

# IPART is reviewing prices for Hunter Water

1 November 2024

IPART's role as the independent economic regulator is to review Hunter Water Corporation's (Hunter Water) pricing proposal and set the [maximum prices that Hunter Water can charge](#) its customers for water, wastewater and stormwater services. The maximum prices we are setting in this review apply from 1 July 2025.

We recognise that access to safe, reliable and affordable water at a fair price is critical to our communities, environment, and economy

Customers should pay only what water businesses require to efficiently deliver the services their customers need. Our aim is to hold water businesses accountable in a way that delivers good short, medium, and long-term customer outcomes.

Through our price review process, we focus on protecting customer affordability and promoting value for money, while also ensuring water businesses remain financially viable and can efficiently deliver their services.

## We will conduct a detailed, consultative process and we want to hear from you

We will conduct a thorough and transparent process to examine the costs and impacts for customers, which includes consulting customers and stakeholders. Your input is valuable to us as we undertake these price reviews.

You can get involved by making a submission to this Issues Paper on any matters relating to this review you would like to tell us about. You can also register your interest in attending the future Public Hearing to discuss these topics in more detail.

### Have your say

Your input is critical to our review process.

[Submit feedback >>](#)

You can get involved by making a submission, submitting feedback or attending a public hearing.

[Attend the public hearing >>](#)

[Subscribe to IPART >>](#)

All stakeholders – including Hunter Water’s customers and broader community – will have several opportunities to have their say during our price review.

- Our public consultation process commences with the release of this Issues Paper, as well as [Hunter Water’s pricing proposal](#) on 1 November 2024. We are seeking your feedback on this pricing proposal, with submissions to this Issues Paper due by 9 December 2024.
- We will hold a Public Hearing on 18 November 2024. The Public Hearing will be an opportunity to provide your feedback on this water review directly to the Tribunal and IPART Secretariat.
- We will consider all stakeholder and customer feedback, as well as input from our independent experts and our own analysis, before publishing a Draft Report with our draft decisions in March 2025. We will then seek written submissions on the Draft Report. Following our consideration of submissions, we will publish our Final Report by June 2025.
- Customers and stakeholders who would like to be notified when relevant material is released can [subscribe to receive updates from IPART](#).



## How we will assess this pricing proposal

We will closely review Hunter Water’s pricing proposal to determine whether it promotes value for money, is in the interests of customers, and delivers the outcomes customers need and want. We do this by thoroughly examining the costs and carefully considering impacts of Hunter Water’s pricing proposal on household budgets, service standards, the environment, and the economy more broadly.

Under the IPART Act, when setting water prices, we are required to consider a range of matters.

### Matters for IPART to consider when setting water prices

 <p>What are the costs?</p>	 <p>Are customers protected from abuses of monopoly power?</p>	 <p>Is there an appropriate return on assets for the water business?</p>	 <p>What is the effect on general price inflation?</p>
 <p>Has efficiency improved?</p>	 <p>Do the prices promote environmentally sustainable development?</p>	 <p>What is the impact of the prices on the finances of the water business?</p>	 <p>What is the impact of the prices on contractors etc. of the water business?</p>
 <p>Do the prices promote competition?</p>	 <p>What is the impact of the prices on demand management and least cost planning?</p>	 <p>What are the social impacts of the prices?</p>	 <p>What is the impact of the prices on quality, reliability and safety standards?</p>

We have developed a robust and comprehensive framework to assist us in considering these matters. Our framework focuses on customers, costs, and credibility – which we refer to as the '3Cs'. It is underpinned by 12 guiding principles which both IPART and water businesses use to develop and assess pricing proposals. We have published a [Handbook](#) which provides further information on our 3Cs framework.

The 3Cs framework focuses on customer value in the short, medium and long-term



Source: IPART, *Delivering customer value: our water regulatory framework*, November 2022, p 3.

The 3Cs framework is centred around water businesses developing pricing proposals that promote customer value. It strongly encourages Hunter Water to actively involve and engage with its customers, bringing customers into the decision-making process when they are setting outcomes. Involving customers to set outcomes that matter most to them, and align with their preferences, is essential if Hunter Water is to identify better ways of delivering its services.

We recognise this is the first time Hunter Water has submitted a pricing proposal under the 3Cs framework. We will work together with all stakeholders to continue to improve the framework. This will help achieve our common goal of delivering customer value.

In addition to our legislative responsibilities and the 3Cs framework, the NSW Government requires our review to consider the following factors when setting prices:

- The cost-of-living impacts of Hunter Water's prices.
- The effectiveness of existing rebates to manage the social impacts of Hunter Water prices.
- Opportunities to adjust project timelines to minimise price impacts and, if necessary, to reduce the proposed capital programs in line with least cost planning principles, and
- Deliverability of the proposed capital plans based on capability and market conditions.<sup>a</sup>

We will also consider the implications of the National Health and Medical Research Council's proposed updates to the health-based drinking water guidelines for per- and polyfluoroalkyl substances (PFAS) when they are settled. The National Health and Medical Research Council released its draft guidelines in October 2024. It will finalise these guidelines in 2025.<sup>b</sup>

This Issues Paper sets out the key issues and proposed prices from Hunter Water's pricing proposal. It also outlines the key topics we are seeking your views on.

<sup>a</sup> NSW Government, [Letter to the Chair – IPART](#), 20 August 2024

<sup>b</sup> The National Health and Medical Research Council (NHMRC) has released updated guidelines values which indicate the amount of PFAS in drinking water that a person can consume on a daily basis over a lifetime without any appreciable risk to health. PFAS refers to a group of manufactured chemicals known as 'Per' and 'Poly' fluoroalkyl substances. [NHMRC Review of PFAS in Australian drinking water](#), accessed 24 October 2024. Hunter Water's proposal does not directly address the NHMRC's proposed updates, which will be the subject of subsequent decisions by Hunter Water should the guidelines change.

## Hunter Water is proposing bills increase by around 6% a year plus inflation

Hunter Water has proposed to increase bills for customers receiving water, wastewater and stormwater services for a typical house by \$86 on average (a 5.7% increase) each year over the next 5 years. A typical apartment<sup>c</sup> will see their bill increase by around \$64 (a 5.5% increase) each year over the next 5 years.<sup>1</sup> These proposed bill increases would be on top of inflation.

Hunter Water’s proposal notes that affordability is a key issue for its customers. It suggests that its proposed price and bill increases have closely considered this customer feedback. The proposal adds that the key drivers of the proposed increases are:

- additional capital costs for the Belmont desalination plant
- a higher weighted average cost of capital (WACC)
- modest increases in operating costs for customer outcomes
- the impact of extending Hunter Water’s current price determination by one year through 2024-25.<sup>2</sup>

We want to hear your views on Hunter Water’s proposed price increases, including whether you have been informed of these increases and would be willing to pay more for the service levels identified in Hunter Water’s proposal. Figure 1 shows how bills will change over the proposed determination period.

Figure 1 Hunter Water’s proposed typical residential water, wastewater and stormwater bills over the next 5 years (\$2024-25)



Source: Hunter Water, 2024 Pricing Proposal, September 2024, Figure 9.1.

<sup>c</sup> A typical apartment reflects a small household with an estimated median water demand of 87kL per year.

## Hunter Water has told us it is committed to delivering six key outcomes for its customers

Hunter Water has told us it has consulted with its customers to find out what is most important to them. Hunter Water's customer engagement process has allowed it to develop 6 outcomes to guide its service delivery, which are:

- **High quality services:** provide clean, safe reliable water and providing equity of care and service for all customers
- **Value for money and affordable:** keep bills as low as possible and provide support to vulnerable customers
- **Water security:** ensure availability of a reliable and sustainable source of water into the future.
- **Great customer experience:** provide responsive, knowledgeable and local customer service.
- **Environmentally sustainable:** be environmentally responsible but mindful of affordability.
- **Community focused:** listen and learn from the community making contributions to community activities.

These outcomes shape its expenditure for what it plans to do over the next 5 years. Hunter Water plans to improve its baseline performance for 3 of the 6 key outcomes and it will continue to review and refine the outcomes.<sup>3</sup> Hunter Water's Community Committee will assess its performance rating for each outcome annually, including Hunter Water's progress on:

- **Higher quality services:** targeting hotspots with repeat service problems
- **Water security:** reducing leakage performance and developing a rainfall independent water supply
- **Environmentally sustainable:** reducing greenhouse gas emissions and meeting government targets.

Table 1 Hunter Water's proposed measures and targets

Outcomes	Spending	Performance measures	Baseline	Target
High-quality services	Operating: \$451m Capital: \$445m	<b>Drinking water safety:</b> % compliance with Australian Drinking Water Guidelines	99.95%	≥99.75%
		<b>Response time to rectifying service issues:</b> % of service delivery issues raised by customers addressed within target timeframes	88%	≥88%
		<b>Customers who are repeatedly affected by a service issue:</b> Cumulative number of customers removed from Hunter Water's repeat service issue register	40 per year	≥1000
Value for money, affordable	Operating: \$12m Capital: \$29m Savings: \$78m	<b>Value for money:</b> % of survey respondents that agree Hunter Water delivers value for money	51%	≥50%
		<b>Support for vulnerable customers:</b> % of customers accessing or have accessed support programs that agree the program is effective	TBC	TBC

Outcomes	Spending	Performance measures	Baseline	Target
<b>Water security</b>	<b>Operating:</b> \$25m <b>Capital:</b> \$512m	<b>Leakage in the supply system:</b> Average volume of leakage and overflow from supply mains and service reservoirs	83L/connection /day	≤50L/connection /day
<b>Environmentally sustainable</b>	<b>Operating:</b> \$68m <b>Capital:</b> \$387m	<b>The impact of activities on the swimming quality of beaches:</b> % of Beachwatch sites graded as good, or grading unaffected by our activities	100%	100%
		<b>Greenhouse gas emissions:</b> % reduction in carbon dioxide equivalent emissions compared to a 2020-21 baseline	30%	≥80%
<b>Great customer service</b>	<b>Operating:</b> \$79m <b>Capital:</b> \$3m	<b>Customer satisfaction:</b> % of customers that are satisfied with their most recent interaction	TBC	TBC
<b>Community-focused</b>	<b>Operating:</b> \$11m	<b>Community trust:</b> % of survey respondents that agree they trust Hunter Water	TBC	TBC

Note: Baseline is for 2024-25 and target is for 2029-30. Some of the targets and baselines are 'to be confirmed (TBC)' because Hunter Water is in the process of introducing a new survey methodology with a new service provider and do not yet have enough baseline data to confirm future targets.

Source: Hunter Water, 2024 Pricing Proposal, September 2024, p 72.

## Seek Comment



1. What do you think about Hunter Water's engagement process? Do you think Hunter Water has engaged effectively with its customers and stakeholders?
2. What do you think about the key outcomes and the performance measures Hunter Water is aiming to deliver for its customers?

## We will look at the balance between prices that recover Hunter Water's efficient costs and the impact on customer affordability

When we set prices for Hunter Water, we aim to set prices to cover the efficient costs of providing services to customers. This means that you would be paying for costs that ensure Hunter Water can continue to provide safe, reliable drinking water into the future. Costs may include the building of new infrastructure or replacing old assets. However, we recognise that affordability is a key issue for customers, and so we will need to set prices that customers can afford to pay.

Hunter Water's proposal shows that it has conducted a multi-stage engagement program for this pricing proposal. It notes that its final proposal reflects what was important to customers, how much customers were willing to pay for services that made up the overall water bill and would provide the greatest value.<sup>4</sup>


Through our price review process, we will assess the effectiveness of Hunter Water's customer engagement. We will consider whether customers were given clear, unbiased information about options for prices, investment options and service levels. We will also look at the degree to which the engagement allowed customers to influence the agenda.



We are interested in hearing from you about how Hunter Water has engaged with its customers through its engagement program. We are also interested in hearing from you about how we should look at setting prices that are affordable for Hunter Water’s customers, but still ensure it can do the maintenance it needs and allow it to build new infrastructure or replace old assets. In addition to considering the proposed bill increases, we may consider the following factors to better understand affordability:

Source: IPART analysis based on data from Bureau of Meteorology and Hunter Water, 2024 Pricing Proposal, September 2024, p292.

### Seek Comment

- 3.  Setting prices that customers can afford is a key concern for this review. What factors should we take into account when considering customer affordability?
- 4. How would the bill increases as proposed by Hunter Water impact your household budget?

Hunter Water has proposed large increases to water usage charges compared to water service charges

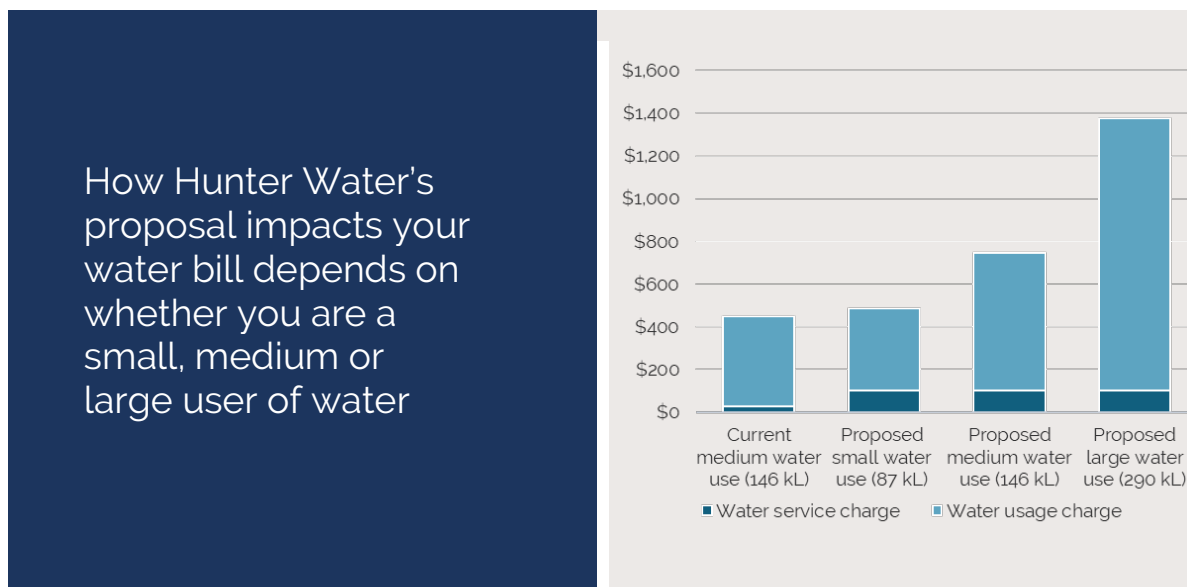
On your bill, you may notice two types of water charges which reflect the prices we set:

- **Usage charge.** This is a variable charge – how much you pay for this charge depends on how much water you use over the billing period.
- **Service charge.** This is a fixed charge – you pay a set amount for the water service you receive over the billing period.

Hunter Water’s proposed expenditure means that both charges will need to increase. However, it has proposed to apply most of the increases to the water usage charge.<sup>7</sup> This is intended to give customers more control over their bill and mitigate some of the bill increase by using less water.



A typical household that uses a medium amount of water would receive a bill increase of \$59 on average (a 11% increase) each year over the next 5 years. This would include a \$44 average increase in the usage charge and \$15 average increase in the service charge. For renters, who are generally responsible for paying the water usage charges (but not water service charges),<sup>d</sup> greater increases to water usage charges as proposed by Hunter Water may mean that these customers experience relatively larger bill impacts.



Note: The water component of bills is presented using the proposed prices for 2029-30. For clarity, the wastewater and stormwater components are not shown.

### Seek Comment

- 5. What do you think about Hunter Water proposing to recover most of its additional costs to service customers through the water usage charge?
- 6. Would you reduce the amount of water you use to lower your water bill in response to Hunter Water's proposed price increases? If so, by how much?
- 7. What adjustments would you make to your home to reduce your water consumption? For example, would you install water saving devices or switch to lower water use appliances?

## Hunter Water proposes to spend more money to improve water security, renew its assets, and meet environmental standards

To provide reliable water services, Hunter Water proposes to spend money developing rainfall independent water supply options, such as a new desalination plant at Belmont. It also proposes to maintain and replace its existing infrastructure and pay its employees.

<sup>d</sup> Renters who live in a property with a separate meter (generally, a freestanding house or a newer apartment), and the property meets water efficiency measures, may be asked by their property owner to pay for the water that they consume. See NSW Government, *Connection and supply of water to rental properties*, accessed 5 September 2024.

 Hunter Water has indicated **\$2.5 billion** of expenditure is needed in the next 5 years

- The proposed expenditure includes around \$1.0 billion for operating costs and \$1.5 billion in capital costs, for investment in infrastructure.
- This is a significant step-up in expenditure, around 1.3 times greater than its annual spend during the current determination period.
- It includes \$480 million to develop a desalination plant & \$520 million to renew existing infrastructure.

This Issues Paper focuses on the key costs from Hunter Water’s pricing proposal that we are seeking your views on. When setting prices that represent good value for customers, we will look at whether Hunter Water’s costs are reasonable and no higher than they need to be over the next 5 years.

Hunter Water’s costs include:

 <p><b>Operating costs</b> Costs of running a business such as labour, energy and insurance costs</p>	 <p><b>Capital costs</b> Maintaining and upgrading infrastructure</p>	 <p><b>Other costs</b> Other costs such as tax and working capital</p>
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Hunter Water proposes investing in a desalination plant to secure its water supply against climate variability

Around \$480 million<sup>e</sup> or 31% of Hunter Water’s proposed capital investment is to develop the Belmont desalination plant. Hunter Water proposes that investing in a desalination plant will ensure the region has reliable water supply that is not dependent on rainfall, making the system more resilient to climate change. Delivery of the desalination plant will add up to 30 million litres per day of water supply into the Lower Hunter System. This is consistent with the Lower Hunter Water Security Plan.<sup>8</sup> Hunter Water plans to spend around \$705 per customer on this project. The project has advanced through the design phase and initial site works, with completion and delivery planned for 2028.

We will carefully review its business case to determine whether the drivers for and the timing of this proposal are reasonable, including the availability of other long term potential solutions. We will also determine whether the proposed costs are prudent and efficient.

<sup>e</sup> Costs are presented in \$2024-25 terms.

## Hunter Water is proposing to prioritise renewal spending and defer some spending on growth assets

When comparing capital expenditure from the current period,<sup>f</sup> excluding the investment in the Belmont desalination plant, Hunter Water proposes a \$29.5 million or 2.8% increase in overall capital expenditure over the 5-year period.<sup>9</sup>

Over the next 5 years, Hunter Water plans to increase spending on renewing and replacing older assets. It has also proposed reduced spending on growth and improvement assets, deferring investments to prioritise spending on the Belmont desalination plant. Hunter Water has indicated that its pipes and treatment plants are relatively old and need to be repaired or replaced. It suggests that this level of expenditure is necessary to comply with all regulations and deliver on key customer outcomes. Hunter Water notes that this is to maintain affordable customer bills and that it is only making targeted improvements in areas that customers have said were important and were willing to pay for.<sup>10</sup>

The largest projects Hunter Water plans to undertake during the proposal period (excluding the Belmont desalination plant) are:

- Upgrading the largest treatment plant at Burwood Beach (\$70 million) and introducing sludge treatment (\$60 million).
- Upgrading the largest water treatment plant at Grahamstown (\$112 million).<sup>9</sup>
- Replacing the next section of the Chichester Trunk Gravity Main (\$56 million).

Hunter Water has also proposed investing \$41.3 million in water conservation in areas with persistent service performance issues (see Figure 2 for Hunter Water's service region and capital assets).<sup>11</sup>

Figure 2 Hunter Water's service region and capital assets



1. Belmont Desalination Plant
2. Grahamstown water treatment plant upgrade
3. Burwood Beach wastewater treatment plant upgrade
4. Chichester Trunk Gravity Main Replacement

<sup>f</sup> The current period includes the IPART determination period from 2020-2024 and the extension to 2024-25.

<sup>9</sup> This includes upgrading the clear water tank (\$64 million), filter refurbishments (\$28 million) and dam safety works (\$20 million).

We will be closely reviewing Hunter Water's proposed capital expenditure to determine whether these costs are efficient and deliver the outcomes customers need and want. To help us understand whether these projects are important to you we want to know what you think about the quality of Hunter Water's water and wastewater services. For example, service quality can include the number of water main breaks, bursts and leaks, and sewer breaks and chokes that occur in the community. We will consider your views on quality in deciding how much money Hunter Water needs to spend to meet your service expectations.

### Seek Comment



8. What do you think about how Hunter Water has prioritised its capital investments, including its investment in the Belmont desalination plant?
9. Tell us what you think about Hunter Water's service standards for water and wastewater. What does good quality service mean to you?

### Hunter Water is proposing a modest increase in operating costs

Hunter Water's operating costs include direct costs such as paying employees to manage water, water and stormwater services including meter-reading, customer services and billing, energy bills and other costs (such as vehicles, materials and corporate overheads).

Over the next 5 years, Hunter Water proposes to spend \$978.8 million, which is an average of \$195.8 million per year.<sup>12</sup> Hunter Water expects that its operating costs will need to increase due to a growing customer base, higher wages, and higher vehicle, maintenance contract and electricity costs. It has also proposed increased spending on digital technologies, customer outcome commitments such as water conservation, reducing carbon emissions, and managing repeat service problems.<sup>13</sup>

We will look at the operating costs proposed by Hunter Water to ensure they are reasonable and no higher than they need be. This will include reviewing how the baseline operating costs have been formulated, the trend forecasts for pricing and growth, as well as any step changes for additional activities undertaken over the proposed determination period.

### Seek Comment



10. What do you think about the proposed increase in Hunter Water's operating costs for improving customer outcomes and investing on digital technologies?

## Hunter Water is proposing to maintain how it manages revenue risks

Hunter Water proposes to keep its current adjustment mechanisms in place to manage revenue risks. These include:

- retaining a 5% end of period demand volatility adjustment mechanism (DVAM)<sup>h</sup>,
- higher water usage prices during droughts, and
- an end of period cost of debt true up.<sup>14</sup>

These mechanisms allow Hunter Water to manage its revenue risk by protecting against uncertainties in its water sales forecasts and cost of debt,<sup>i</sup> as well as reduced usage and higher costs during droughts.

## We have made preliminary gradings for several water businesses' pricing proposals, including Hunter Water

A key part of our price review involves grading a water business's pricing proposal and its ambition to deliver the outcomes valued by its customers. This is not an assessment of the water business itself or whether the pricing proposal has been justified. Our assessment process will include us considering how well the water business has:

- engaged with customers on what is most important to them.
- integrated customers' needs into their planning and delivery of services.
- demonstrated they can deliver the outcomes preferred by customers at the lowest sustainable cost.

A water business will self-assess its pricing proposal as either 'Standard', 'Advanced' or 'Leading', reflecting the value being delivered to customers. We will then determine whether the pricing proposal promotes the long-term interest of customers at a 'Standard', 'Advanced', or 'Leading' level. We also have the option to grade a pricing proposal as 'Sub-Standard'.

These are preliminary gradings only and as we undertake our reviews of the pricing proposals in more detail, we may change our gradings. We note that should our preliminary grading of the water business's pricing proposal agree with that of the business, it does not mean we will necessarily set prices as proposed. We will set them having considered a wide range of factors, including the efficient costs of delivering the services, customer affordability and service levels.

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<sup>h</sup> We set Hunter Water's prices based on forecasts of water sales. Actual water sales may vary from forecasts due to unexpected changes in weather patterns or population growth. Having a 5% DVAM means that we would adjust Hunter Water's prices in the next review for any under-recovery (or over-recovery) of money if actual water sales differ by greater than 5% when compared to forecast water sales.

<sup>i</sup> Hunter Water's proposal also suggests a mid-period cost of debt true up may be suitable if the WACC materially differ from forecast enough to threaten Hunter Water's financeability.

## Our preliminary decision is to grade Hunter Water's pricing proposal as Advanced

Our preliminary decision is to grade Hunter Water's pricing proposal as Advanced. This is the same as Hunter Water's self-assessment of its pricing proposal.<sup>15</sup>

The key factors supporting this preliminary grading are as follows:

- Hunter Water has shown a commitment to delivering customer value and integrating customer preferences into its decision-making processes through its comprehensive customer engagement program.
- The proposal has identified spending levels linked to customer outcomes and has made an effort to prioritise and defer expenditure where appropriate to address affordability concerns.
- Hunter Water has established clear plans for achieving its proposed outcomes with designated timeframes and relevant performance targets. We note that some performance targets are yet to be determined and will be reviewed and refined.
- Hunter Water has incorporated a reasonable productivity efficiency factor of 1%. Hunter Water has also introduced clear incentive mechanisms to ensure it is accountable for cost efficiency outcomes covering capital expenditure and operating expenditure, and an outcome delivery incentive for leakage reduction.<sup>16</sup>

## We are currently assessing the pricing proposals of 4 water businesses

In addition to our price reviews of Hunter Water, we are also reviewing proposed prices for [Sydney Water](#) and [WaterNSW \(its Greater Sydney operations\)](#), [WaterNSW \(its Regional and Rural operations\)](#) and the [Water Administration Ministerial Corporation \(WAMC\)](#).

Of the 4 water businesses, we have made a preliminary grading that Hunter Water's pricing proposal is Advanced, while Sydney Water, WAMC and WaterNSW's<sup>j</sup> pricing proposals are Standard (see Table 2). We may revise these preliminary gradings during our review and will include draft gradings in our Draft Reports for these water businesses in March 2025.

Table 2 IPART's preliminary gradings for the 4 water businesses' pricing proposals

	Sub-standard	Standard	Advanced	Leading
Hunter Water				
Sydney Water				
WAMC				
WaterNSW				

<sup>j</sup> WaterNSW has submitted one pricing proposal for its Greater Sydney and Regional and Rural prices. Previously, WaterNSW Greater Sydney and WaterNSW Regional and Rural prices were subject to two separate reviews and determinations. We have set one preliminary grading for WaterNSW's pricing proposal. However, we will retain the option to set two separate determinations.

## We have engaged independent experts to review the proposed expenditure

We have engaged independent experts to assist us in reviewing Hunter Water's proposed expenditure. We anticipate a targeted expenditure review in the areas where there is greatest materiality, risk and uncertainty. This may include reviewing:

- Efficient operating costs
- The scale, timing and estimated costs of major infrastructure projects
- How much day-to-day risk Hunter Water is taking on in delivering services.<sup>k</sup>

The independent experts will advise us on whether Hunter Water's proposed costs are efficient, and where costs should be lower in delivering services to customers. We will take the independent experts' findings into account when setting prices.

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<sup>1</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 28, 269.

<sup>2</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 28, 269.

<sup>3</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 65-73.

<sup>4</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, p 64.

<sup>5</sup> Water businesses with greater than 10,000 connections. [Bureau of Meteorology National performance report 2021-22: urban water utilities \(Part B\)](#), accessed 21 October 2024.

<sup>6</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, p 292.

<sup>7</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, p 269.

<sup>8</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 65,68.

<sup>9</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, p 110.

<sup>10</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, p 108.

<sup>11</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 124.

<sup>12</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 134-136.

<sup>13</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 156-158.

<sup>14</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 305.

<sup>15</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, Attachment L.

<sup>16</sup> Hunter Water, *2024 Pricing Proposal*, September 2024, pp 322-324.

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<sup>k</sup> A lower level of overall risk generally means costs are higher, and vice versa.