

Melbourne Water Price Submission 2026

A summary for direct service customers

VICTORIA State Government

Melbourne Water



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Aboriginal Acknowledgement

Melbourne Water respectfully acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners and custodians of the land and water on which all Australians rely. We pay our respects to Bunurong, Gunaikurnai, Wadawurrung, Wurundjeri Woi-wurrung and Taungurung peoples, their Elders past, present and future, as Traditional Owners and the custodians of the land and water on which we rely and operate.

We acknowledge and respect the continued cultural, social, economic and spiritual connections of all Aboriginal Victorians. We also acknowledge the broader Aboriginal and Torres Strait Islander community and their connections with lands and waters and recognise and value their inherent responsibility to care for and protect them for thousands of generations.

Melbourne Water acknowledges Aboriginal Victorians as Traditional Owners and, in the spirit of reconciliation, we remain committed to developing partnerships with Traditional Owners to ensure meaningful, ongoing contributions to the future of land and water management.

About Melbourne Water

Melbourne Water plays a critical role in the daily lives of Melbourne's residents, businesses and the environment. We provide safe, high-quality water, sewerage, and waterways and drainage services.

We deliver these services in partnership with water corporations: Greater Western Water, Yarra Valley Water, South East Water, Barwon Water, Gippsland Water and Westernport Water and Southern Rural Water.

We also provide services directly to some customers. They pay separate charges outside of bulk water and sewer charges for these services. These direct service customers are:

- Property owners in the Patterson Lakes area who pay a charge for services specific to their properties, including maintenance of jetties and bore flushing of lakes.
- Property owners in the Koo Wee Rup–Longwarry Flood Protection District who pay a charge for services that drain the area and mitigate flood risks.
- Licensed waterway diverters who hold licences to extract water directly from rivers, streams, dams and stormwater pipes for purposes including domestic and stock watering, agricultural irrigation, stormwater harvesting, power generation and industrial cooling.

Our Price Submission – our plans for 2026–31

Every five years, Melbourne Water prepares a plan – a price submission – that sets out the services you can expect, the investments we'll make, and the prices you'll pay. Victoria's independent economic regulator, the Essential Services Commission, reviews and approves the price submission.

Our 2026 Price Submission presents our plans for the five years 1 July 2026 to 30 June 2031. It was informed by 18 months of engagement – talking to customers, community, partners and employees.

Our submission balances customer priorities with the challenges of a growing population, a changing climate, ageing infrastructure that needs to be upgraded to meet expected levels of service and affordability at a time of increasing cost pressures – on our customers and on us.

This document is a summary of what the 2026 Price Submission means for customers who receive services directly from Melbourne Water – licensed diverters and property owners in Paterson Lakes and the Koo Wee Rup–Longwarry Flood Protection District.



What we heard from customers

Provision of clean, safe and reliable services is the top priority for all groups.

Other key concerns and values include: affordability, healthy waterways (including as part of Caring for Country), management of flooding and drainage, support to customers that need it, and a desire for a more collaborative and transparent approach to our services.

Collaboration and transparency are key outcomes particularly sought by the water corporations, Traditional Owner partners and end-use customers. We have reflected this with a new, stand-alone Outcome on collaboration and relationship building.

Simplified customer Outcomes

- Safe and reliable bulk water supplies for now and the long term
- Environmentally sustainable and reliable bulk sewerage services
- Healthy, resilient waterways
- Urban drainage and flood resilience
- A valued partner in water cycle services

Investing to deliver our Outcomes

We're proposing $7.9 billion of prudent, efficient and deliverable capital investment to ensure clean, safe, and reliable water, sewerage, and drainage services – focused on meeting the needs of growth and our obligations while maintaining affordable water bills, including:

- investing $2.9 billion so our water services remain safe and reliable, including $250m for water security, readiness for the next large-scale water supply and its integration
- providing an environmentally sustainable and reliable sewerage system by investing $2.7 billion
- $2.2 billion to support waterway health and manage our flood and drainage systems.

Modest bill impacts

The investments in our submission will result in these bill impacts on the typical household, year-on-year – relative to inflation:

	25–26	26–27	27–28	28–29	29–30	30–31
GWW	$1,110	-	1.5%	0.9%	0.9%	0.8%
SEW	$1,057	-	1.5%	0.1%	0.1%	0.1%
YVW	$1,114	-	1.5%	-0.7%	-0.7%	-0.8%
BW	$1,183	-0.3%	-0.1%	-0.1%	-0.1%	0.4%
SGW	$1,405	1.6%	0.6%	0.7%	0.9%	1.1%
WpW	$1,394	-	0.1%	0.1%	0.2%	0.2%
GW	$1,492	-0.8%	0.0%	0.1%	0.0%	0.0%

Impacts are indicative only and exclude any proposed changes through water corporation 2028 submissions. Waterways and drainage charges will not increase by more than inflation.

Improving outcomes for water corporations

Our proposal sets out our commitments to:

- have simpler customer Outcomes that clearly link to our services and explain their costs
- long-term collaborative planning
- modernise our legacy Bulk Supply Agreements, including updating criteria for asset ownership
- reform our bulk water tariffs to be fairer, including revenue risk sharing through higher volumetric charges
- provide Guaranteed Service Levels for water quality
- We are proposing a '*Standard*' rating for our submission.

Improving outcomes for our community

Households experiencing vulnerability

We are building on water corporations' extensive support for households experiencing vulnerability with Melbourne Water's first hardship package, including providing: payment difficulty support, water efficient appliances for customers experiencing hardship, and working with community sector organisations.

Traditional Owners

We are committed to earlier and deeper collaboration with Traditional Owner partners which will ensure projects are delivered faster and with more benefits for the broader community.

Engaging with our customers, communities and partners

Over 18 months, we reached out to our diverse customers and communities through a broad, accessible and comprehensive engagement program.

We heard from more than **8,200 customers, communities, partners and stakeholders**.

As our direct service customers receive different and unique services from us, we engaged with them directly on topics that mattered most to them. We did this through targeted surveys, community drop-in sessions, advisory groups, interviews and newsletters. These customers were also welcome to participate in the broader engagement program.

We heard:

The key priorities you expect us to deliver on are:

- consistent service levels
- smooth price structures
- balance affordability and water quality and flood risk outcomes
- maintain recreational and amenity value
- communicate regularly and transparently
- engage broadly about cost and service
- support continuous improvement by embracing new technologies and digital platforms.



The Outcomes

We developed five customer Outcomes that focus on what customers told us is most important.



Outcome 1: Safe and reliable bulk water supplies for now and the long term

Ensuring our bulk water supply is safe and reliable now and into the future by providing safe drinking water, reliable service and long-term water security.



Outcome 2: Environmentally sustainable and reliable bulk sewerage services

Ensuring our bulk sewerage services are environmentally sustainable and reliable, using sustainable treatment processes, and investing for the future to remain resilient to population growth and climate change.



Outcome 3: Healthy, resilient waterways

Ensuring our waterways remain healthy and resilient to change, including from the impacts of urbanisation and climate change by maintaining healthy waterways and managing land and vegetation along the waterways.



Outcome 4: Urban drainage and flood resilience

Ensuring that flows are managed to improve resilience to flooding and minimising risk to people, property and public places by managing stormwater to improve flood resilience and supporting developers to plan for, and effectively deliver, new infrastructure supporting housing development.



Outcome 5: A valued partner in water cycle services

Building relationships including with the water corporations, Traditional Owners, local councils, industry and community organisations.

To make sure we are always working towards our customer Outcomes, we have performance measures and targets for each Outcome. We'll report on our performance through an annual report and a six-monthly status report. You can follow our performance on our Price Submission.

Patterson Lakes customers

Property owners living alongside the Tidal Waterways and Quiet Lakes in the Patterson Lakes area receive extra services from Melbourne Water specific to their properties. These include bore flushing of the lakes to improve water quality and maintenance of jetties. These customers pay a service charge – in addition to the waterways and drainage charge – for these services.

How we engaged | In addition to our broad engagement program, we gathered feedback through:

- customer surveys sent to approximately 300 residents (24 responses received)
- community drop-in session (17 residents attended)
- Quiet Lakes finalisation survey community engagement (28 responses received)
- jetty maintenance survey sent to approximately 700 customers (117 responses received).

What we heard | You told us you want us to:

- introduce bore flushing at Lake Carramar to provide a consistent service level across all three lakes, and you support a price increase to do this
- introduce smooth prices structures for customers with timber jetties, rather than maintaining the current price structure
- balance price and water quality outcomes
- maintain recreational and amenity value
- communicate regularly and transparently
- engage broadly about cost and service.

To deliver outcomes:

We'll increase operating expenditure by $0.3 million to introduce bore flushing at Quiet Lakes.



Your bills | Quiet Lakes proposed tariffs.

	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Bore flushing $ per annum	$153.22*	$153.22	$182.62	$217.65	$259.41	$309.19
Timber Jetty	$1,433.00	$886.79	$861.79	$837.51	$813.90	$790.96
Concrete Jetty	$948.00	$821.14	$797.99	$775.50	$753.65	$732.41
Jetties annual maintenance and renewal charge	$163.56	$163.57	$212.66	$276.49	$359.49	$467.39

* In 2025–26, the bore flushing charge only applies to residences of Lake Illawong and Lake Legana. From 2026–27, the bore flushing charge will also apply to residences of Lake Carramar.
Timber Jetties prices have been smooth as jetty payments were to be finalised in 2029.
Concrete Jetties payments are to be finalised in another two regulatory periods.
Not all customers will have a timber and/concrete jetty charge as shown. For example, some customers chose to pay upfront meaning these customers only have a maintenance charge.
All customers will pay the annual maintenance and renewal charge for each jetty, or part thereof, that they have private access to.

Koo Wee Rup and Longwarry customers

Property owners in the Koo Wee Rup–Longwarry Flood Protection District live in an area that is historically prone to flooding. They pay a charge to cover maintenance services for the extensive network of channels that drain the area and mitigate flood risks.

How we engaged | In addition to our broad engagement program, we gathered feedback through:

- customer survey (391 responses)
- face-to-face community event (40 attendees).
- advisory groups, consisting of customer and community representatives.

What we heard | You told us you want us to:

- balance affordability with reduced flood risk
- communicate regularly and transparently, including explaining how we spend the precept charge
- be fair and equitable, ensuring that developers upstream contribute to the cost as run off from developed areas impacts on flooding
- raise the current service level so that customers see tangible outcomes from maintenance activities
- deliver ongoing maintenance as a priority.

To deliver outcomes | We will:

- locate a dedicated person to manage and maintain the Koo Wee Rup Longwarry Flood Protection District.
- increase our responsiveness and consistency of communication.
- increase prices by 5.2% annually from 2027–28 to 2030–31 (adjusted for inflation) to enable an uplift is service in the region.

Your bills

	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Cost per annum ($2025-26)	$248.48	$248.48	$261.29	$274.76	$288.93	$303.83



Licensed diverters

Licensed waterway diverters hold licences to extract water directly from rivers, streams, dams and stormwater pipes for a variety of purposes, including domestic and stock watering, agricultural irrigation, stormwater harvesting, power generation and industrial cooling. We manage the Yarra, Lower Maribyrnong and some Western Tributaries. There are currently around 1,300 licence holders.

How we engaged | In addition to our broad engagement program, we gathered feedback through:

- advisory committee meetings, including with the Diversions Management Advisory Committee and Keilor Diverters Advisory Group
- customer interviews conducted by an independent research agency (20 interviews)
- online survey promoted through direct-contact channels, such as SMS reminders, emails and newsletters (57 responses)
- updates through the StreamNews newsletter, which is received by more than 1,100 diverter customers.

What we heard | You told us you want us to:

- continue current service levels to meet our Customer Charter commitments, including an increased focus on communications
- make sure that meter installation complies with the Victorian Government's Non-urban Metering Policy and associated renewals
- support continuous improvement by embracing new technologies and digital platforms.

To deliver outcomes | We will:

- increase operating expenditure by $0.3 million for diversion customers to cover increased maintenance to maintain the system
- implement the preferred Standard Package proposal, which would increase prices by 0.2%+ CPI, to deliver on customer priorities.



Doug Gimesy, 2023

	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Waterway diversion charges – unregulated waterways						
Licence service fee – all licence types ($ per annum)	$329.39	$329.39	$ 329.92	$330.45	$330.98	$331.51
Power generation licences ($ per kilowatt)	$29.56	$29.56	$29.61	$29.65	$29.70	$29.75
Volume charges ($ per ML):						
– All-months licence	$43.21	$43.21	$43.28	$43.35	$43.42	$43.49
– On-stream winter–fill	$21.75	$21.75	$21.78	$21.82	$21.85	$21.89
– Off-stream winter–fill	$21.75	$21.75	$21.78	$21.82	$21.85	$21.89
– Licensed farm dam	$21.75	$21.75	$21.78	$21.82	$21.85	$21.89
– Non-consumptive	$2.72	$2.72	$2.72	$2.73	$2.73	$2.74
Works operating licences						
General ($ per annum)	$74.27	$74.27	$74.39	$74.51	$74.63	$74.75
Hazardous Dams ($ per annum)	$125.75	$125.75	$125.95	$126.15	$126.36	$126.56
Waterway diversion charges – regulated waterways						
Licence service fee – All licences ($ per annum)	$329.39	$329.39	$329.92	$330.45	$330.98	$331.51
Volume charges ($ per ML):						
– All months licence	$90.45	$90.45	$90.60	$90.74	$90.89	$91.03
– Off-stream winter fill	$21.75	$21.75	$21.78	$21.82	$21.85	$21.89
Stormwater harvesting						
Licence service fee	$329.39	$329.39	$329.92	$330.45	$330.98	$331.51
Volume charge ($ per ML) – All-months licence	$43.21	$43.21	$43.28	$43.35	$43.42	$43.49

*All charges are in $2025–26

For more information on Our Price Submissions, visit
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