

Our Strategy

dhelk gatjin
dhelk balak

dhelk gatjin dhelk balak

dhelk gatjin dhelk balak translates to good water, good people in Dja Dja Wurrung language. The intended meaning is healthy water, healthy people.

The name has been provided by Djaara's language advisory group, Djali Balak.

Acknowledgement of Country

We respectfully acknowledge 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 Djaara, Taungurung, Yorta Yorta, Barapa Barapa, their Elders past, present and future, as Traditional Owners and the custodians of the land and water on which we operate and rely.

We acknowledge and respect the continued cultural, social, 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.

We acknowledge Aboriginal Victorians as Traditional Owners and, in the spirit of reconciliation, we remain committed to working in partnership with Traditional Owners to ensure meaningful, ongoing contributions to the future of land and water management. We commit to empower Aboriginal peoples and come to them first wherever our actions impact their lives.

We will not form a view until we have heard theirs. We will ensure that the aspirations of Aboriginal peoples are embedded in our business. We recognise we have much work to do to make this a reality.

This is the decade that matters

Our strategy - dhelk gatjin dhelk balak sets our 'true north' to navigate the challenges of climate change, population growth and ageing assets. It further outlines our approach to strengthen our water and sewage services and increase our environmental stewardship, so we can deliver outstanding value to our customers now and in the future.

We have reignited our strategic direction and purposefully set an ambitious agenda to drive change and build trust. It will enable us to sustainably deliver value to our regional community and environment, strengthen water security and the resilience of our business, and position ourselves for collaborative innovation.

We look forward to working with our partners, customers, and stakeholders to align efforts for regional prosperity.

Our strategy aims to:

- Provide clarity about the future direction of Coliban Water.
- Enable and inspire our people and the community to be part of our journey.
- Articulate what we stand for and what future success looks like.
- Underpin decision making and enable adaptive management.
- Guide the allocation and prioritisation of resources and effort.
- Respond to emerging risks and opportunities.
- Set aspirational yet achievable strategic outcomes.

It's an exciting time for us and we look forward to making our region an even better place to live.

Bob Cameron
Chair



Damian Wells
Managing Director



Our identity

Our identity is described by our purpose, by the value we deliver, and by our organisational culture.

It is shaped by our unique history and context and helps define what we stand for, how we behave, and how we make decisions.

Our purpose

Our purpose describes why we exist.

We exist to provide water and sewage services for public health and the environment so our communities can sustain themselves.

Our value

What matters most to our customers drives the value we provide. Our Customer Value Propositions were developed through deep community engagement.

Water quality and reliability

We will supply high quality water you can trust.

Enhance the environment

We will reduce our environmental impact and achieve a socially responsible, sustainable business for the future.

Regional prosperity

Our investments will support the economic prosperity of our region.

Fair price

We support customers in need and fairly balance generational investment and pricing.

Be easy to deal with

We will provide services to meet the needs of customers now and in the future.

Our culture

Our culture statements describe the attitudes and behaviours we value in our organisation. When shared and visible, they underpin our success.

Earn the customer

We exist to serve our customers. We 'wow' them with an outstanding experience.

Own the risk

We take responsibility and are accountable to our customers and communities.

Act

We are brave in our decision making and take action. We make good judgements based on evidence and we follow through.

Our story

Our history and location shape our unique context

The growth of central Victorian towns was driven by gold mining rather than abundant water sources. Significant interventions have been required to sustain our regional communities with water. Several of our major towns rely on long distance diversions, and population growth is demanding more water.

Our climate has low average rainfall, hot and dry summers, and periodic droughts. Climate change will exacerbate droughts and increase temperatures. Water security will be an ongoing challenge for our growing region.

Augmenting our water supplies during the millennium drought created significant debt. Repaying debt was our financial focus over the past decade. However, we experienced the impacts of ageing assets and growth. In several instances our assets failed, or we failed to deliver to expected standards.

Our region is within the Murray-Darling Basin and waterways are over allocated. There are water sharing tensions between four states that compete for water to serve towns and cities, native habitats, cultural needs, and farms. This limits our water supply options.



Our context

Our context provides the conditions within which we operate that influence our strategic direction.

Our region spans central and northern Victoria and comprises 49 towns.

We service approximately 180,000 people and have assets worth more than \$2 billion. We also provide rural water to agricultural enterprises.

Climate disruption

How we deal with climate change is the most profound issue facing our region, our services, and our way of life.

We are at a critical point in human history, and we must urgently respond to climate change and biodiversity decline. The water sector can strongly contribute to these challenges by acknowledging and responding to our impact on the water cycle. We will use our role and influence to protect and enhance the environment.

The 2022 floods across central and northern Victoria showed us a glimpse of future climate impacts. The floods devastated many communities, compromised water quality, disrupted the workforce, and damaged or threatened critical assets. A more volatile climate is now a reality, and we must build resilience and adaptability into our assets and everything we do.

The impacts we face from climate change include:

- Shifting rainfall patterns with decreased average runoff entering our storages and reduced groundwater recharge.
- More frequent and intense storms that increase sewer infiltration, risk sewer overflows, and stress our treatment capacity.
- Increased temperatures causing an increase in water demand, greater evaporation from our reservoirs, increased risk of asset failure and increased sewage treatment operations. It further reduces raw water quality including increased risk of algal blooms.
- More frequent and severe climatic events such as heat waves, droughts, floods, and bushfires threaten to disrupt our services.

Collectively these impacts will test the resilience of our services, assets, and our people. We are therefore investing in our adaptive capacity. We also partner with other water utilities, councils, and agencies to reduce our carbon footprint.

Water security and water stewardship

Our region has experienced a step-change in water availability, with a 53% reduction in inflows to the Coliban River storages since 1997. At the same time, the regional population and water demand has grown.

Advancing innovative and climate resilient water supply options is a necessity for our region. We will evaluate 'all options on the table' and influence integrated water management outcomes. Greater use of recycled water will form a key solution, as traditional supplies are overallocated and ocean desalination is not a viable option. We will maintain a 50-year outlook to safeguard the region.

While our water supply services provide water to our customers and many beneficial uses, they also have the detrimental impact of less water for our waterways.

Acknowledging this, we commit to being water stewards, where our water will be socially and culturally equitable, environmentally sustainable, and economically beneficial. This will be achieved through participatory processes that enable Traditional Owners, customers, communities, and stakeholders to collectively consider and respond to our joint water challenges.

Traditional Owners

There is real progress being made to empower Traditional Owners through Treaty in Victoria and State policies for Aboriginal self-determination and cultural water.

Coliban Water looks forward to building stronger relationships with the Djaara, Taungurung, Yorta Yorta and Barapa Barapa mobs. We hope to embed Traditional Owner voice in water governance whilst working together to heal Country.

Our Reconciliation Action Plan will support our maturity as a partner to Traditional Owner groups and increase our cultural competency.

Changing regional population expectation

The communities we serve are changing, with rapid urban growth and some small towns' population declining. Our population is also living longer and becoming more diverse.

The population of our largest urban centre, Bendigo, is forecast to nearly double between 2023 and 2050.

Servicing these changing communities is a key challenge for us, as infrastructure upgrades are required for our large urban centres, yet some small towns do not have treated water or sewerage services.

There is also increasing community expectation of service quality and how we interact with our customers. In response, we are investing in the customer experience and enabling more inclusive and transparent decision-making processes. This will increase the value delivered to our customers and build trust with our communities.

There is also a greater social expectation for public agencies to have a positive environmental impact and reduce their carbon and waste footprints. We will embrace this growing expectation and embed sustainable and social practices in everything we do.

Big Water Build and Price Submission 2023-28

We have made the deliberate decision to strategically leverage debt and increase prices to upgrade our water and sewer assets.

Over the next five years, we will deliver a \$435 million capital works program, the Big Water Build, to increase asset resilience, service regional growth, and meet regulatory standards and customer expectations. This is a significant undertaking, which will deliver many benefits to our customers and communities, and the region's environmental and economic prosperity.

Although our prices are increasing, we are committed to staying below the national average for water prices and providing financial assistance to those who are in need via our Coliban Assist program. By investing now, we will avoid unfair costs to future generations.

Economic volatility

In 2023, the Australian and international economies were highly volatile with spiralling inflation and rising interest rates. In addition, the Australian and Victorian governments are in significant amounts of debt from large infrastructure spends and investment made during the COVID-19 pandemic, amongst other factors.

For us, projects and services are more expensive to deliver, and we face increasing interest rates to service accumulated debt.

We are committed to providing a fair price to our customers and we will identify innovative delivery models for the Big Water Build whilst exploring revenue opportunities to reduce future billing impacts.

Technology disruption

The rapid rise of Industrial Internet of Things (IIOT), artificial intelligence (AI) and automation technologies is expected to transform the water industry by providing innovative solutions to improve efficiency, reduce costs, and enhance sustainability. We will embrace these technologies and apply innovative thinking to drive improvements to our operations and business.

We have commenced our IIOT journey by installing digital meters for real-time monitoring of water use. This data will be invaluable to identify leaks and improve our operational efficiency. Keeping pace with this rapidly emerging technology will be a critical focus for the sustainability of our business.

In today's interconnected and digitised landscape, cyber security stands as a paramount concern. With exponential growth in data generation and increasing reliance on digital infrastructure, safeguarding sensitive information, critical systems and infrastructure, has become a strategic imperative. Cyberattacks pose significant risks and we will adopt a proactive approach to cybersecurity through technical defences and cultivation of a cybersecurity-aware culture.

Regulatory and policy change

We operate in a highly regulated environment and over the next decade there is potential for regulatory and policy change that may greatly impact our business. This may include changes to water pricing regulations, urban water reform, or regulations to manage emerging contaminants.

Being aware of state, national and global trends will be critical for our adaptive capacity. We will take a proactive approach to preparedness by monitoring global trends and building strong relationships with regulators and agencies. We will ensure we are in a favourable position to thrive in a changing regulatory environment.

Organisational transformation

Constant change and uncertainty are the new normal and being agile and resilient are essential skills to thrive in today's environment.

We are embracing this uncertainty by developing our organisational fitness to adapt and leverage opportunity. We are creating 'Coliban of the Future', where we will embed leadership at all levels, foster new capabilities, and evolve our ways of working.

Agricultural and rural modernisation

The rural landscape across the Coliban Water region is changing with the rise of hobby farms in some areas, and the expansion of farming enterprises in other areas. These shifts alter the agricultural community and our rural services.

Hobby and broad scale farms create the challenge of reduced inflow into our reservoirs via dam development in water supply catchments. There are also positive examples of landholders investing in sustainable agriculture and contributing to cleaner water flowing into our reservoirs.

Technology and commodity prices continue to drive larger farming enterprises in broad scale farming. This can improve agricultural viability but may also impact the rural population as farm labour needs decline. With fewer people to pay for improved service standards, services to small rural towns may be challenged.

A further consideration in the rural landscape is the modernisation of our rural channel network. Through a detailed business case, we will assess the viability of replacing open channels with pipes and/or rationalising channels to achieve considerable water savings. A modern rural network would also improve services to some agricultural enterprises. Advancing rural modernisation is subject to a favourable detailed business case and considerable external investment.

Our threats and opportunities

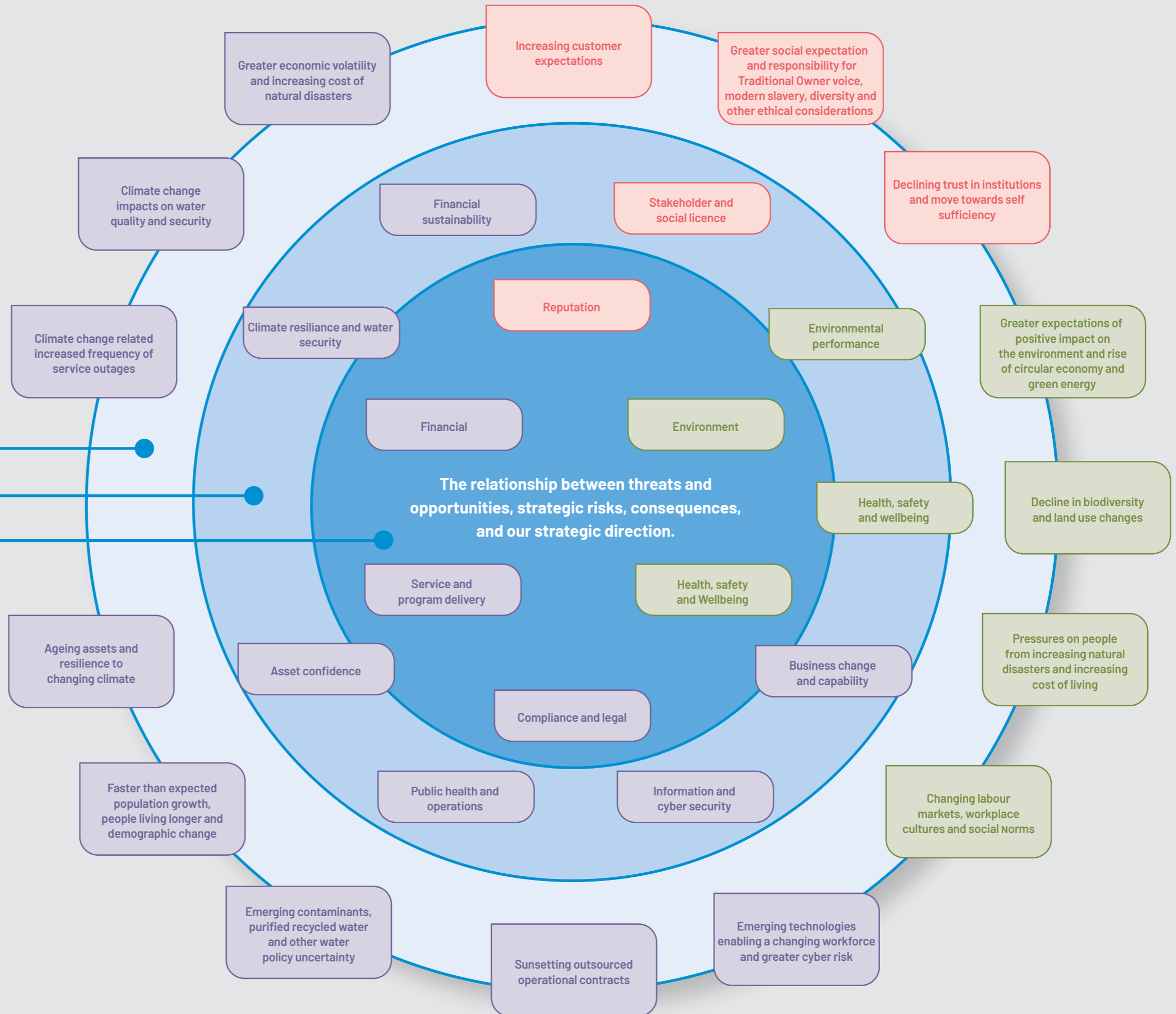
Our context reveals both strategic threats and opportunities that may inform or impact our strategic direction.

Through a deep understanding of our context, we can address threats and discover untapped opportunities. Our strategic goals and risks have been informed within this context and we will continue to assess conditions and identify emerging threats and opportunities.

Threats and opportunities

Strategic risks

Consequences



Our strategic direction

Our vision

Our vision sets out our long-term aspirations and outlines, in broad terms, what we aim to accomplish.

‘Healthy water, healthy people’

Our vision represents a strategic shift towards greater emphasis on environmental stewardship to underpin value for our customers.

As described by our purpose, we are in the business of public health and environmental stewardship. We supply safe water to our customers to support life, wellbeing, and prosperity. We secure water for a growing population in a drying climate to ensure a healthy and prosperous region, now and in the future.

Underpinning healthy people is healthy water. Our vision is to support the health of our water through environmental stewardship, further contributing to the prosperity of our region. Healing Country through healthy catchments and waterways, thriving biodiversity, and sanitation enables healthy water to support healthy people.

Our goals

Our strategic goals will drive our strategic direction over the next ten years.



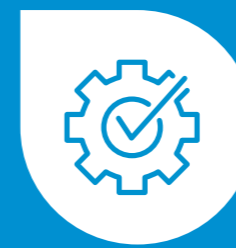
Healthy Country and communities

We contribute to healthy Country and communities through ethical and sustainable practices.



A trusted utility

We are a trusted utility in the regional community and are strategically positioned within the water sector to influence innovative outcomes.



Business sustainability

We are an intelligent and resilient business with the necessary resources, assets, and workforce to thrive in an ever-changing future.

Our goals and outcomes

Our strategic outcomes define success. Achieving these goals in collaboration with our partners will sustain our services and deliver outstanding value to our customers.



1. Healthy Country and communities

We contribute to healthy Country and communities through ethical and sustainable practices.

Strategic Outcomes:

- 1.1 Follow Traditional Owners' lead**
Develop Traditional Owner relationships to grow partnerships and embed participation in water governance, ownership, and management.
- 1.2 Equitable and liveable communities**
Ensure no one is left behind. Support customers in need, drive equity in service delivery and enhance urban spaces for community wellbeing.
- 1.3 Healthy catchments and ecosystems**
Restore the health of our water, land and biodiversity through partnerships, nature-based solutions, and infrastructure, guided by Traditional Owner knowledge.
- 1.4 Zero carbon and waste**
Achieve net zero carbon emissions from our operations by 2030, including 100% renewable energy by 2025. Adopt a circular economy mindset to 'design out waste'.

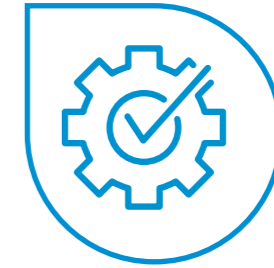


2. A trusted utility

We are a trusted utility in the regional community and are strategically positioned within the water sector to influence innovative outcomes.

Strategic Outcomes:

- 2.1 Trusted water and services**
Drive excellence in water quality and aesthetics, and deliver reliable, trusted services to homes, businesses, and rural customers.
- 2.2 Customer Trust**
Strengthen our relationship with customers and communities by applying place-based approaches and build trust via transparency, inclusiveness, and deep engagement. Deliver on our promises.
- 2.3 An influential water leader**
Advance our position in our broader network to drive innovative outcomes and influence greater value for our customers, communities, and the environment.
- 2.4 A preferred employer**
Recognise our people as key to our success and invest in the staff experience so we have the right people, for the right work, at the right time.



3. Business sustainability

We are an intelligent and resilient business with the necessary resources, assets, and workforce to thrive in an ever-changing future.

Strategic Outcomes:

- 3.1 Water security**
Make every drop count. Consider 'all options on the table' to overcome a drying climate and a growing region by applying innovation across the water cycle.
- 3.2 Financial sustainability**
Make every dollar count. Leverage debt and revenue to balance inter-generational investment with fair pricing. Drive operational efficiencies and grow financial fitness.
- 3.3 Smart and safe operations**
Invest in our infrastructure, embrace emerging technologies, and use best practice to be adaptable and respond to growth and regulatory change.
- 3.4 An adaptive and resilient organisation**
Invest in our organisation, uplifting our capabilities and driving a culture of adaptability and resilience to navigate future challenges.



1. Healthy Country and communities

We contribute to healthy Country and communities through ethical and sustainable practices.

Image: Trent Nelson, Chairperson Djaara, at our Innovate Reconciliation Action Plan Launch August 2023.

We are committed to the social wellbeing and environmental health of our region, and we are a conscious global contributor. We will apply an environment, social and governance framework to guide our ethical and sustainable practices.

1.1 Follow Traditional Owners' lead

Why? For too long, Traditional Owners' voices and values have not featured in water governance. This situation must change, as the systemic exclusion of First Nation's cultural values, knowledge and perspectives have favoured resource exploitation over healthy Country and waterways. The impacts can be seen across the cultural landscape, and the continued decline in the health of the Murray-Darling Basin is one example. Coliban Water is committed to enabling Traditional Owners' participation in our decision making, while also finding new ways for Traditional Owners to care for Country. Providing water for cultural flows and self-determined use will be a fundamental requirement. We look forward to exploring culturally appropriate partnerships with each of our region's Traditional Owners including the Djaara, Taungurung, Yorta Yorta and Barapa Barapa.

- What pathways will we start with?**
- Collectively advocate for the return of water to Traditional Owner groups for their self-determined use, including transferring water entitlements for cultural use.
 - Explore opportunities to partner with Djaara for the implementation of Djaara's Dhelkunyangu Gatjin Strategy, and embed participation in Coliban Water's decision making, following Djaara's lead.
 - Strengthen relationships with Taungurung, Yorta Yorta and Barapa Barapa with the view to establish participation in Coliban Water's decision making, following Traditional Owners' lead.

How will this drive value for our customers?	Enhance the environment	Be easy to deal with	Regional prosperity
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1.2 Equitable and liveable communities

Why? Community access to cool and green urban spaces is vital for social connection and wellbeing. We will support councils by providing water to maintain priority parks and gardens in good times and bad. We will also collaborate with councils to increase access to drinking water fountains. Our current urban customers do not all receive the same level of service, as some small towns do not have access to potable water or sewerage services. We will investigate the viability of increased services across the region so there is greater equity between our customers, being mindful of what is valued by different communities. Providing affordable services for a growing and ageing population is a core focus. Special attention will continue to be provided to customers in need through financial support.

- What pathways will we start with?**
- Provide financial and other support to customers experiencing financial hardship through the Coliban Assist program.
 - Support councils to install drinking fountains and maintain cool and green public open spaces for priority recreational areas, including joint agreements to define 'in drought' service standards.
 - Develop place-based and gender-based impact approaches to know our customers, our environment, and our service quality to drive equitable standards in our region.

How will this drive value for our customers?	Fair price	Regional prosperity	Enhance the environment
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1.3 Healthy catchments and ecosystems

Why?

The collective impacts of land clearance, development and agriculture have greatly impacted the condition of our water supply catchments. This reduces water quality that flows into our reservoirs and requires us to apply more chemicals and mechanical interventions to supply safe drinking water.

Investing in ecosystem improvements can enhance natural water filtration and increase biodiversity. We will expand on A Healthy Coliban Catchment partnership with North Central Catchment Management Authority, Djandak and farmers to repair our catchments.

We will take a holistic catchment approach that recognises and responds to our environmental impact. This includes upgrading sewer systems to reduce spills, upgrading water reclamation plants to improve water released to local waterways, and building biodiversity corridors.

We will also progressively recognise our waterways as 'living entities' in partnership with Traditional Owners and agencies. This will enhance our environment and will respond to our largest environmental impact of damming waterways and extracting water. This approach aims to enable collective water stewardship.

What pathways will we start with?

- Invest in the upgrade of water reclamation plants to improve water quality released to local waterways.
- Partner with Traditional Owners, agencies, farmers and stakeholders to protect water quality and improve the health of water supply catchments.
- Partner with local Traditional Owners and agencies to influence the recognition of waterways as 'living entities' that recognise a waterway's legal rights and cultural lore.

How will this drive value for our customers?

Water quality and reliability Enhance the environment Regional prosperity

1.4 Zero carbon and waste

Why?

Our region is increasingly vulnerable to a drying, hotter, and more volatile climate. We must aggressively reduce our collective emissions as soon as possible. We are committed to achieving net zero carbon by 2030. We will also influence greater action by leveraging our partnerships to drive down regional emissions.

Waste is an outdated concept, and we need to rapidly shift practices and culture to 'design out waste'. This will reduce our environmental impact and use our by-products as resources. Embracing circular economy principles in everything we do can reduce waste to landfill, reduce embodied carbon and create local industries.

We have several by-products that offer enormous potential to convert into higher value uses like biosolids to fertilisers, waste-to-energy, and greater use of recycled water. Leveraging the investment in water reclamation plants will be critical for driving circular opportunities.

What pathways will we start with?

- Invest in operational energy efficiencies, local renewable energy, and the reduction or offset of direct emissions to minimise the need for market-based carbon offsets and achieving 100% renewable energy by 2025 and net zero carbon by 2030.
- Leverage investment in water reclamation plants to explore waste-to-energy, biosolids reuse and local renewable energy generation opportunities.
- Partner with the City of Greater Bendigo and agencies to advance the Regional Zero Carbon Roadmap via the Greater Bendigo Climate Collaboration.

How will this drive value for our customers?

Enhance the environment Regional prosperity



2. A trusted utility

We are a trusted utility in the regional community and are strategically positioned within the water sector to influence innovative outcomes.

We operate within a vast network of customer, communities, suppliers, employees, regulators, developers, councils, and agencies. Value is generated for our customers and our communities through this interconnected web, and we all have a role in progressing the region's prosperity. Our strategic goal is to position ourselves within this network to be a trusted and credible water utility.

2.1 Trusted water and services

Why? Public health, community wellbeing and environmental health are fundamentally reliant on effective water and sewage services. These are our core services and we will continue to invest in operational excellence.

Maintaining our customers' access to our services will be an ongoing priority, as we recognise it as a human right. We will continue to invest in the upgrading of our assets so that customers can trust our services.

We will promote tap water as the drink of choice because it is safe and sugar-free, and we aim to make it consistently good tasting and good looking. It is also much cheaper than bottled water alternatives and avoids plastic waste.

Reliable water and sewage services builds customers' trust and increases our social licence to do what is needed to support the sustainability of our services.

What pathways will we start with?

- Invest in the upgrade of water treatment plants and networks to improve appearance, taste, and smell to our urban customers.
- Invest in network redundancy for large towns to de-risk service disruptions from asset failure or where alternative supplies are unavailable.
- Actively promote tap water as the drink of choice over bottled alternatives.

How will this drive value for our customers? Water quality and reliability Enhance the environment Regional prosperity

2.2 Customer trust

Why? We choose to be a customer-focused organisation so we earn the trust and confidence of our customers, communities, and stakeholders.

Our Customer Value Propositions reflect what our customers have told us they value and what they want us to deliver.

We will continually build our knowledge of who our customers are, how they perceive us, and their experience with us. Key to this will be using our Customer Advisory Groups to ensure customer voice is central in our planning and operational activities. It also allows our customers to hold us accountable to our promises. This will drive us to deliver better experiences for customers that are founded on deep understanding and trust.

We will build our social licence to do what is needed to sustain our services.

What pathways will we start with?

- Earn the customer by developing a deep understanding of community perspectives and what is valued by different customers.
- Develop a deep place-based understanding of service delivery expectations and environmental challenges to enable appropriately tailored and prioritised services.
- Invest in the 'Coliban Water Experience' through the development and continual improvement of innovative and evidence-based solutions underpinned by data and digital technology.

How will this drive value for our customers? Be easy to deal with Fair price Water quality and reliability

2.3 An influential water leader

Why? Enabling innovation to respond to the many challenges we face cannot be done alone. To navigate this reality, we need to strengthen relationships and develop new partnerships for the benefits of our customers and the region.

We want to strategically position ourselves as an influential leader within the water industry and regional networks so we can secure better outcomes for our customers and drive prosperity for the region.

Key strategic issues to progress include, but are not limited to:

- Land use planning outcomes.
- Management of forever chemicals.
- Achieving long-run financial sustainability for the water sector.
- Dam regulations in water source catchments.
- Recycled water regulations.
- Water security
- Urban Water reform.

What pathways will we start with?

- Identify and build strategic relationships across all levels of government, the water industry, and regional agencies to advance key strategic issues.
- Leverage existing networks to develop partnership opportunities for the purposes of sharing data, knowledge, and human resources.
- Partner with agencies, Traditional Owners, and councils to progress priority integrated water management projects.

How will this drive value for our customers? Regional prosperity Water quality and reliability Enhance the environment

2.4 A preferred employer

Why? Australia is facing into a 'great jobs boom' and, at the same time, the workforce and ways of working are dramatically and rapidly changing.

We need to strategically position ourselves in the labour and talent market as a preferred employer to ensure we attract the right people, for the right work, at the right time. Growth in staff related to the Big Water Build and to our organisational transformation to Coliban of the Future is currently driving this need.

What pathways will we start with?

- Leverage the criticality of our purpose, flexible work policies, and explore new labour markets to attract a broader and more diverse range of people to our organisation.
- Invest in the improvement of the employee experience, through all stages of employment, to support and retain our people.
- Undertake a gender-impact assessment and establish ambitious objectives for diversity and equity targets in our recruitment policy to drive desired workforce composition and foster a culture of inclusion for our people.

How will this drive value for our customers? Regional prosperity



3. Business sustainability

We are an intelligent and resilient business with the necessary resources, assets, and workforce to thrive in an ever-changing future.

The region's prosperity depends on a sustainable water utility with the capability and capacity to navigate climate and market challenges.

We are strengthening our business to ensure continuous service delivery in an ever-changing future.

3.1 Water security

Why?

Water resources are being stretched by climate change and a growing regional population. Securing additional water resources is critical for the ongoing viability of our business and the region. We also face the challenge of overallocation in the Murray-Darling Basin.

We will maintain a 50-year outlook and proactively investigate 'all options on the table' to secure water for our region. This includes evaluating ways to maximise recycled water use, modernise our rural channel system, increase alternative water connections, and apply an integrated water management approach. Climate resilient water supplies and reducing our impact on our waterways will be key considerations for securing additional water.

There is urgency to act, as the Urban Water Strategy 2022 identified a supply deficit for Echuca, Cohuna and surrounds by 2024. A supply deficit is also projected for Bendigo, Castlemaine, Kyneton, and surrounding towns by 2037. However, several supply options have five to ten-year lead times. Progressing a portfolio of solutions is a likely eventuality to increase water security for our region.

We will also combine education and technology to empower our communities to make every drop count.

What pathways will we start with?

- Evaluate 'all options on the table' to increase water security and minimise the purchase of water shares..
- Modernise the rural water channel system to improve rural supply service and achieve water savings for increased water security, cultural water, and environmental flows.
- Reduce water loss through investment in smart water networks and process optimisation, and improved customer access to water data and smart networks

How will this drive value for our customers?

Water quality and reliability

Enhance the environment

Regional prosperity

3.2 Financial sustainability

Why?

Over the last decade, we focused on a strong debt reduction strategy to commence repaying the \$250 million infrastructure investment from the millennium drought.

We are now strategically shifting our financial strategy to leverage debt and revenue to enable regional growth and prosperity.

Given our increased capital expenditure, servicing our debt will remain a core focus and we will maintain an acceptable level of intergenerational equity.

We will progressively explore options to build aspects of our business internally and explore additional income streams. This allows us to enhance cost control and generate revenue from various sources.

We will provide excellent services at a fair price to our customers and keep our prices for water and sewage services below the national average.

- What pathways will we start with?**
- Leverage debt and revenue to fund the required investment in infrastructure and business capability uplift.
 - Implement value-driven and technology enabled process improvements to integrate the business and drive operational efficiencies.
 - Actively explore business model innovation opportunities for new revenue streams and funding partners.

How will this drive value for our customers?

Fair Price	Regional prosperity
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3.3 Smart and safe operations

Why?

Over the past decade, we have deferred capital works and held too much risk. In response, we are investing in the Big Water Build, significantly increasing our infrastructure portfolio.

We will incorporate flexibility into our design principles to enable us to adapt our operations, allowing for future uncertainties whilst employing a 'no-regrets' approach as we grapple with the challenges faced now.

The rapid emergence of Industrial Internet of Things (IIOT) and automation is changing network and treatment plant operations. We will embrace these 'smart' technologies so we can improve efficiency, reduce costs, enhance sustainability, and make better decisions.

We will adopt best practice safety standards to keep our people and communities safe so they can live to see the future shaped by these investments.

- What pathways will we start with?**
- Deliver safe and resilient assets to support reliable services in the face of climate change, ageing assets, and population growth.
 - Leverage innovative practices and IIOT and automation technologies to optimise our operational performance and improve customer value.
 - Employ adaptive infrastructure planning to account for climate change and growth scenarios in design solutions.

How will this drive value for our customers?

Water quality and reliability	Enhance the environment	Fair price
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3.4 An adaptive and resilient organisation

Why?

Evolving the operating model is fundamental to our future success, as the Big Water Build, digital transformation, and increasing customer expectations are demanding new ways of working and different capabilities. We will invest in becoming a modern water utility with operation and maintenance capability.

An uplift in existing and new capability and more flexible ways of working are needed to underpin our ambitious strategic direction.

Coliban of the Future will be realised through investment in our people, our processes, our technology, and our culture so we are equipped with the necessary capability to deliver our strategy. This will provide strong foundations from which to navigate future challenges, whilst increasing the value we provide to our customers and the region today.

- What pathways will we start with?**
- Shift to a target operating model where we strategically partner with deliberate intent to provide best value for our customers, leveraging our investment in the Big Water Build to build capability in operations and maintenance
 - Build a culture of 'strategy in action', developing our business, workforce, and technical literacy, and uplifting our capability to support this.
 - Invest in adaptive management and best practice governance to optimise the allocation and prioritisation of resources and effort.

How will this drive value for our customers?

Water quality and reliability	Enhance the environment	Regional prosperity
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Our horizons

Our horizons set a high-level approach for achieving our goals.

Business transformation

Horizon 1

2023-2028 will be characterised by growth and transformational change with considerable investment in the Big Water Build and Coliban of the Future.

Building strong foundations of resilience, adaptability, and sustainability, we will innovate and partner for increased water security and greater environmental stewardship.

We will be an emerging water industry leader that overcomes legacy issues and leans into future challenges.

We will see...

Traditional owner-led water stewardship.

The Big Water Build deliver innovative solutions across the water cycle to increase water security and build resilience.

Coliban of the Future deliver capability uplift through investing in our people, processes, technology, and ways of working.

A modest price rise for customers above customer price index and increased debt to fund a significant increase in capital works.

Core service excellence

Horizon 2

With strong foundations in place, 2028-2033 will be characterised by the exceptional value we deliver to our customers through service excellence.

We will adapt to changing circumstances, embrace opportunities, and actively influence the water industry and region.

We will not only sustain value for customers but leverage our value for greater impact.

We will be a water industry leader known for delivering core service excellence with strong customer trust.

We will see...

A high-quality asset base underpinning quality, efficiency, and resilience in our service delivery.

Active strategy and organisational growth are everyday practices.

Considerable industry and policy influence as a water leader.

Industry leading water stewardship, following Traditional Owners' lead.
