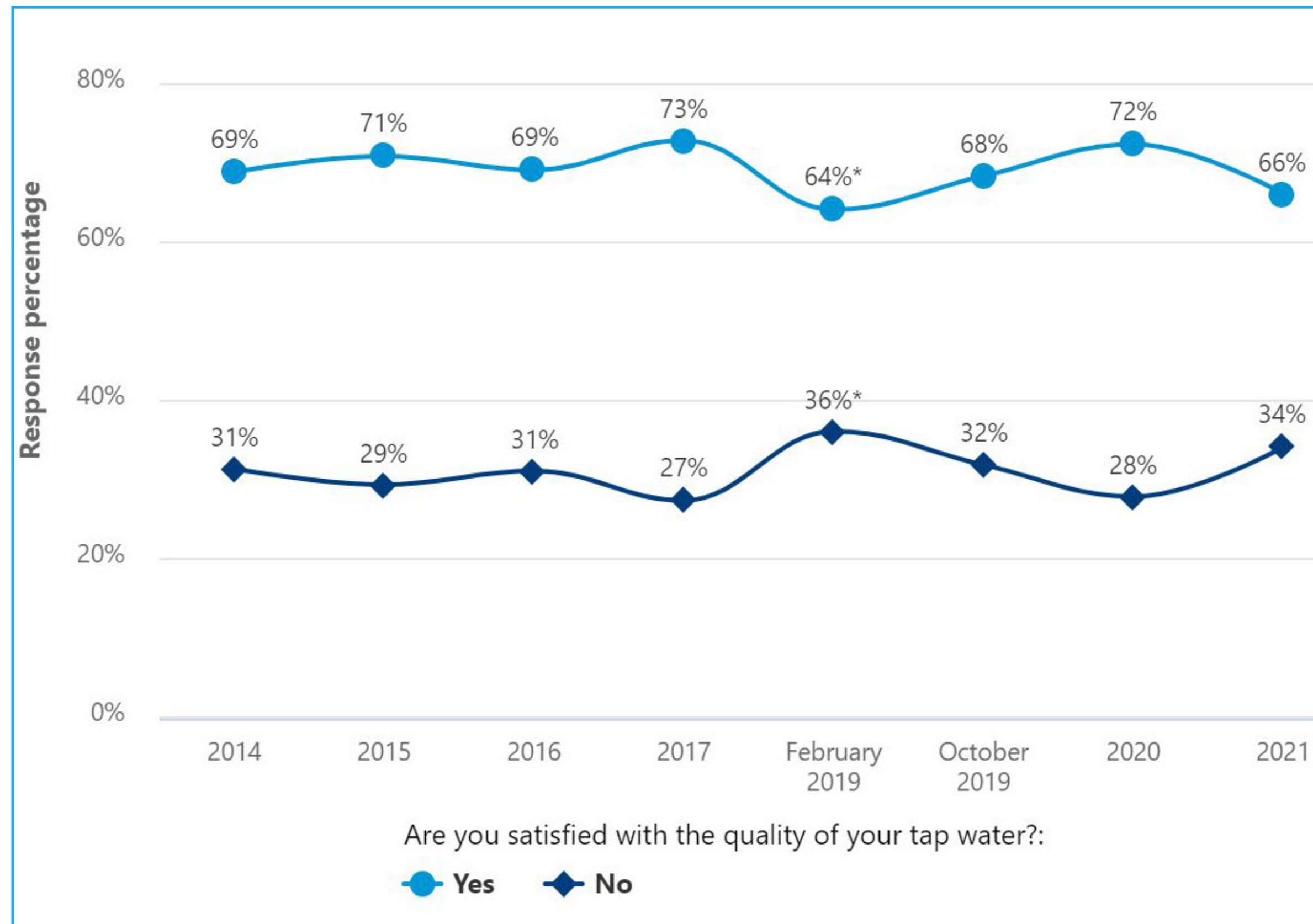
Choose your
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Customer
Satisfaction



Provide
consistently
great tasting water

Customer satisfaction with
drinking water.



Satisfaction with tap water
66% satisfied, 34% not satisfied

Choose your
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Our
performance



Provide
consistently
great tasting water

Water quality performance against
current customer commitments

Target: Better tasting water

Output	2020-21	2019-20	2018-19	Target 2018-23	
Customers (%) satisfied with drinking water via annual telephone survey	72 *	69	64	> 70	😊
Number of Safe Drinking Water Act non-compliances (water sampling and audit)	0 #	0	0	0	😊
Number of water quality complaints per 100 customers	0.95 +	0.08	0.22	< 0.22	😞

* Customer satisfaction with drinking water improved significantly this year.

There were no non-compliance events this year.

+ Taste and odour issues affecting some townships in December 2020 contributed to a higher number of complaints this year. Learnings will lead to operational improvements going forward.

\$5.99M invested
since
2018-19

What have we done?

- **San Remo Basin Liner & Cover Renewal** - The liner and cover of the basin is approaching the end of its useful life and will be replaced, protecting our water security and water quality for years to come. Project budget is \$2.6M and is expected to be completed this year.
- **Phillip Island Water Security Supply** - Construction of a 2.3ML treated water storage tank at Wimbledon Heights provides service reliability to our customers and operational flexibility in the event of a water outage or water quality event. The Corporation invested \$1.3M on this project.
- **Stanley Road Mixer** - A mechanical mixer has been installed in our Stanley Road storage. The new mixer provides continuous mixing of water inside the basin to improve the water quality.
- **Ultra Violet Treatment** - UV disinfection was introduced at our water purification plant to provide a secondary barrier to the existing treatment process. This increases our ability to protect the safety of our water.
- **Filter to Waste** - The Filter to Waste system, installed at our Ian Bartlett Water Purification Plant, increased the operational flexibility of our treatment system.
- **Powder Activated Carbon Upgrade** - An upgrade to the Powder Activated Carbon treatment process at Candowie Reservoir, removing organics from raw water and improving taste.
- **Vertical Profiler** - installation of a vertical profiler in Candowie Reservoir to increase understanding of raw water quality throughout the water column, providing early warning of changes to water quality to inform the treatment process.
- **Real-Time Monitoring** – Westernport Water introduced real-time monitoring of treated water at the Grantville water storage to monitor quality.
- **Melbourne Water Supply System** – Received water from the Melbourne Water Supply System for the first time in 2019-20.
- **2021 WIOA Best Tasting Tap Water** - Westernport Water was recognised as having Victoria's best tasting tap water at the recent Water Industry Operators Association of Australia (WIOA) 2021 Best Tasting Tap Water competition and were finalists the two years prior.

Choose your
water future

Have your
say...



Provide
consistently
great tasting water

What initiatives should Westernport Water plan for today for improved and consistent tasting water tomorrow?

Choose your
water future

Options for
discussion



Provide
consistently
great tasting water

What initiatives should Westernport Water
plan for today for improved and consistent
tasting water tomorrow?

Future investment for improved water consistency and taste

1

Maintain a continuous improvement approach

Meet all water safety and quality targets, while focusing on cost-effective improvements to taste and quality.

Includes:

- Construction of 2.8km of water main providing improved consistency to waterline communities
- Replace/relocate Corinella pressure reduction valve
- Development of future plans to enhance and improve water purification plant/distribution system
- Chloramination dosing system to deliver consistent tasting water to Bass and Woolamai
- Manganese analyser at the water purification plant to optimise its removal
- Dead ends automatic flushing devices decreasing water age
- Cleaning trunk mains to reduce biofilm within the distribution system.

Why:

In recent years, WPW has invested in enhancements to the treatment process at our water purification plant at Candowie Reservoir. Over the next five years, our proposals focus on the distribution network to: improve the flow and consistency, reduce sediment within our water main and identify real time changes to raw water manganese to help us improve the quality of drinking water.

Total investment over 5 years:

\$2.3M (\$1.8M capex, \$0.5M opex)

2

Seek out new treatment
technologies

Meet all water safety and quality targets, while investigating new emerging technologies and innovations for our water purification plant.

Includes:

All deliverables in Option 1, plus:

- Performance analysis and new treatment technology investigation (additional \$0.3M).

Why:

There are limited cost-effective changes that remain to improve the current water treatment process for customers without introducing new treatment technologies. Given we know that the taste of water is a high priority for our customers, we are already proposing to invest in this area. New and emerging technologies and innovations can be further explored over the next five years, with findings then being the basis for consultation with our customers in the future.

Total investment over 5 years:

\$2.6M (\$2.3M capex, \$0.5M opex)

Choose your
water future

Options for
discussion



Building community confidence
and access to drinking water

Future investment for community education and access to drinking water

1

Baseline - Choose Tap

Keep Status Quo / Current Expenditure on Water education

Includes:

Installation of 7 Community Water refill stations, and promotion of health and environmental benefits of drinking water (Choose Tap Program).

What does this mean:

Increased access to free drinking water at key community locations.

Why:

Because schools and community groups value this support and there are proven benefits to the environment and health (less consumption of sugary drinks and single use plastics).

Cost over 5 years:

\$125k over 5 years

2

Water for resilient and
liveable communities

Support sporting groups, and hospitality and tourism organisations to encourage customers to choose tap water.

Includes:

Installation of 15 community water refill stations at key locations and sporting facilities. Engage with and provide resources to encourage drinking tap water instead of purchasing bottled water.

What does this mean:

Supporting resilient and liveable cities and towns means supporting tourism, business, accommodation providers and property managers by providing resources to encourage people to choose tap water.

Why:

Equipping tourists and non-permanent residents with accurate and accessible information on the benefits of consuming our drinking water will help protect our local environment (reduction in single use plastic). Providing accessible water refill stations at sporting grounds and facilities will reduce consumption of sugary drinks and increase health benefits for participants and spectators providing ongoing value.

Cost over 5 years:

\$450k over 5 years (\$200k opex + \$250k capital)

Choose your
water future

Have your
say...



Provide
consistently
great tasting water

Should Westernport Water continue to provide rebates to customers every 5 years if we fail to deliver on our pricing submission promise?

Is there a more desirable use of those funds?

Choose your
water future

Our
performance

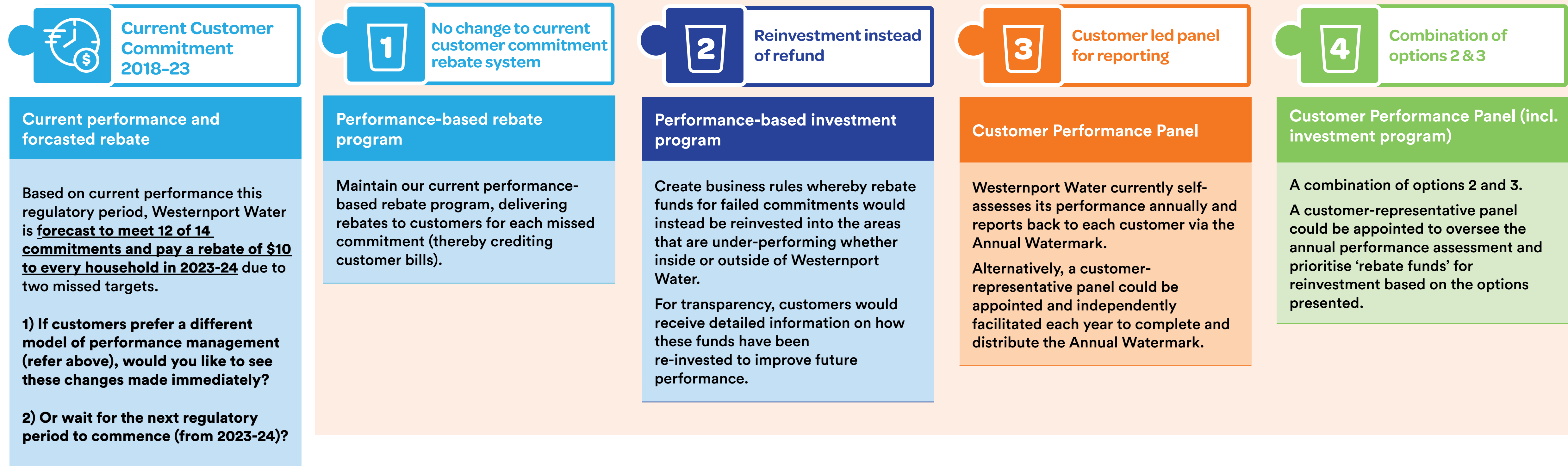


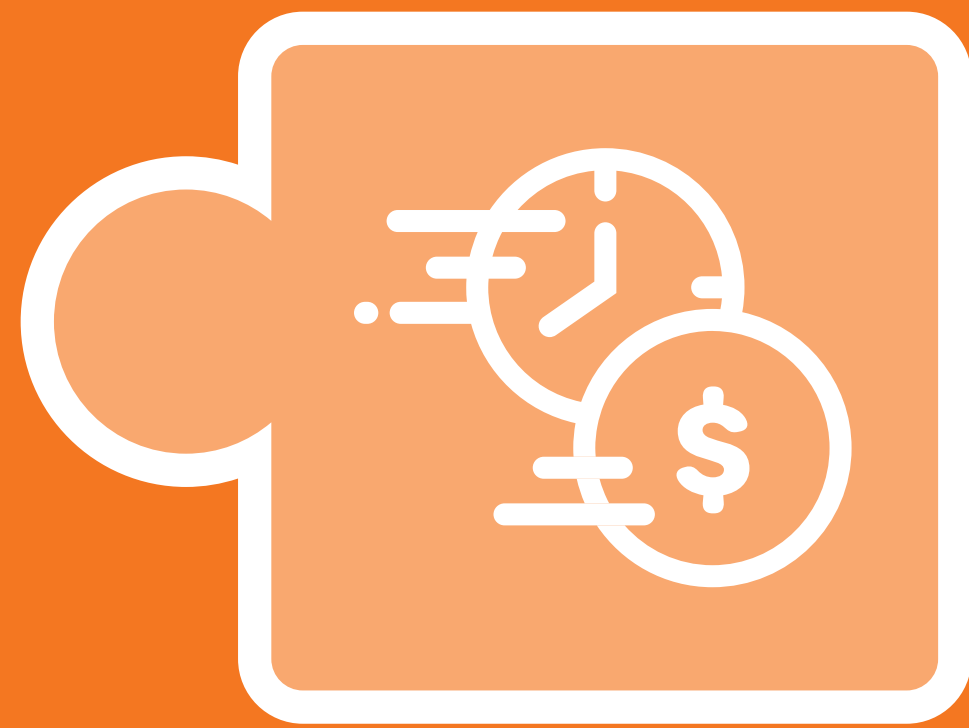
Customer
commitments
and rebates

Once again, we will outline 12-14 commitments in the areas that have been identified as priorities by our customers.

In the event that we miss these targets, what are the consequences for Westernport Water?

Customer commitments and rebate options for 2023-28





Access and usage charges and bill impacts

Customer Forum

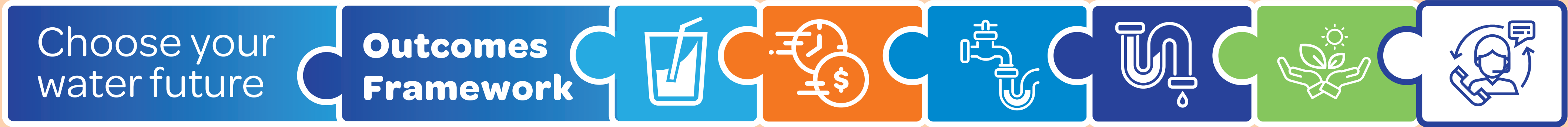
Topic 1: Fixed (access) versus Variable (usage) charges

Topic 2: Special meter reads

Choose your
water future

Tuesday
3 May

Pre-reading
material



Enclosed in your pre-reading material:

Overview of previous customer engagement

Highest customer priorities

Background

Topic 1: Fixed versus variable

- Balancing access and usage charges

Topic 2: Special meter reads

Glossary

Fixed access charges	Westernport Water customers pay fixed access charges for water and wastewater services.
Variable usage charges	Westernport Water customers pay for their water usage based on the volume of water that is used and measured by the property’s meter at a fixed rate per kilolitre.
Other charges	Such as the Waterways and Drainage Charge. This is an annual charge collected by us on behalf of Melbourne Water.
New customer contributions	Sometimes known as ‘developer charges’. Levied by water businesses when new customers connect to the existing water, sewerage and recycled water networks.
Special Meter Read	A special meter read is often done when someone is moving out of a property or at the request of a customer.
Opex	Operational cost of running the business day to day.
Capex	Capital expenditure for projects and infrastructure.

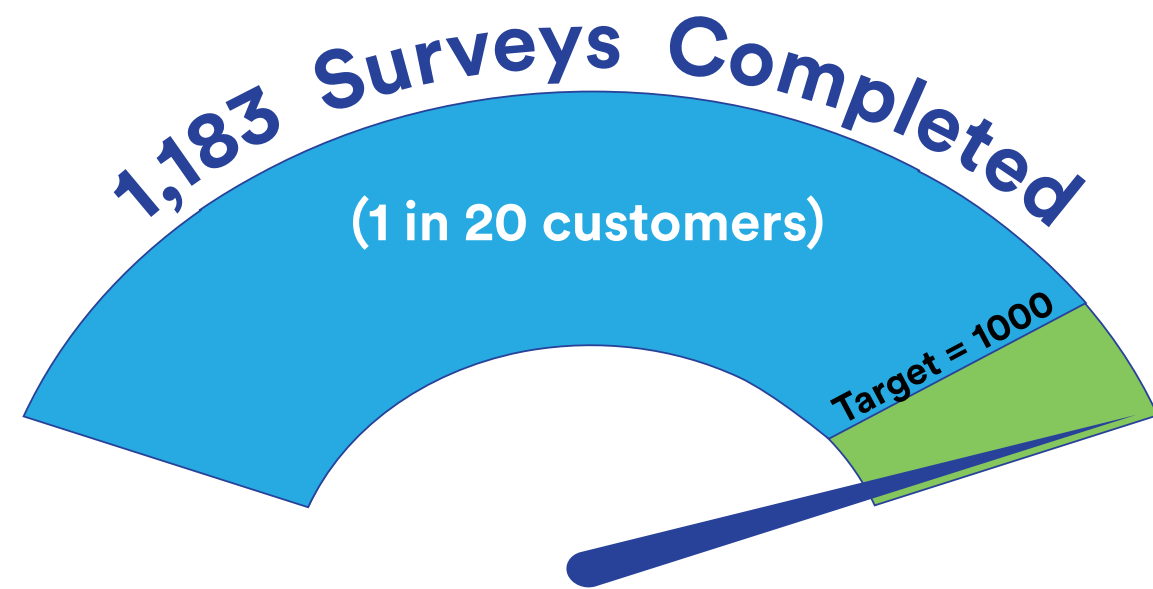
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Phase 1: Customer Consultation

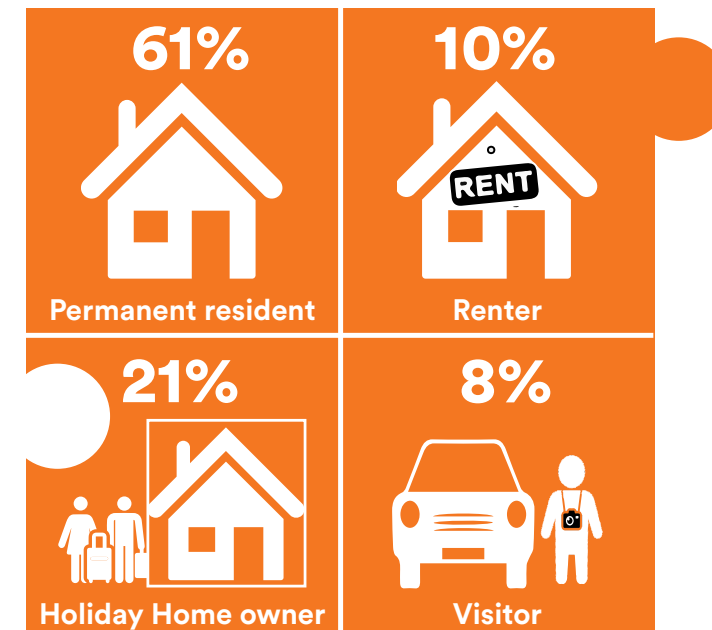


Who did we speak to
during phase 1
engagement and how?

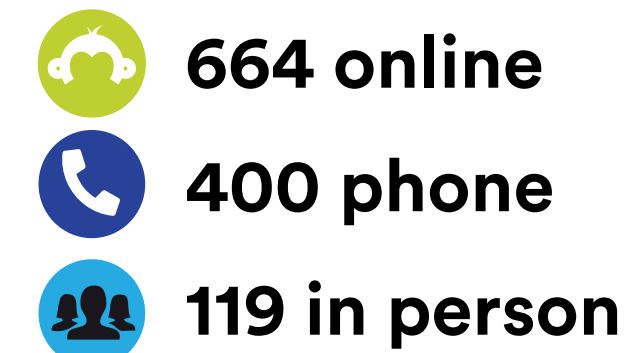
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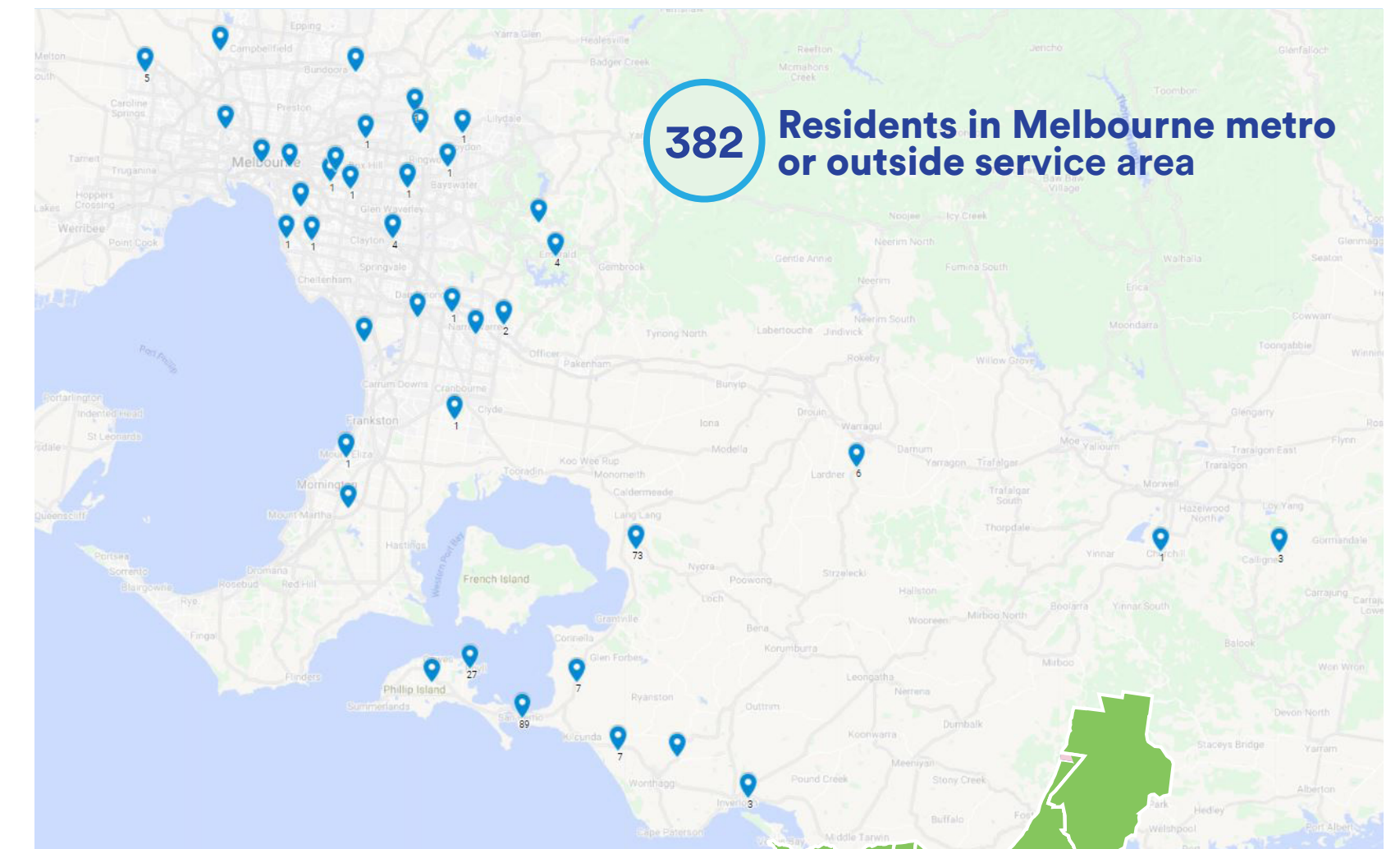
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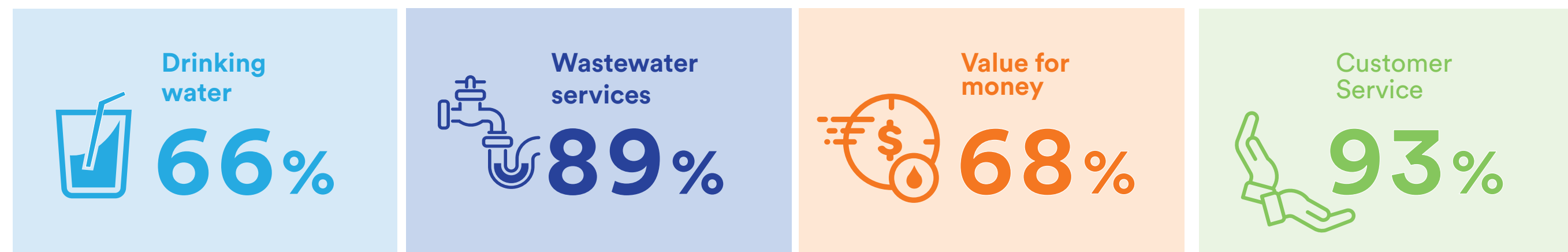
Survey method



Customer survey geographic data

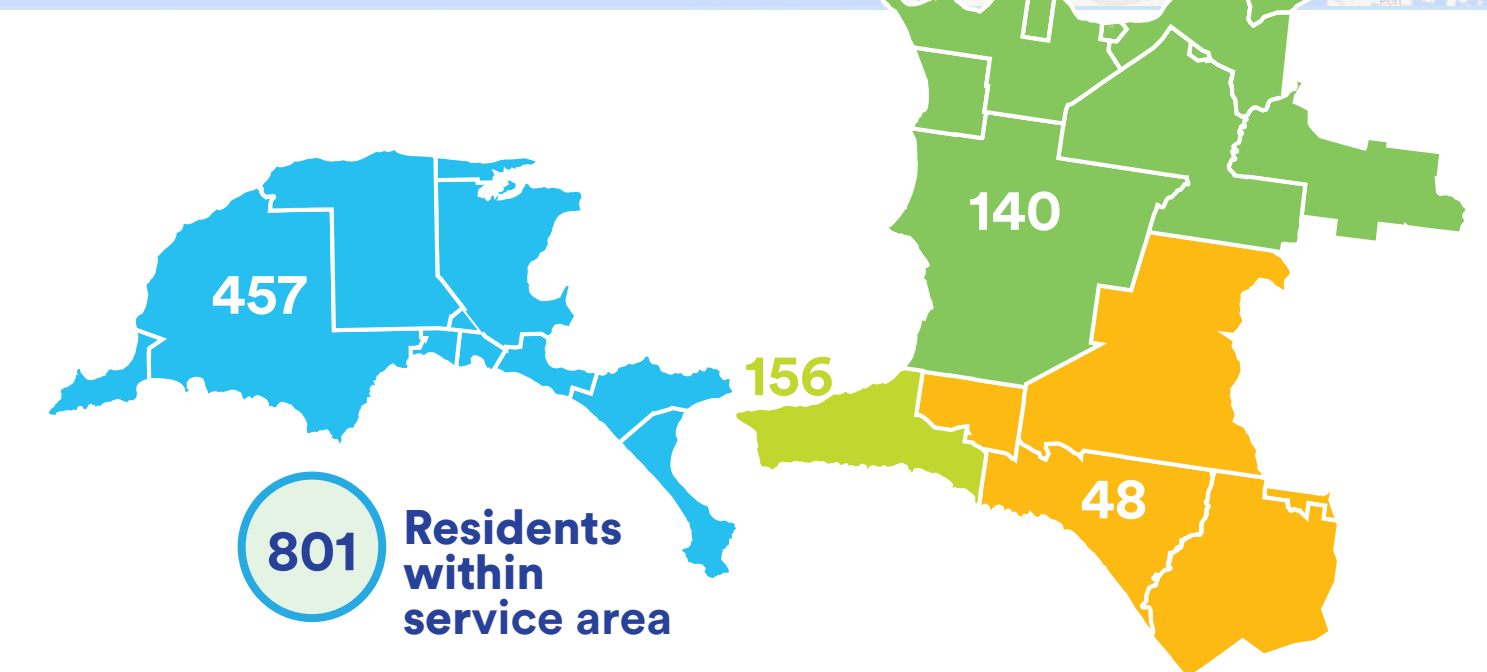


What you told us - Satisfaction levels overall with:



What we learned: Of all our services, these are the top 3 that matter most to customers:

- Provide consistent, great tasting water that tastes and looks the same every time 67%
- Planning for, and adapting to, climate change 41%
- Ensure bills are affordable for everyone 34%



Choose your
water future

Phase 1:
Customer
Consultation



Highest Priorities for
our customers

What do customers expect from their water provider?



Provide safe and clean
drinking water that
looks and tastes the
same every time



Provide reliable water
and wastewater



Friendly and
accessible
customer service



Ensure bills are
affordable for everyone



Plan for, and adapt to
climate change

Quotes from customers about their bill:

“Reduce costs. I hardly use any water but have a very high bill.”

“Westernport’s water is extremely expensive. Service charges are enormous compared to water usage, need to scale the cost of these service charges against usage and if this is already being done, cut staff - your overheads are too high to have these very high charges.”

“Your service charges are too high for what we get. Forget social issues - be good at your core business and remember without customers you wouldn’t have a business.”

“Just keep the costs down - water rates are ridiculous... It makes little difference if I use less water to my bill because you charge very high service rates.”

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Phase 1:
Customer
Consultation



Where your money
goes.

What does your water bill pay for?

Total forecast expenditure for 2021-22 financial year of \$27.2M



Water services

Operations and maintenance of our reservoirs, drinking water treatment plants and distribution networks

- Water Treatment \$3.9M
- Water Network Operations \$4.8M



Wastewater services

Maintaining our networks and treatment plants and removing, treating and disposing of wastewater.

- Wastewater Treatment \$3.0M
- Wastewater Network Operations \$3.3M



Customer service and corporate

24/7 emergency support and response, customer support, business administration, environmental levy etc.

- Environmental Contribution \$1.1M
- Customer Service & Billing \$1.3M
- Other Corporate Services \$0.9M



Capital expenditure

Upgrades and renewals of water treatment plants, wastewater treatment plants, and new infrastructure.

- Compliance \$0.2M
- Growth \$3.5M
- Improved Services \$0.4M
- Renewals \$4.8M

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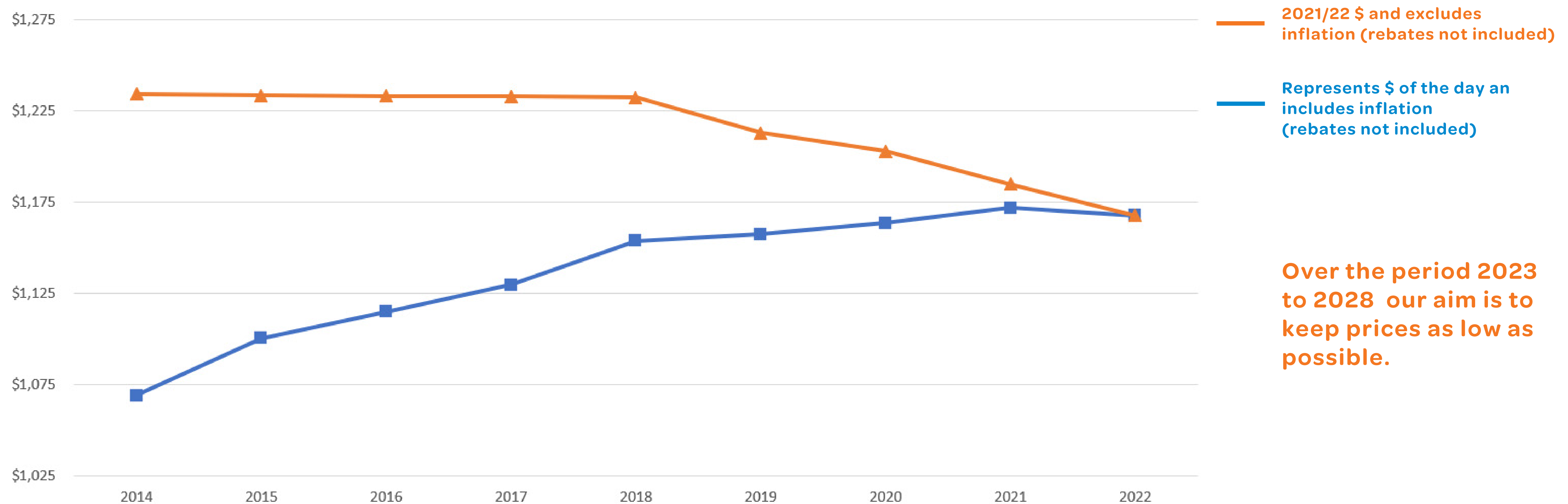
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Customer
Consultation



Historical price path

We know affordability is a key priority for customers.

Average customer bills - price path over the past 8 years (\$, nominal) (rebates not included)



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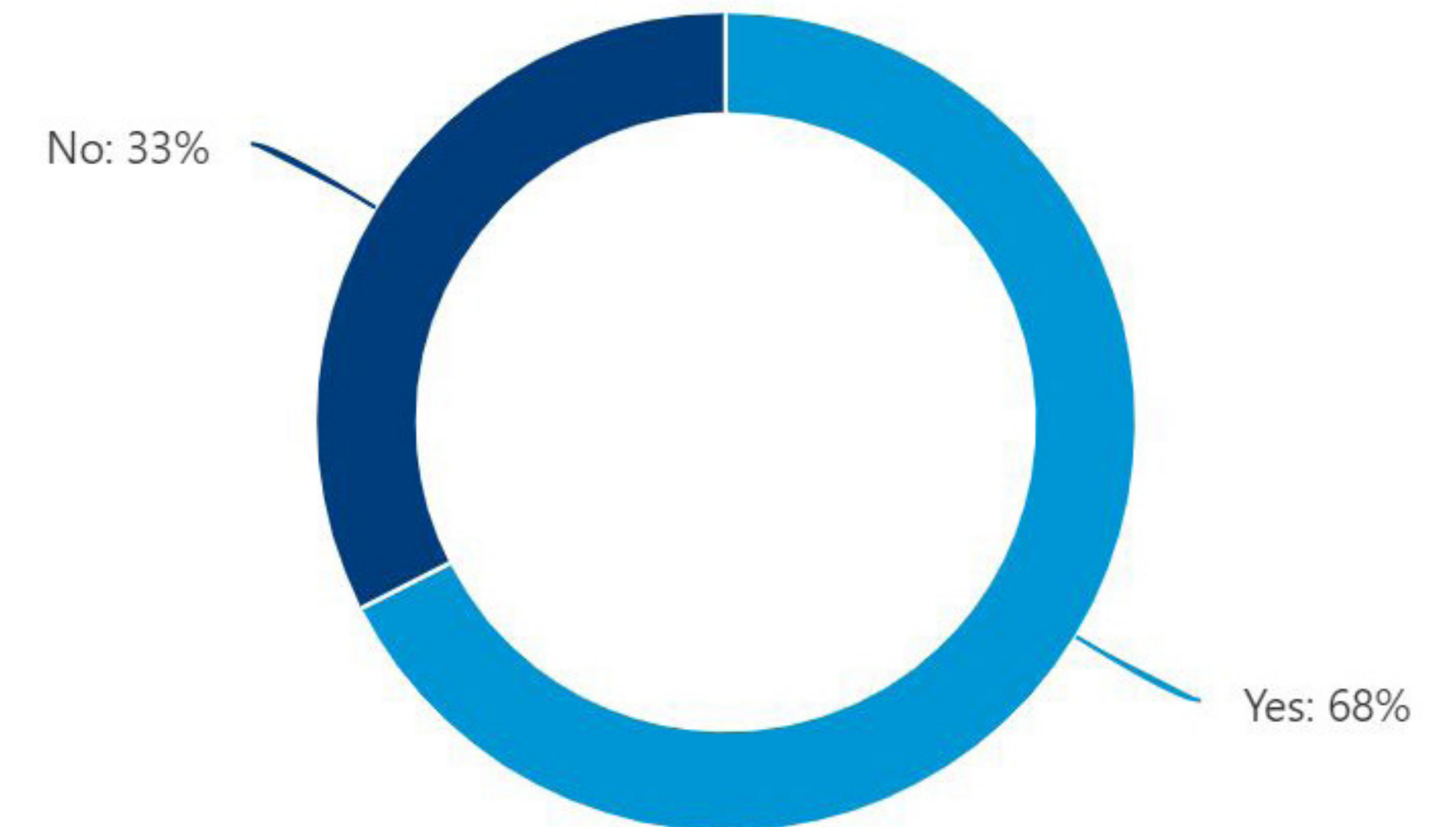
Phase 1:
Customer
Consultation



What you told us?

Customers told us that affordability and strong performance is important to them.

What do customers expect from their water provider?



Response percentage (n=400)

Do you receive value for money for the services that are provided?

Date period: Responded 2021

Response filter: Water Corporation: Westernport Water

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Phase 1:
Customer
Consultation



Financial hardship in
Bass Coast

We know there are many people in our
community experiencing financial hardship.

Bass Coast has a population of over 38,000 people (estimated as at 2021)



Job keeper

The Bass Coast is ranked 10th out of 80 councils for percentage of Job Keeper recipients (9.6% as at December 2021)

*<https://www.remplan.com.au/>



Rental accommodation

13.1% of people live in rental accommodation

*[realestateinvestar.com.au](https://www.realestateinvestar.com.au)



Housing market

The median listing price for a house is \$775,000 and this has changed 33.62% over the past year and 50.33% over 2 years (putting pressure on housing availability and affordability)

*[realestateinvestar.com.au](https://www.realestateinvestar.com.au)



Hardship customers

Westernport Water continues to have the highest proportion of its customers on hardship programs in comparison to all other water corporations. (200 per 10,000 customers).

*Essential Services Commission



Customer satisfaction

According to insights from our annual customer satisfaction survey, renters report high levels of satisfaction. 81% of renters surveyed felt that they received value for money for the services provided by Westernport Water

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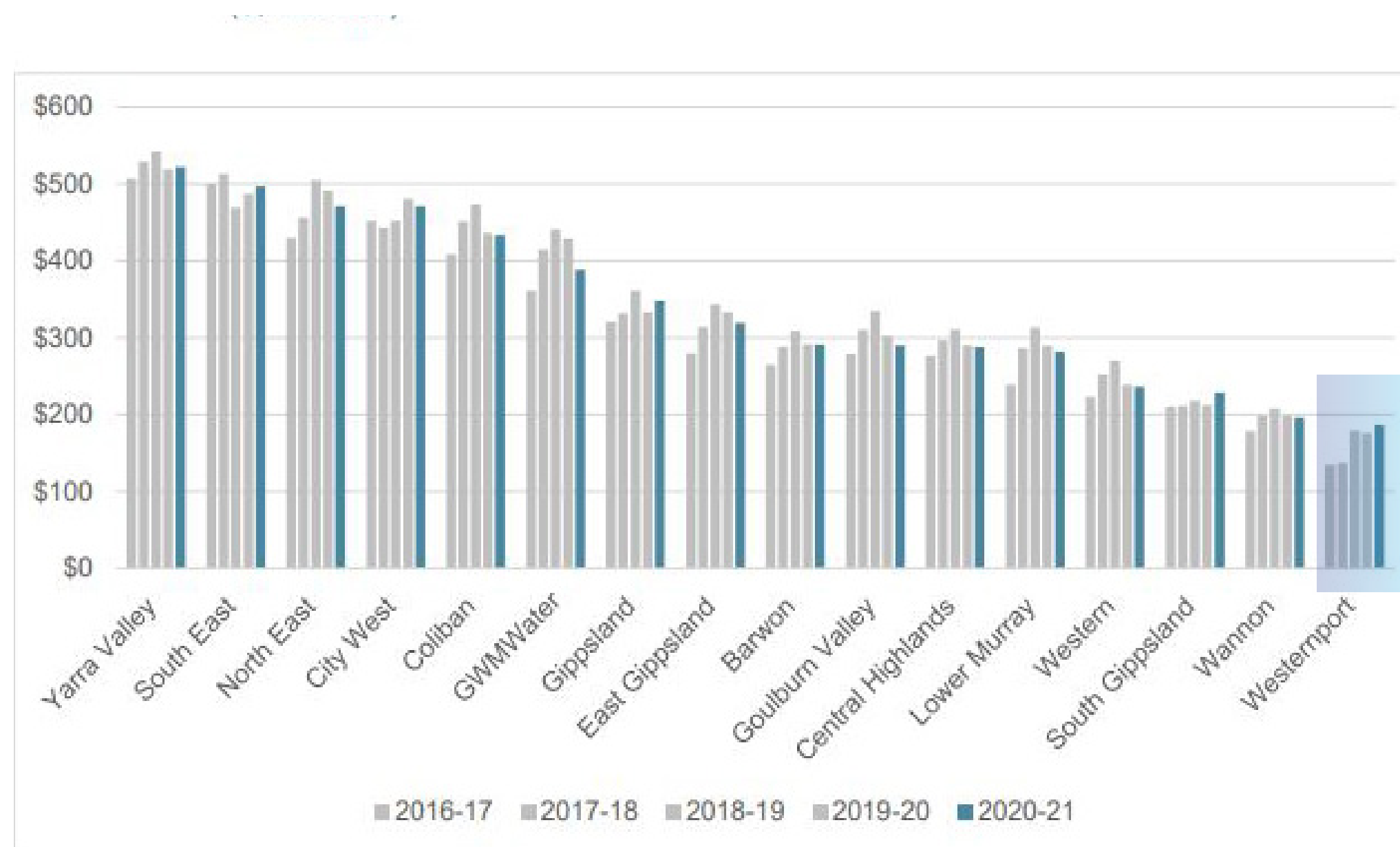
Phase 1:
Customer
Consultation



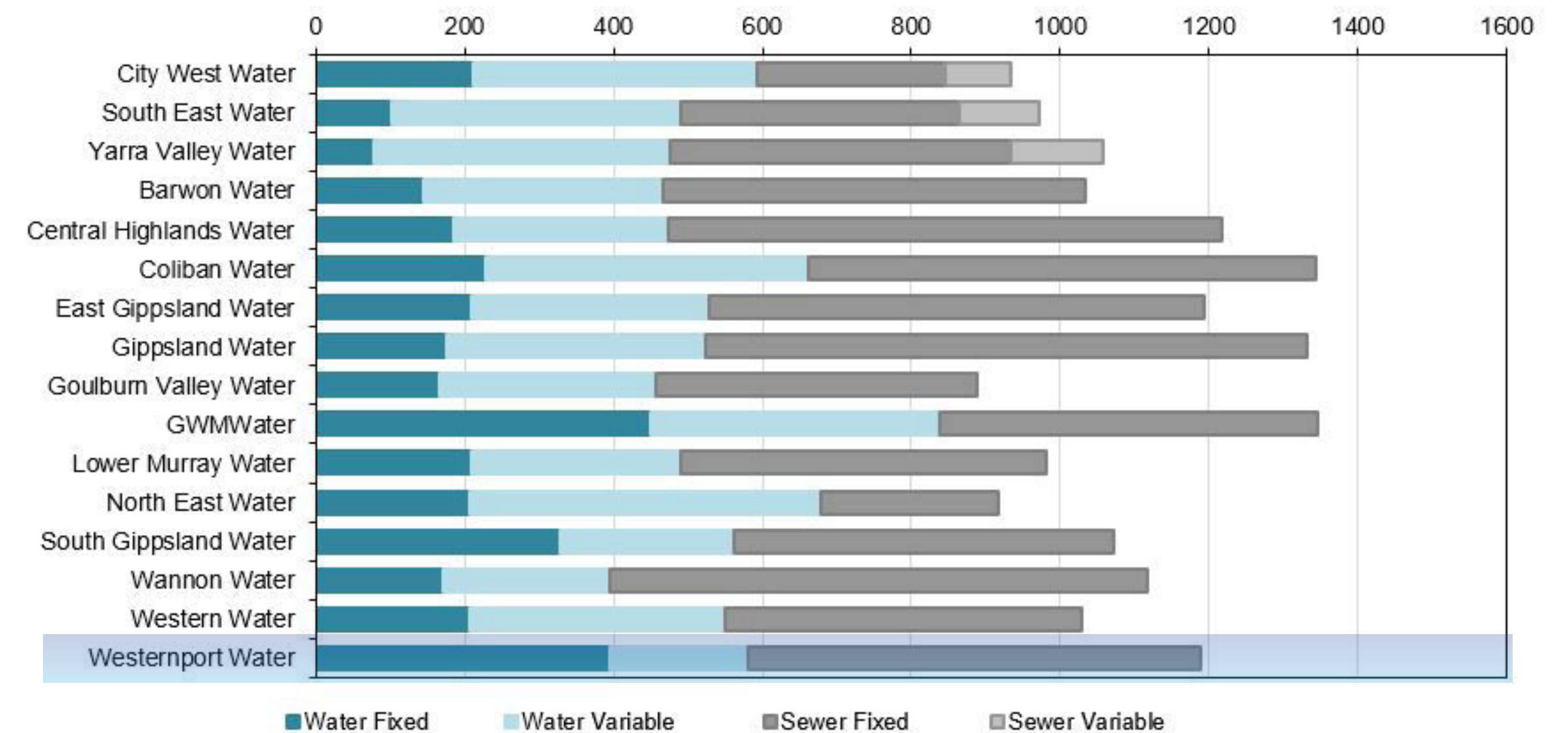
Benchmarking

How we compare against other water
corporations for typical household bills.

Tenants — average household bills (\$, nominal)



Owner occupiers — average household bill breakdown (\$, nominal) (rebates not included)



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Phase 1:
Customer
Consultation



Proposed prices for
2023-28

Background information about New
Customer Contributions and growth.

New Customer Contributions

New Customer Contributions (NCC) are an upfront payment to recover the cost of major water, sewerage and recycled water infrastructure required to service a new development. Sometimes known as ‘developer charges’, they are levied by water businesses when new customers connect to the existing water, sewerage and recycled water networks.

What you need to know

- NCC do not apply to properties already connected to our system
- NCC are a one-off payment for new connections to our systems (e.g. block of land)
- Developers pay the NCC as part of the consent to release a new subdivision
- Infill developments (e.g. 2 lots subdivisions) the owner or the developer pays the NCC

** The NCC is calculated based on growth forecasts and projected costs of future loads on Westernport Water’s water, waste water and recycled water systems.



Current charges

- Water : \$1078.68 per lot
- Sewer: 760.74 per lot
- Recycled water: we don’t charge NCC

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Draft
Outcome



Enhanced
value for
money

Getting the balance right.
Residential customer type and billing scenarios.

“Ensure bills are affordable for everyone”

How does reducing the fixed (access) charge affect the different types of residential customers?

Any of these scenarios show that reducing the fixed costs financially benefits households with **very low water use** (e.g.. holiday homes and permanent homeowners with one or two people), or **owners who rent their house to tenants**.

Larger families and tenants would likely pay more in any of these scenarios. (Tenants only pay for water usage so fixed costs don't apply to them.)

 Residential Customer 1-2 People (83kl)	Price (1 July 2021) Current charges	Price (1 July 2021) 2% fixed reduction	Price (1 July 2021) 5% fixed reduction
Residential <u>Water</u> Access Charge	391.60	383.77	372.02
Residential <u>Sewer</u> Access Charge	607.94	595.78	577.54
Residential <u>Variable</u> Charge	168.17	170.89	205.07
Total <u>annual</u> bill	\$1,167.71	\$1,150.44	\$1,154.63
Change in <u>annual</u> bill		\$17.27 less (-1.48%)	\$13.08 less (-1.12%)

 Residential Renter 1-2 People (83kl)	Price (1 July 2021) Current charges	Price (1 July 2021) 2% fixed reduction	Price (1 July 2021) 5% fixed reduction
Residential <u>Water</u> Access Charge	Owner pays	Owner pays	Owner pays
Residential <u>Sewer</u> Access Charge	Owner pays	Owner pays	Owner pays
Residential <u>Variable</u> Charge	168.17	170.89	205.07
Total <u>annual</u> bill	\$168.17	\$170.89	\$205.07
Change in <u>annual</u> bill		\$2.72 more (1.61%)	\$36.90 more (21.94%)

 Residential Customer Family (205kl)	Price (1 July 2021) Current charges	Price (1 July 2021) 2% fixed reduction	Price (1 July 2021) 5% fixed reduction
Residential <u>Water</u> Access Charge	391.60	383.77	372.02
Residential <u>Sewer</u> Access Charge	607.94	595.78	577.54
Residential <u>Variable</u> Charge	415.37	422.07	506.49
Total <u>annual</u> bill	\$1,414.91	\$1,401.62	\$1,456.05
Change in <u>annual</u> bill		\$13.29 less (-0.94%)	\$41.14 more (2.91%)

 Residential Renter Family (205kl)	Price (1 July 2021) Current charges	Price (1 July 2021) 2% fixed reduction	Price (1 July 2021) 5% fixed reduction
Residential <u>Water</u> Access Charge	Owner pays	Owner pays	Owner pays
Residential <u>Sewer</u> Access Charge	Owner pays	Owner pays	Owner pays
Residential <u>Variable</u> Charge	415.37	422.07	506.49
Total <u>annual</u> bill	\$415.37	\$422.07	\$506.49
Change in <u>annual</u> bill		\$6.70 more (1.61%)	\$91.12 more (21.94%)

Choose your water future

Draft Outcome

Enhanced value for money

Getting the balance right.
Residential customer type and billing scenarios.
“Ensure bills are affordable for everyone”

How does reducing the fixed (access) charge affect commercial customers and holiday home owner bills?

Small Business: E.g. Café/Retail (609kl) 	Price (1 July 2021)	Price (1 July 2021)	Price (1 July 2021)
	Current charges	2% fixed reduction	5% fixed reduction
Non - Residential 20mm	391.60	383.77	372.02
Non - Residential Sewer Access Charge	607.94	595.78	577.54
Non - Residential Variable Charge	1233.96	1253.86	1504.64
Total bill	\$2,233.50	\$2,233.41	\$2,454.20
Change in annual bill		\$0.09 less (0.00%)	\$220.70 more (9.88%)

Large Business: E.g. Accommodation Provider (1195kl) 	Price (1 July 2021)	Price (1 July 2021)	Price (1 July 2021)
	Current charges	2% fixed reduction	5% fixed reduction
Non-Residential 50mm	4347.94	4260.98	4130.54
Non-residential Sewer Access Charge (> 2 cisterns) (per cistern)	1122.60	1100.15	1066.47
Non-Residential Variable Charge	2421.31	2460.38	2952.46
Total bill	\$7,891.85	\$7,821.50	\$8,149.47
Change in annual bill		\$70.35 less (-0.89%)	\$257.62 more (3.26%)

Residential Customer Holiday Home (40kl)	Price (1 July 2021)	Price (1 July 2021)	Price (1 July 2021)
	Current charges	2% fixed reduction	5% fixed reduction
Residential <u>Water</u> Access Charge	391.60	383.77	372.02
Residential <u>Sewer</u> Access Charge	607.94	595.78	577.54
Residential <u>Variable</u> Charge	81.05	82.36	98.83
Total <u>annual</u> bill	\$1,080.59	\$1,061.90	\$1,048.39
Change in <u>annual</u> bill		\$18.69 less (-1.73%)	\$32.20 less (-2.98%)

Reducing the fixed services charge, means an increase in the variable water usage charge.

Choose your
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Fixed vs
variable
balance



Enhanced
value for
money



Should Westernport Water rebalance its access and usage charges?

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Phase 1:
Customer
Consultation



Access and usage
charges

Background information about Special
Meter Reads and related charges.

Special meter reads

Westernport Water currently charges \$62.34 for a scheduled special meter read for the sale of a property.

Scheduled special meter reads are also required for all outgoing tenants. However, we are not applying the charge.

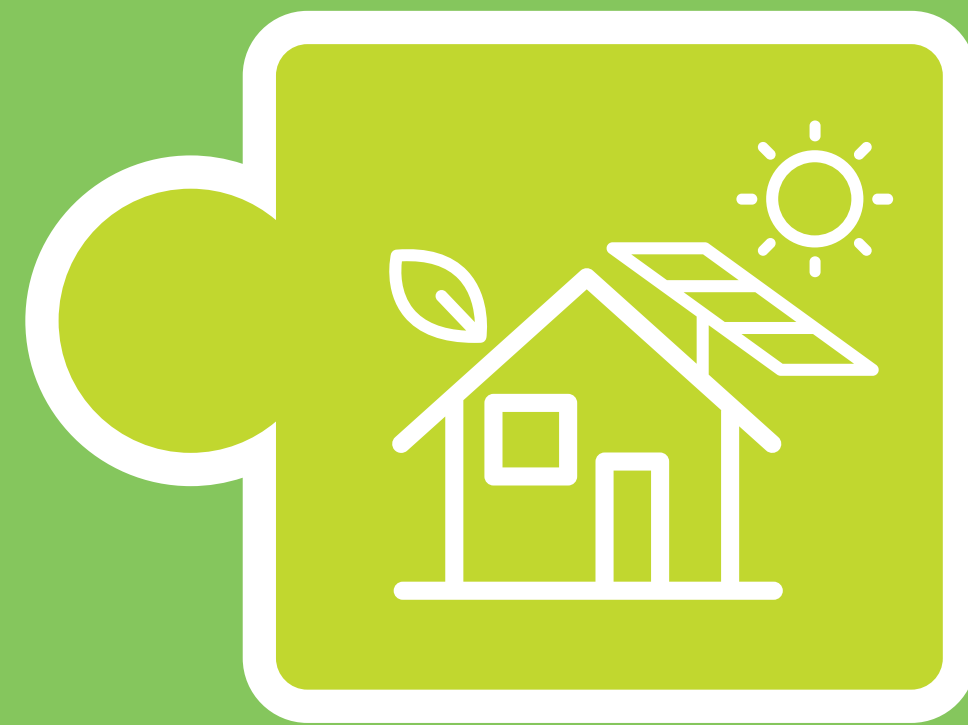
Over 650 special meter reads were undertaken for outgoing tenants last year at no charge. This means that the cost pressure was absorbed temporarily under existing prices.

Do you support the application of the special meter read charge for outgoing tenants (paid by the landlord) in the future?



Current charges

Special Meter Read charge - approved by
the Essential Services Commission \$62.34



Climate Change Customer Forum

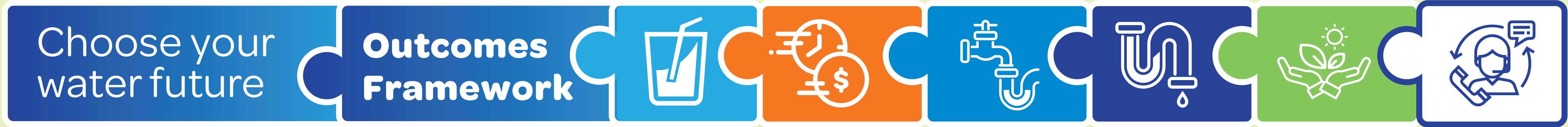
Primary Topic: Getting to Net Zero - initiatives and options

Secondary Topic: Wastewater management priorities

Choose your
water future

Monday
4 April

Pre-reading
material



Enclosed in your pre-reading material:

Overview of previous customer engagement

Customer priorities

Background

- Why is climate change important for water corporations?
- Emissions performance at Westernport Water against current customer commitments
- Where our emissions come from
- What are we required to do?
- Achievements and recent investment.

Primary topic: Getting to Net Zero

- What is the right time frame for Net Zero and what mix of initiatives should Westernport Water implement in the next five years?

Secondary topic: Wastewater management priorities

- How do we drive further value from wastewater?

Glossary:

Effluent	Sewage/waste water goes to our treatment plants where it is then treated and becomes ‘effluent’. This effluent is then either turned into recycled water and reused, or discharged via our outfall in line with our EPA licence.
Carbon offset	Investing in environmental projects elsewhere to balance out emissions produced within a business.
Carbon inset	Investing in things we can do within our own business, on our own land, within our own supply chain, and areas of influence to reduce or balance out carbon emissions.

Choose your
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Phase 1: Customer Consultation

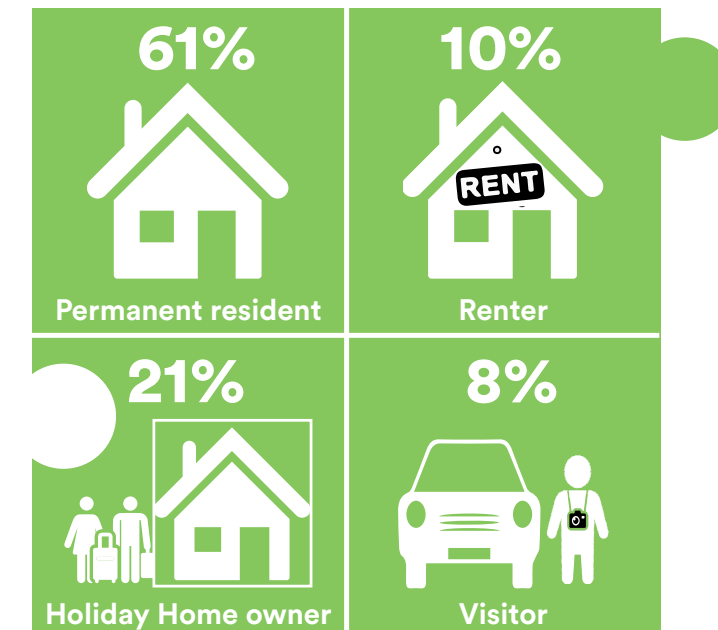


Who did we speak to
during phase 1
engagement and how?

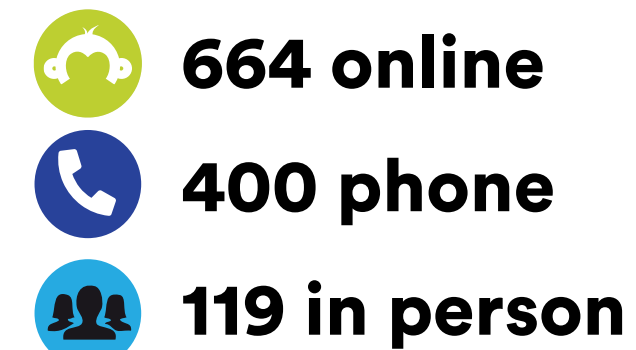
We welcomed feedback from anyone who
lives, works, visits, or owns property in
our area.



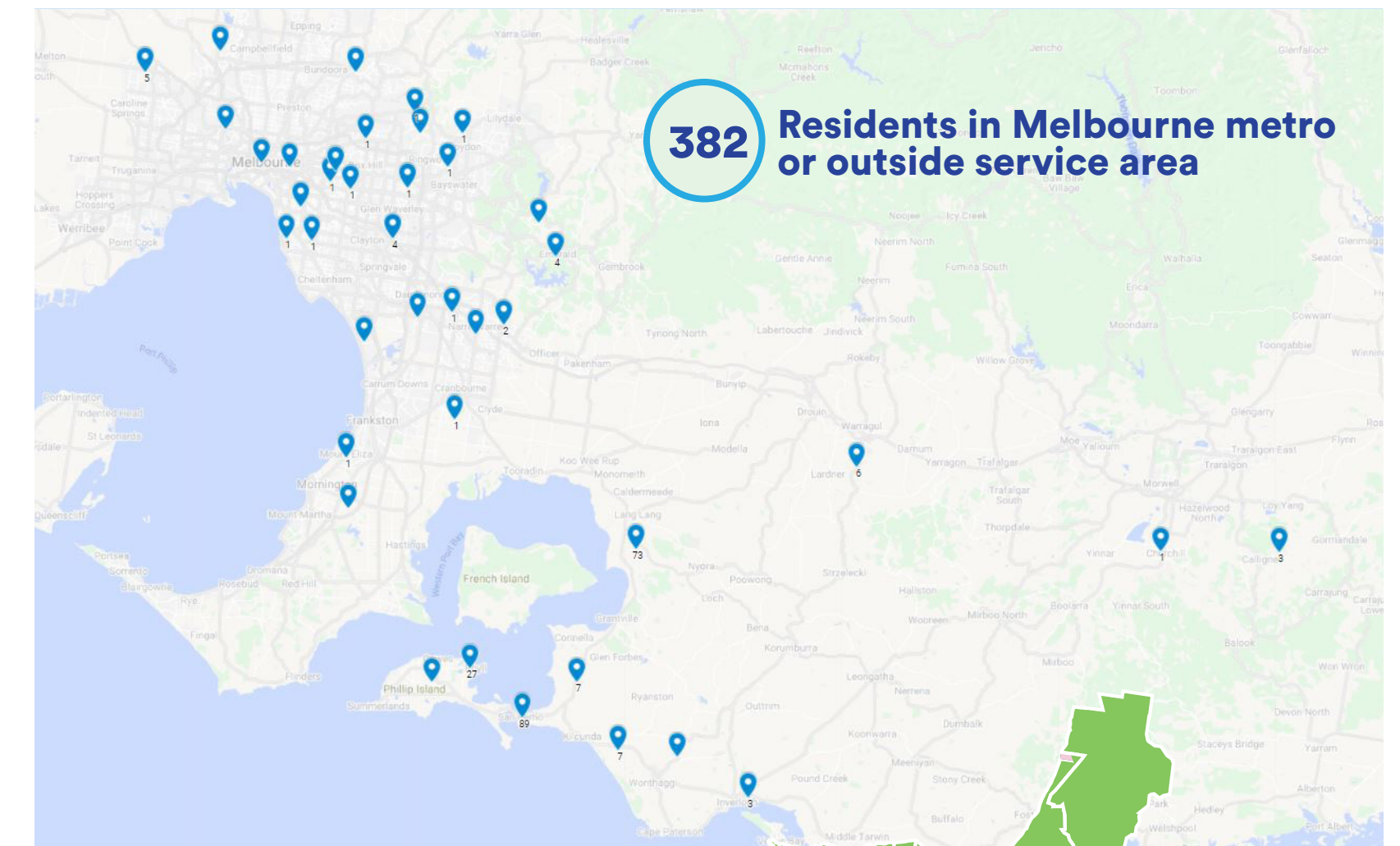
Respondent type



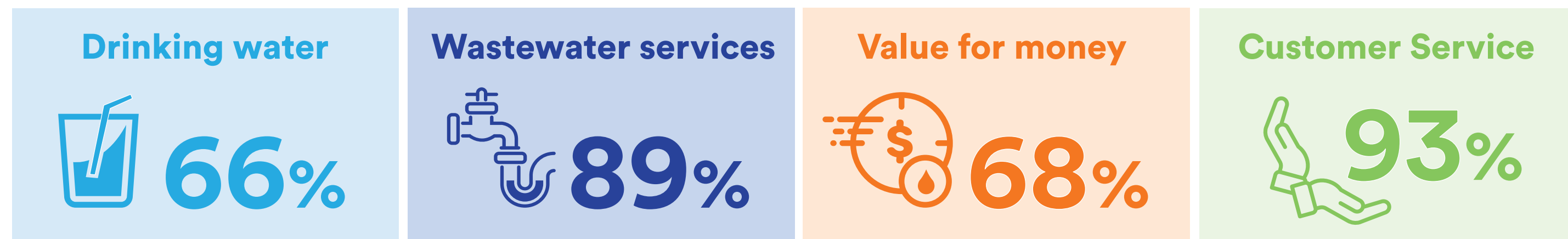
Survey method



Customer survey geographic data

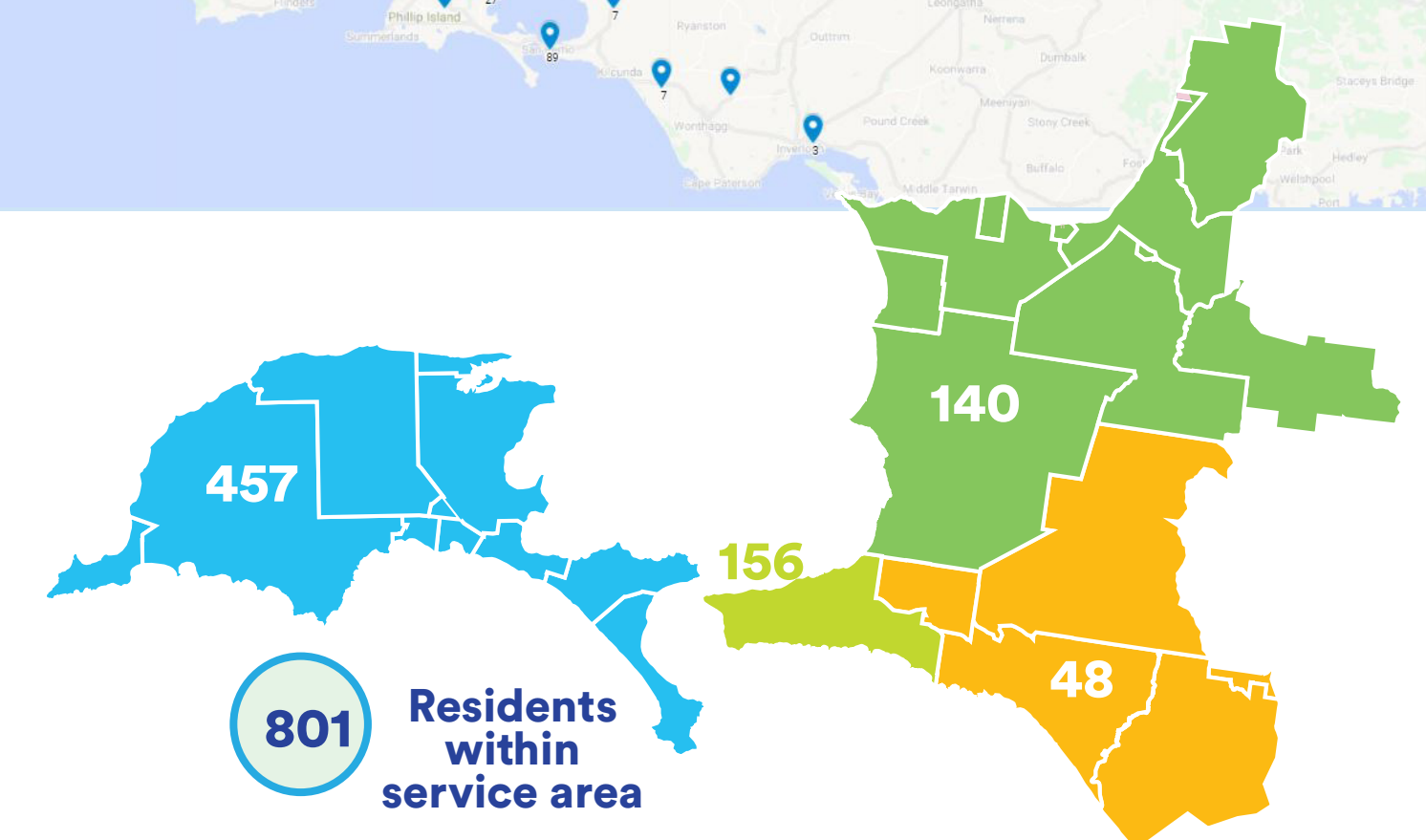


What you told us - Satisfaction levels overall with:



What we learned: Of all our services, these are the top 3 that matter most to customers:

- Provide consistent, great tasting water that tastes and looks the same every time 67%
- Planning for, and adapting to, climate change 41%
- Ensure bills are affordable for everyone 34%



Choose your
water future

**Phase 1:
Customer
Consultation**



Highest priorities
for our customers

What customers expect from their water provider?



Provide safe and clean drinking
water that looks and tastes the
same every time



Provide reliable water and
wastewater services



Deliver friendly
and accessible
customer service



Ensure bills are affordable for
everyone



Plan for, mitigate and
adapt to climate change

Quotes from customers about climate change and sustainability:

*“Addressing climate
change is very important
to me.”*

*“Communicate what
you are doing to reduce
carbon emissions.”*

*“Education for water
conservation and
understanding of the
environmental impacts
of Westernport Water’s
activities.”*

*“Empower customers to understand
GHG emission footprint from WPW
services & provide opportunities for
community involvement in projects -
tree plantings, etc.”*

*“Use 100% renewable energy because
you are a high power user. Using grid
power means you are paying too much
for power (which means we are paying
too much for water) and significantly
contributing to climate change.”*

Choose your
water future

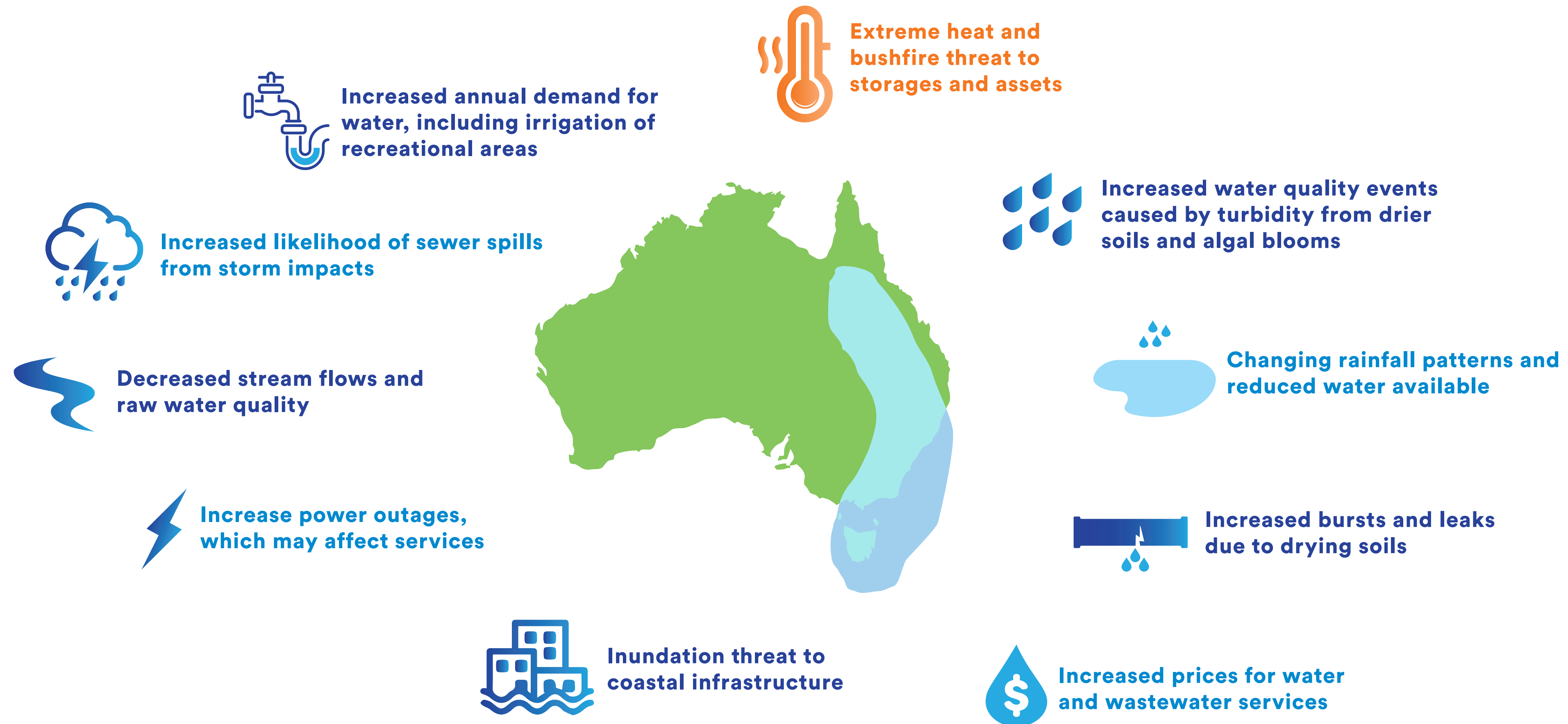
Climate
and Water



Adapting to the
changing climate

Why is responding to climate change
important for water corporations?

Implications for Westernport Water and the community



Choose your
water future

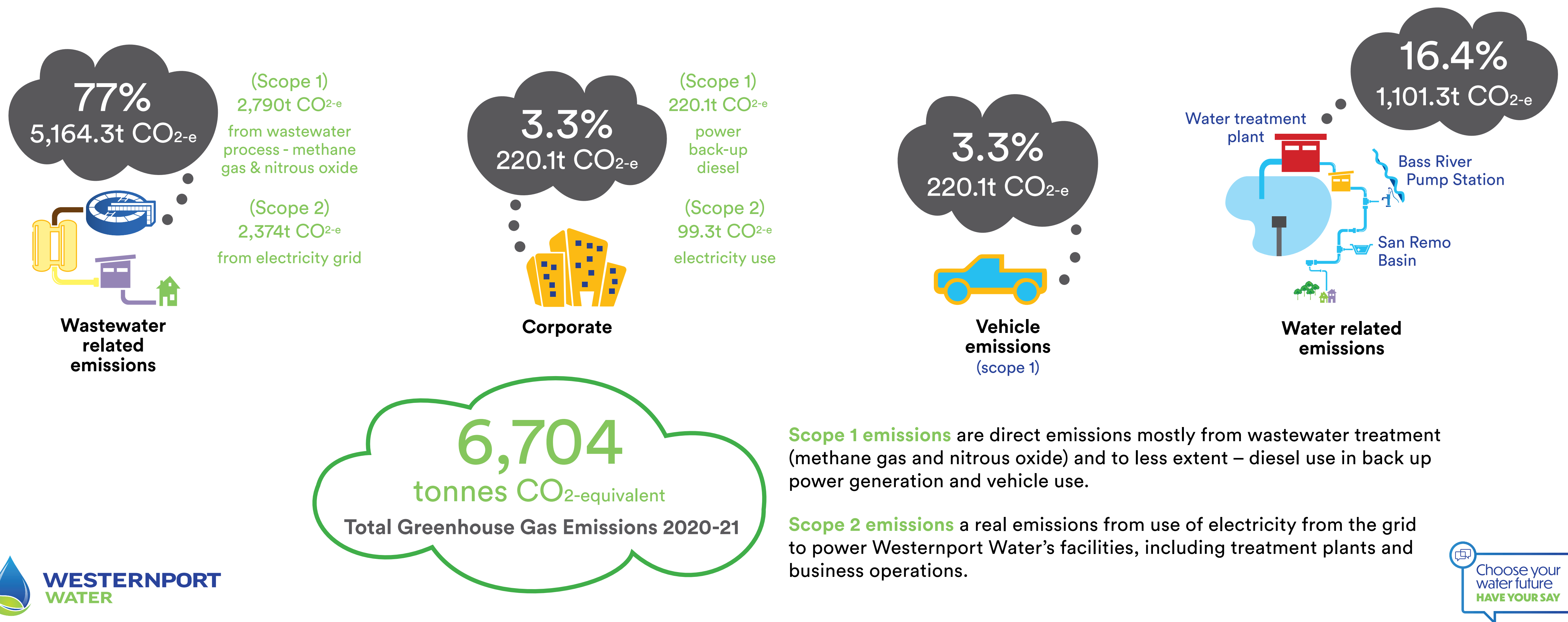
Reducing
emissions



Current
Carbon Profile

Customers said:
“Plan for, mitigate and adapt to climate change.”

The Victorian water sector emits more emissions than any other Victorian government sector, roughly a quarter of the Victorian Government’s total emissions. Below is a snapshot of where Westernport Water’s emissions are generated.



Choose your
water future

Customer
satisfaction



A more
sustainable
community

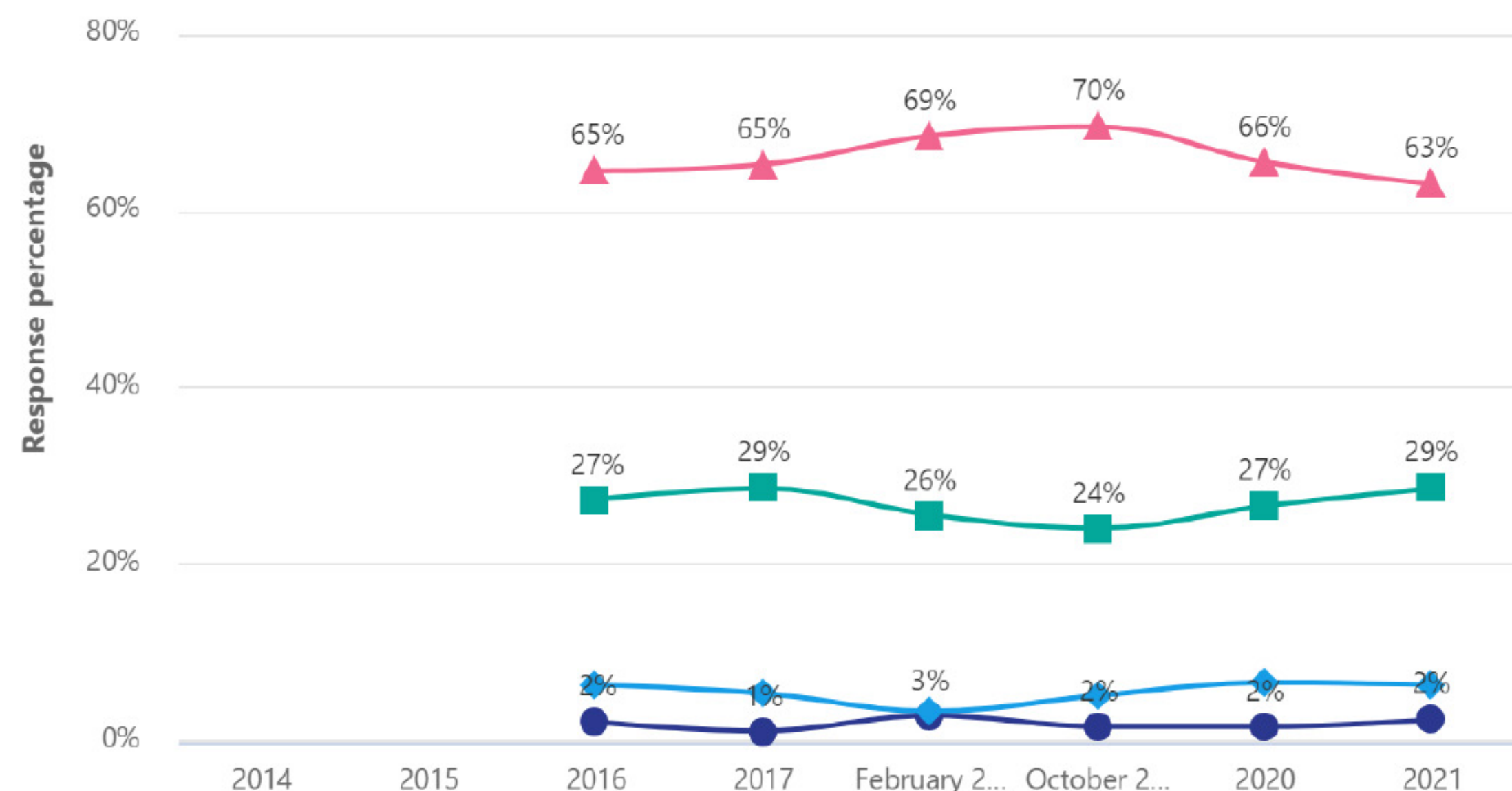
Customers told us that responding to climate
change is important to them.

How important is it to you that your water corporation invests in environmental or sustainability initiatives?:

● Not at all important
★ Very important

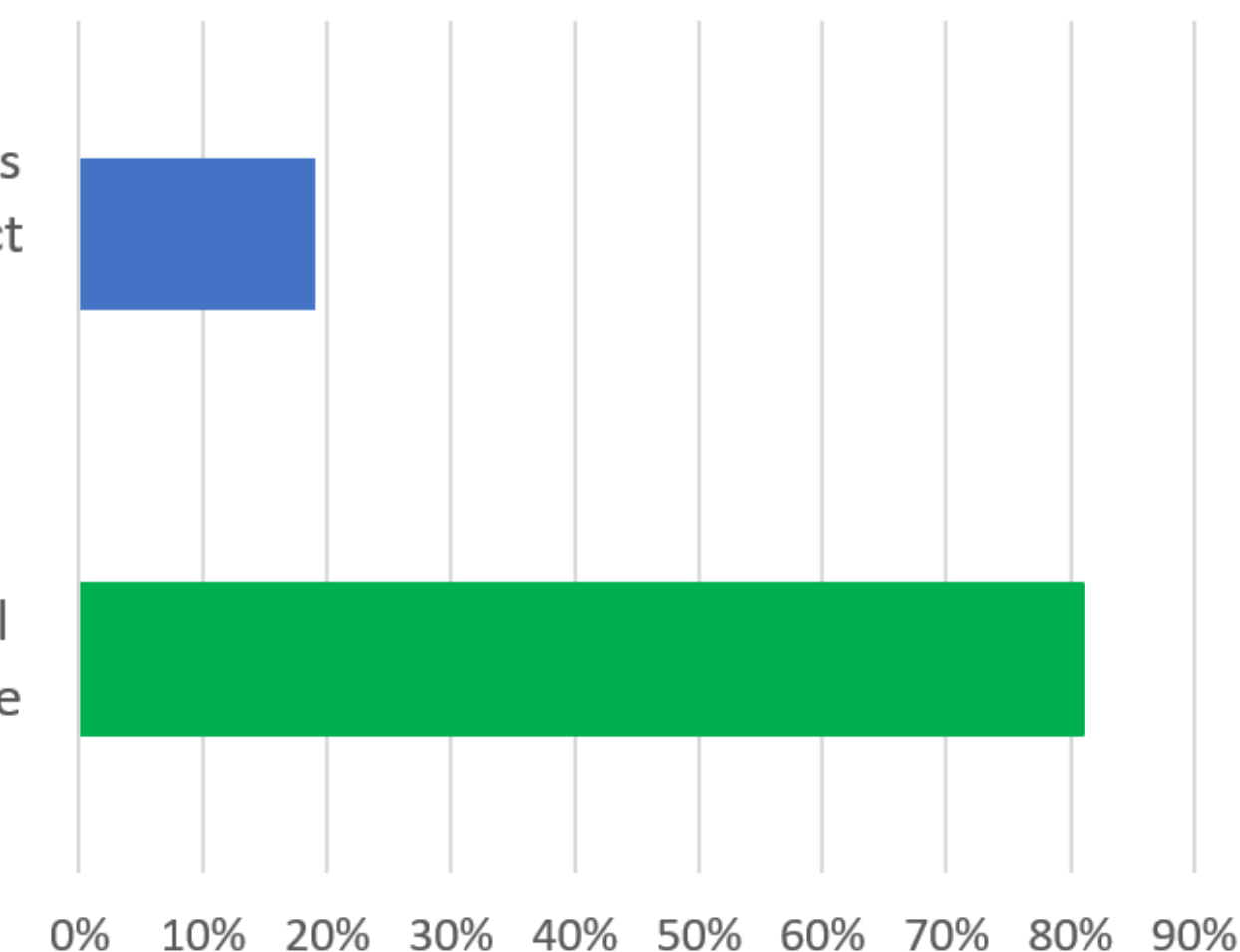
◆ Not important

■ Somewhat important



I value more affordable water services
even if it means less is done to protect
the environment.

I value better protecting the natural
environment we live in for the future



41%

131 out of 321 customers indicated responding
to climate change was within their 3 highest
priorities for Westernport Water.

63%

252 out of 400 customers stated that it was very
important to them that Westernport Water invest in
environment and sustainability initiatives.

92%

368 out of 400 customers indicated that it was important to them that Westernport Water invest
in environment and sustainability initiatives.

Choose your
water future

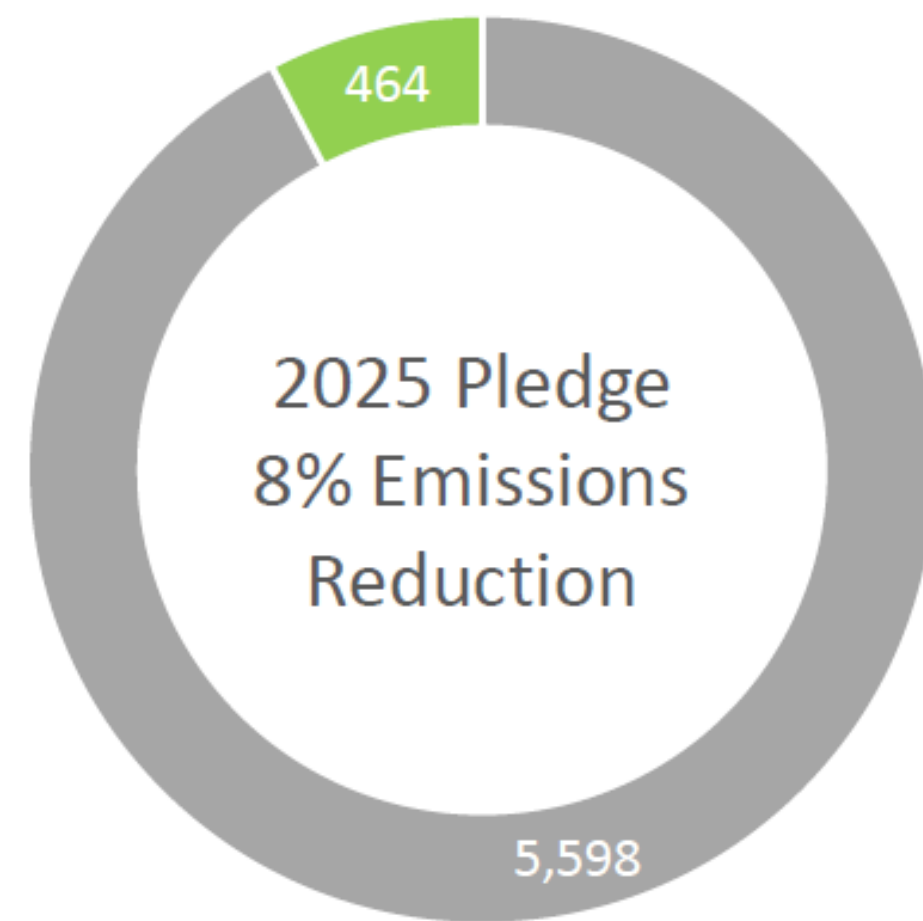
Climate change
response



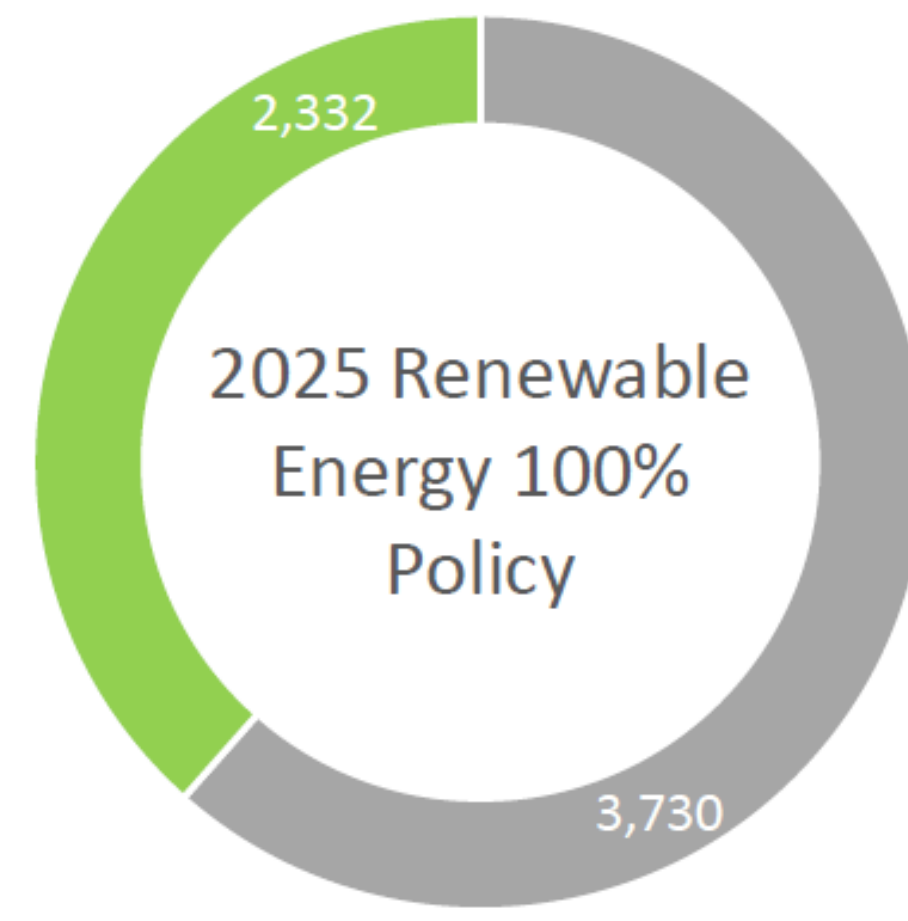
Current
approach

What are our targets?

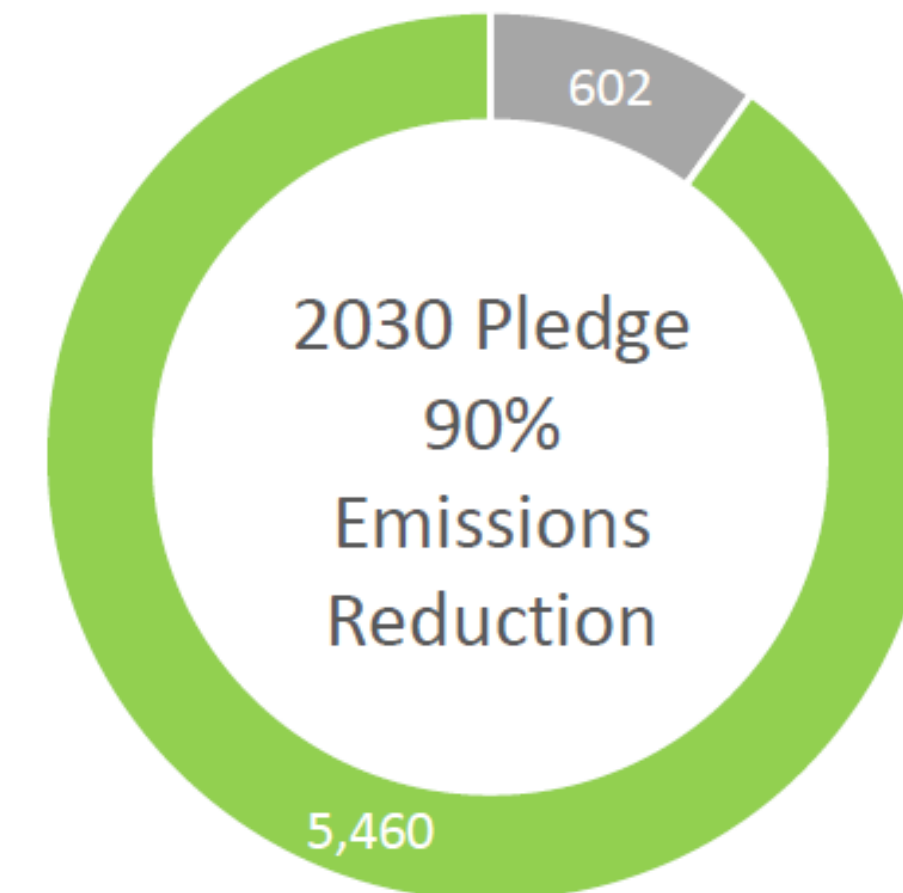
Westernport Water's current commitments



Emission Reduction Pledge
in SoO-ER 2018
Figures expressed as Tonnes CO2-e
compared to baseline of 6,062



Emissions reduction from 100%
renewable energy by 2025
Figures expressed as Tonnes CO2-e
compared to baseline of 6,062



Emission Reduction Pledge
in SoO-ER 2022
Figures expressed as Tonnes CO2-e
compared to baseline of 6,062

Choose your
water future

Recent
Investment



A more
sustainable
community

Emissions performance at Westernport Water
against current targets

Target: A more sustainable community

Output	2020-21	2019-20	2018-19	Target 2018-23	
Effluent reuse (%)	7 *	14	23.5	> 25	☹️
Net Greenhouse Gas Emissions (CO2-e tonnes) produced	6,704 +	6,460	6,920	< 5,974	😐
Number of community education engagements	12 #	23	23	> +22	☹️

* Treated effluent reuse was much lower due to higher than average rainfall, and reduced opportunity for irrigation.

+ Greenhouse gas emissions increased in the second half of this year due to increased power consumption to meet higher than normal customer demand.

Planned community events and face-to-face engagements were mostly cancelled or postponed due to ongoing restrictions.

\$444k Invested
already

What have we done?

– Emissions Reduction Pledge Implementation

We have a two stage project focused on installing solar arrays at three of our most energy-consuming sites as we work towards sourcing 100% of our energy from renewable sources by 2025. Stage 1 (completed in 2019-20) includes solar arrays at Church Street Pump Station, Newhaven Office and our depot, and King Road WWTP. Under Stage 2 a solar array has been installed at Cowes WWTP. In total 426 solar panels have been installed at WPW sites, generating 108,300kWh electricity annually. This will reduce emissions by 150 tonnes this financial year. Total investment in the Emissions Reductions Pledge Program over the five years to 30 June 2023 is estimated at \$444,000.

– Smart Energy Strategy and Net Zero Roadmap

Developed an understanding of various pathways, scenarios and proposals to deliver Net Zero by 2030 and 2050.

– Zero Emissions Water

A Victorian water sector initiative Westernport Water is pleased to be an active partner in the Zero Emissions Water program. Partnering with 13 participating Victorian water corporations we receive a solar energy offtake from the Kiamal Solar Farm at Ouyen, Victoria's largest solar farm. This renewable energy project is a major contributor towards meeting the emissions reduction targets of net-zero by 2030. Purchasing as one large organisation means the water corporations can procure energy at a cheaper rate compared to going it alone.

– Investigated opportunities for storing carbon'

Completed feasibility studies and investigations to explore how carbon could be stored within its operational remit in environmental plantings, in freshwater wetlands and in soils. This work will be further developed over the coming years and is explored a little more on pg 12.

Choose your
water future

Options for
discussion



A more
sustainable
community

What is the right time frame for
Net Zero and what mix of initiatives
should Westernport Water
implement in the next five years?

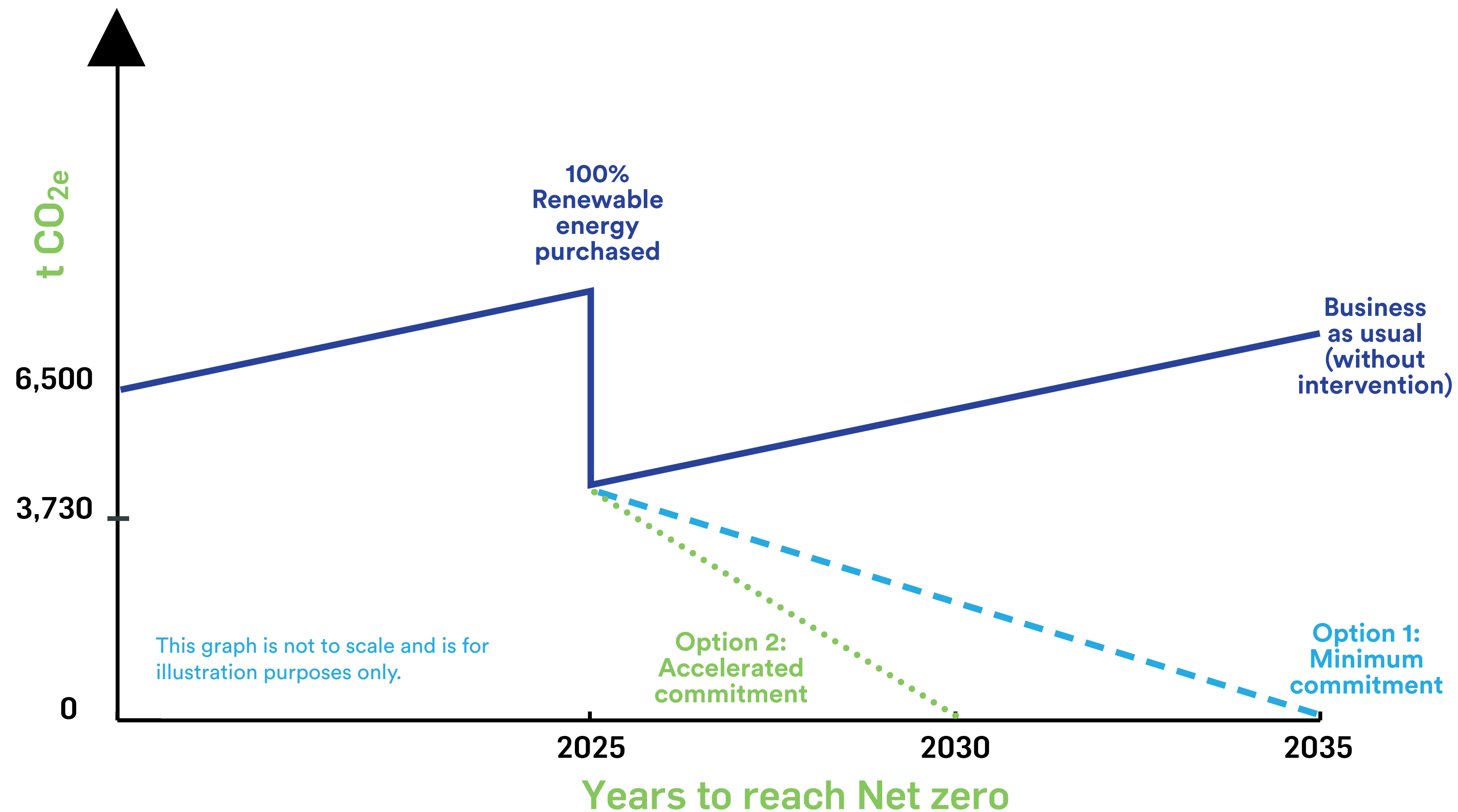
Choose your
water future

Options for
discussion



A more
sustainable
community

What is the right time frame for Net Zero and
what mix of initiatives should Westernport Water
implement in the next five years?



Choose your
water future

Options for
discussion



A more
sustainable
community

What is the right time frame for Net Zero and what mix of initiatives should Westernport Water implement in the next five years?

Options to get to Net Zero

1



Maintain current approach:
Net Zero by 2035
(90% reduction by 2030)

Current approach

Includes:

- Biogas cogeneration plant
- Renewable energy generation
- Purchase offsets at the lowest price
- Plant efficiency projects
- Zero emission vehicles

What does this mean:

Purchase offsets at lowest price to reduce emissions to meet target of 90% by 2030, which meets our regulatory commitments. This reflects a modest capital spend.

Cost over 5 years:

Capital Expenditure: \$3.75 million
Operational Expenditure: approximately \$23,000 per annum

2



Accelerated Commitment:
Net Zero by 2030

Accelerated commitment - Includes all of option 1 plus the below:

Includes:

- Upsize of renewable energy generation
 - Explore Re-Wilding project (before looking to purchase offsets outside our area).
- Re-Wilding means ecological restoration with an emphasis on returning a parcel of land to nature.
- + Biodiversity benefit. Local project with enhanced environment.
 - Locks away land, meaning less operation flexibility.

What does this mean:

An accelerated program to achieve Net Zero by 2030 will require increased renewable energy generation and purchasing additional offsets or constructing local insets on our land. This reflects a 33% increase in capital expenditure on option 1, and 330% increase in operational expenses to meet a fast tracked program.

Cost over 5 years:

Capital Expenditure: \$5 million
Operational Expenditure: approximately \$100,000 per annum

Choose your
water future

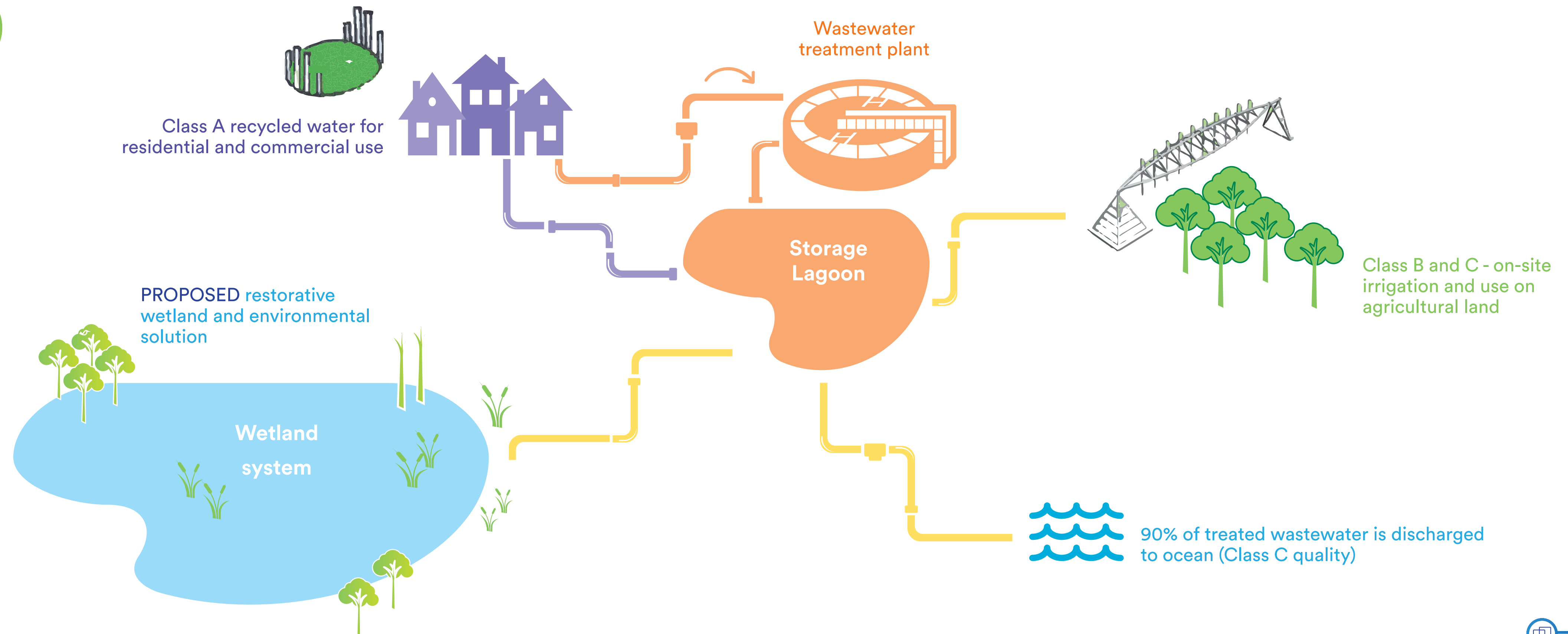
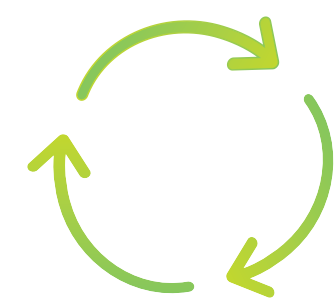
Options for
discussion



A more
sustainable
community

How do we drive further value from
our wastewater?

Wastewater management cycle



Choose your
water future

Recent
Investment



A more
sustainable
community

Reuse performance at Westernport Water against
current targets.

Target: A more sustainable community

Output	2020-21	2019-20	2018-19	Target 2018-23	
Effluent reuse (%)	7 *	14	23.5	> 25	☹️
Net Greenhouse Gas Emissions (CO2-e tonnes) produced	6,704 +	6,460	6,920	< 5,974	😐
Number of community education engagements	12 #	23	23	> +22	☹️

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+ Greenhouse gas emissions increased in the second half of this year due to increased power consumption to meet higher than normal customer demand.

Planned community events and face-to-face engagements were mostly cancelled or postponed due to ongoing restrictions.

Sustainable Water Reuse and Land Management

Westernport Water increased its irrigation capacity at the King Road Wastewater Treatment Plant through the purchase of 16.7 ha of land. A new pivot irrigator has been installed at King Road recently. In addition, 32.6 ha of land adjoining the Cowes Wastewater Treatment Plant was purchased, providing additional irrigation area to meet our reuse targets.

Westernport Water continues to oversee a limited Class-B Recycled Water trial in an effort to increase treated effluent reuse.

\$1.6M Invested
since 2018-19

Choose your
water future

Options for
discussion



A more
sustainable
community

How do we drive further value from our wastewater?

Choose your
water future

Options for
discussion



A more
sustainable
community

How do we drive further value from our wastewater?

Increasing value from wastewater

1

Reuse / Recycle more
wastewater

Option 1: Increase the amount of effluent reused/recycled

Includes:

- Future land purchase for additional on-site irrigation.
- Increased irrigation options for commercial use.

Why:

Feedback indicates that many customers want Westernport Water to make better use of wastewater for environmental or commercial benefit.

Target:

- Increase in effluent reused

Benefits

- Provides greater water for commercial use
- Makes use of a valuable water resource
- Provides increased options for alternative water sources.

Cost over 5 years:

Capital investment includes land purchases and upgrades to assets to increase irrigation.

2

Create restorative wetland

Option 2: Environmental solution for maximum benefit

Includes:

- Construct restorative wetlands to polish effluent and create habitat, this will also enable increased optimisation for the timing of releases.

Why:

Feedback indicates that many customers want Westernport Water to make better use of wastewater for environmental or commercial benefit.

Target:

- Reduction in tonnes of nutrients discharged

Benefits:

- Sustainable disposal of wastewater (reducing nutrients to receiving environment)
- Improves the health of waterways
- Makes use of a valuable water resource
- Supports a healthy environment, biodiversity and provides for wildlife
- Provides increased flexibility and capacity to manage the extremes of weather.

Cost over 5 years:

The cost is estimated to be four times the cost of option 1.