



2026-31 Price Submission

CUSTOMER SUMMARY



July 2025



WHAT'S INSIDE

Welcome to our 2026 Price Submission Customer Summary	01
Message from our Chair and MD	02
Our proposal at a glance	03
About us	05
Our challenge	06
Our engagement	07
What we heard	08
What we will deliver	10
What this means for your bill	17
How we will keep bills fair	19
Supporting our customers	20
What's next?	21

ACKNOWLEDGEMENT



In the spirit of reconciliation, North East Water acknowledges the Traditional Owners of Country throughout north-east Victoria and their connections to Land, Water and community. We pay our respects to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander people.

We acknowledge the continued cultural, social and spiritual connections that First Nations people have with the Lands and Waters and recognise that these groups have cared for and protected them for thousands of generations.

WELCOME TO OUR 2026 PRICE SUBMISSION CUSTOMER SUMMARY

We're inviting your feedback on this Customer Summary of our 2026 Price Submission — well before we lodge our submission to Victoria's independent economic regulator, the Essential Services Commission (ESC) by 1 October 2025.

This summary has been shaped by years of dedicated engagement with our customers, community and key stakeholders.

It outlines the water and wastewater services we plan to deliver, the investments we'll make, and the proposed prices customers will pay from 1 July 2026 to 30 June 2031.

We're extremely grateful to the thousands of customers who shared their views through surveys, focus groups, workshops, bill simulators, community webinars, town pop-ups and our website. A special thanks goes to those who contributed through our Critical Friends Group, Customer Deliberative Forum, Customer and Community Advisory Group, Strategy 2040 development, Regional Leader's Forum, Developer Forums, Local Government briefings and Customer Care Fair Practice Plan engagement.

We've listened carefully and incorporated this feedback into our draft submission.

Now, we're checking back in with you — our customers and community to confirm what we heard ahead of our submission to the ESC.

We invite you to explore what's proposed, understand how your feedback has shaped our plans, and discover how you can still have your say before the submission is finalised.



Have your say

Let us know what you think at newater.com.au/ps or via the QR code by 8 August 2025.



Want the short version?

Read our 'Proposal at a Glance' on pages 3 to 4.

MESSAGE FROM OUR CHAIR AND MD

On behalf of North East Water, thank you to everyone who has helped shape and influence our preparations for this Customer Summary ahead of our official price submission to the Essential Services Commission (ESC) by 1 October 2025.

We've heard clearly customers want North East Water to be local, reliable, responsive, sustainable and fairly priced. We've also heard concerns about housing shortages, cost of living and caring for the environment. We've worked hard to responsibly address these aspirations and concerns.

Over the past decade North East Water has maintained some of the lowest water bills in Victoria. We've achieved this through careful management, innovation and a strong focus on being efficient.

However, with our communities growing and climate changing, we are entering a new phase. Pricing needs to reflect the significant infrastructure investments required to service growth, comply with increased health and environmental standards and adapt to a changing climate.

We shared this challenge with our Customer Deliberative Forum which you can read about on page 07. They recommended an annual price increase of between 4.92% and 5.87% each year to enable us to invest \$250 to \$300 million in critical infrastructure over the next five years. We've accepted this recommendation and are proposing price increases within this range.

Our commitment to customers is that our bills will remain on par, or below the average bills for regional Victorian water corporations.

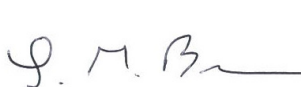
In return, customers will see significant value. We'll invest \$250 million in critical infrastructure to enhance water and wastewater security. This will support over 9,000 new housing connections and enable future industrial growth. These projects will also create jobs, requiring around 500 planning and construction workers. We'll improve environmental compliance at our wastewater facilities, enhance customer experience through technology, strengthen data and infrastructure security, and continue building climate resilience.

We're committed to innovation that reduces costs to keep downward pressure on bills. For example we're partnering with industry and government on initiatives to reduce energy and waste costs, cut greenhouse gas emissions and create future revenue streams aligned to our core business.

We understand that some customers struggle to pay their bills which is why we're proposing to double our customer support program from \$200,000 to \$400,000 a year. We'll assist thousands of customers annually through payment extensions, bill rebates, grants, and access to government concessions. We're also rebalancing water tariffs to ease the burden on tenants, large families and small businesses, while continuing to reward water conservation. It will also provide more secure revenue in a changing climate.

Now, we'd love to hear from you. Your feedback on this Customer Summary will help shape our final submission to the ESC.

Thank you for being part of this important conversation about the future of water in our region.



Stephen Brown
Chair




Jo Murdoch
Managing Director



OUR PROPOSAL AT A GLANCE

OUR COMMITMENT TO YOU

Our price submission will deliver five key customer commitments. These reflect the expectations and priorities we heard from our customers and community during our engagement. Learn more about engagement on page 07.

FAIR PRICES
Fair prices, value for money and increased customer support

SUSTAINABLE PRACTICES
Minimise our impact on the environment and contribute to sustainable environmental health

RELIABLE SYSTEMS
Clean, safe water and more resilient systems

RESPONSIVE SERVICES
Timely responses and a seamless customer experience

LOCAL COMMUNITY
Local people and local partnerships to achieve positive outcomes for customers

You told us (summary)	We're proposing
You want us to continue to be local, reliable, responsive, sustainable and fairly priced.	Five customer commitments and 18 measurements of success. We'll report our progress on our website and via a community webinar twice a year. Refer to page 11 for a more details on our customer commitments.
Provide clean, safe water. Minimise our impacts to the environment. Plan for growth and housing. Invest more in infrastructure.	\$250 million for infrastructure to support housing and industry growth, improved health and environmental compliance and climate resilience in both large cities and small towns. A further \$44 million in growth-related projects subject to demand. This will provide capacity for over 9,000 new house connections and an estimated 500 jobs in planning and construction across the region.
Keep prices and services fair and equitable for all.	Average bills to rise by \$61 a year or 17 cents a day (5.25%) not including annual inflation changes from 1 July 2026. Refer to pages 4 and 17 for more detail about our proposed prices and what this means for you. Our commitment to customers is that our average bill will remain on par or below the Victorian regional average for the full five years of this price submission.
Support customers experiencing financial difficulties.	\$2 million over 5 years (or \$400,000 a year) to help customers experiencing hardship through payment extensions, leak rebates, grants and access to vital government concessions. We're rebalancing (reducing) our volumetric water tariffs by 3% per year for five years while increasing fixed charges. This will better support tenants, large households and small businesses, while continuing to encourage water conservation. It also provides more secure revenue in a changing climate.
Spend money to fix pipes so there are fewer interruptions.	Our above and below ground renewals program will continue, with \$18.5 million spent on wastewater infrastructure and a further \$33.5 million on water infrastructure. \$311.8 million in operating expenditure over five years, decreasing from \$971.12 per connection in 2026-27 to \$945.49 by 2030-31. This demonstrates our commitment to being efficient and providing value for money.
Employ locals.	We will continue to be a major employer in the region , employing 231 full time positions across the business to manage the increased requirements associated with maintaining service standards, compliance and climate change.

HOW YOUR BILL WILL CHANGE

We’re proposing a 5.25% price increase each year for the next five years (not including inflation charges). In the first year, this would add about \$61 to the average owner/occupier’s bill or \$1.17 a week. Over five years, that’s a total increase of \$339 — or around 19 cents a day for a typical household using 194 kilolitres of water per year.

Even by year five, our projected average bill of **\$1,436** will remain below the expected regional Victorian average of **\$1,459** by 2031.

Below is a breakdown of projected bills for different customer types over the next five years.

Average customer bill ¹	Typical annual water bill for 2025–26	Proposed YEARLY bill increase from 1 July 2026 ²	Proposed QUARTERLY bill increase from 1 July 2026 ²	Proposed WEEKLY bill increase from 1 July 2026
Owner/Occupier (194kL)	\$1,097	\$61	\$15.25	\$1.17
Tenant (175kL)	\$509	\$11	\$2.75	\$0.21
Concession (125kL)	\$524	\$58	\$14.50	\$1.11
Large water using household (300kL) ³	\$1,405	\$68	\$17.00	\$1.31
Small water using household (135kL) ³	\$925	\$57	\$14.25	\$1.10
Small business (1,050 kL)	\$3,975	\$132	\$33.00	\$2.54

¹Average bill based on the 41,525 customers in Wodonga, Wangaratta, Benalla, Yarrawonga, Baranduda, Kiewa and Tangambalanga. For all other towns, visit [newwater.com.au/ps](https://www.newwater.com.au/ps).

²The bill impacts shown here are based on a typical (average) bill, and do not include inflation.

³ Owner/Occupier

CUSTOMER SUPPORT

We offer a range of support options for customers experiencing financial hardship.

One key option is the Utility Relief Grant Scheme (URGS) — a Victorian government-funded program that provides up to \$650 to help cover overdue electricity, gas or water bills over two years.

This grant is available to eligible customers facing temporary financial difficulties due to special circumstances.

DID YOU KNOW?

North East Water customers have some of the most affordable water bills in Victoria.

- Currently, our average annual bill is around \$220 less than the typical Victorian regional average bill.
- It’s also \$500 below the national average bill for large water corporations*

*Bureau Meteorology (BOM) National Water Performance Report 2023-24: www.bom.gov.au/water/npr/

ABOUT US

We provide essential water and sewer services to around 120,000 people across 39 towns in north-east Victoria. This region is 20,000 square kilometres and incorporates seven local government areas.

While most of our customers are residential, we also service major industries and commercial businesses. To deliver these services, we manage 21 water treatment plants and 22 wastewater treatment plants.

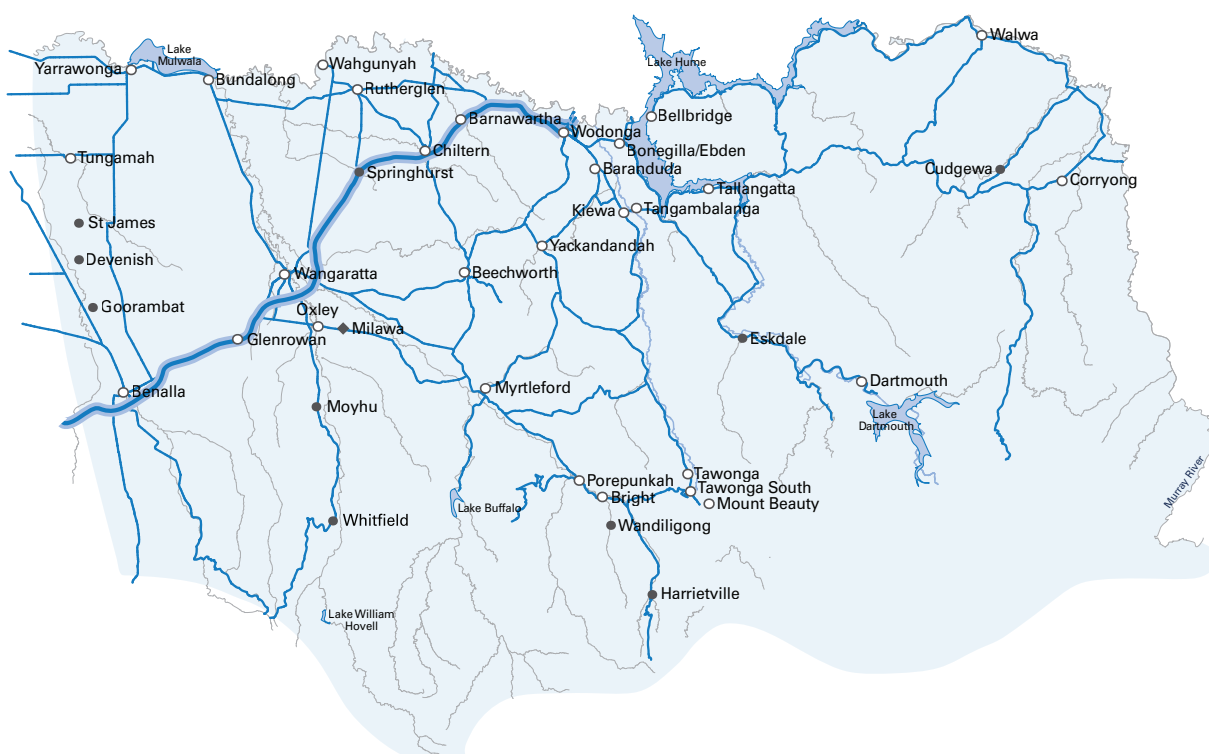
We also provide recycled water, untreated water and standpipe access to our communities.

Our team also maintains, upgrades and plans the infrastructure needed to deliver water to our customers and remove and treat their wastewater.

We are a Victorian Government owned entity, with shareholder responsibility overseen by the Minister for Water.

Our vision is a healthy environment, thriving communities, and a prosperous region. Our purpose is to provide safe, sustainable water and wastewater solutions for our communities.

OUR SERVICE REGION



OUR CHALLENGE

Victoria's north-east region is growing, our climate is changing and technology is rapidly advancing.

We need to invest at least \$1 billion within the next 10 to 15 years to upgrade and expand critical infrastructure across our region.

This is urgently needed to ensure reliable water and wastewater services can support population growth and meet increased standards for health, environmental protection and cybersecurity. It will also help us plan and adapt to the impacts of climate change.

We're proposing significant capital infrastructure investments in our 2026–31 price submission, which will be a strong step forward towards proactively addressing this challenge.

A lack of investment now will slow housing development, impact the environment, reduce service reliability and lead to higher bills later on.

Further investment will likely be required in future price periods to meet the infrastructure requirements of the region.

To address these challenges, North East Water is being proactive and solutions-focused:

- By 30 June 2026 (the end of our current 8 year price plan), we will have invested over \$340 million in critical infrastructure responding to growth and compliance requirements.
- Over the past three years, we have been transforming our organisation — building the skills, capabilities, systems and structures needed to manage larger and more complex capital projects in the future.

- We have completed or are nearing completion of 15 masterplans for our growing towns and cities, showing what infrastructure is needed and by when.
- We're responding to climate change in the way we design and build our infrastructure. For example, our Wodonga wastewater treatment plant upgrade, which will cater for increased housing and industry growth to 2045, will also ensure the site is powered by 100% renewable energy and that greenhouse gas emissions are reduced.

All of this has been positioning North East Water to deliver the infrastructure our region needs to address the growth, housing and compliance challenges our customers have told us are important to them.



OUR ENGAGEMENT

We’re committed to involving customers in decisions that affect them. Over the past 3 years, we’ve actively engaged with customers, community members and stakeholders to help shape our 2026 Price Submission. This collaboration has been essential in finding the right balance between meeting customer needs, delivering essential services and maintaining fair and sustainable pricing.

Our engagement program was designed to ensure the engagement methods suited the topics being explored, and reflected the diverse preferences of our customers, community and stakeholders.

Throughout the process, we created multiple opportunities for people to share their views in a manner that suited them best. This included surveys, focus groups, interviews, workshops, pop-up kiosks, webinars and a deliberative forum. We also worked closely with key stakeholders, including customer support agencies, local government, First Nations communities, major customers and developers.

This extensive engagement has directly shaped and influenced our proposed pricing, service standards and investment plans for the next price period.

Our engagement activities are highlighted below.

ENGAGEMENT ACTIVITIES



WHAT WE HEARD

We've heard clearly that customers are concerned about housing shortages, cost of living and caring for the environment.

Customers told us they value services that are reliable, responsive, sustainable, locally focused and fairly priced. They expect us to minimise our environmental footprint, plan and deliver for both current and future generations, and ensure that infrastructure investment benefits communities across both large cities and small towns. There is also strong support for ensuring that developers contribute their fair share to the cost of growth.

Importantly, our customers also expressed strong support for initiatives that assist those experiencing financial hardship.

This engagement highlights the need to invest significantly in critical infrastructure while also keeping bills fair and continuing to support our most vulnerable customers. Balancing these priorities is central to our submission.

Across all of our engagement activities, several consistent key themes emerged and these have formed the foundation for our proposed five customer commitments. These are outlined in the next column.

“We want you to have a system that helps people. Having water in your house is important. We expect utilities to look after people who can be a pay cheque away from being unable to afford their water bill”

— Taungurung Land and Waters Council

Key themes

FAIR PRICES

- Keep prices and services fair and equitable for all
- Support customers experiencing financial difficulties
- Make it easy for vulnerable customers to access our support program
- Educate the community on ways to save water and reduce bills
- The cost of living and affordable housing are a concern.

SUSTAINABLE PRACTICES

- Minimise our impacts to environment
- Reduce sewer spills
- Prioritise our environmental compliance obligations
- Work with Traditional Owners to achieve positive outcomes for Country.

RELIABLE SYSTEMS

- Provide clean, safe water
- Ensure there is enough water for the future
- Keep the water flowing
- Reduce sewer blockages.

RESPONSIVE SERVICES

- Fix things promptly
- Communicate interruptions, including expected duration
- Spend money to fix pipes so there are fewer interruptions
- Provide a seamless customer experience.

LOCAL COMMUNITY

- Employ locals
- Plan for growth, but ensure its done in a sustainable manner
- Invest more in infrastructure
- Developers should be contributing fairly
- Small towns should not be left behind or disadvantaged.

DELIBERATIVE FORUM

All the feedback we received through our engagement was then provided to our 'community deliberative forum'. This forum was a key part of our engagement for the price submission. It was made up of 30 people who were selected through an independent process to reflect the diversity of our customers and communities.

We asked the participants to help us answer the following question:

'Our communities are growing and our climate is changing. How do we work together to plan for the future so we can continue to provide safe, reliable, sustainable and affordable services for now and generations to come?'

They met over five days and focused on the following:

- How North East Water balances fixed and volumetric charges on bills.
- How North East Water balances investment in growth and compliance with affordability.
- Should North East Water raise, lower or keep our current service standards for water and wastewater systems.

The forum provided a set of 22 recommendations. Of those recommendations, we will implement 20 in full, with the remaining two to be partially implemented.

Key recommendations from the group included:

- Increasing customer bills by 4.92% to 5.78% to support a capital investment of \$250–\$300 million.
- Expanding support for customers experiencing hardship.
- Adjusting tariffs by raising fixed charges and lowering variable charges to ensure water security in a changing climate, fund infrastructure renewal and replacement, and create fairer pricing for renters, large families and vulnerable customers.

The group reconvened for a sixth session to review updates on our modelling, pricing impacts and how their recommendations were being incorporated.

They unanimously agreed that North East Water has delivered on its promise to implement their recommendations to the maximum extent possible.

You can read more about the deliberative forum process at newater.com.au/ps.



WHAT WE WILL DELIVER

We're proposing more than \$250 million in infrastructure investment over the next five years.

This funding will deliver essential projects that boost water and wastewater security, support the capacity for the construction of over 9,000 new homes, create 500 jobs, improve environmental outcomes and strengthen climate resilience.

We will also have an additional \$44 million in critical growth-related infrastructure projects ready to commence subject to demand. Should these proceed, we will seek to recover the costs in future regulatory periods.

Our submission also addresses rising costs from health and environmental compliance, climate emergency response, water loss reduction, and circular economy partnerships that cut waste and energy use while creating future revenue opportunities.

We plan to double support through our customer assistance program, with \$2 million over five years to help around 1,000 customers annually with rebates, grants and other aid.

Finally, we're proposing a tariff rebalance to ease the impact of price increases on tenants, large families and small businesses — while still encouraging water conservation and giving customers control over their bills. This means shifting our pricing structure to place more emphasis on fixed service charges and reducing the proportion of usage-based (volumetric) water charges. The result is fairer, more predictable bills.

COMMITMENTS

Our price submission will deliver five key commitments for customers. These reflect the expectations and priorities we heard during our engagement.

FAIR PRICES

Fair prices, value for money and increased customer support



SUSTAINABLE PRACTICES

Minimise our impact on the environment and contribute to sustainable environmental health



RELIABLE SYSTEMS

Clean, safe water and more resilient systems



RESPONSIVE SERVICES

Timely responses and a seamless customer experience



LOCAL COMMUNITY

Local people and local partnerships to achieve positive outcomes for customers



OUR CUSTOMER COMMITMENTS

This section outlines the feedback we've received, the actions and investments we're proposing to make to achieve our outcomes, and the metrics we'll use to track our progress.



Fair Prices

Fair prices, value for money and increased customer support

What we heard

Customers have an expectation that prices should be fair for all and should reflect quality. They want us to help customers who are struggling to pay their bills and build awareness in the community of our support programs.

What we plan to do

- Rebalance our fixed and variable tariffs. We propose to implement this gradually, reducing the volumetric water tariff and increasing the fixed water and wastewater tariff by 3% each year to a total of 15% at the end of the price period. This will reduce the annual proposed price increase for tenants, large families and small business while still providing customers with appropriate price incentives to conserve water.
- Increase our customer support program by doubling the financial support available from \$200,000 a year to \$400,000 a year (total \$2 million over 5 years). This will ensure we have appropriate support available for customers impacted by our price increases.
- Improve access to our customer support program through a targeted education and communication program.
- Implement our Customer Care Fair Practice Plan, focusing on four key objectives to ensure our services are safe, inclusive and accessible to customers of all circumstances and abilities, particularly those experiencing financial hardship. This includes a dedicated safety-by-design program to ensure our policies, systems and processes are designed to protect our customers and community, particularly those at risk of domestic and family violence.
- Engage regularly with customers with 'lived experience of hardship' and customer support agencies to ensure our Customer Care Fair Practice Plan remains relevant and is supporting vulnerable customers.

Measurements of success

- Our average water bill always remains below or on par with the Victorian water corporation regional average water bill during this price period.
- At least 90% of customers in the support program report the program has helped them with payment difficulties.
- At least 70% of customers believe they receive value for money from the services we provide.
- At least 75% of customers are aware of our customer support program increasing to 85% by year 5.

Guaranteed Service Level accountability

If we restrict the water supply or take legal action against a residential customer prior to making reasonable efforts to contact them and provide information about help that is available if they are experiencing difficulties paying, we will pay that customer \$385.



Sustainable Practices

Minimise our impact on the environment and contribute to sustainable environmental health

What we heard	Customers want us to minimise our impacts on the environment and consider sustainability in our water and wastewater management practices.
What we plan to do	<ul style="list-style-type: none">Upgrades to the Bright wastewater treatment plant to achieve Environment Protection Act 2017 (Vic) (EPA) General Environmental Duty compliance (\$20.1 million).Upgrades to the Rutherglen wastewater treatment plant to both address capacity and operational constraints as well as meeting EPA General Environmental Duty compliance (\$10.8 million).Upgrades to the Beechworth wastewater treatment plant to achieve EPA General Environmental Duty compliance (\$15.4 million).Upgrades at the Benalla wastewater treatment plant to achieve EPA General Environmental Duty compliance and support growth (\$5.8 million).Meet our greenhouse gas emissions targets through a portfolio of emission reduction strategies including wind, solar, biogas production, biochar and carbon sequestration.Progress innovative circular economy projects that align to our core business, reduce waste and energy costs, are cost neutral or generate new revenue options to help keep downward pressure on bills such as biosolids to biochar, oxygen reuse, and heat transfer to industry.
Measurements of success	<ul style="list-style-type: none">Reducing the number of non-environmental compliances with EPA licence(s) from less than 14 in year 1 to less than 9 by year 5.Reducing greenhouse gas emissions to 5,000 tonnes CO2-e by year 5 and zero by 2035.



Beechworth wastewater treatment plant to be upgraded



Reliable Systems

Clean, safe water and more resilient systems

What we heard

Clean, safe water is a priority for our customers. They want us to plan for future growth and ensure we have secure and sustainable water and wastewater services.

What we plan to do

- Our above and below ground renewals program will continue, with \$18.5 million spent on wastewater pipelines and a further \$33.5 million on water infrastructure.
- Improved water security and water quality for Yarrawonga with a new clear water storage and upgrade to the water treatment plant (\$10.3 million).
- A major renewal at the Wangaratta water treatment plant to enable continued compliance with Australian drinking water guidelines (\$19.5 million).
- Installation of ultra violet treatment technology at Yarrawonga, Yackandandah, Harrietville and Bright water treatment plants to ensure delivery of safe drinking water in the face of growth, climate change and changing catchments (\$3.5 million).
- Construction of new clear water storage at Porepunkah to increase security of supply for the township.
- We will increase education and awareness of the role we all play in water conservation and efficiency, especially in towns where water security is a priority.
- Our 50-year Urban Water Strategy will be finalised to ensure a reliable water supply for our communities. The strategy identifies potential water shortfalls and explores solutions to meet future demand.
- We will pursue Integrated Water Management (IWM) solutions that reduce the impact on climate dependent water sources and contribute to water security, improved liveability and environmental outcomes.
- Continuation of recycled water schemes across our region including Rutherglen, Wodonga, Wangaratta and Corryong.

Measurements of success

- Zero boil water notices caused by a failure in our system.
- Zero non-compliances with the Safe Drinking Water Regulations (subject to the implementation of the new Victorian regulations regarding aesthetics).
- Customer comfort that 'we are taking steps to ensure we have enough water in the future' responses greater than 65%.
- Less than 14 unplanned water supply interruptions per 100km per year.

Guaranteed Service Level accountability

- If there are more than 5 unplanned water supply interruptions to a customer's property in any 12-month period, we will pay that customer \$65.



Responsive Services

Timely responses and a seamless customer experience

What we heard

Customers told us they expect us to keep the water flowing, fix things promptly and update them during an interruption. They want fewer water interruptions, and to be informed about them beforehand. They prefer planned to unplanned interruptions and want a quick resumption of service.

What we plan to do

- A new sewer pump station and rising main is required in South Bandiana along with gravity sewer infrastructure to service proposed development needs now and into the future (\$9.9 million).
- Improve the way we communicate with customers during planned and unplanned water and wastewater interruptions with more up to date projected resumption of service notifications.
- We will place a higher focus on water leaks in the street and improve notification of repairs.
- A trial to install approximately 14,000 digital meters across our network, approximately 25% of our customers, to provide real-time water usage data and improved leak detection capabilities (\$2.7 million).
- Implement a 'digital contact centre' to enable customers to interact with us via methods other than phone, such as SMS, email, social media and smart forms.
- Improve technology for our field teams to allow them faster response to faults and emergencies.
- Implement a customer portal to allow customers to better manage their account and billing data, view water usage, report faults, ask questions and learn about water conservation.
- Make it easier for developers both large and small to do business with us. We'll introduce an online portal to submit and track the progress of applications. We'll publish an annual growth servicing plan with the locations and timing of key water and sewer infrastructure and the availability of new connections to our systems. We'll also streamline asset standards and work with larger developers to identify innovative ways to deliver key infrastructure to enable growth.

Measurements of success

- Minimum 98% of planned and unplanned water supply interruptions restored within 5 hours.
- Minimum of 80% of customers who believe we are easy to deal with.
- 100% of all sewer blockages rectified within 150 minutes.
- 80% of all priority 3 water service connection repairs are completed within 2 weeks, with the balance repaired within 3 weeks.
- Affected customers receive notification prior to a planned interruption via our website and SMS as per our Customer Charter.

Guaranteed Service Level accountability

- If we don't contain a sewer spill in a house within 1 hour of notification (caused by the business or a failure of the business' system), we will pay that customer \$1,275.
- If we don't contain a sewer spill within 5 hours of notification (caused by an asset failure and reportable to the EPA), we'll make a contribution to a community catchment project of up to \$2,000.*

* In the community impacted by the spill.



Local Community

Local people and local partnerships to achieve positive outcomes for customers

What we heard

Customers told us that planning for future growth and investing more in infrastructure is a priority. They believe growth should be managed to support economic development and community values in both small and large towns. We should continue to employ local people with local knowledge. Stakeholders want to partner with us to achieve positive outcomes for the region.

What we plan to do

- Commencing the upsizing and replacement of the existing Wodonga sewer transfer main that is at capacity and nearing the end of its service life from the Forrest Mars Avenue sewage pump station to the Wodonga wastewater treatment plant. The pipeline is critical to the Wodonga wastewater network, conveying approximately 95% of the region's total wastewater volume (\$35.25 million). Complete replacement of the main is proposed to be undertaken over three successive price periods to cater for growth and compliance.
- Wodonga-Leneva water and wastewater upgrades to address growth and compliance within the Wodonga-Leneva water and wastewater network (\$13.1 million).
- Significant upgrades to the Kiewa-Tangambalanga water and wastewater systems to meet current and future housing demand (\$15.8 million).
- Partnering with local government to explore innovative opportunities for a regional waste solution that supports our core business by reducing waste, and is cost neutral turning biosolids and council organic waste into biochar.
- Continued developer and Local Government forums to ensure we maintain a collaborative approach to planning for future growth.
- Provide employment for 231 full time positions across the business. This represents an increase of 5% full time positions to manage the increased requirements associated with maintaining service standards, compliance and climate change.

Measurements of success

- Minimum 80% customer satisfaction with North East Water staff's local knowledge, employment and location.
- Minimum 80% of key stakeholders from local government, customer support agencies and business believe that collaborating with us is achieving positive outcomes for the community.

OUR KEY CAPITAL INFRASTRUCTURE PROJECTS FOR 2026–31

- **Wangaratta water treatment plant upgrade (\$19.5 million)**
Major upgrade of the water treatment plant to support population growth
- **Wodonga to Leneva water and sewer main upgrades (\$13.1 million)**
Critical infrastructure improvements to support short-term growth with a further \$16.1 million ready to commence subject to future demand
- **Wodonga sewer transfer capacity project (\$35.25 million)**
Upsize and replace an existing major transfer main to support growth with a further \$24.8 million subject to timing, demand and approvals
- **Rutherglen wastewater treatment plant upgrade (\$10.8 million)**
Major upgrade to the sewage treatment plant to address capacity and operational constraints
- **Kiewa-Tangambalanga water and sewer systems upgrade (\$15.8 million)**
Upgrades to the water and sewer systems to support current and future demand
- **Yarrowonga water system upgrades (\$10.3 million)**
Upgrades to the water treatment plant and clear water storage to support population growth
- **Bright, Benalla and Beechworth wastewater treatment plant upgrades (\$35.7 million)**
Upgrades to each town's sewerage treatment plant to support environmental compliance
- **Regional water infrastructure renewals (\$33.5 million)**
- **Regional sewer infrastructure renewals (\$18.52 million)**



Wodonga wastewater treatment plant upgrade now underway to increase the facility's capacity and reduce its carbon emissions.

WHAT THIS MEANS FOR YOUR BILL

We're proposing a 5.25% price increase each year for the next five years (not including inflation charges). In the first year, this would add about \$61 to the average owner/occupier's bill or \$1.17 a week. Over five years, that's a total increase of \$339 — or around 19 cents a day for a typical household using 194 kilolitres of water per year.

Below is a breakdown of projected bills for different customer types over the next five years.

Average customer bill ¹	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Owner occupier (194 kL)	\$1,097	\$1,157	\$1,222	\$1,290	\$1,361	\$1,436
Owner occupier with concession (194kL)	\$725	\$786	\$850	\$918	\$989	\$1,063
Tenant (175 kL)	\$509	\$519	\$530	\$541	\$553	\$564
Tenant with concession (175 kL)	\$323	\$333	\$344	\$355	\$367	\$378
Small water using household (135 kL)	\$925	\$983	\$1,043	\$1,107	\$1,175	\$1,245
Large water using household (300 kL)	\$1,405	\$1,472	\$1,543	\$1,618	\$1,696	\$1,777
Concession (125 kL)	\$524	\$581	\$641	\$704	\$771	\$841
Small business (1050 kL)	\$3,975	\$4,107	\$4,234	\$4,367	\$4,504	\$4,647

¹Average bill based on customers in Wodonga, Wangaratta, Benalla, Yarrawonga, Baranduda, Kiewa and Tangambalanga. For all other towns, visit newater.com.au/ps.

* The bill impacts shown here are based on a typical (average) bill, and do not include inflation.

BREAKING DOWN OUR CHARGES

Our customers are charged based on a combination of fixed service charges and volumetric usage charges.

Fixed Service charges

Service charges vary by town and service type (water and wastewater). Fixed charge covers the cost of operating, maintaining and repairing the community's water and sewer infrastructure. This includes the pipes and systems that store, treat, and deliver water to your property, as well as those that transfer and treat sewage. If you rent your property, the landlord is responsible for paying these service charges.

Volumetric charge

A volumetric charge covers the cost of water used at your property. This fee is charged per kilolitre (or 1000 litres) used.

WHERE YOUR MONEY GOES

Every dollar of your water bill helps deliver essential services that keep our community healthy, safe and thriving.

Your water bill pays for:

- **Treatment** (water and sewer) — Providing safe, clean drinking water directly to your tap. Removing sewage from your property and treating it sustainably.
- **Operations and networks** — Maintaining and upgrading our water and sewer networks. Building new infrastructure to support our growing region.
- **Environmental contribution** — Ensuring compliance with health and environmental standards to protect our community.
- **Corporate** — Employing skilled local staff and supports corporate governance and stakeholder obligations.
- **Customer service and billing** — Supporting customer service functions, including meter reading and quarterly billing.
- **Technology and systems** — Covering technology and licensing costs to operate digital systems and maintain cybersecurity.

Your \$100 contribution at work

Treatment (water and sewer)	\$32.75
Operations and networks	\$31.59
Environmental contribution	\$3.40
Corporate	\$20.48
Customer service and billing	\$4.92
Technology and systems	\$6.86

DID YOU KNOW?

One kilolitre (or 1000 litres) of water currently costs just \$2.91. It is equivalent to:



222 toilet full flushes



25 x 5 minute showers



13 front load washing machine cycles



7 top load washing machine cycles



33 dishwasher cycles



A single-use plastic bottle of water costs around \$3 per litre — that's nearly 1,000 times more expensive than tap water.

So, if you spent \$3 on tap water, you'd get over 1,000 litres which is enough to fill more than 2,000 reusable bottles!



Your drinking water is safe — it's 100% compliant with the Australian Drinking Water Guidelines.

HOW WE WILL KEEP BILLS FAIR

North East Water has had some of the lowest water bills in Victoria for over a decade. From 2014 to 2024, our average bill ranked either the lowest or second lowest among regional water corporations.

In 2023–24, our typical household bill (based on 194kL) was \$1,023 or 49% (\$500) below the national average of \$1,524 for large water corporations*. Within Victoria, our bill was the second lowest in regional areas, 18% (\$220) below the average.

As we enter this new phase, we face the need to increase prices to fund the essential services and infrastructure that will support our communities — both now and into the future.

Customer feedback shows the need for significant investment in critical infrastructure, balanced against the importance of keeping bills affordable and continuing to support vulnerable members of our community.

Our commitment to keeping bills fair includes:

- From 2026 to 2031, we propose that our average customer bill will remain at or below the average for regional Victorian water corporations.
- If we significantly over-recover revenue in the early years of the pricing period, we will return the surplus to customers through a tariff price freeze in the following financial year.
- We're proposing to deliver an additional \$44 million in critical growth-related infrastructure projects, which will only proceed if demand arises. This approach shifts risk to the business, rather than asking customers to fund these projects now. Costs will be recovered in future price periods.
- We're doubling our hardship fund to \$2 million over five years and increasing resources to administer this vital support, ensuring we can better assist customers experiencing financial difficulty.
- We're committing to an efficiency rate of 1.46%, equating to \$1.97 million in savings over five years. This exceeds the industry benchmark of a standard submission of 1.2% set in the 2023 water price reviews.

*Bureau Meteorology (BOM) National Water Performance Report 2023-24: www.bom.gov.au/water/npr/

SUPPORTING OUR CUSTOMERS

We understand that some of our customers are already facing financial challenges, and we recognise that the proposed price increases may add to existing cost-of-living pressures. That's why providing support has never been more important.

We're committed to ensuring everyone has access to affordable water and sewer services. To support customers facing higher bills, we're doubling our investment in assistance programs — ensuring help reaches those who need it most. Over the next five years, we'll invest \$2 million to proactively support around 1,000 customers each year through our dedicated assistance and support initiatives.

Key assistance and supports will continue and include:

- Bill relief through rebates.
- Support in applying for Victorian Government grants including the Utility Relief Grant Scheme (URGS) worth up to \$650 over two years.
- Setting up affordable payment plans.
- Help in accessing concessions for eligible customers like pensioners.
- Essential plumbing and leak assistance to resolve issues quickly for eligible customers.



CUSTOMER CARE FAIR PRACTICE PLAN

Our Customer Care Fair Practice Plan was developed following extensive engagement with customer support agencies and customers experiencing financial difficulties. It aims to ensure our services are safe, inclusive and accessible to customers of all circumstances and abilities, particularly those experiencing vulnerability. The plan has four key objectives:

- Create more opportunities to help vulnerable customers and continually improve existing services.
- Build greater awareness and understanding of support programs with customers.
- Partner, collaborate and build relationships with support agencies to better help customers.
- Resource, skill and equip staff to support customers who may be vulnerable.

We will continue to implement these improvements, along with many others identified in the plan, to ensure customers get the support they need.

SUPPORT OPTIONS

Life doesn't always go the way you plan. If you are having trouble keeping on top of your bills, we are here to help. We have support and payment assistance to suit your circumstances, and we'll work with you to get things back on track — no matter how long it takes.

- Call on 1300 361 633
- Email us at info@newater.com.au
- Go to our website newater.com.au/help where you can request a callback from our team.

WHAT'S NEXT?

HAVE YOUR SAY

You now have the opportunity to provide feedback on our draft proposal before we submit it to the Essential Services Commission (ESC) for review.

Tell us what you think about the promises we are making and actions we are taking.

Here's how you can have your say:

- Scan the QR code to the right or via newater.com.au/ps
- Send us an email at haveyoursay@newater.com.au
- Call us on 1300 361 622



Closing date for your feedback is 8 August 2025.

NEXT STEPS

After the ESC reviews our draft proposal, customers will have another opportunity to provide feedback directly to the Commission before a final decision is made.

North East Water's new pricing is scheduled to take effect from 1 July 2026.

For more information about our price submission process, visit newater.com.au/ps.

You can also learn about the independent regulatory process on the Essential Services Commission website: esc.vic.gov.au/water/how-we-regulate-water-sector.



FEEDBACK ON OUR ENGAGEMENT PROCESS

Deliberative forum participant — Francis

"It's been a really enjoyable and engaging experience. It's been great to hear the view points and priorities of both North East Water and also the community because it all impacts on us."

Deliberative forum participant — Anthony

"The deliberative forum I found to be very inclusive and gave me a lot of information that I didn't otherwise know."

Deliberative forum participant — Alwyn

"I thoroughly enjoyed every minute of it. We were taught how to consider everything very carefully."

Critical Friends Group chair — Felicity Williams (CEO Upper Murray Family Care)

"The critical friends, including those that attended the deliberative forum sessions, believe that North East Water's process was authentic and decisions have been made with humans, or members of our communities, at the centre."

Customer & Community Advisory Group chair — Ash Gill

"It's been inclusive and thorough, capturing a wide range of customer voices, including people with lived experience of vulnerability, Traditional Owners and First Nations organisations, developers, major customers and other key stakeholders. Our Advisory Group was genuinely involved throughout the process, receiving regular updates and having open discussions about the challenges involved in delivering this program of work."



