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Hi IPART,

██████████ had asked if I would like to have my earlier emails to IPART put forward as my submission to IPART and I did agree until I watched the PUBLIC HEARING video.

I looked further into my concerns, THIS IS NOW MY PREFERRED SUBMISSION to IPART. Thankyou. My head is starting to hurt about all this. I am quite sure I have missed issues but 327 page of MOSTLY WAFFLE about how good Hunter Water is and how they listen and learn from their customers BUT provide no direct numbers like - we need this much to repair/upgrade pumping stations and other such statement that can be seen and for people to be held to account.

I also feel that though necessary the desal plant needs to be bought by the NSW Government as they will on sell it (hopefully to all AUSTRALIAN businesses this time). UNLESS IPART can get our money refunded AND I don't like the chances of that!!!

I would like to start with Hunter Water is ALWAYS basing their figures on a typical household BUT they make the assumption that the average is the figure to use BUT the trouble is that there are figures above the average and figures below the average. To look at statistics evenly you also need a standard deviation to show how closely other data is to the average you so easily assume is ALL YOU NEED. Look at 3, 4, 5, 6, 7 - the average is 5 and that is because the numbers are close to the average number. You have many users with different usages that are not all near your average/typical household. The standard deviation is calculated as the square root of the difference between the number when each number is subtracted from that mean (average) number and squared this number is divided by the number of data point you used minus 1 to give a number - the square root. This number is used to indicate how closely the average is to ALL others (in this case water users) - so (3-5), (4-5), (5-5), (6-5) and (7-5) are squared (multiplied by themselves) 2, 1, 0, 1, and 2 = 6 numerator and 4 denominator, so what number multiplied by itself gives 1.5 - trial and error gave me $1.225 \times 1.225 = 1.500625$ close enough I think. Now we can see how closely the AVERAGE is to everyone else's usage 68.2% of users will be 5 plus or minus 1 deviation between 3.775 and 6.225, 95.4% of users will be between 2.55 and 7.45 and 99.7% between 3 standard deviations. In fairness to most users you would need to use at least 1 deviation from the mean (average value) not just the average value AS YOU CURRENTLY DO. Sure it is more work but IT WILL GIVE MORE ANSWERS and better answers. YOU can look at my costs per kilolitre of wastewater to that of a large user to see how just it is to only use the average or typical household if indeed this is the average discharge - I have seen no proof of this figure ACTUALLY BEING THE AVERAGE DISCHARGE VALUE has IPART???? I think you should as it is your place to JUSTIFY what Hunter Water is doing.

IPART says

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.

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.

These issues might seem jumbled (as they are not sequenced very well) every time I look at the 'issue papers' whether short or long form (327pages), I find more issues like this one words of comfort from Hunter Water that appear to be without substance, and these are such words in the beginning and see how it unfurls towards the end - HUNTER WATER CAN NEVER BE ACCUSED OF LISTENING TO THEIR CUSTOMERS (in my opinion but I am after all only a customer). Please contact me if you need to discuss anything but my words are plain.

5.3.2 We have delivered substantial efficiency improvements during the current pricing period. During the current pricing period we've focused on providing services to customers prudently and efficiently, with a view to complying with regulatory obligations and providing adequate service levels to customers. We have become more efficient during the current pricing period. This has helped offset other cost increases we have experienced and resulted in cost savings to eventually pass on to customers. *I think this is an empty promise since Hunter Water is planning LARGE rises in water usage and services for water.*

As always the costs for wastewater are hidden in the 'FIXED COSTS' section except for the \$92.40 deemed amount of 120 kilolitres of discharge for all households who all have different water usages (yet return the same discharge – impossible) but not apartments who all have a significant drop from their deemed discharge to a significantly lower amount.

It is a pity that Hunter Water cannot find a variable wastewater usage figure that they said would be linked to water usage!!!

I would not be happy with the figures below if I ran Hunter Water

Satisfaction with the quality of the water supplied 87% satisfied
Water's number but the numbers below, well make your own decision

Hunter

Percentage of customers who agree or strongly agree with each statement	
Statistically significant changes since the last survey - No change	<i>Hunter</i>
<i>Water's view but do these numbers support this very high 87% satisfied??</i>	
Trust to provide water/wastewater services 81%	<i>19% don't seem satisfied</i>
Responds to customers' needs 57%	<i>43% don't seem satisfied</i>
Has a good reputation in the community 66%	<i>34% don't seem satisfied</i>
Effectively plans for the future 52%	<i>48% don't seem satisfied</i>
Is easy to deal with 61%	<i>39% don't seem satisfied</i>
Keeps customers informed 58%	<i>42% don't seem satisfied</i>
Incorporates community feedback in its decision making 44%	<i>56% don't seem satisfied</i>

Perhaps if HUNTER WATER were not a monopoly business they would not have many customers the numbers may reflect problems that are bigger than suggested depending on how many customers were surveyed?? I also like their arrogance in dismissing any thought they may have that they are not listening to their customers AND are supplying what the customers want.

HAPPY READING

I looked at the IPART recorded video of the Hunter Water saga of deceit where they give no reasons for the 'needed' increases to their finances. The very fact that IPART looks to have been, in my opinion at least, complicit in allowing Hunter Water to hide their 'DEEMED' wastewater usage charge back in the 'FIXED CHARGES' AREA, where nobody can now see, that everyone is charged the same amount regardless of their water usage. I saw the \$92.40 figure in the 'issue documents' and yet this never appears in the video presentation, that I almost took part in. I just did not understand how zoom worked, I did see my face on the screen but I was kicked out twice and did not wish to waste any more time.

If I can only present 1 document to be used as my formal submission then I will add to my earlier offerings, my thoughts on other issues, including the desal plant.
I now withdraw my consent to allow you to use my email of the 7/11/2024 and the email of 16/11/2024, as my formal submission about Hunter Water and their pricing policy and replace it with this email.

I can see no reason why Hunter Water should be allowed to 'scam' its customers and I also

cannot understand why an 'independent' government appointed agency would allow this to happen when -

1. there are 4 distinct households set up by Hunter Water and then **me**, with each household identified by the number of people present (even though Ms Emma Berry has said '**HW cannot be sure of the number of people in the household**'), the volume of wastewater they are **estimated** (= deemed) to use (reduced by an SDF for sure) BUT they are still showing the trend) for everyone pays the same price for their wastewater usage. A \$92.40 total cost, as shown on my computer screen has arbitrarily nominated as shown, clearly on the attachments above.

Ms [REDACTED] seemed to not like the use of an **estimate** in the correspondence she sent to me, yet this is what Hunter Water uses in the **deemed** attachments above??? **BUT WHY???** In the survey I took 63% of respondents **OPTED FOR USER PAYS** over EVERYONE PAYS THE SAME and Hunter Water listens to the customers????? WHEN IT SUITS THEM? There was even a strong vote by large households to support the USER PAYS option!!!!

I have a feeling that the 37% of responders who OPTED FOR EVERYONE PAYS THE SAME in the survey TOOK THEIR PLACE in the (MAYBE) RANDOM DRAW to select the people for the CEAP grouping of EXPERTS! I have little reason to trust Hunter Water AFTER they said GREY WATER and RECYCLED WATER were reasons for not being able to use metered water readings for wastewater usage - recycled water MUST be metered in Hunter Water's customer contract and putting a meter on tank water would show exactly the amount of tank water plumbed for 'flushing'. I was surprised when Scott gave me the same story about not being able to use metered readings to determine wastewater returned. Although the SDF would still be an estimate BUT LOOK ABOVE AND YOU WILL SEE THAT I HAVE ACKNOWLEDGE THE SDF OF 75% but not for calculating the cost of water treatment as it is AN **ESTIMATE** AFTER ALL, just the same as the DEEMED cost of \$92.40 for all households EVEN THOUGH they ALL have different metered water amounts but Hunter Water wants them to return the same amount of wastewater - \$92.40, supposedly what a typical household would use????

2. the first household grouping is for pensioners, who obviously get a rebate from the government and their meter reading for water taken into the household as 100kL per year (because of the variation the SDF enters into the costing it will not be used). Their 100 kL per year means **they pay \$0.924 per kL for their sewage treatment.**
3. the second household consists of 1 or 2 people who use water wisely and take care to use the least amount possible and use 110 kL per year meaning **they pay \$0.84 per kL for their sewage treatment.**
4. the third household is the 'typical household' with 3 members and they use the 181 kL of water each year **AND** they are (or are not typical, just the median selection that Hunter Water has chosen as 'typical'). This is the only grouping that gets the

exact services that they pay for in the wastewater usage and the wastewater 'fixed charges' area. **they pay \$0.51 per kL for their sewage treatment.**

5. the fourth household (the one Hunter Water wants everyone to 'pity' as they might not be able to pay???) consists of five or more people and use 290 kL of metered water per year **they pay \$0.319 per kL for their sewage treatment.**

6. **then there is me**, over the last 3 years of billing I have averaged around 18 kL of metered water into my home and 'I am required' by Hunter Water to pay the same wastewater usage cost of \$92.40 **AND** the same 'fixed charges' price as all of the other households. **I am paying \$5.13/kL for my sewage treatment** (I have no tank system and live alone) BUT a typical household (according to Hunter Water (has 3 people in the household)

7. Since I have found a price for the treatment of 1 kilolitre of waste water; lets have another look at the deemed \$92.40 for each household pensioners 100 kL and 75 returned , pay \$1.23 per kilolitre, small household 110 kL and 82.5 kilolitres returned pay \$1.12 per kilolitre, Typical household 181 kL and 135.75 kilolitres returned pay \$0.62 per kilolitre, large household 290 kL and 217.5 kilolitres returned pay \$0.43 per kilolitre and me 18 kL and 13.5 kilolitres returned pay \$6.84 - what a wonderful thing Hunter water has deemed up nobody pays \$0.77 to treat 1 kilolitre of wastewater.

If they paid \$0.77 then pensioners pay \$57.75 per year, small households pay \$63.53, typical households pay \$104.53, large households pay \$167.48 and I would pay \$10.40 for the variable wastewater usage figures.

The typical household and the large households don't pay enough to reach the \$0.77 per kilolitre treated and everyone else pays more than \$0.77 per kilolitre treated required for treatment of their sewage! What is Hunter Water doing, nothing they are doing makes sense (to me anyway). Then there are the future charges which in usage but reduce in cost although everything else is rising, like water service at over 350% for the next 5 year pricing period and water usage over the next 5 years is also rising at over 50%. I don't see how or why the wastewater treatment at 82.5 kilolitres returned pay \$63.53 per year for treating, scaled up to 120 kilolitres (x 1.454) is valued at \$92.40 BUT is this fair for the smaller water users who don't discharge 120 kilolitres BUT is a BIG BONUS to 'typical and larger water users', who discharge 135.75 litres and 217.5 litres are not paying for the service that they are using!!!

I believed Hunter Water wanted people **to save water** by reducing their water usage BUT it appears that the **more wastewater you return the cheaper it is to treat???**

I wonder if **\$5.13 per kilolitre** or **\$6.84** with the SDF seems **too costly** for my sewage treatment, in your estimation??? It does for me. I found the **actual treatment cost/kL is \$0.77** per kilolitre. I felt \$1 approximately, as this is the cost of recycled water above that of drinking water. Hunter Water \$0.77 per kilolitre not quite the \$5.13 for **my SPECIAL**

WASTEWATER (as it must be special in some way) to cost this much **for the same treatment, and I think it would be hard to find and identify my 18kL of wastewater!!** I would like you to justify this extra treatment of my sewage! In the Sydney water issue document I found a reference to \$1.36/kL of wastewater returned and although this may vary it may be a **deemed costing???**

I must say that I am intrigued to find out, how you will dismiss the different prices paid by each cohort, when clearly they cannot not be charged the same price, when they each return different amounts of wastewater?

Did Hunter Water remove the \$92.40 from the pricing list that I saw, and found again in the 327 page Hunter Water submission???

The proposed deemed wastewater discharge and usage for residential customers is shown in Table 8.12.

Table 8.12 Deemed wastewater discharge and usage for residential customers -

			Current pricing period		Upcoming pricing period	
			2024-25	2025-26	2026-27	2027-
28	2028-29	2029-30				
House						
Deemed discharge (kL)			120	126	126	126
	126	126	(what causes the slight 6 kilolitre increase?)			
Deemed usage (\$)			92.40	94.10	91.81	89.57
	87.38	85.25	(why is treatment cost declining when discharge increased?)			
Apartment						
	<i>0.71</i>	<i>0.693</i>	<i>0.77</i>	<i>0.747</i>	<i>0.729</i>	<i>cost of wastewater discharge treatment is not being met</i>
Deemed discharge (kL)			111			
	77	77	77	77	(what causes the 34 litre discharge drop?)	
Deemed usage (\$)			85.47	57.51	56.10	
	54.74	53.40	52.10	(these treatment cost are rising all from the 111 to 85.47 ratio?)		
	<i>0.71</i>	<i>0.694</i>	<i>0.77</i>	<i>0.746</i>	<i>0.729</i>	<i>cost of wastewater discharge treatment is not being met</i>

Why are there deeming amounts in every place that Hunter Water want to control and are they GOOD ESTIMATES as [redacted] said they will still be estimates - are Hunter Water not able to give reasonable estimates I wonder??

I guess everyone knows I am not a fan of Hunter Water and maybe IPART (after this fiasco) as they sent me an email that some wrong/incorrect statements with BUT I have not received any more correspondence, though I did seek some clarification from [redacted]

██████████ in a number of areas. I hope they are addressed soon. But still no answer to my question on who I am to work with to settle my issues.

My thoughts are in italics, question are asked and I hope answers will be returned. Hunter Water needs to adjust their '**we know best attitude**' and don't need to ask anyone. You are a **monopoly business** but that does not give you **ultimate rights**, when you **claim to be listening to customers**. I think that Hunter Water **doesn't know much** about their customers apart from name and address (for billing purposes) and according to ██████████ a direct quote (look at 3rd attachment), which I have typed word for word if there is a problem in recovery -

Wastewater Charges page 2 from ██████████ !

There are some statements about the size and structure of the network – they are not relevant. The coloured sections of ██████████ reply line up with the same coloured sections of my issues! The typed section is just incase the attachment is not clear?

Hunter Water customers are charged a fixed wastewater service charge per property that covers the costs of operating the sewer system. Presently, this is \$789 per stand-alone house per year or about \$263 per billing period. Apartments pay a slightly lower charge of \$730 per year, or about \$243 per billing period. However, wastewater charges for apartments have been transitioning over the years to align with houses. The approach of charging only a fixed wastewater charge for residential properties is not unusual and is the most common approach taken by water utilities nationwide.

However, there are other potential mechanisms by which we could charge our customers for wastewater services.

In developing our pricing proposal for 2025-2030, we sought to understand our community's views about different ways of charging for wastewater services. *This included an option of introducing a variable wastewater service charge, which would be structured based on water usage at a property.*

*In putting forward this option, Hunter Water explained that charges would need to be based on water usage, as it is prohibitively expensive and technically difficult to place a meter on the wastewater pipes leaving each property. Basing the wastewater charges on water usage means that wastewater discharge would still be an **estimate**, as wastewater can include more than just the 'used' drinking-quality water that is registered at the water meter. For example, grey water, rainwater from tanks plumbed for toilet flushing, recycled water plumbed for toilet flushing or similar. Hunter Water also cannot be sure of how many people are in any one household during a billing period.*

*Making the wastewater treatment charge component variable might seem fairer on average, but it is less fair for certain types of customers. For example, **analysis shows** that such an arrangement would adversely affect larger households with limited ability to reduce their water consumption, or customers in lower-income households who do not have the ability to purchase water-efficient appliances or install rainwater tanks.*

The outcomes of our community engagement indicated that customers do have an opinion on the right balance between fixed and variable charges. The survey and focus group

results confirm that as people learn more about wastewater charges, they are more likely to opt for fixed charges due to an understanding of the possible impacts on low-income and fixed-income families.

Further information about how Hunter Water's prices and charges are set, and the results from our recent engagement on this topic is available in our Engagement Report (see pages 18-25).

We are taking these views into consideration as we finalise our pricing proposal. This document will be publicly exhibited by IPART later in 2024.

I hope this has provided some clarity on the reasoning behind our wastewater charges, and I encourage Mr Lobley to keep an eye out for further opportunities to comment on our IPART pricing submission.

Yours sincerely

- She signed here!

██████████

Executive Manager Strategy and Engagement

I hope you realise that ██████████ statements and my responses are colour coded to match with each other.

My issues if you look at the coloured sections they line up–

1. You have seen the problems that arise when every household pays the same amount for THE SAME SERVICE, but they do not use the same amount of 'drinking water'. Basically those who use MORE water get THEIR PAYMENTS AT A LOWER RATE than those using less water.
2. In this case those households who use less water ACTUALLY subsidise the LARGER Water user's bill to some extent. The only people paying the right amount for the services that Hunter Water supplies are the 'TYPICAL FAMILY' but they are not typical at all just a median sized family within the customer groups. They are the average sized group that is all and some will use less water and return less wastewater and others will use more water but won't have to pay the whole of their bill!!
3. The wastewater usage component was used, until 2010 with an SDF of 50% (much too low), after which the usage component was abandoned(?) and the 'FIXED SEWER CHARGES' began to rise quickly.
4. A variable wastewater charge has been introduced as a DEEMED cost of \$92.40 for every household regardless of their water usage, yet Emma Berry says that this charge would be structured based on water usage at a property – what property is it? Just 1 property or each property (as it must include meter readings for water usage)? AND yet ██████████ told me that this could not work because of grey water, rainwater from tanks and recycled water all when plumbed for flushing? AND it will be an **estimate**. So not a variable cost (as promised), an **estimate** at best, which doesn't appear to be based on water usage as there are at least 4 different water

usage figures BUT only 1 total charge – it is not really a price for treating 1 kilolitre of wastewater, which would then allow it TO BE A VARIABLE COST???

5. 5. The problem that [REDACTED] brought up, as did [REDACTED] from IPART was that attaching meters to sewer pipes is not viable and I agree. However, there is an easy fix – grey water, rainwater and recycled water would all need to be fed from a tank. They can all be used for irrigation or flushing those for irrigation will have only 1 outlet and will be used through a hose. Those that are plumbed will have a second outlet that can have a meter attached problem solved – recycled water must have a meter and a non-return valve according to Hunter Water's customer contract. Recycled water appears to be mainly used by golf courses and there are only 2 sites where customers have access!
6. [REDACTED] states that analysis shows that making the wastewater treatment charge variable would adversely affect larger households with little ability to reduce their water consumption or customers in lower-income households who cannot purchase water-efficient appliances or rainwater tanks – what analysis is [REDACTED] talking about? She said that Hunter Water cannot even be sure of how many people are in any one household! Yet they have analysis showing the larger households and lower income families? From where did this come and how many households do you have analysis on???
7. I find these statements intriguing I have the questions asked and the results of the survey earlier in my ideas for a formal submission. For Hunter Water to ignore the results of the 771 people (including me) who at 63% of responders to the survey – that said 'user pays' is preferable to everyone pays the same AND this had financially vulnerable people and larger households as the biggest and second biggest cohorts who supported this, although I will say that the first nations was lowest supporting cohort but ALL did support this stance. See attachment 4.
- 8.
9. It is probably true that the focus groups were swayed into accepting Hunter Water's ideas that if everyone pays the same it is GOOD but there is no evidence that they were picked randomly and that the 19 people who were not from the surveyed group (I assume or more responders could have been chosen). A number of responders did not complete the survey, being unable to attend all group meetings – so there were only 6 more survey people than these other 19 people – did they have an agenda to carry out, I believe they were professionals (were they paid and

by who)??

10.

11. I don't believe that Hunter Water has or ever does listen to their customers and do as the CUSTOMER WANTS unless the customer wants the same!

Looking forward to a good response from Hunter Water and IPART - I trust the independent and pricing will be foremost in your mind. Just keeping everyone I email up to date!!??!!

Hunter Water Promises

IPART says

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.

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

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

I would be very worried if Hunter Water did not supply a safe drinking water supply BUT I have seen no equity in their efforts to produce a viable plan for treating ALL customers well or for that matter – they have consulted with customers BUT they appear not to have LISTENED TO CUSTOMERS, certainly not those in the survey I participated in.

The survey that I took part in had a number of questions with 2 options and 771 customers answered these questions.

On page 221 of 327 there is a similar survey for customers but i was not aware of it (no

email sent?) and I have made statement about this later although I do not understand how many answers could be GIVEN, you will recognise what I am saying IF you care to look and you should!!

Each question had a zero% to 100% to each of the options, so the chosen option has been designated in blue and obviously the % shows how most of the customers voted for that option (I believe).

Customers should pay for what they use 63% option Customers should pay the same irrespective of what they use

This question had the highest number of customers 63%, saying customers should pay for what they use. Even a large number of large water users voted this way as well as customers who had difficulty paying their bills. The 4th attachment shows the 63% for this statement with an X at 63%. Surprisingly for Hunter Water, large water users and the financially vulnerable were the highest supporters of this statement! However, Hunter Water apparently could not see this outcome as real and follow the wishes of its customers OR as usual disregarded what they did not want see or hear - BUT I have no idea why???

Hunter Water continues to adopt a 'customers should pay the same regardless of what they use. The 'typical(?) family of 3 is the only grouping that pays the correct price for what they use, they are the median pricing BUT low water users pay more than they should for their water and larger water users pay less than they should. Hunter Water says regularly that everyone should strive to conserve water and then they punish the people financially, who use less water? I find this very odd and OBVIOUSLY HUNTER WATER HAS NOT LISTENED.

I wonder if IPART will listen to Hunter Water's customers. This result is for the last question asked on attachment 4, the next largest answer for Hunter Water's survey was 33% I believe as shown below.

Bills should be fair to small households that may not need to use much water 33% option Bills should be fair to large households that need to use more water

Hunter Water again tries to state that all customers should pay the same again. I did notice there was this bias from Hunter Water, as they promoted 'consider what is best for the whole community'. Still Hunter Water saying - people with larger families might not be rich and able to pay. So, another attempt to sway people into feeling sorry for large families but the customers are supporting customers who use the least level of water! Hunter Water still is not listening to their customers OR TO THEIR OWN mantra - everyone should use less water.

It should be easier to influence the size of the bill by using less water 30% option Bills shouldn't change much with water usage, making it easier to budget

The only way that any household can reduce the size of their bill, is by using less metered drinking water and returning less wastewater, as this is where Hunter Water gets their

'pound of flesh'. Hunter Water's strategy is again to have all customers pay the same amount of money regardless of what level of water they use. **ARE YOU SEEING A PATTERN YET??**

Still not listening Hunter Water actually said some large users might have to fill a swimming pool and this would up their water usage and the SDF on wastewater would also go up – surely a phone call saying we are 'filling our pool today' would sort out this issue – then Hunter Water could adjust the meter reading by an appropriate amount? Maybe too hard for Hunter Water to think about other options, which obviously don't suit them? Is IPART listening to Hunter Water OR Hunter Water customers???

It is important that customers can influence the size of their bill by changing their behaviour 30%
option It is important that changes directly reflect the costs to provide services

This is repetitious I believe, I believe customers who change their water usage, should be able to reduce their bill. Again, reducing water usage is the only way to reduce the bill that each customer has sent to them. There must be a financial reward for people who use less water – as this is what Hunter Water is saying at most times but perhaps not in this survey? Is IPART gullible enough to be swayed towards Hunter Water's stance rather than supporting the customer, as you said was your brief, as stated above!

The way we charge for water should encourage water conservation 29%
option The way we charge for water should allow for abundant water use, eg encourage green lawns, gardens, public parks and sports fields.

Hunter Water is usually saying that saving water is good and there should be financial reward for doing so BUT this does not happen when Hunter Water have all customers paying the same amount on their bill. Read the questions again if you are confused with what Hunter Water is doing and why I think they did not want me in their focus groups???? Hunter Water did say that the selections were random and covered specific needs - maybe pick only those who agree with us, as they would not be happy with this survey outcome!

Prices should be simple so that bills are easy to understand 21%
option Prices should prioritise accuracy over simplicity, even if it makes bills more complex to understand.

I really cannot see why anyone would say their prices are not accurate (unless there IS something wrong) like everyone pays the same and we will use a 'FIXED CHARGE' approach so you can't find out that everyone is paying a fixed charge rather than the variable charge that was promised and everyone pays a different price for their wastewater to be cleaned - mine being special is among the highest pricing! Lucky me.

Other principles are more important to me 14% option
Charges should be set in a way that minimises the bills that tenants receive (tenants may be less able to conserve water, and be more financially vulnerable).

With regards to tenants they pay no fixed charges, which are passed onto the owner of the building. They choose where under what circumstances they live this way and it is their

right to do so. There was a displeased owner on the video that IPART set up, talking about a 400% rise in costs, so there could be an interesting turn around for someone!

Where usage can't be accurately measured, we should estimate it 9%

option Where usage can't be accurately measured everyone should pay the same.

I keep trying to remember where I have seen this option of everyone paying the same, it sounds so even and progressive BUT looks and sounds can be deceiving AND THEY CERTAINLY ARE IN THIS CASE! Will Hunter Water ever listen to the customers????????? I think not!

- Value for money and affordable: keep bills as low as possible and provide support to vulnerable customers

This would fall to IPART, you look to be between the 'rock and the hard place', whatever you do someone will be unhappy.

The idea is that everyone SHOULD GET WHAT THEY PAID FOR, sorry Hunter Water but this means 'user pays'. From my earlier statements you can SEE that IF everybody pays the same IS NOT FAIR NOR JUST, I pay \$5.13 per Kilolitre of wastewater treated while the largest water user pays \$0.32 per Kilolitre of wastewater for IDENTICAL TREATMENT, please convince me that this is equitable - the story needs to be very good!?

This is also something that should be happening, Hunter Water has however, not been so precise in doing this. As I have shown above that fixed costs (that are supposedly variable) mean that customers may pay the same BUT it favours LARGER USERS who pay A LOWER PRICE than smaller users - this is not even pretending that everybody needs to save water. This is obvious in the 'variable deemed wastewater usage COST of \$92.40 for all customers'. It also means the same applies to the FIXED COSTS for wastewater as a small water user, not only do I return less wastewater for treatment, in doing so I reduce the amount of energy and chemicals required for treatment and my wastewater returned does NOT cause the same amount of 'damage' to the pumping stations and the treatment plant.

I think even the most naive people would see this, more wastewater means more work to get it to the plant and then more treatment required for the larger amount of wastewater returned.

The outcome means that as a SMALLER water user, who is paying the same as a LARGER water user, I subsidise that LARGER water user's bill - it might not be so obvious as the deemed wastewater problem but it is a real situation! Perhaps Hunter Water will help the vulnerable to gain assets to help them pay their bills in the future, but why am I the one to give Hunter Water the idea - when the customers are always in their heart? Ha, Ha and Ha. BUT more likely their hand is in our pockets!

I feel they have worried more about the PAYMENT of bills, rather than the ability for people to pay what is owed. There is an example of this in their contract in 'WHAT DO YOU PAY', you must pay the full amount shown on your bill by the due date, unless you have made special arrangements for payment.

Whether you can pay or not it seems like 'we want it anyway and you will pay'!

- Water security: ensure availability of a reliable and sustainable source of water into the future.

This is also a point of contention in my view, even though (normal) people who don't own multiple houses are struggling to pay for the basics in their lives are now beset with paying for a 'desalination plant', costing millions of dollars and Hunter Water goes on blithely (apparently) unaware of their struggles – this will only cost 'so much more'. I feel that the heavy rains in places that cause landslides and bury people are not a sign of 'drought' – the earth's climate has been in a state of change ever since it was formed. We have witnessed a lot of rain lately.

This seems to be determined by the Minister for water, I had [REDACTED] contact her as SYDNEY WATER had the NSW Government pay for the desal plant for them. The Government on-sold the plant and Veolia is managing the plant. I think a precedent has been set as ALL Governments are selling off assets (and more importantly the problems that may occur.) The Governments are never responsible for anything that goes wrong but are quick to respond when things go well.

*There is no chance the desal plant will remain in Hunter Water's customers hands, it will be on-sold ASAP and if we the customers pay **we will not be reimbursed** for the money we paid so everyone should wash their hands of paying for it, just cut out the middle man - the poor customers, who have paid for expansion of Hunter Water's network when the NSW Government deemed that developers should no longer pay because of the Global money crisis and decided that customers were able to pay!*

There are always overruns with Government costings mostly because it is not their money they are spending and therefore are not worried about costs!!

- Great customer experience: provide responsive, knowledgeable and local customer service.

I have yet to see this and don't think I will be alive to ever see it!!??!! There might be a good customer experience if Hunter Water stops 'everyone pays the same' type decisions - and introduce 'user pays' decisions in their costing. IPART must have seen the inequity in Hunter Water's choices!!

am sorry but I have had little to do with Hunter Water until the survey I completed and I offered my services to continue in their focus groups, BUT as it is their right they did not want me. I am not disappointed about this except that I have the feeling that I did not provide the 'right answers that Hunter Water wanted' and this was the major reason WHY, I was not considered/wanted. Hunter Water seems set in their ways that everyone pays the same amount for services so a few fit in with 'user pays for what they use' and the low users of water subsidise the larger users of water by paying part of their bill.

Hunter Water is still trying/doing this right now although 63% of survey responders wanted 'pay for what you use' to apply – a much better approach when payments become more difficult - the financially vulnerable want this as do the larger users BUT Hunter Water are NOT LISTENING or NOT CARING TO LISTEN?.

- Environmentally sustainable: be environmentally responsible but mindful of affordability.

As I have said above there seems to be more attention paid to 'paying the bills on time than the needs of the customers BUT that is just my opinion (and what would I know)?

- Community focused: listen and learn from the community making contributions to community activities.

I really feel that there was a bias in Hunter Water's survey focus towards the (difficulty in paying) for larger water users, which is misplaced, as Hunter Water is the only supplier of services that can direct one person to pay for part of another person's bill, who is not even known to the person paying. This is a terrible outcome for the low water users, when they are struggling to pay also, and remember that Hunter Water's knowledge of customers is their name, their address and ???, they can't even say how many people are in the household – as they have said this in their correspondence to me.

I feel the community is the least of HunterWater's concerns so long as they pay what they are told!

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.

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.

I have search through many document of late and have found out that NSW Government paid for Sydney Water's desal plant in 2007 and then on-sold it to the Ontario Teachers' Pension Plan Board and Utilities Trust of Australia infrastructure fund.

The day-to-day operations and maintenance of the Sydney Desalination Plant and pipeline is outsourced to Veolia Water Australia, which is part of the international water, waste and energy management giant Veolia Group. Sydney water determines the usage factor for the plant.

NSW Government decided to build the plant in 2007 in response to the worst drought in a century, which saw Sydney's combined dam storage levels falling below 34 percent capacity.

There was also a need when floods and bushfires occurred, the reference to floods seems odd when the plant was designed and built for times of drought, perhaps desalination was overused at times?

Since the NSW Government paid for the Sydney Desalination plant, I think there is a

precedent set that Hunter Water customers, should not be the ones that pay for the Belmont desal plant. There are a large number of parliament in the Hunter Valley and in the Central Coast who also have some interest in the building of the plant, as when they are in drought Belmont will supply some level of water transfer.

Added to this situation the NSW Government will on-sell this plant just as they did Sydney's plant and when this occurs if Hunter Water's customers should be totally reimbursed, you can't sell what you didn't pay for and the borders of NSW do not end at the outskirts of Sydney (although some may doubt this?) - so it makes sense Government pays. I would also remind the NSW Government we all pay the Goods and Services tax collected by them, just the same as the Sydney population does.

There may also be the possibility of asking Mr Albanese, as a new resident of the Central Coast for his opinion and/or help in this matter? Perhaps Sharon could help?

I think this needs to be followed up and look forward to the outcome as we are all NSW residents.

We treat wastewater at 19 wastewater treatment works (WWTWs) of varying size, which treat around 67,000 ML of wastewater annually. Following treatment, effluent is discharged from these treatment plants to coastal and estuarine waterways in accordance with our NSW Environment Protection Authority (EPA) licences. The capacity of each of these treatment works is shown in Table 1.

At this time I would like to introduce a new question for Hunter Water - my wastewater is processed by Burwood Beach treatment plant alone, so why am I paying for part of ALL of the pumping stations and the treatment plants and the expansion of the network for all of this infrastructure? I feel that my priorities are related only to the occurrences that are associated between my house and the treatment plant that makes my wastewater able to be recycled or released into the environment?. I think that managing each plant on its own merits is a better way to go - USER PAYS again (perhaps every household should be asked next billing cycle?? Is there any reasonable reason this could not be done???)

Table 1: Our wastewater treatment works and their capacity

WWTW	Capacity (Equivalent Population)	WWTW	Capacity (Equivalent Population)
Belmont	93,000	Karuah	2,250
Boulder Bay	58,000	Kearsley	2,050
Branxton	8,500	Kurri Kurri	25,000
Burwood Beach	220,000	Morpeth	60,000
Cessnock	32,000	Paxton	3,200
Clarence Town	1,200	Raymond Terrace	35,000
Dora Creek	28,800	Shortland	30,000
Dungog	4,200	Tanilba Bay	10,000
Edgeworth	70,000	Toronto	42,000
Farley	59,115		

With 67,000 Million Litres of WASTEWATER TREATED ANNUALLY

Hunter Water recognises that [recycling water can reduce the usage of drinking water, and reduce the potential impacts to the natural environment from our discharges of treated wastewater.](#)

Does this statement mean that the treatment plants do not always produce water fit to be released - I am aware that some dry weather and some wet weather overflows occur, is that common place especially in the dry weather circumstances?

We are committed to water recycling where environmentally, socially and economically beneficial. Supply volumes vary from year to year, however recycled water typically [saves more than 14 million litres of drinking water each day](#), and continues to increase. We [currently provide recycled water to customers for commercial and industrial uses from 11 of our 19 wastewater treatment works](#): Branxton, Cessnock, Clarence Town, Dora Creek, Dungog, Edgeworth, Karuah, Kurri Kurri, Morpeth and Paxton WWTWs and the Mayfield West Advanced WTP (part of the Kooragang Industrial Water Scheme?).

We also supply recycled water to some homes in Chisholm and Gillieston Heights for non-drinking purposes such as toilet flushing and garden watering. Our recycled water schemes are managed in a way that protects human health and the environment, and complies with customer agreements and other relevant regulatory requirements.

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Edgeworth	70,000	Toronto	42,000
Farley	59,115		

With 67,000 Million Litres of WASTEWATER TREATED ANNUALLY

Hunter Water recognises that recycling water can reduce the usage of drinking water, and reduce the potential impacts to the natural environment from our discharges of treated wastewater.

Does this last statement imply that some of the recycled water does not reach the safety standards required for release into the environment? I know that there are issues at times with dry weather overflows and more often in wet weather periods more overflow potential? Are these issues occurring often?

We are committed to water recycling where environmentally, socially and economically beneficial. Supply volumes vary from year to year, however recycled water typically saves more than 14 million litres of drinking water each day, and continues to increase. We currently provide recycled water to customers for commercial and industrial uses from 11 of our 19 wastewater treatment works: Branxton, Cessnock, Clarence Town, Dora Creek, Dungog, Edgeworth, Karuah, Kurri Kurri, Morpeth and Paxton WWTWs and the Mayfield West Advanced WTP (part of the Kooragang Industrial Water Scheme).

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6.1 Economic regulation The Independent Pricing and Regulatory Tribunal (IPART) regulates the price and performance of several NSW water businesses. [IPART ensures customers pay only what water businesses need to efficiently deliver the services their customers want](#). Their aim is to hold water businesses accountable in a way that delivers good short, medium, and long-term customer outcomes.

This appears to be a somewhat difficult stance to balance (again) as Hunter Water in the video taken for the opportunity to ask questions relating to the issue papers when I believe it was Paul, who said that \$300,000,000 had been passed back to the NSW Government according to the information he obtained. This would suggest very strongly that IPART is not just approving what it costs to run and maintain the water and wastewater networks OR Hunter Water is not keeping bills to a minimum. I DO have difficulty in accepting Hunter Water's statements as none of them really deliver any reasons for the expenditure - except if I just accept WE NEED IT? Can IPART SHED any light on the requirements or are you similarly in the dark? \$300,000,000 is not a small amount and I did hear of a \$160,000,000 payment from a reliable source. I am not Pauline Hanson BUT please explain!

During each review, IPART considers the prudence and efficiency of Hunter Water's proposed capital and operating expenditure. This may involve examining:

- How well Hunter Water's proposal delivers value for customers and the community over the short and long-term.

This depends if you are a large user (price per kilolitre of wastewater treatment of \$0.32) and favoured by Hunter Water's everyone pays the same or a smaller user and punished with a greater or much greater treatment per kilolitre cost as I may be of \$5.13.

- Key assumptions that are driving capital expenditure including asset replacements, water demand forecasting, growth assessments, environmental requirements and licencing standards.
- Whether the proposed investments are efficient, considering whole of lifecycle planning, and procurement processes.

On page 272 of the full issue papers – Hunter Water’s pricing proposal 2025 – 2030. These are the consequence of the increase in costs from Hunter Water's planned water costing proposals. I don't understand what the basis is for so large an increase in both the usage and water service charge, especially when the question of who pays for the Belmont Desalination plant is not settled - I had Tim contact the Minister for Water to settle this. I believe that I can inform many people about the Sydney Desalination plant being paid for by the NSW Government and the being on-sold to recoup their money. I believe it was Brian Watson who 'thought we, the customers' would own the plant, if we paid for it but that won't happen, on-selling is the Governments way to rid themselves of responsibility and if we pay, they get a money bonus!!!

I found on the Sydney Water a \$1.36 treatment charge per kilolitre but I will calculate at \$1 per kilolitre for all (fixed and a 75% SDF) and also show the non-variable, variable deeming rate of \$92.40). This has apparently been moved into the wastewater charges and will be removed for calculating costings, except for determining the difference each customer would save as a small water user or pay if a large water user. The variable deemed wastewater usage cost (which is fixed) favours only the larger users with cheaper treatment pricing for wastewater treatment per kilolitre as I stated earlier.

Pensioners including rebate on wastewater and drinking water (I believe) water usage 100 kL but the rebate alters and lowers the figures.

Years	2024-25	2025-26	2026-27	2027-28
2028-29				
2029-30				
Water usage	100	100	100	100
100	100			
Water Charges	191	208	227	246
264	282			
Water Service	18	28	37	47
56	66			
Wastewater Service	518	525	531	535
541	546			
Wastewater Deemed	92.40	92,40	92.40	92.40
92.40	92.40			
Wastewater use SDF	75	75	75	75
75	75			
Total Cost deemed	727	761	795	828

861	894			
Total Cost use SDF	709.60	743.60	777.60	810.60
843.60	876.60	this row \$17.40 cheaper		

Small Household (own their own house; live in apartment – strange apartment is cheaper for wastewater charges page 2 (attachment 3 that I typed) households \$789 apartment \$730)

Water usage	87	87	87	87
87	87			
Water Charges	253	278	304	331
357	383			
Water Service	28	43	57	72
87	102			
Wastewater Charges	789/730	825/768	858/781	892/793
927/806	964/819			
Wastewater Deemed	92.40	92,40	92.40	92.40
92.40	92.40			
Wastewater use SDF	65.25	62.25	62.25	62.25
62.25	62.25			
Total Cost deemed	1070/1011	1146/1089	1219/1142	1295/1196
1371/1250	1449/1304	apartment is cheaper here		
Total Cost SDF	1042.85/983.85	1118.85/1061.85	1191.85/1114.85	1267.85/1168.85
1343.85/1222.85	1421.85/1276.85	this row \$27.15 cheaper but cheaper still for lower		

water usage, not everyone uses 87 kilolitres like **me**

below

Typical Household (household according to Hunter Water but just the median sized household used for 'everyone pays the same', not much difference in total costs!)

Water usage	146	146	146	146
146	146			
Water Charges	424	466	510	555
599	642			
Water Service	28	43	57	72
87	102			
Wastewater Charges	789	805	817	828
840	852			
Waste Water use SDF	109.50	109.50	109.50	109.50
109.50	109.50			
Wastewater Deemed	92.40	92,40	92.40	92.40
92.40	92.40			
Total Cost deemed	1241	1314		
1384	1455	1526	1596	this row \$17.10 cheaper
Total Cost				

SDF	1258.10	1331.10	1401.10	1472.10	1543.10
	1613.10				

Large Household

Water usage	290	290	290	290
290	290			
Water Charges	840	925	1012	1102
1189	1276			
Water Service	28	43	57	72
87	102			
Wastewater Charges	789	805	817	828
840	852			
Waste Water usage	217.50	217.50	217.50	217.50
217.50	217.50			
Wastewater Deemed	92.40	92,40	92.40	92.40
92.40	92.40			
Total Cost deemed	1657	1773	1886	2002
2203	2230	this row \$125.10 cheaper, so small users are used to subsidise		
Total Cost SDF	1782.10	1898.10	2011.10	2127.10
2328.10	2355.10	the larger users not honest or fair to me or them		

Me - small household own my own house and definitely use less than 87 kL metered water per year; do I have apartment wastewater rates? NOT so far!

Water usage	18	18	18	18
18	18			
Water Charges	51.66	57.42	62.82	
68.40	73.80	79.20		
Water Service	28	43	57	72
87	102			
Wastewater Charges	789	805	817	828
840	852			
Wastewater Deemed	92.40	92,40	92.40	92.40
92.40	92.40			
Waste Water usage	13.50	13.50	13.50	
13.50	13.50	13.50		
Total Cost deemed	868.66	905.42		
936.82	968.40	1000.80	1033.20	I subsidise the larger water users on this line by \$78.90
total Cost SDF	789.76	826.52	857.92	889.50
921.90	954.30	all other small users will also subsidise by some amount		

We propose to increase our water usage price and keep fixed charges low

Hunter Water could easily achieve this if they promoted user pays' everywhere. I don't see any problem with this (unless Hunter Water employees could be large users - not accusing

but can't find a reason). Hunter Water is 'patting themselves on the back for 'user pays' but still avoiding this on wastewater!! I found a similar survey to the one I participated in on page 271 of the 325 page issue papers and surprisingly the questions are identical and the people who took part answered every question in the same way that the survey that I did - I am not sure of the numbers as they don't appear BUT they also questioned (apparently at least) whether responders would favour all charges in the fixed component, some in both the fixed and variable or all in the variable component.

BUT I am at a loss to understand these last ideas if the survey was the same as the one I did ADDING UP THESE OPTIONS FOR WHERE TO PLACE CHARGE INCREASES would have more respondents than for the questions they answered, which were shown by the small person. The survey I did had 0 in the centre and 100 on either side so many of the increases have more than 100 responders or so it looks like. IS THIS WHERE HW got their 'as the people learnt more they chose to use the 'FIXED COMPONENT' and what is the 'smoothed' related to?

Look for yourself except for the 4th question, seems to be too many responses!!

Hunter Water was the first Australian water utility to introduce a user-pays pricing structure. In 1982, we pioneered this approach that has since been adopted nationwide. More than 40 years later, our water bills need to rise, and it's fitting that we propose most of the increase is gradually passed on through the water usage charge, sending a strong signal to consumers about the value of water.

Table 8.3 shows our recommended water usage price for the upcoming pricing period. In our pricing proposal, where nearly one third of our proposed capital expenditure is for investment in water security, including the construction of the Belmont desalination plant, it is important to provide a price signal that water is scarce and valuable in our region. Our proposal reflects customer preferences to have the majority of water price increases in water usage price, supports customers to mitigate impending price increases better than other options, and provides an efficient price signal to conserve water with the usage charge moving towards our estimated LRMC of \$4.70 per kL (see Figure 8.8). Table 8.3: Proposed water usage price in the upcoming pricing period (\$2024-25)

Table 8.3: Proposed water usage price in the upcoming pricing period

	Current pricing period		Upcoming pricing period			
	2024-25	2025-26	2026-27	2027-28	2028-29	
2029-30						
(\$2024-25) Water usage price (\$/kL)	2.89	3.19	3.49	3.80	4.10	
4.40						
Annual change % -		10.4%	9.4%	8.9%		
7.9%	7.3%	52.2%				
Fixed Water service	28	43	57			
72	87	102				

*53.6% 32.6% 26.3% 20.8% 17.2% **364.2%** I must say I am glad Hunter Water was discretionary with their low prices they are proposing, I would hate to have seen a BIG RISE in this area!!!! These rise are too high when the wastewater figures are going*

down

Overall this gives a 52.2% increase on variable charges and an overall increase of 364.2% in the fixed water service charge, which to me seem ridiculously high, when Hunter Water has said **'We propose to increase our water usage price and keep fixed charges low' - I doubt that anyone considers a 362.2% as a low increase over 5 years, nor the 52.2% of water usage charges AND there is still the possibility of increase due to inflation!** **WHAT IS HUNTER WATER ON? - could IPART please ask Hunter Water to JUSTIFY THIS NONSENSE OF 'We propose to increase our water usage price and keep fixed charges low'.**

If IPART adopt these increases, along with the Desalination plant and the other 2/3 of the costing, (which would include some but not all of the wish list costings, NOBODY WILL BELIEVE you are INDEPENDENT nor THAT YOU ARE OVERSEEING the costs TO MAINTAIN and RUN the NETWORK!!!???)

We continue to be guided by IPART's pricing principles and consider our customers' views in setting cost-reflective wastewater charges.

Given the substantial restructuring and refinement of wastewater charges in previous price reviews, we propose to retain the existing pricing structure. IPART's 2023 Water Regulation Handbook includes a set of principles that are relevant to setting wastewater prices, specifically:¹

- service charges should recover the residual wastewater revenue requirement not collected by wastewater usage charges
- service charges should reflect the capacity available for the customer (based on size of water connection)
- service charges for houses and apartments should be similar where costs to serve cannot be differentiated
- smoothed prices are preferable.

Figure 8.10 and Figure 8.11 summarise the steps we have taken in proposing wastewater usage and service charges. We have calculated target wastewater sales revenues, set a wastewater usage price that references the LRMC and short run marginal cost (SRMC), considered the preferences of customers, and calculated wastewater service charges as a residual based on water meter size and discharge factors.

Figure 8.11 specifically provides more detail about how we calculate wastewater usage for residential and non residential customers.

Many residential customers would prefer an explicit residential wastewater usage charge, however, we propose to retain the status quo.

In Section 8.3.3 we explained that our customers wanted to discuss price structures. Driven by their desire to reduce bills, and complaints about residential wastewater charges being entirely fixed, we engaged on this key question:

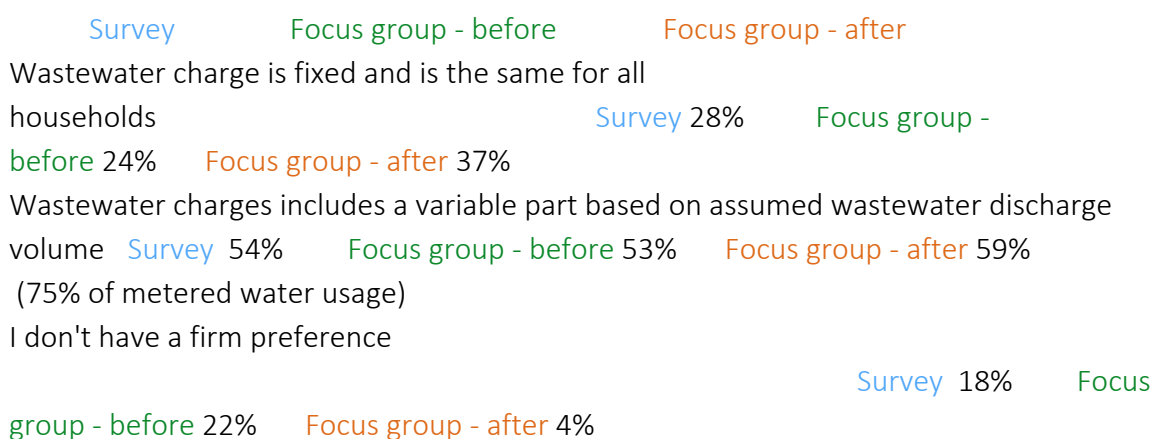
Question 3 – Wastewater prices for residential customers: Should we continue with a 100% fixed charge (based on deemed usage) or (re)-introduce an explicit variable component based on estimated discharge volume for each customer?

We asked our customers through a survey and focus groups. The focus groups involved in-depth discussion and participants were asked to provide their views before, and after, the

discussion. The results (see Figure 8.12) showed mixed support for reintroducing an explicit residential wastewater usage charge.

A majority favoured the change; however, we do not consider the level of support compelling enough to shift to what we consider to be a more complicated and less equitable charging approach. In Attachment I, we summarise why we moved away from explicit residential wastewater usage charges in 2009, further explain our engagement approach and findings, and the decision process that led to us retaining the status quo.

Figure 8.12 Customers' views about residential wastewater usage charges Survey Focus group -



Source: Hunter Water Tariff Design Research, June

2024 771 responders Selected 32 responders+19 others added (why?)

I would consider 54% of 771 responders compelling enough to put their wishes into practice. I have already shown you the wanted/unwanted results of everyone pays the same AS Hunter Water ALWAYS PREFERS - even with the bias towards the larger households being unable to reduce their water usage a large number wanted USER PAYS. Without this option look at who gets to pay for someone else to some extent. The cost per kilolitre to treat the wastewater returned is \$0.77 (page 239) - our current 2024-25 wastewater usage price is \$0.77 per kL, which in all cases is higher than the area-wide SRMC and LRMC estimates.

Our existing approach could see most of our apartment customers paying too high a (deemed) wastewater usage charge Currently all residential customers, houses and apartments, are deemed to discharge 120 kL of wastewater per year. This is calculated based on a historical 'typical' residential average water usage of 160 kL per year, multiplied by an estimated discharge factor of 75 per cent.

The PROBLEM with averages is that there are values above this average figure and values BELOW that average figure - the problem is then to assess how much above and how much below these values are! When providing averages there is usually a mean given, which in this case would be 160 kilolitres usage (with a SDF of 75%) giving the 120 kilolitres of discharge. The VALUE that is missing from here is a standard deviation value - this gives a bell curve where all values are placed and almost all values are within 3 standard

deviations from the mean value; 62.3% of values are within 2 standard deviations of the mean. The problem with Hunter Water is that they are only using the ONE VALUE THE MEAN to determine EVERYTHING and though I may be one of the values outside the 3 standard deviations (an outlier) HUNTER WATER have the numbers from their meter readings BUT they are only focused on the MEAN POINT - the average not the bulk of their customers.

THIS needs to change and IPART needs to look at the entire cohort of Hunter Water's customers before they make any decision ON MISLEADING information - 3, 4, 5, 6, 7 the average is the sum 25 divided by the number of data points 5 = 5; 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 the sum is 55 the number of data points is 10 the mean is 5.5 no longer the middle number

Chapter 7 explains that residential water consumption has declined over the past few years. We forecast average water consumption for residential apartments to be about 102 kL per year in the upcoming pricing period. This means if we maintain the deemed residential wastewater discharge of 120 kL per year for apartments (and houses), we would be charging most of our apartment customers for a deemed wastewater discharge volume that is greater than their water consumption. We don't think that is coherent or equitable.

The Community Panel was asked to make recommendations on three topics about what is best for the whole community, including those who are already struggling to make ends meet. We explain these in Table 1.