



Essential Services Commission
Level 8, 570 Bourke Street
Victoria 3000

Sent via email: engage@esc.vic.gov.au

Re: Proposed Billing Exception for Greater Western Water (GWW)

Dear Team,

Westjustice appreciates the opportunity to feed back on the consultation for the above billing exception.

Briefly, Westjustice **opposes** the present proposal. We have concerns which we outline below about the fairness and precedent value of the exception, the potential impact on customers in terms of bill shock, and unintended consequences which could extend to the use of the Utility Relief Grant (URGs) system and the Energy and Water Ombudsman Victoria (EWOV).

In the event the exception proceeds, the Compliance Improvement Action Plan outlined in the enforceable undertaking will be of prime importance, and we have some suggestions about what will be vital to make customer contact and communication effective.

Background

Westjustice presently has the capacity to assist GWW customers through four channels:

- a general access Consumer Affairs Victoria (CAV)-funded Consumer Clinic;
- our Restoring Financial Safety (RFS) program for women escaping economic abuse, which provides financial counselling (FC) advice and advocacy with respect to utilities;
- our Settlement Justice Partnership (SJP) program for recently arrived migrants, which provides civil law and debt advice and advocacy;
- our Communities of Burma Financial Counselling Clinic, which provides triaged community worker/financial counselling support to members of the Burmese refugee communities.

Since GWW's delayed billing issues arose, our interactions with clients have frequently marked by what they *aren't* receiving or aware of. For example:

- RFS clients who have experienced upheaval (including moving house or family breakdown – meaning that bills could pertain to a new property and/or a previous property) and have not received bills. They are apprehensive about bill shock, but want to understand the outstanding balance of the bill and are frustrated this has not been provided sooner;
- SJP clients are unaware of the billing delay situation and communications about this generally. In some instances, SJP clients have sought help to “understand a bill” which turns

out to be a letter stating that their bill will be delayed. We are concerned that this cohort are more likely to attempt to meet a delayed and higher bill at the expense of other necessities and to their detriment due to lower awareness of rights and pathways for utility hardship.

Westjustice also sat as an independent reviewer on the 2025 review of GWW's billing delays.¹ Relevantly to the above cohorts, that review highlighted the following from the customer service perspective:

- GWW elected not to use SMS to notify customers about delayed bills to minimise public concern about the incident, despite this being a more accessible and read communication method than email (or social media);
- Call-centre wait times blew out from the billing changeover in June 2024 to February 2025 (by which time over half of calls made to GWW's call centre were abandoned). This no doubt included cohorts of GWW customers complaining about delayed bills or hardship from multiple bills but will have also included customers unsuccessfully attempting to notify GWW of new hardship due to life events.

Consumer Harm

Consumer harm is a broad term that encapsulates many forms including economic, social and psychological harm. In this context, GWW's delayed billing event, and the proposed exception are particularly concerning as the harm is caused by systemic factors rather than any individual circumstances of the consumer.

Some examples of consumer harm that we have contemplated include:

Financial harm:

- Bill shock - delayed bills which arrive cumulatively become unaffordable (even with account credits);
- People may prioritise paying their delayed water bill for fear of restriction and miss payments on other priorities such as rent or mortgage, potentially leading to risk of or actual homelessness. Furthermore, people may go without essentials such as food or medication to prioritise their water bill payment;
- People struggle to budget because the regularity of their bills has become unpredictable, particularly if these people were dependent on a direct debit arrangement which assured regular payments managed alongside their other outgoings;

¹Nous Group *Independent Review – Customer Information Incident – Community Report*, 30 July 2025. Accessed at <https://www.gww.com.au/sites/default/files/2025-08/Independent%20Review%20-%20Customer%20Information%20Incident%20-%20Community%20Report%20%2830%20July%202025%29.pdf> on 20 October 2025. We understand the ESC is also in possession of the more comprehensive non-community report.

- People may resort to using hardship grants and entitlements (i.e. Utility Relief Grant) towards the delayed billing event and therefore lose the opportunity to access these grants at a later point (for example if they need to use it after fleeing family violence, another major life event or simply to manage their ongoing living costs);
- People who have sold a house may not have correctly adjusted their liabilities.
- Poor customer service because of increased demand within GWW's customer service or hardship teams;
- Lack of trust and confidence in the utility provider combined with frustration that there is no choice of water provider, and therefore one cannot simply move providers as can be done in energy and gas;

People may feel let down by the regulator if GWW is provided with an exception which leads to cumulative later bills which may not have been permitted otherwise.

The Billing Exception and Enforceable Undertaking

Rule 6.7(a) of the *Water Industry Standard (WIS)* appears to be conclusive that a Victorian water business' ability to back bill (that is, to recover undercharged amounts) is limited to the previous four months prior to the water business notifying a customer that undercharging has occurred.

We understand from reported complaints of GWW customers on social media and EWOV, that GWW have not followed this interpretation in some frontline interactions. It is likely that the matter has been complicated by GWW's continued failure to restore ordinary billing cycles, meaning that some customers have now appeared to receive successive notifications that bills will be delayed and that they may have therefore be undercharged, but have not yet received an itemised separate bill with a meter read for the undercharged period.

We believe that the appropriate response would be for the ESC to uphold the WIS firmly, and for GWW and the Victorian government to work constructively on an arrangement which identifies:

- The extent to which revenue overall was impacted by the billing system issue and which water supply and future infrastructure requirements and projects could be considered at risk as a result of the revenue issue;
- The extent to which the government can assist these requirements to be met by a pause on existing dividend and tax payments by GWW, a refund or rebate of payments previously made, or other supports matched by performance expectations.
- The extent, if any, that contractors or consultants engaged for the GWW billing system implementation and who are regularly procured by the Victorian government or its corporations for ongoing work contributed to the issue and ought also to meet the costs of any revenue shortfall.

From a customer's perspective, aspects of a GWW enforceable undertaking in which credit is applied against a delayed bill are unlikely to ring true where:

- The undertaking is part of an exception where GWW may recover more from a customer than the WIS, strictly applied and enforced, would have otherwise allowed, and;
- Even after the application of credit on a 'sliding scale' they are being asked to pay for usage which otherwise would not have been recoverable.

We are also concerned about potential precedent value in this approach to a utility company's non-compliance with respect to data, billing and collection. Other utilities have similar expectations around back-billing (a four month period for Victorian electricity and gas similar to that for water; a 160-day limitation for delayed telecommunications bills unless exceptional external/*force majeure* circumstances can be said to apply).²

Noting the GWW event and other critical IT issues experienced by Australian utility and essential services in recent years, it is entirely possible that another provider could undergo such a billing issue in the future. We are wary of a billing exception which could be relied on by other companies in future as their basis for seeking relief where board or executive decisions and omissions led to a similar incident, particularly given the poorer standard of electricity, gas and telecommunication market participants with respect to hardship and collection activity overall.

Potential Bill Shock Event

We have considered the following example below which the GWW enforceable undertaking uses:

Example: *if a customer is issued two bills, sent 10 months after the end of one quarter and 7 months after the end of the next quarter, the customer will be entitled to a \$240 account credit only, not \$400.*

Let us assume that a large family (ie., a household of six) in the Greater Western Water Central Region owns their home and does not have water-efficient appliances and fixtures. At a water usage annually of 240kL, it could anticipate an annual bill of \$1446.00 a year, or \$361.50 a quarter.

Using the example above in the course of a year as GWW resolves its billing system issues:

End of 1st Quarter (Months 1-3): No bill Issued

End of 2nd Quarter (Months 4-6): No bill Issued

² See, relevantly, cl 70(2)(a) of the *Energy Retail Code of Practice*, cl 5.4.2(c) of the *Telecommunications Consumer Protection Code*.

End of 3rd Quarter (Months 7-9): No bill Issued

End of 4th Quarter: (Months 10-12): No bill Issued

End of Month 13: The family receives the 1st quarter bill 10 months after usage period, the 2nd quarter bill 7 months after usage period, the 3rd quarter just under 4 months after usage period (ordinarily fully recoverable from the consumer), the 4th quarter bill just under a month after usage period (ordinarily fully recoverable from the consumer).

The family has essentially received a bill of \$1446, less the \$240 account credit, totalling **\$1206.00**.

Notwithstanding the availability and expectation of hardship requirements in the circumstances, it is likely that customers in financial scarcity at the time of a larger one-off bill (or set of bills shocks) would be more likely to experience bill shock. This in turn can lead to adverse consequences including [deferring or postponing addressing the payment](#)³ and potentially prioritising the bill over others which have more adverse consequences for non-payment (e.g. consumer credit, rent, mortgage).

The enforceable undertaking as it stands does not create a right to a cumulative credit.

If the billing exception goes ahead, Westjustice recommends this be reviewed and a cumulative credit be implemented to reduce the proportionate impact of billing on customers who face consecutive delayed bills and to incentivise GWW restoring a standard billing cycle faster.

Impact on Estimates and Undetected Leaks

Clause 5.1 of the WIS provides a mechanism by which a customer can supply a self-read of their meter if they disagree with an estimate supplied by a water business, after which time the business must provide the customer with an adjusted bill.

The effectiveness of this mechanism is reduced in situations where:

- a bill is delayed;
- an estimate is supplied for the period for which billing was delayed;
- a customer cannot provide a contemporaneous self-read.

Regular billing (and regular meter reads) are also an important way to identify and intervene early in undetected leaks on a property (for example, below ground pipe or

³ See Hilbert, L.P., Noordewier, M.K., Seck, L. *et al.* Financial scarcity and financial avoidance: an eye-tracking and behavioral experiment. *Psychological Research* **88**, 2211–2220 (2024). <https://doi.org/10.1007/s00426-024-02019-7>

valve damage). A delayed but extremely high bill may in some cases be a customer's first reasonable notice of such a leak.

The [Victorian Water Industry's Guideline for Unexplained High Usage and Undetected Leak Enquiries](#) does not refer to a water business's obligation to bill regularly and does not provide for an uncapped water use charge rebate to a customer in exceptional circumstances (for example, where billing delays led to a long period of undetected leakage).

If the billing exception goes ahead, Westjustice recommends that any compliance with the undertaking by GWW include an explanation of how it will address issues with disagreements on estimates, and an undertaking not to cap rebates or waivers on undetected leaks where a bill was delayed.

Effective Management of Customer Care

If the proposed billing exception decision came into force, then it is likely that an identifiable cohort of customers will be at risk of financial hardship. Westjustice suggests that this cohort should be assumed to be every customer disadvantaged by the exception (ie., who can be lawfully asked to pay a bill going back earlier than four months).

We believe these customers can be identified by a customer account number, and that this could be an appropriate way to triage them to assistance on call centres where they were in touch with questions or additional need (for example, by this being entered when they contact GWW and directing them for priority support).

The application of credit to affected customers has been based on extent of delayed billing and not other variables such as household water use, arrears history, or disclosed vulnerability needs. It is therefore critical to the effective support of these customers that additional time to pay and credits should not supplant other payment assistance under the WIS and GWW's Customer Support Policy. GWW needs to be aware that vulnerability is dynamic and that additional issues may have arisen during the time the bills were delayed, and that some customers will need proactive and patient outreach.

If the Billing Exception is Approved, Westjustice strongly recommends that GWW consider a 'fast-track' for the delayed billing cohort as part of the customer communication process.

If the Billing Exception is Approved, Westjustice strongly recommends that GWW's hardship grant application process review set out how vulnerability will be proactively identified among delayed billing customers and undertake that current delayed billing customers who have not contacted GWW are not restricted from services. The full spectrum of hardship responses, including a full waiver of

amounts more than four months old, should be considered in situations where the delayed bills have led to acute bill shock.

We also recommend that both GWW's customer communications review and its hardship grant application process review be made publicly available on GWW's website.

Additional Considerations

We acknowledge that the ESC is not ordinarily responsible for oversight or administration of these areas of the utility hardship ecology. For fullness, we make note of these below.

Utility Relief Grant Scheme

The DFFH-operated Utility Relief Grant Scheme allows a maximum of \$650 to be rebated from a utility type once every two years.

It will theoretically be possible for a customer to:

- seek a utility relief grant application be made as a result of bill shock from delayed bills (the fault of GWW);
- within two years, experience a life event (family violence, illness, income loss) which would separately cause them to seek a utility relief grant for water which is not available.

Westjustice recommends that customers who are affected by GWW's billing delays and have to seek a Utility Relief Grant for the relevant period are exempted from the time limit on obtaining a further Grant for water hardship.

EWOV Operation

From July 2024 to February 2025, EWOV reported receiving 998 cases relating from GWW, over three times the numbers received the previous year. This represented 53% of all water cases received by EWOV during that time period. Over three quarters of these complaints were related to billing.

Advocates have reported delays at EWOV which were also identified by the [2025 Independent Review of EWOV](#). Its current complaint handling performance was not meeting expectations and the risk of consumer attrition and dissatisfaction was noted. The Independent Review noted that the current delays appeared to be partly caused by an unanticipated surge in 2024/25 complaints relating to two scheme members, one of which, it is to be inferred, is GWW.

It is likely that GWW will continue to see an elevated number of complaints progress to EWOV until the end of the billing period, and that this will have an impact on unrelated vulnerable consumers who are seeking assistance at EWOV.

Westjustice recommends that any Compliance Improvement Plan which is part of the enforcement undertaking include strict performance measures by which GWW is assessed on preventing escalations to EWOV from its internal complaints (ie., early and fair resolution).

About Westjustice

Westjustice is a community organisation that provides free legal, financial counselling and social work help to people in the Western suburbs of Melbourne. We can help with a broad range of everyday legal problems including consumer disputes, credit and debt, family law and family violence, fines, motor vehicle accidents, tenancy, youth criminal law and more. We have offices in Sunshine and Werribee, as well as a number of outreach services.