



Customer Reference Group meeting summary

Time: 10:00am – 12:00pm, Wednesday 4 September 2024

Location: Traralgon office and online

Tour: - Nil

Attendees

Customer Reference Group (CRG) members:

- Diane Wilkinson (Chair)
- Tania Brown
- Simon Ortega
- Desley Gray
- Olivia Brewer

Gippsland Water staff:

- Sarah Cumming, Managing Director
- Michael Crane, General Manager People and Culture
- Tanya O'Shea, Chief Technology and Strategy Officer
- Paul Young, Manager Asset Planning
- Trudy Hodgson, Regulatory and Corporate Planning Lead
- Jack Warr, Energy Policy Lead
- Paul Jones, Manager Electrical and Energy Solutions
- Katrina Coulson, Manager Communications and Engagement
- Emma Lewis, Senior Communications and Engagement Lead
- Mark Vitlin, Communications and Engagement Advisor

Gippsland Water Board observers:

- Tom Mollenkopf (Board Chair)
- Chris Badger
- Katrina Lai
- Jo Benvenuti

Apologies

CRG members:

- Adam Tyson
- Suzie Lewis
- Rob Gaulton



Safety and wellbeing



Customer focussed



Innovation



Accountability



Collaboration



Integrity and respect

Items for discussion

1. Welcome – Diane Wilkinson
2. Community Report 2024
3. Performance Report 2024
4. 100% renewable electricity plan
5. Sale Water Research
6. Customer Care campaign
7. Other business

The meeting commenced with an Acknowledgement of Country and welcome from Diane Wilkinson (CRG Chair) and introduction of Board members, before moving to key discussion items.

Item 2. Community Report 2024

Emma Lewis

Emma shared an update on how we're using our annual community report to communicate our performance in a transparent, engaging and customer-focused way.

The report shows how we've delivered on the commitments we made to our customers in our 2023 Price Submission. It features case study highlights on work undertaken in the past year.

The report is available in PDF and accessible text format on our website. Diane suggested that hard copies of the report could be distributed through libraries or other locations. This would assist non-tech-savvy customers.

We're currently seeking community feedback on the report and our performance. A link for feedback is provided on [our website](#).

Item 3. Performance Report 2024

Trudy Hodgson

Trudy summarised our outcomes against set performance measures. These outcomes were agreed in our 2023 Price Submission with tolerance levels for targets set by the Customer Reference Group. Traffic light indicators of green, amber, red are used for assessment.

Outcome 1- Be affordable and fair

This outcome was generally green, however two items (1b value for money, and 1c awareness of customer care support) were amber. It was explained that these two areas may be improved as a result of our current information campaigns.

Sarah Cumming noted the financial impact of lower than anticipated residential connections. Paul Young explained that developers were still active, and that it was expected that connections would pick up again as builders and buyers regain their confidence in the economy.



Outcome 2 - Do your job well

This was a positive (green) result across all areas.

Outcome 3 - Be easy to deal with

This was again a positive result with the exception of one amber outcome (3a) for customers receiving five days' notice of planned interruptions. In response to a question from the Chair, it was explained that due to our error, some customers did not receive adequate SMS advice of planned works.

Outcome 4 was the subject of the next presentation so was not addressed here.

Outcome 5 - Be involved in the community

This was a positive (green) result.

Outcome 6 – Plan for the future

This was a disappointing (red) result and was a decrease on the previous year.

The Chair commented that this was a difficult message for our community as unlike costs or current works, our future planning was not front of mind for most people. Sarah Cumming explained that we'll be highlighting our planning through messaging on signage and mesh wraps around capital projects.

Katrina Coulson noted that surveys showed that water, unlike power or other utilities, was not high on people's concerns.

The Chair suggested we look for opportunities to 'ride the coat tails' of other events or projects to further promote the message. Sarah Cumming said there was higher interest in the environment and we could look for opportunities to more strongly link planning for the future to our environmental projects.

Item 4. - 100% renewable electricity plan

Jack Warr

This item impacts Performance Outcome 4 – Be environmentally responsible.

This outcome was generally green, however a red was recorded for '4c: Total electricity consumed originating from renewable sources'. We recorded a result of 33% in 2023-24, falling short of our target of 45%. The target for 2024-25 is even more ambitious, at 75%.

Reaching our targets would require us to spend an estimated \$600k to buy renewable electricity certificates on the open market.

Jack explained the background of our renewable electricity targets. In summary, we expect a mandatory target of 100% renewable electricity from 1 July 2025 as part of our obligations in the Statement of Obligations (Emissions Reduction) under the Water Act. The date is yet to be formally confirmed by the Victorian Government. This is a change from the previous target of 1 January 2025 (which formed the basis of our current performance targets).

It was also explained that our targets for FY2023/24 and FY2024/25 were interim targets set by us to show our progress towards 100% renewable electricity.



Actions recommended in the 100% renewable electricity plan were outlined. Jack explained that due to time and cost constraints it was impractical to reach the 100% renewable electricity target with our own generation and that renewable electricity from certificates would need to be purchased. Jack noted that this was a very common approach across industry.

Sarah Cumming explained that we have some hydro electricity generators in our systems, but the decreased water usage of major customers meant we didn't achieve the anticipated level of generation. This was a major reason we had not met renewable targets. (Another contributing factor was that our biogas generators have not yet reached expected outputs.)

The Chair asked if there would be enough certificates to go around if all water corps had the same target and time frame. Paul Jones replied that cost was likely to go up. [Forward trading in this federal scheme indicates increasing prices.] It was noted, though, that the anticipated target date was not yet set in stone.

It was also asked if it was likely that we could get back the volume lost from major customers. Paul Young explained we may be able to redirect flows from other sources, with a potential increase in flows arising from the mine rehabilitation program. However, this is conceptual at this stage and will not happen before 2030 at the earliest.

It was asked if there was potential to increase our renewable biogas volumes. Paul Jones responded that the biogas units had inadequate performance and reliability for any major increases. (Output would still be restricted even with Improved reliability due to lower waste inflows to the water factory.)

The Chair noted that customers were concerned with both costs and environmental outcomes and asked whether it was \$600k or nothing? Was there a sliding scale? The answer was that the full \$600k would be required to meet our 2024/25 targets.

The Chair then asked whether we could amend the tolerance on our targets.

Olivia asked what could this look like moving forward.

Simon questioned why there was a move from the 45% target this year to 75% next year, suggesting there may be an interim target. Also could we invest in other renewables instead.

In response, it was explained that while we could change interim targets there was ultimately still the 100% requirement for 2025. Adding additional renewable components to our system in the time frame would be a technical and cost challenge. Ultimately, we need to buy the certificates.

Jack noted that the renewable electricity certificates purchased would support renewable electricity generation projects as the certificates correlate to 1 MWh of actual renewable electricity production purchased from a generator.

The Customer Sounding Board will be used to ask customers if they would prefer us to miss our target or spend the \$600k on renewable certificates.

The CRG was asked whether if it was reasonable to mark the 4c outcome as amber (rather than red) if we missed the target due to customers preferring we miss our target over spending the \$600k. The CRG members voted in favour of the amber outcome.

On the overall issue of Outcome 4 (a, b and c), the CRG also agreed that two amber and one green result would mean the overall Outcome 4 result would be amber.



The Chair said it would be reasonable to reconsider colours once we know the Sounding Board outcome.

Item 5 – Sale water research

Emma Lewis and Paul Young

Emma provided a recap of the background to the research, which was first presented to the Customer Reference Group in February 2024. There were historical customer concerns about the taste of Sale water, and some rectification actions have already been taken. This research was designed to:

- Identify the current level of satisfaction
- Determine whether additional work is required
- Explore customers' willingness to pay for potential upgrades in the future.

The research included interviews with complainants, focus groups and a large survey of 200 Sale/Wurruk residents, conducted online and by phone. For comparison purposes, 200 customers in Warragul and a further 200 in Morwell were also surveyed.

Olivia attended the focus groups as an observer, on behalf of the Customer Reference Group. She noted that customers described a range of water tastes: muddy, chlorine, fluoride, etc. She also said that while some customers were dissatisfied with the taste, they didn't want to pay more.

Paul Young said the next steps was to compare the survey outcomes with our comprehensive water sampling program. We'll share the full results of the research with the Customer Reference Group in the next meeting, scheduled for December 2024.

Simon spoke about recent media coverage on chemicals in water and asked whether we tested for PFAS. Sarah Cumming responded that we conduct regular testing, and have since 2017, of the Sale Seaspray and Briagolong water systems with results available on our website. There are no concerns from the results.

The Chair suggested it would be good if Simon provided feedback on the information on our website.

Item 6 – Customer Care campaign

Katrina Coulson (on behalf of Alice Ryan)

Katrina explained that the community investment program was built around:

- Community education campaigns
- Student education programs
- Public drinking fountain program
- Sponsorship
- Recreation facilities

Customer Care is a friendly, people-focused campaign. It's designed to encourage customers with difficulties paying bills to contact us and seek help.

A broad range of channels have been used to share the campaign, including:

- Billboards



- Advertising
- Pop-up stalls
- Promotion in shopping centres
- Social media

The annual campaign is winding up for 2024 but the response has been good.

Simon asked whether financial support services - like the ability to pay in increments - were free. It was confirmed there was no cost and no catch.

The Chair asked whether small towns had been considered. Katrina responded that we had a limited budget and focussed on centres where people gather, supported by social media.

Other elements of the community investment program were outlined. Katrina explained a goal was to cross pollinate programs so each could be used to reinforce other programs and key messages.

The Chair suggested that school programs would be a good way to reach parents.

Item 7 - Other business

There was no other business.

The observing GW Board members took the opportunity to express the value of the CRG and their positive experience of the meeting.

The Chair thanked everyone and closed the meeting at 12:20pm.

Next meeting

Wednesday 4 December.

