

# Corporate Plan

2025/26



# Acknowledgement of Country

Goulburn-Murray Water (GMW) recognises Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia and as the proud representatives of the world's oldest living culture.

GMW respectfully acknowledges Elders past, present and emerging as the Traditional Owners of the lands and waters and the rich cultural connections First Peoples have across our region.

GMW recognises the Yorta Yorta, Wamba Wemba, Dja Dja Wurrung and Taungurung as the Registered Aboriginal Parties within the GMW service region and acknowledges their rights as the Traditional Owners of lands and waters, as outlined in their agreements with the state of Victoria.

GMW commits to building meaningful partnerships that create value for Traditional Owners and Aboriginal communities through genuine engagement and collaboration.

# Chair's and Managing Director's Report

Two key drivers – our Price Submission 2024-2028 and our corporate strategy *Achieving Together – Water for a thriving northern Victoria* – are shaping how GMW adapts and transforms to meet the needs of our customers in a rapidly changing environment.

Our Price Submission includes initiatives such as the Loch Garry Flood Protection District and Pumped Irrigation Districts future service strategies, which will be completed during 2025/26. Through the Loch Garry project we are working with the community to consider the impacts of climate change and explore options for managing aging flood protection infrastructure. The pumped district strategy focuses on understanding and planning the infrastructure and service requirements to improve water delivery efficiency and address changes in land and water use.

*Achieving Together* builds on past successes and aligns with evolving stakeholder needs. It features a refreshed vision – ‘Water for a thriving northern Victoria’ – and goals reflecting our commitment to sustainability, customer satisfaction, and our core business of delivering water. Priorities for the year include regional partnerships, exploring commercial opportunities, mapping the customer experience, and workforce development.

We are committed to innovation and sustainability, implementing cutting-edge technologies and practices. For example, we are increasingly using drones and laser imaging, detection and ranging technology (LIDAR) to help prioritise projects for our winter works program and artificial intelligence (AI) for data analysis and automation to streamline processes and increase the life of our assets. Additionally, we are exploring renewable energy options, such as solar-powered pumping stations, to minimise our environmental footprint.

To enhance our digital experience for customers we will implement a new Customer Relationship Management (CRM) and Billing System. Anticipated benefits include self-service features, enhanced billing functionality, streamlined workflows and unified customer insights.

To ensure a successful outcome, we are adopting a risk-based approach to manage and govern this priority project.

Our customer committees are being revitalised to reflect the changing climate and demographics. These committees will ensure we remain responsive to our diverse customer base, providing advice on the next Price Submission (2028-2032) and focusing on issues like climate resilience and water availability.

We continue to work closely with the Victorian Government and the community to address the impacts of the Murray-Darling Basin Plan and Commonwealth water purchases. Our collaborative efforts include ongoing and regular consultation with stakeholders to balance environmental, economic, and social considerations in implementing the state's Planning our Basin Future Together prospectus.

Recognising the rapid changes in climate conditions – from record flooding in 2022 to very dry conditions in 2024 – our planning is designed to be adaptive and resilient. This involves conducting climate risk assessments to identify vulnerabilities and developing contingency plans for potential disruptions caused by extreme weather events.

As we move forward, we remain dedicated to delivering high-quality water services and supporting the prosperity of our region. We are confident that our strategic initiatives and collaborative efforts will position us for a successful and sustainable future.



**Diane James AM**  
Chair



**Charmaine Quick**  
Managing Director

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# Corporate Overview



## 1.1

# Statement of Corporate Intent

## 1.1.1

## Vision

GMW'S VISION IS:

‘Water for a thriving northern Victoria’.

## 1.1.2

## Values

GMW's organisational values build culture and provide a benchmark and filter for employees to measure their actions and behaviours:



### EXCELLENCE

We pursue quality, innovation and continuous improvement in everything we do.



### HONESTY

We are truthful and transparent in all our dealings and communications.



### ACCOUNTABILITY

We take responsibility and ensure we follow through on all our commitments.



### COURAGE

We take considered risks and step forward with conviction into a new future.



### CARING

We look out for each other and demonstrate genuine empathy for our customers.

## 1.1.3

## Customers

GMW has a diverse range of customers as shown in the table below. Over the Corporate Plan period GMW aims to:

- increase the ease of doing business with us
- deliver reliable and affordable services for current and future
- continue to work with stakeholders, communities and customers to influence and enhance regional outcomes.

The table below is based on figures for the 2024/25 financial year and outlines GMW customers and the types of services they receive.

Primary service segment	Example customers	Number of customers <sup>1</sup>	Annual water use in GL <sup>2</sup>
<b>Irrigation</b>	• Horticulture, dairy, mixed farming	11,887	1,250
<b>Domestic and stock</b>	• Rural residential • Mixed farming • Intensive animal industries (e.g. piggeries)	9,851	28
<b>Environmental watering</b>	• Commonwealth and Victorian Environmental Water Holders	2	855
<b>Bulk water for urban and rural water supply</b>	• Urban water corporations	12	603
<b>Water investment</b>	• Investment funds • Water share only customers • Agriculture corporations	3,017	31
<b>Loch Garry flood protection</b>	• Protection of land and property in the Loch Garry flood protection district	54	0
<b>Recreation</b>	• Houseboat operators • Recreation clubs	1,323	0
<b>Commercial leasing and contract services</b>	• Livestock graziers • Forestry corporations • Caravan parks • Murray-Darling Basin Authority (MDBA) • Local government and catchment management authorities (CMAs) • Commercial contracts	277	0
<b>Power generation</b>	• Hydroelectric power utilities	2 <sup>3</sup>	0
<b>Other</b>	• Sundry customers	88	0
<b>Total</b>		<b>26,513</b>	<b>2,767</b>

1. The customer segments have been identified using a single customer view methodology that groups customers based on their primary need. For example, if a customer accesses a gravity irrigation service and a domestic and stock service, they are classified as in the irrigation segment if their gravity irrigation charges exceed their domestic and stock charges.

2. Water use is reported for the 2023/24 period, as at June 2024.

3. This segment includes hydroelectric power utilities and customers with licences to divert and return water for purpose of hydro generation.

## 1.1.4

## Stakeholders

GMW recognises the value of its stakeholders and how working strategically and intentionally with them will ensure better decisions and create a greater level of shared value for the region. Key stakeholders are shown in the table below.

Group	Entity
<b>Commonwealth Government</b>	Minister for Environment and Water
	Department of Climate Change, Energy, the Environment and Water
	Local Federal Members of Parliament
	MDBA
<b>Victorian Government</b>	Minister for Water
	Regional Development Victoria
	Department of Energy, Environment and Climate Action (DEECA)
	Department of Health
	Department of Treasury and Finance
	Victorian Fisheries Authority (VFA)
	Local State Members of Parliament
	Parks Victoria
	Transport Safety Victoria
	Victorian Auditor General (outsourced to Crowe)
	Treasury Corporation of Victoria
	Agriculture Victoria
	Victoria State Emergency Service
<b>Local Government</b>	Greater Shepparton City Council
	Campaspe Shire Council
	Loddon Shire Council
	Strathbogie Shire Council
	Gannawarra Shire Council
	Moirra Shire Council
	Indigo Shire Council
	Swan Hill Rural City Council
	Greater Bendigo City Council
	Benalla Rural City Council
	Central Goldfields Shire Council
	Hepburn Shire Council
	Mansfield Shire Council
	Mildura Rural City Council
	Murrindindi Shire Council
	Wangaratta Rural City Council
	Mount Alexander Shire Council
	Macedon Ranges Shire Council
	Towong Shire Council
	Alpine Shire Council
	Wodonga City Council



Group	Entity
<b>Dairy</b>	Australian Dairy Farmers
	Gardiner Foundation
	Dairy Australia
<b>Horticulture</b>	Fruit Growers Victoria
	Australian Processing Tomato Research Council
<b>Mixed cropping</b>	Victorian Farmers Federation
<b>Brokers</b>	Australian Water Brokers Association
<b>Water Industry</b>	VicWater
<b>CMAs</b>	Goulburn Broken Catchment Management Authority (GB CMA)
	Mallee Catchment Management Authority
	North East Catchment Management Authority
	North Central Catchment Management Authority (NC CMA)
<b>Suppliers</b>	Rubicon
<b>Energy authorities</b>	AGL
	Pacific Hydro
<b>Other water authorities</b>	SA Water
	Murray Irrigation Ltd
	Coleambally Irrigation
	Murrumbidgee Irrigation
	WaterNSW
<b>Traditional Owner Groups</b>	Taungurung Land and Waters Council
	Dja Dja Wurrung Clans Aboriginal Corporation
	Yorta Yorta Nation Aboriginal Corporation
	Wamba Wemba Aboriginal Corporation
<b>Universities</b>	La Trobe University
	University of Melbourne
	GOTAFE
	Deakin University

## 1.1.5

## Who Are We as a Business?

Goulburn-Murray Rural Water Corporation (trading as Goulburn-Murray Water) is a statutory corporation constituted by Ministerial Order under the provisions of the *Water Act 1989* (Victoria) (the Act).

GMW is governed by a board of directors (the Board) appointed by the Minister for Water. The Board operates under Part 6 of the Act and reports annually to the Minister and the Treasurer. The Board comprises eight non-executive directors and a managing director. The Minister appoints one of the non-executive directors to be Chair of the Board.

GMW is ultimately accountable to the Minister for Water and has functions and powers under the Act to provide, manage and operate an irrigation district (pursuant to section 221 of the Act), a water district (pursuant to section 163 of the Act) and waterway management functions (pursuant to section 189 of the Act).

## 1.1.6

## Where Do We Operate?

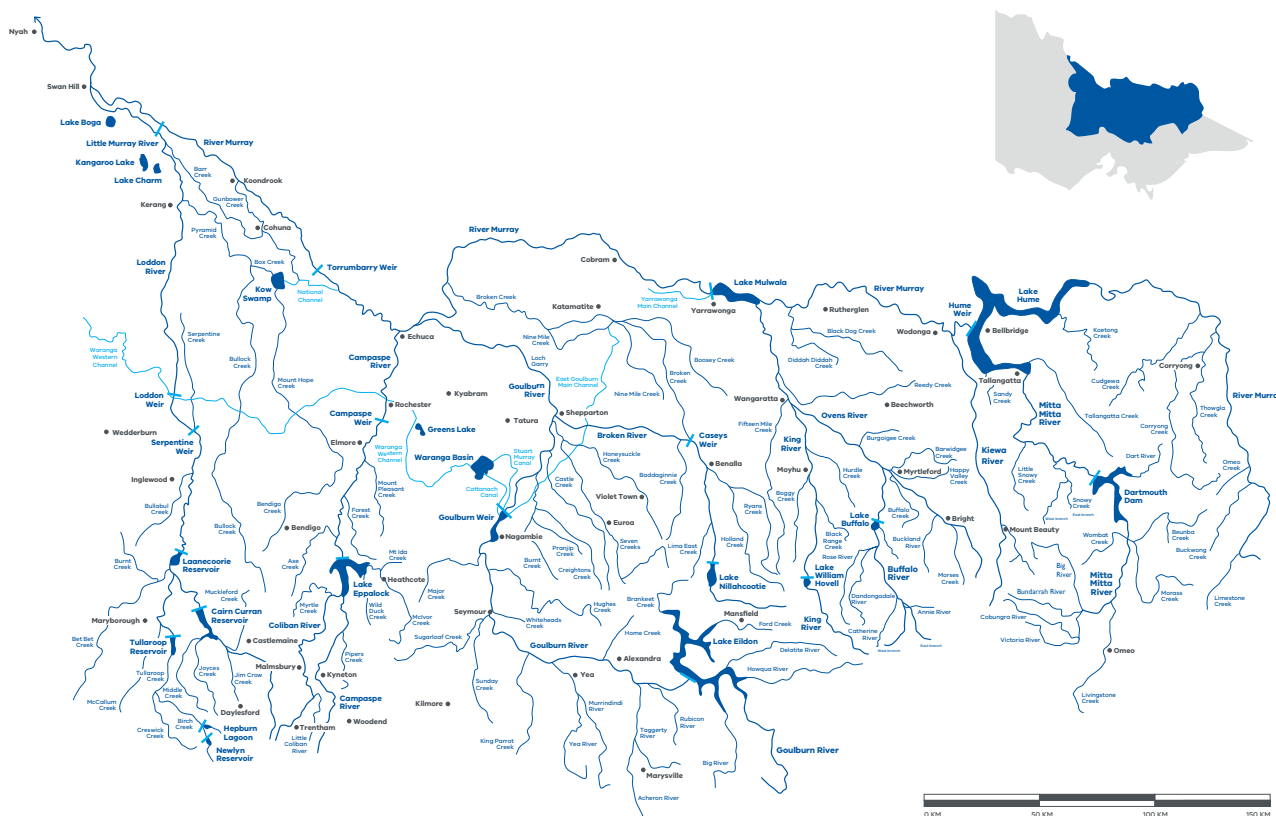
GMW is Australia's largest rural water corporation and manages, stores and delivers water to more than 25,000 active customers in northern Victoria. Its operating area, pictured below, is bordered by the Great Dividing Range in the south and the River Murray in the north and stretches from Corryong in the east down river to Nyah in the west.

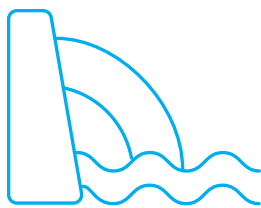
Northern Victoria supports diverse agricultural commodities including dairy, cropping, horticulture, beef and sheep.

GMW manages 23 water storages that can hold approximately 11,000,000 megalitres (ML) of water and has responsibility for managing more than 100,000 hectares of public land surrounding our storages.

Other key metrics can be found on the following page.

### GOULBURN-MURRAY WATER REGION





**10,000 KM**

of delivery  
and drainage  
infrastructure



**23**

water storages

**11,400 GL**

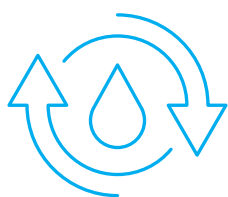
capacity



**\$164 million**

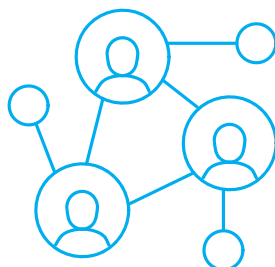
in revenue\*

(estimated average for  
the next five years)



**\$2.3 billion**

investment to key  
water saving projects#  
with 452 GL in water  
savings



**25,000 +**

active customers^



**\$5.2 billion**

in assets



**70%**

of Victoria's stored  
water resources

**50%**

of the underground  
water supply

### State Constructing Authority

MDBA projects,  
state funded projects  
and programs,  
infrastructure  
delivery services

### Provide Complementary Services

Recreation,  
inland waterway  
management,  
leasing and  
licensing, electricity  
generation

\* Revenue is represented by gross fees and charges on average over the Corporate Plan period and does not include the Water Efficiency Project (WEP). Values have not been adjusted for accounting requirements and do not represent statutory revenue.

# Key water savings projects: the Connections Project achieved 433 GL (long-term average annual yield) of water savings, the Mitiamo Pipeline achieved 1 GL and the WEP achieved 18 GL of water.

^ The customer segments have been identified using a single customer view methodology that groups customers based on their primary need. For example, if a customer accesses a gravity irrigation service and a domestic and stock service, they are classified as in the irrigation segment if their gravity irrigation charges exceed their domestic and stock charges.

## 1.1.7

## Prescribed Business

The majority of GMW's services are prescribed under the Victorian Water Industry Regulatory Order, regulated by the Essential Services Commission (ESC). The below services are independently regulated and assessed every four years, ensuring the best outcomes for customers in service levels and value received.

These include the following services and activities:

### Deliver water services to the region, including to:

- provide water harvesting, storage and delivery services in northern Victoria
- provide water to customers within agreed service standards
- manage customer accounts including fees and charges
- monitor compliance and appropriate usage of water allocation
- act as the Minister's delegate for licensing groundwater and surface water diversions and private dams, and for functions related to water shares, allocation and water use in regulated systems.

### Monitor the quality of water:

- monitor salinity and algae levels for public safety and irrigation use
- ensure developments (proposed planning applications) do not impact the quality and/or quantity of water.

### Build and maintain infrastructure:

- build, provide and maintain the infrastructure to support water storage and delivery in compliance with the Australian National Committee on Large Dams (ANCOLD) guidelines
- deliver on the Victorian and Commonwealth Governments' commitment to modernise and maintain water delivery infrastructure to improve water delivery efficiency
- provide and maintain infrastructure to support drainage services to operate within design standards.

### Manage water supply:

- allocate available water resources in accordance with the Victorian Entitlements Framework as the northern Victorian Resource Manager, making the seasonal determinations for all northern Victorian declared water systems
- provide water registry services for water trading
- plan for the future to safeguard and maximise the diminishing water resource
- support government policy development and implementation regarding water resource management.

### Support strong and vibrant communities:

- inform and engage with the community on water resource management including resource availability, general operations and emergencies, including flood safety
- educate the community in efficient water use for improved sustainability
- facilitate recreational use on and around our lakes and reservoirs
- provide feedback to governments on their policies and the impacts on the diverse needs of our communities
- support the preservation and improvement of environmental values and the health of water ecosystems across our region
- collaborate with Traditional Owners to support self-determination and achieve mutual benefits.

### Legislative and reporting requirements:

- comply with legislative requirements under the Act and other relevant governing legislation, including the protection and preservation of cultural heritage
- meet reporting obligations to government in accordance with statutory requirements
- set prices to collect revenue for GMW's prescribed services
- comply with the regulator's requirements for setting water prices.

## 1.1.8

## Complementary Services

GMW provides a range of complementary services which are not regulated by the ESC.

These services include:

- facilitating recreational use and events, including licensing recreational assets on storage perimeters
- inland waterways management (for the Minister for Ports)
- Lake Eildon houseboat licensing and oversight
- land management e.g. caravan park leases, grazing licences, etc.
- facilitating hydroelectricity generation
- providing construction and operational services for other government agencies responsible for delivering water (MDBA and Victorian Government).

## 1.1.9

## Our Functions

The Water Delivery Services and Water Storage Services divisions focus on delivering efficient and affordable water services. These teams are accountable for transparency in cost allocation through their management and operation of storages, the pumped and gravity irrigation networks and diversions assets.

The Customers, Stakeholders and Community division facilitates strategic internal and external engagement with staff, customers, stakeholders and partners.

This includes strategic engagement through projects such as price submissions, service plans, and communications and engagement plans.

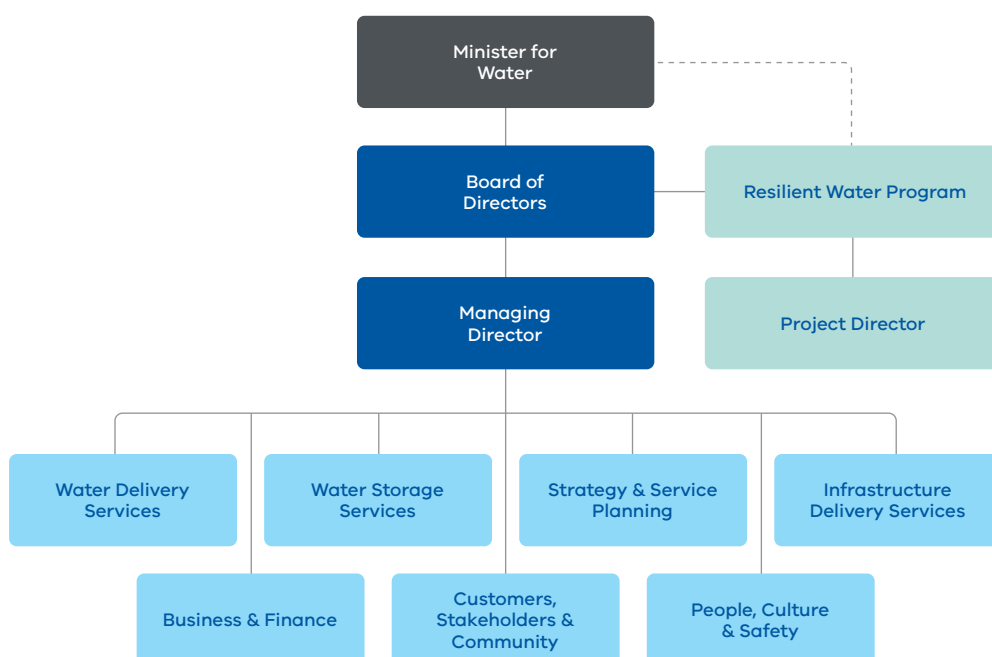
The Strategy and Service Planning division works with all business units to develop core business strategies and plans, respond to sector policy matters, and provide the framework and data for managing assets, information and the capital planning process. This team reports on organisational performance and GMW's strategic and operational risk profile.

The Infrastructure Delivery Services division provides efficient and effective construction and maintenance services for the two operational divisions (Water Delivery Services and Water Storage Services).

The Business and Finance division provides essential support services to the organisation to ensure that GMW's business operations can function effectively and in accordance with various policy and legislation. The team's support services include corporate governance, legal advice, information and technology direction, procurement and financial management and reporting.

The People, Culture and Safety division works with the business to drive a culture of achievement and innovation that fosters the workforce of the future and supports an ongoing focus on safety and wellbeing.

## ORGANISATIONAL STRUCTURE



## 1.2

# Strategic Framework

In July 2024 the GMW Board formally adopted *Achieving Together – Water for a thriving northern Victoria*, GMW's new corporate strategy. *Achieving Together* has a 15-year outlook and will be reviewed every four years. It integrates with day-to-day operations by translating high-level priorities into operational strategies, divisional business plans, and teamwork plans.

The Strategy includes a revised strategic direction for the future. This direction encompasses a new vision and purpose:

- **Vision**  
Water for a thriving northern Victoria.
- **Purpose**  
Working together to deliver sustainable efficient and adaptive water services.

The strategic pillars ensure GMW can fulfill its purpose and work towards achieving the vision.

## OUR STRATEGY ON A PAGE



## Strategic Pillars



## Water Services





## 1.3

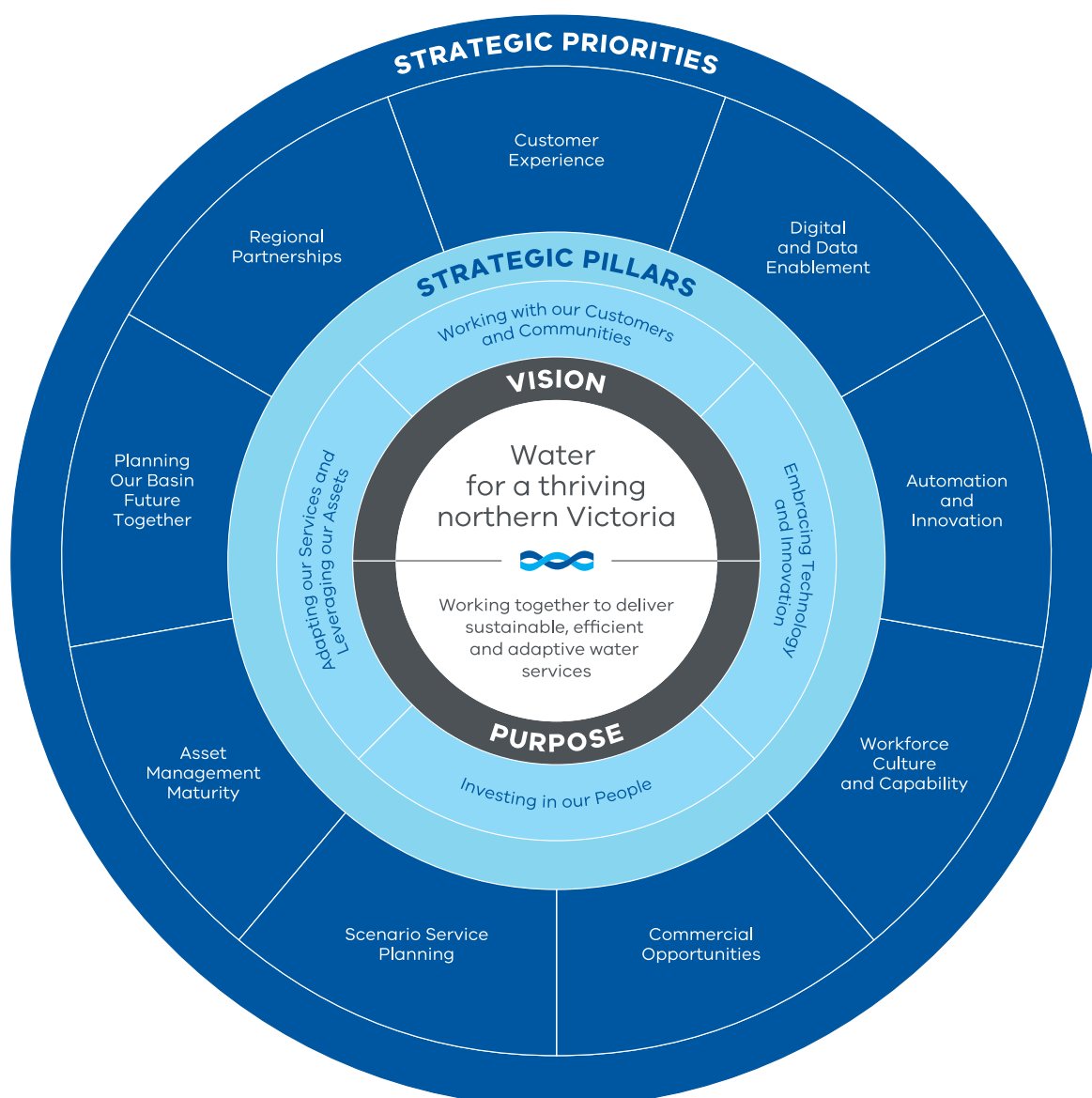
## Business Plan

In July 2024, the GMW Board formally adopted a new corporate strategy, which applies a 15-year outlook and will be reviewed every four years. This strategy builds on the successful outcomes of the past four years and is focused on sustainability, customer satisfaction, and GMW's core business of delivering water.

The vision, *"Water for a thriving northern Victoria"*, and purpose, *"Working together to deliver sustainable, efficient, and adaptive water services"*, guide this strategic direction. The strategy integrates high-level direction into four focus areas known as strategic pillars (see pages 14-16) and nine strategic priorities. The integration is shown in the bullseye diagram below.

The strategy's Implementation Plan provides alignment and clarity of priorities for Board, management, and the whole organisation. It includes a list of actions and timing for the year ahead. Monitoring progress and demonstrating implementation in action will be provided via biannual Organisational Performance Report. Updates on strategic priorities and value-add from the Board will occur via the relevant Board Committee, or full Board as required.

The Implementation Plan will be updated annually, following the Board Strategic Workshop. This is timed to ensure the plan informs the preparing of the Corporate Plan, business plans and individual work plans.



## 1.3.1

## Working with our Customers and Communities

To deliver reliable and affordable services for current and future customers, while working with partners and stakeholders to influence and enhance regional outcomes.

### Success means ...

- We deliver water when and where it's needed
- Doing business with us is easy
- Our prices are transparent, stable and affordable
- We are trusted by our customers and the community
- We have meaningful relationships with Traditional Owners
- We work with partners and stakeholders to help shape decisions that affect the region.

### 2025/26 IMPLEMENTATION ACTIONS

Strategic Priority	Action	Timeline
<b>Digital and Data Enablement</b>	Implement on time and on budget a new billing and Customer Relationship Management (CRM) system to enhance customer experience with self-service options, data-driven insights, and improved service reliability and quality.	<ul style="list-style-type: none"> <li>• Request for tender released Q3 2024/25 and final business case Q4 2024/25.</li> <li>• Full implementation by 2026/27.</li> </ul>
	Assist DEECA to enhance the Victorian Water Register (VWR) through Project Evolve by uplifting it onto a new, secure, and reliable platform.	<ul style="list-style-type: none"> <li>• Timelines determined by DEECA – Updates provided as part of ongoing reporting to People, Customer and Stakeholder (PCS) Committee.</li> </ul>
	Implement the new Customer Committee model to align GMW with evolving customer needs, providing a platform for engagement, strategic problem-solving, and innovation.	<ul style="list-style-type: none"> <li>• New model in place by June 2025.</li> <li>• Evaluation on success of new model by June 2026.</li> </ul>
	Develop a customer experience roadmap focusing on performance, people, processes, and technology to position GMW as easy to do business with and trusted by customers.	<ul style="list-style-type: none"> <li>• Roadmap developed by June 2025, which will establish and include implementation timing.</li> </ul>
<b>Regional Partnerships</b>	Develop a Reconciliation Commitment to publicly state GMW's commitment in partnering with Traditional Owners, setting out guiding principles for decision-making and formal partnerships for shared water management projects.	<ul style="list-style-type: none"> <li>• Reconciliation Commitment approved by Board June 2025.</li> <li>• Ongoing development of partnerships including land use activity agreements and recreation area management planning.</li> </ul>
	Apply GMW's Stakeholder Framework to maintain and strengthen partnerships with the Victorian Government, councils, community groups and other key stakeholders.	<ul style="list-style-type: none"> <li>• Ongoing – examples include those developed through Service Planning Program.</li> </ul>

## 1.3.2

## Embracing Technology and Innovation

To enhance customer experience, drive operational efficiency and productivity.

### Success means ...

- We actively adopt and integrate technologies that improve how we work
- We turn our data into clear insights that enable evidence-based decisions
- We empower our customers with data and technology access
- We protect our information and the privacy of our customers
- Our technology and innovation investments create operational efficiency and productivity benefits.

### 2025/26 IMPLEMENTATION ACTIONS

Strategic Priority	Action	Timeline
<b>Digital and Data Enablement</b>	Implement a Data Improvement Plan to ensure well-governed data that can be leveraged for more efficient and innovative decision-making.	<ul style="list-style-type: none"> <li>• Data Framework and ongoing improvement plan developed by June 2025.</li> <li>• Implementation of Data Framework improvements 2025/26.</li> </ul>
	Invest in Information Technology security to protect GMW's systems and data from growing cybercrime threats, focusing on phishing attack prevention, enhancing security software and monitoring, educating staff, and conducting independent audits.	<ul style="list-style-type: none"> <li>• Annual ongoing program.</li> <li>• Updates and examples provided as part of ongoing reporting to each Risk, Audit and Finance (RAF) Committee.</li> </ul>
	Trial technologies to improve GMW's processes, including drone-based weed spraying, generative AI tools, Internet of Things (IoT) devices for meter data collection, and integrating data with customers' on-farm technology.	<ul style="list-style-type: none"> <li>• Ongoing - flexible to quickly respond to new technologies as and when they arise.</li> <li>• Updates and examples provided as part of ongoing reporting to RAF Committee, Service Planning (SP) Committee and/or PCS Committee.</li> </ul>
<b>Automation and Innovation</b>	Develop a prioritised plan for automating water storages including centralising control, utilising AI for work analysis, and supporting maintenance with AI-powered manuals and wearables.	<ul style="list-style-type: none"> <li>• Initial quick wins implemented by June 2025.</li> <li>• Long-term implementation plan developed by April 2025 for implementation in 25/26.</li> </ul>
	Increase the application of telemetry to enhance water management and monitoring capabilities within the region through the installation of telemetry units.	<ul style="list-style-type: none"> <li>• \$2.5m DEECA funded Telemetry Program for 80 sites in Zone 7 delivered by June 2025.</li> <li>• \$3.5m Commonwealth funded Telemetry Uplift program for 700 sites across three years, commencing 2025 (subject to approval).</li> </ul>

## 1.3.3

## Investing in our People

To drive a culture of achievement and innovation that fosters the workforce of the future and supports an ongoing focus on safety and wellbeing.

### Success means ...

- We minimise risks to our people and the public in everything we do
- We are a technology capable organisation, and our people evolve with change
- We empower and develop our people to grow and maximise their skills for the future
- Pride in the GMW brand attracts a skilled, diverse and committed workforce
- Our people collaborate internally and externally to innovate, problem solve and achieve outcomes.

### 2025/26 IMPLEMENTATION ACTIONS

Strategic Priority	Action	Timeline
<b>Workforce Culture and Capability</b>	Implement a Workforce Planning and Development program focusing on future skills, workforce transformation, and addressing skills gaps through training and development, with an emphasis on automation and AI.	<ul style="list-style-type: none"> <li>• Pilot in Water Delivery Distribution Services (WDDS) is underway using this to develop a process that delivers required outcomes and is repeatable across the business.</li> <li>• WDDS pilot completed by August 2025.</li> <li>• Debrief on pilot and forward program completed by June 2025.</li> </ul>
	Implement a Leadership Development Program with blended learning including customised face-to-face and online module sessions for each division.	<ul style="list-style-type: none"> <li>• Development of Program by March 2025.</li> <li>• Implement program 2025/2026.</li> </ul>
	Develop a whole of organisation development program to enable implementation of our corporate strategy, focused on uplifting skills in technology, collaboration, adaptability and innovation. This will include renewal of all-staff training calendar for mandatory and online modules.	<ul style="list-style-type: none"> <li>• Renewed organisational wide Development Program developed and commence implementation in 2025/26 – 2026/27.</li> </ul>

## 1.3.4

## Adapting our Services and Leveraging our Assets

To support the needs of the region and our customers in the context of changing communities, markets and climate.

### Success means ...

- Our asset base is optimised and supports our communities to navigate variable water availability
- We consider, plan and take action for significant and long-term change in the region
- Our asset management practices continue to mature and derive value from our \$5 billion asset base
- We build partnerships that support our financial sustainability and deliver benefits for the community, environment and economy.

### 2025/26 IMPLEMENTATION ACTIONS

Strategic Priority	Action	Timeline
<b>Scenario Based Service Planning</b>	Embed scenario planning as a core function at GMW to consider long-term water availability, customer and asset change and apply this to service planning, an update of the Climate Change Adaptation Plan and the Development of a Drought Response Plan.	<ul style="list-style-type: none"> <li>• Updated Climate Change Adaptation Plan by June 2025.</li> <li>• Drought Response Plan by September 2025.</li> </ul>
	Implement the service planning initiatives from Price Submission 2024-28, including strategies for Loch Garry and the Pumped Districts, drainage reform, and tariff reviews.	<ul style="list-style-type: none"> <li>• Next Price Submission due September 2027.</li> <li>• Loch Garry Future Service Strategy developed April 2025. Nyah and Tresco Future Service Strategy developed December 2026. Diversions Cost Review completed June 2025.</li> <li>• Remaining initiatives commencing 2025/26.</li> </ul>
<b>Asset Management Maturity</b>	Implementation of improvement initiatives, focusing on innovation, proactive maintenance, collaboration, investment framework enhancement, and uplifting asset information quality, as informed by the 2024 Watter Services Association of Australia benchmarking survey results.	<ul style="list-style-type: none"> <li>• Year on year improvement in Asset Management Maturity Assessment reported to SP Committee annually in August.</li> <li>• Implementation updates and examples provided as part of ongoing reporting to SP Committee.</li> </ul>
<b>Commercial Opportunities</b>	Increase revenue and optimise profits from non-prescribed services by identifying and leveraging commercial opportunities, including selling or leasing surplus land, adjusting lease rates, and exploring new commercial models.	<ul style="list-style-type: none"> <li>• Year-on-year increase in revenue from non-prescribed services reported annually to RAF Committee following end of financial year.</li> <li>• Implementation updates and examples provided as part of ongoing reporting to RAF Committee.</li> </ul>
<b>Planning our Basin Future Together</b>	Continue collaborating with DEECA and other delivery partners to implement the Planning our Basin Future Together Prospectus program.	<ul style="list-style-type: none"> <li>• Ongoing – As determined through funding bids with Commonwealth Government.</li> <li>• Updates on implementation of the Prospectus program provided to Board monthly.</li> </ul>

## 1.4

## Operating Environment

GMW recognises the need to anticipate and respond to future risks and opportunities in a rapidly changing landscape. The changing climate, variable water supply and demand, technological advancements and shifting regulatory requirements, while challenging, provide opportunities to innovate, leverage our assets and lead in sustainable water management practices.

The corporate strategy, *Achieving Together – Water for a thriving northern Victoria*, has a 15-year outlook and a focus on creating a culture of achievement and innovation. GMW's workforce will be equipped with advanced skills and knowledge to build the capabilities required for success. Collaboration with customers, government bodies and industry partners will be crucial. With strong trusting partnerships and open communication, GMW will co-create solutions that are responsive to the needs of a diverse community.

## 1.4.1

### Economic Outlook

GMW faces a future comprised of a mixed economic landscape. While inflationary pressures are easing, economic growth in Australia remains weak, impacting investment and operational costs. Supply chain challenges and competition for materials and labour continue to affect infrastructure projects.

Agriculture, the backbone of the northern Victoria's economy, is forecast to stabilise at \$85 billion in production, but rising input costs, higher interest rates, and global market uncertainties pose challenges for farmers. Water availability and pricing remain key concerns, with long-term climate trends and environmental water recovery efforts expected to drive higher water entitlement and allocation prices despite recent storage surpluses.

To navigate these uncertainties, GMW is focused on resilience, efficiency, and innovation. Strategic planning, investment in technology, and strong partnerships with stakeholders will be critical in ensuring sustainable water management and regional prosperity.

## 1.4.2

### Economic Regulation of GMW

GMW was notified by the Australian Competition and Consumer Commission (ACCC) that, from 1 July 2024, it will no longer be classified as a Part 6 operator under rule 81(11) of the Water Charge Rules 2010. GMW is now regulated by the ESC under Victorian legislation, rather than by the ACCC under Commonwealth legislation. To facilitate this transition, the Victorian Government passed legislation enabling the ESC to continue regulating GMW's Basin charges.

The ESC is Victoria's independent economic regulator for the water industry, operating under the Water Industry Regulatory Order 2014 (WIRO) and the *Water Industry (WI) Act* 1994, within the broader framework of the *Essential Services Commission Act* 2001.

The ESC has reviewed GMW's proposed prices for prescribed services – including retail water, storage, bulk water, irrigation, drainage, diversion services, and miscellaneous services – for the four-year period beginning 1 July 2024. A final price determination was made after considering public feedback on the draft decision.

This marks the first time all GMW's infrastructure-related services are regulated under the WIRO and assessed under the PREMO framework (Performance, Risk, Engagement, Management and Outcomes). The ESC's role is to ensure prices align with the requirements of the WIRO, WI Act, and ESC Act, with a strong focus on promoting customers' long-term interests.

GMW's Price Submission 2024-28 details the organisation's proposed services, revenue requirement, expenditure forecasts, tariff initiatives and proposed prices. It builds on the 2020-24 submission, which included significant cost savings and modifications to GMW's asset management approach and ensures delivery of safe and cost-effective water services.



## 1.4.3

## Embracing Technology, Improving Data and Continuous Improvement

GMW continues to leverage technology, data, and innovation to enhance efficiency, improve decision-making, and optimise service delivery. Over the past 12 months, the organisation has introduced several new initiatives to modernise operations, strengthen asset management, and enhance customer collaboration. Looking ahead, GMW remains committed to further advancements, exploring emerging technologies and refining business systems to drive continuous improvement and long-term sustainability:

- LiDAR enablement**

GMW has acquired a drone equipped with LiDAR technology, significantly enhancing our 3D modelling and digital twin functionalities. This advancement allows for high-precision data outputs, improved engineering designs, and optimised survey measurements. By leveraging LiDAR, GMW can generate highly accurate digital terrain models, aiding in the planning and execution of infrastructure projects while reducing time and cost associated with traditional surveying methods.
- Centralised purchasing through Maximo**

GMW has streamlined and centralised its procurement processes by integrating purchasing functions into the asset management information system (Maximo). This integration ensures greater transparency and consistency in associating costs with assets, improving financial tracking, budgeting, and lifecycle management. The enhanced system also facilitates better decision-making by providing comprehensive asset expenditure insights.
- Automated invoice processing with Ezescan**

The adoption of Ezescan software has revolutionised GMW's invoice processing by eliminating manual touchpoints. This automation ensures a more efficient, accurate, and streamlined payment process for vendors, reducing processing times and minimising errors. The shift has resulted in improved financial controls and operational efficiencies.
- Modernised aquatic weed control equipment**

GMW has invested in its aquatic weed management equipment with new trucks and spraying platforms. These upgrades provide enhanced speed, agility, and accuracy in chemical and herbicide applications, leading to more effective and efficient weed control. The improved equipment also optimises resource utilisation, benefiting both operations and environmental sustainability.
- Customer data integration for farming efficiencies**

In partnership with customers, GMW is exploring ways to integrate its data with on-farm systems and hardware. By leveraging the capabilities of modernised infrastructure, this initiative aims to enhance farming operations and improve water-use efficiencies. Collaboration with stakeholders ensures that data-driven insights support sustainable and productive agricultural practices.
- Expanding IoT applications**

GMW is actively identifying and deploying IoT technology to improve operations and asset management. Examples include the remote reading of meters and the use of sensors to monitor asset health and performance. These advancements enable real-time data collection, predictive maintenance, and optimised asset utilisation, leading to greater operational reliability and efficiency.
- Business system enhancements and upgrades**

Continuous improvement of GMW's business systems remains a priority, with ongoing enhancements aimed at improving functionality, usability, and integration. These upgrades ensure that corporate systems support evolving business needs, drive efficiency, and enhance user experience across the organisation.
- Migration to cloud technology and Software as a Service (SaaS) solutions**

GMW remains committed to leveraging cloud technology to enhance scalability, agility, and system resilience. The organisation continues to successfully migrate on-premises systems to cloud-based SaaS solutions. These migrations enable streamlined access to software enhancements, increased system reliability, and improved operational efficiency.

- **AI and machine learning advancements**

Recognising the transformative potential of AI and machine learning, GMW is actively exploring options to enhance customer service and operational efficiency. The organisation is undertaking trials and proof-of-concept projects to harness AI-driven insights for improved service delivery, predictive maintenance, and data-driven decision-making.

- **Enhancements in asset componentry and reliability**

As GMW's modernised gravity irrigation network assets approach the need for refurbishment or replacement, the organisation is proactively identifying and trialling advancements in componentry. This includes improvements in gearboxes, motors, batteries, solar drive boards, radios, and sensors at regulator gates and customer outlets. A stronger focus on asset reliability analytics and data architecture enhancements ensures that GMW can maximise asset life, performance, and cost-effectiveness while delivering reliable service to customers.

Through these initiatives, GMW continues to embrace cutting-edge technology, enhance data-driven decision-making, and implement continuous improvement strategies to optimise operations and service delivery.

#### 1.4.4

### Planning Assumptions

The following planning assumptions have been made for the 2025/26 financial year. Assumptions for subsequent years of the Corporate Plan are revised annually and presented in the Corporate Plan relevant to that year.

#### 1.4.4.1

### Assumed Demand

GMW's Price Submission 2024-2028 assumed the Goulburn and Murray systems would receive seasonal determinations of 100 per cent of high-reliability water shares (HRWS). This assessment was developed from independent modelling that considered likely shifts in water availability under climate change.

The modelling for the Price Submission reflected recent storage conditions and considered the volume of entitlement that could trade from the Goulburn Murray Irrigation District (GMID) to support horticultural demand in the lower Murray region of Victoria. Reductions due to environmental water recovery programs and changed on farm irrigation practices were also modelled.

Reserves established in 2023/24 and storage inflows during winter and spring helped 2024/25 seasonal determinations reach 100 per cent HRWS in all systems by December 2024, apart from the Bullarook system. On 17 February 2025, the Bullarook seasonal determination was 12 per cent HRWS.

The Campaspe system received a seasonal determination against low-reliability water shares (LRWS) in mid-July 2024 and stood at 48 per cent LRWS on 17 February 2025. The Broken system received the maximum 100 per cent LRWS on 16 December 2024.

Drawing on the Price Submission and current water availability, GMW's initial estimate for 2025/26 GMID deliveries is 900 GL. Actual deliveries will depend on factors including water availability, the allocation market in the southern Murray-Darling Basin, private carryover reserves, and weather conditions. The seasonal climate outlooks from meteorological agencies do not predict wetter or drier conditions between March and May 2025. Based on current use trends, the volume of allocation carried over into 2025/26 is likely to be comparable with 2024/25.

## 1.4.4.2

## Water Availability

Current storage levels and inflow conditions favour useful reserves for seasonal determinations in most systems in 2025/26.

The 2025/26 seasonal outlook prepared in mid-February 2025 found average inflows would produce 100 per cent HRWS seasonal determinations in the Murray, Broken, Goulburn, Loddon and Bullarook systems by mid-October 2025. Both the Murray and Goulburn systems are expected to start 2025/26 with at least 25 per cent HRWS.

The Campaspe system has enough resource to allocate 100 per cent HRWS on 1 July 2025.

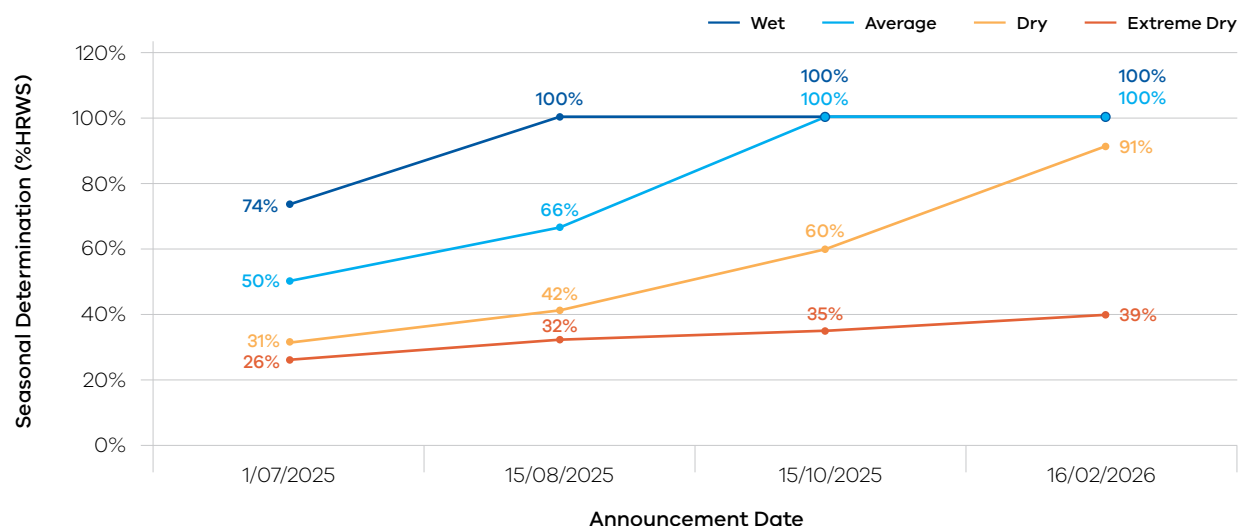
As seasonal determinations reach 100 per cent HRWS in the Murray, Broken, Goulburn, Campaspe and Loddon systems, resource improvements

(including the early reserves in the Murray and Goulburn systems) are reserved as buffers against potential low inflows for the following season.

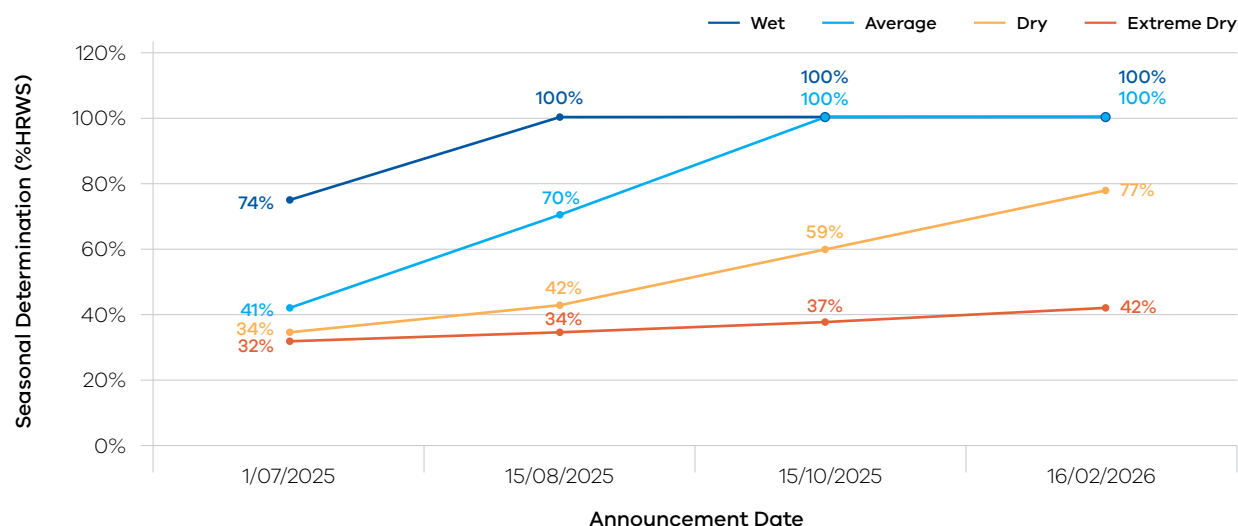
Groundwater recovery and drawdown levels in northern Victoria are dependent on rainfall recharge and groundwater extraction.

Below average rainfall through much of 2024/25 has increased irrigation demand and reduced water levels in several groundwater management units. The majority of GMW groundwater customers have 100 per cent allocations available after low use and strong recovery of water levels during 2023/24. Groundwater allocations in 2025/26 will depend on recharge from autumn and winter rainfall, especially in the Campaspe and Loddon catchments. Central and eastern groundwater systems have a high likelihood of reaching 100 per cent availability in 2025/26.

## MURRAY SYSTEM OUTLOOK



## GOULBURN SYSTEM OUTLOOK



## 1.4.5

## Changing Region

GMW and its customers face growing sustainability challenges due to climate change, Commonwealth Government water purchases, and increasing competition in the water market, all of which are reducing regional water availability.

Demographic shifts are also reshaping customer needs, with more landowners focused on lifestyle and amenity rather than primary production, particularly in high-value areas like the Dividing Range foothills and established irrigation zones. Agriculture is evolving, with dairy consolidating into larger operations, horticulture expanding, and a broader range of crops being cultivated.

Adapting to this changing landscape requires GMW to remain agile, ensuring it can effectively support a more diverse customer base.

## 1.4.6

## Environmental Water Charges

GMW implemented the Victorian Government policy on headworks charges for environmental water entitlements held by the Victorian Environmental Water Holder from 1 July 2024.

DEECA has engaged a consultant to develop guidance for calculation of charges for delivery of environmental water allocation. The guidance will become part of the ESC guidance for water corporations preparing their price submissions.

GMW, and other relevant water corporations, has worked with the consultant during 2024-25 to examine and discuss the costs of providing environmental water deliveries through irrigation networks. GMW expects the draft guidance to be released during 2025 for testing with all major stakeholders.

## 1.4.7

## Murray-Darling Basin Plan

The Commonwealth Government announced three programs to deliver the Basin Plan in full, which requires 450 GL of additional environmental water:

- **Resilient Rivers Program** – infrastructure projects, rule changes, land and water partnerships, and other non-purchase ways to recover water
- **Voluntary Water Purchase Program** – open tender water purchases
- **Sustainable Communities Program** – adjustment assistance for communities impacted by buybacks.

The Victorian Government, in partnership with water corporations and CMAs, prepared the Planning Our Basin Future Together prospectus in response to the changes made to the Basin Plan.

The prospectus outlines Victoria's preference for a program of infrastructure rationalisation and strategic water purchases complemented by reconfiguration and improved operating efficiencies. Suggested projects in the GMW region include:

- GMID reconfiguration
- Broken, Campaspe, and Loddon reconfiguration (complementing investigations already conducted in the Broken system)
- Domestic and stock pipeline systems
- Wakiti Lagoon reconfiguration.

GMW has contributed extensively to the proposals and is supporting activities that will assist studies if Commonwealth funding is forthcoming.

The Commonwealth has completed one limited tender to purchase 70 GL of water, which including the Victorian Murray trading zones and the Ovens system. Following two separate expression of interest programs, the Commonwealth announced another 100 GL purchase in February 2025 to come from large holdings (20 GL or more) across the Basin.

## 1.4.8

## Goulburn to Murray Trade Rule Review

Changes to the Goulburn to Murray trade rules, including new operating rules for the lower Goulburn River, came into effect on 1 July 2022. A three-year review period examining the effects of the changes on the environment of the lower Goulburn River is due to end on 30 June 2025.

Wet conditions in 2022-23 and 2023-24 limited the need for significant transfers of water from the Goulburn intervalley trade (IVT) account to the Murray and curbed scientific investigation. The extended dry conditions of 2024-25 have seen renewed calls for Goulburn IVT deliveries, prompting further investigation of flow impacts.

DEECA has secured funding for extended scientific review of the lower Goulburn River as the new operating rules mature. The Goulburn River partnership group, which comprises the Taungurung Land and Waters Council, DEECA, GMW, and the GB CMA, with input from the Yorta Yorta National Aboriginal Corporation, will maintain oversight of the continued research and river operations.

## 1.4.9

## Sustainable Irrigation Drainage Program and Environmental Works

GMW continues to work with CMAs across the GMID area, assisting with the delivery of funding-based projects and programs. These projects leverage off GMW's comprehensive expertise in engineering, procurement, and construction management, as well as specialised skills in drainage program development and implementation. In working with CMAs to deliver these projects and programs, GMW is able to support sustainable initiatives across the GMID.

The following projects and programs (funded through service agreements with CMAs) are underway and will likely continue into EC6 (Environmental Contributions) which runs through to 2028:

- continued implementation of the Drainage Course Declaration (DCD) program and associated obstruction removal programs in undrained GMID catchment areas
- delivery of key outcomes to align with the GB CMA's Shepparton Irrigation Region Land and Water Management Plan
- delivering on the GB CMA's legislative requirements under the Basin Salinity Management 2030 strategy.

## 1.5

# Government Priorities

## 1.5.1

## Letter of Expectations 2025/26

The Minister for Water's Letter of Expectations (LoE) contains prescribed key performance indicators (KPIs) for each of the priority areas in Water for Victoria which are described below.

## 1.5.2

## Water for Victoria: Key Priority Areas

## 1.5.2.1

### Climate Change and Energy (LoE 1)

GMW's corporate strategy *Achieving Together – Water for a thriving northern Victoria* was released in July 2024 and recommitted the organisation to being resilient to a changing climate.

In 2017, GMW pledged to reduce CO<sub>2</sub> emissions by 20 per cent of its five-year average (to 2015/16) to approximately 10,399 tCO<sub>2</sub>-e by 30 June 2025. These steps include a commitment for Scope 2 emissions in government operations to be 100 per cent renewable by 1st July 2025. GMW has committed to achieving 721 tCO<sub>2</sub>-e of Scope 1 and 2 emissions by 2030 and net-zero by 2035.

GMW has progressed towards these targets by including electric vehicles (EV) in its fleet and installing a solar system and EV charge stations at its Tatura office.

GMW is currently tendering the installation of solar systems and EV charging stations at its Rochester, Kerang, Shepparton and Tatura depot sites.

GMW will update the Climate Change Adaptation Action Plan to embed climate resilience into its entire operations. Building on the lessons of its emissions reduction activities and initiatives on likely long term reductions of water availability, the Action Plan will contribute to the inclusion of climate considerations in all aspects of future service delivery.

## 1.5.2.2

### Customer, Community and Engagement (LoE 2)

One of the four pillars underpinning GMW's new corporate strategy is Working with our customers and communities.

Priorities for the period of this Corporate Plan focus on the customer experience and regional partnerships.

This will involve:

- adopting a risk-based approach to progressing a new billing and customer relationship management system to enhance and improve customer service
- working with the Victorian Government to enhance the Victorian Water Register (VWR) experience
- implementing a new Customer Committee model to align GMW with evolving customer needs, providing a platform for engagement, strategic problem-solving, and innovation
- developing a customer experience roadmap focusing on positioning GMW as easy to do business with and trusted by customers
- developing a Reconciliation Commitment setting out guiding principles for decision-making and formal partnerships with Traditional Owners
- maintaining and strengthening partnerships with all levels of government, community groups and other key stakeholders.

How successfully these actions are implemented will be measured by a range of metrics including GMW's annual customer satisfaction survey. The next survey will be conducted in October 2025.

The table below shows targets and results from the last survey held in November 2024:

Metric	Target	2024 Result
<b>Overall Satisfaction for GMW customer service</b>	65%	68%
<b>Customer value for money</b>	56%	55%
<b>Overall satisfaction with GMW as service provider</b>	66%	68%
<b>Community reputation</b>	56%	56%
<b>Customer trust</b>	60%	63%



GMW continues to engage with customers on a range of projects using its online platform Your Say @ GMW. These projects include the Recreational Area Management Plans as well as projects committed to as part of the Price Submission 2024-28, such as a review of the costs of providing services to diversions customers; mapping out future service provisions for the pumped irrigation districts; and a review of infrastructure options at Loch Garry.

Another measure of success is that GMW continues to deliver on its commitment that prices are transparent, stable and affordable. For this regulatory period GMW customers can expect an average decrease of 0.1 per cent in their bill, before CPI adjustments.

Acknowledging some customers' circumstances may change for reasons out of their control, and as per GMW's Customer Charter, the business will continue to work with customers who are experiencing financial hardship to look at a range of options to help them to meet their payment responsibilities.

Some of these options include:

- flexible payment plans
- payment extensions
- direct debit instalments.

#### 1.5.2.3

### Recognise Aboriginal Values (LoE 3)

GMW continues to develop meaningful partnerships with Aboriginal and Torres Strait Islander Peoples that create mutual opportunities and value. The importance of meaningful relationships with Traditional Owners is embedded in GMW's corporate strategy.

These efforts are led by working collaboratively with the region's Aboriginal and Torres Strait Islander Peoples to implement initiatives and to support Registered Aboriginal Parties to achieve their goals regarding the cultural, social and economic values of water.

GMW has developed a Reconciliation Commitment to set out guiding principles for decision-making and formal partnerships with Traditional Owners. GMW will continue to work with Traditional Owners on a wide range of projects that are important to them. We will partner with Taungurung's Land and Waters Council on the Corop Wetlands Cultural Waterscape, a project which aims to heal and care for the Corop Wetlands Complex, balancing ecological health, cultural values, and recreational use.

GMW will partner with Dja Dja Wurrung Clans on initiatives including the Gatjin Strategy, which outlines their aspirations for water management, and the Dja Dja Wurrung Natural Resource Agreement Partnership Forum. GMW will also work with Yorta Yorta Nations on projects including the Ghow Swamp Indigenous Protection Area. In addition, GMW will collaborate on protection declaration orders, land use activity agreements and recreation area management planning.

#### 1.5.2.4

### Recognise Recreational Values (LoE 4)

Whilst the majority of GMW's functions are essential rural water services, the business performs several complementary functions such as providing recreational activities at storages. With such a vast and expansive network of storages and waterways, GMW understands the advantage of supporting recreational activities for the economic and social benefit of Victorians. GMW's corporate strategy, and its strategic pillar of *Working with our customers and communities* provides guidance on how the business will deliver on its obligations and partner with key stakeholders to ensure recreational values are recognised, while maintaining financial sustainability. GMW will partner with local communities to ensure that consistent and reliable information is provided at recreational sites, seek funding opportunities and make targeted investments to ensure the safety, functionality and sustainability of these sites.

More information can be found on page 33.

### 1.5.2.5

## Resilient and Liveable Cities and Towns (LoE 5)

GMW's services to regional urban water corporations and to customers in peri-urban settings are important to regional towns and cities. GMW collaborates with its urban water corporation customers to maximise water quality, as required under the *Safe Drinking Water Act 2003*. Regular staff training ensures GMW's risk management plan remains an effective barrier against water quality degradation. GMW continues its role as regional coordinator for blue-green algae management.

GMW remains a committed partner to various integrated water management activities occurring within its operating boundaries. Led by urban water corporations and involving various agencies and local government, integrated water management is an important pathway in the coordinated and strategic planning, management and delivery of water to Victoria's towns and cities.

The GMID Drainage Management Strategy promotes effective, fit for purpose surface and subsurface drainage for sustainable irrigated agriculture, and has formed the basis of the GMW Drainage Service Plan. Developed by GMW and the GB CMA in collaboration with the NC CMA, DEECA and Agriculture Victoria, the vision of the strategy calls for all stakeholders to work collaboratively to manage GMID drainage systems adaptively to support viable agriculture, vibrant communities, and to enhance environmental and cultural values.

More broadly, GMW is a partner in the delivery of several regional catchment strategies coordinated by CMAs.

### 1.5.2.6

## Leadership, Diversity and Culture (LoE 6)

The culture of an organisation begins with effective leadership. Leaders need a broader capability and insight to embrace change and manage talent with commercial acumen, emotional intelligence and the ability to build a healthy and safe work culture and environment. GMW will drive a culture of achievement and innovation that fosters the workforce of the future and supports an ongoing focus on safety and wellbeing.

Practical actions that GMW will take to enhance leadership and culture are detailed in GMW's corporate strategy.

GMW has established inclusion targets ensure equitable gender balance and diversity of all groups including, but not limited to lesbian, gay, bisexual, transgender, intersex, queer and asexual (LGBTQIA+), people with a disability and Indigenous peoples. Targets are shown in the table below.

### Targets

#### Gender in senior leadership roles (Senior Leadership Team/Executive Leadership Team)

40% either male or female / 60% all other gender identity

#### Diversity Targets across all of GMW

3% First Nation

10% Disability

7% LGBTQIA+

### 1.5.2.7

## Performance and Financial Management (LoE 7)

GMW will use this Corporate Plan to ensure that organisational resources are aligned to delivering commitments in a financially sustainable manner. More information can be found on page 38.

GMW has implemented a performance reporting framework that is clear and consistent across the organisation. This reporting framework includes KPIs, timelines and strategic initiatives that align with GMW's strategic framework and support continuous improvement.

GMW shares mutual obligations with its customers to ensure that agreed standards of service can be achieved. In accordance with these approved service standards, GMW:

- operates and maintains the system to achieve approved service standards
- is responsive to requests in accordance with service standards
- minimises unplanned interruptions to service
- provides effective communication systems to and from customers.

GMW has established the targets for the KPIs below based on organisational history, customer feedback and best practice.

## FINANCIAL PERFORMANCE

Key Performance Indicator - Consolidated	Target for 2025/26
<b>Cash interest cover</b> Net operating cash flows before net interest and tax/net interest payments	9.5x
<b>Gearing ratio</b> Total debt (including finance leases) total assets*100	1.5%
<b>Internal financing ratio</b> Net operating cash flows less dividends/net capital expenditure*100	96%
<b>Current ratio</b> Current assets/current liabilities (excluding long-term employee provisions and revenue in advance)	1.6x
<b>Return on assets</b> Earnings before net interest and tax/average assets*100	-1.1%
<b>Return on equity</b> Net profit after tax/average total equity*100	-1.0%
<b>EBITDA margin</b> Earnings before interest, tax, depreciation and amortisation/total revenue*100	18%
<b>Credit rating</b>	A

## WATER SERVICE PERFORMANCE

Key Performance Indicator	Target for 2025/26
<b>Rural water supply deliveries</b> (Number of orders delivered/total number of orders)*100	95%
<b>Transfer of water shares - applications completed within agreed timeframes</b> (Number of applications completed/total number of applications)*100	95%
<b>Unavailability of domestic and stock supply</b> (Duration that domestic and stock service is unavailable in excess of on-property storage requirement/length of water season)*100	100%
<b>Groundwater supply</b> (Number of transfers processed within target period/total number of transfers processed)*100	75%

## CUSTOMER RESPONSIVENESS

Key Performance Indicator	Target for 2025/26
<b>Water bills – customers on flexible payment plans</b> Number of customers with instalment plans	Not required
<b>Water bills – customers awarded hardship grants</b> Number of customers awarded hardship grants	Not required
<b>Customer responsiveness – number of payment issue complaints</b> Number of complaints per 100 customers	0.09
<b>Customer responsiveness – total complaints</b> Number of complaints per 100 customers	0.36

## ENVIRONMENTAL PERFORMANCE

Key Performance Indicator	Target for 2025/26
<b>Total net CO2 emissions</b> Total net tonnes CO2 equivalent	2,001 tonnes

#### 1.5.2.8

### Compliance and Enforcement (LoE 8)

GMW continues to apply a consistent, transparent and risk-based approach to manage compliance and enforcement of the *Water Act* 1989.

GMW will continue to apply zero-tolerance to unauthorised take and implement key actions from the compliance and enforcement plan during 2025/26. Those key actions include:

- continuing to inform customers about compliance requirements in regular newsletters and on the GMW website
- proactive communication with high-risk users at the start of the irrigation season
- improving reporting of non-compliances
- implementation of the Metering Action Plan.

#### 1.5.2.9

### Customer Data Protection and Protection from Harm of Family Violence

GMW performs a yearly attestation to the Office of the Victorian Information Commissioner (OVIC) that its information is safe, protected and aligned to the Victorian Protective Data Security Framework (VPDSF). As part of this process, GMW develops action, and implementation plans to continuously mature its information security.

Additionally, as part of the attestation to OVIC, GMW demonstrates the procedures that have been implemented to respond to data security incidents and to ensure data is secured in accordance with its value.

In 2024/25 GMW continued to build on the standalone customer-facing Family Violence Policy with additional training for regionally based customer-facing staff. In 2025/26 GMW will continue to apply a family violence-informed lens to improving key documents and processes.

#### 1.5.2.10

### Cyber Security

GMW has aligned its Cyber Security Strategy with the VPDSF and National Institute of Standards and Technology Cyber Frameworks and conducts self-assessments against the Essential 8 to improve maturity. The 2021-2024 Cyber Strategy has been completed, and a new strategy is being developed, incorporating the categories of Identify, Protect, Detect, Respond, Recover, and Govern. Over the past four years, GMW has made system and process improvements across all categories and will continue to strengthen cyber security in these areas.

#### 1.5.3

### Risk Management

GMW evaluates its activities using a Risk Management Framework based on AS/NZS ISO 31000:2018 and Victorian Government requirements. This framework, including a Risk Management Policy and Procedure, integrates risk management into decision-making at strategic, operational, and project levels. It considers both risks and opportunities, with strategic risks and opportunities outlined in Appendix A.

## 1.6

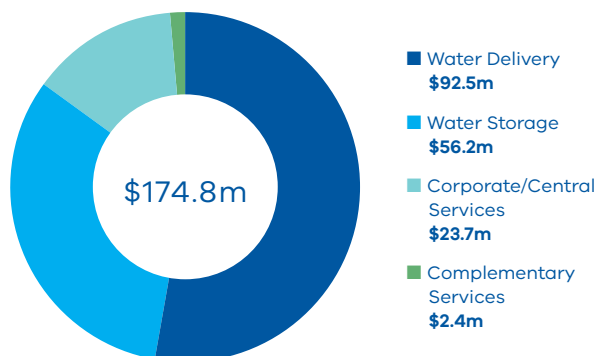
## Capital Expenditure and Service Delivery Overview

In this Corporate Plan, capital expenditure primarily relates to water storage and delivery services. Recognising the future challenges in asset renewal, asset maintenance and asset upgrades, GMW has reviewed its asset management practices and informed capital programs by:

- analysing the condition and age of the assets and the risks associated with critical failures
- implementing the outcomes of the Dams Portfolio Risk Assessment that are scheduled every 10 years
- prioritising investments that meet key business drivers and satisfy GMW's strategic outcomes and keep staff and customer safety at the forefront.

The capital budgets identified in this Corporate Plan for the years 2025/26 to 2029/30 include the capital program developed for GMW's Price Submission 2024-28. Detailed breakdown of capital expenditure in GMW's Water Delivery, Water Storage, Corporate/Central Services, and Complementary Services programs can be found in the following sections of this Corporate Plan. The graphic below illustrates the total forecast capital expenditure and the allocation of expenditure to each business segment.

### CAPITAL WORKS BY PROGRAM



## 1.6.1

### Water Delivery

GMW manages water-related services in a region of 68,000 square kilometres in northern Victoria and more than 25,000 customers. GMW also manages regulated and unregulated river systems that flow into the Murray and administers groundwater within this area.

As a part of the Price Submission 2024-28, GMW engaged with customers and stakeholders over 2022/23 and 2023/24 periods to develop a series of service plans that have helped GMW understand what is important to customers. GMW will continue to seek efficiencies to improve the way it does business, and to incorporate the feedback it received from customers into the service outcomes.

## 1.6.1.1

#### Irrigation Areas

GMW delivers water to customers in the Shepparton, Central Goulburn, Rochester, Loddon Valley, Murray Valley and Torrumbarry irrigation areas through an extensive gravity distribution network. Water is delivered to customers in the Nyah, Tresco and Woorinen pumped irrigation districts through piped networks.

## 1.6.1.2

#### Water Districts

Water district customers receive water through dedicated water supply networks. GMW provides supply to the Tungamah, Mitiamo, East Loddon (north and south), Normanville and West Loddon water districts. Note all the water districts except for East Loddon (north) and West Loddon are supplied via piped networks, whereas. East Loddon (north) and West Loddon water districts are gravity water supply districts.

## 1.6.1.3

### Drainage

GMW provides surface drainage services in its irrigation districts. Surface drains have been constructed to design standards and are operated and maintained based on meeting specific service levels. GMW is responsible for a number of DCDs. DCDs enable improved natural drainage by removing obstructions to natural flow of storm water.

Additionally, GMW operates and manages a network of shallow groundwater pumps to provide subsurface drainage services to areas of high-water table and salinity risk in the Shepparton Irrigation Region.

Informed by the recent GMID Drainage Management Strategy, and in response to changing needs, GMW is working with customers to implement a range of important surface and subsurface drainage service improvements through its Drainage Service Plan.

## 1.6.1.4

### Diversions Irrigation

Regulated diversions licences apply in declared water systems where flows are controlled or 'regulated' from GMW or MDBA water storages. Unregulated surface water licences authorise take and use from waterways where flows are not controlled by releases from water storages.

Groundwater licences authorise take from aquifers across the region. Most aquifers are subject to management plans which apply to designated areas called Groundwater Management Areas. The management plans set caps to protect long-term resource sustainability and contain rules about how the resource is managed, including how it is shared during shortages.

## 1.6.1.5

### Loch Garry Flood Protection

The Loch Garry Flood Protection District protects an area of 16,000 hectares near Bunbartha. The system provides flood protection up to agreed levels.

## 1.6.1.6

### Service Standards

The service standards target for 2025/26 are based on service standards in the Price Submission 2024-28.

Key Performance Indicator	Target for 2025/26
<b>Gravity Irrigation</b>	
Irrigation orders are delivered within 24 hours of requested start	95%
Flow rate is within 10% of order	80%
GMW will maintain the channel level within 40mm of the required supply level	80%
<b>Drainage Irrigation</b>	
Drains are maintained to a level that ensures they are available to remove run-off	98%
<b>Pumped Irrigation</b>	
Irrigation orders are commenced within 24 hours of requested start	98%
Supply interruptions do not exceed eight hours in the summer months and 48 hours in the winter	5
Customers are informed by SMS when there is a supply interruption and again when it is restored, within two hours	100%
<b>Water Supply Districts</b>	
Number of supply interruptions for continuous periods in excess of 96 hours	0
<b>Diversions</b>	
Customer access to groundwater is managed through seasonal allocations which are announced in accordance with relevant management plans	100%
Access to unregulated stream flow is managed in accordance with restriction triggers in Local Management Rules	100%
GMW will, within 24 hrs of being aware of the need to amend rosters and restrictions, initiate notification to customers impacted by these changes (through SMS, email, written letters, or website content)	100%
<b>Network Delivery Efficiency</b>	
Water delivered to customer properties through the closed piped network as a percentage of water extracted	92%
Water delivered to customer properties through the open channel network as a percentage of water extracted	85%



## 1.6.1.7

**Strategic Focus**

GMW's Water Delivery business is accountable for delivering services to a diverse customer base. GMW will be focused on delivering efficient and affordable water services and be accountable for transparency in cost allocation.

GMW will focus on active engagement with investors and developers and work with relevant agencies and groups to develop and market opportunities that exist within the agricultural sector.

GMW will apply the Channel-by-Channel asset planning tool together with other relevant asset information such as Asset Condition Rating and operating condition to inform decisions on optimising investment in the GMID asset base and to prioritise specific works in its capital program.

## 1.6.1.8

**Pricing**

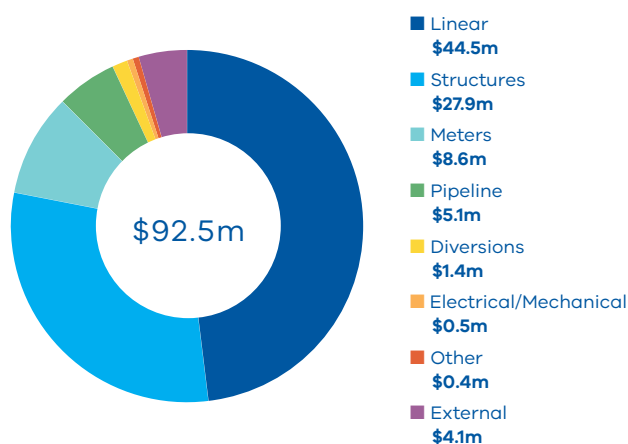
GMW's 2025/26 prices will support the delivery of service levels to customers and avoid price volatility for gravity irrigation customers.

## 1.6.1.9

**Capital Works Program – Water Delivery**

The following graph highlights the capital investment for the Water Delivery business throughout the Corporate Plan period. This includes the following programs for 2025/26:

- gravity irrigation structures program
- gravity irrigation linear program
- meter replacement program
- gravity irrigation access track upgrade program
- drainage program
- diversions' program
- pumped districts' program
- other miscellaneous programs (fencing, access tracks, guardrail etc.).

**CAPITAL WORKS BY PROGRAM:  
WATER DELIVERY****STRUCTURES PROGRAM**

This program replaces and refurbishes bridges, road culverts, occupational crossings, subways, and siphons. GMW takes a proactive approach to managing this asset class by:

- rehabilitating and replacing assets based on condition, risk profile and service value
- Critical assets are being monitored and investigated to ensure minimal impact to service delivery and to safeguard road/rail users
- extending the serviceable life of assets cost effectively where practical through contemporary refurbishment techniques
- consulting with affected customers and stakeholders.

## LINEAR PROGRAM

The linear work program involves upgrading and/or refurbishing channel embankments based on condition, maintenance data and the prevailing local (Pod) planning indicators. The program consists of treatment methods including but not limited to the following:

- remodelling
- rock armouring
- silt re-profiling
- core trenching.

The program also includes sub-programs to refurbish access tracks and renew fencing where required.

## ELECTRICAL AND MECHANICAL PROGRAM

Electrical and mechanical projects ensure the ongoing effectiveness of GMW's modernised assets and pump stations. Key projects in the Corporate Plan period include replacement of flume gates and gearboxes and implementing a systematic methodology to plan replacement works and pump station overhauls. A major project to replace the Mystic Park pump station will commence in 2025/26 as the mechanical and electrical components are at end of life and some of them are obsolete (switchboards).

## METERING PROGRAM

GMW is committed to managing and upgrading its metering fleet in line with the Metering Action Plan (August 2020), endorsed by the Board and overseen by DEECA. Note that the Metering Action Plan is currently being reviewed to align with the revised Victorian Non-Urban Metering Policy that was released in February 2025.

Replacing and upgrading these customer-connecting assets will ensure that the measurement practices proportionate to usage and accuracy requirements. It will support overall water management efficiency. The meter replacement program addresses projected meter failure frequencies and supports GMW's intended path towards measurement and reliability compliance across the various key customer segments of gravity irrigation, diversions, and the pumped districts.

## 1.6.2

# Water Storage

## 1.6.2.1

## Storage and Harvesting

GMW manages 23 storages to harvest, store and supply water for irrigation, urban/rural and environmental use in northern Victoria. The 19 Victorian-owned storages are of varying size, capacity, reliability, and consequence category, and are aged between 37 and 147 years.

GMW operates the major storages in accordance with the ANCOLD guidelines and Yarrawonga Weir in accordance with Dam Safety NSW guidelines. GMW ensures harvesting opportunities are maximised, and stored water is managed efficiently for our customers.

The storages provide additional benefits including flood mitigation, recreation and public use, support to local tourism, the environment and regional economies, and hydropower generation.

GMW is the northern Victorian Resource Manager appointed by the Minister for Water with responsibility for making the seasonal determination for all northern Victorian declared water systems.

## 1.6.2.2

## Service Standards

GMW service standards targets for 2025/26, as per the table below, were submitted to the ESC as a component of the Price Submission 2024-28.

Key Performance Indicator	Target for 2025/26
<b>Bulk Water</b>	
Ability of each regulated system to deliver water to meet customer demand as a percentage of time.	99%
Ability of each regulated system to maximise harvesting opportunities up to 100% of the design storage capacity as a percentage of time.	100%
Minimum flow requirements for regulated waterways as specified in the relevant bulk entitlements are satisfied as a percentage of time.	98%
Seasonal determination announcements for regulated systems to be made with defined timeframes each month.	100%
Risk of spill announcements for relevant regulated systems to be made within defined timeframes each month.	100%
Advise urban water suppliers of incidents and operations that could affect raw water quality at a town offtake.	95%

## 1.6.2.3

## Strategic Focus

GMW completed the Dams Portfolio Risk Assessment Project during 2019, which updated the overall risk of the dams' portfolio, and included a strategy for managing dam safety risks. This work has informed investment priorities, with a program of design reviews and further investigations. This work commenced in 2020/21 and will continue through this Corporate Plan period. The next Dams Portfolio Risk Assessment Project will be scheduled in 2029/30.

GMW's Bulk Water Service Plan has been developed, in consultation with customers, as part of implementing the Service Strategy. GMW aims to prioritise investment and risk reduction in accordance with the Dams Portfolio Risk Assessment (PRA) hierarchy and to be a leader in supporting capability and innovative practices in the dam's industry.

## 1.6.2.4

## Pricing

GMW's 2025/26 prices will avoid price fluctuation and provide price stability for bulk water customers.

## 1.6.2.5

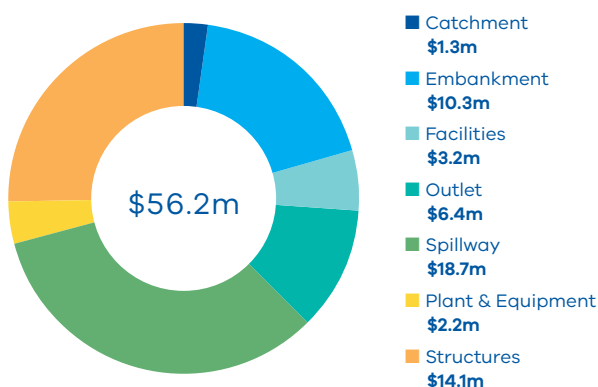
## Capital Works Program – Water Storage Services

The following graph highlights the capital investment priorities GMW's Water Storage business throughout the Corporate Plan period. This includes the following projects for 2025/26:

- Lake Eildon spillway floodgates - tertiary drive upgrade
- Cairn Curran Reservoir outlet - installation of access into tunnel.

GMW will continue design and investigation of these major projects to be delivered in the next five years:

- Laanecoore Reservoir – spillway and outlet upgrade project
- Tullaroop Reservoir – secondary embankment filers – upgrade works
- Eildon tower superstructure upgrade
- Newlyn dam safety risk reduction PRA.

CAPITAL WORKS BY PROGRAM:  
WATER STORAGE

## 1.6.3

## Corporate/Central Services

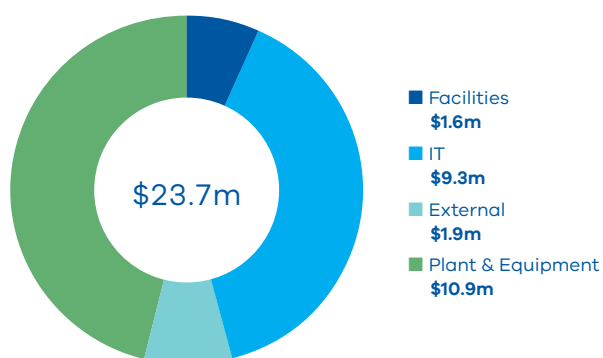
Corporate/Central Services capital expenditure includes investment primarily in information technology, plant replacement and facilities.

Investment in information technology has three primary streams, including:

- the IT refresh program, replacing outdated hardware such as laptops, phones, closed circuit television, printers and video conferencing facilities
- implementing an improvement program that will support innovation, automation and efficiencies with the goal of improvement to the customer and staff experiences with GMW
- implementing the Cyber Security Strategy, a dedicated stream to ensure continuous improvement in maturing security in systems and information.

Investment in facilities includes implementing the Regionalisation Strategy which is supported by GMW's ongoing obligation to maintain a work environment that meets the essential safety measures outlined in Part 15 of the Building Regulations (2019).

### CAPITAL WORKS BY PROGRAM: CORPORATE/CENTRAL SERVICES



## 1.6.4

## Complementary Services Program

The majority of the functions undertaken by GMW are essential rural water services, with prices and service regulated by the ESC. The business undertakes and/or facilitates complementary functions such as the provision of recreational facilities, land management and hydropower generation. Although many of these functions have similar characteristics to community service obligations, where appropriate, GMW manages these functions in a commercial manner, with no cross subsidisation from its water supply and delivery business.

Either directly, or indirectly through contracted management arrangements with some local councils, GMW manages and maintains recreational infrastructure and services at 80 recreation reserves around 23 GMW and MDBA storages. This management is funded using complementary revenue streams, including the Regional Urban Storage Ancillary Fee (RUSAF), the MDBA, or part/full funding from local or state government. The complementary management portfolio includes 724 houseboat licences (Lake Eildon only), 12 caravan park leases and 61 clubs/camps. All the storages GMW manages are available in varying degrees to the public for recreational activities such as picnicking/ barbequing, boating, and fishing etc.

## 1.6.4.1

### Service Measures

GMW continues to provide recreational services across all storages. As part of implementing GMW's corporate strategy and the strategic pillar of Working with our customers and communities, GMW regularly engages with recreational users, local communities, interest groups, agencies, and stakeholders to provide feedback on its recreational services. Feedback received informs the development of GMW's Recreational Area Management Plans as required by the Water (Recreational Area) Regulations 2023, which along with a new Recreational Area Future Service Approach, and supporting strategies/plans, will aim to provide improved services and access to recreation and commercial facilities at GMW storages, while also enhancing recreational values, the regional economy and redefining how GMW manages community, agency, and stakeholder relationships now and into the future.

GMW's new Recreational Area Future Service Approach will provide GMW with a strategic approach to the ongoing management/maintenance of, and investment in its recreational areas. The approach will also seek to finalise and engage with stakeholders and the public on previously drafted recreational service standards that specify the quality, availability, reliability and safety of the associated recreational services the public can expect to receive at GMW storages.

These draft service standards will consider:

- operational status of amenities and facilities
- tree management in public access areas
- undertaking assessments of public safety
- aids to navigation inspections
- patrols during peak periods
- application processing timeframes
- management of public recreation information.

Recreational information, including facilities, and applicable safety, recreational rules and guidelines, are available to recreational users through the GMW website and social media. This information is monitored regularly and updated as required.

#### 1.6.4.2

### Strategic Focus

#### GENERAL PUBLIC USE

GMW manages public recreation reserves and their associated assets in partnership with local and state Government, MDBA, Safe Transport Victoria, VFA and Better Boating Victoria (BBV).

The main source of funding for the operational costs of providing general public use areas is the RUSAF. This revenue is limited and does not support capital improvements into the future; hence GMW actively identifies opportunities to divest or adjust service levels at particular locations. We will continue to partner with governments, councils, and other organisations to secure funding for improvement projects.

#### COMMERCIAL SERVICES

GMW's commercial services are supported by a Complementary Services Commercial Policy which sets out to financially separate GMW's prescribed and complementary services and assets. The policy also facilitates access to funding sources for complementary works and the reinvestment of funding into the prescribed business or complementary commercial business opportunities that benefit the prescribed and complementary business.

To support this objective, GMW proactively investigates and pursues commercial opportunities such as:

- divesting sites surplus to operational needs
- reviewing lease/licence agreements to maximise benefit to GMW
- renewable energy markets.

#### 1.6.4.3

### Waterway Management

GMW is the declared waterway manager under the *Marine Safety Act 2010* for 14 storages. GMW will continue to support increased on-water recreational access to its storages, while minimising water quality, operational and safety risks.

Waterway management is currently an unfunded service. By partnering with government, councils, and other organisations such as DEECA, VFA and BBV to secure funding, GMW will continue to ensure adequate funding for the costs associated with providing safe and accessible waterways.

#### 1.6.4.4

### Commercial Leases

GMW oversees more than 1,000 occupation agreements, including caravan parks, foreshore recreational licences, grazing licences, and various general leases such as pine plantation and telecommunications. GMW routinely reviews its leasing and licensing policies and procedures to ensure compliance with current regulations and to optimise commercial returns. Most activity takes place on land that remains essential for GMW's operational purposes.

#### 1.6.4.5

### MDBA Contract

In accordance with the provisions of the Murray-Darling Basin Agreement, GMW is the state constructing authority of the MDBA. The relationship is defined through the Memorandum of Understanding. GMW works closely with MDBA and DEECA on developing and implementing the annual works budget and program.

#### 1.6.4.6

### Houseboats

GMW manages the fleet of houseboats licensed to operate on Lake Eildon. GMW is currently working on a project with DEECA to improve and support:

- interactions with houseboat customers
- stakeholder engagement
- water quality monitoring and greywater treatment options
- management of risks to people and the lake, through a Houseboat Regulations review.

#### 1.6.4.7

### Power Generation

GMW generates revenue from hydropower, which is influenced by external factors such as solar panel systems and market price fluctuations. GMW has several hydropower sites at its storages and continually explores opportunities to expand hydropower generation.

#### 1.6.4.8

### Capital and Funded Works

The planned capital expenditure for GMW's complementary business includes the following projects for completion in 2025/26:

- Lake Eppalock public road re-sheeting
- recommended actions and identified works associated with the outcomes of public liability and risk assessments
- consultant to review Lake Eildon vessel operating and zoning rules
- Laanecoorie boat ramp relocation, new car/trailer park and upgraded Aids to Navigation
- Lake Eildon, Howqua boat ramp and car/trailer park design
- review of vessel operating and zoning rules for Lake Hume, Lake Nillahcootie and Greens Lake
- Lake Eppalock Moorabee Recreation Area amenity block – project planning underway
- Cairn Curran compliance signage
- Lake Eildon, Cartright Lane, access road and drainage upgrade
- Lake Eppalock, effluent ponds, flow meter replacements
- Lake Eildon, Jerusalem Creek Road (hair pin bend), road seal (timeframe for construction not yet known)
- Ongoing effluent compliance upgrade program of works.

The following projects are dependent on opportunistic funding:

- Lake Eildon, Howqua boat ramp and car/trailer park construction
- Lake Eppalock, Point King boat ramp access road and carpark upgrade
- Tullaroop Recreation Area boat ramp, gravel to concrete upgrade and minor expansion of carpark (design complete)
- Emergency markers to be located at boat ramps and recreation areas across all storages
- Lake Eildon, Kennedy Point boat ramp design
- directional and destination signage across 10 identified storages.

When there are adequate funds from any of the complementary service streams, they are channelled to support capital, or reinvestment works to undertake innovation or improve operational efficiencies.

## 1.6.5

## Changes from our 2024/25 Corporate Plan

A summary of our capital expenditure for the 2025/26 vs the 2024/25 Corporate Plan is set out below.

It was assumed that Water Savings Projects would be completed at the end of 2023/24 in our prior submission. It has carried into 2024/25 and is now assumed to be completed by the end of the 2024/25 financial year.

### CAPITAL EXPENDITURE - CONSOLIDATED

Actual figures from Corporate Plan	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	Total \$'000
2025/26 Corporate Plan	34,958	35,991	28,101	25,456	40,949	165,455
2024/25 Corporate Plan	33,811	32,116	31,328	29,613	42,870	169,738
<b>Variance</b>	<b>1,147</b>	<b>3,875</b>	<b>(3,227)</b>	<b>(4,157)</b>	<b>(1,921)</b>	<b>(4,283)</b>

### CAPITAL EXPENDITURE - WATER STORAGE AND DELIVERY

Actual figures from Corporate Plan	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	Total \$'000
2025/26 Corporate Plan	32,409	35,991	28,101	25,456	40,949	162,907
2024/25 Corporate Plan	33,811	32,116	31,328	29,613	42,871	169,738
<b>Variance</b>	<b>(1,402)</b>	<b>3,875</b>	<b>(3,227)</b>	<b>(4,157)</b>	<b>(1,921)</b>	<b>(6,832)</b>

### CAPITAL EXPENDITURE - WATER SAVING PROJECTS

Actual figures from Corporate Plan	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	Total \$'000
2025/26 Corporate Plan	2,548	–	–	–	–	2,548
2024/25 Corporate Plan	–	–	–	–	–	–
<b>Variance</b>	<b>2,548</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,548</b>



# Financial Overview

This Corporate Plan sets out the operational and financial information relating to the business as a whole and in two discrete segments, Water Storage and Delivery (WS&D) and Water Savings Projects.

This section provides financial information in three key areas:

- whole of GMW Consolidating WS&D and Water Savings Projects
- WS&D financials
- Water Savings Projects financials.

This Corporate Plan has been prepared based upon the Price Submission 2024-28 which was submitted to the ESC in September 2023 and approved in June 2024.

## 2.1

### Financial Assumptions

Economic assumptions used are based on Department of Treasury and Finance Victoria forecasts, operating expenditure as per GMW's Price Determination, actuals rates on current and future loans from Treasury Corporation of Victoria and GMW's Enterprise Agreement.

## 2.2

### Rate of Return

The Return on Assets (ROA) has been included based on a Regulatory Rate of Return of 2.8 per cent to 3 per cent across the Corporate Plan period.

This is based on a Standard PREMO rating and latest cost of debt.

## 2.3

### Borrowings

GMW monitors borrowings in accordance with DTF treasury management guidelines and GMW's Treasury Policy.

As well as following day-to-day cash flow management procedures, GMW regularly reviews its borrowing needs and debt position via the monthly and more detailed quarterly financial report to the Board. GMW maintains discrete borrowings for Water Savings Project requirements, as part of the 'financial ring-fencing' required by the Commonwealth.

## 2.4

### Going Concern

Management continuously reviews budgets and forecasts while monitoring cash flow requirements and customer payment trends and concludes that the going concern assumption remains appropriate. These financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

## 2.5

### Regulatory Asset Base

For GMW, the net result before tax loss is impacted significantly by depreciation and amortisation expense which is not fully recovered in the regulatory pricing and revenue setting framework. Since 2006 the economic regulation of GMW means that it cannot put money aside for future capital works and can only recover the cost of works through revenue from customers when the assets are used. GMW's regulatory asset base is approximately \$530 million.

## 2.6

## Financing Requirements

### BORROWINGS

Debt Change Table	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
Short Term	9,176	6,779	9,389	7,005	2,128	2,259
Long Term	59,391	67,465	66,798	68,689	83,842	97,153
<b>Total Debt</b>	<b>68,567</b>	<b>74,244</b>	<b>76,187</b>	<b>75,693</b>	<b>85,970</b>	<b>99,412</b>

Borrowings requirements made to the Department of Treasury and Finance are as follows:

	Borrowings as at:		Change
	30 June 2025 \$'000	30 June 2026 \$'000	
TCV Borrowings	68,567	74,244	(5,677)
Other Borrowings (Non-TCV)	–	–	–
Service Concession Arrangements/Liabilities	–	–	–
Operating Lease Borrowings	–	–	–
Overdraft Borrowings	–	–	–
<b>Total Borrowings</b>	<b>68,567</b>	<b>74,244</b>	<b>(5,677)</b>

### ADDITIONAL REQUIREMENTS

Temporary purpose borrowings to be repaid by 30 June	15,000	30,000	(15,000)
<b>Total Borrowings</b>	<b>83,567</b>	<b>104,244</b>	<b>(20,677)</b>

## 2.7

## Financial Sensitivity Analysis

Quality assurances over the Corporate Plan financials include a rigorous internal review process by management. The financial projections in this Corporate Plan are consistent with the draft DEECA Planning and Reporting Guidelines 2025/26.

### WATER STORAGE AND DELIVERY

Financial sensitivity analysis in respect of WS&D business was completed for the following:

- two to five per cent increase/decrease in operational expenditure (excluding any externally funded programs i.e. MDBA)
- two to five per cent increase/decrease in capital expenditure (excluding any externally funded capital programs).

The analysis identified that any financial impacts were minimal and that forecast results largely remained within targeted levels in terms of maintaining positive EBITDA, Operating Cash Flows and a cash interest cover greater than 9.5 times. The Board reviewed financial sensitivity analysis and impact on customer pricing as part of GMW's Price Submission 2024-28.

### WATER SAVINGS PROJECTS

The Water Savings Projects have a dedicated focus on achieving forecast water savings, through finalising the Connections Project and implementing the WEP. Water Savings Projects are funded by the Victorian and Federal Governments. GMW manages the risk of delivering these projects on time and on budget both from a total project perspective and on a year-by-year basis.

## 2.8

## Consolidated

## Operating Statement – Consolidated

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>REVENUE</b>						
Fixed Charges	102,111	101,129	105,048	108,874	112,140	115,504
Variable Charges	12,761	8,843	9,163	9,327	9,607	9,895
Bulk Supplies	13,722	11,808	12,136	12,420	12,741	13,072
Externally Funded	25,678	24,452	25,390	22,015	25,811	26,210
Other Revenue	10,374	10,597	9,505	9,808	10,201	10,642
Water Savings Projects	15,535	–	–	–	–	–
<b>Total Revenue</b>	<b>180,181</b>	<b>156,829</b>	<b>161,242</b>	<b>162,444</b>	<b>170,500</b>	<b>175,323</b>
<b>EXPENDITURE</b>						
<i>Direct Costs</i>						
Labour (incl Labour Hire & Contract Labour)	50,620	54,586	53,602	55,213	56,872	58,582
Contract and Services	16,947	18,778	18,384	19,746	20,019	20,620
Consultants	265	165	252	260	267	275
Plant & Motor Vehicles (incl Ext Plant)	5,570	5,992	6,172	6,357	6,548	6,744
Materials (incl Assets less than \$2000)	4,905	4,444	4,874	5,007	5,449	5,585
General Insurance	2,794	3,138	3,295	3,460	3,633	3,815
Electricity	2,033	2,082	2,144	2,209	2,275	2,343
Environmental Contribution	1,799	1,799	1,799	1,799	1,799	1,799
MDBA Contribution to Vic Govt	14,574	14,855	15,301	15,760	16,232	16,719
Other	2,555	2,452	2,598	2,675	2,756	2,838
<b>Total Direct Costs</b>	<b>102,062</b>	<b>108,291</b>	<b>108,421</b>	<b>112,486</b>	<b>115,850</b>	<b>119,320</b>
<i>Other Costs</i>						
Government Grants	2,322	2,358	1,952	2,010	2,070	2,133
Recoverable Works	1,500	1,021	943	971	1,000	1,030
MDBA	15,740	16,891	18,491	16,695	16,886	17,388
Water Savings Projects	17,135	–	–	–	–	–
<b>Total Other Costs</b>	<b>36,697</b>	<b>20,270</b>	<b>21,386</b>	<b>19,676</b>	<b>19,956</b>	<b>20,551</b>
<b>Total Expenditure</b>	<b>138,759</b>	<b>128,561</b>	<b>129,807</b>	<b>132,160</b>	<b>135,807</b>	<b>139,872</b>
<b>EBITDA (before asset tfr &amp; disposals)</b>	<b>41,422</b>	<b>28,268</b>	<b>31,435</b>	<b>30,284</b>	<b>34,693</b>	<b>35,451</b>
Asset Disposals (Expenditure)	15,000	7,500	7,500	7,500	7,500	7,500
<b>EBITDA</b>	<b>26,422</b>	<b>20,768</b>	<b>23,935</b>	<b>22,784</b>	<b>27,193</b>	<b>27,951</b>
Interest Expense	4,738	4,340	5,551	5,860	6,347	7,150
Statutory Depreciation	86,177	77,593	80,136	79,223	78,638	77,480
<b>Statutory Profit before Tax</b>	<b>(64,493)</b>	<b>(61,165)</b>	<b>(61,752)</b>	<b>(62,299)</b>	<b>(57,792)</b>	<b>(56,679)</b>
Tax (Expense)/Benefit	19,348	18,350	18,526	18,689	17,338	17,003
<b>Statutory Profit after Tax</b>	<b>(45,145)</b>	<b>(42,815)</b>	<b>(43,226)</b>	<b>(43,610)</b>	<b>(40,454)</b>	<b>(39,676)</b>

## Operating Statement – Consolidated Quarterly Split

	2025/26 Quarter 1 Budget \$'000	2025/26 Quarter 2 Budget \$'000	2025/26 Quarter 3 Budget \$'000	2025/26 Quarter 4 Budget \$'000	2025/26 Total Budget \$'000
<b>REVENUE</b>					
Fixed Charges	25,282	25,282	25,282	25,283	101,129
Variable Charges	1,105	3,316	3,316	1,104	8,843
Bulk Supplies	2,952	2,952	2,952	2,952	11,808
Externally Funded	8,189	6,078	4,872	5,313	24,452
Other Revenue	2,454	2,744	2,751	2,649	10,597
<b>Total Revenue</b>	<b>39,982</b>	<b>40,372</b>	<b>39,173</b>	<b>37,301</b>	<b>156,829</b>
<b>EXPENDITURE</b>					
<i>Direct Costs</i>					
Labour (incl Labour Hire & Contract Labour)	14,612	13,831	12,925	13,218	54,586
Contract and Services	5,436	4,469	4,608	4,265	18,778
Consultants	40	41	41	43	165
GMW Vehicle Hire (Fleet Costs)	1,486	1,497	1,505	1,503	5,992
Materials (incl Assets less than \$2000)	1,110	1,111	1,111	1,112	4,444
General Insurance	784	785	785	784	3,138
Electricity	520	521	521	520	2,082
Environmental Contribution	451	450	450	449	1,799
MDBA Contribution to Vic govt	3,714	3,714	3,714	3,714	14,855
Other	640	560	675	579	2,452
<b>Total Direct Costs</b>	<b>28,793</b>	<b>26,979</b>	<b>26,335</b>	<b>26,185</b>	<b>108,291</b>
<i>Other Costs</i>					
External Costs	613	542	637	567	2,358
Recoverable Works	265	235	276	244	1,021
MDBA	4,392	3,885	4,561	4,054	16,891
Water Savings Projects	–	–	–	–	–
<b>Total Other Costs</b>	<b>5,270</b>	<b>4,662</b>	<b>5,474</b>	<b>4,865</b>	<b>20,270</b>
<b>Total Expenditure</b>	<b>34,063</b>	<b>31,642</b>	<b>31,810</b>	<b>31,050</b>	<b>128,561</b>
<b>EBITDA (before asset tfr &amp; disposals)</b>	<b>5,919</b>	<b>8,730</b>	<b>7,363</b>	<b>6,251</b>	<b>28,268</b>
Asset Disposals (Expenditure)	1,950	1,725	2,025	1,800	7,500
<b>EBITDA</b>	<b>3,396</b>	<b>7,005</b>	<b>5,338</b>	<b>4,451</b>	<b>20,768</b>
Interest Expense	1,128	998	1,172	1,042	4,340
Statutory Depreciation	20,174	17,846	20,950	18,622	77,593
<b>Statutory Profit before Tax</b>	<b>(17,333)</b>	<b>(11,839)</b>	<b>(16,784)</b>	<b>(15,213)</b>	<b>(61,165)</b>
Tax (Expense)/Benefit	4,771	4,221	4,954	4,404	18,350
<b>Statutory Profit after Tax</b>	<b>(12,562)</b>	<b>(7,618)</b>	<b>(11,830)</b>	<b>(10,809)</b>	<b>(42,815)</b>

## Balance Sheet – Consolidated

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>CURRENT ASSETS</b>						
Cash	1,029	1,000	1,000	1,000	1,000	1,000
Accounts Receivable	39,309	35,978	37,076	38,207	39,372	40,572
Inventory	3,785	4,866	4,871	4,875	4,880	4,885
<b>Total Current Assets</b>	<b>44,123</b>	<b>41,844</b>	<b>42,946</b>	<b>44,082</b>	<b>45,252</b>	<b>46,457</b>
<b>NON CURRENT ASSETS</b>						
Infrastructure	4,951,549	5,107,283	5,057,053	5,006,383	4,975,336	4,945,064
Work in Progress	30,000	25,000	25,000	25,000	25,000	25,000
Property, Plant and Equipment	85,698	86,520	84,937	83,524	82,253	81,101
Intangibles	3,687	3,569	3,464	3,374	3,295	3,227
<b>Total Non Current Assets</b>	<b>5,070,935</b>	<b>5,222,372</b>	<b>5,170,454</b>	<b>5,118,281</b>	<b>5,085,884</b>	<b>5,054,392</b>
<b>Total Assets</b>	<b>5,115,058</b>	<b>5,264,215</b>	<b>5,213,400</b>	<b>5,162,363</b>	<b>5,131,136</b>	<b>5,100,849</b>
<b>CURRENT LIABILITIES</b>						
Creditors & Accruals	19,354	15,092	15,544	16,011	16,491	16,986
Borrowings – Current Portion	9,176	6,779	9,389	7,005	2,128	2,259
Other Lease Liabilities	4,774	5,100	5,253	5,410	5,573	5,740
Contract Liabilities	1,613	7,481	7,705	7,936	8,175	8,420
Employee Entitlements	18,172	15,793	16,267	16,755	17,257	17,775
<b>Total Current Liabilities</b>	<b>53,089</b>	<b>50,244</b>	<b>54,158</b>	<b>53,117</b>	<b>49,624</b>	<b>51,179</b>
<b>NON CURRENT LIABILITIES</b>						
Borrowings – Long Term	59,391	67,465	66,798	68,689	83,842	97,153
Employee Entitlements	2,309	1,474	1,518	1,564	1,611	1,659
Deferred Tax Liability	584,648	589,181	570,381	551,849	533,726	516,017
<b>Total Non Current Liabilities</b>	<b>646,348</b>	<b>658,120</b>	<b>638,698</b>	<b>622,101</b>	<b>619,179</b>	<b>614,829</b>
<b>Total Liabilities</b>	<b>699,437</b>	<b>708,364</b>	<b>692,856</b>	<b>675,218</b>	<b>668,802</b>	<b>666,009</b>
<b>Net Assets</b>	<b>4,415,621</b>	<b>4,555,851</b>	<b>4,520,545</b>	<b>4,487,145</b>	<b>4,462,333</b>	<b>4,434,841</b>
<b>EQUITY</b>						
Contributed Capital	2,951,316	3,034,428	3,032,211	3,029,994	3,027,777	3,025,560
Asset Revaluation Reserve	2,011,678	2,151,678	2,151,678	2,151,678	2,151,678	2,151,678
Accumulated Surplus/Deficit	(547,374)	(630,255)	(663,345)	(694,528)	(717,122)	(742,398)
<b>Total Equity</b>	<b>4,415,621</b>	<b>4,555,851</b>	<b>4,520,545</b>	<b>4,487,145</b>	<b>4,462,333</b>	<b>4,434,841</b>

## Balance Sheet – Consolidated Quarterly Split

	2025/26 Quarter 1 Budget \$'000	2025/26 Quarter 2 Budget \$'000	2025/26 Quarter 3 Budget \$'000	2025/26 Quarter 4 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash	867	29,196	29,283	1,000
Accounts Receivable	109,746	53,967	43,100	35,978
Inventory	9,731	5,839	8,272	4,866
<b>Total Current Assets</b>	<b>120,345</b>	<b>89,001</b>	<b>80,655</b>	<b>41,844</b>
<b>NON CURRENT ASSETS</b>				
Infrastructure	4,966,807	4,949,392	4,928,771	5,107,283
Work in Progress	38,564	25,599	25,300	25,000
Property, Plant and Equipment	85,655	84,790	83,925	86,520
Intangibles	3,862	3,764	3,666	3,569
<b>Total Non Current Assets</b>	<b>5,094,888</b>	<b>5,063,545</b>	<b>5,041,661</b>	<b>5,222,372</b>
<b>Total Assets</b>	<b>5,215,233</b>	<b>5,152,547</b>	<b>5,122,317</b>	<b>5,264,215</b>
<b>CURRENT LIABILITIES</b>				
Creditors & Accruals	16,042	22,668	30,145	15,092
Borrowings – Current Portion	17,176	5,850	5,850	6,779
Other Lease Liabilities	5,234	5,190	5,145	5,100
Contract Liabilities	110,535	78,546	52,165	7,481
Employee Entitlements	17,372	16,109	15,951	15,793
<b>Total Current Liabilities</b>	<b>166,360</b>	<b>128,363</b>	<b>109,257</b>	<b>50,244</b>
<b>NON CURRENT LIABILITIES</b>				
Borrowings – Long Term	59,391	51,891	51,891	67,465
Employee Entitlements	1,441	1,452	1,463	1,474
Deferred Tax Liability	538,511	534,387	529,084	589,181
<b>Total Non Current Liabilities</b>	<b>599,344</b>	<b>587,731</b>	<b>582,439</b>	<b>658,120</b>
<b>Total Liabilities</b>	<b>765,704</b>	<b>716,094</b>	<b>691,696</b>	<b>708,364</b>
<b>Net Assets</b>	<b>4,449,529</b>	<b>4,436,453</b>	<b>4,430,621</b>	<b>4,555,851</b>
<b>EQUITY</b>				
Contributed Capital	3,036,593	3,036,593	3,036,593	3,034,428
Asset Revaluation Reserve	2,011,678	2,011,678	2,011,678	2,151,678
Accumulated Surplus/Deficit	(598,742)	(611,819)	(617,650)	(630,255)
<b>Total Equity</b>	<b>4,449,529</b>	<b>4,436,452</b>	<b>4,430,621</b>	<b>4,555,851</b>



## Statement of Cash Flow – Consolidated

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>CASH FLOW FROM OPERATIONS</b>						
<i>Cash Receipts</i>						
Fixed and Variable Charges	121,096	125,014	126,027	130,457	134,209	138,184
Government Contributions/Grants	7,998	5,165	2,000	2,000	5,441	5,169
GST received from the ATO	8,602	8,507	8,575	8,722	9,794	10,205
Other Income	30,348	28,982	28,027	28,911	29,904	30,964
<b>Cash Flow from Operations</b>	<b>168,044</b>	<b>167,669</b>	<b>164,629</b>	<b>170,091</b>	<b>179,348</b>	<b>184,523</b>
<i>Cash Payments</i>						
Payments to Suppliers & Employees	(144,742)	(127,060)	(127,815)	(133,132)	(137,126)	(141,239)
Interest and Other Costs of Finance Paid	(4,738)	(4,289)	(4,698)	(4,981)	(5,442)	(6,218)
Environmental Contributions	(1,799)	(1,799)	(1,799)	(1,799)	(1,799)	(1,799)
GST paid to the ATO	(2,533)	(2,319)	(2,242)	(2,313)	(2,392)	(2,477)
<b>Total Cash Payments or Operations</b>	<b>(153,811)</b>	<b>(135,466)</b>	<b>(136,554)</b>	<b>(142,225)</b>	<b>(146,759)</b>	<b>(151,733)</b>
<b>Net Cash Inflow/(Outflow) Operations</b>	<b>14,233</b>	<b>32,203</b>	<b>28,075</b>	<b>27,867</b>	<b>32,589</b>	<b>32,790</b>
<b>CASH FLOW TO INVESTING ACTIVITIES</b>						
Payment for Infrastructure Assets	(34,958)	(35,991)	(28,101)	(25,456)	(40,949)	(44,315)
Proceeds from Sale of Assets	300	300	300	300	300	300
<b>Net Cash Inflow/(Outflow) Investment</b>	<b>(34,658)</b>	<b>(35,691)</b>	<b>(27,801)</b>	<b>(25,156)</b>	<b>(40,649)</b>	<b>(44,015)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Repayment of Borrowings	(6,579)	(9,176)	(6,779)	(9,389)	(7,005)	(2,128)
Proceeds from Borrowings	–	14,852	8,722	8,895	17,281	15,570
Capital Repatriation	(2,277)	(2,217)	(2,217)	(2,217)	(2,217)	(2,217)
Contributions to Government	(54,781)	–	–	–	–	–
<b>Net Cash Inflow/(Outflow) Financing</b>	<b>(63,637)</b>	<b>3,460</b>	<b>(274)</b>	<b>(2,711)</b>	<b>8,059</b>	<b>11,225</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(84,061)</b>	<b>(29)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Cash at Beginning of Period</b>	<b>85,090</b>	<b>1,029</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Cash at End of Period</b>	<b>1,029</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>

## Statement of Cash Flow – Consolidated Quarterly Split

	2025/26 Quarter 1 Budget \$'000	2025/26 Quarter 2 Budget \$'000	2025/26 Quarter 3 Budget \$'000	2025/26 Quarter 4 Budget \$'000	2025/26 Total Budget \$'000
<b>CASH FLOW FROM OPERATIONS</b>					
<i>Cash Receipts</i>					
Fixed and Variable Charges	26,275	66,098	24,049	8,592	125,014
Government Contributions/Grants	3,665	500	500	500	5,165
GST received from the ATO	2,477	1,284	1,497	3,249	8,507
Other Income	7,736	6,957	7,622	6,667	28,982
<b>Cash Flow from Operations</b>	<b>40,153</b>	<b>74,840</b>	<b>33,669</b>	<b>19,008</b>	<b>167,669</b>
<i>Cash Payments</i>					
Payments to Suppliers & Employees	(33,380)	(24,830)	(26,773)	(42,077)	(127,060)
Interest and Other Costs of Finance Paid	(279)	(2,021)	(200)	(1,789)	(4,289)
Environmental Contributions	–	(600)	(600)	(600)	(1,799)
GST paid to the ATO	(619)	(557)	(610)	(533)	(2,319)
<b>Total Cash Payments or Operations</b>	<b>(34,278)</b>	<b>(28,007)</b>	<b>(28,182)</b>	<b>(44,999)</b>	<b>(135,466)</b>
<b>Net Cash Inflow/(Outflow) Operations</b>	<b>5,875</b>	<b>46,833</b>	<b>5,486</b>	<b>(25,991)</b>	<b>32,203</b>
<b>CASH FLOW TO INVESTING ACTIVITIES</b>					
Payment for Infrastructure Assets	(14,037)	(4,679)	(5,399)	(11,877)	(35,991)
Proceeds from Sale of Assets	–	–	–	300	300
<b>Net Cash Inflow/(Outflow) Investment</b>	<b>(14,037)</b>	<b>(4,679)</b>	<b>(5,399)</b>	<b>(11,577)</b>	<b>(35,691)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of Borrowings	–	(5,825)	–	(3,350)	(9,176)
Proceeds from Borrowings	–	–	–	14,852	14,852
Temporary Borrowings	8,000	(8,000)	–	–	–
Capital Repatriation	–	–	–	(2,217)	(2,217)
<b>Net Cash Inflow/(Outflow) Financing</b>	<b>8,000</b>	<b>(13,825)</b>	<b>–</b>	<b>9,285</b>	<b>3,460</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(162)</b>	<b>28,328</b>	<b>88</b>	<b>(28,283)</b>	<b>(29)</b>
<b>Cash at Beginning of Period</b>	<b>1,029</b>	<b>867</b>	<b>29,196</b>	<b>29,283</b>	<b>1,029</b>
<b>Cash at End of Period</b>	<b>867</b>	<b>29,196</b>	<b>29,283</b>	<b>1,000</b>	<b>1,000</b>

## Financial Performance Indicators – Consolidated

2025/26 Target	Consolidated Financial Performance Ratios	2024/25 Forecast	2025/26 Budget	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast
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### SHORT-TERM FINANCIAL SUSTAINABILITY INDICATORS

9.5x	Cash Interest Cover (MRD01)	4.3x	9.5x	7.8x	7.3x	7.8x	7.0x
89.0%	Internal Financing Ratio	40.7%	89.5%	99.9%	109.5%	79.6%	74.0%
1.6x	Current Ratio <i>Net operating cash flows less dividends/net</i>	1.3x	1.6x	1.4x	1.6x	1.9x	1.9x
0.8x	Quick Ratio Current assets/current liabilities	1.2x	1.4x	1.3x	1.4x	1.7x	1.7x
18.0%	EBITDA Margin	23.0%	18.0%	19.5%	18.6%	20.3%	20.2%

### LONG-TERM FINANCIAL SUSTAINABILITY INDICATORS

1.5%	Gearing Ration (debt to assets)	1.4%	1.5%	1.6%	1.6%	1.8%	2.1%
-1.1%	Return of Assets (statutory)	-1.2%	-1.1%	-1.1%	-1.1%	-1.0%	-1.0%
-1.0%	Return of Equity <i>Net profit after tax/Average total equity</i>	-1.0%	-1.0%	-1.0%	-1.0%	-0.9%	-0.9%

## 2.9

## Water Storage and Delivery

## Operating Statement – Water Storage and Delivery

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>REVENUE</b>						
Fixed Charges	102,111	101,129	105,048	108,874	112,140	115,504
Variable Charges	12,761	8,843	9,163	9,327	9,607	9,895
Bulk Supplies	13,722	11,808	12,136	12,420	12,741	13,072
Externally Funded	26,331	24,452	25,390	22,015	25,811	26,210
Other Revenue	10,374	10,597	9,505	9,808	10,201	10,642
<b>Total Revenue</b>	<b>165,299</b>	<b>156,829</b>	<b>161,241</b>	<b>162,445</b>	<b>170,500</b>	<b>175,324</b>
<b>EXPENDITURE</b>						
<i>Direct Costs</i>						
Labour (incl Labour Hire & Contract Labour)	50,620	54,586	53,602	55,213	56,872	58,582
Contract and Services	16,947	18,778	18,384	19,746	20,019	20,620
Consultants	265	165	252	260	267	275
Plant & Motor Vehicles (incl Ext Plant)	5,570	5,992	6,172	6,357	6,548	6,744
Materials (incl Assets less than \$2000)	4,905	4,444	4,874	5,007	5,449	5,585
General Insurance	2,794	3,138	3,295	3,460	3,633	3,815
Electricity	2,033	2,082	2,144	2,209	2,275	2,343
Environmental Contribution	1,799	1,799	1,799	1,799	1,799	1,799
MDBA Contribution to Vic Govt	14,574	14,855	15,301	15,760	16,232	16,719
Other	2,555	2,452	2,598	2,675	2,756	2,838
<b>Total Direct Costs</b>	<b>102,062</b>	<b>108,291</b>	<b>108,421</b>	<b>112,484</b>	<b>115,851</b>	<b>119,321</b>
<i>Other (External) Costs</i>						
Government Grants	2,322	2,358	1,952	2,010	2,070	2,133
Recoverable Works	1,500	1,021	943	971	1,000	1,030
MDBA	15,740	16,891	18,491	16,695	16,886	17,388
Water Savings Projects	653	–	–	–	–	–
<b>Total Other Costs</b>	<b>20,215</b>	<b>20,270</b>	<b>21,386</b>	<b>19,676</b>	<b>19,956</b>	<b>20,551</b>
<b>Total Expenditure</b>	<b>122,277</b>	<b>128,561</b>	<b>129,807</b>	<b>132,160</b>	<b>135,807</b>	<b>139,872</b>
<b>EBITDA (before asset tfr &amp; disposals)</b>	<b>43,022</b>	<b>28,268</b>	<b>31,434</b>	<b>30,285</b>	<b>34,693</b>	<b>35,452</b>
Asset Disposals (Expenditure)	15,000	7,500	7,500	7,500	7,500	7,500
<b>EBITDA</b>	<b>28,022</b>	<b>20,768</b>	<b>23,934</b>	<b>22,785</b>	<b>27,193</b>	<b>27,952</b>
Interest Expense	4,738	4,340	5,551	5,860	6,347	7,150
Statutory Depreciation	85,080	77,593	80,136	79,223	78,638	77,480
<b>Statutory Profit before Tax</b>	<b>(61,796)</b>	<b>(61,165)</b>	<b>(61,753)</b>	<b>(62,298)</b>	<b>(57,792)</b>	<b>(56,678)</b>
Tax (Expense)/Benefit	18,539	18,350	18,526	18,689	17,338	17,003
<b>Statutory Profit after Tax</b>	<b>(43,257)</b>	<b>(42,816)</b>	<b>(43,227)</b>	<b>(43,609)</b>	<b>(40,454)</b>	<b>(39,675)</b>

## Operating Statement – Water Storage and Delivery Quarterly Split

	2025/26 Quarter 1 Budget \$'000	2025/26 Quarter 2 Budget \$'000	2025/26 Quarter 3 Budget \$'000	2025/26 Quarter 4 Budget \$'000	2025/26 Total Budget \$'000
<b>REVENUE</b>					
Fixed Charges	25,282	25,282	25,282	25,283	101,129
Variable Charges	1,105	3,316	3,316	1,104	8,843
Bulk Supplies	2,952	2,952	2,952	2,952	11,808
Externally Funded	8,189	6,078	4,872	5,313	24,452
Other Revenue	2,454	2,744	2,751	2,649	10,597
<b>Total Revenue</b>	<b>39,982</b>	<b>40,372</b>	<b>39,173</b>	<b>37,301</b>	<b>156,829</b>
<b>EXPENDITURE</b>					
<i>Direct Costs</i>					
Labour (incl Labour Hire & Contract Labour)	14,612	13,831	12,925	13,218	54,586
Contract and Services	5,436	4,469	4,608	4,265	18,778
Consultants	40	41	41	43	165
GMW Vehicle Hire (Fleet Costs)	1,486	1,497	1,505	1,503	5,992
Materials (incl Assets less than \$2000)	1,110	1,111	1,111	1,112	4,444
General Insurance	784	785	785	784	3,138
Electricity	520	521	521	520	2,082
Environmental Contribution	451	450	450	449	1,799
MDBA Contribution to Vic Govt	3,714	3,714	3,714	3,714	14,855
Other	640	560	675	579	2,452
<b>Total Direct Costs</b>	<b>28,793</b>	<b>26,979</b>	<b>26,335</b>	<b>26,185</b>	<b>108,291</b>
<i>Other Costs</i>					
External Costs	613	542	637	567	2,358
Recoverable Works	265	235	276	244	1,021
MDBA	4,392	3,885	4,561	4,054	16,891
Water Savings Projects	–	–	–	–	–
<b>Total Other Costs</b>	<b>5,270</b>	<b>4,662</b>	<b>5,474</b>	<b>4,865</b>	<b>20,270</b>
<b>Total Expenditure</b>	<b>34,063</b>	<b>31,642</b>	<b>31,810</b>	<b>31,050</b>	<b>128,561</b>
<b>EBITDA (before asset tfr &amp; disposals)</b>	<b>5,919</b>	<b>8,730</b>	<b>7,363</b>	<b>6,251</b>	<b>28,268</b>
Asset Disposals (Expenditure)	1,950	1,725	2,025	1,800	7,500
<b>EBITDA</b>	<b>3,996</b>	<b>7,005</b>	<b>5,338</b>	<b>4,451</b>	<b>20,768</b>
Interest Expense	1,128	998	1,172	1,042	4,340
Statutory Depreciation	20,174	17,846	20,950	18,622	77,593
<b>Statutory Profit before Tax</b>	<b>(17,333)</b>	<b>(11,839)</b>	<b>(16,784)</b>	<b>(15,213)</b>	<b>(61,165)</b>
Tax (Expense)/Benefit	4,771	4,221	4,954	4,404	18,350
<b>Statutory Profit after Tax</b>	<b>(12,562)</b>	<b>(7,618)</b>	<b>(11,830)</b>	<b>(10,809)</b>	<b>(42,815)</b>

## Balance Sheet – Water Storage and Delivery

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>CURRENT ASSETS</b>						
Cash	1,029	1,000	1,000	1,000	1,000	1,000
Accounts Receivable	39,309	35,978	37,076	38,207	39,372	40,572
Inventory	3,785	4,866	4,871	4,875	4,880	4,885
<b>Total Current Assets</b>	<b>44,123</b>	<b>41,844</b>	<b>42,946</b>	<b>44,082</b>	<b>45,252</b>	<b>46,457</b>
<b>NON CURRENT ASSETS</b>						
Infrastructure	4,951,549	5,107,283	5,057,053	5,006,383	4,975,336	4,945,064
Work in Progress	30,000	25,000	25,000	25,000	25,000	25,000
Property, Plant and Equipment	85,698	86,520	84,937	83,524	82,253	81,101
Intangibles	3,687	3,569	3,464	3,374	3,295	3,227
<b>Total Non Current Assets</b>	<b>5,070,935</b>	<b>5,222,372</b>	<b>5,170,454</b>	<b>5,118,281</b>	<b>5,085,884</b>	<b>5,054,392</b>
<b>Total Assets</b>	<b>5,115,058</b>	<b>5,264,215</b>	<b>5,213,400</b>	<b>5,162,363</b>	<b>5,131,136</b>	<b>5,100,849</b>
<b>CURRENT LIABILITIES</b>						
Creditors & Accruals	19,351	15,092	15,544	16,011	16,491	16,986
Borrowings – Current Portion	9,176	6,779	9,389	7,005	2,128	2,259
Other Lease Liabilities	4,774	5,100	5,253	5,410	5,573	5,740
Contract Liabilities	1,613	7,481	7,705	7,936	8,175	8,420
Employee Entitlements	18,172	15,793	16,267	16,755	17,257	17,775
<b>Total Current Liabilities</b>	<b>53,086</b>	<b>50,244</b>	<b>54,158</b>	<b>53,117</b>	<b>49,624</b>	<b>51,179</b>
<b>NON CURRENT LIABILITIES</b>						
Borrowings – Long Term	59,391	67,465	66,789	68,689	83,842	97,153
Employee Entitlements	2,309	1,474	1,518	1,564	1,611	1,659
Deferred Tax Liability	566,308	589,181	570,381	551,849	533,726	516,017
<b>Total Non Current Liabilities</b>	<b>628,009</b>	<b>658,120</b>	<b>638,698</b>	<b>622,101</b>	<b>619,179</b>	<b>614,829</b>
<b>Total Liabilities</b>	<b>681,095</b>	<b>708,364</b>	<b>692,856</b>	<b>675,218</b>	<b>668,802</b>	<b>666,009</b>
<b>Net Assets</b>	<b>4,433,964</b>	<b>4,555,851</b>	<b>4,520,545</b>	<b>4,487,145</b>	<b>4,462,333</b>	<b>4,434,841</b>
<b>EQUITY</b>						
Contributed Capital	3,019,949	3,034,428	3,032,211	3,029,994	3,027,777	3,025,560
Asset Revaluation Reserve	2,011,678	2,151,678	2,151,678	2,151,678	2,151,678	2,151,678
Accumulated Surplus/Deficit	(597,664)	(630,255)	(663,345)	(694,528)	(717,122)	(742,398)
<b>Total Equity</b>	<b>4,433,964</b>	<b>4,555,851</b>	<b>4,520,545</b>	<b>4,487,145</b>	<b>4,462,333</b>	<b>4,434,841</b>

## Balance Sheet – Water Storage and Delivery Quarterly Split

	2025/26 Quarter 1 Budget \$'000	2025/26 Quarter 2 Budget \$'000	2025/26 Quarter 3 Budget \$'000	2025/26 Quarter 4 Budget \$'000
<b>CURRENT ASSETS</b>				
Cash	867	29,196	29,283	1,000
Accounts Receivable	109,746	53,967	43,100	35,978
Inventory	9,731	5,839	8,272	4,866
<b>Total Current Assets</b>	<b>120,345</b>	<b>89,001</b>	<b>80,655</b>	<b>41,844</b>
<b>NON CURRENT ASSETS</b>				
Infrastructure	4,966,807	4,949,392	4,928,771	5,107,283
Work in Progress	38,564	25,599	25,300	25,000
Property, Plant and Equipment	85,655	84,790	83,925	86,520
Intangibles	3,862	3,764	3,666	3,569
<b>Total Non Current Assets</b>	<b>5,094,888</b>	<b>5,063,545</b>	<b>5,041,661</b>	<b>5,222,372</b>
<b>Total Assets</b>	<b>5,215,233</b>	<b>5,152,547</b>	<b>5,122,317</b>	<b>5,264,215</b>
<b>CURRENT LIABILITIES</b>				
Creditors & Accruals	16,042	22,668	30,145	15,092
Borrowings – Current Portion	17,176	5,850	5,850	6,779
Other Lease Liabilities	5,234	5,190	5,145	5,100
Contract Liabilities	110,535	78,546	52,165	7,481
Employee Entitlements	17,372	16,109	15,951	15,793
<b>Total Current Liabilities</b>	<b>166,360</b>	<b>128,363</b>	<b>109,257</b>	<b>50,244</b>
<b>NON CURRENT LIABILITIES</b>				
Borrowings – Long Term	59,391	51,891	51,891	67,465
Employee Entitlements	1,441	1,452	1,463	1,474
Deferred Tax Liability	538,511	534,387	529,084	589,181
<b>Total Non Current Liabilities</b>	<b>599,344</b>	<b>587,731</b>	<b>582,439</b>	<b>658,120</b>
<b>Total Liabilities</b>	<b>765,704</b>	<b>716,094</b>	<b>691,696</b>	<b>708,364</b>
<b>Net Assets</b>	<b>4,449,529</b>	<b>4,436,453</b>	<b>4,430,621</b>	<b>4,555,851</b>
<b>EQUITY</b>				
Contributed Capital	3,036,593	3,036,593	3,036,593	3,034,428
Asset Revaluation Reserve	2,011,678	2,011,678	2,011,678	2,151,678
Accumulated Surplus/Deficit	(598,742)	(611,819)	(617,650)	(630,255)
<b>Total Equity</b>	<b>4,449,529</b>	<b>4,436,452</b>	<b>4,430,621</b>	<b>4,555,851</b>



## Statement of Cash Flow – Water Storage and Delivery

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>CASH FLOW FROM OPERATIONS</b>						
<i>Cash Receipts</i>						
Fixed and Variable Charges	121,096	125,014	126,027	130,457	134,209	138,184
Government Contributions/Grants	4,847	5,165	2,000	2,000	5,441	5,169
GST received from the ATO	8,602	8,507	8,575	8,722	9,794	10,205
Other Income	29,987	28,982	28,027	28,911	29,904	30,964
<b>Cash Flow from Operations</b>	<b>164,532</b>	<b>167,669</b>	<b>164,629</b>	<b>170,091</b>	<b>179,348</b>	<b>184,523</b>
<i>Cash Payments</i>						
Payments to Suppliers & Employees	(122,440)	(127,060)	(127,815)	(133,132)	(137,126)	(141,239)
Interest and Other Costs of Finance Paid	(4,738)	(4,289)	(4,698)	(4,981)	(5,442)	(6,218)
Environmental Contributions	(1,799)	(1,799)	(1,799)	(1,799)	(1,799)	(1,799)
GST paid to the ATO	(2,533)	(2,319)	(2,242)	(2,313)	(2,392)	(2,477)
<b>Total Cash Payments or Operations</b>	<b>(131,509)</b>	<b>(135,466)</b>	<b>(136,554)</b>	<b>(142,225)</b>	<b>(146,759)</b>	<b>(151,733)</b>
<b>Net Cash Inflow/(Outflow) Operations</b>	<b>33,022</b>	<b>32,203</b>	<b>28,075</b>	<b>27,867</b>	<b>32,589</b>	<b>32,790</b>
<b>CASH FLOW TO INVESTING ACTIVITIES</b>						
Payment for Infrastructure Assets	(32,409)	(35,991)	(28,101)	(25,456)	(40,949)	(44,315)
Proceeds from Sale of Assets	300	300	300	300	300	300
<b>Net Cash Inflow/(Outflow) Investment</b>	<b>(32,109)</b>	<b>(35,691)</b>	<b>(27,801)</b>	<b>(25,156)</b>	<b>(40,649)</b>	<b>(44,015)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Capital Repatriation	(2,277)	(2,217)	(2,217)	(2,217)	(2,217)	(2,217)
Repayment of Borrowings	(6,579)	(9,176)	(6,779)	(9,389)	(7,005)	(2,128)
Proceeds from Borrowings	–	14,852	8,722	8,895	17,281	15,570
<b>Net Cash Inflow/(Outflow) Financing</b>	<b>(8,856)</b>	<b>3,460</b>	<b>(274)</b>	<b>(2,711)</b>	<b>8,059</b>	<b>11,225</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(7,942)</b>	<b>(29)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Cash at Beginning of Period</b>	<b>8,971</b>	<b>1,029</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Cash at End of Period</b>	<b>1,029</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>

## Statement of Cash Flow – Water Storage and Delivery Quarterly Split

	2025/26 Quarter 1 Budget \$'000	2025/26 Quarter 2 Budget \$'000	2025/26 Quarter 3 Budget \$'000	2025/26 Quarter 4 Budget \$'000	2025/26 Total Budget \$'000
<b>CASH FLOW FROM OPERATIONS</b>					
<i>Cash Receipts</i>					
Fixed and Variable Charges	26,275	66,098	24,049	8,592	125,014
Government Contributions/Grants	3,665	500	500	500	5,165
GST received from the ATO	2,477	1,284	1,497	3,249	8,507
Other Income	7,736	6,957	7,622	6,667	28,982
<b>Cash Flow from Operations</b>	<b>40,153</b>	<b>74,840</b>	<b>33,669</b>	<b>19,008</b>	<b>167,669</b>
<i>Cash Payments</i>					
Payments to Suppliers & Employees	(33,380)	(24,830)	(26,773)	(42,077)	(127,060)
Interest and Other Costs of Finance Paid	(279)	(2,021)	(200)	(1,789)	(4,289)
Environmental Contributions	–	(600)	(600)	(600)	(1,799)
GST paid to the ATO	(619)	(557)	(610)	(533)	(2,319)
<b>Total Cash Payments or Operations</b>	<b>(34,278)</b>	<b>(28,007)</b>	<b>(28,182)</b>	<b>(44,999)</b>	<b>(135,466)</b>
<b>Net Cash Inflow/(Outflow) Operations</b>	<b>5,875</b>	<b>46,833</b>	<b>5,486</b>	<b>(25,991)</b>	<b>32,203</b>
<b>CASH FLOW TO INVESTING ACTIVITIES</b>					
Payment for Infrastructure Assets	(14,037)	(4,679)	(5,399)	(11,877)	(35,991)
Proceeds from Sale of Assets	–	–	–	300	300
<b>Net Cash Inflow/(Outflow) Investment</b>	<b>(14,037)</b>	<b>(4,679)</b>	<b>(5,399)</b>	<b>(11,577)</b>	<b>(35,691)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of Borrowings	–	(5,825)	–	(3,350)	(9,176)
Proceeds from Borrowings	–	–	–	14,852	14,852
Temporary Borrowings	8,000	(8,000)	–	–	–
Capital Repatriation	–	–	–	(2,217)	(2,217)
<b>Net Cash Inflow/(Outflow) Financing</b>	<b>8,000</b>	<b>(13,825)</b>	<b>–</b>	<b>9,285</b>	<b>3,460</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(162)</b>	<b>28,328</b>	<b>88</b>	<b>(28,283)</b>	<b>(29)</b>
<b>Cash at Beginning of Period</b>	<b>1,029</b>	<b>867</b>	<b>29,196</b>	<b>29,283</b>	<b>1,029</b>
<b>Cash at End of Period</b>	<b>867</b>	<b>29,196</b>	<b>29,283</b>	<b>1,000</b>	<b>1,000</b>

## Financial Performance Indicators – Water Storage and Delivery

2025/26 Target	Water Storage and Delivery Financial Performance Ratios	2024/25 Forecast	2025/26 Budget	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast
<b>SHORT-TERM FINANCIAL SUSTAINABILITY INDICATORS</b>							
9.5x	Cash Interest Cover (MRD01)	8.7x	9.5x	7.8x	7.3x	7.8x	7.0x
89.0%	Internal Financing Ratio	101.9%	89.5%	99.9%	109.5%	79.6%	74%
1.6x	Current Ratio <i>Net operating cash flows less dividends/net</i>	1.3x	1.6x	1.4x	1.6x	1.9x	1.9x
0.8x	Quick Ratio Current assets/current liabilities	1.2x	1.4x	1.3x	1.4x	1.7x	1.7x
18.0%	EBITDA Margin	26.0%	18.0%	19.5%	18.6%	20.3%	20.2%
<b>LONG-TERM FINANCIAL SUSTAINABILITY INDICATORS</b>							
1.5%	Gearing Ration (debt to assets)	1.4%	1.5%	1.6%	1.6%	1.8%	2.1%
-1.1%	Return of Assets (statutory)	-1.1%	-1.1%	-1.1%	-1.1%	-1.0%	-1.0%
-1.0%	Return of Equity <i>Net profit after tax/Average total equity</i>	-1.0%	-1.0%	-1.0%	-1.0%	-0.9%	-0.9%

## Water Savings Projects

### Operating Statement – Water Savings Projects

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>REVENUE</b>						
Government Grants	15,175	–	–	–	–	–
Other Revenue	361	–	–	–	–	–
<b>Total Revenue</b>	<b>15,535</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>EXPENDITURE</b>						
Operations	5,325	–	–	–	–	–
Project Costs	11,810	–	–	–	–	–
<b>Total Expenditure</b>	<b>17,135</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>EBITDA</b>	<b>(1,599)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Statutory Depreciation	1,097	–	–	–	–	–
<b>Statutory Profit before Tax</b>	<b>(2,696)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Tax (Expense)/Benefit	809	–	–	–	–	–
<b>Statutory Profit after Tax</b>	<b>(1,887)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

### Balance Sheet – Water Savings Projects

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>NON CURRENT LIABILITIES</b>						
Deferred Tax Liability	(18,343)	–	–	–	–	–
<b>Total Non Current Liabilities</b>	<b>(18,343)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Liabilities</b>	<b>(18,343)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Net Assets</b>	<b>18,343</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>EQUITY</b>						
Contributed Capital	(68,633)	–	–	–	–	–
Accumulated Surplus/Deficit	50,290	–	–	–	–	–
<b>Total Equity</b>	<b>(18,343)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## Statement of Cash Flow – Water Savings Projects

	2024/25 Forecast \$'000	2025/26 Budget \$'000	2026/27 Forecast \$'000	2027/28 Forecast \$'000	2028/29 Forecast \$'000	2029/30 Forecast \$'000
<b>CASH FLOW FROM OPERATIONS</b>						
<i>Cash Receipts</i>						
Government Contributions/Grants	3,152	–	–	–	–	–
Other Income	361	–	–	–	–	–
<b>Cash Flow from Operations</b>	<b>3,512</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<i>Cash Payments</i>						
Payments to Suppliers & Employees	(22,302)	–	–	–	–	–
<b>Total Cash Payments or Operations</b>	<b>(22,302)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Net Cash Inflow/(Outflow) Operations</b>	<b>(18,790)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>CASH FLOW TO INVESTING ACTIVITIES</b>						
Payments for Infrastructure Assets	(2,548)	–	–	–	–	–
<b>Net Cash Inflow/(Outflow) Investment</b>	<b>(2,548)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<i>Cash Flows from Financing Activities</i>						
Capital Contributions to Government	(54,781)	–	–	–	–	–
<b>Net Cash Inflow/(Outflow) Financing</b>	<b>(54,781)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(76,119)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Cash at Beginning of Period</b>	<b>76,119</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Cash at End of Period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## 2025/26 Prices and Schedule of Charges

Price list is subject to ESC approval. For a current approved price list please visit

[www.g-mwater.com.au/customer-services/pricing/price-list](http://www.g-mwater.com.au/customer-services/pricing/price-list)

### Customer

Fee / Charge	Unit	\$
Customer	\$ / Customer	145.00
Water Register	\$ / Entitlement	15.22

### Water Delivery

Fee / Charge	Unit	Irrigation District			
		Goulburn Murray		Nyah	Tresco
		Murray Valley, Shepparton, Central Goulburn, Rochester, Loddon Valley, Torrumbarry	Woorinen		
Service Point – D&S	\$ / Each	145.00	145.00	145.00	145.00
Service Point – Local Operate	\$ / Each	530.00	769.00	530.00	530.00
Service Point – Remote Operate	\$ / Each	1,185.00	1,185.00	N/A	N/A
Infrastructure Access	\$ / ML/day	2,937.00	4,841.00	4,400.00	5,482.00
Infrastructure Use	\$ / ML	5.93	28.90	35.38	20.74
Casual Infrastructure Use	\$ / ML	49.99	101.52	101.38	102.97
Distribution Access	\$ / ML/day	2,937.00	N/A	N/A	N/A
Distribution Use	\$ / ML	5.93	N/A	N/A	N/A
Delivery Share Reservation	\$ / ML/day	2,937.00	4,841.00	4,400.00	5,482.00
Termination*	\$ / ML/day	29,370.00	48,410.00	44,000.00	54,820.00

### Surface Drainage

Fee / Charge	Unit	Irrigation District					
		East		Central		West	
		Murray Valley	Shepparton	Central Goulburn	Rochester-Campaspe	Loddon Valley	Torrumbarry
Area	\$ / HA	15.17	17.18	12.11	11.56	8.68	6.52
Water Use	\$ / ML	2.15	2.42	1.90	1.75	3.30	1.37
Drainage Diversion Site	\$ / ML	55.00	55.00	55.00	55.00	55.00	55.00

### Subsurface Drainage

Fee / Charge	Unit	Irrigation District						
		Goulburn Murray					Nyah	Tresco
		East		Central		Woorinen		
		Murray Valley	Shepparton	Central Goulburn	Rochester			
Area	\$ / HA	4.95	N/A	5.08	5.08	3.62	N/A	N/A
Water Use	\$ / ML	N/A	N/A	1.04	1.04	1.44	9.29	N/A
Municipal Area	\$ / HA	19.82	N/A	20.33	20.33	N/A	N/A	N/A
Subsurface Drainage	\$ / ML	N/A	N/A	N/A	N/A	N/A	N/A	3.78

## Diversion

Fee / Charge	Unit	Regulated Waterways	Unregulated Waterways	Groundwater	Shepparton Irrigation Region Groundwater
Service Point – Unmetered	\$ / Each	130.00	130.00	130.00	N/A
Service Point – Metered (excluding D&S)	\$ / Each	530.00	530.00	530.00	N/A
Access	\$ / Each	188.00	71.00	126.00	64.00
Resource Management	\$ / ML	N/A	3.42	4.69	0.77

## Water Supply

Fee / Charge	Unit	Water Supply District					
		East Loddon	Mitiamo	Normanville	Tungamah	East Loddon (North)	West Loddon
Service Point	\$ / Each	145.00	145.00	145.00	145.00	N/A	N/A
Water Allowance Storage	\$ / ML	9.30	9.30	9.30	9.30	9.30	9.30
Infrastructure Access	\$ / kL/day	58.57	197.00	179.00	108.00	N/A	N/A
Infrastructure Access	\$ / HA	N/A	N/A	N/A	N/A	3.36	3.09
Infrastructure Use	\$ / ML	108.76	30.78	169.34	82.25	N/A	N/A
Distribution Access	\$ / ML/day	N/A	197.00	N/A	N/A	2,937.00	N/A
Distribution Use	\$ / ML	N/A	30.78	N/A	N/A	5.93	N/A
Excess	\$ / ML	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00

## Loch Garry Flood Protection District

Fee / Charge	Unit	\$
Flood Protection	\$ / HA	2.52

## Entitlement Storage

Fee / Charge	Unit	Basin						
		Broken	Goulburn	Campaspe	Loddon	Bullarook	Murray	Ovens
High Reliability Water Share Entitlement Storage	\$ / ML	9.30	9.30	9.30	9.30	9.30	10.74	10.74
Low Reliability Water Share Entitlement Storage	\$ / ML	5.39	5.39	5.39	5.39	5.39	3.01	N/A
Spill Reliability Water Share Entitlement Storage	\$ / ML	N/A	N/A	N/A	N/A	N/A	N/A	3.01
Above Entitlement Storage	\$ / ML	N/A	5.39	5.39	N/A	N/A	3.01	N/A

## Bulk Water

Fee / Charge	Unit	Basin						
		Broken	Goulburn	Campaspe	Loddon	Bullarook	Murray	Ovens
Very High Reliability Entitlement	\$ / ML	N/A	9.55	N/A	N/A	N/A	N/A	N/A
High Reliability Entitlement	\$ / ML	9.12	9.12	9.12	9.12	9.12	10.53	10.53
Low Reliability Entitlement	\$ / ML	5.28	5.28	5.28	5.28	5.28	2.95	N/A
WR Equivalent Entitlement	\$ / ML	N/A	11.63	N/A	N/A	N/A	12.31	N/A
Coliban Capacity Share Source	\$ / ML	N/A	N/A	9.12	N/A	N/A	N/A	N/A
Above Entitlement Storage	\$ / ML	N/A	5.28	5.28	N/A	N/A	2.95	N/A

\* Indicative: The figures shown will generally apply to terminations requested to apply within six months of a customer submitting a written information request. For terminations requested to apply more than six months after the written information request is submitted, the termination fee will be that applicable at the date of termination.



## Miscellaneous Fees and Charges

	Form	\$
<b>GROUNDWATER</b>		
<b>WORKS LICENCE</b>		
Construct Works Licence – Non Licensable Bore – Issue New / Alter Existing / Amend Existing / Replace Existing	72	315
Construct Works Licence – Non Licensable Bore – Renew Existing / Transfer Ownership	72	315
Construct Works Licence – Non Licensable Bore – Additional Bore	72	160
Construct Works Licence – Licensable Bore – Issue New / Alter Existing / Amend Existing	70	2,525
Construct Works Licence – Licensable Bore – Renew Existing / Transfer Ownership	70	285
Construct Works Licence – Licensable Bore – Replace Works	70	1,355
Construct Works Licence – Licensable Bore – Additional Bore	70	160
Construct Works Licence – Decommission Works	76	350
Online – Construct a Domestic and Stock Bore	N/A	255
Online – Amend and Renew a Domestic and Stock Bore	N/A	85
Online – Construct an Investigation or Monitoring Bore	N/A	255
Online – Amend and Renew an Investigation or Monitoring Bore	N/A	85
<b>TAKE AND USE LICENCE</b>		
Licensable Bore – Issue New	91	2,525
Licensable Bore – Temporary Transfer Water Entitlement Tier 1	75GW	285
Licensable Bore – Temporary Transfer Water Entitlement Tier 2	75GW	2,200
Licensable Bore – Temporary Transfer Water Entitlement Tier 2B	75GW	595
Permanent Transfer Water Entitlement	74GW	2,525
Licensable Bore – Transfer Ownership / Transfer Extraction Share	93	285
Licensable Bore – Renew Existing	73GW	895
Licensable Bore – Decrease Volume / Remove Land	91	285
Licensable Bore – Subdivide a Licence	78	1,680
Licensable Bore – Amalgamate Licences	77	1,680
Licensable Bore – Amend Existing	91	1,190
<b>PRIVATE DAMS</b>		
Construct Works Licence – Licensable Dam – Alter Existing / Decommission Works / Issue New	60	1,845
Operate Works Licence – Licensable Dam – Issue New	61	1,180
Operate Works Licence – Licensable Dam – Renew Existing	62	1,085
Operate Works Licence – Licensable Dam Transfer Ownership	62	205
<b>PLACE OF TAKE</b>		
Trade of Extraction Share	16	221.60
Vary of Extraction Share	14	221.60

	Form	\$
<b>REGULATED RIVERS AND STREAMS</b>		
<b>WORKS LICENCE</b>		
Construct Works Licence – Issue New	29	1,000
Construct Works Licence – Renew Existing	31	315
Operate Works Licence – Issue New	29	1,000
Operate Works Licence – Amend Existing / Renew Existing	31	920
Operate Works Licence – Transfer Ownership	31	205
<b>WATER USE LICENCE OR REGISTRATION</b>		
Issue New – with Field Inspection	23	920
Issue New – without Field Inspection	23	160
Vary Existing	24	160
Subdivide or Amalgamate – with Field Inspection	25A	920 / lot
Subdivide or Amalgamate – without Field Inspection	25A	160 / lot
<b>UNREGULATED RIVERS AND STREAMS</b>		
<b>WORKS LICENCE</b>		
Construct Works Licence – Alter Existing / Amend Existing / Issue New / Renew Existing	90	1,355
Construct Works Licence – Transfer Ownership	90	285
Construct Works Licence – Decommission Works	79	205
<b>TAKE AND USE LICENCE</b>		
Issue New	71	2,385
Temporary Transfer Water Entitlement Tier 1	75SW	285
Temporary Transfer Water Entitlement Tier 2	75SW	2,060
Temporary Transfer Water Entitlement Tier 2B	75SW	595
Permanent Transfer Water Entitlement	74SW	2,385
Transfer Ownership / Transfer Extraction Share	93	285
Renew Existing	73SW	895
Amalgamate Licences	77	1,680
Subdivide a Licence	78	1,680
Amend Existing	71	1,190
Decrease volume / Remove land	71	285
Private Right Determination	95	895
Waterway Determination	96	1,045
Waterway Determination Additional Assessment	96	595
<b>WATER SUPPLY DISTRICT</b>		
Amalgamate Properties	171	430
Issue New	172	1,355
Subdivide a Property	170	430/lot
<b>INFORMATION STATEMENTS &amp; SPECIAL METER READINGS</b>		
Copy of Record		35
Information Statement		125
Information Statement Express service		200
Special Meter Reading		125

	Form	\$
<b>IRRIGATION DISTRICTS</b>		
Amend District Boundary	150	705
<b>DELIVERY SHARE</b>		
Transfer	36	285
Vary Existing	35	285
Issue New	34	285
Reservation	34	285
Capacity Assessment	N/A	285
<b>PRIVATE WORKS</b>		
Issue New	130	1,515
Security Deposit	130	25% of job (min 1,000)
Supervision fee	130	5% of job (min 300)
Transfer Ownership	131	205
Renew Existing	131	600
Installation of a New Service Point	135	705
<b>SUPPLY AGREEMENT</b>		
Drainage Diversion - Issue New - without Field Inspection	143	270
Drainage Diversion - Issue New - with Field Inspection	143	600
Amend Existing / Issue New	141	595
Mobile Collection Issue New	142	230
<b>WATER USE LICENCE OR REGISTRATION</b>		
Issue New - with Field Inspection	23	920
Subdivide or Amalgamate - with Field Inspection	25A	920/lot
Issue New - without Field Inspection	23	160
Vary Existing	24	160
Subdivide or Amalgamate - without Field Inspection	25A	160/lot
<b>TECHNICAL ADVICE FOR HIGH RISK OR COMPLEX APPLICATIONS</b>		
Technical Advice for High Risk or Complex Applications		160/hr

## Forecast Pricing Impacts

### Gravity Irrigation

	Small			Medium			Large			Extra Large		
	Usage (ML)	Change %	Annual Bill	Usage (ML)	Change %	Annual Bill	Usage (ML)	Change %	Annual Bill	Usage (ML)	Change %	Annual Bill
Shepparton	3	1%	\$439	100	1%	\$8,191	410	0%	\$25,965	1,000	-1%	\$51,945
Central Goulburn	3	1%	\$439	100	1%	\$7,987	410	0%	\$25,093	1,000	-1%	\$50,766
Rochester	3	1%	\$439	100	1%	\$7,956	410	0%	\$24,959	1,000	-1%	\$50,545
Loddon Valley	3	1%	\$439	100	0%	\$8,025	410	-1%	\$25,223	1,000	-1%	\$51,725
Murray Valley	3	2%	\$443	100	1%	\$8,248	410	1%	\$26,183	1,000	0%	\$52,853
Torrumbarry	3	2%	\$443	100	2%	\$7,910	410	1%	\$24,737	1,000	0%	\$50,945

### Diversions

	Small			Medium			Large			Extra Large		
	Entitlement (ML)*	Change %	Annual Bill	Entitlement (ML)*	Change %	Annual Bill	Entitlement (ML)*	Change %	Annual Bill	Entitlement (ML)*	Change %	Annual Bill
Regulated Surface (Murray)	2	-1%	\$500	70	-4%	\$1,645	280	-7%	\$4,618	600	-9%	\$8,054
Regulated Surface (Goulburn)	2	-2%	\$497	70	-6%	\$1,545	280	-9%	\$4,216	600	-12%	\$7,193
Unregulated Surface	2	1%	\$366	40	4%	\$898	170	4%	\$1,343	500	3%	\$3,072
Shepparton Groundwater	20	3%	\$240	170	2%	\$355	500	1%	\$608	1,000	0%	\$1,056
Groundwater	20	1%	\$510	170	3%	\$1,614	500	3%	\$3,161	1,000	3%	\$6,162

### Pumped Irrigation

	Small			Medium			Large		
	Usage (ML)	Change %	Annual Bill	Usage (ML)	Change %	Annual Bill	Usage (ML)	Change %	Annual Bill
Woorinen	2	2%	\$1,353	70	5%	\$9,111	180	5%	\$21,784
Nyah	2	2%	\$1,277	100	1%	\$10,563	200	1%	\$20,820
Tresco	2	4%	\$1,465	100	3%	\$10,372	200	3%	\$20,439

### Water Supply District

	Small		
	Usage (ML)	Change %	Annual Bill
Normanville	2	4%	\$2,452
Tungamah	2	3%	\$1,568
East Loddon	2	7%	\$1,127
East Loddon (North)*	2	11%	\$1,354
West Loddon*	2	5%	\$982
Mitiamo	2	3%	\$2,355

\* These fees are fixed in nature irrespective of usage therefore entitlement has been used.

## Appendix A – Strategic Risks and Opportunities

Category	Risk	Opportunity
WORKFORCE OF THE FUTURE		
As demographics, technology, and work preferences evolve, GMW must adapt and be flexible to attract, retain, and develop a skilled workforce aligned with its strategic goals.	<p>Failure to anticipate and address these changes may lead to talent shortages, diminished productivity and threaten core services.</p> <p><b>Board Appetite:</b> Balanced</p>	<p>By proactively investing in talent development, recognising high performance and fostering a culture of innovation and inclusivity, GMW can turn this challenge into an opportunity to enhance operational effectiveness, drive innovation, and meet customer expectations.</p> <p><b>Board Appetite:</b> Balanced</p>
SAFETY AND WELLBEING		
Recognising both the inherent risks and the significant opportunities associated with operating in the water industry and prioritising safety and wellbeing within our organisation and the community.	<p>Failure to prioritise safety measures and ensure compliance with health and safety standards poses significant risks to the public, employee well-being, operational continuity, and reputation.</p> <p><b>Board Appetite:</b> Very Low</p>	<p>By implementing robust safety protocols, investing in training and technology, and fostering a culture of safety excellence, GMW can reduce the risks to as low as reasonably practicable while enhancing employee morale and productivity, and strengthening its reputation as a responsible and trusted organisation.</p> <p><b>Board Appetite:</b> Balanced</p>
RESILIENT TO A CHANGING CLIMATE		
Climate change, including increased frequency and intensity of extreme weather events, variability in water supply and availability.	<p>Failure to adapt to these climate-related challenges may result in redundant or unsuitable assets, reducing levels of service and negatively impact customers and the long-term prosperity of communities.</p> <p><b>Board Appetite:</b> Balanced</p>	<p>By applying scenario planning to navigate change, working in partnerships, delivering resilient infrastructure and services, and promoting sustainable water management practices, GMW can minimise the impact on customers of a changing climate.</p> <p><b>Board Appetite:</b> Balanced</p>
CUSTOMER OF THE FUTURE		
Service expectations, driven by the changing nature of the customer and their preferences, technological advancements, and increasing demands for how the service is delivered.	<p>Failure to understand the customer and anticipate these shifting expectations may lead to customer dissatisfaction and reputational damage diminishing customer viability and the investment attraction of the region.</p> <p><b>Board Appetite:</b> Balanced</p>	<p>By leveraging customer feedback, investing in digital solutions, and delivering innovative and tailored services, GMW can mitigate risks, enhance customer satisfaction, promote investment in the region and strengthen community trust and social license.</p> <p><b>Board Appetite:</b> Balanced</p>

Category	Risk	Opportunity
<b>TECHNOLOGY</b>		
Embracing technology and innovation enables improved operational efficiency, productivity, and meeting evolving customer demands in the water sector. However, it also means acknowledging risks like cybersecurity threats and the need to maintain investment to keep pace with change.	<p>Reliance on digital platforms exposes GMW to cybersecurity threats like data breaches and unauthorized access, risking sensitive information and operational disruption. Conversely, failure to embrace technology advancements and innovation may render our systems obsolete or dated, leading to compatibility issues, decreased efficiency and erosion of customer trust.</p> <p><b>Board Appetite:</b> Low</p>	<p>By implementing robust security measures, embracing technology and innovation and investing in the capability of employees, GMW can mitigate risks, safeguard critical assets, improve organisation performance and maintain trust with stakeholders in an increasingly digital environment.</p> <p><b>Board Appetite:</b> Balanced</p>
<b>AFFORDABILITY</b>		
Financial sustainability, encompassing factors such as impacts of climate change, regulatory uncertainty, increasing asset replacement due to ageing assets and cost pressures.	<p>Failure to maintain financial stability and strong asset management practices may lead to significant price increases for customers and impacts to overall viability of the system, inability to fund essential projects, and diminished stakeholder and community confidence.</p> <p><b>Board Appetite:</b> Low</p>	<p>By implementing prudent financial and asset management practices, developing new commercial opportunities, diversifying revenue streams, and optimising operational productivity and efficiency, GMW can mitigate risks, ensure long-term financial viability and deliver sustainable water services.</p> <p><b>Board Appetite:</b> Balanced</p>
<b>REGULATORY CHANGE</b>		
<p>Potential regulatory constraints or shifts could impact long term operations, financial sustainability, and water availability.</p> <p>Navigating the complexities of regulation and influencing external decision making with role clarity, presents both risks and opportunities for GMW.</p>	<p>Failure to maintain clarity of GMW's role, decision making authority and ability to influence external decision making may create confusion as to the strategic priorities of GMW and lead to risks of reputational damage, operational effectiveness and diminished stakeholder and community confidence.</p> <p><b>Board Appetite:</b> Balanced</p>	<p>Proactive and effective influencing and engagement offer opportunities to shape regulatory decisions aligned to regional and organisation goals. By utilising existing organisational capabilities, relationships, information and insights with key stakeholders GMW can influence policy outcomes, drive innovation, and strengthen its position as a leader in the industry and northern Victoria.</p> <p><b>Board Appetite:</b> Progressive</p>