

**Coliban Water  
Price Submission**

**Panel Report**

**19 March 2022**

# Remit

Our region is facing a critical point in its water supply and demand. Our built structures are ageing, and our climate is getting drier. We need to prepare for this changing future. We want your help in deciding how to balance these priorities and set water prices for the next five years.

**How does Coliban Water prepare for tomorrow while being fair to customers today?**

We are a community panel originally of 45 participants selected from the Coliban Water service area to provide input into a pricing submission regarding the cost of water for the next five years. This report was finalised by 31 participants.

We have come together over four days to discuss how Coliban water best prepare for tomorrow while being fair to customers today.

## Recommendation 1 Area: Intergenerational debt

<b>Heading</b>	We support an equitable increase to billing for both today's community and future generations.
<b>Description</b>	<p>To avoid unnecessary burden and deferment of cost to future generations, we must take responsibility for the current financial position, requiring a rise in water costs to minimise future price burden, allowing future generations to respond to future circumstances. The alternative is leaving future generations with little choice but to shoulder heavy debt.</p> <p>Noting the compounding nature of debt, it seems fair that an appropriate increase is borne by today's generation</p>
<b>Reasoning</b>	<p>We must accommodate the evolving climate, customer base and work towards future financial sustainability.</p> <p>We acknowledge the preciousness of water and the cost to offer these services is likely to only increase in future.</p>
<b>What is success?</b>	<p>Our aim is that Coliban has a manageable level of debt that is being adequately serviced.</p> <p>Existing and future customers are able to pay the increased bills or access financial hardship support services where required.</p> <p>Future generations are treated fairly.</p> <p>A safe, clean water system regardless of drought is available to the community.</p> <p>Public awareness of our precious water resource and a sense of responsibility for it. (ie Belonging to Country).</p>

## Recommendation 2 Area: Customer Contributions

Heading	Coliban to take a larger or leading role in community contribution and collaboration.
Description	<p>Coliban can participate in community or other stakeholders' projects/programs/events to provide advice, information/education, or materials/booklets and promote the use of water saving appliances.</p> <p>Using their Digital metre program, they can analyse large industrial customer usage patterns and identify significant leaks or other unusual usage patterns. This may lead to water savings which benefit our customers/community as well as saving money for the specific customer. (Being mindful of privacy issues).</p>
Reasoning	The panel believes that the benefit of water resources being used in this way may create cost saving opportunities in providing these assets for the community. There is also no other viable organisation which would have the expertise and resources to do this, so it's important that CW continues to do this.
What is success?	<ul style="list-style-type: none"><li>• Community consultation to indicate satisfaction with Colibans community contributions.</li><li>• Increased growth of community resources.</li><li>• Liveability metrics, number of trees and green spaces</li></ul>

### Recommendation 3 Area: Customer Contributions (Coliban Water contributions to the Community)

Heading	Coliban Water continues to be a leader in the provision of water for community benefit
Description	Coliban Water should expand on its community contribution program and clearly convey their role in community contributions alongside other agencies and community groups
Reasoning	<p>Coliban Water takes a lead role and the community expects this given Coliban's sole remit is water (as opposed to Council who have a bigger remit).</p> <p>Coliban Water is already active in this space and therefore it would be relatively simple for Coliban to be more visible and transparent about ongoing community contributions and projects.</p>
What is success?	<p>Successfully working with Stakeholders and other groups/agencies around planning, delivery and expansion of programs in relation to community water provision e.g.</p> <ul style="list-style-type: none"><li>● Investment in infrastructure (water stations) to provide more access to fresh water in community</li><li>● Investment in innovation such as ecological services (e.g. watering parks &amp; gardens etc.)</li><li>● Collaboration with stakeholders with water sensitive urban design and planning</li><li>● Expanding school and kinder educational program</li><li>● Expanding water refiller and water trailer programs at local community events</li></ul> <p>Evidence of planning and collaboration with council and other groups in relation to planning, delivery and expansion of community water provision as detailed, would demonstrate success.</p>

## Recommendation 4 Area: Protecting against Drought

Heading	Adequate expenditure to ensure water security during times of drought.
Description	Coliban must prepare for future drought, and increased demand from population growth, through development and planning of water security measures to ensure that all communities have access to water. The cost for the infrastructure to enable this must be factored in with the bill increase.
Reasoning	<p>The majority of panel members recommend option 5 of the bill simulator, to increase the quarterly bill by 1.6% (\$5.39). A significant proportion of responses supported options 4 and 6 (6 and 7 respondents respectively, compared to 16 for option 5).</p> <p>Coliban water is the leading agency regarding water strategy within our region and has the direct connection with consumers. Coliban must be transparent about the costs, how expenditure is used, and what infrastructure is dedicated to provision of water for communities within our region.</p>
What is success?	<p>Success of this recommendation would be:</p> <ul style="list-style-type: none"><li>● We see an increased communication strategy to educate the community about the actions undertaken by Coliban for water security and the costs involved.</li><li>● We see awareness of reduced water usage, and a sense of responsibility to ensure future water security.</li><li>● We see a reduction of per capita consumption.</li><li>● The implementation of water security infrastructure.</li></ul>

## Recommendation 5 Area: Supporting Customers Experiencing Vulnerability

Heading	Increase financial support programs for customers experiencing hardship
Description	Ensure adequate funds are available to support vulnerability programs in line with the anticipated bill increases and community need. For example: by 0.2% p.a. (doubling contribution)
Reasoning	<p>Social support agencies have noticed an increase in requests for assistance.</p> <p>Furthermore, with an increase in water bills we anticipate increased customer requests for support in line with general household costs.</p>
What is success?	<p>An increase in available funding for supporting vulnerable households.</p> <p>Improved partnerships with support agencies and planned measures to increase uptake by vulnerable households.</p>

## Recommendation 6 Area: Supporting Customers Experiencing Vulnerability

Heading	Increase education about CW services for Customers Experiencing Vulnerability
Description	Focus on increasing customer awareness of Coliban Waters support services for people experiencing vulnerability. Raising the profile of the program will assist more people experiencing vulnerability to access the support they require.
Reasoning	There is a concern that there is not enough awareness of the services Coliban provides to customers experiencing vulnerability. Coliban water advised us it has more funds available than are applied for suggesting it is a resource that is not widely accessed. Members of this community panel had little knowledge of the Customer Assist Program or the types of support available, including the variety and personalised approaches to support.
What is success?	More people accessing the Customer Assist Program including service support and available funds. Increasing percentage of customer survey participants who are aware of the Customer Assist Program.

# Recommendation 7 Area: Supporting Customers Experiencing Vulnerability

Heading	Voluntary Contribution Option to Support Vulnerable Customers
Description	We recommend CW provide an option on the bill so customers can voluntarily contribute extra for discrete, specifically targeted projects that support vulnerable customers. Possible projects could be people experiencing hardship because of natural disasters, COVID 19, or domestic violence. This is an opt-in option, in addition to the programs Coliban already runs.
Reasoning	<p>This would increase the available funds to support the vulnerable without necessarily increasing bills for all customers.</p> <p>This engenders CW cultural objectives and provides us all an opportunity to be more inclusive and connected as a community.</p> <p>People enjoy being generous.</p>
What is success?	<p>People using this contribution option.</p> <p>Increased pool of funds to resource these projects/vulnerable people.</p>

## Recommendation 8 Area: Other

Heading	Expand and refocus community education programs
Description	<p>Community to be educated on how their money is spent eg: livability, vulnerable customers, infrastructure, capital works, water scarcity mitigation, community contributions (green open space, recycled water for residents etc).</p> <p>Coliban Water undertakes broader and ongoing community education on the effects of climate change, and what they are doing to combat it. E.g. 2030 Zero Emissions goal</p>
Reasoning	<p>Coliban must be able to communicate to customers how money is spent in order to justify their water rates.</p> <p>If users were better educated about the services Coliban provides then users would be more positive and informed about why rate rises need to happen. They might feel as though they are being consulted and included in the process.</p>
What is success?	<p>The community is aware of the functioning of Coliban Water and appreciates the service provided.</p> <p>The sentiment around rate rises from water users indicates an understanding of the driving factors underpinning the increase.</p>

## Recommendation 9 Area: Other

Heading	Invest in innovations to ensure future water availability.
Description	Coliban needs to be a leader in driving innovation of new technologies and processes, in collaboration with other water authorities in Victoria. Improvements to leak detection and repair, treatment, catchment volume and storage, are key areas
Reasoning	<p>Ensuring water security affords us the opportunity to use water beyond the scope of essential living purposes and improve the livability of our community and personal well-being.</p> <p>Water is a scarcity, and will continue to be with the drying of the country (50% reduction predicted) while demand increases with population growth.</p>
What is success?	<p>Successful implementation of these innovations will be indicated by:</p> <ul style="list-style-type: none"><li>● Being a leader in the water industry on the investigation and application of new technologies.</li><li>● Application of appropriate technologies to increase efficiencies in the way we treat and store our resources.</li><li>● Promoting the new technologies and the improved resource volume.</li></ul>

# Minority Reports

*A note on minority reports:*

- *Written by at least 3 people*
- *Two or less want to say something = separate submission to Coliban Water*
- *Not to exceed one page in length – follows the format in our report*

## Minority Report 1:

(3 people)

<b>Heading</b>	<i><b>What is the change we support (in a few words)?</b></i> 100% customer funding is unconscionable. Water is our constitutional right and should not be owned by or allocated to foreign interests.
<b>Description</b>	<i><b>Tell us more about your advice to Coliban Water about this recommendation from the community perspective (in 1-2 sentences).</b></i> It is not right that coliban water is bound to fund infrastructure to store and collect adequate water and offset the tax burden entirely through the customers. That the constitution is honoured at a state and federal level so that water is freely available to all. Tax payer dollars contribute to federal state and local government, wildlife education and health etc. it must also cover the most essential element required to sustain life. Water.
<b>Recommendation this relates to (if applicable)</b>	<i>List the recommendation number or name this relates to - if applicable.</i> <i>We request that coliban water negotiate with state federal bodies to ensure subsidised/affordable water supply to be accessible by all people. Water is the number one element required for life, health and food security.</i>

**Minority Report 2:**  
(4 people)

Heading	<i>What is the change we support (in a few words)?</i> Investigate an opt-in program similar to Green Energy for Coliban customers.
Description	<i>Tell us more about your advice to Coliban Water about this recommendation from the community perspective (in 1-2 sentences).</i>  There has been a lot of enthusiasm by panel members for opt-in options to support community services, however the recommendations relating to these ideas were not passed due to questions about their complexity, effectiveness, and cost. Simplifying these ideas into an opt-in option that allows customers to choose Green Energy (or similar) is an effective and positive solution to the problems the community panel discussed, and was supported by the majority of panel members. This would be in addition to Support Programs already in place. Good education and promotion of how the funds raised will be used, and transparent accountability for the program, will be important.
Recommendation this relates to (if applicable)	<i>List the recommendation number or name this relates to - if applicable.</i> Recommendation 13

## Minority Report 3:

(3 people)

Heading	<p><i>What is the change we support (in a few words)?</i></p> <p>Move from a panel process to a jury process which is more fit for purpose</p>
Description	<p><i>Tell us more about your advice to Coliban Water about this recommendation from the community perspective (in 1-2 sentences).</i></p> <p>Unfortunately the panel format did not capture all viewpoints and 90%+ of the time was spent on things outside of the scope. We feel this was a real waste of an opportunity to get a real sense of how an educated community would feel about the pricing options.</p>
Recommendation this relates to (if applicable)	<p><i>List the recommendation number or name this relates to - if applicable.</i></p> <ul style="list-style-type: none"><li>- The approach should focus on helping people understand the issues from all sides.</li><li>- More engagement with coliban along the way to check in and to make sure we are on the right track</li><li>- 3-4 scenarios that could be debated and deliberated on then we could keep the conversation focused around these scenarios.</li><li>- Much more time spent on explaining the mandate and scope.</li><li>- Provide time for deliberation</li><li>- Provide pre-reading at least a week or 2 beforehand, not 3 days before. Provide more than 15 minutes for minority reports.</li><li>- Improve accessibility to people with lower levels of digital accessibility</li><li>- An adversarial approach, similar to the jury process, would help people understand the impacts of the recommendations. For example, presenting the impact of an option A on people with vulnerabilities from the impacted persons perspective.</li><li>- Provide time for deliberation.</li></ul>

## Bill Simulator

Intergenerational equity			Option (Votes)
Simulator option	Descriptor	Quarterly bill impact (Owner)	1 - (1)
#1	<i>Fund as much as possible with debt to delay price rises</i>	\$16.64 (5.0%)	2 - (3)
#2	<i>Fund almost as much as possible with debt</i>	\$24.95 (7.5%)	3 - (6)
#3	<i>Fund mostly with debt</i>	\$33.25 (10.0%)	4 - (13)
#4	<i>Fund more through price rises</i>	\$41.58 (12.5%)	5 - (6)
#5	<i>Fund as much as possible with price rises</i>	\$49.86 (15.0%)	

Community Contributions				Option (Votes)
Simulator option	Descriptor	Quarterly bill impact (Owner)	Annual cost of program (change)	1 - (2)
#1	<i>Reduce Coliban Water's role</i>	-\$0.45 (-0.1%)	-\$100,000	2 - (6)
#2	<i>Maintain current involvement</i>	\$0.00 (no change)	Nil	3 - (10)
#3	<i>Take a larger role</i>	+\$1.35 (+0.4%)	+\$300,000	4 - (11)
#4	<i>Take a lead role</i>	+\$4.89 (+1.5%)	+\$1.2 million	

Drought Protection				Option (Votes)
Simulator option	Descriptor	Quarterly bill impact (Owner)	Annual cost of program (change)	1 (0)
#1	<i>Much higher chance of water restrictions during droughts</i>	<i>\$0.00 (no change)</i>	<i>Nil</i>	2 (1)
#2	<i>Higher chance of water restrictions during droughts</i>	<i>\$0.36 (+0.1%)</i>	<i>+\$80,000</i>	3 (1)
#3	<i>Use of groundwater in some towns to avoid/delay water restrictions</i>	<i>\$0.90 (+0.3%)</i>	<i>+\$250,000</i>	4 (6)
#4	<i>Slightly lower chance of water restrictions during droughts</i>	<i>\$1.80 (+0.5%)</i>	<i>+\$500,000</i>	5 (16)
#5	<i>Lower chance of water restrictions during droughts</i>	<i>\$5.39 (+1.6%)</i>	<i>+\$1.2 million</i>	6 (7)
#6	<i>Lowest chance of water restrictions during droughts</i>	<i>\$17.98 (+5.4%)</i>	<i>+ \$4 million</i>	

Customers experiencing vulnerability				Option (votes)
Simulator option	Descriptor	Quarterly bill impact (Owner)	Annual cost of program (change)	1 (2)
#1	<i>Reduce support</i>	<i>-\$0.34 (-0.1%)</i>	<i>- \$142,500</i>	2 (4)
#2	<i>Maintain current level of support</i>	<i>\$0.00 (no change)</i>	<i>Nil</i>	3 (15)
#3	<i>Double support</i>	<i>+\$0.68 (+0.2%)</i>	<i>+ \$285,000</i>	4 (3)
#4	<i>Increase support to \$1 million per annum</i>	<i>+\$1.71 (+0.5%)</i>	<i>+ \$0.7 million</i>	5 (5)
#5	<i>Increase support to \$3 million per annum</i>	<i>+6.48 (+1.9%)</i>	<i>+ \$2.7 million</i>	