

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS
2013/14 ANNUAL REPORT HEARINGS – SUPPLEMENTARY INFORMATION
WATER CORPORATION

Date of Hearing 5 November 2014

Water Corporation

Question No C1 Hon Alanna Clohesy MLC asked –

The SDP (Water Corporation's SDP 2014/15 – 2018/19) states that the corporation wants to spend about \$5.4 billion but has only been allowed to spend \$4.5 billion. What is the implication of that and what is being lost in the difference of that \$900 million? What proportion of that \$954 million would that account for?

Answer:

The attached table shows the breakdown of the projects into various business areas.

Att

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Deferred Capital Programs

Business Area	Impact of Deferral	(\$m)
Metro Wastewater Growth	Delays in capacity upgrades to major Metropolitan plants, impacts to be managed by increased system monitoring and short-term solutions.	237.0
Regional Wastewater Growth	Delays in capacity upgrades to Regional plants, impacts to be managed by increased system monitoring and short-term solutions.	159.0
Water Mains Asset Renewal	Restricted to a critical asset renewal focus rather than the desired minimisation of whole of life cost.	77.0
Water Production & Storage Asset Renewal	Restricted to a critical asset renewal focus rather than the desired minimisation of whole of life cost.	41.0
Sewer Renewal	Restricted to a critical asset renewal focus rather than the desired minimisation of whole of life cost.	8.0
Wastewater & Treatment and Pumping Asset Renewal	Restricted to a critical asset renewal focus rather than the desired minimisation of whole of life cost.	26.0
Drinking Water Quality	Delays in delivering non-health related outcomes.	41.0
Dam Safety	Minor delays in the time required to achieve the desired business outcome.	10.0
Information Technology	Minor delays in the time required to achieve the desired business outcome.	25.0
Metro Water Growth	Rescheduling of source development to service Perth's Northern corridor.	110.0
Regional Water Growth – Major Schemes	Not all source development will meet the timely needs of regional schemes. Funds will be allocated to highest risk schemes based on system monitoring and growth.	79.0
Regional Water Growth – Minor Schemes	Not all source development will meet the timely needs of regional schemes. Funds will be allocated to highest risk schemes based on system monitoring and growth.	35.0
Asset Efficiency & Effectiveness	Some delays in the time required to achieve the desired business outcome.	5.0
Pressure Management	Some delays in the time required to achieve the desired business outcome.	16.0
Operational Information & Control	Some delays in the time required to achieve the desired business outcome.	2.0
Facilities	Some delays in the time required to achieve the desired business outcome.	48.0
Minor Water & Wastewater Works	Some delays in the time required to achieve the desired business outcome.	25.0
Irrigation & Drainage	Some delays in the time required to achieve the desired business outcome.	10.0
TOTAL		954.0

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Question No C2 Hon Peter Katsambanis MLC asked –

Do you offer a rebate scheme to householders who perhaps have a leak if it is discovered that they have one. Provide the total subsidy of that and the number of premises impacted?

Answer:

The Water Corporation provides financial assistance to customers who have received a high water use bill as a result of an internal leak that was not visible (usually underground). The allowances granted to customers are funded by an Operating Subsidy.

7,442 properties were granted leak allowances in 2013/14. The subsidy for these allowances was \$4,761,305.