

Customer proposals

During our customer engagement program we have gathered more than 1300 pieces of customer feedback. Recognising that not all feedback is applicable to the Pricing Submission, all responses were categorised in to three clearly defined “next steps”. These being business ideas, customer proposals and opportunities to inform government of customer views on policy and other key issues. This ensures the appropriate response and action to occur. The table below shows **customer proposals that are within the scope of GMW’s Pricing Submission**.

[illegible]

4	That GMW provides full disclosure and transparency of all financial expenditure and savings and all water savings and losses.		✓			✓			We are transforming the way we do business. We are being open and transparent about our costs and pricing. This information is available in GMW's Annual Report, which also includes details of water savings and loss performance. In addition, we propose to report to customers through our website every six months on how we are performing against our transformation savings and expenditure targets and the six 'Customer Outcomes' of this Pricing Submission.
5	That GMW treats all customers equitably.		✓			✓			During our discussions with customers we have learned there are differing views about what constitutes equity but as a principle we support it. We are required to operate and price our services in accordance with statutory guidelines that include a focus on cost-reflective (user pays) pricing. We are proposing to remove the pricing differential between water-users and non-water-users and we're considering and balancing the needs of all customers to achieve a fairer deal for all.
9	That GMW follows through with customer feedback captured through consultations.	✓							As part of our new approach to customer engagement, customer feedback captured through engagement activities (including for this Price Submission), GMW will have a feedback loop to customers to show how their input was considered and how it affected our decisions. Feedback from this process will be available on the YourSay@GMW website and we will discuss it in further detail, in person, if required.
42	That fees for Water Registry Administration are applied in a cost reflective manner and 'passed through' appropriately from customers to DELWP.						✓		Currently our customers pay only one Water Register Fee, regardless of how many Water Entitlement Entities they own. So the costs of multiple registrations under single ownership is shared across the customer base. We are proposing to improve transparency, equity and cost reflectivity by ensuring registration fees are paid by the water entitlement owners. The cost of each is only \$13.47 and people will have the opportunity to divest themselves of multiple entities should they wish to.

71	That GMW isn't in the position of under recovering during WP5.		✓						Our costings and forecasts are being reviewed by KPMG , prior to submission to the ESC, to assure as much as possible, accurate cost recovery during Water Plan 5.
72	That GMW should have a reserve for risk management and should not include it in costs.		✓						We are obliged to carry more risk than customers in regard to pricing and may only build in known costs, when setting customer prices.
100	That GMW considers reducing staffing levels in areas where service delivery is diminishing		✓						Through the transformation of our business we are reviewing staffing levels and structure across the business to ensure we are right sized for the services we provide.
Fair Pricing - we need prices that fairly reflect the true use of infrastructure by all water users (including irrigators, investors and the environment)									
6	That GMW is more transparent about the groundwater licence application process and costs.		✓						We are delivering greater transparency which aligns with our values of Honesty and Accountability. Our application process and pricing is available to the public online and we will discuss it further in person if required.
7	That GMW passes on to customers any savings achieved in cost reduction to the Rubicon contract.					✓			Our prices to customers are required to reflect costs and if those change, prices will be adjusted accordingly and passed on to customers through GMWs Annual Price Reviews.
8	That GMW provides transparent information about its Infrastructure Access Fee and future cost of capital for service points.		✓				✓		We are delivering greater transparency which aligns with our values of Honesty and Accountability. We propose to provide greater detail about all our costs and associated pricing for all services. We will put this on our website and discuss it in further detail, in person, if required.
11	That a hierarchy for allocating costs and prices to different water uses is adopted. (This was a very thoughtful and detailed submission suggesting different values for all different types of uses of water.)			✓					This proposal is not supported as it conflicts with legislation, regulations and is based on a policy view that some uses are intrinsically more important than others. It is not a decision for us to make. Our pricing is required to reflect the cost of delivering the service, rather than the perceived value of the outcome of its use. We are transforming our business to reduce costs and deliver price reductions to achieve our aim of a fairer deal for all.

12	That the cost of Woorinen Pipeline licences be decreased.			✓					Woorinen prices will decrease, as part of the broader price reductions being delivered through savings from our transformation.
13	That GMW is transparent with the cost and recovery of funds for replacement of Tyco Meters with above ground meters.			✓					We are replacing failed meters on a priority basis and taking the opportunity to locate replacement meters above ground to reduce future maintenance costs. The cost of this is recovered through recovery of capital as part of the Infrastructure Access Fee and information about this is available on the YourSay@GMW website.
14	That the Delivery Share Fee (Infrastructure Access Fee) be reduced.			✓					This is proposed as part of the broader price reductions being delivered through savings from our transformation. We are also proposing to re-allocate some proportion of overheads out of the IAF and into the Service Fee, to apply costs more equitably across the customer base. We are proposing to apply a uniform IAF of \$2527.
15	That a more equitable fee system is introduced because in Water Plan 4 small diverters have paid much larger increases while large irrigators received price cuts.			✓					We note there are different interpretations of 'equity'. While still striving to be deliver cost reflective pricing of services, we are proposing to remove the pricing differential between water-users and non-water-users. We're passing on our transformation savings as price reductions across the board and we're considering and balancing the needs of all customers to achieve a fairer deal for all.
16	That Domestic & Stock customers are charged on a different system to the Goulburn Murray Irrigation District due to the lower quality of water received.			✓					Unlike urban water corporations, we do not guarantee water quality standards for any customers. Our services are based on the delivery of water and priced according to the assets and input needed to provide deliveries. We're passing on our transformation savings as price reductions.
17	That a significant proportion of Infrastructure Access Fees (including the environmental contribution) are moved to Entitlement Storage Fee and/or an Infrastructure		✓	✓		✓			During this price review we have closely examined the IAF in consultation with our Water Services Committees. We have found that the majority of options proposed would reduce costs for one customer type while unfairly increasing them for others. We have found it would be appropriate to reallocate some proportion of overhead costs from the IAF to the Service Point Fee, so this is proposed. However, the

	Support Fee, to drive greater equity in pricing.								most effective way of reducing the IAF was to transform our business and cut costs that we are now passing on as price reductions.
18	That GMW investigates a fee structure to lower costs for those people who have a diversion licence but have not used it for many years.			✓					We have undertaken a qualitative assessment of the cost to deliver services to diversions customers who use their entitlement and compared it to those who have access but do not use the water. The results showed that there was minimal difference between the users of entitlement and non-users in terms of the annual activities we are required to carry out and therefore the costs. However, we are transforming our business and cutting costs that we are now passing on to customers as price reductions and this includes diverters.
20	That GMW introduces different tariffs for daytime and night-time watering.						✓		Our operating costs do not vary significantly based on time of day. Nor are there congestion problems that currently warrant consideration of a more complex system of peak and off-peak pricing.
21	That GMW prices are equitable across the customer base, through no cross subsidies and a 'user pays' approach being applied to all.		✓				✓		We note interpretations of 'equity' vary across our customer groups. We strive to deliver cost-reflective prices for our services. We're passing on our transformation savings as price reductions and we're considering and balancing the needs of all customers to achieve a fairer deal for all.
22	That the exit fee be extinguished for customers using less than 10ML of irrigation water						✓		GMW is reviewing the termination fee policy and procedure as part of the implementation of the Delivery Share Review. Any changes would be applied to all customers, irrespective of history of use.
24	That the fees for high security water be allocated to the storage fee.						✓		Currently all customers pay an entitlement storage fee for both high-reliability water shares and low-reliability water shares. This is proposed to continue.
25	That fees for low security water be removed as it has not been available since 1997.						✓		Low-reliability water share holders have experienced different water availability since 1997. All basins except the Goulburn have received allocation in some or many years. In most basins, carryover is possible against low-reliability water shares, providing further value to customers. We are proposing Entitlement Storage Fees continue to apply to low-reliability water shares.

26	That the Delivery Share Fee, (Infrastructure Access Fee) and Service Point Fee be simplified.		✓						The access to our irrigation infrastructure is priced to cover a range of costs we incur in making that available. So it necessarily reflects that range of costs. However, we propose to provide greater detail about all our costs and associated pricing for all services. We will put this on our website and discuss it in further detail, in person, if required.
27	That all customers, including Domestic & Stock customers in peri-urban areas, be required to pay service fees to provide greater equity of pricing.		✓						All Domestic & Stock customers currently accessing water from the Gravity Irrigation Network, Diversions network, Pumped District and Water Districts currently do pay a Service Fee and we propose this continues but with the Service Fee replaced by a Customer Fee.
28	That Domestic & Stock Customers be required to share the cost of system losses, to provide greater equity of pricing		✓						Domestic and Stock customers (from Gravity, Diversions and Pumped systems) pay the same types of fees as all other customers. Recently we conducted some analysis that confirms D&S customers are contributing a 'fair share' to the operation and maintenance of the system.
30	That GMW captures increased costs from customers who are not using the system for agricultural or horticultural production but who still rely on its assets.		✓						The proposal is not supported as it conflicts with legislation and regulations and is based on a policy view that some uses are intrinsically more important than others. That is not a decision for us to make. Our pricing is required to reflect the cost of delivering the service, rather than the perceived value of the outcome of its use. We are transforming our business to reduce costs and deliver price reductions to achieve our aim of a fairer deal for all.
31	That GMW explores the possibility of different fees for different service levels.		✓						We currently provide some different service levels with different prices, for example casual use and winter irrigation in the GMID. We are open to consideration of new products when there is sufficient customer demand. Prices will depend on the cost of providing the different services.
32	That all overheads are recovered in storage fees.		✓						We apportion the costs of our overheads using agreed allocation methods. About 25% of GMW's overhead costs are allocated to storage fees, reflecting a

									proportionate share of GMW's overall cost structure. We propose to continue this arrangement.
33	That all customers including Domestic & Stock customers pay a Service Point Fee.		✓			✓			Currently all gravity and diversion customers with a Domestic and Stock connection to GMW infrastructure are charged \$120 for a service point fee. We are proposing to extend this approach for Water Districts and Pumped Irrigation customers.
35	That the cost of Total Channel Control be moved to the service (customer) fee.						✓		Our current service fee relates to the cost of GMW administering 'services'. A better reflection of the costs of TCC sits in the Operations and Maintenance of the system which is currently recovered from the IAF and IUF. We propose to continue that approach, however, as our costs have reduced we are passing on savings as price reductions.
36	That every ML leaving the storage should attract a \$30 charge and this be used to reduce the Infrastructure Access Fee.						✓		Our costs for the various services we provide are recovered only from those that have access to or use those services, consistent with a user-pays, cost-reflective approach to pricing. This proposal would benefit some customers over others and conflicts with the majority request for a fairer deal for all.
38	That GMW reduces its fees.	✓	✓	✓	✓	✓	✓	✓	We are implementing operational efficiencies through our transformation of \$19.4M per annum over the next four year term. This enables us to deliver significant price reductions to our customers over that term.
39	That fixed and variable costs remain as they are now - a 90/10 split.		✓			✓	✓		The current 90%/10% split of GMW's fixed and variable pricing has met with acceptance by the majority of customers who expressed views on this during the recent engagement program. That approach is proposed to continue throughout the next four year pricing term.
40	That the fixed cost is lowered and the variable cost increased.						✓		The current 90%/10% split of GMW's fixed and variable pricing is reflective of the very high fixed costs of the GMID delivery service. This has met with acceptance by the majority of customers who expressed views on this during the recent engagement program. That approach is proposed to continue throughout the next four year pricing term.

41	That customers wishing to exit the GMID are supported through reduced termination fees.						✓		GMW is reviewing the termination fee policy and procedure as part of the implementation of the Delivery Share Review. Any changes would be applied to all customers, irrespective of history of use.
46	That GMW considers spreading the cost of all meters across all customers.		✓						We are recovering those costs of service points from gravity and diversion customers who have them. We are proposing to extend this approach for Water Districts and Pumped Irrigation customers.
47	That GMW recovers the cost of automation across all outlets.		✓						An appropriate share of the costs of automation are allocated to service points, with the balance recovered from the Infrastructure Access Fee and Infrastructure Use Fee.
50	That GMW socialises the costs of the Goulburn Murray Irrigation District, automation costs and the Water Register Fee.		✓						GMW provides a range of services. When these have the same cost drivers and the resulting prices are similar then uniform prices are appropriate. Where they are different then different prices are more appropriate.
52	That fixed costs are lowered to incentivise GMW to find efficiencies.		✓						We have strong customer feedback that the 90% / 10% split of fixed and variable fees should stay. We have already been incentivised to find efficiencies and are proposing to reduce our costs by \$19.4m per annum for the next four years. We are also committed to continuous improvement and seeking efficiencies as part of our new approach to 'business as usual'.
53	That GMW applies fixed costs equitably to water shares and Domestic & Stock customers.		✓						We have reviewed this issue and no changes are proposed for storage or delivery services. The proposed introduction of the Customer Fee will better reflect costs by all customer segments.
54	That GMW ensures variable rates are affordable to drive production.		✓						We set variable prices based on variable costs, wherever there is an objective basis to do so, e.g. pumped irrigation and pipelined water districts. In the GMID, variable prices are at a level that is unlikely to be a disincentive to use water. We propose to pass our cost savings on to all customers as price reductions.
55	That all service point fees should include automation costs, capital cost of replacement meters and		✓			✓			We have heard strong customer support to be cost reflective for Customer Service Points (CSPs) where they are directly related to the physical infrastructure installed at a site. We propose removing the cost of

	any operational or maintenance related charges.								automation (Total Channel Control) from the CSP Fee and also propose some other minor changes that will deliver efficiencies. These are detailed in "A fairer deal for all".
56	That the compliance cost be spread to the Service Point Fee not the Infrastructure Access Fee.		✓						Feedback from customer sessions suggested that regulatory compliance should be recovered from a broad base and remain as an overhead.
58	That the 'Infrastructure Access Fee' be spread over all water ownerships.		✓						The IAF or equivalent (in the case of the GMID and Pumped districts) is charged against all customers who use the water delivery system. Socialising those costs across all customers would require a high degree of cross subsidy and so conflict with the intent of the pricing principles. We are removing the cost differential between water-users and non-water-users, to deliver greater equity. Our aim is to consider and balance the needs of all customers to provide a fairer deal for all.
59	That GMW increases the costs for small users.		✓						We are transforming our business, reducing our costs and passing savings on to customers as price reductions. We are also removing the cost differential between water-users and non-water-users, to deliver greater equity. Our aim is to consider and balance the needs of all customers to provide a fairer deal for all.
61	That fees applied to irrigators should be charged to non-water users/peri urbans and investors and should be based on water use not number of service points.		✓			✓			We are transforming our business and cutting costs that we are passing on to customers as price reductions. We are also removing the cost differential between water-users and non-water-users, to deliver greater equity. We are proposing all customers (except bulk entitlement holders) are charged a system price - either Goulburn or Murray. Our aim is to consider and balance the needs of all customers to provide a fairer deal for all.
64	That GMW doesn't charge Service Point Fees for unused service points.		✓						We propose a number of improvements to Service Point Fees that are detailed in A fairer deal for all. We will continue to investigate ways to reduce costs to irrigators.

65	That diverters be levied a fee similar to delivery share applied to irrigators.		✓						Regulated diverters previously paid an Access Fee based on their extraction shares (similar to a delivery share) but as a result of customer consultation the Access Fee for all diverters is now based on service points, which is more cost-reflective and we believe, fairer.
67	That Domestic and Stock customers also share the cost of automation.		✓						Domestic and Stock customers, along with all other customers, contribute to the cost of automation through their fees.
69	That GMW considers increasing fees on Domestic and Stock bores.		✓						We interpret this to be about Section 8 rights under which landowners are able to take water without a licence and without annual fees. (Section 8 of Water Act). Any change to this would require amendments to the Water Act.
74	That the Delivery Share formula for calculating customer costs and subsequent pricing be removed.					✓			Our delivery tariffs are based on cost-reflective, user pays principles. A property's delivery share represents its share of the delivery system's capacity. Network length and capacity are the two main drivers of costs. The Minister has asked GMW to consider also including distance in the tariff before Water Plan 6 is submitted. No change is proposed for Water Plan 5, commencing in 2020.
76	That GMW passes on the true cost of delivering water downstream					✓			Our current storage prices cover the costs of harvesting, storage and delivering water in the river system. Current expert advice is that losses do not increase with downstream delivery. This is subject to current MDBA review. GMW will consider changes to pricing based on the outcome of that review. No change is proposed for Water Plan 5.
77	That the GMW Board justify why there is a two tiered pricing structure for the associated and disassociated storage fee.					✓			We have listed customer views on this and propose removing the cost differential between water-users and non-water-users, to deliver greater equity. We are proposing all customers (except bulk entitlement holders) are charged a system price - either Goulburn or Murray. Our aim is to consider and balance the needs of all customers to provide a fairer deal for all.

78	That if the GMW Board can't provide justification for a two-tiered pricing structure, that the board advise what action has been taken to "revise" these fees and in what time frame these changes will be implemented.					✓			The earlier proposal for a single price has been agreed.
79	That the entitlement (System) losses be included in the delivery charge.					✓			We do not support the proposal because the GMID losses are an attribute of GMW's bulk entitlement charge and must be recovered in all water years.
80	That operations or maintenance related charges be reallocated from the Infrastructure Access Fee to the Service Point Fee.					✓			We are proposing to re-allocate some proportion of overheads out of the IAF and into the Service Fee to apply costs more equitably across the customer base. We are also proposing to apply a reduced uniform IAF of \$2527 right across the GMID.
81	That all gravity irrigation areas are treated as one for pricing purposes.					✓			We are also proposing to apply a reduced uniform IAF of \$2527 right across the GMID. We believe this delivers a fairer deal for all.
82	That the 70% of Broken Creek Delivery Share that is currently provided to Murray Valley District be reallocated to the Shepparton District.					✓			We have reviewed the allocation of costs and revenues of Broken Creek customers and believe they more accurately sit in Shepparton, due to the vast majority of water delivered to those customers using Shepparton infrastructure. This proposal does not in any way impact water entitlements, ownership or trading.
85	That GMW charges customers according to allocation - if 20% allocation then 20% of price is charged.	✓							Our prices are set based on cost-reflective, user-pays principles. GMW storage and delivery costs do not vary with water availability so no change is proposed.
86	That GMW changes the delivery share assigned to each outlet to be relevant to the amount of water	✓							Delivery share represents each property's access to the delivery system. Costs are driven by capacity. Customers can choose how much water they use. Customers may also reduce their on-going costs by

	used on each property now.								transferring or terminating delivery share so no change is proposed.
87	That GMW changes the delivery share termination fee to reflect the current percentage of water allocation.	✓							Delivery share represents each property's access to the delivery system. Cost are driven by capacity. Customers can choose how much water they use. Customers can reduce their on-going costs by transferring or terminating delivery share. Termination fees may be reduced or waived in some circumstances. No change is proposed.
89	That GMW offers financial assistance for Not for Profit organisations using a bore.	✓							We are obliged to maintain cost reflectivity for all customers and would need strong customer support to propose this. Our feedback from customers is that water delivery costs are part of their business and people don't feel inclined to provide support to others as part of their commercial operations.
90	That GMW considers charging outlet fees based on waterings per season.	✓							We require a greater understanding of this proposal.
92	That customers described as 'water users' (irrigation for production) and 'non water users' (environment, investors etc) share costs equitably	✓	✓		✓	✓		✓	We are proposing to remove the cost differential between water-users and non-water-users, to deliver greater equity. We are proposing all customers (except bulk entitlement holders) are charged a system price - either Goulburn or Murray. Our aim is to consider and balance the needs of all customers to provide a fairer deal for all.
93	That the storage tariff reflects the principles of user pays and transparency				✓			✓	We are proposing to remove the cost differential between water-users and non-water-users, to deliver greater equity. We are proposing all retail customers are charged a system price - either Goulburn or Murray. We are also considering the challenges and opportunities of possibly applying this pricing approach to our bulk water entitlement holders. Our aim is to consider and balance the needs of all customers to provide a fairer deal for all.
94	That GMW moves the cost recovery of Total Channel Control from Service Point Fees to be shared equally							✓	Recovery of Total Channel Control costs is from all gravity irrigation customers through Service Point Fees, Infrastructure Access Fee and Infrastructure Use Fee.

	across all users of the channel system.								
Efficient Operations - we need the business to run lean enough to deliver affordable prices that support farmers to stay on the land									
19	That costs saved through less frequent weed-spraying maintenance are returned to customers, or weed-spraying service levels are increased.						✓		In order to operate more efficiently, our spraying is now targeted to particular weed species, rather than just seasonal growth of native grasses. The channels might look a little less "groomed" because we're investing more on the plants that affect the efficient operation of the systems - particularly aquatic weeds. All cost savings achieved through efficiencies such as this are being passed on to customers as price reductions.
23	That GMW reviews and considers irrigation district costs to determine if uniform pricing across the GMID is possible, without requiring districts to subsidise the Shepparton Irrigation District.		✓				✓		Through prudent and efficient operational savings, and more correct allocation of costs and revenues deriving from Broken Creek customers, the cost differential between the six districts is now so minimal that we are proposing uniform pricing of the IAF and IUF across the GMID.
34	That in delivering a price reduction to customers, a smoothed approach be taken that provides customers and GMW with certainty and stability		✓		✓		✓	✓	Price paths for our forecast future prices have been explored with customers at a range of workshops across the region. This request for a smoothed approach that offers certainty and stability meets with the majority of customer views and we propose to deliver that across the next four years from 2020-2024.
43	That GMW provides an efficiency dividend to customers.		✓						We are achieving significant efficiency savings through transforming our business. We are proposing to pass those savings back to customers as ongoing price reductions over the next four years, rather than delivering one-off efficiency dividends.
45	That GMW does not reduce services when saving costs.		✓						The \$19.4M of cost savings proposed through our business transformation will not impact on our core business of water delivery.

49	That DELWP contributes to costs for services not associated with irrigation		✓						DELWP already contributes to things such as the drainage program via the Environmental Contribution Levy.
57	That future maintenance and asset replacement doesn't create price spikes.		✓						A future focus for GMW as part of the 'channel by channel' (irrigation district service planning) implementation will be to work with customers to identify opportunities to change services and reduce costs.
62	That GMW reviews the pay upfront discount to be greater than 2% to incentivise customers to pay earlier.		✓					✓	In our view it is appropriate that customers pay the true cost of services and a 2% reduction for on-time payments is already an adequate incentive.
63	That customers who have to pump their water or are on underperforming channels receive a discount on fees.		✓						We aim to achieve the agreed service standards for all customers and do so most of the time. We will continue to drive efficiencies and continuous improvement through our business that will deliver price reductions and higher service performance for all customers.
68	That GMW considers a rationalisation dividend as a means to allow farmers to complete on farm works and rationalise outlets.		✓						GMW will pay customers to rationalise infrastructure when this leaves other customers with a neutral or lower price outcome.
70	That GMW considers any option with the least amount of risk at the end of Water Plan .		✓						GMW is obliged to carry more risk than customers in regard to pricing. Price paths for GMW's forecast future prices have been explored with customers at a range of workshops. This request for a smoothed approach that offers certainty and stability meets with the majority of customer views and will be delivered across the next four years from 2020-2024.
73	That any financial or water savings made within Shepparton Irrigation District be shared only among Shepparton Irrigation District customers.					✓			We are proposing a move to uniform pricing across the GMID and we believe this is the best way of delivering greater equity for the Shepparton Irrigation District. If uniform pricing is approved by the ESC, this customer proposal will become irrelevant.

75	That 100% of savings and efficiencies be returned proportionally, to Delivery Share owners.					✓			If this relates to return of 75GL: The Minister has appointed a consultative committee to consider options for returning the savings on the basis of delivery shares. The committee will provide a recommendation to the Minister. However, if this customer proposal relates to GMW's savings and efficiencies: We propose to deliver price reductions across the broad customer base, throughout 2020-2024, commencing in 2020.
83	That GMW reduces its overhead costs.	✓							We are transforming our business and cutting \$19.4m per annum out of our operating and capital expenditure. These efficiencies are enabling us to pass on reduced prices to customers.
84	That GMW reduces outlet costs.	✓							We are transforming our business and cutting \$19.4m per annum out of our operating and capital expenditure. These efficiencies are enabling us to pass on reduced prices to customers.
88	That GMW charges for statutory planning.	✓							The introduction of user-pays charges for statutory planning is being investigated. We anticipate we may introduce changes to this in the next year.
91	That GMW retains its current approach to customers in hardship and does not support them through cross subsidies.							✓	We assess hardship cases on an individual basis as they arise and currently we offer multiple payment options, flexible payment plans and payment extensions. Our feedback from customers is that water delivery costs are part of their business and people don't feel inclined to provide support to others as part of their commercial operations.
95	That GMW introduces a new Service Point Fee for 'mothballed' outlets.							✓	We propose a number of improvements to Service Point Fees that are detailed in A fairer deal for all. We will continue to investigate ways to reduce costs to irrigators.
98	That GMW puts meters on all Domestic & Stock pipelines.	✓							This customer proposal is contrary to our Metering Action Plan (which is a government policy requirement) and would raise the cost of a D&S Customer Service Point Fee SP fee from \$140 per year to around \$350 per year.
101	That customers are supported to get rid of unused delivery outlets						✓		We support the proposal in principle and will explore it further as part of our asset management strategy.

	and when upgrading to new meters, to reduce the number of meters.								
104	That GMW allocates water savings back to customers.					✓			Where GMW achieve water savings as a result of customer funded works these benefits are distributed through the annual allocation process. Water Savings generated as part of a Government Funded Water Savings program are contracted to be returned to the funder.
107	That GMW looks at installing cheaper meters.	✓							We are required to install approved meters only. GMW competitively tenders for supply of approved meters and includes good commercial terms to ensure value for money.
108	That GMW does its own works rather than outsource to contractors.	✓							We are always looking to do work in the most cost and time efficient way. From time to time this involves the use of contractors.
109	That GMW reads observation bores more frequently or trains council staff or volunteers on how to do this.	✓							Taking groundwater level readings from these bores once a month considers the balance between cost and risk, and provides sound information about changes to groundwater levels (shallow groundwater level changes occur relatively slowly). This current frequency of readings allows GMW to identify and respond to trends in groundwater behaviour.
110	That GMW reduces its fleet of vehicles.	✓							We are identifying and achieving a range of efficiency measures. One component of this will result in reduced fleet costs for the organisation.
111	That GMW allows low flow groundwater bores to be amalgamated and flow through one meter instead of requiring multiple service points fees and metering fees.	✓							This proposal is contrary to current policy. Multiple bore systems can be connected to run through one metering point, but due to the independence of each bore (each bore pumped independently), each bore must be individually licenced and a Service Point Fee applied.
112	That GMW concentrates on supplying backbone customers and reduces the service area by offering landowners	✓							We will look at all opportunities to 'right size' the irrigation network and this may not be a static outcome. GMW has developed an asset management tool (Channel by Channel) to guide these activities.

	compensation to exit irrigation.								
113	That GMW conducts a full audit of the Tresco pipeline.	✓							We are in the process of developing a future service strategy for the Tresco pipeline.
115	That GMW generates power from the Dartmouth Dam and uses it to supplement the grid.	✓							The MDBA, which owns Dartmouth Dam, already holds commercial agreements for electricity generation. Revenue goes to MDBA and reduces storage costs.
117	That GMW regulates bore water to the same extent as channels.	✓							There are already well-developed management plans and operational oversight of groundwater resources.
118	That GMW investigates putting a turbine under the higher regulators to help generate electricity and offset some cost.	✓							We are focussed on our core business of water delivery. However, we also facilitate approaches from investors on these initiatives where possible. Unfortunately, many of these proposals do not proceed past feasibility stage, as the business case rarely justifies the investment.
132	That GMW implements a more frequent, regular maintenance regime, including desilting the channels, fixing fencing and doing works on drains.	✓							We are moving to a generally more targeted maintenance intervention. To reduce costs, GMW will not desilt a channel without evidence of supply impacts. Fencing is a shared responsibility with adjoining landholders.
133	That GMW provides winter water supply for Domestic and Stock customers.	✓							Many D&S customers informally access water from channels during winter but we could not formalise this without increasing costs and we don't believe our customers would support that. D&S customers are required to have the ability to store on farm sufficient water for the winter period. However, because their suction lines are low in the channel, many can access water well below normal running levels.
135	That GMW creates a weed reduction program and provides customers with spray to keep weeds at	✓							We do not support the proposal as it is contrary to current policies and regulations regarding the application of chemicals on GMW controlled land.

	bay along GMW channels and easements.								
Responsive Services - we need GMW people and systems to deliver the right flow rates in the right timeframes									
29	That GMW use its pricing structure to incentivise irrigators to use their water for production and to remain in the GMID.		✓						Our current irrigation tariffs ensure that all serviced properties contribute to the cost, encouraging use of the water delivery system. Higher use by a customer, in proportion to their delivery share, achieves for them a lower average cost per ML.
44	That GMW applies a different price to out of irrigation season, enabling 365 day watering.		✓						Currently, where we agree to provide water out season, supply agreements are charged at the casual use rate. We propose to continue that approach.
60	That drainage costs be looked at - they currently don't match the level of service that customers receive		✓						We are currently reviewing Drainage Tariffs but unfortunately this work won't be completed in time for this Price Submission. We and will engage with customers in 2020 about this, with a view to better cost reflectivity and equity of pricing in future.
96	That proactive, routine monitoring and weed eradication in and around channels is increased.		✓	✓			✓		Current arrangements of customers contacting their local area office and reporting terrestrial weed infestations are considered appropriate. Routine spraying is already undertaken to target known weeds and we are looking at how to further reduce costs in this area.
97	That GMW provides infrastructure to deliver Stock & Domestic water to those who no longer have access to a drainage diversion resource.						✓		There is no private right to water within GMW drains and we have never guaranteed a minimum drainage flow. Councils operate a network of publically accessible D&S supply points for landholders to cart water to properties for D&S use.
103	That GMW reconsiders choosing pumps over gravity as a business decision.		✓						We propose to continue to supply the majority of irrigation customers via gravity as this is the lowest cost, lowest carbon form of supply. However there are some circumstances in which pumping can result in a lower cost of service for customers.

105	That GMW has a flexible and adaptive approach to managing infrastructure.					✓			We support this proposal as it aligns with our ambitions and activities relating to transformation of our business, including a more efficient and effective approach to asset management.
106	That GMW provides equitable customer service based on the services purchased by each customer.					✓			We support this proposal as it aligns with our values and our ambitions and will deliver a fairer deal for all.
114	That GMW implements a program to replace all remaining dethridge wheels with direct connections	✓							We support the proposal in principle noting that some remaining outlets will be candidates for decommissioning. Over time GMW will undertake this activity in accordance with its MAP clarify without acronym and in line with government policies.
116	That GMW considers better outcomes for Low Reliability Water Supply holders (reduce spill, socialise unused water at end of season).	✓							Weather is the main reason for water availability variability and the lack of allocations to low-reliability water shares in some systems. We support the future review of the entitlement framework as part of the next long-term water resource assessments and/or sustainable water strategy for northern Victoria.
119	That GMW reduces water ordering time through automation.	✓							Modernisation has reduced ordering times from 4 days to 48 hours, and in some areas such as Shepparton, ordering time is 24 hours. We must still allow some time for water to arrive after release from the major storages such as Eildon and Hume.
120	That GMW maintains a reliable supply of good quality water and the timing of water delivery be accurate to suit irrigator needs.		✓	✓			✓		We have just reviewed our Service Standards and will continue to work on supplying water at the flow rate ordered, the time required and as ordered.
121	That watering request lead time be reduced from 48 hours to 24 hours notice by customers and that confirmation of water orders be provided with		✓	✓			✓		We will look into this further and provide information on the outcome on our website. However, we still need to recognise that the bulk water must be ordered and travel from major storages.

	more lead time than 12 hours.								
122	That flow rates achieve and maintain 100% accuracy and channels are run at supply level.		✓	✓			✓		We will continue to work with customers to provide service levels that deliver the optimum trade-off between service and cost.
123	That GMW reports back to customers on performance against ESC targets for flow rate and orders on time.		✓						We support this proposal as it aligns with our ambitions of being open, honest and transparent for customers. We will provide this information every six months, on our website.
124	That GMW explores the possibility of ordering watering to 5 -10 minute intervals rather than the current 30 minutes.		✓						We will work with the software provider to check the availability of this process.
125	That the water efficiency Service Standard target be 85%.		✓						This is agreed.
126	That water delivery Service Standard 2 includes that the watering systems provide accurate records of both day and time.		✓						This is agreed.
127	That water delivery Service Standard 3 be completely reviewed.		✓						This is agreed and new Service Standards have been drafted. They are detailed in A fairer deal for all.
128	That +/- 40% flow rate be included with supply level in the water delivery Service Standard 4.		✓						This is agreed.
136	That GMW offer an alternative source of water to Domestic and Stock customers when blue green algae is present.	✓							We do not guarantee water quality and cannot guarantee alternative supplies. This is a risk that all customers bear and can be mitigated by increasing on farm storage.

Simple Systems - we need digital information and communications systems that are fast and simple (for customer service, water delivery and billing)									
10	That irrigation and Domestic & Stock accounts be amalgamated into one so customers only pay a single Service Fee.			✓					We support this proposal and it is being implemented through a proposed move to a single customer fee.
37	That a new single 'Customer Fee' be introduced.		✓			✓	✓		We propose to introduce this (with opt-out provisions for those who operate several businesses and wish to keep their accounts separate). This proposal will achieve greater simplicity and efficiencies. It is detailed in "A fairer deal for all".
48	That GMW change the name of 'service fee' as it is confused with the 'service point fee'.		✓						We agree this is confusing and we intend to change the title of the Service Fee to a 'Customer Fee'.
51	That GMW offers customer a free service to amalgamate water entitlements.		✓						As part of establishing the new Customer Fee and Water Register Fee we plan to investigate (with DELWP), affordable opportunities for amalgamation of water entity entitlements.
66	That GMW calls the Water Register Fee the 'DELWP Water Register Fee'.		✓					✓	The Water Register Fee is a pass through fee payable to DELWP and aligns with cost reflectivity. There has been strong customer support expressed for itemising this fee on bills and will be consistent with Lower Murray Water, in regards to the name of the fee.
99	That due to only 10% of customer calls occurring between 10pm and 6am, GMW explores the opportunity for a shared, overnight service with Murray Irrigation, or implements a call back message system.		✓						We will review the staffing requirements of overnight planning to ensure it is cost efficient.

102	That GMW assists customers to reduce and amalgamate unused or multiple water entity entitlements		✓						We already support customers to do this however we may need to raise awareness of this as transaction requests are likely to rise during WP5 if the DELWP Water Register Fee proposal is implemented.
129	That water share and change of ownership applications continue to be processed within 10 business days.		✓				✓		This is agreed.
130	That the current Service Standard for complaints to Energy & Water Ombudsman Victoria (EWOV) of <0.17 per 1000 customers be retained.		✓				✓		This is agreed.
131	That the high levels of first point resolution by the call centre team are maintained or increased.		✓						Our feedback is clear that customers would prefer calls closed out efficiently above other call centre KPIs. WP4 saw the target increase from 50%-56%.
134	That GMW reduces the length of time it takes to get approvals for licencing	✓							We propose "We're offering timely and innovative services for our customers" for our Service Standard regarding this.
137	That the number of upheld complaints is used as a measure of performance through a Service Standard.		✓						We propose "We take actions on complaints quickly to reach resolutions for our customers". We are also proposing a Customer Report Card to monitor our performance.
138	That GMW retains customer facing staff with local knowledge to provide locally based, service and support.		✓			✓	✓		As part of transforming our business we are deciding which roles are needed for the future and reducing staff numbers is a must do as part of reducing our operational costs. This is being done by roles, rather than individual people, so we make the best business decisions.
139	That GMW makes it easier to contact area staff and specialists rather than	✓							Customers are encouraged to use call in through our contact centre so we can count call numbers, review requests types and issues at a whole of business level and better understand resourcing needs.

	having to go through the call centre.								
140	That the Service Standards for change of ownership, first point resolution, allocation trades, water share trades and phone call times are not changed.		✓	✓			✓		We support this proposal as this retains the current level of service under Water Plan 4 and will not impact staffing levels. However, we have redrafted our Service Standards to make them simpler and easier to understand.
141	That Service Standards for trading and applications for groundwater and unregulated supplies require they be achieved within 10 business days.		✓						The Water Trading Service Standard is already 10 days and Allocation is 5 days. Licencing transactions are more than administration and often require site visits and more approvals/complexity to work though.
142	That Customer Service Standard 1 be reduced to 5 business days and use of the on-line system is incentivised.		✓						Water Share transfers are currently set at 10 days and under current resourcing this KPI was not achieved in the last financial year (83%). Any increase in KPI would potentially require staff increases. WSC and customers more generally are happy to retain the current service standard. On line transactions for Water Shares are dependent on the Water Register and significant upgrades which are out of GMW scope.
143	That Customer Service Standards 2, 4 and 6 remain as they currently are.		✓						We have extended the calls answered within 30 seconds to 60 seconds because we also heard, customers prefer good service, rather than the fastest service. Our priority is to provide them with the answers they need.
144	That Customer Service Standard 3 notes what the 'ownership' applies to.		✓						We agree that the Change of Ownership should state which customers this service relates to.
145	That Customer Service Standard 7 reflects the percentage of complaints resolved.		✓						We propose "We take actions on complaints quickly to reach resolutions for our customers". We are also proposing a Customer Report Card to monitor our performance.
146	That the Customer Service Standard regarding first point resolution be 75%.		✓						Management is proposing an increasing target over the four years of the water plan. Feedback received also

									told us they wanted us to focus on answers and excellent customer service.
147	That the GMW call centre is not outsourced.		✓						We support this proposal as we have heard strong customer support to retain and upskill our call centre.
148	That GMW improves the information statement process.		✓						We are continually refining our processes and have recently improved the statement to include further information about Delivery Share.
149	That blue-green algae alerts be communicated twice per week, rather than once per week			✓					Management does not support the proposal as no new sampling results will be available to communicate moving to twice weekly update.
150	That GMW increases its communications via emails, SMS and on-line channels in addition to retaining hard copy as an option.		✓	✓	✓		✓	✓	Management supports this proposal as it allows us to use faster and more cost effective communications methods. It should be noted further investigation into our current systems and capability is required.
151	That GMW is more proactive in educating customers including more on-line education and videos.		✓	✓			✓		Management supports this proposal as it aligns to with our Communications, Engagement and Partnership Strategy.
152	That GMW upgrades its website and includes efficiency data of the various district systems.		✓	✓					Management supports the upgrade of the website to ensure customers can easily access the information they need.
153	That GMW provides an on-line, trading resource that has spatial display capacity and provides an online service to view Water Entitlement Entities.		✓				✓		Management does not agree with this proposal as DELWP are responsible for the management of the Victorian Water Register which hosts online trading. This proposal would require significant investment and resourcing.
154	That GMW provides a faster, on-line water ordering service that includes information on water availability at outlets		✓				✓		We will continue to work with our customers to improve the online water ordering function (waterline).

	and provides the ability to change orders on-line.								
155	That GMW simplifies and itemises customer accounts using an on-line system, and reviews due dates to align more with customer cash flow or through a monthly direct debit plan.	✓	✓				✓	✓	MYGMW provides an online portal for customer billing and payments, however we need to look at improving and marketing this resource.
156	That GMW enables customers with several accounts to elect to receive a single bill, with various activities or locations itemised on that as required.		✓						We propose to streamline our billing by moving to a single customer account, that customers can opt out of if they wish.
157	That GMW develops payment plans for terminations/exits from the system.		✓	✓					DELWP's Delivery Share review (1.4) talks specifically to termination discounts where rationalisation can occur and there are no negative cost impacts for remaining customers.
158	That GMW sends bills out via email or hard copy (as customer prefer) and allows on-line payments or cash payments to be made at GMW offices.	✓							Electronic billing has strong customer support and we support this in principle, further costs and modelling are required from ICT. GMW does not support taking cash payments.
159	That the system allows on-line payment for temporary transfer/water share allocation applications.	✓							"MyWater' within the Water Register already provides customers with this service. Further promotion of this service may be required.
160	That GMW makes it easier for customers to access their information on-line. Information such as accounts, amount owing,	✓							'MyGMW,' already provides an online tool for customers to manage their account. This service will be promoted more broadly to customers.

	Allocation Bank Account (ABA), etc.								
161	That GMW provides more options for customers to give feedback, through Waterline or MyGMW	✓							We will find ways to ensure customers can easily provide GMW with feedback through a range of different channels.
162	That GMW sends staff a "Situation and Outlook Report" as currently on Dairy Australia website.	✓							We will be considering a range of new communications next year.
163	That GMW increases its use of local newspapers like the Country News as an information outlet.							✓	We will include this in our media plan.
164	That GMW communicates and visits all new customers to explain everything water.	✓							We will review our new customer information pack
165	That GMW provides education sessions to customers, including the use of storages and water theft.	✓							This proposal aligns very well with our Communications, Engagement and Partnership Strategy.