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Your submission for this review:

I am writing to express strong disagreement with the proposed price adjustments for WAMC and WaterNSW. I find that several aspects of the proposal lack sufficient justification, particularly in the context of wide-ranging increases from 3% to 35% annually. Such extensive fluctuations are impractical and disproportionate for customers, particularly residential users, who are already managing escalating living costs.

- 1. Excessive Range and Lack of Clear Rationale** The price increase range is overly broad and unclear. Increases of up to 35% annually are significantly above typical inflation rates and lack a transparent explanation as to why certain areas or customer categories are subject to higher rates than others. Without clearer justification, this wide disparity feels arbitrary and places an unpredictable financial burden on customers.
- 2. Compounding Impact of Year-on-Year Increases** The proposed increases also fail to account for their compounding effect. Year-on-year hikes of this magnitude will accumulate to result in substantial cost escalations that many residents cannot afford. This cumulative effect, especially for increases beyond 10%, makes it challenging for customers to budget effectively, resulting in potential hardship for families who rely on stable pricing for essential services like water.
- 3. Inconsistencies and Unclear Cost Allocations** The document outlines various cost-sharing frameworks, but the allocation of costs between customers and the NSW Government lacks clarity and consistency. For example, regional planning and management strategies would see an increased government share, while other high-impact cost areas continue to disproportionately burden customers. More transparent criteria are needed to explain which activities are classified as primarily customer-driven versus those that justify government subsidies.
- 4. Digital and Compliance Investments** While infrastructure and digital improvements are necessary, the document does not provide a compelling explanation for the high cost of these investments. It is unclear why customer charges are expected to absorb a majority of these expenses, particularly when compliance and enforcement appear to be state-mandated functions. Additional detail on efficiency measures taken by WAMC and WaterNSW to reduce these costs would be appreciated.

In summary, I urge IPART to revisit the pricing proposal with a view toward affordability, fairness, and transparency. A capped increase of no more than 10% annually would help customers adjust to changing costs without facing abrupt financial strain. Water services are essential, and the community deserves a pricing model that is both predictable and equitable.