

Appendix Five

Deliberative Forum Summary Report



Westernport Water

Customer forums on Westernport Water Pricing Submission

Engagement Summary Report

May 2022

Acknowledgement of country

Conversation Co and Westernport Water acknowledge the traditional custodians of the land, those of the Bunurong People. The Bunurong Peoples have been managing the resources here on Phillip Island, or Millowl as it was traditionally known, for thousands of years. We acknowledge them, and their continued connection to this place, as we go about managing the water resources here today.

Executive Summary

Overview

Conversation Co was engaged by Westernport Water to design and support the delivery of customer forums, to undertake deliberative engagement about Westernport Water's services and infrastructure investment to help inform the 2023 Pricing Submission.

The customer forums represent stage two of three stages of engagement:

- Stage 1: September to December 2021- Open consultation with the whole community (Mixed Method)
- Stage 2: April to May 2022 deliberative engagement with customer forums (online)
- Stage 3: June - July 2022 - Public exhibition of the Draft Pricing Submission with the whole community.

Outcomes from this engagement program will assist the development of the Westernport Water Pricing Submission 2023. Stage 2 was delivered online to ensure community members were kept safe during the COVID-19 pandemic.

Activities delivered during stage 2 consisted of one focus group, running for one hour and 3 forums, running for three hours.

Key Findings

80 participants were recruited to the forums from an expression of interest of 178 people. This group delved deeper into the priorities identified through the stage 1 engagement. They identified:

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

Overall support for the accelerated commitment option, with strong support for seeking alternatives to customer funding and ensuring investments were based on evidence.

How do we drive further value from wastewater?

Overall, most customers supported the option for constructing restorative wetlands seeing both environmental and economic benefits.

Further investment for improved water consistency and taste

There was significant support for investing in new technology with a desire to keep costs as low as possible. Customers want to ensure investments are based on best practice and evidence, following a balanced approach. There was also a desire for Westernport Water to look for grants and other funding opportunities.

Future investment for community education and access to drinking water

Customers had mixed views on community education and water fountains. Customers in Group 1 generally agreed that there should be additional funding for education, but there were differing opinions on the value of water fountains. Whereas Group 2 had approximately equal support for both options; many expressing contentment with the current work of Westernport Water, with others desiring to see more done.

Current performance and forecasted rebate options for 2023-28

The majority of the customers believed that the current rebate system was not effective, however there were significant differences in opinions regarding the options, with a higher level of support for the community panel.

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

Most customers voted for a reduction to the fixed rate, with slightly more customers voting for no more than 2% than no more than 5%. Discussion highlighted the importance of assisting vulnerable and low-income customers.

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

Two thirds of customers who voted on options for special metre changes supported introducing a charge for outgoing tenants, to be paid by the landlord. The remaining third voted to continue covering this cost under existing prices.

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1. Introduction

Conversation Co was engaged by Westernport Water to design and support the delivery of customer forums, to undertake deliberative engagement about Westernport Water's services and infrastructure investment to help inform the 2023 Pricing Submission. This report summarises the findings identified through this deliberative engagement through customer forums.

1.1 Purpose of the report

Purpose of the engagement was to:

- Seek input from the customer to gain a deeper understanding of the key local issues that are important to the Westernport Water community.
- Involve the customers in Westernport Water's decision-making process to ensure the customer needs and aspirations are considered in the 2023 Pricing Submission process.
- Gain honest and meaningful feedback from a cross-section of customers.
- Meet requirements of the Essential Services Commission's pricing framework, an approach which requires a focus on performance, risk, engagement, management and outcomes.

The customer forums represent stage two of three stages of engagement:

- Stage 1: September to December 2021- Open consultation with the whole community (Mixed Method)
- Stage 2: April to May 2022 deliberative engagement with customer forums (online)
- Stage 3: June - July 2022 - Public exhibition of the Draft Pricing Submission with the whole community.

2. Methodology

The customer forums and focus group were run in March, April and May 2022. They were held online, in consideration of the high levels of COVID 19 in the Victorian community.

2.1 Engagement method

A deliberative approach can be described as a process of thoughtfully weighing up options, emphasising the use of logic and discussion as opposed to power struggle. Group decisions are generally made after deliberation through a vote of consensus of those involved.

The engagement program involved:

- One focus group (1 hour online)
- 3 forums (3 hours each), consisting of stand-alone topics, with customers able to pick which session to attend.

The Focus Group aimed to test customer sentiment towards:

- Cost of service versus service levels
- Language of the customer outcomes framework
- Grade of service and sewer blockages
- Supporting vulnerable customers

The forums focused on three main areas:

1. Building customers' understanding of their role, the work of Westernport Water and creating trust in each other.
2. Listening to subject matter experts and discussing key focus areas:
 - a. Climate change
 - b. Water quality and taste concerns
 - c. Access and usage charges and bill impacts
3. Providing customers with information on the “next steps” of the process, and the opportunity to give feedback on the session and ask additional questions.

The customers were split into two groups, with a facilitator and subject matter experts in each room to assist the process.

Information was provided prior to the forums, to build an understanding of the broader engagement and the options available (see attachment). A copy of the agendas from the forums has been attached in Appendix 1.

2.2 Information provided

Participants were presented with information at various intervals throughout the deliberation process, Table 1 outlines the type and timing of information provided to participants.

Table 1: Information provided

Information	Media	Detail included within the document
Climate change pre-reading	PDF	<p>Overview of</p> <ul style="list-style-type: none"> • previous customer engagement • customer priorities • background on the organisation <p>– Why is climate change important for water corporations?</p> <p>– Emissions performance at Westernport Water against current customer commitments – Where our emissions come from</p> <p>– What are we required to do?</p> <p>– Achievements and recent investment. Primary topic: Getting to Net Zero</p> <p>– What is the right time frame for Net Zero and what mix of initiatives should Westernport Water implement in the next five years?</p> <p>Secondary topic: Wastewater management priorities – How do we drive further value from wastewater?</p>
The State of the Climate in Australia, a video by Bureau of Meteorology and CSIRO	Video	<p>Short video covering the impacts of climate change in Australia.</p> <p>https://www.youtube.com/watch?v=ZveP6lvk2S4</p>
Water Quality and Taste pre-reading	PDF	<p>Overview of</p> <ul style="list-style-type: none"> • previous customer engagement • customer priorities • background on the organisation <p>Primary topic: Water quality and taste</p> <p>– Water quality performance against current customer commitments</p> <p>– Achievements and recent investment</p> <p>– What initiatives should Westernport Water plan for today for improved and consistent tasting water tomorrow?</p> <p>Secondary topic: Performance management</p>
Westernport Water's treatment process	Video	<p>Short video explaining the water treatment process.</p> <p>https://www.youtube.com/watch?v=IVWcxeHgXnU</p>

Access and usage charges and bill impacts	PDF	<p>Overview of</p> <ul style="list-style-type: none"> • previous customer engagement • customer priorities • background on the organisation • forecast expenditure for 2021-22 • Average customer bills • Demographics of Bass Coast • New customer contributions <p>Primary topic: Access and usage charges</p> <ul style="list-style-type: none"> - Models of the impact of a 2% and 5% fixed reduction on residential and commercial customers - Should Westernport Water rebalance its access and usage charges? <p>Secondary topic: Special metre reads</p> <ul style="list-style-type: none"> - Do you support the application of the special metre read charge for outgoing tenants (paid by the landlord) in the future?
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2.3 Strategies to support participation

Participation in the panel process was supported through:

- **Training on online tools:** People that required additional support using online meeting tools like Zoom were offered support.
- **\$100 Credit or Phillip Island Wildlife Park Family pass:** Compensation acknowledges the participants time, commitment and expertise.
- **Member reminders for evening session:** Reminder SMS messages were sent prior to the evening meeting.
- **Closed captioning:** Conversation Co utilised the closed captioning feature on Zoom to ensure that participants with hearing impairments were able to fully participate in the sessions.

3. Who Participated?

3.1 Recruitment

Customers were selected to reflect the demographic makeup of the Westernport Water catchment, using a stratified sampling approach. Promotion of the forums was managed by Westernport Water.

To ensure the process was fair and unbiased, Conversation Co managed recruitment and selection. Recruitment targets were set according to customer data.

There were 74 customers that registered to attend the Climate Change focus forum, and 43 the Water Quality and Taste forum, with an additional 11 that did not specify which forum they were interested in. After checking availability 37 people were able to attend the Climate forum, and 36 the Water Quality forum - as we did not have more applicants than the desired attendance, we were not able to apply the selection criteria. Westernport Water staff organised the registration for the pricing forum.

Table 3: Representativeness of Climate Change Forum attendees

Demographic Identifiers	Customer	Target
Male	13	13
Female	14	13
Prefer not to say	0	3
Aged 18-30	1	2
Aged 31-45	5	8
Aged 46-60	8	9
Aged 61+	14	11
Aboriginal/Torres Strait Islander origin	0	3
Phillip Island and San Remo	19	13
Waterline towns	3	3
Other towns	1	4
Concession	2	3
Own and live	14	15
Rent	1	7
Own a holiday home	11	6
Other	2	0

Of the 37 people confirmed to attend the Climate forum 28 attended. Table 3 shows the representativeness of the forum, with the customers attending broadly representative of the broader community, with slightly fewer renters and people from Other Towns, and no attendees that identified as Aboriginal or Torres Strait Islander.

Table 4: Representativeness of Water Quality & Taste Forum attendees

Demographic Identifiers	Customer	Target
Male	11	13
Female	9	13
Prefer not to say	1	3
Aged 18-30	1	2
Aged 31-45	3	8
Aged 46-60	8	9
Aged 61+	13	11

Demographic Identifiers	Customer	Target
Aboriginal/Torres Strait Islander origin	1 prefer not to say	3
Phillip Island and San Remo	16	13
Waterline towns	4	3
Other towns	0	4
Concession	3	3
Own and live	18	15
Rent	3	7
Own a holiday home	2	6

Of the 36 people confirmed to attend the Water Quality forum 26 attended. Table 4 shows the representativeness of the forum, with the customers attending broadly representative of the broader community, with fewer renters, holiday homeowners and no attendees from Other Towns or identifying as Aboriginal or Torres Strait Islander.

Table 4: Representativeness of Access and Usage Forum attendees

Demographic Identifiers	Customer	Target
Male	13	13
Female	12	13
Prefer not to say	0	3
Aged 18-30	1	2
Aged 31-45	4	8
Aged 46-60	9	9
Aged 61+	10	11
Aboriginal/Torres Strait Islander origin	2 prefer not to say	3
Phillip Island and San Remo	15	13
Waterline towns	4	3
Other towns	1	4
Concession	1 (3 prefer not to say)	3
Own and live	15	15
Rent	2	7
Own a holiday home	6	6
Other	1	0

Of the 36 people confirmed to attend the Access and Usage forum 26 attended. Table 5 shows the representativeness of the forum, with the customers attending broadly representative of the broader community, with fewer renters and people from Other Towns and people aged 31-45 years.

4. Deliberating the key questions

The forums had customers focus on three key areas:

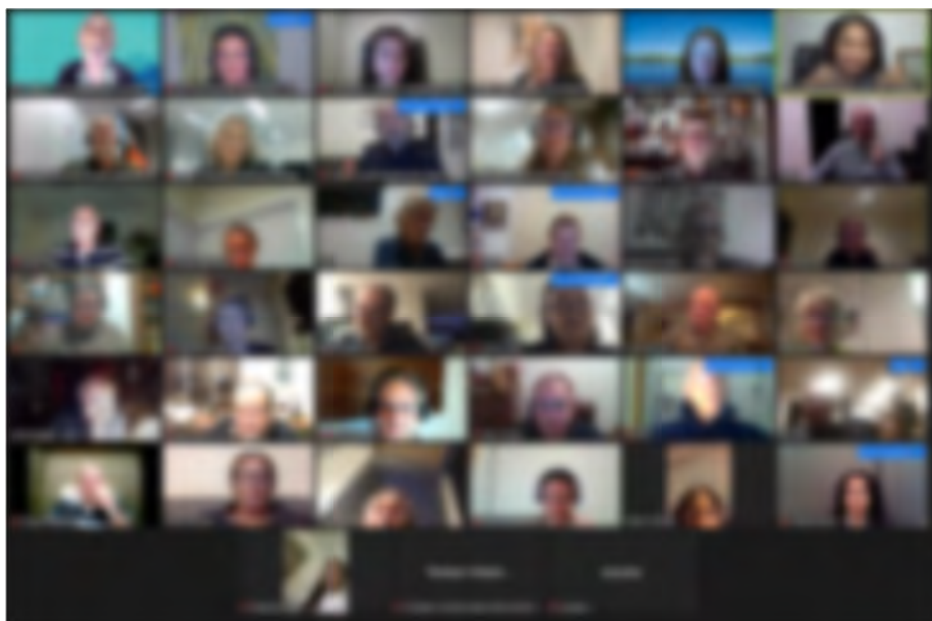
- Climate change initiatives - net zero initiatives and wastewater
- Water quality & taste
- Performance management

4.1 Critical Thinking

Through the deliberation programming, critical thinking was employed in recognition that this would help achieve more robust outcomes. To arrive at an impartial decision, participants had to carefully evaluate information in an objective manner.

Subject matter experts presented engagement findings, customers studied the facts, asked questions and debated ideas. The following tools were implemented in support of critical thinking:

- **Collaboration:** Working together with other members of the group enables individuals to be exposed to new thoughts and ideas.
- **Majority consensus:** Individuals accepted that their views might not always be right as decisions were made according to a majority ruling.
- **Questioning assumptions:** Facilitators used open-ended probing questions to ensure participants questioned any assumptions and tried to think of alternative solutions where possible.
- **Research:** Participants were presented with research and facts from a range of different sources to make reasoned judgements.



4.2 Resulting Recommendations

Climate change focus forum

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

Option 1:

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

Option 2:

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

- Upsize of renewable energy generation
- Explore Rewilding project (before looking to purchase offsets outside our area). Rewilding 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.

Participants noted Option 1 was lower cost and would provide additional employment opportunities. The discussion focused on option 2, with customers encouraged to tease out the advantages and disadvantages (noted in table 5 below).

Table 5. Climate change Option 2

Advantages	Disadvantages
Cost is not important when climate change impacts are so significant	Cost impact for customers
Investing now is a good choice as finance is cheap	Importance of not overcommitting
Construction of restorative waterways will improve the quality of the effluent released, rather than option 1 doesn't address the quality or amount of effluent produced.	Rewilding - land is locked up, and not accessible by the community
Good investment for the outcome	Rewilding requires land that is suitable - competing with population growth, and other land needs such as recreation
Opportunities for employment	Upfront and maintenance costs
Conversation	
Provides land for future generations	
Social leadership with tourism and economic benefits	
Support for expanding the use of solar panels	

Key questions and comments

- Comments regarding the Importance of educating customers -taking the community on the journey.
- Customers wanted to see Westernport Water to seek alternative funding and partnerships for co-investments could reduce costs.
- How do carbon credits and waterway improvements factor in rewilding?
- One customer wanted to see Westernport Water to have plans for doing it, not sitting on this. Bring forward with conviction.

The conversation in Group 1 narrowed in on the rewilding component of option 2, focusing on the definitions and technical aspects. There was general support for rewilding, but customers wanted to know more about the impacts on land use, particularly recreational.

Overall support for option 2, with strong support for seeking alternatives to customer funding and ensuring investments were based on evidence.

Quotes:

"If we hold off doing this now then we may be dealing with tougher challenges in the future, not having the funds to do this."

"I'm curious about the technology investment, are these investment options from other water authorities, or are there other ways and tools we can use in this Bass area as we are unique."

"I think if you are going to do it, you might as well up the ante with conviction, and get on with it. I agree that it might hurt some people, but there is a hell of a lot more people that will be willing to put in money to get the job done."

Net zero Let's brainstorm the advantages and disadvantages of the option Everyone can add Brainstorming collaboratively	
Advantages	Disadvantages
+	+
Rewilding (Brian) how do carbon credits and waterway improvements factor in with rewilding?	Investment in Wallaby proofing and use recycled water
Rewilding - Land locked up	Rewilding - impact on hardship 'if hardship is more prevalent then doesnt it make sense that we should not be overcommitting ourselves?
Rewilding - significant benefits for the environment	Rewilding -How much land is available? Demand on land re population growth
Rewilding - tourist attraction (without being fully open)	Rewilding - upfront and maintenance cost
Social leadership and what it would could offer for tourism hub	Rewilding - recreation needs for young adults - issues
Long term cost benefits	Rewilding - Land locked up
	Rewilding - Reliant on the area needs to be suited to the area
	Upfront costs

How do we drive further value from 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

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.

The discussion for this question focused on Option 2, with little or no comments on option 1. The advantages and disadvantages of Option 2 are detailed in Table 6 below.

Table 6. Option 2

Advantages	Disadvantages
Increased wetlands, increased tourism, benefits to the island and the coast	Not profitable
Increased ability of the soil to absorb water	Significant costs for customers
Beautiful area	Need more research and benchmarking
The bigger the better	

Key questions and comments

- Continual improvement is an EPA requirement
- Customers expressed the need to show leadership and provide education for the public.
- Customers have a desire to have more information on the models and costing.

Overall, most customers supported option 2 seeing both environmental and economic benefits, three customers supported option 1 and one customer favouring business and usual.

Quotes

“Learning from your mistakes is very important. I do like the wetland’s idea – the bigger the better!”

“Option 2 – hopefully will work out and be beneficial for all.”

Water Quality and Taste

Further investment for improved water consistency and taste

Option 1

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.

Cost over 5 years: \$2.3M (\$1.8M capex, \$0.5M opex)

Option 2:

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.

Cost over 5 years: \$2.6M (\$2.3M capex, \$0.5M opex)

Comments

- Concerns regarding the cost of investment on water prices for customers.
- A desire for lower prices as much as possible, with a tech investment on an incremental basis rather than be a bleeding edge investment.
- Westernport needs to investigate and be open to new technology. Investigating does not mean acting upon.
- Anything that reduces the chemicals is a positive.
- Seeking out new technologies locally will help us become independent and not reliant on other countries.
- Draw on international experience and previous results - needing to apply this to the local facilities.
- Customers wanted to see specific costing for projects.

There was significant support for investing in new technology with a desire to keep costs as low as possible. Customers want to ensure investments are based on best practice and evidence, following a balanced approach. There was also a desire for Westernport Water to look for grants and other funding opportunities.

Quote:

"If you live in a body-corporate environment, you pay for the upkeep and services for today. but also, a maintenance fee for future expenditure! Same thing!"

"On a personal level I don't have a problem with it (increasing pricing to fund infrastructure improvements), because I know we have to do it, but if you say to someone 'Are you willing to pay more money?'. The answer is always 'no'."

"Can't change (e.g., improve quality) if you keep doing the same thing. Need to do something differently."

"I'm far more interested in an incremental process, rather than "let's try new tech", incremental should always be aware of new technology and it should be phased in as required"

Future investment for community education and access to drinking water

Option 1

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

Option 2:

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)

Discussion

The discussion regarding community education and access to drinking water focussed on the importance of education, safety and culture change.

There were diverse views for this topic. Some customers supported additional fountains, particularly for children's sporting facilities, others expressed reticence to use fountains due to the risk of covid, with one customer questioning the need for public water fountains at all and wanted investment in education and culture change.

The customers in Group 1 generally agreed that there should be additional funding for education, but there were differing opinions on the value of water fountains.

Whereas Group 2 had approximately equal support for both options; many expressing contentment with the current work of Westernport Water, with others desiring to see more done.

Quotes:

"I applaud your efforts- thank you (with regards to drinking water campaigns)."

"If we carbonate drinking water, would more kids drink it!"

"Option 1 is better with a few tweaks"

"With the current issues we face with climate change, covid and drinking water avoidance - no brainer: look at option 2."

"Water fountains are a good idea."

Current performance and forecasted rebate options for 2023-28

Based on current performance this regulatory period, Westernport Water is forecast to meet 12 of 14 commitments and pay a rebate of \$10 to every household in 2023-24 due to two missed targets.

- 1) If customers prefer a different model of performance management (refer above), would you like to see these changes made immediately?
- 2) Or wait for the next regulatory period to commence (from 2023-24)?

Option 1: Performance-based rebate program

Maintain our current performance-based rebate program, delivering rebates to customers for each missed commitment (thereby crediting customer bills)

Option 2: Performance-based investment program

Create business rules whereby rebate funds for failed commitments would instead be reinvested into the areas that are under-performing whether inside or outside of Westernport Water. For transparency, customers would receive detailed information on how these funds have been re-invested to improve future performance

Option 3: Customer Performance Panel

Westernport Water currently self-assesses its performance annually and reports back to each customer via the Annual Watermark. Alternatively, a customer representative panel could be appointed and independently facilitated each year to complete and distribute the Annual Watermark.

Option 4: Customer Performance Panel (incl. investment program)

A combination of options 2 and 3. A customer-representative panel could be appointed to oversee the annual performance assessment and prioritise 'rebate funds' for reinvestment based on the options presented.

Comments by option**Option 1**

- Acknowledgment that rebate is coming from the operational budget
- Many customers believed that the rebate was not much money per customer and had no impact on their budgets.
- A comment that it seemed counterintuitive, removing funds and reducing the opportunity for Westernport Water to meet other KPI.
- A comment that the rebate is given to property owners, not the renters that use and pay for the water.
- One customer felt this option was just and fair, that if Westernport Water had not fulfilled their commitment, then customers deserved a rebate - principle based.

Option 2:

- There was a suggestion that the rebate funds should be used to support people in hardship.
- There was general support for this option, but customers wanted to know the details of how the funds would be used.
- One comment on the use of these funds to keep customer costs down - improve affordability.

Option 3

- This option generated debate, with some supporting the idea of an independent panel for improved accountability and transparency, and others not supporting this as funding would be taken from other programs.
- Customers that expressed support for this option wanted to ensure the panel was educated and informed, with experts to be included.

In Group 1 the majority of the customers believed that the current rebate system was not effective, however there were significant differences in opinions regarding the options. Similarly, Group 2 concluded that the current performance rebate system was not providing value to customers, but with general support for the community panel.

The voting on the implementation of immediate versus later changes to the rebate scheme, was not conclusive. Eleven customers were in favour of immediate changes, nine for later implementation with the remaining customers abstaining from voting.

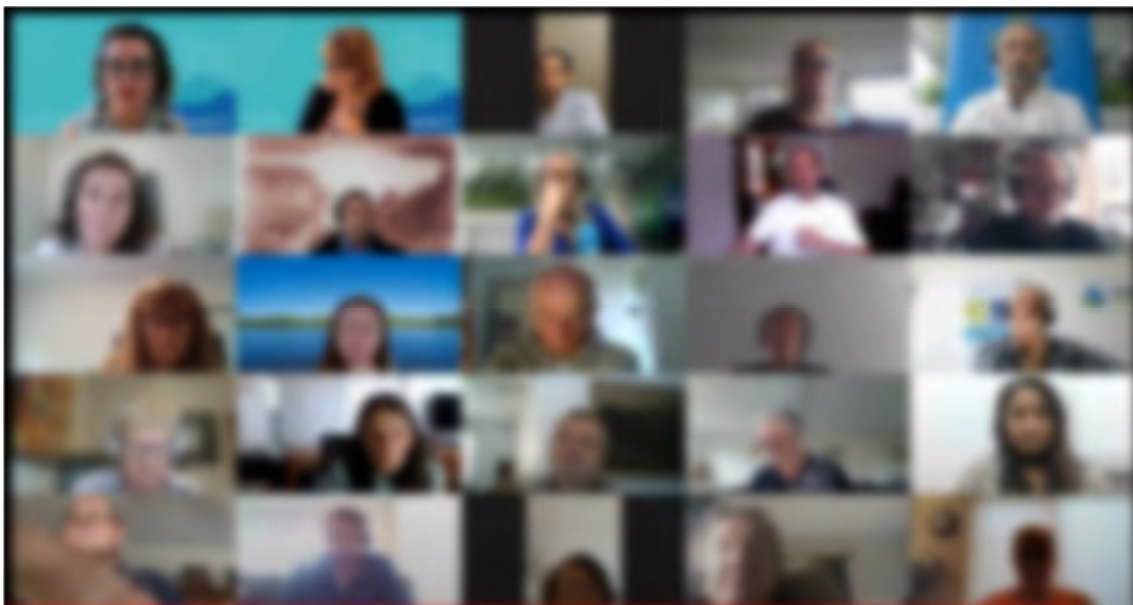
Quote:

"Yes, it's a small amount for the customer - but \$400,000 total is a lot going forward. Option 4 has the most flexibility - as long as it remains fully transparent and accountable to the community. Or for any of the other options really..."

"It seems counter intuitive making Westernport Water find the penalty from their operations budget, thereby reducing opportunity to meet other KPIs."

"For \$10 per customer, you would rather have the extra service."

"I'd like to see a public flogging, in a gentle fashion, when these are not met, rather than money back....put your hands up and say 'mea culpa,' rather than money from the organisation."



Access and usage charges

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

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

Table 7: Impact of fixed reduction on residential and commercial properties

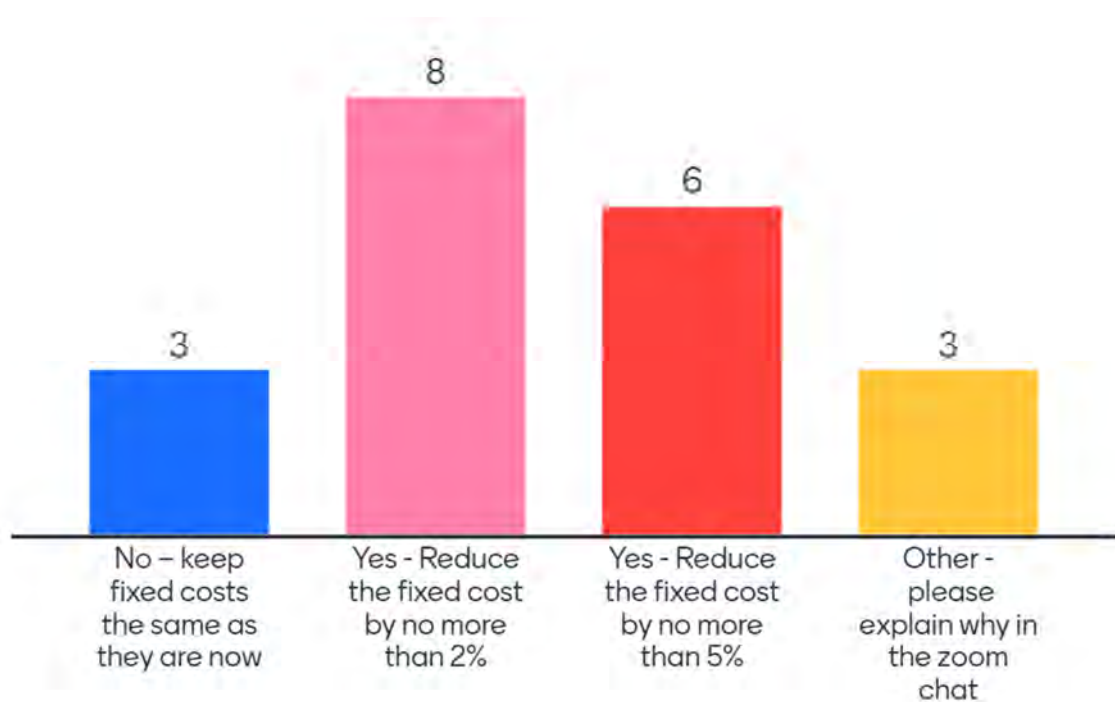
Household type	2% fixed reduction		5% fixed reduction	
	\$	%	\$	%
Residential customer 1- 2 people	\$17.27	-1.48%	\$13.08	-1.12%
Residential customer family	\$13.29	-0.94%	\$41.14	2.91%
Residential Renter 1- 2 people	\$2.72	1.61%	\$36.90	21.94%
Residential renter family	\$6.70	1.61%	\$91.12	21.94%
Small business	\$0.09	0%	\$220.70	9.88%
Large business	\$70.35	-0.89%	\$257.62	3.26%
Holiday home	\$18.69	-1.73%	\$32.20	-2.98%

Reducing the fixed costs financially benefits households with very low water use or owners that rent their house to tenants. Larger families and tenants are more likely to pay more.

Comments

- Several customers felt that the current charges discriminate against good water savers, and that the user pays system is fair.
- Other customers felt that Westernport Water should retain the current charges, as user-based systems discriminate against low income and vulnerable community members that may not be able to pay higher bills
- More than one customer commented that water is an essential service and increasing bills should be carefully considered.
- One customer commented that campaigns for reducing water usage are well known, and the increase in variable charges would not make a difference in water usage. Others echoed the increase in variable charges would not be enough to motivate changes in water habits.
- More than one customer expressed that those who will benefit from reduced fixed charges will only benefit minimally.
- Customers expressed a desire to explore other options, such as “paying it forward”, enabling customers to assist vulnerable community members, or other models to determine the rate increase such as the size or value of properties.
- There was a related discussion on the importance of water tanks for veggie patches and gardens. Customers expressed the value being “doing the right thing”, rather than a cost saving exercise, signalling that Westernport Water should consider other incentives to preserve water resources.

Graph 1: Results of customer voting on how does reducing the fixed (access) charge affect the different types of residential and commercial customers?



The majority of customers voted for a reduction to the fixed rate, with 8 customers voting for no more than 2%, and 6 customers voting for no more than 5%. Three customers voted to retain the current access and usage charges, and three others wanted another option.

Quotes

"Allow the current fixed rate - I now understand how the cost is structured, it's there to help everyone to keep using water, which is essential. I used to consider the fixed charges a rip off, but now understand that it is structured to help everyone. Keep it as it is now - this is reasonable".

"If you are using it, you should be paying for it."

"As a renter, I don't mind paying more if it means my pensioner mother saves money."

"My water usage is so low; I would like to see reduced fixed charges to reduce my bill."

"I could afford an extra \$100 per bill" "Minimise the increase to all and those who can put a few bob on the table" - pay it forward idea

"These are trivial changes" "It's \$10 a month" "I just don't think the 99.8% should be constrained by that" "just focus on subsidising hardship cases" (all same speaker)

"We're all entitled to have water... you can't just play around with the price"

Special metre reads

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

Westernport Water currently charges \$62.34 per scheduled read for sale of a property. There were over 650 reads last year for outgoing tenants at no charge, with the cost absorbed under existing prices.

Comments

- Several customers felt that Westernport Water should not be absorbing the cost of the special metre reads, with comments related to fairness of a user pays systems, the other ways Westernport Water could use approx. \$40,000, and landlords would be able to claim the payment on tax.
- Other customers wanted to explore alternative ways to recoup the cost, such as from tenants or smart metres.
- There were several comments concerned that the charges would be passed on the tenants that are already under pressure with costs of moving.

Quotes

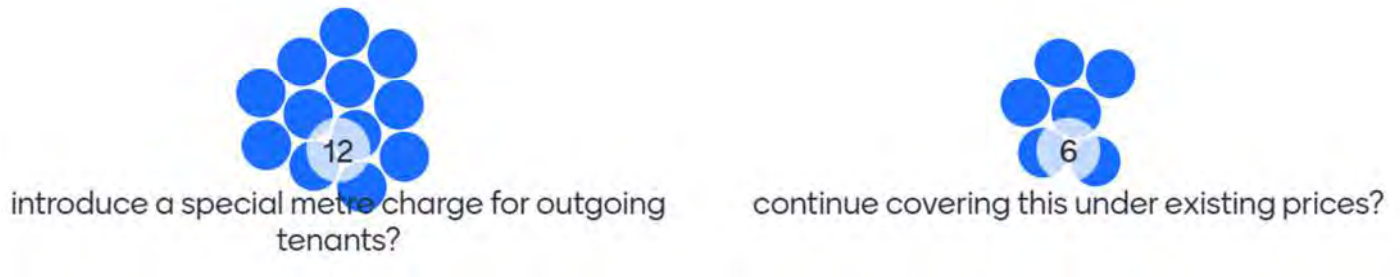
"As a tenant I'd be concerned for paying this on top of all the removal costs. Not good to make it more expensive for owners either as it just an excuse to put he rent up. It is \$2 per customer a year; you can't do anything with that. Keep as it is. Not charge for it."

"I can see it is completely fair to be paid for by the landlord, but as a landlord I would be happy to not to pay it."

"As a former landlord, you able to claim the charges on tax. You can charge all these things. It is fair and less messy for the landlords to pay, responsible for it and to pay."

"User pays. Same as energy."

Graph 2: Results of customer voting on support the application of the special metre charge for outgoing tenants (paid by the landlord) in the future?



Two thirds of customers who voted on options for special metre changes supported introducing a charge for outgoing tenants, to be paid by the landlord. The remaining third voted to continue covering this cost under exiting prices.

5. Forum Evaluation

Customers were asked to reflect on the forums and provide feedback on their experience. Participation was voluntary and 39 customers responded. The responses are summarised under each question.

What worked well?

- Facilitators/Speakers (21)
- Information provided (17)
- Opportunity to speak/ be heard (16)
- Technology (6)
- Structure of session (7).

Quotes

"Found you very open to the real concerns of your customers. I am happy I decided to invest in the area knowing you are doing your best to get us the best water. It was an excellent forum! Well done!"

"Listened, organised, showed commitment to the process with the large contingent of staff, great presentation, clear communication'."

How could we make our next workshop better?

- Send pre-reading our earlier/ ensure it is read by participants (5)
- Technology issues/ prefer in-person (7)
- Simplify the questions being asked (4)
- Shorten sessions (5)
- Workshop was good/positive response (5)
- Provide more information e.g., Q&A lists, FAQs published, funding model (4)
- Utilise menti/ introduction to menti (2)
- Facilitator/presenter view (2)
- Clarify purpose of consultation and of specific questions (2)
- Send a questionnaire out after the pre-reading, before the session to provide a foundation to work from (2)
- Fewer words on the slides
- Too much for one session
- Communicate when the break is earlier in the session
- Drill down into dissenting views more
- More opportunities for brainstorming sessions with community members
- Share some generic background on participants.

Quote:

“Ability to submit opinions and points of view after closure of the workshop (ie. after some time to reflect). Today (day after the event), some points of discussion are a little clearer now.”

Why would you recommend participating in this process to others?

- Chance to learn (22)
- Chance to have your say/ contribute (14)
- Incentive
- Professional/well run (3).

Quote:

“Great opportunity to understand and be part of the strategy to shape the future.”

6. Closing the Loop

Goodwill has been created between Westernport Water and customers, residents, businesses, community groups and organisations who have taken their time to provide feedback in the broader consultation. As a courtesy to participants Conversation Co recommends the following next steps:

Thank Customers

Issue a statement and update the project page thanking participants for participating in the project and for sharing their ideas and contributions. Consider ways to recognise the involvement of forum attendees for example, a thank you letter or email from the Managing Director.

Keeping people updated

Issue a statement and update the website thanking customers for participating in the project and for sharing their ideas.

Share the data

Consider ways you can share this data, such as creating a snapshot of the engagement data, bringing the data to life with infographics to help people to digest the information in an easy form.

7. Appendices

Regional groupings

Phillip Island & San Remo

- San Remo
- Cape Woolamai
- Smiths Beach
- Newhaven
- Rhyll
- Ventnor
- Wimbledon Heights
- Silverleaves
- Summerlands
- Surf Beach
- Sunderland Bay

Waterline towns

- Corinella
- Grantville
- Coronet Bay

Other towns

- Dalyston
- Kilcunda
- Bass

AGENDA

Westernport Water P23

Thursday 7 April 2022, 9:30am to 12:30pm

Online - Zoom

Zoom link: <https://us06web.zoom.us/j/6688017607>

Community Workshop

1. Welcome
2. Building the foundations for group work
3. Snapshot of today and look into the future
4. What initiatives should Westernport Water plan for today for improved water consistency and taste tomorrow?
5. Refreshment break
6. Should Westernport Water continue to provide rebates to customers every 5 years if we fail to deliver on our pricing submission promise?
7. Next steps and close

AGENDA

Westernport Water P23 - Climate Change

Monday 4 April 2022, 6:30pm to 9:30pm

Online - Zoom

Zoom link: <https://us06web.zoom.us/j/6688017607>

Community Workshop

1. Welcome
2. Building the foundations for group work
3. Snapshot of today and look into the future
4. What is the right timeframe for Net Zero and what mix of initiatives should Westernport Water implement in the next five years?
5. Refreshment break
6. Should we invest more to reduce ocean discharge further than the Environment Protection Authority's operating license conditions?
7. Next steps and close

Conversation Co.

AGENDA

Westernport Water P23

Thursday 3 May 2022, 6:30pm to 9:30pm

Online - Zoom

Zoom link: <https://us06web.zoom.us/j/6688017607>

Community Workshop

1. Welcome
2. Building the foundations for group work
3. Snapshot of today and look into the future
4. Should Westernport Water rebalance its access and usage charges?
5. Refreshment break
6. Do you support the application of the special metre read charge for outgoing tenants (paid by the landlord) in the future?
7. Next steps and close

8. Attachments

Attachment 1 Discussion Guide