

28 March 2024

Mr Andrew Nicholls
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
By email: matthew_mansell@ipart.nsw.gov.au

Dear Mr. Nicholls

WaterNSW submits its application to vary WaterNSW's 2024-25 Murray Darling Basin (MDB) regulated charges in accordance with the Water Charge Rules 2010 Cth (WCR).

This letter and its attachments constitute our application for the IPART Annual Review and includes:

- Proposed Regulated Charges for the 2024-25 financial year as requested under the WCR;
- Any arguments required under rule 37(2) (where applicable) regarding whether or not prices should change from those set in the 2021 Determination, if it is reasonably necessary having regard to changes in the demand or consumption forecasts and price stability; and
- A declaration from the CEO certifying the accuracy of the information provided.

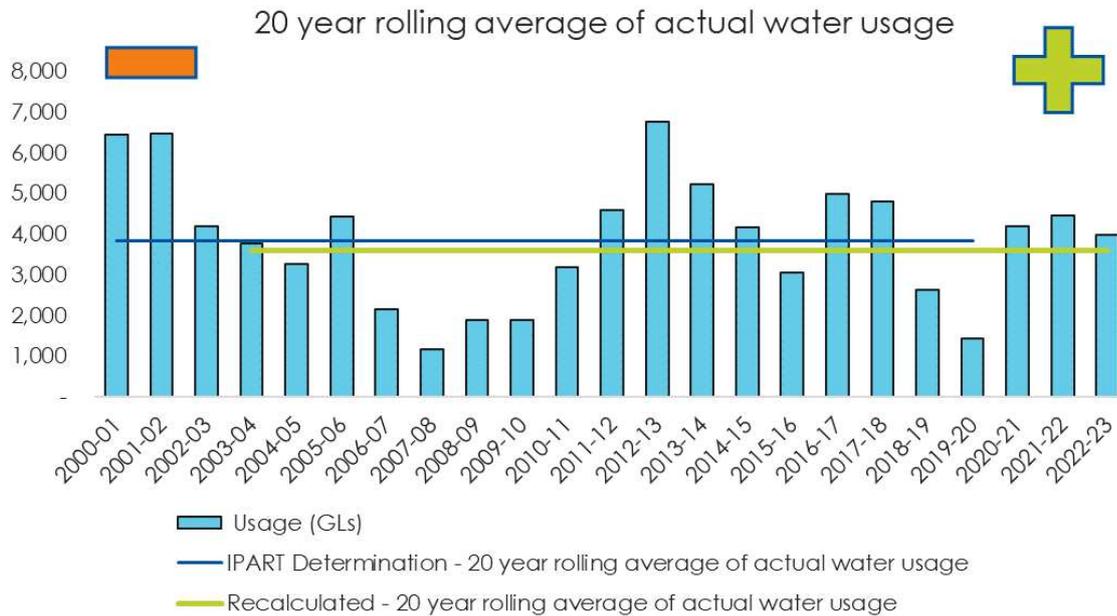
The criteria in the WCR authorises IPART to consider whether it is reasonably necessary to make variations to the 2023-24 charges having regard to 1) changes in demand or consumption forecast and 2) price stability. The variations to be considered by IPART are mechanical and formulaic updates to the demand forecasts and regulatory inputs including the 20-year rolling average of actual water sales, entitlements volumes and the high security premium.

WaterNSW considers that there are compelling reasons to make variations to the 2023-24 MDB Bulk Water Charges IPART determined in its 2021 IPART Rural Valley Final Determination, having regard to changes in demand or consumption forecasts, including for:

- The effects of updating the 20-year rolling average of water sales incorporating 2020-21, 2021-22, and 2022-23 data in 2024-25 in line with the recent IPART determination; and
- The effects of updating the entitlement forecast and the high security premium with the latest actual data.

Updating the 20-year rolling average is demonstrated in the figure below. The large variation between the volumes entering and exiting the rolling average calculation is leading to volume reductions that, if not addressed in 2024-25, is likely to contribute to further price increases at the start of the 2025 Determination period (i.e. 1 July 2025) at a time when cost increases are already likely to put upward pressure on prices.

Figure 1 20-year rolling average of actual water sales 2003-04 to 2022-23



As illustrated above, we observe that the rolling average has declined relative to IPART's assumption at the 2021 determination. We consider that there is a low probability of water volumes increasing over the next 12 months to the level needed to return the 20-year rolling average to IPART's 2021 assumptions. If not adjusted by IPART in 2024-25, the volume shortfall is likely to contribute to already potentially significant customer price increases at the start of the 2025 determination period for a matter not directly driven by WaterNSW's costs and largely outside of our control.

Should IPART not adjust 2024-25 prices for the updated volumes, prices at the 2025 determination would necessarily need to be increased to account for the volume shortfall and are likely to be among other potential price increases in the MDB, including a potentially significant increase in the Weighted Average Cost of Capital (WACC) from the current (historically low) rate of 1.8% to a more contemporaneous level.

An update to the rolling 20-year average in 2024-25 for the volume shortfall would allow the MDB usage charges to transition in the leadup to the 2025 determination regulatory period – and thereby **lessen the magnitude of potential price increases at the start of the 2025 next determination period** – and importantly reset the charges to recover the variable revenues assessed by IPART at the 2021 determination.

A transition will lessen any sudden and untenable price shocks that may result from a significant variation to the 20-year rolling average when brought to account at the next 2025 price review. The bill impacts that will be gradually introduced (and avoided in the next price review) are shown in Attachment 1.

¹ This observation is based on our current understanding of climatic conditions, the downward trend in demand as noted in the 20-year data set, and the observation that droughts are generally sustained over multiple financial years and occur more regularly compared to wet years as observed in the 20-year data set. For example, the scientific consensus is that it is reasonable to expect longer periods of drought due to global warming, particularly in dry regions e.g. inland/regional Australia (Ref: state of the Climate report 2020, CSIRO <http://www.csiro.au/en/Showcase/state-of-the-climate>)

Other significant benefits of updating the 2024-25 demand forecast include:

- **More accurate demand forecasting:** Updating the 20-year rolling average is likely to produce a more accurate sales forecast, as the latest set of actual data is incorporated into the averaging calculation; and
- **Improved financeability and closer alignment to regulatory expectations at the 2025 determination:** Unfortunately, due to the methodology used to set the usage charge, WaterNSW is forecasting an increasing shortfall in the recovery of IPART's forecast variable revenue requirement. In the absence of a variation to the 2024-25 regulated charges to account for changes in the demand forecast, insufficient revenue streams are anticipated for WaterNSW to fund its prudent and efficient costs over the 2021-25 regulatory period.

Updating 2024-25 variable charges for changes in the 20-year rolling average would lessen the price and bill impact for customers in the MDB valleys at the 2025-30 determination compared with carrying over an adjustment to 1 July 2025, while restoring the variable charges to a level consistent with the 20-year rolling average adopted by IPART at the 2021 determination.

Ensuring a revenue stream that more closely aligns to IPART's assessment of efficient costs is in the long-term interests of customers as it is more likely than the alternative to enable WaterNSW to effectively plan and manage sustainable, secure and healthy water resources for the benefit of water users and the community.

If you have any questions regarding this application, please do not hesitate to contact [REDACTED]

Yours sincerely

A black rectangular redaction box covering the signature of Andrew George.

Andrew George
Chief Executive Officer

Attachments

1. Proposed Regulated Charges and estimated bill impacts for 2024-25 financial year
2. Information on demand and consumption forecasts
3. Statement on the expected voluntary telemetry take-up rate for 2024-25
4. Signed Responsibility Statement
5. Completed IPART WaterNSW - Annual update model 2024-25

2024-25 MDB Regulated Charges Updated by CPI + updated volumes

WaterNSW has calculated the 2024-25 MDB Regulated Charges by converting the charges presented in IPART's 2022-25 Rural Valley Bulk Water Determination from 2021-22 dollars into nominal dollars using IPART's estimate of the change in the CPI index from 2023-24 to 2024-25 of 3.7%.

The charges are presented in the tables below:

	2023-24	2024-25	% Variance
Table 1 Entitlement charges for MDB Valleys (\$/ML or \$/unit share)			
	nominal \$	nominal \$	
High Security Charge			
Border	7.40	7.36	-0.5%
Gwydir	19.58	18.40	-6.0%
Namoi	32.55	31.49	-3.3%
Peel	69.03	72.21	4.6%
Lachlan	28.24	27.27	-3.4%
Macquarie	22.70	23.89	5.2%
Murray	2.54	2.57	1.2%
Murrumbidgee	4.69	4.83	3.0%
General Security Charge			
Border	2.71	2.81	3.7%
Gwydir	4.55	4.80	5.5%
Namoi	11.36	11.85	4.3%
Peel	6.55	6.53	-0.3%
Lachlan	4.17	4.64	11.3%
Macquarie	4.43	4.54	2.5%
Murray	1.11	1.17	5.4%
Murrumbidgee	1.61	1.68	4.3%
Lowbidgee	1.94	2.01	3.6%

	2023-24	2024-25	% Variance
Table 2 Usage charges for MDB Valleys (excluding Lowbidgee) (\$/ML)			
	nominal \$	nominal \$	
Border	7.91	8.91	12.6%
Gwydir	19.34	21.83	12.9%
Namoi	34.74	40.04	15.3%
Peel	27.57	31.45	14.1%
Lachlan	35.07	44.32	26.4%
Macquarie	24.35	31.13	27.8%
Murray	3.30	3.56	7.9%
Murrumbidgee	5.59	5.99	7.2%

	2023-24	2024-25	% Variance
Table 3 MDBA/BRC entitlement charges (\$/ML of entitlement or \$/unit share)			
	nominal \$	nominal \$	nominal \$
High Security Licence (\$/ML of Entitlement or \$/unit share)			
Border	5.45	5.40	-0.9%
Murray	9.72	9.81	0.9%
Murrumbidgee	2.09	2.16	3.3%
General Security Licence (\$/ML of Entitlement or \$/unit share)			
Border	1.99	2.06	3.5%
Murray	4.28	4.47	4.4%
Murrumbidgee	0.72	0.75	4.2%

	2023-24	2024-25	% Variance
Table 4 MDBA/BRC usage charges (\$/ML)			
	nominal \$	nominal \$	nominal \$
Border	0.97	1.10	13.4%
Murray	2.08	2.25	8.2%
Murrumbidgee	0.42	0.44	4.8%

	2023-24	2024-25	% Variance
Table 5 Irrigation corporations and districts discount (\$)			
	nominal \$	nominal \$	
Murray Irrigation Limited	765,142.88	760,588.80	-0.6%
Western Murray Irrigation Limited	19,329.75	19,214.51	-0.6%
West Cororgan	38,262.38	38,034.92	-0.6%
Moira Irrigation Scheme	20,191.50	20,071.52	-0.6%
Eagle Creek Scheme	7,228.13	7,184.89	-0.6%
Murrumbidgee Irrigation Limited	657,618.75	663,375.88	0.9%
Coleambally Irrigation Limited	281,833.88	284,301.12	0.9%
Jemalong Irrigation Limited	58,692.38	58,029.49	-1.1%

	2023-24	2024-25	% Variance
Table 6 Entitlement charges for Coastal Valleys (\$/ML of entitlement or \$/unit share)			
	nominal \$	nominal \$	nominal \$
High Security Licence (\$/ML of Entitlement or \$/unit share)			
North Coast	14.42	14.95	3.7%
Hunter	22.43	23.25	3.7%
South Coast	37.76	39.13	3.6%
General Security Licence (\$/ML of Entitlement or \$/unit share)			
North Coast	11.18	11.59	3.7%
Hunter	17.43	18.06	3.6%
South Coast	19.80	20.52	3.6%

	2023-24	2024-25	% Variance
Table 7 Usage charges for Coastal Valleys (\$/ML)			
	nominal \$	nominal \$	
North Coast	21.35	22.13	3.7%
Hunter	21.52	22.31	3.7%

South Coast	21.15	21.92	3.6%
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	2023-24	2024-25	% Variance
Table 8 Fish River Supply Scheme customers - bulk raw water (\$/kL)			
	nominal \$	nominal \$	
Access Charge			
Major Customers (except Oberon Council)	0.55	0.57	3.6%
Oberon Council	0.47	0.49	4.3%
Minor Customers	0.55	0.59	7.3%
First tier usage charge			
Major Customers (except Oberon Council)	0.37	0.45	21.6%
Oberon Council	0.29	0.30	3.4%
Minor Customers	0.37	0.36	-2.7%
Second tier usage charge			
Major Customers (except Oberon Council)	0.92	1.02	10.9%
Oberon Council	0.76	0.79	3.9%
Minor Customers	0.92	0.95	3.3%

	2023-24	2024-25	% Variance
Table 9 Fish River Supply Scheme customers - bulk filtered water (\$/kL)			
	nominal \$	nominal \$	nominal \$
Access Charge			
Major Customers	0.97	1.00	3.1%
Minor Customers	0.97	1.00	3.1%
First tier usage charge			
Major Customers	0.60	0.62	3.3%
Minor Customers	0.60	0.80	33.3%
Second tier usage charge			
Major Customers	1.57	1.62	3.2%
Minor Customers	1.57	1.80	14.6%

	2023-24	2024-25	% Variance
Table 10 Meter service charges (\$ per meter)			
	nominal \$	nominal \$	
50mm	541.31	561.03	3.6%
80mm	543.83	563.64	3.6%
100mm	543.81	563.63	3.6%
150mm	550.20	570.26	3.6%
200mm	553.37	573.53	3.6%
250mm	556.29	576.56	3.6%
300mm	563.85	584.40	3.6%
350mm	597.81	619.60	3.6%
400mm	618.04	640.57	3.6%
450mm	621.93	644.60	3.6%
500mm	638.51	661.77	3.6%
600mm	659.73	683.78	3.6%
700mm	684.96	709.92	3.6%
750mm	720.28	746.53	3.6%
800mm	744.15	771.27	3.6%
900mm	751.71	779.11	3.6%
1,000mm	765.68	793.58	3.6%

Channel	7,094.31	7,352.85	3.6%
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	2023-24	2024-25	% Variance
Table 11 Meter accuracy testing charges (\$ per meter)			
	nominal \$	nominal \$	
Refundable meter accuracy deposit	1,750.00	1,750.00	0.0%
Total charge (if meter is found to be within accuracy standards)			
Verification and testing in situ	5,261.94	5,453.71	3.6%
Lab verification and testing	7,873.91	8,160.87	3.6%

	2023-24	2024-25	% Variance
Table 12 Other Miscellaneous Charges (\$ per meter)			
	nominal \$	nominal \$	nominal \$
Trade processing charge per application	56.16	58.21	3.7%
Fish River Connection Charge			
Low complexity connection	1,042.18	1,080.16	3.6%
Medium complexity connection	3,951.44	4,095.45	3.6%
High complexity connection	8,078.99	8,373.42	3.6%
Fish River Disconnection Charge	293.40	304.09	3.6%

	2023-24	2024-25	% Variance
Table 13 Annual Scheme Management Charge			
	(\$)		
	nominal \$	nominal \$	
Proportion of voluntary telemetry uptake			
0% - 25%	82.42	85.42	3.6%
>25% - 50%	74.26	76.97	3.6%
>50% - 75%	66.09	68.50	3.6%
>75% - 100%	57.93	60.04	3.6%

	2023-24	2024-25	% Variance
Table 14 Annual Government-Owned Meter service charges			
	nominal \$	nominal \$	
Meter service charge - operating costs (\$ per Government-Owned Meter)	1,011.21	1,048.06	3.6%
Meter service charge for channel meters-operating costs (\$ per Government-Owned Meter)	7,094.30	7,352.84	3.6%
Meter service charge - capital costs (\$ per Government-Owned Meter)	0.00	0.00	N/A

	2023-24	2024-25	% Variance
Table 15 Annual telemetry service charge (\$ per meter)			
	nominal \$	nominal \$	
Proportion of voluntary telemetry uptake			
0% - >25%	254.80	264.09	3.6%
25% - >50%	234.83	243.39	3.6%
50% - >75%	215.34	223.18	3.6%
75% or more	204.87	212.34	3.6%

	2023-24	2024-25	% Variance
Table 16 Annual non-telemetry service charge (\$ per meter)			
	nominal \$	nominal \$	
Proportion of voluntary telemetry uptake			
25% - >50%	245.89	254.85	3.6%
50% - >75%	245.89	254.85	3.6%
75% or more	245.89	254.85	3.6%

	2023-24	2024-25	% Variance
Table 17 Exit fee (\$ per meter)			
	nominal \$	nominal \$	
Average capital expenditure (\$ per meter)	0.00	0.00	N/A
Daily depreciation (\$ per meter)	0.00	0.00	N/A

Bill Impacts – Charges Updated by CPI + Updated volumes

WaterNSW has calculated the 2024-25 bill impacts as shown below:

TABLE 18- INDICATIVE BILLS FOR HIGH SECURITY CUSTOMERS - WaterNSW CHARGES			
	2023-24 Bills	2024-25 Bills	% Variance
	nominal \$	nominal \$	
Small consumption customers			
Border	1,531	1,627	6.3%
Gwydir	3,892	4,023	3.4%
Namoi	6,729	7,153	6.3%
Peel	9,660	10,366	7.3%
Lachlan	6,331	7,159	13.1%
Macquarie	4,705	5,502	16.9%
Murray	584	613	5.0%
Murrumbidgee	1,028	1,082	5.3%
Lowbidgee	0	0	N/A
Medium consumption customers			
Border	7,655	8,135	6.3%
Gwydir	19,460	20,115	3.4%
Namoi	33,645	35,765	6.3%
Peel	48,300	51,830	7.3%
Lachlan	31,655	35,795	13.1%
Macquarie	23,525	27,510	16.9%
Murray	2,920	3,065	5.0%
Murrumbidgee	5,140	5,410	5.3%
Lowbidgee	0	0	N/A
Large consumption customers			
Border	15,310	16,270	6.3%
Gwydir	38,920	40,230	3.4%
Namoi	67,290	71,530	6.3%
Peel	96,600	103,660	7.3%
Lachlan	63,310	71,590	13.1%
Macquarie	47,050	55,020	16.9%
Murray	5,840	6,130	5.0%
Murrumbidgee	10,280	10,820	5.3%
Lowbidgee	0	0	N/A
<i>Note: based on a 100% utilisation rate for High Security customers.</i>			

TABLE 19 - INDICATIVE BILLS FOR GENERAL SECURITY CUSTOMERS - WaterNSW CHARGES			
	2023-24 Bills	2024-25 Bills	% Variance
	nominal \$	nominal \$	
Small consumption customers			
Border	746	816	9.4%
Gwydir	1,615	1,790	10.8%
Namoi	3,220	3,587	11.4%
Peel	2,309	2,540	10.0%
Lachlan	2,521	3,123	23.9%
Macquarie	1,904	2,322	21.9%
Murray	309	331	7.0%
Murrumbidgee	496	527	6.2%
Lowbidgee*	194	201	3.6%
Medium consumption customers			
Border	3,728	4,078	9.4%
Gwydir	8,077	8,949	10.8%
Namoi	16,102	17,937	11.4%
Peel	11,546	12,700	10.0%
Lachlan	12,606	15,616	23.9%
Macquarie	9,520	11,609	21.9%
Murray	1,545	1,653	7.0%
Murrumbidgee	2,482	2,637	6.2%
Lowbidgee*	970	1,005	3.6%
Large consumption customers			
Border	7,456	8,156	9.4%
Gwydir	16,154	17,898	10.8%
Namoi	32,204	35,874	11.4%
Peel	23,092	25,400	10.0%
Lachlan	25,212	31,232	23.9%
Macquarie	19,040	23,218	21.9%
Murray	3,090	3,306	7.0%
Murrumbidgee	4,964	5,274	6.2%
Lowbidgee*	1,940	2,010	3.6%
* refers to supplementary licences holders in the Lowbidgee Note: based on a 60% utilisation rate for General Security customers.			

TABLE 20 - INDICATIVE BILLS FOR HIGH SECURITY AND GENERAL SECURITY CUSTOMERS - MDBA/BRC CHARGES

	2023-24 Bills	2024-25 Bills	% Variance
	nominal \$	nominal \$	
HIGH SECURITY			
Small consumption customers			
Border	642	650	1.2%
Murray	1,180	1,206	2.2%
Murrumbidgee	251	260	3.6%
Medium consumption customers			
Border	3,210	3,250	1.2%
Murray	5,900	6,030	2.2%
Murrumbidgee	1,255	1,300	3.6%
Large consumption customers			
Border	6,420	6,500	1.2%
Murray	11,800	12,060	2.2%
Murrumbidgee	2,510	2,600	3.6%
GENERAL SECURITY			
Small consumption customers			
Border	257	272	5.8%
Murray	553	582	5.3%
Murrumbidgee	97	101	4.3%
Medium consumption customers			
Border	1,286	1,360	5.8%
Murray	2,764	2,910	5.3%
Murrumbidgee	486	507	4.3%
Large consumption customers			
Border	2,572	2,720	5.8%
Murray	5,528	5,820	5.3%
Murrumbidgee	972	1,014	4.3%

TABLE 21 - INDICATIVE BILLS FOR CUSTOMERS IN THE FRWS

	2023-24 Bills	2024-25 Bills	% Variance
	nominal \$	nominal \$	
Energy Australia	5,160,204	5,466,371	5.9%
Raw water - minor customer	548.8	566.7	3.3%
Filtered water - minor customer	661	757	14.6%

Notification of the Proportion of Voluntary Telemetry Uptake

Pursuant to clause 6 of Schedule 5 of the IPART Final Determination on WaterNSW Prices for Bulk Water Services from 1 October 2021 and clause 6 of schedule 6 of the IPART Final Determination on Water Administration Ministerial Corporation Maximum prices for water management services from 1 October 2021, WaterNSW hereby notifies IPART of the Proportion of Voluntary Telemetry Uptake for the 2024-25 financial year in accordance with the following calculation:

$$\frac{A}{B} = C$$

Where:

- A is 3,842 meters which represents WaterNSW's best estimate of the total number of voluntary telemetric meters that will operate in the 2024-25 financial year; and
- B is 17,612 meters which represents WaterNSW's best estimate of the total number of potential voluntary telemetric meters that will operate in the 2024-25 financial year.
- C is 22 per cent which represents the Proportion of Voluntary Telemetry Uptake for the 2024-25 financial year

Information on consumption forecasts

WaterNSW's forecast of demand for, or consumption of, infrastructure services for the 2024-25 financial year

The following information on WaterNSW's demand and consumption forecasts is disclosed for IPART's consideration in the event that IPART decides that it is reasonably necessary to make variations to the 2024-25 charges having regard to changes in demand or consumption forecasts related to:

- Updated 20 year rolling average of actual water usage
- Updated Entitlement volumes
- Updated High Security Premium

WaterNSW's forecast of 2024-25 expected demand is based on:

- the 20-year rolling average of actual water sales (with a two-year lag) from 2003-04 to 2022-23.
- Actual entitlement volumes in the 2022-23 financial year.

The results are shown below.

Table 22: 2024-25 usage and entitlements forecast

Valley	Usage (ML)	Entitlement volumes (ML)*
Border	128,308	266,359
Gwydir	202,463	536,885
Namoi	124,286	265,663
Peel	11,474	46,416
Lachlan	149,333	672,515
Macquarie	188,478	676,313
Murray	1,324,577	2,352,508
Murrumbidgee	1,481,294	2,694,501
Lowbidgee	N/A	747,000
Total	3,610,214	8,258,160

* Entitlement volumes which are billable under the fixed charge. For example, excludes supplementary licences except for the Lowbidgee, where WaterNSW levies a fixed charge on supplementary water holders.

WaterNSW's forecast of expected demand in the Fish River Water Scheme (FRWS) for the 2024-25 financial year is based on:

- For Energy Australia: the 20-year rolling average of actual water sales (with a two-year lag) from 2003-04 to 2022-23, excluding past usage from the Wallerawang Power Plant.
- For minor customers: the 20-year rolling average of actual water sales (with a two-year lag) from 2003-04 to 2022-23.
- Minimum Annual Quantity (MAQ) levels as defined in WaterNSW's licence to operate the FRWS issued under the *Water Act 1912 NSW*.

The results are shown below:

Table 23: 2024-25 usage and minimum annual quantity forecast FRWS

Customer	Usage (ML)	Minimum Annual Quantity (ML)*
Fish River – Energy Australia	1,548	8,184.0
Fish River – Raw Water Minor customers	51	17.2
Fish River – Filtered Water Minor customers	92	47.6
Total	1,690	8,248.8

* MAQ (Minimum Annual Quantity) for minor customers is 200KLs for each minor customer multiplied by the number of minor customers. For instance, 17.2 MAQ MLs is derived by multiplying 86 raw water customers by 200KLs per customer. 47.60 MAQ is derived by multiplying 238 filtered water customers by 200KLs per customer

WaterNSW's estimate of the updated high security premium is determined by multiplying the following factors:

- the reliability ratio – which is the ratio of the 1) 20-year rolling average of water allocation rates for high security licences and 2) the 20-year rolling average of water allocation rates for general security licences, with a two-year lag; and
- the conversion factor – which is a fixed factor set by IPART, using information sourced from each valley's water sharing plan. The factor represents the 'units' of general security water required to secure one 'unit' of high security water.

The updated high security premium is shown in the table below:

Table 24: Calculation of updated HS premium

Valley	Updated 20-year average of actual annual water allocations				Reliability Ratio		Conversion factor		High Security Premium
	HS Licences		GS Licences						
Border	100%	/	48%	=	2.09	X	1.25	=	2.61
Gwydir	100%	/	36%	=	2.74	X	1.40	=	3.83
Namoi	100%	/	47%	=	2.13	X	1.25	=	2.66
Peel	97%	/	57%	=	1.69	X	6.54	=	11.07
Lachlan	82%	/	35%	=	2.36	X	2.50	=	5.88
Macquarie	100%	/	36%	=	2.80	X	1.88	=	5.27
Murray	94%	/	56%	=	1.68	X	1.31	=	2.20
Murrumbidgee	97%	/	57%	=	1.69	X	1.69	=	2.87

WaterNSW's estimate of demand or consumption for infrastructure services for the current, 2023-24 financial year

The WCR require WaterNSW to disclose its estimate on current year demand as part of the annual review process.

WaterNSW's forecast of expected demand for the 2023-24 financial year is based on its estimated demand under the 'MID scenario', which considers:

- the amount of water remaining in our customers' accounts;
- the BoM's forecast to the end of the financial year, including the extent to which rainfall may suppress demand;
- water usage trends observed in similar seasons in the past; and

- Verbal information on expected usage from key/large customers.

As entitlements are typically stable, forecast entitlements are based on year-to-date figures.

These estimates are shown below:

Table 25: 2023-24 usage and entitlements forecast

Valley	2023-24 Year End Usage (ML)	2023-24 YTD Entitlements (ML)*
Border	130,000	266,359
Gwydir	300,000	536,885
Namoi	176,000	265,663
Peel	12,000	46,416
Lachlan	346,000	672,515
Macquarie	400,000	676,313
Murray	1,485,000	2,352,508
Murrumbidgee	1,700,000	2,694,501
Lowbidgee	N/A	747,000
Total	4,549,000	8,258,160

* Entitlement volumes which are billable under the fixed charge. For example, excludes supplementary licences except for the Lowbidgee, where WaterNSW levies a fixed charge on supplementary water holders.

WaterNSW's forecast of expected demand in the FRWS is based on the average year to date monthly consumption during 2023.

The estimates are shown below:

Table 26: 2023-24 usage and minimum annual quantity forecast FRWS

Customer	Usage (ML)	Minimum Annual Quantity (ML)
Fish River – Energy Australia	944	8,184.0
Fish River – Raw Water Minor customers	59	17.2
Fish River – Filtered Water Minor customers	69	47.6
Total	1,072	8,248.8

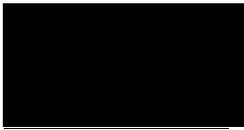
* MAQ (Minimum Annual Quantity) for minor customers is 200KLs for each minor customer multiplied by the number of minor customers. For instance, 17.2 MAQ MLs is derived by multiplying 86 raw water customers by 200KLs per customer. 47.6 MAQ is derived by multiplying 238 filtered water customers by 200KLs per customer

Chief Executive Officer's Declaration

I declare that the information provided in this application to the IPART Annual Review of 2024-25 Regulated Charges:

- is the best available information, and exhibits a true and correct account as to the water allocation rates, entitlement volumes and the water usage volumes (where applicable) for the 2021-22 and 2022-23 financial year and the entitlement volumes, water usage volumes and water allocation rates for the 2023-24 financial year (which represents an end of year forecast as at the date of this application); and
- there are no circumstances of which I am aware that would render any particulars included in the information provided to be misleading or inaccurate.

Certified by the Chief Executive Officer:



Andrew George
Chief Executive Officer
WaterNSW

28 March 2024

Dated