

IPART Submission: DEC2024

Landlords with strata titled or multi- unit developments

Opposing Hunter Water 2025 proposed fee structure -

I am writing in response to the IPART consultation forum conducted on the (18 Nov 2024), registering my opposition to the proposed pricing structure changes as referenced by Hunter Water to IPART for consideration.

- 1) A proposed 371% **increase** of fees and charges, to fixed service fees.
- 2) The fees and charges are NON transferable to a Tenancy arrangement, under the NSW Tenancy ACT.
- 3) Hunter Water guidelines impossible for existing multi-dwelling properties from meeting new standards for separate metering.
- 4) Hunter Water proposal for a “New Levy fee “for Stormwater.

My points for consideration Below:

The proposed changed to “Fixed Fees equates to a **371%** increase –

This is **not a fair and justifiable increase** to an essential service that we have no choice.

Hunter Water stated that these proposed charges were based an “ average - single household”

1 property per block -1 meter (NMI)

66.8% OF THE HOMES IN NEWCASTLE ARE HOUSES.

Hunter Water have intentionally referenced a single household for their interpretation.

It has not modelled any projected increases for the following .

Multi unit sites - strata Title - but not individually NMI Metered .

Which make up **35- 40 %** of all dwellings.

Landlords will be affected by these charges .

There are many aspects to this :

1) Dept of Fair Trading

Who pays for utilities?

NSW rental laws, together with the tenancy agreement, determine whether a landlord or tenant is responsible for specific utility charges.

Tenants will generally have to pay for electricity, non-bottled gas, oil and water usage charges if the rental property is 'separately metered'.

What does 'separately metered' mean?

A rental property is separately metered if the meter:

- measures the amount of electricity, gas, oil or [water](#) supplied or used only at the property
- has been installed as specified by the manufacturer or industry practice
- allows a separate bill to be issued by the supplier for all charges for the supply and use of the utility at that property
- has a National Meter Identifier (NMI) for an electricity meter
- has a Meter Installation Reference Number (MIRN) or Delivery Point Identifier (DPI) for a gas meter.

NMI, MIRN and DPI are unique numbers energy suppliers use to identify the meter installed at the property and can be found on the energy bill.

They help match a property with the energy account, so a property does not get billed for someone else's power use

Overview of Water Bill Responsibilities in NSW

In New South Wales, the responsibility for paying the water bill in rental properties depends on whether the **property is separately metered** or has an embedded network.

Separately Metered Properties

If the rental property has a separate water meter, the tenant is usually responsible for paying the water usage. **This means that the tenant will receive the water bill directly from the water supply authority and is required to pay it on time.**

Legislation Governing Water Bills in Rental Properties

Residential Tenancy Act

In New South Wales, the Residential Tenancy Act provides the legislation that governs the responsibility for paying water bills in rental properties. **According to section 39 of the act, landlords are only permitted to pass the water usage charges onto the tenant in certain circumstances.**

One of the circumstances where landlords can pass on the water charges to the tenant is when the rental property is separately metered. In this case, the landlord can pass on the charges to the tenant as long as the charges are calculated based on the amount of water the tenant uses.

The tenant is to be given a minimum of 21 days to pay the water bill, and a copy of the bill must be provided to verify the amount the water meter reading is to be charged.

If the rental property is not separately metered, the landlord cannot pass on the water usage charges to the tenant. The landlord is responsible for paying the water bill in full. However, the landlord can still include the cost of water usage in the weekly rent if it is stipulated in the tenancy agreement.

It is important to note that the legislation only applies to tenancy agreements signed from **23 March 2020**. For tenancy agreements signed before this date, the rules around water usage charges may differ.

So Prior to 23 March 2020 - it was possible for a Landlord to have a fully compliant private water meterage system installed on each unit and billed quarterly to the tenant based on the individual metre read. AT that time all meters were/are Australian standard complianced and water efficient.

Overnight this become an unusable system to any new tenancy to be charged water useage, utilising the separate private metre.

Please find attached details on the rules for compliance of having individual NMI water meters installed - Most older developments can't make the requirements .

<https://www.hunterwater.com.au/home-and-business/information-for-homes/your-water-service/your-water-meter/applying-for-separate-metering-strata-and-community-title>

Proposed Storm water fee ;

6321% Increase

No mention of -

Small residential multi unit complex

Large residential Multi Unit complex

Proposed water prices			
	2024-25	2025-26	2029-30
Water usage - \$ per kL	2.89	3.19	4.40
Water service (per dwelling or 20mm meter) - \$ per year	27.58	42.52	102.30

Proposed wastewater prices			
	2024-25	2025-26	2029-30
House	789.18	804.84	851.83
Apartment	730.00	768.25	818.68

Proposed stormwater prices			
	2024-25	2025-26	2029-30
House	97.04	111.79	170.81
Apartment	35.91	41.37	63.21
Small non-residential property area	97.04	111.79	170.81
Very large non-residential property area	6,404.36	7,378.03	11,272.73

Hunter water quote (2024 pricing proposal - at a glance)

Stormwater prices Some customers only pay for stormwater services through their local Council rates. Others pay both Hunter Water and their local Council because there are shared responsibilities (parts of Newcastle, Lake Macquarie and Cessnock). That's around one quarter of our customers. Stormwater bills are made of fixed charges only. We are not proposing to change anything about the way we charge for stormwater services, but we do need to increase prices. **Because we don't have many stormwater customers**, even small investments or cost increases lead to higher prices

So why are they allowed to introduce a fee most people are already paying for within there council rates - Just because they don't have many customers?

Exert from IPART Report for 2020

IPART's prices will allow for \$653 million in capital expenditure by Hunter Water over the next four years, a \$255 million increase compared to its capital expenditure over the last four years. This increase will allow Hunter Water to maintain its infrastructure and service standards, and improve environmental compliance and outcomes. **The prices we have set for Hunter Water also allow it to fund the planning of future drought resilience projects.**

Hunter Water statement 2024

We plan to spend around \$2.5 billion over the next five years. A typical household bill for a customer with water, wastewater and stormwater service will increase by 5.7% per year, on average, before inflation.

False and misleading

Real cost for landlords multi unit site

Is a **37 %** Increase per year before inflation

Based an average water useage scenario - a landlord would need to increase rent (just to compensate for the Water increase content component)

\$26 .52 P/Week on a 020 service

\$28.52 P/Week on a 025 service .

This takes no consideration for
CPI - Inflation
bank rate increase
Council rate increase
Insurance increases
And the fact that Landlord can only increase rent 1 time per year

When a landlord can increase the rent

Landlords cannot increase rent within the first 12 months of any tenancy agreement.
After an increase, a landlord must wait at least 12 months before another increase.
This limit applies to fixed term and periodic agreements.

So proposing new fees to come into effect July 2025 will leave many landlords
With no legal way of increasing rent to even try to cover the proposed fees.

I look forward to IPARTs refusal to accept Proposed Changes to
Hunter Water Fees increase for 2025.

Hunter Water clearly stated that operating costs are steady.

Water is a Commodity with Hunter Water having a Monopoly with distribution. It
should be viewed as essential service and increases to any fees should be kept to a
minimum.

Regards

Jenny Atkinson



Cost to Landlord

	24-25	25-26	26-27	27-28	28-29	29-30	Per Annum	24-25	29-30
Unit - Fixed size 20 size 25	27.58	42.52	57.47	72.41	87.36	102.3			
water usage	55.61	85.63	115.78	145.88	173.98	206.08			
average 1-2 pax est per quarter \$	2.89	3.19	3.49	3.8	4.1	4.4			
wastewater-sewer service - per unit	65	730	768.25	793.39	806.05	818.68			
stormwater									
Per Annum -	35.91	41.37	46.83	52.29	57.75	63.21			
strata unit block - 7 units no separate NMI 020 service	193.06	297.64	402.29	506.87	611.52	716.1			
Strata unit block - 7 units no separate NMI 025 service	389.27	599.41	810.46	1021.16	1217.86	1442.56			
average usage - 7 units at \$ 65 p/q - PA	1820					2766.4			
wastewater-sewerage	5110	5377.75	5465.6	5553.73	5642.35	5730.76			
stormwater-proposed fee to multi unit	251.37	289.59	327.81	366.03	404.25	442.47			
	20	7374.43				9655.73			
	25	7570.64				10382.19			

371% increase
371% assumed increase
52% increase
changed legislation tenancy laws Mar2020
12.1% increase
6321% increase

1053.49 per unit
1081.52 per unit
20.25P/W 1379.00per unit
20.79P/W 1483.17 per unit
26.52 P/W
28.52P/W

Rental Increase
Per Week
Per unit

37% Increase
in water related Costs

7 units

NON TRANSFERABLE CHARGES


		24-25	25-26	26-27	27-28	28-29	29-30		Per Annum	24-25	29-30	
Unit - Fixed size 20	NON TRANSFERABLE CHARGE	27.58	42.52	57.47	72.41	87.36	102.3	371% increase				
size 25	NON TRANSFERABLE CHARGE	55.61	85.63	115.78	145.88	173.98	206.08	371% assumed increase				
water useage	NON TRANSFERABLE CHARGE	2.89	3.19	3.49	3.8	4.1	4.4	52% increase				
average 1-2 pax est per quarter \$	NON TRANSFERABLE CHARGE	65					98.8	changed legislation tenacy laws Mar2020				
wastewater -sewer service - per unit	NON TRANSFERABLE CHARGE	730	768.25	780.8	793.39	806.05	818.68	12.1% increase				
stormwater	NON TRANSFERABLE CHARGE	35.91	41.37	46.83	52.29	57.75	63.21	6321% Increase				
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		20	7374.43				9655.73		1053.49 per unit	20.25P/W	1379.00per unit	26.52 P/W
		25	7570.64				10382.19		1081.52 per unit	20.79 P/w	1483.17 per unit	28.52P/W

All of our prices need to increase, some more than others

Water prices

Water bills for households and businesses are made up of both fixed and variable charges.

Our proposed increase in water prices is partly in the fixed charge and mostly in the variable charge. We heard this was a balanced, fair and equitable approach providing customers the best opportunity to reduce the impact on their bills.

 Typical household 2023-30 using 146kL per year will save

- \$32 if they use 5% less water
- \$64 if they use 10% less water

Proposed water prices (without inflation)	IPART 2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Water usage (non-drought) - \$ per kL	2.89	3.19	3.49	3.80	4.10	4.40
Water service (houses and apartments) - \$ per year	27.58	42.52	57.47	72.41	87.36	102.30

Fixed → *per dwelling*

Wastewater prices

The total wastewater charge for a household is all fixed, but the fixed amount is based on an assumed amount of water discharged into the wastewater system. We propose that customers in apartments continue to pay less than customers in houses, because they discharge a smaller volume of wastewater.

We only propose a small change to the way we charge households for wastewater; that is to assume ('deem') that customers in apartments discharge less wastewater than customers in houses.

Proposed wastewater prices (without inflation)	IPART 2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Houses - \$ per year	789.18	804.84	816.51	828.22	840.00	851.83
Apartments - \$ per year	730.00	768.25	780.80	793.39	806.02	818.68

can't be passed on to tenants

Stormwater prices - New charge ✖

Some customers only pay for stormwater services through their local Council rates. Others pay both Hunter Water and their local Council because there are shared responsibilities (parts of Newcastle, Lake Macquarie and Cessnock). That's around one quarter of our customers.

Stormwater bills are made of fixed charges only. We are not proposing to change anything about the way we charge for stormwater services, but we do need to increase prices. Because we don't have many stormwater customers, even small investments or cost increases lead to higher prices.

Proposed stormwater prices (without inflation)	IPART 2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Houses - \$ per year	97.04	111.79	126.55	141.30	156.05	170.81
Apartments (multi-premise) and low impact* - \$ per year	35.91	41.37	46.83	52.29	57.75	63.21

Note: The low impact stormwater charge is for customers who go above and beyond to manage the stormwater on their property to ensure any runoff has a low impact on our stormwater infrastructure. Apply online: <https://www.hunterwater.com.au/home-and-business/managing-your-account/low-impact-stormwater-charge>



INDIVIDUAL METERING OF STRATA TITLE

THIS FACT SHEET OUTLINES THE PROCESS FOR APPLICATIONS FOR INDIVIDUAL (SUB) METERS FOR STRATA SCHEMES



RETROFIT INDIVIDUAL METERS IN STRATA SCHEMES

Existing Strata Schemes

Subject to meeting certain criteria, existing strata schemes that have one connection to Hunter Water's water supply network may be eligible for individual (sub) metering.

Individual metering allows each lot within the strata scheme to be billed separately for water usage based on the actual consumption of each lot owner or occupier. The Owners Corporation would remain liable for any excess consumption after all of the consumptions on the individual meters are deducted.

Hunter Water would require the Owners Corporation to enter into a formal agreement (Retro Fit Agreement) covering the respective parties obligations. A copy of Hunter Water's standard Retro Fit Agreement incorporating the requisite by-laws and water service design criteria is available on request.

This individual metering option excludes certain developments where the individual meters are not able to be installed in a safe and accessible location. At present, Hunter Water does not have the capacity for automated meter reading solutions to mitigate the access and safety risks for these sites. This may change in the future.

Pre-Requisite Requirements

The following must be met prior to application being made for individual metering (also known as sub-metering) of an existing strata scheme:

- An application form is to be completed by the Owners Corporation (Applicant) on behalf of the lot owners within the development.
- The internal water service design layout of the proposed metering locations must comply with the design requirements. The meters for each lot can be located on common ground provided it complies with the design criteria.
- The Applicant will engage their own consultant (plumbing, hydraulic etc.) at their own cost to draw the plan which is compliant with the design criteria. The plan is to be drawn to scale and must show the internal water service layout up to and including the proposed location of the individual meters for each lot.
- All lots within the development with the exception of common areas must be individually metered under the application.
- The Owners Corporation must provide evidence of the necessary approvals required under the Strata Schemes Management Act 1996 (NSW) to enter into the agreement and register the by-laws.

NOTE: All meters must be located outside of any lot fencing or other obstructions and must be above ground and accessible at all times. This requirement must be met prior to application.

Submitting an Application

Subject to the pre-application requirements being met, the following are required to be submitted with the completed application form:

- A certified copy of the minutes of the validly held meeting where the resolution was passed to enter into the agreement: *"The individual metering arrangements proposal based on the Hunter Water Agreement is approved"* or similar wording.
- Submit a copy of the current Strata roll or similar owner listing which details the following:
 - Lot, street number and street name
 - Legal owner name
 - Address for service of notices
 Alternatively, submit copies of the Land and Property Information title details of each lot to verify ownership. The current postal address is still required for billing of accounts.
- The certified plan drawn by the consultant (plumbing, hydraulics etc.) which complies with the design criteria.
- Payment of relevant fees:
 - An application fee.
 - A fee per meter for installation of the water meter.
- The contact information for the representative who will be available onsite for the inspection and installation of water meters conducted by Hunter Water.
- If the Hunter Water by-laws have been registered with the strata plan, a copy of the registered by-laws is to be provided with the application.

NOTE: All of the above requirements must be met for the application to be processed.

Application Processing

If the application is approved, Hunter Water will issue its standard Retro Fit Agreement (two copies) for signing by the Owners Corporation (including stamped with seal). Return to Hunter Water for execution. A fully executed copy will be returned to the Owners Corporation for its records.

Hunter Water will inspect the development to ensure compliance with the design requirements and for the installation of the individual meters.

Additional fees may apply if there is any non-compliance and reinspection required before installing water meters.

Billing of Accounts Based on Individual Meters

Once all of the requirements have been met and the individual meters installed, the billing and metering information will be updated on the individual accounts for each lot owner. Individual billing of consumption for each lot will commence from the date of installation of the individual meters.

The Owners Corporation will receive a bill for any difference between the main meter (master) and the individual meters (sub meters) which will include any common area usage.

Proposed Developments

Proposed strata schemes may incorporate the Hunter Water by-laws in the management statement as part of the standard registration process. A copy of the registered by-laws can then be submitted with the application to Hunter Water.

The water services and meter assemblies should be designed and installed in accordance with Hunter Water's criteria in readiness for installation of the water meters once the Owners Corporation meets all other Hunter Water requirements.

Ongoing Requirements

If the strata scheme involves stages, each subsequent stage of development must have individual metering. A separate Retro Fit Agreement and by-laws may be required if a new Owners Corporation is established within the existing development. The relevant Owners Corporation will be responsible for the application, fees and plans for any new lots and if required any amendment to the Agreement and by-laws.

All new and existing lot owners must ensure that the meter accessibility is complied with in accordance with the Agreement.

Any non-compliance with the terms and conditions, particularly the requirement to ensure unfettered access to the individual meters, may result in the Agreement being terminated and Hunter Water will return to reading the master meter and billing all usage to the Owners Corporation.

Hunter Water | ABN 46 228513 446 | Customer enquiries: 1300 657 657 | hunterwater.com.au | enquiries@hunterwater.com.au

Applying for separate metering - single title multi dwelling properties

To assist our customers in light of recent changes in residential tenancy legislation, we have updated the requirements regarding separate metering for single title properties with multiple dwellings.

These requirements are applicable where a single title multi dwelling property has four or less separate dwellings on a single lot which are not strata or community titled.

Important note: single title multi dwelling properties with separate metering only receive one bill, however, usage for each individual meter will be itemised on the bill. Before progressing your application you should confirm that this billing arrangement meets your requirements.

Important note for dual occupancy properties: under our price determination single title dual occupancy properties (e.g. duplex, house with granny flat) with one meter are treated as a stand alone house for billing purposes. Where a single title dual occupancy has multiple meters, the property is treated as two flats/units for billing purposes - the impact of this change is an approximate \$700 increase in fixed service charges for the property per annum. There are no billing impacts for properties with three or more dwellings.

Are you looking for information about strata or community titled properties?

If your property is strata or community titled, please read our helpful guidelines, fact sheets and our requirements for submitting an application for either a strata or community title scheme.

[Learn more](#)

What you need to know first



Feedback



Live chat

1 Know our requirements

Specifically for plumbers, please read our [separate metering requirements](#) to ensure you understand what is required to be completed prior to submitting an application for single title multi dwelling properties. It's important that the property water service and metering configuration is compliant with our requirements.

2 Understand the development type

Developments will fall into two main types; a new development or retrofitting an existing development (this requires reconfiguration of existing water pipework to allow for separate metering). It is important to understand the development type as this will determine what application is required.

3 Submit application

Depending on the development type, a Technical Assessment application or a Hydraulic Design Assessment application will be required. See below for a breakdown of each development type and what application is required

[Our fees and charges](#)

Development type

[New development](#)

[Retrofitting an existing development](#)

Do you have more than four separate dwellings on a single lot?

Properties with more than four separate dwellings on a single lot need to be strata titled and satisfy the requirements of our [Individual Metering of Strata and Community Title Developments Guideline](#) before separate metering can be implemented.

Properties with more than four separate dwellings where strata title is not implemented will utilise only one Hunter Water water meter and one bill will be issued for the property.

[Learn more](#)

Thirsty for more advice?



If you need more advice on water meters and separate metering, get your questions answered by contacting our team.

Contact our Property and Accounts team : 1300 657 657

[Email us](#)

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Engage a licenced plumber

All plumbing work must comply with Australian Standards and be completed by a professional. It is required that you engage a licenced plumber to perform this technical work. This cost is at the owners expense.



Multi level developments are not eligible

At this time multi-level unit developments are excluded as we do not yet have a technical solution such as Automated Meter Reading (AMR) available to overcome the access issues.

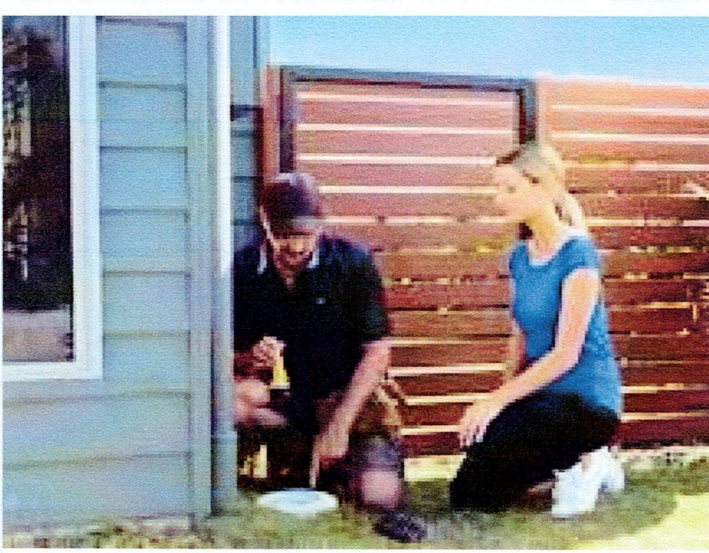


Meter frames must be accessible and at the front of the property

The location of meters is in an unfettered and unencumbered location, this means they must be visible and accessible at all times so they can be read and maintained.

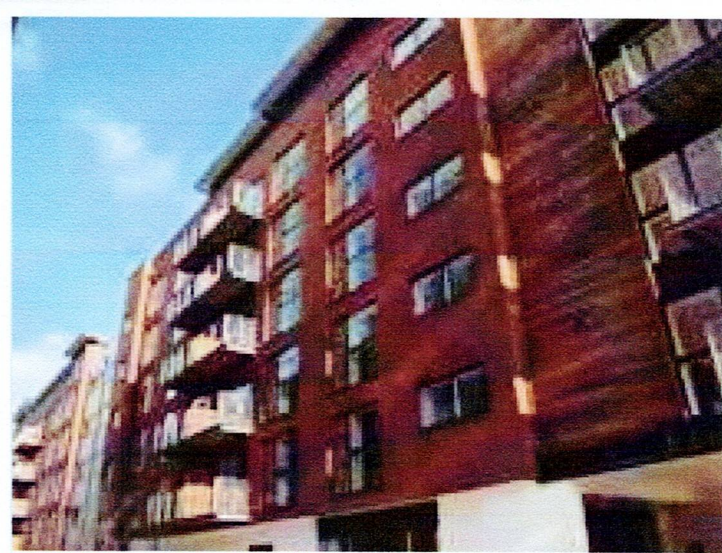
What you need to do





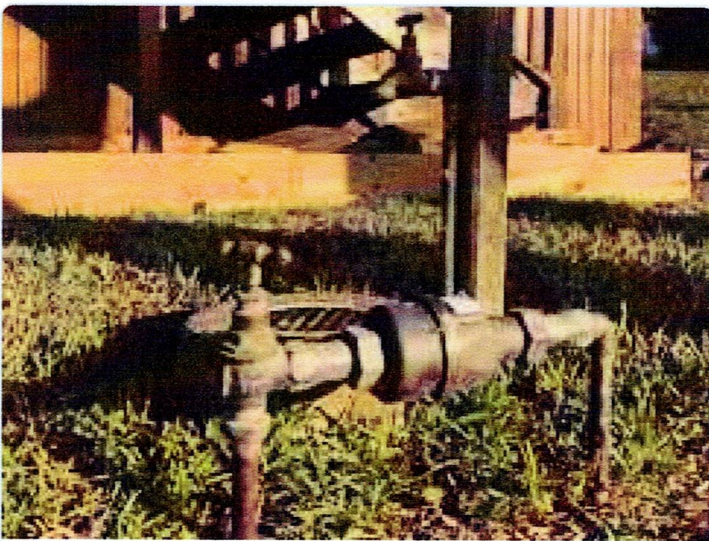
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What you need to do

