



Hunter Water Response to IPART's Draft Licence Package

**REVIEW OF THE
HUNTER WATER CORPORATION
OPERATING LICENCE**

3 March 2017



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Hunter Water Corporation
Response to IPART's Draft Licence Package - Review of the Hunter Water Corporation Operating Licence

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EXECUTIVE SUMMARY

This submission provides Hunter Water's views on the draft Operating Licence package released by the Independent Pricing and Regulatory Tribunal (IPART) on 13 December 2016. The licence package consists of the draft report, draft Operating Licence, draft Customer Contract and draft Reporting Manual, supported by a draft cost-benefit analysis.

Hunter Water considers that IPART has achieved its aims for this review: refining licence requirements and reporting obligations to reflect good industry practice, achieving greater licensing consistency across major public water utilities and minimising the regulatory burden whilst protecting the interests of stakeholders.

Overall, Hunter Water supports the majority of the changes proposed by IPART, including:

- Explicit authorisation to construct and augment the stormwater drainage system under Hunter Water's control, provided each project is considered on its merits.
- Continuation of the systems-based approach to licensing, which is consistent with Hunter Water's commitment to maintaining certification of our Environmental Management System and Integrated Management System, as well as the transition to a certified Asset Management System.
- Replacement of the arbitrary, prescriptive water conservation target and narrow-focused Economic Level of Leakage with a more flexible and integrated requirement to develop an Economic Level of Water Conservation.
- Various refinements to the Customer Contract, such as making it easier to read and improving the service rebates.

Areas where a different approach is proposed are:

- The provision of services to wholesale customers. Hunter Water believes it is important to ensure consistency in terminology and definitions between the Operating Licence and future IPART determinations of wholesale prices.
- The inclusion of a new licence requirement to extend rebates to consumers. Hunter Water considers this is unnecessary given rebate levels are linked to multiples of water usage and rebates are passed on to tenants due to the provisions of default residential tenancy agreements.

This submission focuses on substantive changes to the Operating Licence, particularly where IPART proposes to remove, amend or add to current regulatory obligations. In the Appendices, Hunter Water also details a range of minor drafting issues and concerns relating to the Operating Licence, Customer Contract and Reporting Manual, and offers proposed changes to improve clarity and accuracy.

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1 INTRODUCTION

1.1 About the Operating Licence

The Operating Licence, issued by the NSW Government and administered by the IPART, is Hunter Water's overarching regulatory instrument. The purpose of the licence is to enable and require Hunter Water to provide water, wastewater and stormwater drainage services within its area of operations. The Operating Licence makes Hunter Water accountable to the NSW Government for its performance, and supports the three primary policy objectives relating to the protection of public health, consumers, and the environment.¹

The *Hunter Water Act 1991* describes terms and conditions that must be included in the licence:²

- Provision of services in an efficient, co-ordinated and commercially viable manner,
- Compliance with quality and performance standards, and
- Interactions with customers and consumers, such as customer service and consultation.

The Act also confers functions on IPART in relation to monitoring and auditing compliance with the requirements of the licence.³

Hunter Water's current Operating Licence came into effect on 1 July 2012 and expires on 30 June 2017.

Hunter Water welcomes the opportunity to continue to work with IPART, other regulating bodies, stakeholders and the community in developing a new licence to apply from 1 July 2017.

1.2 Reader notes

- The 22 draft recommended changes in IPART's Draft Report are summarised in Appendix A, along with Hunter Water's response to each.
- Some totals in tables may not appear to add precisely due to rounding of the component terms in the table.
- Footnotes show abbreviated references. A full reference list is provided at the end of the submission.
- Dollar terms are \$2016-17, except where explicitly stated.

¹ IPART, 2014(a), page 2.

² *Hunter Water Act 1991* (NSW), Sections 13.

³ *Hunter Water Act 1991* (NSW), Sections 18 A-D.

2 SUPPLY OF SERVICES TO WHOLESALE CUSTOMERS

Hunter Water is not opposed to an obligation to provide services to wholesale customers, recognising that Hunter Water is able to impose lawful conditions to ensure the safe, reliable and financially viable supply of those services.

IPART's draft report sets out a qualitative cost-benefit analysis of IPART's proposal to oblige Hunter Water to provide services to 'wholesale customers', and details the conditions Hunter Water would be able to place on the supply of wholesale services.

Hunter Water has a proven track record of negotiating in good faith with wholesale customers. This is demonstrated by the finalisation of utility services agreements with two WIC licensees.

Hunter Water is always mindful of maintaining its corporate reputation in an era of competitive entry by private service providers. Hunter Water notes that no wholesale customer or any other stakeholder has made an argument in support of an obligation to service wholesale customers as part of this review – in response to IPART's issues paper or at the public workshop in February 2017.

IPART has recognised the link between pricing and licensing of wholesale services:⁴

... a potential concern about using our price determinations to regulate WIC utilities is that Sydney Water and Hunter Water, under their current operating licences, are not required to supply water and wastewater services to WIC utilities except in limited circumstances. This creates the possibility that we could determine a charge and Sydney Water, or Hunter Water, could refuse to provide the service for that charge.

Hunter Water stresses the importance of ensuring that the definitions applied by IPART in the Operating Licence and the final determination of wholesale prices are consistent and compatible. It is also crucial that IPART maintains the alignment of definitions of wholesale customers and wholesale services in any future Operating Licence review and any future determination of wholesale prices.

Hunter Water's key concern relates to the definition of wholesale services. IPART's Draft Operating Licence (clause 1.5.2) states that Hunter Water must "provide the Services on request to any Wholesale Customer for ultimate end-use within the Area of Operations". IPART's drafting of this clause includes references to the "Water Supply System" and the "Sewerage System", but does not specifically define wholesale services.

IPART's draft decision on wholesale pricing sets out a substantially different description of the relevant wholesale services. IPART's definition states that:⁵

In effect, this means wholesale services:
a) are limited to those used by to supply end-use customers with services that Sydney Water or Hunter Water could provide within the limits of their operating licences;
b) can include some transformed services (eg, a wholesale drinking water service to top up a recycled water scheme or provide recycled water).

Hunter Water considers consistency across regulatory instruments is important. The difference in definition of "services" and "wholesale services" could give rise to possible legal or commercial disagreements during the term of the next Operating Licence. One way to resolve this potential conflict is for IPART to cross-reference the definition of wholesale services from the wholesale pricing determination, and not include a separate definition of wholesale services in the Operating Licence.

⁴ IPART, 2015, page 6, lines 31 to 38.

⁵ IPART, 2016(e), page 29.

3 STORMWATER DRAINAGE SERVICES

IPART's draft Operating Licence sets out a new clause 1.2.4 relating to stormwater drainage services:

⁶

This Licence authorises (but does not require) Hunter Water to provide, construct, operate, manage and maintain a drainage service within the Area of Operations in excess of the drainage service it is required to provide, operate, manage and maintain

IPART received advice during the review on the scope of Hunter Water's powers to undertake capital works on stormwater assets. The advice concluded that Hunter Water is not prevented from augmenting or constructing stormwater drainage assets, but is not required to do so.⁷

IPART's draft clause amends the licence authorisation to explicitly allow Hunter Water to enhance, expand and add capacity to the stormwater drainage systems under its control. IPART made a similar change to Sydney Water's Operating Licence in 2015.

IPART states that Hunter Water "is allowed to go beyond maintaining the status quo, provided each project is considered on its merits".⁸

Hunter Water supports IPART's revised drafting of this Operating Licence clause. Up until this review, the wording of the Operating Licence was drafted in a way that limited Hunter Water's responsibility to the operation and maintenance of stormwater assets that existed when the *Hunter Water Act 1991* was first gazetted.

The revised clause will allow Hunter Water to work with local councils and developers to consider stormwater construction and augmentation projects that deliver joint benefits for all parties including the broader community. For example, local councils have proposed a number of stormwater projects to address localised pockets of nuisance flooding. Hunter Water could recover the costs of any additional works from those parties that benefit from having a more cost-effective solution to a flooding or drainage problem.

Hunter Water is often asked by councils and community groups to consider projects that involve the rehabilitation of stormwater canals to more natural conditions. Hunter Water is interested in exploring ways of enhancing the amenity of parklands and other public areas. This work would also look at ways of further improving the quality of stormwater flows into receiving waters. These types of projects offer the opportunity to improve the liveability of urban areas.

Hunter Water recognises that it would need to demonstrate the prudence and efficiency of each project that involves an investment in amplifying and enhancing stormwater assets. This evaluation would take account of the level of customer and community support in instances where the nature of the work goes beyond a specific licence or regulatory obligation.

⁶ IPART, 2016(d), page 8.

⁷ IPART, 2016(b), page 18.

⁸ IPART, 2016(b), page 18.

4 ECONOMIC LEVEL OF WATER CONSERVATION

Hunter Water's response to IPART's issues paper supported the Economic Level of Water Conservation (ELWC) approach, proposed timelines and reporting requirements.

The ELWC requirement builds on Hunter Water's work in developing an economic level of leakage methodology – effectively extending and refining this approach to cover a wider range of water conservation initiatives and projects.

IPART first introduced the ELWC approach for Sydney Water in 2015. Hunter Water has participated in Sydney Water's Interagency Reference Group and reviewed Sydney Water's final ELWC methodology. Sydney Water has devoted considerable time and effort to finalising a robust and workable methodology.

Hunter Water will learn from Sydney Water's experience and approach. Hunter Water's methodology will reflect Hunter Water's operating environment, scale of operations, existing stakeholder engagement processes and the scope of potential water conservation projects.

Hunter Water works closely with DPI Water in reviewing and implementing the current Lower Hunter Water Plan (LHWP). Hunter Water will adopt the same collaborative approach in developing the next iteration of the plan. Hunter Water does not consider there is an inconsistency between the LHWP planning work and the ELWC methodology. Both capture and assess the financial and non-financial costs and benefits of various water conservation options from catchment to tap. Hunter Water's 'Water Conservation Report' will include all relevant initiatives from the LHWP, drawing on the research and cost-benefit analysis of projects from the joint work with DPI Water.

5 PERFORMANCE STANDARDS

IPART's draft report recommended the retention of existing system performance standards and the maintenance of existing thresholds for each of the five standards. IPART added a new licence condition "*...to ensure information is gathered within the term of the new licence to inform a future review of the system performance standards*".⁹

Hunter Water's response to the issues paper argued in favour of retaining the current system performance standards pending customer engagement on values and preferences. Hunter Water, therefore, endorses IPART's proposed approach.

Hunter Water notes that no stakeholder has proposed any changes to the existing standards or thresholds during the course of this review.

Hunter Water welcomes the Operating Licence requirement to survey customers in order to inform a future IPART Operating Licence review. Hunter Water is committed to delivering a level of service quality that is consistent with customer and community expectations and willingness to pay for those service levels. A review of performance standards before the end of 2020 would enable IPART to factor in any necessary changes to expenditure levels into subsequent pricing decisions.

Hunter Water would like to explore with Sydney Water possibly doing a joint project in this area. This would focus on developing the best approaches and techniques to gauge customer and community expectations regarding service levels and bill impacts. Hunter Water would test and apply those techniques to the customer base and broader community in the Lower Hunter. This work would incorporate consultation in relation to setting of appropriate rebate levels for inconvenience caused.

IPART had flagged in the cost-benefit analysis the possible consideration of alternative performance standards, similar to those applied by electricity network distribution businesses. These indices measure the duration and frequency of supply interruptions. Hunter Water agrees that these statistical measures may provide more meaningful targets for customer service levels by focusing on more typical system conditions. They may also provide a more consistent basis for utility comparison, possibly enabling the design of a service incentive scheme. Hunter Water is keen to explore these approaches as part of the customer engagement work for the next licence review.

IPART has changed the definition of a "water pressure failure" in the Operating Licence by deleting: "*but does not include a situation in which the Property experiences low water pressure on a day when peak demand exceeds 370 megalitres per day*". Hunter Water understands that IPART agreed to this definition in an earlier Operating Licence review as way of excluding extreme events (beyond a one-in-20 year occurrence). IPART has effectively tightened the water pressure standard by amending the definition.

Hunter Water plans its capital works program to meet the water pressure standard, subject to the 370 megalitre per day limit. IPART's cost-benefit analysis did not include any assessment of additional capital expenditure or implementation costs associated with this change in definition. Hunter Water is of the view that IPART should retain the existing definition until Hunter Water completes the broader review of performance standards and customer values.

⁹ IPART, 2016(b), pages 6 and 46.

6 CUSTOMERS, CONSUMERS AND REBATES

In its submission to IPART's Issues Paper, Hunter Water proposed changes to the design of the customer rebates that form part of the Customer Contract.¹⁰ The proposals were considered to better target the inconvenience caused to customers and improve equity for customers in like circumstances.

The proposed service rebates were developed by:

- A review of stakeholder views and IPART's responses from the last review.
- Analysis of data on the number of payments and total expenditure for each rebate across the 2012-2017 Operating Licence term.
- A review of rebates across the Australian water industry.
- Addressing feedback from customers, as conveyed by frontline customer service employees.

6.1 Changes to rebates arising from the 2010 IPART Review of Hunter Water Customer Contract

Hunter Water's current rebate structure was introduced in 2011 as part of the current Customer Contract. It represented a significant evolution, with major changes being:

- Alignment of eligible event categories with system performance standards. Performance monitoring data therefore serves multiple purposes, which minimises costs and workload. Moreover, the alignment between rebates and system performance standards means that signals to the water utility to improve performance are reinforced across the Operating Licence and Customer Contract.
- Setting rebate levels on the basis of level of inconvenience caused, as evidenced by responses to a customer survey that were subsequently validated by the Customer Consultative Forum.
- Linking rebate levels to water usage charges so that the affected occupant would be compensated for inconveniences caused by service shortfalls and customers experiencing financial hardship would be supported (often these are tenants). The value of the rebate also increases with any water usage price increases, rather than remaining static over the five years between reviews.

IPART formed the view that:¹¹

- Rebates payable under a Customer Contract should be substantially based on the system performance standards contained in the Operating Licence.
- Hunter Water's proposal to apply the rebates only to the usage component of the bill is appropriate. The tenant is responsible for paying the usage component of a water bill under the default residentially tenancy agreement and it is the tenant who experiences the reduction in service and should receive the benefit of the rebate.
- It is not appropriate to directly compare Hunter Water's rebates with those provided by Sydney Water. The rebates are broadly aligned however in some cases there are strong reasons for a different approach.

PIAC and EWON supported Hunter Water's proposal to calculate and apply rebates by reducing the amount of water usage that is charged by a specific kilolitre allowance.¹²

In the 2010 review, PIAC and EWON did not support two specific rebate proposals:

- Removal of the rebate for long duration planned drinking water supply interruptions.
- The water pressure eligible for a low pressure rebate and identification of recipients through verified customer complaints rather than system monitoring.

Hunter Water reconsidered both of these issues in developing its rebate strategy for the current review (see section 0).

¹⁰ Hunter Water, 2016, section 7.2.3, pages 40 – 46.

¹¹ IPART, 2011, section 3.1, pages 5 – 6.

¹² Ibid, page 6.

6.2 Comparison of rebates across the Australian urban water industry

During this review EWON has expressed its preference for identical service rebates to be offered in the Customer Contracts of Sydney Water and Hunter Water.¹³ Furthermore, EWON has expressed the view that two of Hunter Water's categories of rebates are "not fair, reasonable or in accordance with good industry practice".¹⁴

In formulating its proposals, Hunter Water compared its current rebate criteria and levels with other major Australian water utilities, such as Sydney Water, Icon Water, Yarra Valley Water, South East Water and the Water Corporation. The event categories and rebate levels are broadly consistent across utilities.

Sydney Water has observed:¹⁵

There is no standard practice across water utilities in Australia for providing rebates for service faults or interruptions. Some utilities do not provide any rebates. Some only offer compensation for property damage due to a fault in their system.

Hunter Water's rebates are most closely aligned with Sydney Water's rebates, as expected given the common licensing regulator. Sydney Water's rebate levels are multiples of \$35 and do not adjust for inflation each year. Hunter Water's rebates are based on multiple of 15 kilolitres of water usage and automatically adjust each year in line with prices. That is, whilst Hunter Water's base rebate value is marginally less than Sydney Water in 2016-17 (\$33.75 compared with \$35.00), it is likely to exceed Sydney Water's from 2017-18 due to the built-in adjustment for indexation.

Some interstate utilities place greater emphasis on service levels for customer interactions (e.g. time to respond to a complaint, customer connection times) than service levels related to infrastructure performance (e.g. water pressure, dirty water). An overview of the water industry rebate comparison is provided in Table 6.1.

Table 6.1 Comparison of service rebates across Australian urban water industry 2015-16

| Hunter Water | Sydney Water | Icon Water | Yarra Valley Water | South East Water | Water Corporation |
|--|--------------------------|-------------------------------------|---|-----------------------|------------------------|
| NSW | NSW | ACT | VIC | VIC | WA |
| Planned water interruption with notice | | | | | |
| 15 kL (\$33.30) for ≥ 3 events, each > 5 hours | \$35 if > 5 hours | \$50 if < 2 days' notice | \$50 if < 3 days' notice | No rebate | No rebate ¹ |
| Becomes unplanned if outside the timeframe notified or notice is less than specified in the Customer Contract | | \$50 if longer than notified | \$50 if longer than notified \$50 if between 5 and 9 am or 5 and 11 pm | | |
| Unplanned water interruption | | | | | |
| Single event | | | | | |
| 15 kL (\$33.30) if > 5 hours <i>(between 5 am and 11pm)</i> | \$35 if > 5 hours | \$20 > 12 hours | \$50 > 4 hours | \$50 > 5 hours | No rebate ¹ |

¹³ EWON, 2016 and IPART public workshop transcript.

¹⁴ IPART, 2017, public hearing transcript.

¹⁵ Sydney Water, 2015, page 32.

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| Hunter Water | Sydney Water | Icon Water | Yarra Valley Water | South East Water | Water Corporation |
|--|--|---|---|--|-------------------|
| NSW | NSW | ACT | VIC | VIC | WA |
| Multiple events in 12 months | | | | | |
| 30 kL (\$66.60) for 2 events | \$70 for 2 events | \$20 > 12 hours | \$50 > 5 events (<i>applies per event</i>) | \$50 > 5 events (<i>applies per event</i>) | |
| Additional 15 kL (\$33.30) ≥ 3 events of more than 1 hour each (<i>between 5am and 11pm</i>). i.e. 45 kL (\$99.90) maximum p.a. | 100% annual water service charge for ≥ 3 events (\$102.56 for res) | | | | |
| Wastewater overflow | | | | | |
| Single event | | | | | |
| 30 kL (\$66.60) | \$60 | See "Other", failure to respond in specified time | \$1,000 onto customers' property and not contained in 4 hours \$1,000 within house and not contained in 1 hour | \$1,000 onto customers' property and not contained in 5 hours | Case by case |
| Multiple events in 12 months | | | | | |
| 120 kL on third event (\$266.40) | 100% annual wastewater service charge on second event (\$609.16 for residential) | Per single event | Per single event | Per single event | Case by case |
| Water pressure failure | | | | | |
| 15 kL (\$33.30) for ≥ 5 events | \$35 Payable for 1 event each quarter | See "Other", failure to respond in specified time | <i>No rebate</i> | <i>No rebate</i> | Case by case |
| Water flow rate | | | | | |
| <i>No rebate</i> | <i>No rebate</i> | <i>No rebate</i> | \$50 if less than minimum for meter size (<i>e.g. 20mm is < 20 L/min</i>) | <i>No rebate</i> | Case by case |
| Boil water alert | | | | | |
| 15 kL (\$33.30) | \$35 | <i>No rebate</i> | <i>No rebate</i> | <i>No rebate</i> | <i>No rebate</i> |

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| Hunter Water | Sydney Water | Icon Water | Yarra Valley Water | South East Water | Water Corporation |
|---|---|--|---|------------------|-------------------|
| NSW | NSW | ACT | VIC | VIC | WA |
| Dirty Water | | | | | |
| Case by case | \$35 Or case by case claim to clean, replace or repair damaged item | No rebate | No rebate | No rebate | Case by case |
| Enter customer property without permission | | | | | |
| No rebate | No rebate | No rebate | \$50 | No rebate | No rebate |
| Not reply to letter in specified time | | | | | |
| No rebate | No rebate | \$20 if fail to acknowledge a complaint immediately or asap | \$50 > 4 days | No rebate | No rebate |
| | | \$20 respond to complaint > 20 business days | | | |
| Other | | | | | |
| None | None | Customer connection times \$60 for each day late up to \$300 max | \$300 action for non-payment without taking reasonable endeavours to contact customers and provide hardship/assistance information | | None |
| | | Failure to respond to a notification of a network problem or concern within specified time \$60 for each day late up to \$300 max | | | |

Notes:

1. Alternative temporary supply of "essential" drinking water on request for interruptions > 6 hours
2. Table based on available information on utility websites. Dollar values are \$2015-16.

6.3 Rationale for proposed rebate strategy

6.3.1 Planned interruptions

Most major urban water utilities do not provide a rebate for planned interruptions with adequate notice, unless the notified period is exceeded. In this case, Hunter Water counts the event as an unplanned interruption (e.g. ACT, WA, Victoria and South Australia).

At the last review of the Customer Contract, Hunter Water undertook a customer survey to inform its rebate strategy. The survey found that very few respondents (13%) expected a rebate when at least two days' notice was provided (as required under the Customer Contract) and most respondents said they would be not inconvenienced or only slightly inconvenienced in this situation.¹⁶

Given these factors, and the absence of customer complaints regarding rebates for planned interruptions, Hunter Water proposed retention of the rebate for planned interruptions with a refinement of only applying during peak hours. It was considered that this timeframe better reflected the times when customers are inconvenienced and improved alignment with the unplanned interruptions rebate. Hunter Water encourages customers that experience inconvenience outside peak hours to make contact, in which case a rebate will be issued upon provision of details of the inconvenience caused.¹⁷

Hunter Water acknowledges that the customer engagement work previously undertaken in relation to rebates needs refreshing. Hunter Water intends to work towards better understanding of the types of events that inconvenience customers and the level of inconvenience caused in the lead up to the next Operating Licence and Customer Contract review. Consultation on rebates will be undertaken in conjunction with the review of system performance standards.

6.3.2 Low water pressure

The Operating Licence system performance standard for low water pressure requires Hunter Water to provide a higher level of service than the equivalent for Sydney Water. An unacceptably low water pressure as less than 20 metres head for a continuous period of 30 minutes or more in Hunter Water's area of operations but 15 metres head in Sydney Water's area of operations. These different threshold minimum pressures have historical origins and have been carried over to the description of water supply services in each utility's Customer Contract.

Despite the difference in minimum drinking water pressure in Operating Licences, Sydney Water's and Hunter Water's low water pressure rebate have used a common eligibility threshold of 15 metres head.

At the 2010-11 Customer Contract Review Hunter Water proposed retaining the 15 metres head minimum pressure for payment of service rebates because:

- It is consistent with levels experienced by residents in many other urban and rural areas of Australia.
- It is appropriate to pay rebates on the same water pressure standard as Sydney Water.
- Results from the customer survey clearly indicated that customers did not perceive low water pressure to cause them significant inconvenience. When asked about the level of inconvenience experienced by five or more occasions of low water pressure lasting 30 minutes each, over 65 per cent of respondents believed that they would either be not inconvenienced, or somewhat inconvenienced.
- Hunter Water has approximately 1600 customer connections that regularly experience water pressure below 20 metres head because they reside in an area with developer approval for low pressure based on the height of their land relative to the reservoir serving their properties.

IPART accepted Hunter Water's proposal to retain the 15 metres head threshold but indicated that it would review the potential to further align Hunter Water's low water pressure rebate with Sydney Water's at the end of term review of Hunter Water's Operating Licence in 2011-12.

¹⁶ Australian Survey Research Pty Ltd, 2010.

¹⁷ This is currently the case for unplanned interruptions, as detailed on the pamphlet *Customer Contract Summary*, provided on Hunter Water's website and annually with water bills.

During the last end of term Operating Licence Review, IPART required Hunter Water to provide information to support a cost benefit analysis of replacing its low water pressure rebate with that of Sydney Water. The change would involve reducing the time period from 30 minutes to 15 minutes, increasing the rebate payment frequency from one payment on the sixth low pressure event per financial year to payment for one low pressure event per quarter. IPART found that the benefits of this change (potential reductions in water losses, more accurate calibration of water systems models) would be unlikely to exceed its costs (\$10 million over five years to install water pressure monitors, pressure monitoring, modifications to the billing system including quarterly billing). PIAC accepted the status quo given IPART's assessment.

During the 2012-2017 Operating Licence term Hunter Water received one escalated complaint from a customer who experienced water pressure between 15 metres head and 20 metres head. Hunter Water employees also provided feedback that the differing pressure thresholds between the Operating Licence system performance standard and Customer Contract rebate created confusion for both internal and external stakeholders. In order to address this situation Hunter Water proposed application of the same low water pressure definition in the Customer Contract as in Operating Licence, along with a semi-automated process of identifying eligible properties.

Hunter Water's proposed rebate for low drinking water pressure is now more generous in that its customers would be eligible for a rebate if the pressure is less than 20m head at the point of connection, which is a higher (better) pressure than the 15m head threshold applies under Sydney Water's Customer Contract. This acts as an offset for Sydney Water's payment of a rebate for one low pressure event per billing cycle compared with Hunter Water's payment of a rebate for one low pressure event per financial year (currently only paid on the sixth event in any financial year).

Hunter Water considers that it has proactively addressed feedback from customers and advocacy groups in developing its proposed low pressure rebate and will consider further transition in the next Customer Contract review.

6.3.3 Wastewater overflow

Customer feedback provided to frontline customer services staff and the Customer Care and Complaints Team shows that wastewater overflows on private property are the most inconveniencing and emotive service-related event. Some of the customer complaints regarding this rebate category could be resolved through refining internal business practices however some are related to the rebate structure.

Hunter Water formed the view that a customer experiencing two dry weather wastewater overflows onto their property are not being compensated for the reduced service level and associated inconvenience. Hunter Water's proposed wastewater overflow rebate structure addresses this issue without adversely affecting customer experiencing either one or three overflows. It is noted that affected customers receive a rebate regardless of the response time.

EWON has expressed the view that Hunter Water's wastewater overflow rebates are *"not fair, reasonable or in accordance with good industry practice"* on the basis that the rebates differ from those offered by Sydney Water.¹⁸

In the event of a dry weather wastewater overflow onto private property, Hunter Water's highest priority is to stop the overflow. This will protect human health, protect the environment and prevent further damage or inconvenience. The affected area is cleaned and disinfected, if required. Rebates compensate customers for the reduced standard of service. Hunter Water observes that there is no standard practice across Australia in relation to provision of rebates for wastewater overflows (see Table 6.1) and considers its proposal a reasonable improvement compared with current practice.

Hunter Water intends to work towards better understanding of the types of events that inconvenience to customers and the level of inconvenience caused.

¹⁸ IPART, 2017, public hearing transcript.

7 GLOSSARY

This section provides a general glossary of terms used in this submission.

| Term | Acronym | Definition |
|--|---------|---|
| Area of operations | | As specified in Section 16 of the <i>Hunter Water Act 1991</i> , a description of which is included in Schedule B of Hunter Water's 2012 – 2017 Operating Licence. |
| Economic level of leakage | ELL | The level of leakage at which it would cost more to reduce the leakage than to produce water from another source. |
| Energy and Water Ombudsman of NSW | EWON | The NSW industry complaints scheme for the water industry of that name and any successor to that scheme. |
| Independent Pricing and Regulatory Tribunal of NSW | IPART | The independent body that oversees regulation in the water, gas, electricity and public transport industries in NSW. |
| NSW Health | | NSW Department of Health. |
| Operating Licence | | A licence issued under the <i>Hunter Water Act 1991 (NSW)</i> . |
| Public Interest Advocacy Centre | PIAC | An independent, non-profit law and policy organisation dedicated to helping vulnerable and disadvantaged people. |
| Sewage | | Term used interchangeably with wastewater. The wastewater from homes, offices, shops, factories and other premises discharged to the sewer. |
| Sewerage system | | The network of pipes, pumping stations and treatment plants used to collect, transport, treat sewage (wastewater) for disposal or recycling. |
| System performance standards | | Limits to the number of properties affected by service levels lower than the minimum. |
| Stormwater | | Rainwater that runs off the land, frequently carrying various forms of pollution, such as litter and detritus, animal droppings and dissolved chemicals. This untreated water is dissolved in stormwater channels and discharged directly into creeks, rivers, the harbour and the ocean. |
| Wastewater | | Term used interchangeably with sewage. |
| Wastewater overflow | | A discharge of wastewater from the wastewater system. These overflows may occur in wet or in dry weather. |
| Wastewater system | | Term used interchangeably with sewerage system. |
| Water conservation target | | The five year rolling average for annual residential water consumption calculated for each financial year. The target is set at 215 kilolitres per year in Hunter Water's 2012-2017 Operating Licence. |
| Water efficiency | | Preventing and reducing wasteful, uneconomical, impractical or unreasonable use of water resources. |
| Water supply network | | System of water sources, including dams, bores, treatment plants, pump stations and distribution pipes, used to supply drinking water on demand to customers. |
| WIC Act | | <i>Water Industry Competition Act 2006 (NSW)</i> |

8 REFERENCES

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APPENDIX A

LIST OF DRAFT RECOMMENDED CHANGES AND RESPONSES

| DRAFT IPART RECOMMENDATION | HUNTER WATER RESPONSE |
|---|--|
| LICENCE STRUCTURE | |
| 1. Adopt a proposed licence structure to better align the licence terms and conditions with Hunter Water's operational activities. | Support. |
| LICENCE CONTEXT AND AUTHORISATION | |
| 2. Add an objective statement to the Operating Licence. | Support. |
| 3. Amend the licence obligations to explicitly allow Hunter Water to construct and augment the stormwater drainage systems under its control. | Support. This clarifies that Hunter Water is allowed to go beyond maintaining the status quo, provided each project is considered on its merit. (see section 3 of the main body of this submission for further detail) |
| 4. Extend the obligation to provide services to include certain wholesale customers. | Hunter Water is not opposed to such an obligation, recognising that Hunter Water is able to impose lawful conditions to ensure the safe, reliable and financially viable supply of wholesale services. It is important to ensure consistency in terminology and definitions between the Operating Licence and relevant IPART price determination. (see section 2 of the main body of this submission for further detail) |
| 5. No change to licence review period at this point in time. | Support intention to revisit alignment of price review and licence review during the next review. This would facilitate Operating Licence requirements being established such that the cost of compliance with those requirements is factored into prices. |
| WATER CONSERVATION | |
| 6. Adopt the concept of Economic Level of Water Conservation to replace the prescriptive limit on water consumption and the Economic Level of Leakage. | Support concept and timeframes. Hunter Water considers the Economic Level of Water Conservation Methodology and planning work for the Lower Hunter Water Plan can be delivered in a consistent and complementary manner. (see section 4 of the main body of this submission for further detail) |
| 7. Introduce a requirement to prepare an annual Water Conservation Report after the Economic Level of Water Conservation methodology is approved by IPART. | Support. |
| SUPPLY SERVICES & PERFORMANCE STANDARDS | |
| 8. Amend the note to the Drinking Water Quality Management System licence clause to make it clear that unfiltered water is restricted to non-potable uses. | Support. |
| 9. Clarify NSW Health's role in relation to water quality management. | Support. Reflects current practice. |
| 10. Include a new licence condition to ensure information is gathered within the term of the new licence to inform a future review of the system performance standards. | Support. The requirement for customer engagement by 31 December 2020 is consistent with Hunter Water's response to IPART's Issues Paper. (see section 5 of the main body of this submission for further detail) |

| DRAFT IPART RECOMMENDATION | HUNTER WATER RESPONSE |
|---|---|
| ORGANISATIONAL SYSTEMS MANAGEMENT | |
| 11. Introduce in the licence a requirement for an AMS to be consistent with ISO 55001 by 31 December 2017 and certified by 1 July 2018. | Support. Reference to the international version of the standard is appropriate (see response to draft decision 14) |
| 12. Remove the requirement for State of the Assets reporting in the Reporting Manual. | Support. |
| 13. Include a one-off reporting requirement to provide a copy of the Strategic Asset Management Plan to IPART once certification to ISO 55001 is achieved. | Support. |
| 14. Amend the EMS and QMS licence conditions to require Hunter Water to maintain systems and certification to the most up-to-date standards. | Support. Hunter Water notes that the amended licence conditions refer to the ISO standards rather than the AS/NZS ISO standards. Reference to the international versions of the standards (ISO 14001 and ISO 9001) is appropriate as it will result in an earlier transition to the most recent versions and avoid confusion (Australian versions of the standards are often identical to the international version but released later). |
| PERFORMANCE MONITORING AND REPORTING | |
| 15. Add new licence conditions to require Hunter Water to report to IPART against NWI performance indicators. | Support. No change to current practice. |
| CUSTOMER AND STAKEHOLDER RELATIONS | |
| 16. Amend the Customer Contract to make the contract easier to understand. | Support. This is consistent with Hunter Water's proposal. |
| 17. Revise rebate clauses in the Customer Contract as proposed by Hunter Water for planned water interruptions, low water pressure and wastewater overflows. | Support. This is consistent with Hunter Water's proposal. The proposed new licence requirement for Hunter Water to provide rebates to consumers is unnecessary and creates unintended consequences. The form of rebate (water usage allowance) is able to be passed on to consumers via rental agreements without Hunter Water intervention (see section 0 of the main body of this submission for further detail). |
| 18. Add a requirement to negotiate a Code of Conduct with WIC Act licensees. | Support. No change to current practice whereby the Code of Conduct is addressed in the Utility Services Agreement. |
| 19. Amend Roles and Responsibilities Protocol with DPI Water so that it says " <i>...the review and implementation of the Lower Hunter Water Plan</i> " rather than " <i>...the development of the Lower Hunter Water Plan</i> ". | Support. |
| 20. Add a requirement to establish a MoU with FRNSW to form the basis for a co-operative relationship. | Support. |
| SCHEDULES | |
| 21. Include the current map of Hunter Water's Area of Operations. | Support. |
| 22. Include authorisation of the transfer of water to and from Central Coast Council in the Area of Operations. | Support. |

APPENDIX B

REQUESTED CHANGES TO DRAFT OPERATING LICENCE

REVIEW OF OPERATING LICENCE 2017-2022

| DRAFT OPERATING LICENCE CLAUSE | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|--|---|
| 1 | LICENCE CONTEXT AND AUTHORISATION | |
| 1.1 | Objective of this Licence | No change |
| 1.2 | Licence authorisation | No change |
| 1.3 | Term of this Licence | No change |
| 1.4 | Licence amendment | No change |
| 1.5 | Obligation to make Services available | <p>1.5.2 Subject to Hunter Water continuing to comply with any applicable law, Hunter Water must provide the Wholesale Services on request to any Wholesale Customer for ultimate end use within the Area of Operations, where that Wholesale Customer is connected to, or where there is a connection or a connection is available in respect of that Wholesale Customer to:</p> <p>a) in the case of supplying water, the Water Supply System; and</p> <p>b) in the case of providing sewerage services and/or disposing of Wastewater, the Sewerage System.</p> <p>1.5.3 Hunter Water may impose any lawful conditions it sees fit on the making available of Services under clause 1.5.1 or clause 1.5.2, to ensure the safe, reliable and financially viable supply of the Services in accordance with this Licence.</p> <p>Provision of the Services under clause 1.5.1 or clause 1.5.2 is subject to any conditions Hunter Water may lawfully impose to ensure the safe, reliable and financially viable supply of the services in accordance with this Licence.</p> <p>The corresponding IPART draft price determination and report define Wholesale Services rather than Wholesale Customer. Consistency in terminology and definitions would provide clarity in the affected services and corresponding regulated prices. See also clause 7.2 in this appendix and section 2 in the main body of this submission.</p> <p>Revised drafting of clause 1.6.2 of Hunter Water's 2012-2017 Operating Licence (now clause 1.5.3) weakens the conditionality of the obligations to make services available. It changes the precedence between the fulfilment of conditions and the obligation to service and thereby assumes that in all circumstances there will be conditions that Hunter Water can lawfully impose that would enable the connection to meet the criteria of "safe, reliable and financially viable supply of the services".</p> <p>Hunter Water prefers the drafting in clause 1.6.2 of its 2012-2017 Operating Licence.</p> |
| 1.6 | Non-exclusive Licence | No change |
| 1.7 | Making copies of this Licence available | No change |
| 1.8 | Pricing | <p>1.8.1 Hunter Water must set the level of fees, charges and other amounts payable for its Services subject to the terms of this Licence, the Act, and the IPART Act and any applicable determination or determinations under the IPART Act.</p> <p>Remove tautology. Terms of the IPART Act includes any applicable determination or determinations under the IPART Act.</p> |

REVIEW OF OPERATING LICENCE 2017-2022

| Draft Operating Licence Clause | Clause Detail and Requested Change | Rationale |
|--------------------------------|--|--|
| 1.9 | End of term review | No change |
| 1.10 | Notices | No change |
| 2 | WATER CONSERVATION | |
| 2.1 | <p>Economic level of water conservation</p> <p>2.1.5 Until Hunter Water has obtained IPART's approval for the methodology (in accordance with clauses 2.1.2 and 2.1.3), and developed a water conservation program, Hunter Water must:</p> <p>a) ensure that the 5 year rolling average for annual residential water consumption calculated for each financial year is equal to or less than 215 kilolitres per year for each Property used for residential purposes which is connected to the Water Supply System (Water Conservation Target); and</p> <p>b) ensure that the level of leakage from its Drinking Water Network is determined by the methodology for the Economic Level of Leakage approved by IPART in 2014.</p> <p><i>[Note: Clauses 2.1.1 – 2.1.3 requires Hunter Water to develop a methodology for determining the economic level of water conservation over a 16 month period; and Clause 2.1.5 requires Hunter Water to maintain water conservation requirements that was in the immediate predecessor to this Licence while the methodology is being approved.]</i></p> | <p>The interim requirement to maintain current obligations in relation to the Water Conservation Target and Economic Level of Leakage (ELL) are supported in-principle, however drafting of the ELL clause should be refined.</p> <p>The current drafting of 2.1.5 b) is unclear – particularly in relation to the wording “is determined by”. Possible interpretations are:</p> <ul style="list-style-type: none"> Hunter Water must ensure that its actual level of leakage is within the Economic Level of Leakage (ELL) as determined: <ul style="list-style-type: none"> in the once-off report approved by IPART in 2014, or by applying the methodology approved by IPART in 2014 but updating the calculation annually (or some other time interval) Hunter Water must report its actual level of leakage and the ELL, at a certain frequency, with the ELL being the point in time figure as at 2014 or updated. <p>The current Operating Licence required Hunter Water to determine and report the ELL as a once-off requirement therefore neither interpretation of clause 2.1.3 b) is consistent with maintaining the current obligation. Hunter Water's preference would be to remove this draft obligation, noting that reporting of leakage performance addressed through National Water Initiative Performance Indicators (see draft Operating Licence clause 5.3).</p> |

| DRAFT OPERATING LICENCE CLAUSE | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|--|---|
| 3 | SUPPLY SERVICES AND PERFORMANCE STANDARDS | |
| 3.1 | Drinking water | No change |
| 3.2 | Recycled water | No change |
| 3.3 | System performance standards | <p>3.3.5 Interpretation of standards</p> <p>a) For the purposes of the Water Pressure Standard and Water Continuity Standard, each separately billed or separately occupied part of a Multiple Occupancy Property is considered to be one Property.</p> <p><i>[Note: for example, a block of five townhouses or apartments is counted as five Properties, and a block of land on which there is a house and a granny flat is counted as two Properties.]</i></p> <p>b) For the purposes of the Wastewater Overflow Standard, a Multiple Occupancy Property is considered to be one Property.</p> <p><i>[Note: for example, a block of five townhouses or apartments is counted as five Properties, and a block of land on which there is a house and a granny flat is counted as two Properties.]</i></p> <p>c) For the purposes of the Water Pressure Standard, Water Continuity Standard, and Wastewater Overflow Standard, a recipient of Wholesale Services is not considered to be a Property.</p> <p>e) d) In the case of any ambiguity in the interpretation or application of any of the standards set out in this clause 3.3, IPART's interpretation of the relevant standard or assessment of its application will prevail.</p> <p>Explanatory note</p> <p>The treatment of properties that include a granny flat is inconsistent with the 2016 IPART price determination (retail).²³ IPART recognised the difficulty in identifying dual occupancies and decided that charges for the properties be based on the number of connections/meters (i.e. situations where there are two dwellings owned by a single entity on a single title property). It would be consistent with the price determination and be a pragmatic approach to exclude dual occupancies from clause 3.3.5 given the complexity for a public water utility in collecting relevant information.</p> <p>Wholesale Customers</p> <p>Wholesale customers (recipients of wholesale services) often own water and sewerage infrastructure used for their business but may not own the land to which a connection is requested. Such a situation would not meet the definition of property and therefore should not be included in the calculation.</p> <p>Explicit clarification of the treatment of wholesale customers for the purposes of reporting performance against IPART indicators would provide clarity to stakeholders (including auditors) and assist Hunter Water in complying with draft licence clause 5.2.2 from commencement of the Licence term (record management systems and accurate reporting).</p> <p>An alternative approach to addressing this issue would be to amend the definition of property in Clause 7.1.</p> |

²³ IPART, 2016, *Hunter Water Corporation: Maximum prices for water, sewerage, stormwater drainage and other services from 1 July 2016*. Water – Final Report. June, Sydney, pages 122 and 123.

| DRAFT OPERATING LICENCE CLAUSE | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|--|--|
| 4 | ORGANISATIONAL SYSTEMS MANAGEMENT | |
| 4.1 | Asset management system | No change |
| 4.2 | Environmental management system | No change |
| 4.3 | Quality management system | No change |
| 5 | PERFORMANCE MONITORING AND REPORTING | |
| 5.1 | Operational audits 5.1.2 a) Hunter Water must provide to IPART or the Auditor all information in Hunter Water's possession, or under Hunter Water's custody or control, which is necessary or convenient for the conduct of the Operational Audit. b) Without limiting clause 5.1.2(a), Hunter Water must provide to IPART or the Auditor any information necessary or convenient for the conduct of the Operational Audit which IPART or the Auditor requests in writing, within any reasonable timeframe specified by IPART or the Auditor in writing. | Remove duplication between 5.1.2 a) and b), 5.4.1, and 5.4.2. Locate these clauses with along with other clauses regarding provision of information to IPART and Auditors. |
| 5.2 | Reporting Manual | No change |
| 5.3 | National Water Initiative Performance Indicators | No change |
| 5.4 | Provision of information to IPART and Auditor 5.4.1 Hunter Water must provide IPART or an Auditor with all information in Hunter Water's possession, or under Hunter Water's custody or control, which is necessary or convenient for the conduct of the Operational Audit. relating to the performance of any of Hunter Water's obligations under clause 5.2 (including providing IPART with physical and electronic access to the records required to be kept under clause 5.2) within a reasonable time of Hunter Water receiving a request from IPART or an Auditor for that information. 5.4.2 Hunter Water must provide IPART or an Auditor with such information as is reasonably required to enable IPART or an Auditor to conduct any review or investigation of Hunter Water's obligations under this Licence within a reasonable time period of Hunter Water receiving a | Remove duplication between 5.1.2 a) and b), 5.4.1, and 5.4.2. Locate these clauses with along with other clauses regarding provision of information to IPART and Auditors. Remove duplication in 5.4.1 and 5.4.2 of timeframe for provision of information. |

| | | | |
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| | | request from IPART or an Auditor for that information. | |
| | | <p>5.4.4 b) IPART and Auditors are to conduct themselves in respect of any confidential information, provided to them by Hunter Water under this Licence, as though section 24FF(1) of the IPART Act applied to that information.</p> <p><i>[Note: Section 24FF(1) of the IPART Act makes provision in respect of confidential information received by IPART in connection with its licence auditing functions.</i></p> <p><i>Auditors are required to enter into a Confidentiality Deed with Hunter Water in respect of any reasonable conditions Hunter Water may impose to protect confidential information provided in accordance with 5.4.1, 5.4.2, and 5.4.3]</i></p> | <p>Auditors are not bound by the Licence or the IPART Act.</p> <p>The contractual agreement between IPART and Auditors for the conduct of an Operational Audit may include conditions in respect of any confidential information provided to them by Hunter Water. However, as Hunter Water is not a party to any contractual between IPART and Auditors, Hunter Water would require the Auditors to enter into a Confidentiality Deed in respect of provision of confidential information.</p> |
| 6 | CUSTOMER AND STAKEHOLDER RELATIONS | | |
| 6.1 | Customer Contract | No change | |
| 6.2 | Consumers | <p>6.2.1 Hunter Water's obligations under the Customer Contract relating to:</p> <p>a) Complaint handling and Complaint resolution procedures; and</p> <p>b) rebates where applicable;</p> <p>are extended to those Consumers who are not parties to the Customer Contract.</p> | See section 6.4 of the main body of this submission. |
| 6.3 | Payment Difficulties and Actions for Non-payment | No change | |
| 6.4 | Customer advisory group | No change | |
| 6.5 | Internal Complaints Handling | <p>6.5.1 Hunter Water must maintain a procedure for receiving, responding to and resolving Complaints, which is consistent with the Australian Standard AS/NZS 10002:2014 – Guidelines for complaint handling management in organisations (AS/NZS 10002:2014) (the Internal Complaints Handling Procedure).</p> | Correct reference. |
| 6.6 | External dispute resolution scheme | No change | |
| 6.7 | Provision of information to Customers and the general public | No change | |
| 6.8 | Code of Conduct with WIC Act licensee | <p>6.8.1 Hunter Water must use its best endeavours to co-operate with any Licensed Network Operator and Licensed Retail Supplier that seeks to establish with Hunter Water a code of conduct under of the kind referred to in clause 25 of the WIC Regulation.</p> | Clause 25 of the <i>WIC (General) Regulation 2008</i> refers to a water industry code of conduct established by the Minister. No such code has yet been established and gazetted. |
| 6.9 | Memorandum of understanding with NSW Health | No change | |

| | | | |
|----------|--|--|--|
| 6.10 | Roles and responsibilities protocol with DPI Water | No change | |
| 6.11 | Memorandum of understanding with Fire and Rescue NSW | No change | |
| 7 | DEFINITIONS AND INTERPRETATION | | |
| 7.1 | Definitions | <p>Property means real property within the Area of Operations, excluding Public Property, which is owned by a person (whether individually or otherwise) and, for the avoidance of any doubt, includes the following:</p> <p>a) an individual dwelling or individual premises used for any purpose, which forms part of the land; and</p> <p>b) a lot in a strata plan that is registered under the Strata Schemes (Freehold Development) Act 1973 (NSW) or the Strata Schemes (Leasehold Development) Act 1986 (NSW) Strata Schemes Development Act 2015 (NSW).</p> <p>Wholesale Customer means a person who is authorised under a licence or authorisation under the WIC Act to:</p> <p>a) construct, maintain and operate Water Infrastructure or Sewerage Infrastructure;</p> <p>b) provide water supply services by means of Water Infrastructure; or</p> <p>c) provide sewerage services by means of Sewerage Infrastructure.</p> <p>Wholesale Services has the same meaning as under the relevant IPART Price Determination, as amended from time to time.</p> <p>Water Pressure Failure means a situation in which a Property experiences water pressure of less than 20 metres head for a continuous period of 30 minutes or more measured at the point of connection of the Property to the Water Supply System (usually at the point of connection known as the 'main tap'), but does not include a situation in</p> | <p>Property</p> <p>Updated legislative reference</p> <p>Wholesale customer The draft definition is that of a WIC licensee. All wholesale customers must be WIC licensees however not all WIC licensees are wholesale customers.</p> <p>Wholesale Customer/ Wholesale Service Replace reference to Wholesale Customer with a reference to Wholesale Services. This will improve consistency with the corresponding IPART price determination and associated report.²⁴</p> <p>Water Pressure Failure Hunter Water prefers the definition in its 2012-2017 Operating Licence. The removal of the 370 megalitre per day limit represents a tightening of the system performance standard that has not been assessed in IPART's cost-benefit analysis. Moreover, the draft definition is inconsistent with the draft Customer Contract definition of low drinking water pressure (clause 20.1), which was amended to better align with the licence (15m head limit was also increased to 20m). The existing definition should be retained until Hunter Water completes the broader review of performance standards and customer values.</p> |

²⁴ See IPART, 2016, *Prices for wholesale water and sewerage services: Sydney Water Corporation and Hunter Water Corporation*. Water – Draft Report, November, Sydney.)

REVIEW OF OPERATING LICENCE 2017-2022

| | | | |
|------------------|--------------------|---|---|
| | | <p>which the Property experiences a low water pressure on a day when peak day demand exceeds 370 megalitres per day.</p> <p>Check definitions are in alphabetical order</p> | |
| 7.2 | Interpretation | <p>a) In this Licence, unless the contrary intention appears:</p> <p>xiv) a reference to a council under the Local Government Act 1993 also refers to any person or body who, from time to time, has responsibilities connected with the supply of water which are the same or substantially similar to those which the council referred to had as at the Commencement Date.</p> | <p>This new sub-clause appears unnecessary given the definition of the term Area in clause 7.1.</p> <p>Area when used to refer to a council under the Local Government Act 1993, has the same meaning as it has under that Act, except that a reference to the Area of a council in this Licence also refers to an area in which any person or body who, from time to time, has functions connected with the supply of water which are the same or substantially similar to those which the council referred to had as at the Commencement Date is authorised to carry out those functions.</p> |
| SCHEDULES | | | |
| A | Area of Operations | No change | |
| B | Customer Contract | | See Appendix C and D |

APPENDIX C

SUMMARY OF RESPONSES TO DRAFT CUSTOMER CONTRACT

| DRAFT CUSTOMER CONTRACT CLAUSE | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|---|--|
| 2 | WHAT IS A CUSTOMER CONTRACT AND WHO IS COVERED BY IT? | |
| 2.2 | Who is covered by this contract? | <p>2.2.1 You are a customer for the purpose of this and you are covered by relevant clauses of this Customer Contract if you:</p> <ul style="list-style-type: none"> a) own property within our area of operations that has an authorised standard connection to our water infrastructure, our wastewater infrastructure or our recycled water infrastructure; or b) own property that is within a declared stormwater drainage area; or c) receive water services, wastewater services and/or recycled water services directly from us. <p>2.2.3 If you have a contract for water services or wastewater services with us on specific terms and conditions, this Customer Contract does not apply to you to the extent that other contract applies.</p> |

| DRAFT CUSTOMER CONTRACT CLAUSE | | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|--|---|--|
| 2.3 | Other agreements with us | 2.3.2 If you have a separate agreement with us the terms of that agreement will take precedence over the terms of this Customer Contract , to the extent of any inconsistency between them. | Consolidate clauses. There appears to be duplication between 2.2.3 and 2.3.2. |
| 2.4 | When does this Customer Contract commence? | This Customer Contract will commence on 1 July 2017 and will apply to you: a) if you are a customer on 1 July 2017, on 1 July 2017 ; or b) if you are not a customer on 1 July 2017, on such later date as you become a customer . | Plain English |
| 3 | WHAT WATER SERVICES DO WE PROVIDE? | | |
| 3.1 | | 3.1.1 The drinking water we supply must comply with the health related guidelines provided in the Australian Drinking Water Guidelines unless otherwise specified in writing by NSW Health . | Language consistent with draft Customer Contract clause 4.1.3 and draft Operating Licence clauses 3.1.1 and 3.2.1. |
| 6 | WHAT TRADE WASTE SERVICES DO WE PROVIDE? | | |
| 6.1 | | 6.1.1 To control the discharge of trade waste into our wastewater infrastructure, you must obtain our written consent and enter into a separate agreement with us if required to discharge trade waste into our wastewater infrastructure in accordance with our Trade Wastewater Policy and Standard . | Updated reference |
| 9 | WHAT YOU PAY | | |
| 9.8 | Account queries and disputes | 9.8.2 If there is an unresolved dispute concerning an amount of money to be paid by you, we will not seek from you the amount that is the subject of the dispute until the dispute has been resolved and only if the resolution is in our favour in which case you must pay the determined amount . (Refer to clause 17.3 for when a dispute is considered resolved) | Clarification to address potential misinterpretation as pre-empting an outcome of the dispute. |
| 11 | RESTRICTION OR DISCONNECTION OF SERVICES | | |
| 11.2 | Notice of restriction or disconnection for non-payment | 11.2.8 We will not restrict or disconnect your services: a) ..; b) on a Friday, the weekend or on a public holiday or the day before a public holiday, or after 2 pm on a weekday business day excluding Friday ; c) ... d) ... e) ... | Terminology consistent with 20.2 Interpretation and other clauses in the draft Customer Contract. |

| DRAFT CUSTOMER CONTRACT CLAUSE | | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|--|---|--|
| 12 | RESPONSIBILITIES FOR MAINTENANCE AND REPAIR | | |
| 12.1 | Drawings | 12.1.1 Clause 20.3 contains drawings showing responsibilities for maintenance for authorised standard connections . These drawings are indicative only and should not be relied on for any purpose other than to assist with interpreting the provisions of this Contract . In the event of an inconsistency between the drawings and other terms and conditions of this Customer Contract, the other terms and conditions prevail to the extent of the inconsistency. Refer to our <i>Water Services Connection Standard</i> and/or <i>Wastewater Connection Standard</i> for further information. | Clarification that other agreements (non-standard connections) may contain different maintenance responsibilities. Clarification that technical drawings contained in separate documents provide additional detail for plumbers and developers. |
| 12.3 | Your responsibilities regarding your water system | 12.3.5 We are not responsible for the installation, modification, repair, maintenance, disconnection , disposal or annual testing (where applicable) of: <ul style="list-style-type: none"> a) ... b) ... c) main to meter services equal to or greater than and including 40 millimetres diameter and/or that are designed and installed to meet a customer's supply requirements; d) ... e) ... f) ... g) ... h) ... | Address inconsistency between 12.3.5 c) and the relevant drawing |
| 12.6 | Non-standard connections | You should contact us via the General Enquiry Process if you have questions about your non-standard wastewater connection. | Editorial correction. Sub-clauses under 12.6 cover non-standard water connections, non-standard wastewater connections or both. |
| 13 | DEFECTIVE OR UNAUTHORISED WORK | | |
| 13.3 | Building, landscaping and other construction work | 13.3.2 We may request that you remove any unauthorised works that has the potential to interfere with our infrastructure or access to our infrastructure at your cost. If you do not comply with our request within the required timeframe, we may remove the unauthorised works and charge you the reasonable costs incurred by us in undertaking this work. | This complements clause 14, which addresses safe access to Hunter Water's infrastructure. |

| DRAFT CUSTOMER CONTRACT CLAUSE | | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|---------|--|--------------------|
| 16 | REDRESS | | |
| 16.2 | Rebates | <p>16.2.5 Wastewater overflows</p> <p>a) If you experience a dry weather wastewater overflow on your property in a financial year as a result of a failure of our wastewater infrastructure (not including shaft breaks), a rebate of 30 kilolitres will be applied to the water usage component of your next bill after the first event.</p> <p>b) If you experience two dry weather wastewater overflows on your property in a the same financial year due to a failure of our wastewater infrastructure (not including shaft breaks), a rebate of 60 kilolitres will be applied to the water usage component of your next bill after the second event, and</p> <p>c) If you experience three or more dry weather wastewater overflows on your property in a the same financial year due to a failure of our wastewater infrastructure (not including shaft breaks), a further rebate of 60 kilolitres will be applied to the water usage component of your next bill after the third event.</p> | Additional clarity |

| DRAFT CUSTOMER CONTRACT CLAUSE | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|--|---|
| 20 | DEFINITIONS, DRAWINGS AND INTERPRETATION | |
| 20.1 | Definitions | <p>All terms should all be defined in the Customer Contract.</p> <p>As the intended audience for the Customer Contract is a standard, authorised customer – a typical household – it would assist with readability to include all definitions within the contract as if it was a self-contained document. Feedback from frontline customer services employees suggests it would be onerous for most customers to cross-reference other regulatory instruments for definitions (e.g. Owner is defined in section 3 of the Act).</p> <p>Hunter Water considers there to be minimal risk of inconsistency in definitions across instruments because:</p> <ul style="list-style-type: none"> • the Act is infrequently revised, and • the Operating Licence and Customer Contract are amended concurrently (because the contract is a schedule to the licence) <p>In the event that IPART maintains cross-references with definitions in the Operating Licence, then these should be checked for consistency (e.g. The draft contract states “Consultative Forum Charter has the meaning given in 6.4.4 of the Operating Licence” however in the draft licence the Consultative Forum has been renamed “Customer Advisory Group”)</p> |
| 20.3 | Drawings | <p>20.3.3 Typical Hunter Water Pressure Wastewater system maintenance responsibilities</p> <p style="color: red;">HWPPSS</p> <p>HWPSS is an acronym of Hunter Water Pressure Sewerage System.</p> |

Appendix C adopts the following conventions:

- Requested deletions are indicated in strikethrough font (~~deletion~~)
- Requested additions are indicated in red (addition)

APPENDIX D

REQUESTED CHANGES TO DRAFT CUSTOMER CONTRACT

PROPOSED CUSTOMER CONTRACT

HUNTER WATER



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FOREWORD

Hunter Water provides **drinking water, wastewater services and stormwater services** to over half a million people in the Lower Hunter region. In addition, some **trade waste services, unfiltered water and recycled water services** are also provided.

For Hunter Water, providing excellent service is an important part of our purpose of providing safe, reliable and efficient water and wastewater services to our community.

This **Customer Contract** outlines your rights and obligations as a user of Hunter Water's **services** (except unfiltered water) and sets out the minimum standards of customer service that you can expect.

For more information about Hunter Water and the **services** we provide visit www.hunterwater.com.au.

1 INTRODUCTION

1.1 Words used in this Customer Contract

Words in bold in this **Customer Contract** have a special meaning. The meanings are set out in the definitions in clause 20.

1.2 Understanding the Customer Contract

There are a number of provisions in clause 20 of this **Customer Contract** that may assist you in interpreting the **Customer Contract**.

Other than clause 16.5, which sets out how our liability is limited to the extent permitted by **Law**, nothing in this **Customer Contract** is intended to remove or limit any statutory rights you may have under **Law** that cannot be excluded, including the consumer guarantees regime under the **Australian Consumer Law**.

1.3 Policies

A reference to any of our *Policies* or *Standards* means the policies and standards as published on our website at any one time and any amendment or replacement applying to the same or similar subject matter.

1.4 General Enquiries

General Enquiries means the process of making general enquiries to us using any of the following methods:

Website: www.hunterwater.com.au

[Online enquiry form](#)

Email: enquiries@hunterwater.com.au

Post: [PO Box 5171 HRMC 2310](#)

Telephone: [1300 657 657](#)

In person [Head Office](#)
[36 Honeysuckle Drive, Newcastle West \(8:30am-5.00pm\)](#)

[Lake Macquarie](#)
[128 Main Road, Speers Point \(8.30am-4.30pm\)](#)

[Maitland](#)
[285 High Street, Maitland \(8.30am-4.30pm\)](#)

2 WHAT IS A CUSTOMER CONTRACT AND WHO IS COVERED BY IT?

2.1 What is a Customer Contract?

This **Customer Contract** is between us, Hunter Water, and you, the **customer**. You do not need to sign this **Customer Contract** for it to be valid and binding.

This **Customer Contract** is a legally enforceable document and is a requirement of the **Act**. It provides the terms under which we provide the **services** to you. The **Customer Contract** also sets out each party's rights and obligations including your rights in any **dispute** with us.

This **Customer Contract** is summarised in a separate document called the *Customer Contract Summary* and is available on our website or by contacting us via the **General Enquiry Process**.

2.2 Who is covered by this contract?

2.2.1 You are a **customer** for the purpose of this **Customer Contract** if you:

- (a) own **property** within our **area of operations** that has an **authorised standard connection** to our **water infrastructure**, our **wastewater infrastructure** or our **recycled water infrastructure**; or
- (b) own **property** that is within a **declared stormwater drainage area**.

2.2.2 If you have a contract for **water services**, **wastewater services** and/or **recycled water services** from a licensee under the **WIC Act**, this **Customer Contract** only applies to you for the services you receive directly from us.

2.2.3 If you have a contract for **water services** or **wastewater services** with us on specific terms and conditions, this **Customer Contract** does not apply to you to the extent that other contract applies.

2.2.4 For the avoidance of doubt, this **Customer Contract** does not apply to a **wholesale water supply services customer** or **wholesale sewerage services customer**.

2.3 Other agreements with us

2.3.1 We may enter a **separate agreement** with you for the provision of different levels of service for example, a **non-standard water connection**, a **non-standard wastewater connection**, a **trade wastewater connection**, **recycled water connection**, **wholesale water supply service** or **wholesale sewerage service**. Before entering a **separate agreement** with you, we will provide you with an estimate of the costs to supply you with the service requested and advise you if the service that we have agreed to provide is different from the standards set out in this contract.

2.3.2 If you have a **separate agreement** with us the terms of that agreement will take precedence over the terms of this **Customer Contract**, to the extent of any inconsistency between them.

2.4 When does this Customer Contract commence?

2.4.1 This **Customer Contract** ~~will commence on~~ comes into effect on 1 July 2017 and will apply to you:

- (a) if you are a **customer** on 1 July 2017, ~~on 1 July 2017~~; or
- (b) if you are not a **customer** on 1 July 2017, on such later date as you become a **customer**.

2.4.2 On its commencement this **Customer Contract** replaces any previous customer contract between you and us. If you have a **separate agreement** with us, that **separate agreement** will continue. Any rights and liabilities that have accrued under any previous customer contract with us are not affected by the commencement of this **Customer Contract**.

2.5 When does this Customer Contract end?

2.5.1 This **Customer Contract** or relevant clauses of this **Customer Contract** will terminate between us and you if you cease to be a **customer**. The termination of this **Customer Contract** does not affect any rights or obligations of you or us that accrue prior to termination.

2.5.2 If this **Customer Contract**, or part of the **Customer Contract**, terminates because you have requested that some or all of the **services** that we provide to your **property** be transferred to a licensee under the **WIC Act**, we will comply with the *Transfer Code of Conduct* established under that Act to affect the transfer.

2.6 Variation of this Customer Contract

2.6.1 We may vary this **Customer Contract** in accordance with the **Act**. If the **Customer Contract** is varied:

- (a) a notice identifying a variation to this **Customer Contract** (other than for variations of **charges** and fees) will be published in a daily newspaper circulating in the **area of operations**, on ~~the Hunter Water's~~ website and through the General Enquiry Process at least six months before the variation becomes effective, or a shorter period of notice as approved by the **Minister**; and
- (b) where practicable, a copy of the notice will also be given to each **customer** with their next account although failure to do so will not invalidate the effect of the variation.

2.6.2 This requirement to give notice of variations to the terms of the **Customer Contract** does not apply to variations in **charges** and fees made in accordance with a determination by **IPART**.

3 WHAT WATER SERVICES DO WE PROVIDE?

3.1 Drinking water quality

3.1.1 The **drinking water** we supply must comply with the health related guidelines provided in the **Australian Drinking Water Guidelines** ~~except to the extent~~ unless otherwise specified in writing by **NSW Health**.

3.2 Supply of water services

3.2.1 If your **property** has an **authorised standard connection** to our **water infrastructure**, unless prevented by events referred to in clause 8, we will provide a **drinking water service** to meet your reasonable needs.

3.2.2 If you require a continuous supply of **drinking water** you should make alternative arrangements in the event of an interruption to the **drinking water service**. Any such arrangements would be at your cost.

3.3 Health or special needs

3.3.1 If you require a continuous **drinking water service** to operate a life support machine or for other special health needs you must notify us. We will include you on our list of **critical customers** and will use our reasonable endeavours to provide a continuous **drinking water service** to meet your reasonable health needs. However, disruptions to your **drinking water service** are not always preventable, so you should be ready to make alternative arrangements if necessary.

- 3.3.2** If you require a **drinking water service** to operate a life support machine or for other special health needs, you may also be eligible for a free water allowance.
- 3.3.3** **Critical customers** will receive notification of any **planned interruption** to the **drinking water service**. In addition, we will contact our **critical customers** as soon as possible in the event of any **unplanned interruption**.

3.4 Drinking water pressure

- 3.4.1** We will use our reasonable endeavours to ensure that the **drinking water service** we provide for **authorised standard connections** is at a minimum of 20 metres head of pressure at the connection point.

4 WHAT RECYCLED WATER SERVICES DO WE PROVIDE?

4.1 Supply of recycled water

- 4.1.1** If your **property** is in a **recycled water area** and has an **authorised connection** to our **recycled water infrastructure**, unless prevented by events referred to in clause 8, we will provide you with a **recycled water service**.
- 4.1.2** We may supply other types of **recycled water** if your property is not in a **recycled water area** by way of **separate agreement** with us.
- 4.1.3** We will use our reasonable endeavours to ensure the **recycled water** we supply complies with the **Australian Guidelines for Water Recycling** unless otherwise specified in writing by **NSW Health**.
- 4.1.4** If you are supplied with **recycled water**, we will give you information on the standard requirements for its safe use at the time we commence supply to you. We are not responsible for your use of recycled water contrary to the information we provide.

5 WHAT WASTEWATER SERVICES DO WE PROVIDE?

5.1 Supply of wastewater services

- 5.1.1** If your **property** has an **authorised standard connection** to our **wastewater infrastructure**, unless prevented by events referred to in clause 8, we will provide you with a **wastewater service**.

5.2 Wastewater overflow

- 5.2.1** We will use our reasonable endeavours to minimise the incidence of **wastewater overflows** on your **property** due to a failure of our **wastewater infrastructure**.
- 5.2.2** If there is a **wastewater overflow** on your **property** due to the failure of our **wastewater infrastructure**, we will use our reasonable endeavours to:
- (a) minimise inconvenience and damage to you by containing the overflow as soon as possible;
 - (b) clean up the affected area as quickly as possible at our cost and in such a manner as to minimise the risk to human health; and
 - (c) notify you of any forms of redress available.

5.3 Wastewater mining

- 5.3.1** You may extract **wastewater** from our **wastewater infrastructure** only if you have obtained our prior written consent and entered into a **separate agreement** with us. You may also require **approval** from other **Authorities**. You should contact us via the **General Enquiry Process** for further information.

6 WHAT TRADE WASTE SERVICES DO WE PROVIDE?

6.1 Supply of trade waste services

- 6.1.1 To control the discharge of **trade waste** into our **wastewater infrastructure**, you must obtain our written consent and enter into a **separate agreement** with us if required to discharge **trade waste** into our **wastewater infrastructure** in accordance with our *Trade Wastewater Policy and Standard*.
- 6.1.2 We will not provide our consent if by accepting the **trade waste**, we are in breach or potentially in breach, of any **Laws**, our **Operating Licence**, our **Environment Protection Licences** or the **Act**.

7 WHAT STORMWATER SERVICES DO WE PROVIDE?

7.1 Supply of stormwater drainage services

- 7.1.1 Hunter Water's **stormwater infrastructure** is located in the **declared stormwater drainage areas** and consists mostly of major open channels and pipe systems into which local council owned networks and street drainage systems discharge. Generally, your **stormwater** is not directly connected to Hunter Water's **stormwater infrastructure**. Hunter Water transports the **stormwater** collected through our **stormwater infrastructure** to its eventual discharge point.
- 7.1.2 If your property is within a **declared stormwater drainage area** we will charge you the fees for this service set by **IPART**.
- 7.1.3 You may contact us using the **General Enquiry Process** to determine if your land is within a **declared stormwater drainage area**.

7.2 Stormwater harvesting

- 7.2.1 You may extract **stormwater** from our **stormwater infrastructure** only if you have obtained our prior written consent and entered into a **separate agreement** with us. You may also require **approval** from other **Authorities**. You should contact us via the **General Enquiry Process** for further information.

8 FACTORS AFFECTING SERVICE

Hunter Water's obligations under clauses 3 to 7 are suspended for the duration of any of the following events, except clause 3.3.

8.1 Unplanned interruptions

- 8.1.1 If there is an **unplanned interruption** to your **services**, we will use our reasonable endeavours to minimise the inconvenience to you by restoring the **services** as quickly as possible.
- 8.1.2 Unless your **separate agreement** provides otherwise, access to emergency supplies of **drinking water** and/or toilet facilities may be provided where reasonably practicable and necessary having regard to the particular circumstances.
- 8.1.3 Our website will provide information in relation to the **unplanned interruption** (including details of any emergency assistance) as well as estimated times for restoration of the **services**.

8.2 Planned interruptions

- 8.2.1 We may need to arrange **planned interruptions** to your **services** to allow for modification (for example, a new customer connection) or planned **maintenance** of our **infrastructure**.
- 8.2.2 Our website will provide information in relation to the **planned interruption** as well as estimated times for restoration of the **services**.

8.2.3 We will notify you in writing of the expected time and duration of any **planned interruption**. We will provide you with two days' notice if you are a **residential customer** and seven days' notice if you are a **non-residential customer** (or such other times as agreed with you) of a **planned interruption**.

8.2.4 We will use our reasonable endeavours to reinstate your **services** within five hours in one continuous period.

8.3 Water restrictions

8.3.1 The **Hunter Water Regulation** allows the **Minister**, in the case of drought or other emergency, or in the interest of maintaining water supply, to place **water restrictions** on the **drinking water service**. You must comply with the conditions of the **water restrictions** during this time.

8.3.2 Notice of the **water restrictions** will be published in major newspapers circulating in the **area of operations** affected by the **water restrictions** and on our website.

8.3.3 The **water restrictions** may regulate or restrict, amongst other things:

- (a) the purposes for which **drinking water** may be used;
- (b) the times when **drinking water** may be used;
- (c) the quantities of **drinking water** that may be used;
- (d) the means or methods of the use of **drinking water**;
- (e) a variation of **charges** consistent with the **Act** and **Operating Licence**.

8.3.4 Any **water restrictions** will override the relevant provisions of this **Customer Contract**.

8.3.5 Authorised Hunter Water employees have the power to issue **penalty notices** for breaches of **water restrictions**.

8.4 Major operational incident

8.4.1 We may need to shut down part of our **infrastructure** if a **major operational incident** occurs. We may interrupt the **services**, or arrange for the Minister to place **water restrictions** on the use of the **drinking water services** to you until such time as the **major operational incident** is over.

8.4.2 Where practicable, notice of the **major operational incident** will be published on our website.

8.5 Restriction or disconnection

8.5.1 We may **restrict** or **disconnect** your **services** for any of the reasons set out in clause 11.

8.6 Force majeure

8.6.1 Our ability to provide **services** to you may be affected by events beyond our reasonable control, such as:

- (a) severe weather or conditions resulting from severe weather (or like event as classified by the Bureau of Meteorology); or
- (b) a physical natural disaster including fire, flood, lightning or earthquake.

9 WHAT YOU PAY

9.1 How prices are set

- 9.1.1** We will set and vary **charges** from time to time as allowed by the **Act**, our **Operating Licence** and the maximum prices and methodologies determined by **IPART**.
- 9.1.2** When the date for commencement of a variation occurs part way through your **billing cycle** we will apply the variation of **charges** on a daily 'pro-rata' basis.

9.2 Publication of Charges

- 9.2.1** Information on our charging policies, current **charges** and concessions is available on our website or by contacting us via the **General Enquiry Process**. It can be provided to you on request free of charge and, if necessary, in languages other than English.
- 9.2.2** We will publish any variations to our **charges** and provide details with your next bill. The variation will commence on:
- (a) the first day of the next **billing cycle**;
 - (b) a date we nominate after we have published the change; or
 - (c) as determined by **IPART**.

9.3 Responsibility to pay the account

- 9.3.1** You are responsible for payment of the **charges** included on the bill and must pay us the amount of your bill by the date specified in accordance with our *Billing Policy*, unless you have made other **payment arrangements** with us under the *Debt Recovery and Hardship Policy*.

9.4 Concessions

- 9.4.1** If you hold one of the recognised pensioner concession cards you may be eligible for a government funded pension concession.
- 9.4.2** You must apply to us for the concession. To obtain information about your eligibility for a concession, please contact us via the **General Enquiry Process**.
- 9.4.3** If we determine you are eligible for a concession, we will ensure that it is applied to the full **billing cycle** in which it was requested. You must advise us using the methods available under the **General Enquiry Process** if your eligibility for a recognised concession card changes.
- 9.4.4** You authorise us to make enquiries with relevant **Authorities** to confirm your eligibility.

9.5 Your bill

- 9.5.1** When will your bill be sent?
- (a) We will issue a bill to **residential customers** every four months. If we intend to change the billing frequency, we will give you at least four months' notice.
 - (b) **Non-residential customers** may be sent an account on a monthly basis.
 - (c) We will provide you with copies of your bills for the previous 12 months at any time on request, free of charge.
- 9.5.2** What information is on your bill?
- We will ensure that your bill contains details of:
- (a) the dates to which the fees and **charges** apply;
 - (b) any credit or overdue amounts from previous bills and the total amount due;

- (c) the usage and service fees separately itemised;
- (d) other fees and **charges** payable;
- (e) the date payment is due;
- (f) the most recent **meter** reading;
- (g) a comparison of your water usage, where available;
- (h) your postal address and account number;
- (i) the address of the **property** where the **charges** have been incurred;
- (j) options for the method of payment;
- (k) contact telephone numbers for account enquiries and emergency services;
- (l) how to get information on payment assistance options; and
- (m) information in community languages about the availability of interpreter services and the phone number for these services.

9.5.3 How are bills sent?

- (a) We will send your bill to your nominated postal address.
- (b) If you do not nominate a postal address, the account will be sent to:
 - (i) the **property** to which the **services** are available or provided; or
 - (ii) your last known postal address.
- (c) Your bill will be considered delivered to you if it is sent to one of these addresses. Please advise us if you move or your postal address changes.
- (d) We may offer other methods of providing you with your bill (such as electronically) during the term of this **Customer Contract** and your bill will be considered delivered to you if it is sent by one of these methods.

9.5.4 How can payment be made?

- (a) We will provide a range of payment options including via the internet or direct debit, over the phone, by mail or in person at an agency representing Hunter Water.
- (b) We may offer additional payment methods during the term of this **Customer Contract**. Current payment methods are shown on your latest bill and can be found on our website or obtained by contacting us via the **General Enquiry Process**.

9.5.5 Overdue account balances

- (a) We may charge you interest on overdue account balances in accordance with our *Interest Standard*. The interest will accrue on a daily basis commencing on the due date until you have paid the amount that is overdue.
- (b) We may also charge the costs and fees that we incur in recovering (or attempting to recover) an overdue amount.
- (c) We will not charge you interest on your overdue account if you have entered into a **payment arrangement** with us due to **financial hardship**.

9.6 Undercharging

9.6.1 If due to our error your bill states that you are required to pay us an amount that is less than what you are actually required to pay us (that is, we have undercharged you), we may adjust your next bill to include as a separate item the amount (or amounts) by which you were previously undercharged.

9.6.2 However, if the undercharging is due to:

- (a) you providing false information;

- (b) you not providing up to date information in relation to a change of use of the **property** or the number of dwellings on the **property**;
 - (c) an **unauthorised connection**; or
 - (d) your breach of this **Customer Contract** or the **Act**,
- you must pay the correct amount on request.

9.6.3 We may also charge you from the date we determine an **unauthorised connection** to have occurred.

9.7 Overcharging

9.7.1 If due to our error your bill states that you are required to pay us an amount that is greater than what you are actually required to pay us (that is, we have overcharged you), we will apply a credit to your next bill after we become aware of the error, except where:

- (a) you have provided false information;
- (b) you have not provided up to date information in relation to a change of use of the **property** or the number of dwellings on the **property**;
- (c) there is an **unauthorised connection**; or
- (d) you are in breach of this **Customer Contract** or the **Act**.

9.8 Account queries and disputes

9.8.1 If you have questions regarding the **charges** on your bill, you should contact us via the **General Enquiry Process**.

9.8.2 If there is an unresolved **dispute** concerning an amount of money to be paid by you, we will not seek from you the amount that is the subject of the **dispute** until the **dispute** has been resolved and only if the resolution is in our favour in which case you must pay the determined amount. (Refer to clause 17.3 for when a **dispute** is considered resolved)

9.8.3 You are obliged to pay any undisputed amount by the due date shown on your account.

9.9 Wastewater usage charge

9.9.1 The **wastewater usage charge** applies to **non-residential customers** only. We will determine a **wastewater discharge factor** that is used to calculate **wastewater** service and usage **charges**. Unless you have a wastewater meter, our **wastewater discharge factor** will be based on how you use your **property**. We may review the determined **wastewater discharge factor** for your **property** where you can provide measured data to validate the change. Information on the review is available on our website.

9.9.2 Where significant **wastewater** discharge volumes from your **property** originate from sources other than metered **water service** or metered **recycled water service** (for example, from rainwater or other on-site sources, tankered water or effluent), we may apply an additional **wastewater discharge factor** or require the **wastewater** discharge to be metered by a **meter** approved by us. The supply and installation of the approved **wastewater meter** will be at your cost (see clause 15).

9.9.3 Where a **wastewater discharge factor** is varied, the revised **charge** will apply from the beginning of the next **billing cycle**. We will notify you of any change to your **wastewater discharge factor**.

9.10 Other costs and charges

9.10.1 Dishonoured or declined payments

- (a) If payment of your account is dishonoured or declined, we will charge you the relevant maximum administrative fee specified by **IPART**.

9.10.2 Costs for installing and connecting services

- (a) You must pay the installation costs of an **authorised connection** and the construction of any necessary works from your **property** to our **water infrastructure, recycled water infrastructure, wastewater infrastructure** or **stormwater infrastructure**.

9.10.3 Charges for other matters

- (a) We may charge you a fee for any other **service** you request from us. You should contact us for further details of any ancillary **charges**.
- (b) We may also charge you other fees, **charges** and amounts where we are entitled to do so under the **Act**, the **Operating Licence** or any applicable **Law**.

10 WHAT CAN I DO IF I AM UNABLE TO PAY MY BILL?

10.1 Payment difficulties and assistance options

10.1.1 If you are experiencing **financial hardship** you should contact us and we will provide you with information about available options to assist you in accordance with our *Debt Recovery and Hardship Policy*. All reasonable effort will be taken by us to provide assistance to you.

10.1.2 If you are experiencing **financial hardship**, you have a right to:

- (a) be treated sensitively on a case by case basis;
- (b) receive information from us on alternative **payment arrangements**;
- (c) seek a deferral of payment for a short period of time;
- (d) negotiate an amount you can afford to pay us on an agreed instalment plan. If you are a **non-residential customer** these arrangements will be based on reasonable commercial considerations and market conditions; and
- (e) access to a language interpreter, if required, at no cost to you.

10.1.3 Additionally, if you are a **residential customer** experiencing **financial hardship**, you will be provided with information about other options that may assist such as:

- (a) the possibility of paying smaller amounts on a regular basis;
- (b) accredited community agencies offering financial assistance, such as payment assistance scheme credit;
- (c) government concession programs; or
- (d) other programs which may assist you.

10.1.4 If you enter into a **payment arrangement** with us, we will:

- (a) allow you to make payments by instalments;
- (b) inform you of the period of the payment plan and the amount and frequency of each instalment;
- (c) provide for instalments to be calculated having regard to your consumption needs, your capacity to pay and the amount of any arrears you are required to pay; and
- (d) provide you with procedures that are fair and reasonable for dealing with the **financial hardship**.

10.1.5 If you are unable to meet your scheduled payment you will need to contact us immediately to reschedule the payment to prevent recovery action.

11 RESTRICTION OR DISCONNECTION OF SERVICES

11.1 Restriction or disconnection of services for non-payment

11.1.1 If you have not paid the bill by the due date we may take legal action to recover the debt or **restrict** or **disconnect** your **services** in accordance with our *Debt Recovery and Hardship Policy*, unless you have entered into and honoured a **payment arrangement** with us.

11.1.2 You may face additional costs if we take legal action, or **restrict** or **disconnect** your **services**.

11.2 Notice of restriction or disconnection for non-payment

11.2.1 If you fail to pay your bill by the due date and your recent payment history is good (payment commitments have been consistently honoured and no additional debt recovery action had commenced on your account in the previous 12 months) we will send you a reminder notice. The reminder notice will advise you:

- (a) of the amount payable and that payment is due within seven days of issue;
- (b) to contact us if you are having difficulty making payment so we can provide you with information about options available to assist you, in accordance with clause 10.1; and
- (c) of your right to raise your concerns with the **EWON** if you have attempted to resolve those concerns with us and are not satisfied with a decision made by us.

11.2.2 If you fail to comply with the reminder notice we will issue a final notice. The final notice will advise you:

- (a) of the amount payable and that payment is due immediately to avoid debt recovery action or the **restriction** or **disconnection** of the **services** to your **property**;
- (b) to contact us if you are having difficulty making payment so we can provide you with information about options available to assist you, in accordance with clause 10.1;
- (c) that you may incur additional costs relating to us taking debt recovery action or the **restriction** or **disconnection** of the **services** to your **property**; and
- (d) of your right to raise your concerns with the **EWON** if you have attempted to resolve those concerns with us and you are not satisfied with a decision made by us.

11.2.3 If we intend to **restrict** or **disconnect** a known tenanted **property**, notice will be sent to your nominated address as well as the serviced **property** before we **restrict** or **disconnect** the **services**.

11.2.4 We may **restrict** or **disconnect** the **services** to your **property** if at least seven days have elapsed since we issued the final notice and you have still not paid the account.

11.2.5 If you receive an account for a new **billing cycle** that contains an overdue amount from a previous **billing cycle**, we may **restrict** or **disconnect** the **services** on the arrears after issuing you with the appropriate notices relating to the overdue amount as described in this clause.

11.2.6 Information on our practices and procedures relating to **financial hardship**, debt, **restriction** and **disconnection** are outlined in our *Debt Recovery and Hardship Policy*, which is available on our website.

11.2.7 We will not **restrict** or **disconnect** the **services** or commence recovery action in relation to non-payment of your account:

- (a) without giving appropriate notice in accordance with this clause 11 of our intention to **restrict** or **disconnect** your **services**;

- (b) if there is an unresolved **dispute** as to the amount owing (for when a **dispute** is deemed to be resolved for this purpose please see clause 17.3);
- (c) if you have entered into or are in the process of entering into a **payment arrangement** due to **financial hardship** and are complying with the agreed terms; or
- (d) you have notified us that you have sought assistance from a community agency and that assistance is imminent.

11.2.8 We will not **restrict** or **disconnect** your **services**:

- (a) if you have notified us that you need **drinking water** for a life support machine or other special needs (as per clause 3.3);
- (b) on a Friday, the weekend or on a public holiday or the day before a public holiday, or after 2 pm on a ~~weekday~~**business day excluding Friday**;
- (c) without advising the occupier that in some circumstances the **Act** permits a tenant to pay outstanding **charges**;
- (d) without providing the occupier reasonable opportunity to pay the account; or
- (e) if a related **complaint** is being considered for resolution by Hunter Water or EWON, or by legal proceedings.

11.3 Restriction or disconnection for other reasons

11.3.1 We may **restrict** or **disconnect** the **services** to your **property** if:

- (a) you have an **unauthorised connection** to our **infrastructure**;
- (b) we become aware your **systems** are **defective** and you fail to rectify such **defect** as requested by us in accordance with clause 13 of this **Customer Contract**;
- (c) you breach this **Customer Contract**, the **Act**, a **separate agreement** or any other agreement with us, concerning the use or taking of water or the discharge of **wastewater** or **stormwater**;
- (d) you fail to ensure access to our **meter** on your **property** in accordance with clause 15.2. Prior to taking this step, we will use our reasonable endeavours to contact you to arrange reasonable access, leave a notice requesting access and provide you with a **disconnection** warning;
- (e) the poor quality of your pipes prevents us from exchanging the **meter** and you have failed to address this within 30 days of our notifying you of this;
- (f) we issue you with a written notice requiring the installation of the appropriate **backflow prevention device** in accordance with our *Backflow Prevention Standard* and you have not complied with this written notice;
- (g) you discharge **trade wastewater** into our **wastewater infrastructure** without a **trade waste agreement** with us or do not comply with the conditions of the **trade waste agreement**;
- (h) you are connected to a **pressure wastewater system** that is owned by Hunter Water (refer to clause 12.5) and you do not comply with your **separate agreement** or the operation and **maintenance** requirements;
- (i) a serious health, environmental or operational risk is posed by the discharge of chemicals or other substances into our **wastewater infrastructure**;
- (j) a serious health or environmental risk is posed by backflow of any substance from your **water system** into our **water infrastructure**;
- (k) you use your **recycled water** in a manner inconsistent with its intended purpose or in a manner contrary to the information we provide about the safe use of **recycled water**;
- (l) we are entitled or required to **restrict** or **disconnect** by direction of the **Minister** or under any applicable **Law**; or

(m) the **customer** is a **non-residential customer** and a corporation, and an **Insolvency Event** occurs.

11.4 Minimum flow rate

11.4.1 If we take **restriction** action, we will provide a reasonable flow for health and hygiene purposes. If you believe that the **restriction** will cause a health hazard you should contact us.

11.5 Disconnection by a customer

11.5.1 You may **disconnect** your **property** from our **water infrastructure, recycled water infrastructure or wastewater infrastructure** provided that:

- (a) you have paid the relevant fee; and
- (b) the **disconnection** is undertaken by a licensed plumber or drainer and conducted in accordance with Hunter Water's *Water Services Connections Standard* or *Wastewater Connections Standard* as applicable; and
- (c) you have complied with all applicable **Laws**; and
- (d) you have given us all information we may reasonably require; and
- (e) you or your licensed plumber have given us two business days' notice of the **disconnection** from the **infrastructure**, booked an inspection of the work and returned any of our **infrastructure** to us (i.e. the **meter**).

11.5.2 We will continue to charge you a **service charge**, even if you are not using the **service**, until the **disconnection** has been confirmed and/or any of our **infrastructure** is returned to us.

11.6 Restoration of services after restriction or disconnection

11.6.1 Following **restriction** or **disconnection**, we may restore the **service** if the reason for the **restriction** or **disconnection** no longer exists and you pay the reconnection fee. If these conditions are met we will restore:

- (a) your **water service** on the same day, if you pay before 2pm on any business day; or
- (b) your **wastewater service** within 24 hours.

11.6.2 If the conditions for restoration are met after 2 pm on any business day, we may restore the **water service** on the same business day but you will be required to pay an after-hours reconnection fee as set by **IPART**.

12 RESPONSIBILITIES FOR MAINTENANCE AND REPAIR

12.1 Drawings

12.1.1 Clause 20.3 contains drawings showing responsibilities for **maintenance for authorised connections**. -These drawings which are **indicative only illustrative and should not be relied on for any purpose other than to assist with interpreting the provisions of this Contract** and the event of an inconsistency between the drawings and other terms and conditions of this Customer Contract, the other terms and conditions prevail to the extent of the inconsistency. Refer to our *Water Services Connection Standard* and/or *Wastewater Connection Standard* for further information.

12.2 Our responsibilities regarding our infrastructure

12.2.2 Hunter Water is only responsible for maintaining and repairing its **infrastructure**.

12.3 Your responsibilities regarding your water system

12.3.1 As the **property owner**, you own and are responsible for maintaining and repairing **your water system**.

12.3.2 You are also responsible for any damage caused by a failure of **your water system**.

12.3.3 We may **maintain** and repair **your water system** up to and including the **meter** as long as **your water system** complies with our *Water Services Connection Standard*. However, if the **meter** lies more than one metre along your pipe inside the **property** boundary, we will provide this service only up to one metre along your pipe inside the **property** boundary. We will only maintain and repair your **path tap** if it is less than one metre along your pipe inside the **property** boundary.

12.3.4 If there is no **meter**, we will maintain and repair **your water system** up to one lineal metre along the pipe within your **property** boundary closest to our **water infrastructure**. Your **property** includes any easement within which your **meter** or private service may be situated.

12.3.5 We are not responsible for the installation, modification, repair, **maintenance**, **disconnection**, disposal or annual testing (where applicable) of:

- (a) water connections between our **infrastructure** and the **meter**;
- (b) **backflow prevention devices** on properties, except where the device is integrated into the **meter** supplied and owned by us;
- (c) main to **meter** services equal to ~~or greater than~~ **and including** 40 millimetres diameter and/or that are designed and installed to meet a **customer's** supply requirements;
- (d) **unauthorised connections**;
- (e) dedicated **fire services** or combined fire and domestic water services connected to our **water infrastructure**;
- (f) water services connecting to privately-owned water mains such as in some community title subdivisions or **private joint services**;
- (g) private water services connecting to our **water infrastructure** under the terms of a **separate agreement**; or
- (h) damage to **your water system** not caused by Hunter Water.

12.3.6 You should contact us via the **General Enquiry Process** if you have any questions about the repair and **maintenance** responsibilities for **your water system**.

12.4 Your responsibilities regarding your wastewater system

12.4.1 You are responsible for maintaining and repairing **your wastewater system**.

12.4.2 It is possible that the **connection point** with our **wastewater infrastructure** is outside your **property**. If you do not know where the **connection point** is, you should contact us via the **General Enquiry Process**.

12.4.3 We are not responsible for the installation, modification, repair, **maintenance**, **disconnection**, disposal or annual testing (where applicable) of:

- (a) **wastewater services** connecting to privately owned **wastewater** mains such as in some community title subdivisions or shared private services;
- (b) **private wastewater** services connecting to our **wastewater infrastructure** under the terms of a **separate agreement**; or
- (c) damage to **your wastewater system** not caused by Hunter Water.

12.4.4 We will also not meet the costs of installing new private services or modifying, upsizing or relocating existing private services. You should contact us via the **General Enquiry Process** if you have any questions about the repair and **maintenance** responsibilities for **your wastewater system**.

12.4.5 Blockage of the **wastewater system**

- (a) If a blockage occurs and you suspect that it is a blockage in our **wastewater infrastructure**, you should notify us.
- (b) If the blockage occurs in our **wastewater infrastructure** we will clear the blockage at our cost. However, you are liable to pay to the extent you have contributed to the blockage.
- (c) If the blockage occurs in your **wastewater system**, you are responsible for arranging the blockage to be cleared by a licensed plumber at your cost.

12.4.6 You should contact us via the **General Enquiry Process** if you have any questions about the repair and **maintenance** responsibilities for **your wastewater system**.

12.5 **Pressure wastewater system**

12.5.1 **Pressure wastewater systems** use pressure created by pumps, instead of gravity, to transport **wastewater** to our **wastewater infrastructure**.

12.5.2 If you have a **pressure wastewater system**, you will generally have a collection tank, a pump, an alarm control panel and a boundary kit (known as the **connection point**) on your **property**.

12.5.3 There are different repair and **maintenance** obligations depending on whether the **pressure wastewater system** is owned by us or by you.

- (a) Hunter Water Pressure Wastewater System (HWPSS)

If you are a **residential customer** connected to our **wastewater infrastructure** via a HWPSS, we will repair and maintain up to and including the collection tank. We will also repair and maintain the control panel and the power cable to the pump, as ~~shown~~ illustrated in the relevant drawing at clause 20.3.

- (b) Private Pressure Wastewater System (PPWS)

If you are a **residential customer** connected to our **wastewater infrastructure** via a PPWS, you are responsible for repairs and **maintenance** from the boundary kit to your **property** as ~~shown~~ illustrated in the relevant drawing at clause 20.3.

12.5.4 We may need to enter into a **separate agreement** depending upon the location of the boundary kit. You must ensure you maintain your pump and storage tank as set out in this **separate agreement**.

12.5.5 You are also responsible for any **approvals** from any **authority** relating to the installation and ongoing use of the **pressure wastewater system**.

12.5.6 You should contact us via the **General Enquiry Process** if you have any questions about the repair and **maintenance** responsibilities for **your pressure wastewater system**.

12.6 **Non-standard connections**

12.6.1 A standard connection is one that gives you the level of serviced outlined in this **Customer Contract**. If a **standard connection** is not available, then you may seek a **non-standard connection**. If we approve a **non-standard connection**, this will give you access to our **services**, but these **services** will be provided at a different standard to those outlined in this **Customer Contract**. The level of service we give you, and your responsibilities to maintain any equipment, will be listed in a **separate agreement**. Approval of a **non-standard connection** will be at Hunter Water's discretion.

- 12.6.2** Generally (but subject to the terms of that **separate agreement**), if your **property** has a **non-standard wastewater connection** we will repair and maintain the system up to the **connection point** with our **wastewater infrastructure**, which may be outside the **property** boundary.
- 12.6.3** If your property has a **non-standard water connection** we will repair and maintain the system up to the **connection point** with our **water infrastructure**, which is located at our water main. You should engage a licensed plumber to repair leaks on your **water system**.
- 12.6.4** You should contact us via the **General Enquiry Process** if you have questions about your **non-standard wastewater connection**.

12.7 Private joint service

- 12.7.1** A **private joint service** exists if more than one **property** receives **services** from the one **connection point**.
- 12.7.2** Each **owner** is responsible for the repairs and **maintenance** of the **private joint service** and any damage to private or public property resulting from a defect in the **private joint service**. Your shared responsibility starts from the **connection point** to our **infrastructure**. The apportionment of costs incurred in its **maintenance** is a matter between you and others who share it.
- 12.7.3** **Disconnection** of individual properties from **private joint services** is a matter between the relevant property owners. We have no authority in respect to **disconnection** from **private joint services**. If you are the **account holder**, you must apply for **disconnection**, as described in clause 11.5.

12.8 Stormwater connections, coverings and bridges

- 12.8.1** You are responsible for the **maintenance** of any connections between your **property** and our **stormwater infrastructure** regardless of land ownership.
- 12.8.2** You are responsible for the **maintenance** of any coverings, bridges or similar structures within your **property** that cover or cross our **stormwater infrastructure** unless they are owned by us.

12.9 Conserving water

- 12.9.1** You may install water efficient plumbing fixtures, appliances and equipment as recommended under the *Water Efficiency and Labelling and Standards Scheme*.
- 12.9.2** You may install water saving devices, for example:
- (a) that collect and use rainwater for your own use. Provided that the water tanks are not directly connected to our **water infrastructure** in any way, you do not need to meet any of our requirements. However, if the water tank is to be directly connected to our **water infrastructure**, you will be required to install the appropriate site containment **backflow prevention device**. This is to avoid the risk of contamination of our **drinking water** supply.
 - (b) a composting toilet that does not require connection to our **water infrastructure** or our **wastewater infrastructure**.
- 12.9.3** You must comply with *BASIX* requirements and all applicable **Laws** when installing water saving devices. Approval may be required from your local council.
- 12.9.4** For **non-residential properties**, where rainwater tanks with a volume exceeding 20,000 litres are installed to supply plumbing facilities connected to our **wastewater infrastructure** (for example, where rainwater is used for toilet flushing, laundry supply, floor wash down), we may require **wastewater** discharge to be metered or may impose an additional **wastewater discharge factor** as set out in clause 9.9.

12.9.5 Information on how to conserve water is available on our website or by contacting us via the **General Enquiry Process**.

12.10 Giving notice of system failures

12.10.1 You should inform us if you become aware of:

- (a) any failure of our **infrastructure**;
 - (b) any interruption or disruption to your **water service** or **wastewater service**; or
 - (c) a burst, overflow or leak in our **infrastructure**
- and we will attend to the incident as soon as practicable.

12.11 Removal of trees

12.11.1 If a tree on your **property** is obstructing or damaging our **infrastructure**, or is reasonably likely to do so, we may require the removal of the tree. Except where the **Act** provides otherwise, this will be at your cost. We may be required to reimburse you for reasonable expenses where required by the Act. You may contact us via the **General Enquiry Process** for further information.

12.11.2 We will give you 14 days' notice requiring you to remove the tree. You may, with our consent and at your cost, take steps to eliminate the cause of damage or interference to our **infrastructure**, without removing the tree.

12.11.3 If you fail to comply with the notice to remove the tree, by the specified date, then we may remove the tree and recover the costs of removal from you.

12.11.4 We cannot require a tree to be removed that is the subject of a protection or conservation order under the *Heritage Act 1977* (NSW) or the *National Parks and Wildlife Act 1974* (NSW) or similar **Law** but not including any environmental planning instrument.

13 DEFECTIVE OR UNAUTHORISED WORK

13.1 Authorised Connections

13.1.1 Connection to our **water infrastructure, wastewater infrastructure** or **stormwater infrastructure** must be approved by us and comply with the conditions we set to ensure the safe and reliable supply of **services**. The connection must be undertaken by a licensed plumber and in accordance with our **connection requirements**, including our *Water Services Connection Standard, Wastewater Connection Standard* or *Trade Wastewater Connection Standard* (as applicable). If you do not comply with these requirements you will be considered to have an **unauthorised connection**.

13.2 Defective or unauthorised work

13.2.1 If we become aware of any **defective works** or **unauthorised connection** to our **infrastructure**, we will request the **defective works** or **unauthorised connection** to be rectified within a reasonable time.

13.2.2 If you do not comply with the notice, we may **restrict** or **disconnect** your **services** until it is fixed. We may also remedy the **defective works** or **unauthorised connection** and you will be charged the reasonable costs incurred by us in undertaking this work and, if required, in reconnecting you.

13.2.3 We may **restrict** or **disconnect** your **services** without notification if your **defective works** or **unauthorised connection** presents a health or physical hazard to our employees, **infrastructure** or the community in general.

13.3 Building, landscaping and other construction work

- 13.3.1** In order to protect our **infrastructure**, you must not undertake any excavation, building, landscaping or other construction work that is over, or adjacent to, our **infrastructure** without first requesting our consent. Such consent can be given subject to certain conditions or withheld at our sole discretion as outlined in our *Building Over and Adjacent to Assets Standard*. If you do not comply with these requirements you will be considered to have undertaken **unauthorised works**.
- 13.3.2** We may request that you remove any **unauthorised works** that has the potential to interfere with our **infrastructure** or access to our infrastructure at your cost. If you do not comply with our request within the required timeframe, we may remove the **unauthorised works** and charge you the reasonable costs incurred by us in undertaking this work.
- 13.3.3** Failure to obtain approval or comply with the conditions of an approval will limit our obligation to reinstate the **unauthorised works** or the obligation for compensation (see clause 14.4) as a result of our need to access our **infrastructure**.
- 13.3.4** Properties with an existing water service must be metered during the building period. The **meter** must be accessible (as described in clause 15.1) at all times.

13.4 Altering and unauthorised connection or use

- 13.4.1** You must not:
- (a) wrongfully take, use or divert any water supplied by us;
 - (b) wrongfully interfere with the operation of a **meter**, metering system or prevent a **meter** from registering the quantity of water supplied by us;
 - (c) use a dedicated **fire service** for any purpose other than firefighting or testing of the **fire service**;
 - (d) wrongfully discharge any substance into our **infrastructure**; or
 - (e) carry out any activity that may alter, cause destruction of, damage to, or interfere with, our **infrastructure**.

14 ENTRY ONTO A CUSTOMER'S PROPERTY

14.1 Access to Hunter Water's infrastructure

- 14.1.1** You must ensure that we have safe access while on your **property**:
- (a) to maintain or inspect our **infrastructure**;
 - (b) to ensure compliance with this **Customer Contract**, the **Operating Licence** or the **Act**;
 - (c) to read, test, inspect, maintain or replace the **meter**; or
 - (d) for other purposes set out in the **Act** or other applicable **Law**.

14.2 Identification

- 14.2.1** When we enter your **property**, our employees or contractors will carry identification that will be shown to you (or to any person present at the time of access).

14.3 Notice of access

- 14.3.1** We will give you, or the occupier of your **property**, two business days written notice specifying the date and approximate time of our entry onto your **property**, except where:
- (a) you have agreed to a shorter period;

- (b) in our opinion entry is required urgently;
- (c) giving notice would defeat the purpose of entry;
- (d) we are conducting a **water restriction** investigation on your **property**;
- (e) we are conducting a general **property** inspection to check compliance with applicable *Policies and Standards*;
- (f) we are conducting an assessment of the operation or condition of our **infrastructure** where that inspection is not intrusive; or
- (g) we need to investigate a health or safety issue.

14.4 Impact on customer's property

14.4.1 If we enter your **property** we will use our reasonable endeavours to:

- (a) cause as little disruption or inconvenience as possible;
- (b) remove all rubbish and equipment we have brought on to the **property**; and
- (c) unless otherwise agreed, leave the **property**, as near as possible, in the condition that it was found on entry.

14.4.2 Where our activities result in inconvenience, damage or loss to you or your **property**, we may provide redress as outlined in clause 16.

14.4.3 You may be entitled to compensation under the **Act** for damage incurred by our entry to your **property**. Any entitlement to compensation will be subject to the conditions set out in clause 16.4.

15 WATER METER READING, INSTALLATION, TESTING AND MAINTENANCE

15.1 Installing and maintaining the meter

15.1.1 Unless we otherwise agree, your **property** must have a **meter**. Separate **meters** will be installed for **drinking water** and **recycled water** where the **property** has connection to both **services**.

15.1.2 An approved site containment **backflow prevention device** appropriate to the **property's** hazard rating must be fitted. Most **residential properties** with low hazards serviced by either a 20mm or 25mm **meter** already contain a **backflow prevention device** as part of the **meter**. Properties with larger **meters** or which have a higher hazard rating as determined under the *Backflow Prevention Standard*, must comply with any additional requirements under our *Backflow Prevention Standard*.

15.1.3 You are required to pay for the installation of the **meter** and ensure that it is installed either by us or a licensed plumber. The **meter** is to be fitted within one metre of your **property** boundary. If a **meter** cannot be fitted in this location, the **meter** must not be installed until we have approved an alternative location.

15.1.4 The installed **meter** remains our property and we will maintain it. We may charge you for the cost of repair or replacement of the **meter** and its assembly if it is wilfully or negligently damaged by you.

15.1.5 You are responsible for installing the pipework on either side of the **meter**. You are also responsible for maintaining the pipework located on either side of the **meter**, unless we maintain it under clause 12.2. For further details, refer to the *Water Services Connections Standard*.

15.1.6 If there is no **meter** measuring the supply of water to your **property** we will charge you an unmetered service charge as approved by **IPART**.

15.1.7 We may require that you fit a **meter** to your **fire service**. This requirement will be noted in your connection approval.

15.1.8 You must not remove a **meter** from your **property** without our consent.

15.2 Access to the meter

15.2.1 We may enter your **property** without notice to read, test, inspect, maintain or replace the **meter**.

15.2.2 You must ensure that the **meter** is accessible to Hunter Water or its representatives at all times. The **meter** and the visible pipe connected should be clear of concrete, plants, trees bushes and other obstructions.

15.2.3 If you have not provided reasonable and safe access to your **meter**, we will bill you on an estimate of your usage and will also recover the cost of the attempted **meter** reading.

15.2.4 If you have not provided reasonable and safe access to the **meter**, we may:

(a) require you to:

- (i) relocate the **meter** at your cost;
- (ii) read the **meter** yourself and provide us with the reading; or
- (iii) install a remote reading device, which may attract an additional fee.

(b) seek access at a time suitable to you, which may attract an additional fee;

(c) take action under clause 11.3 and **restrict** or **disconnect** your **services** until you provide reasonable and safe access around the **meter**; or

(d) make other arrangements with you.

15.2.5 If you intend to relocate your **meter**, you should engage a licensed plumber at your cost. Your plumber should check our current *Water Services Connections Standard* before relocating the **meter**.

15.3 Measuring water supplied

15.3.1 You will be charged for the quantity of water measured by the **meter**, unless the **meter** is faulty and we are required to adjust what we charge you under clause 15.4.

15.3.2 It is an offence under the **Act** to tamper with a **meter** or to divert water in a manner that prevents the **meter** from recording usage.

15.3.3 If a **meter** is stopped or damaged, an estimated usage will be calculated on a basis that is representative of your usage pattern.

15.3.4 Where in our opinion no satisfactory basis exists to adjust a usage **charge**, we will negotiate with you a mutually agreeable adjustment of **charges** based on an estimated reading.

15.3.5 When the price for water or **wastewater** usage is varied on a date that falls within your **meter** reading period, we will apply the new price on a pro rata basis.

15.3.6 We will use our reasonable endeavours to provide an actual **meter** reading at least once every 12 months, inclusive of **meter** readings taken by you on our behalf.

15.3.7 Where the **meter** is part of an automated meter reading system in a multi level building, we may share your **meter** reading information with the Owners Corporation or building manager.

15.4 Meter testing

- 15.4.1** If you consider that the **meter** is not accurately recording water passing through it, you may request that we test it. We will advise you of the **meter** test results and make available a written report on your request.
- 15.4.2** You will be required to pay the costs of the **meter** test prior to the test proceeding. This cost will be refunded if the **meter** is shown to be inaccurate.
- 15.4.3** If the test shows that the **meter** is over recording by over four per cent (4%) of the actual volume of water passing through it, we will:
- (a) replace the **meter**;
 - (b) refund the charge paid by you for the test under clause 15.4.2; and
 - (c) recalculate your account on the basis that is representative of your usage pattern.

15.5 Meter replacement

- 15.5.1** We will replace the **meter** at no cost to you if the **meter**:
- (a) is found to be **defective**; or
 - (b) is replaced as part of a **meter** replacement program.
- 15.5.2** If we incur additional costs to replace the **meter** because of actions by you (e.g. restricted access to the **meter**, structural work at or near the **meter**), we will recover those additional costs from you.
- 15.5.3** We will attempt to notify you at the time of replacement and advise you that a new **meter** has been installed. A mutually acceptable time will be negotiated with **non-residential customers** for the replacement of **meters**, where practicable.
- 15.5.4** If a **meter** has been stolen from your **property**, you are required to engage a licensed plumber to place a spacer where the **meter** was installed and to advise us of the stolen **meter**. We will arrange for a new **meter** to be installed and you will be required to pay any related fees.

16 REDRESS

16.1 Notification

- 16.1.1** If you believe we have failed to comply with this **Customer Contract** or our activities have resulted in inconvenience, damage or loss to you or your **property**, you must notify us and we will investigate the matter and provide you with a response. That response will include:
- (a) whether you are entitled to a rebate or other redress options available under this clause;
 - (b) the options available to rectify your problem; and
 - (c) the availability of compensation under clause 16.4.

16.2 Rebates

- 16.2.1** You may be entitled to a rebate if any of the events in 16.2.2 to 16.2.7 occur as long as:
- (a) you have an **authorised standard connection**; and
 - (b) you, or a third party, have not caused or contributed to the event.
- 16.2.2** Unplanned interruptions
- (a) If you experience an **unplanned interruption** to your **drinking water service** (not including your **recycled water service**) of over five hours in duration between the hours of 5:00am and 11:00pm due to a failure of our **water infrastructure**, a rebate of 15 kilolitres will be

applied to the water usage component of your next bill. You will receive this rebate for the first and second event that you experience in a financial year.

- (b) If you experience three or more **unplanned interruptions** to your **drinking water service** (not including your **recycled water service**) between the hours of 5:00am and 11:00pm in a financial year due to a failure of our **water infrastructure**, each exceeding one hour in duration, a rebate of 15 kilolitres will be applied to the water usage component of your next bill.
- (c) If you experience one or more **unplanned interruptions** to your **drinking water service** (not including your **recycled water service**) between the hours of 11:00pm and 5:00am due to a failure of our **water infrastructure** and provide details of the inconvenience caused, you will be eligible for the above rebate. You should make initial contact via our **General Enquiry Process**.

16.2.3 Planned interruptions

If you experience three or more **planned interruptions** to your **drinking water service** (not including your **recycled water service**) between the hours of 5:00am and 11:00pm in a financial year, each exceeding five hours in duration, a rebate of 15 kilolitres will be applied to the water usage component of your next bill.

16.2.4 Low water pressure

If we assess your **property** as having experienced **low drinking water pressure** due to a failure of our **water infrastructure**, a rebate of 15 kilolitres will be applied to the water usage component of your next bill. Only one rebate will be applied in a financial year.

16.2.5 Wastewater overflows

- (a) If you experience a **dry weather wastewater overflow** on your **property** in a financial year as a result of a failure of our **wastewater infrastructure** (not including shaft breaks), a rebate of 30 kilolitres will be applied to the water usage component of your next bill after the first event.
- (b) If you experience two **dry weather wastewater overflows** on your **property** in **at the same** financial year due to a failure of our **wastewater infrastructure** (not including shaft breaks), a rebate of 60 kilolitres will be applied to the water usage component of your next bill after the second event, and
- (c) If you experience three or more **dry weather wastewater overflows** on your **property** in **at the same** financial year due to a failure of our **wastewater infrastructure** (not including shaft breaks), a **further** rebate of 60 kilolitres will be applied to the water usage component of your next bill after the third event.

16.2.6 Dirty Water

- (a) If you are not provided with clean **drinking water** suitable for normal domestic purposes, you should contact us on the **Emergency (faults and leaks) Assistance Line**.
- (b) We may provide compensation for damage caused by dirty drinking water (see clause 16.4) and we may refund you the cost of water used to flush your **water system**.
- (c) We will undertake an investigation of recurrent dirty **drinking water** problems to derive a long term solution.

16.2.7 Boil Water Alert

If **NSW Health** issues a boiled water alert due to contamination of **drinking water** that has been caused by us, a rebate of 15 kilolitres will be applied to the water usage component of your next bill, if your **property** is within the declared boiled water alert area.

16.3 Forms of redress

16.3.1 In addition to our obligation to pay a rebate under clause 16.2, we may provide one or more of the following forms of redress:

- (a) reinstatement;
- (b) repair;
- (c) rectification;
- (d) construction of works;
- (e) providing alternative supplies of water;
- (f) emergency accommodation;
- (g) payment for damages as set out in clause 16.4.

16.3.2 If you are unsatisfied with the form of redress we provide you, you may request additional redress from us. We will consider your request in accordance with the timeframes in clause 17.1 as if your request were a **complaint**.

16.4 Claim for damages

16.4.1 In the event of physical loss or damage to you or your **property** as a result of our failure to comply with this **Customer Contract**, the **Operating Licence** or the **Act**, we may compensate you for any loss suffered, following our investigation of the matter. However you should make your initial claim to your insurance company. If your loss is not covered by an insurance policy you may notify us for consideration.

16.4.2 If you make a claim for damages you must specify the nature of the problem and the type of compensation sought. We will require relevant documentation and evidence in support of your claim for damages as part of our consideration of your claim.

16.4.3 We will use reasonable endeavours to acknowledge receipt of your matter within 5 business days including the provision of a case identification number that will assist you with tracking your claim.

16.4.4 We will undertake investigations into the circumstances surrounding the claim/incident and provide a response time for making a decision in regard to your claim.

16.4.5 Within the time indicated, you will be provided with a written assessment of your claim outlining the reasons for the decision and whether any compensation will be paid.

16.4.6 If you are not satisfied with our decision, you have the right to seek review of your claim under clause 17.2 or you may seek an external review under clause 17.4.

16.5 Limitation of Liability

16.5.1 The only promises we make about the goods and **services** we provide under this **Customer Contract**, and the only conditions and warranties included in this **Customer Contract** are:

- (a) those set out in this **Customer Contract**; and
- (b) those that the **Law** (for example, the **Australian Consumer Law**) say are included.

16.5.2 However, where we are liable to you because of a breach of a condition or warranty that the **Law** says is included in this **Customer Contract**, our liability is to the extent permitted by **Law**, limited to:

- (a) replacing the goods and **services** to which the breach relates; or
- (b) at our option, paying you the cost of replacing those goods, or having the **services** supplied again.

16.5.3 The limitation of our liability does not affect rights you may have under a **Law** that applies to us that says we cannot exclude or limit our liability.

17 WHAT CAN I DO IF I AM UNHAPPY WITH THE SERVICE PROVIDED BY HUNTER WATER?

17.1 Customer Complaints

17.1.1 A **complaint** should be made using the methods referred to in the **General Enquiry Process**.

17.1.2 We will resolve your **complaint** in accordance with our *Complaint and Enquiry Policy* and will use reasonable endeavours to resolve your **complaint** as soon as possible. We will acknowledge receipt of your **complaint** and provide a case identification number that will assist you with tracking your **complaint**. Where we are unable to resolve your **complaint** within 3 business days, we will provide you with an estimated timeframe for our response.

17.1.3 The response will provide you with our intended course of action and identify when the course of action will be taken (if relevant). We will also provide the name of the contact person for follow up enquiries.

17.2 Complaints review

17.2.1 If you are not satisfied with the solution offered or action taken by us, you may have the **complaint** reviewed by a manager.

17.2.2 The manager will:

- (a) clarify your **complaint** and the outcome sought;
- (b) ensure that the **complaint** has been properly investigated;
- (c) advise you of the estimated timeframe for our proposed action;
- (d) communicate to you our final decision;
- (e) outline the relevant facts and regulatory requirements where appropriate;
- (f) indicate what we will do to address the issue; and
- (g) notify you of your rights to external review, if you are still not satisfied with our decision.

17.3 Resolution of complaints

17.3.1 A **complaint** will be considered resolved if:

- (a) we provide you with a response that:
 - (i) resolves the **complaint** to your satisfaction (or indicates how the **complaint** will be resolved to your satisfaction) or provides an explanation of the relevant policy and/or regulatory requirements and why no further action is proposed in relation to the **complaint**, or
 - (ii) provides a date when the issue will be resolved if the **complaint** relates to future planned operational or capital work.
- (b) the **complaint** is resolved through an external **dispute** process in accordance with clause 17.4, or
- (c) 28 business days have passed since receiving our response pursuant to clause 17.1.2 and you have not sought a further review by us or lodged a claim in an external **dispute** resolution forum.

17.3.2 We will extend the 28 business days by a reasonable period if:

- (a) within those 28 business days you have requested an extension; or

(b) after the 28 business days you demonstrate that, because of special circumstances, you were unable to seek an extension within the 28 business days.

17.3.3 Where a further communication is received from you, this will be regarded as a new **enquiry** or **complaint**.

17.4 External dispute resolution

17.4.1 If you are still not satisfied with our response after following the process in clause 17.1 and 17.2, you may escalate the **complaint** to a **dispute** and seek external resolution of the **dispute** through **EWON**. **EWON** will work with you and Hunter Water to find a fair and reasonable outcome.

17.4.2 **EWON's** services are available to you at no cost. **Disputes** that may be referred to **EWON** include **disputes** about supply of **service**, your account, credit or payment services and **restriction** or **disconnection**. Full details are available from **EWON**. You should attempt to resolve the issue with Hunter Water before referring the matter to **EWON**.

17.4.3 You may choose whether or not to accept **EWON's** decision. If you decide to accept it, then it will be final and binding on us.

17.4.4 The **NCAT** may also hear and determine consumer claims.

17.4.5 You also have recourse to the legal system.

18 WHO SHOULD I CONTACT?

18.1 Emergency assistance (Faults and leaks assistance)

18.1.1 In the event of a suspected leak or burst water main, a **wastewater overflow**, an **unplanned interruption**, a water quality or **low water pressure** problem, you may contact our 24 hour **Emergency (faults and leaks) Assistance Line** on *1300 657 000*.

18.1.2 The emergency phone number is also listed on your bill, in the telephone directory and on our website.

18.2 General Enquiries

18.2.1 If you have an **enquiry** relating to your account, payment options, concession entitlements or other information about our **services**, and you cannot find the answer on our website, you should contact us via the **General Enquiry Process**.

18.2.2 We will reply to your written **enquiry** within five business days of receiving it, unless we can respond sooner by phone contact. Our written response will provide an explanation and the name of the contact person for follow up **enquiries**. If your **enquiry** cannot be resolved within these timeframes, you will be advised of the contact number of the person who will investigate your **enquiry** further.

18.2.3 If your verbal **enquiry** cannot be answered immediately, we will use our reasonable endeavours to provide a response to your verbal **enquiry** within three business days.

18.3 Interpreter and TTY services

18.3.1 We provide an interpreter service for people from non-English speaking backgrounds. Please call 131 450 to access these services.

18.3.2 **Customers** who have a hearing or speech impairment can contact us through the National Relay Service (NRS) as follows:

(a) For TTY users phone 133 677 and ask for 1300 657 657;

- (b) For Speak and Listen (speech-to-speech relay) users phone 1300 555 727 and ask for 1300 657 657; or
- (c) For internet relay users connect to the NRS (see www.relayservice.gov.au for details) and ask for 1300 657 657.

19 CONSULTATION, INFORMATION AND PRIVACY

19.1 Community involvement

- 19.1.1 To enable community involvement on issues relevant to our programs, **services** and decision making process, we have a **Consultative Forum**.
- 19.1.2 The **Consultative Forum Charter** explains the role and functions of the **Consultative Forum**. The Charter is available on our website or contacting us via the **General Enquiry Process** to obtain a copy.

19.2 Providing information

- 19.2.1 We will respond to requests for information according to the provisions of the *Government Information (Public Access) Act 2009* (NSW).

19.3 Privacy

- 19.3.1 We will treat your **personal information** according to the provisions of all applicable **Laws**.
- 19.3.2 To the extent permitted by **Law**, we may exchange **personal information** about your creditworthiness, credit standing, credit history or credit capacity with credit reporting agencies, other credit providers, other suppliers, or our agents and contractors.
- 19.3.3 We may also confirm your eligibility for concessions and exemptions (for example, pensioner rebates) with relevant **Authorities**.

20 DEFINITIONS, DRAWINGS AND INTERPRETATION

20.1 Definitions

In this **Customer Contract**, the defined terms have the same meaning as that in the Operating Licence except where defined below:

Account holder is taken to have the same meaning as 'owner' under the **Act**.

Approval means an approval, consent, lease, licence, permit or authority issued or required in respect of any matter referred to in this **Customer Contract**.

Australian Consumer Law means the Australian Consumer Law as set out in Schedule 2 to the *Competition and Consumer Act 2010* (Clth).

Authorised connection means an approved connection to our **water infrastructure**, our **wastewater infrastructure** or our **stormwater infrastructure** in compliance with our *Water Services Connections Standard*, *Wastewater Connections Standard* or *Trade Wastewater Standard* and any conditions of approval.

Authorised standard connection means an **authorised connection** that ~~is not a non-standard connection~~ is subject to the service obligations in this **Customer Contract**.

Authority means any government, semi-governmental, statutory, administrative, fiscal or judicial body, corporation, department, commission, authority, tribunal or other person.

Backflow prevention device means a device to prevent the reverse flow of water from potentially polluted source, into our **water infrastructure**.

Billing cycle means billing periods each of four months commencing on 1 July, 1 November, and 1 March each year.

Charges include any charges or fees payable under this **Customer Contract** or other agreement made between Hunter Water and a **customer**.

Connection point is where the private service from a **property** connects to our **infrastructure**.

Connection requirements means Hunter Water's published requirements for connection to its **infrastructure**. These requirements are intended to ensure that there is adequate capacity for **customer** connection and that our **infrastructure** is protected against potential problems that could arise from **defective** or **unauthorised connections** and **defective customer** systems.

Consultative Forum means a panel of community representatives that meets regularly with Hunter Water to enable community involvement in matters relevant to the performance of Hunter Water as required under clause 6.4 of the **Operating Licence**.

Consultative Forum Charter has the meaning given in clause 6.4.4 of the **Operating Licence**.

Critical customer means a **customer** that is dependent on **drinking water** supply to the extent that an interruption to **drinking water** supply poses an immediate and major health or safety risk and is included on our critical customer list.

Data logger means a device that electronically measures water use. A **customer** may retrofit this device to the **meter** when they want up to date information on their water use.

Declared stormwater drainage areas are those areas within our **area of operations** ~~which~~ that contain ~~the~~ **stormwater infrastructure** in accordance with section 46 of the **Act**, used to transport **stormwater** as defined on the maps located on our website.

Defective works means an issue, blockage or leakage from your system or into our **infrastructure** that impacts, or poses a risk to, the operation of our **water infrastructure**, **wastewater infrastructure**, **stormwater infrastructure** or the environment and **defective** has the same meaning.

Disconnect or **Disconnection** means the stopping (either temporarily or permanently) of the **services** to your **property**.

Dispute means an unresolved **complaint** escalated internally or externally or both.

Drinking water service means the **drinking water** service we are permitted to provide by the Operating Licence and any applicable **Law** in respect to the collection, storage, treatment, conveyance, reticulation or supply of **drinking water**.

Dry weather wastewater overflow means an overflow resulting from a blockage in the **wastewater infrastructure** (e.g. caused by tree root invasion or pipe collapse), an electrical or mechanical failure or other system problem not related to transporting excess **wastewater** flows during wet weather.

Emergency (faults and leaks) Assistance Line is 1300 657 000.

Enquiry means a written or verbal question by or on behalf of a **customer** which can be satisfied by providing information, advice, assistance, clarification, explanation or referral to an external body.

Environment Protection Licences means Hunter Water's Environment Protection Licences issued under the *Protection of the Environmental Operations Act 1997* (NSW) in relation to our **wastewater infrastructure**.

Financial hardship means situations where a **customer** is unable to pay all or some of the account or is unable to pay by the due date.

Fire service means a **water service** constructed to meet fire protection requirements under the relevant **Law**.

General Enquiry Process means the process of making general enquiries to us using any of the following methods:

- Website: www.hunterwater.com.au
Online enquiry form
- Email: enquiries@hunterwater.com.au
- Post: PO Box 5171 HRMC 2310
- Telephone: 1300 657 657
- In person Head Office
36 Honeysuckle Drive, Newcastle West (8:30am-5.00pm)
- Lake Macquarie
128 Main Road, Speers Point (8.30am-4.30pm)
- Maitland
285 High Street, Maitland (8.30am-4.30pm)

Hunter Water Regulation means the *Hunter Water Regulation 2015* enacted under the **Act**.

Infrastructure means any or all of our water, **wastewater** and **stormwater infrastructures**.

Insolvency Event means where:

- (a) the **customer** informs us in writing or creditors generally that the **customer** is insolvent or is unable to meet its financial commitments;
- (b) a notice is given of a meeting of creditors with a view to the **customer** entering a deed of company arrangement;
- (c) a controller, administrator, liquidator, provisional liquidator, receiver or receiver and manager is appointed;
- (d) the **customer** enters a deed of company arrangement with creditors;
- (e) an application is made to a court for the winding up of the **customer** and it is not stayed within a further 10 business days;
- (f) a winding up order is made in respect of the **customer**;
- (g) the **customer** resolves by special resolution that it be wound up voluntarily;
- (h) a mortgagee of the property takes possession of that property; or
- (i) the **customer** takes or suffers in any place, any step or action analogous to any of those mentioned in clauses (a) to (i).

Law means any requirement of any primary or subordinate legislation, rule or common law, present or future and whether state, federal or otherwise.

Low drinking water pressure means where your **drinking water** pressure at the **connection point** to Hunter Water's **drinking water service** is below 20m head of pressure for a continuous period of 30 minutes or more unless:

- (a) as a result of a supply interruption;
- (b) water usage by authorised fire authorities in the case of a fire; or
- (c) on a day when peak day demand exceeds 370 megalitres per day.

It is measured either by:

~~(a)~~(d) customer notification and confirmation by Hunter Water field testing, or

~~(b)~~(e) Hunter Water's systems or modelling.

Maintenance includes repairs and replacement, and where relevant testing and inspection.

Major operational incident means an event which causes any of our **infrastructure** to fail.

Meter is the device used to measure the water usage and includes any remote reading equipment and associated wiring, power, plumbing and servicing equipment but excludes the assembly.

NCAT means the NSW Civil and Administrative Tribunal established under the *Civil and Administrative Tribunal Act 2013* (NSW).

Non-residential customer is a **customer** who is not a **residential customer** and includes a **customer** who owns or occupies **properties** providing commercial residential services (for example, boarding houses, caravan parks, hotels, hostels, mobile home villages and motels).

Non-residential property means **property** that is not **residential property**.

Non-standard connection means a **non-standard water connection** or **non-standard wastewater connection**.

Non-standard water connections or **non-standard wastewater connections** ~~may apply~~includes where a **property** does not have a direct frontage to our **water infrastructure** or our **wastewater infrastructure** or are connected directly to a trunk water main.

Operating Licence is the licence granted to us under section 12 of the **Act**.

Owner is defined in section 3 of the **Act**.

Path tap means the tap on the **meter** assembly.

Payment arrangement means any type of payment assistance set out in clause 10 of this **Customer Contract**.

Penalty notice means an infringement notice issued in response to a breach of the **Act**, the **Customer Contract** or the **Hunter Water Regulation**.

Personal information has the same meaning as under the **PPIP Act**.

PPIP Act means the *Privacy and Personal Information Protection Act 1998* (NSW).

Planned interruption means an interruption to a **service** initiated by us to allow **maintenance** to be undertaken and for which notice has been given to you.

Pressure wastewater system means a system where individual pumps located in collection tanks on private **property** are used to pump **wastewater** to our **wastewater infrastructure**.

Private joint service ~~means is where~~ a private pipe serves more than one property, but there is a single **connection point** to our main.

Recycled water area is the geographical area occupied by a community or communities supplied with **recycled water** through a pipe network separate from the **drinking water** system.

Recycled water infrastructure includes any of our **infrastructure** that is, or is intended to be, used for:

- (a) the collection or storage of **recycled water** and includes the **connection point**;
- (b) the conveyance or reticulation of **recycled water**;
- (c) the treatment of **recycled water**, including any outfall pipe or other work that stores or conveys **recycled water** leaving the **infrastructure** used for the treatment of **recycled water**; and

(d) any other **infrastructure** used in connection with **recycled water**

but does not include any pipe, fitting or apparatus that is situated upstream of your **connection point** to our **recycled water infrastructure**.

Recycled water service means the services we are permitted to provide by the **Operating Licence** and any applicable **Law** in respect to the collection, storage, treatment, conveyance, reticulation, supply or disposal of **recycled water**.

Residential customer means a **customer** who owns **residential property**.

Residential property is property that is the customer's principal place of residence or that is categorised as residential under the *Local Government Act 1993* (NSW).

Residential wastewater includes all liquids and any substances in them, which may be discharged into our **wastewater infrastructure** from a **residential property**, including discharges from toilets, hand basins, urinals, sinks, baths, showers, washing machines and similar items.

Restrict or **Restriction** means a direct intervention in the **water service** by Hunter Water in order to reduce flow to a **customer's** property.

See separate and unrelated definition for "Water restrictions".

Separate agreements are agreements covering arrangements such as **non-standard water connections**, **non-standard wastewater connections**, **trade waste connections** or **recycled water connections**.

Service charge is a charge for being connected to our **systems**.

Services has the same meaning as in the Operating Licence, except in this Customer Contract it excludes unfiltered water.

Stormwater means the water collected, stored and transported via the **stormwater infrastructure**.

Stormwater infrastructure means the **stormwater** drainage channels, pipes, detention structures, and **stormwater** quality improvement devices and other equipment that we use to provide **stormwater services**.

Stormwater services means the services we are permitted to provide by the **Operating Licence** and any applicable **Law** in respect to **stormwater**.

Trade wastewater or **trade waste** includes any liquid, and any substances contained in it, which may be discharged into our **wastewater infrastructure** from a **non-residential property**, and any vehicle transporting **wastewater**, including septic effluent. **Trade wastewater** does not include **wastewater** from **residential property** connected to Hunter Water's **wastewater infrastructure**. The term **trade wastewater** as used in this document includes run off from contaminated open areas.

Trade waste service means the services we are permitted to provide by the **Operating Licence** and any applicable **Law** in respect to the collection, storage, treatment, conveyance, or disposal of **trade waste**.

Unauthorised connection includes where you:

- (a) connect to our **infrastructure** without our approval;
- (b) do not comply with all conditions of connection we have set;
- (c) do not comply with the conditions in our **Customer Contract** or your **separate agreement**;
- (d) do not install a **meter** on a new **water service** connection before you start using the water;
- (e) do not install **backflow prevention devices** appropriate for the hazard rating of the **property** in accordance with our *Backflow Prevention Standard*, test it, send the results to us and fix any **defects**; or

- (f) discharge **wastewater** or **trade wastewater** without our written permission or breach your **trade wastewater** discharge standards or do not meet requirements for **trade wastewater** pre treatment equipment.

Unauthorised works means the placement of any works or structures over Hunter Water Assets, including any of the works referred to in our *Building Over and Adjacent to Assets Standard* that require Hunter Water's prior approval or consent and such approval or consent has not been obtained.

Unplanned interruption means an interruption to the **services** due to:

- (a) emergencies;
- (b) events beyond our control;
- (c) a situation where we need to avert danger to any person or property; or
- (d) faults in our **infrastructure**

and for which no notice has been given to you.

Wastewater services means the services we are permitted to provide by the **Operating Licence** and any applicable **Law** in respect to the collection, storage, treatment, conveyance, reticulation or disposal of **wastewater**.

Wastewater infrastructure includes any of our **infrastructure** that is, or is intended to be, used for:

- (a) the collection or storage of **wastewater** and includes the **connection point**;
- (b) the conveyance or reticulation of **wastewater**;
- (c) the treatment of **wastewater**, including any outfall pipe or other work that stores or conveys **wastewater** leaving the **infrastructure** used for the treatment of wastewater;
- (d) any other **infrastructure** used in connection with **wastewater services and trade waste services**

but does not include any pipe, fitting or apparatus that is situated upstream of your **connection point** to our **wastewater infrastructure**.

Wastewater overflow means a discharge of untreated or partially treated **wastewater** from our **wastewater infrastructure**. These overflows may occur in wet or dry weather.

Wastewater discharge factor is a measure of the volume of **wastewater** discharged to our **wastewater infrastructure** expressed as a percentage of water delivered to the **property** via all Hunter Water drinking water meters.

Water infrastructure includes any of our **infrastructure** that is, or is intended to be, used for:

- (a) the collection or storage of water, including from a dam or reservoir or a water production plant;
- (b) the treatment of water;
- (c) the conveyancing or reticulation of water and includes the **connection point**;
- (d) any other **infrastructure** used in connection with Water Services

but does not include any pipe, fitting or apparatus that is situated downstream of your **connection point** to our **water infrastructure**.

Water restrictions means a restriction on the use of water in accordance with relevant conditions in the **Operating Licence**, the **Act** or the **Hunter Water Regulation**.

Water service means the service we are permitted to provide by the **Operating Licence** and any applicable **Law** in respect to the collection, storage, treatment, conveyance, reticulation or supply of water.

Wholesale sewerage service has the meaning given to it in a price determination by IPART.

Wholesale sewerage services customer has the meaning given to it in a price determination by IPART.

Wholesale water supply service has the meaning given to it in a price determination by IPART.

Wholesale water supply services customer has the meaning given to it in a price determination by IPART.

Your system(s) means **your wastewater system** and/or **your water system**.

Your wastewater system means the pipes, fittings and other connected accessories required for or incidental to the discharge or conveyance of **wastewater** to our **wastewater infrastructure**, but does not include our **wastewater infrastructure**.

Your water system means the pipes, fittings, meters (except those owned by us) and other connected accessories required for or incidental to the supply and measurement of water provided by us, but does not include our **water infrastructure**.

20.2 Interpretation

In this **Customer Contract**, the following interpretations apply:

- (a) a reference to a person includes a natural person, corporation, statutory corporation, partnership, the Crown and any other organisation or legal entity;
- (b) one gender includes the other;
- (c) a party includes the party's executors, administrators, successors and permitted assigns and where there are two or more parties, jointly and severally;
- (d) the **Law** includes legislation, regulations, licences, orders, mandatory codes, permits and directions;
- (e) a business day is a day that is not a Saturday, a Sunday or a public holiday in New South Wales;
- (f) a statute, regulation or provision of a statute or regulation (statutory provision) includes:
 - (i) that statutory provision as amended or re enacted from time to time;
 - (ii) a statute, regulation or provision enacted in replacement of that statutory provision;
 - (iii) another regulation or other statutory instrument made or issued under that statutory provision;
- (g) the singular includes the plural and vice versa;
- (h) including and similar expressions are not words of limitation;
- (i) a reference to a clause or schedule is a reference to a clause of or a schedule to this **Customer Contract**;
- (j) a reference to a contract or document (including without limitation, a reference to this **Customer Contract**) is to this **Customer Contract** or document or any document which varies, supplements, replaces, assigns or novates that document;
- (k) where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning;
- (l) headings and any table of contents or index are for convenience only and do not form part of this **Customer Contract** or affect its interpretation;

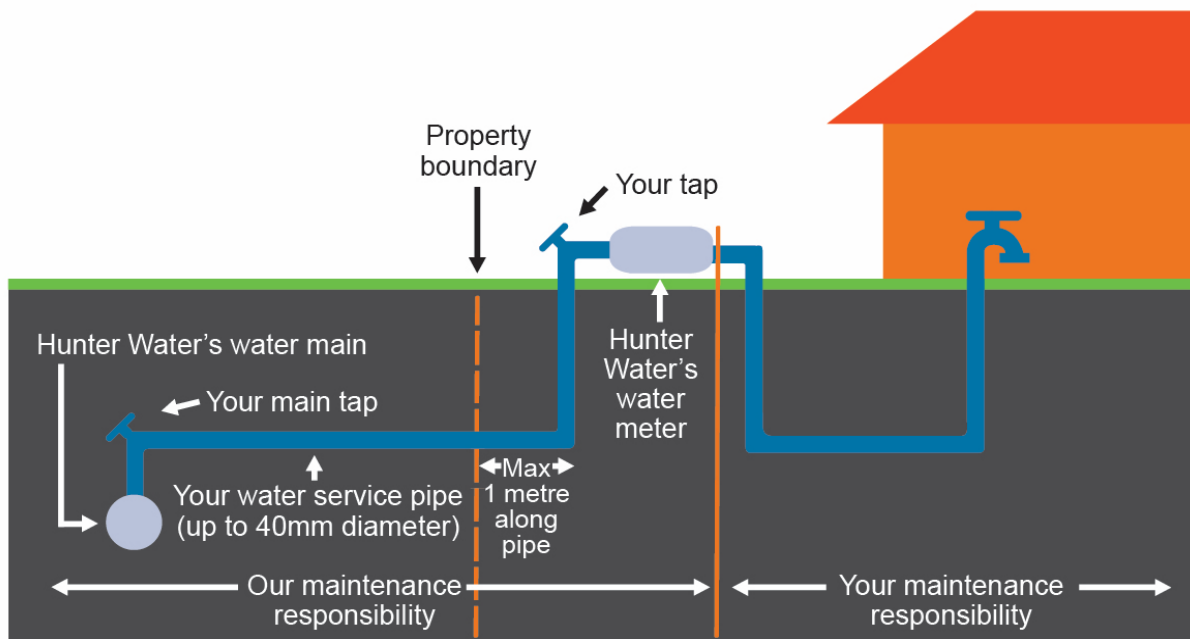
- (m) a provision of this **Customer Contract** must not be constructed to the disadvantage of a party merely because that party was responsible for the preparation of this **Customer Contract** or the inclusion of the provision in this **Customer Contract**;
- (n) if an act must be done on a specified business day which is not a business day, it must be done instead on the next business day;
- (o) money is to Australian dollars, unless otherwise stated;
- (p) if there is any inconsistency between this **Customer Contract** and any **Law**, the **Law** will prevail to the extent of the inconsistency;
- (q) a reference to a party, clause, paragraph, schedule or annexure is a reference to a party, clause, paragraph, schedule or annexure to or of this **Customer Contract**;
- (r) a reference to a party in a document includes that party's successors and permitted assigns;
- (s) a reference to any legislation includes all amendments, consolidations, replacements and legislation applying to the same or similar subject matter and all regulations or instruments issued under it;
- (t) an agreement on the part of two or more persons binds them jointly and severally;
- (u) a reference to a notice, consent, request, approval or other communication under this **Customer Contract** means a written notice, request, consent, approval or agreement.

We, our or us means Hunter Water Corporation.

You or your means our **customer** for the purpose of this **Customer Contract**.

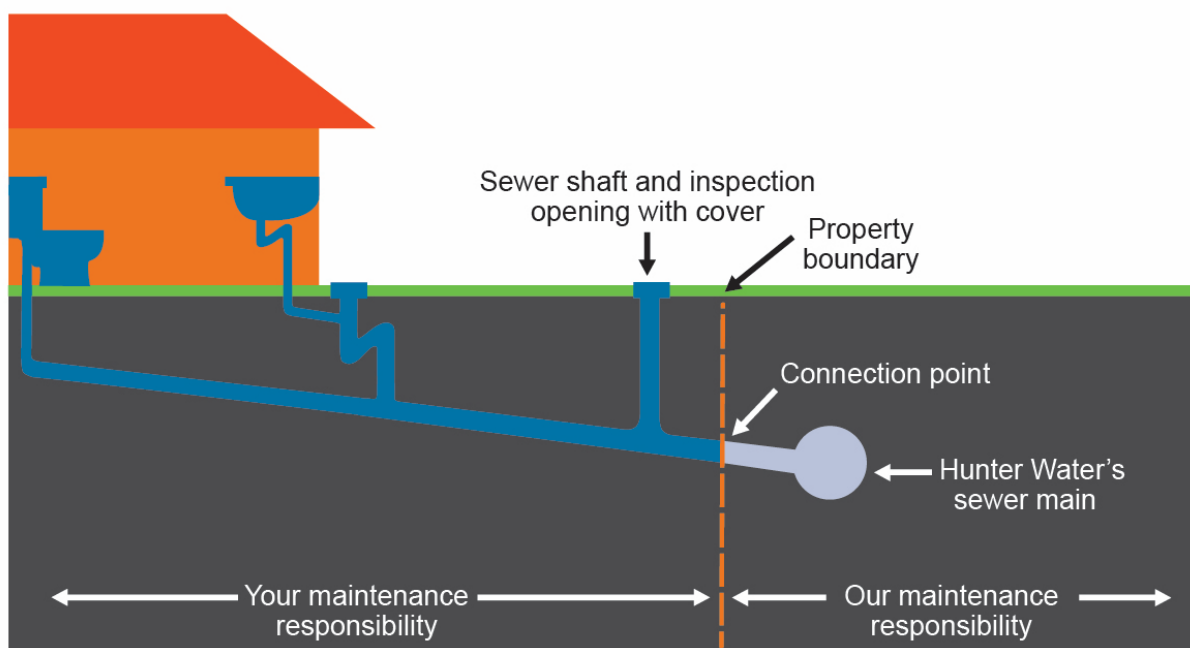
20.3 Drawings

Figure 20.3.1 Typical water system maintenance responsibilities for an authorised standard connection



NOTE: The water meter may be located more than one metre inside your property. If this is the case, Hunter Water's maintenance responsibility extends only one metre along the pipe from the property boundary in any direction (i.e. total length horizontally and vertically is one metre). The path tap is your maintenance responsibility if it is further inside your boundary.

Figure 20.3.2 Typical wastewater system maintenance responsibilities for an authorised standard connection



NOTE: The connection point may have been installed outside your property boundary.

Figure 20.3.3 Typical Hunter Water Pressure Wastewater system maintenance responsibilities

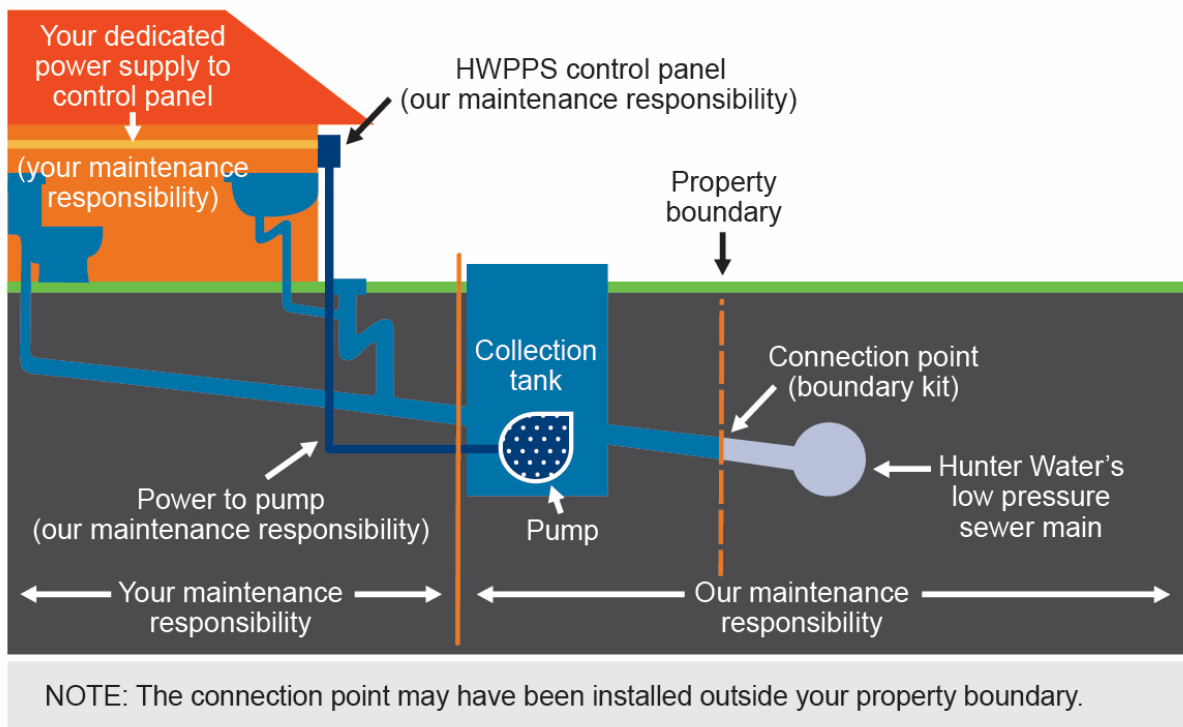
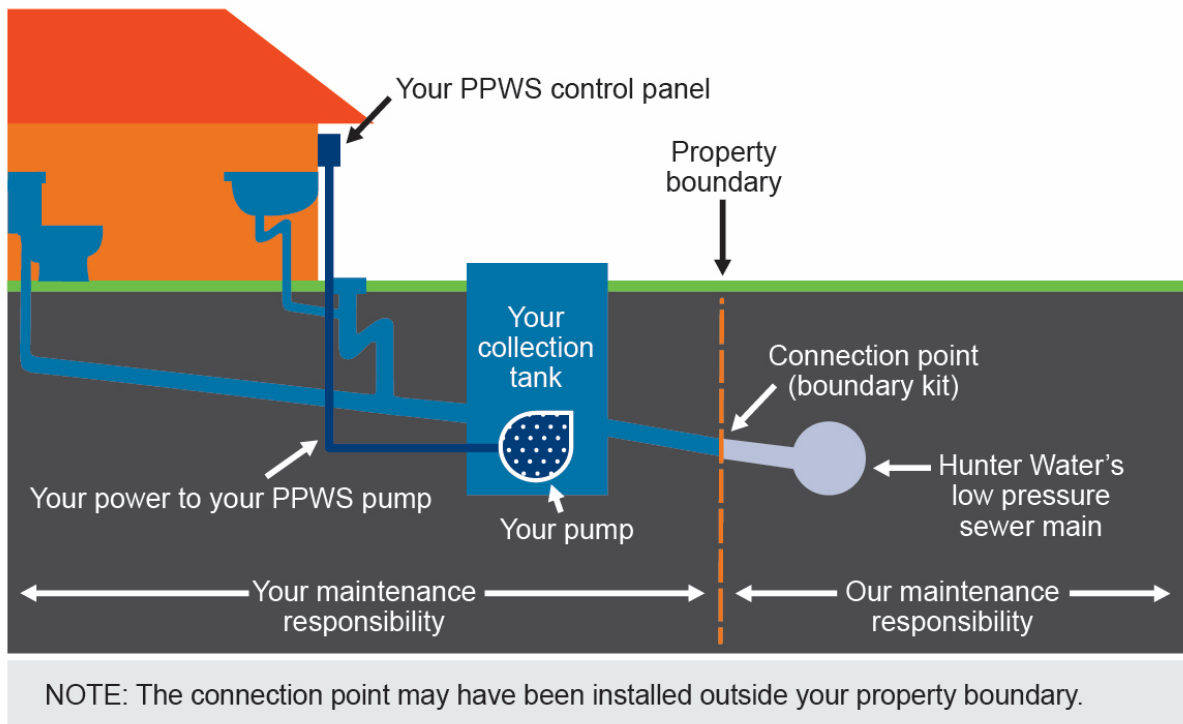


Figure 20.3.4 Typical Private Pressure Wastewater System maintenance responsibilities



APPENDIX E

REQUESTED CHANGES TO DRAFT REPORTING MANUAL

Appendix E adopts the following conventions:

- Requested deletions are indicated in strikethrough font (~~deletion~~)
- Requested additions are indicated in red (**addition**)

| DRAFT OPERATING LICENCE CLAUSE | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE | |
|--------------------------------|---|---|--|
| 1 | INTRODUCTION | | |
| | <p>Table 1 Summary of Hunter Water’s reporting schedule and requirements</p> <p>Customer and stakeholder relations</p> <p>“As required” Reporting</p> <p>By a specific date</p> <p>MoU with Fire and Rescue NSW – 31 December 2017</p> | <p>The MoU with Fire and Rescue NSW is an auditable clause within the Licence rather than a separate reporting requirement. It is not detailed within the draft Reporting Manual aside from its inclusion in Table 1.</p> <p>The MoU due date is 31 December 2017 (per new licence clause 6.11.1), whereas the working group referenced in the MoU must agree timelines and format for a report. Moreover, inclusion of the MoU with Fire and Rescue NSW in the Reporting Manual is inconsistent with the approach to similar stakeholder agreements (e.g. NSW Health and DPI Water).</p> | |
| 2 | WATER CONSERVATION | | |
| 2.1 | ‘Periodic reporting’ | 2.1.2 Annual Water Conservation Report (post ELWC Water Conservation Program Report) | Terminology consistent with Table 2.1 |
| 2.2 | ‘As required’ reporting | No change | |
| 2.3 | Publicly available documents | No change | |
| 3 | SUPPLY SERVICES AND PERFORMANCE STANDARDS | | |
| 3.1 | ‘Periodic reporting’ | <p>3.1.4 Annual compliance and performance reporting</p> <p>Hunter Water must submit a compliance and performance report on its management of the supply services and performance standards quality of Drinking Water and Recycled Water to IPART for each financial year.....</p> <p>The report must include:</p> <ul style="list-style-type: none"> • ... • ... • ... • ... • any significant changes that is proposed to make made to the Drinking Water Quality Management System and/or the Recycled Water Quality Management System, and • ... • ... | <p>The opening sentence should reflect the report content, which extends beyond drinking water quality and recycled water quality to include the compliance with system performance standards and changes to the area of operations (last two bullet points, on page 14).</p> <p>The draft requirements in relation to changes the Drinking Water Quality Management System and the Recycled Water Quality Management System are inconsistent with draft Operating Licence clause 3.1.3, which cross-references the Reporting Manual. Hunter Water’s proposed drafting is also consistent with the current Operating Licence and Reporting Manual.</p> |

| DRAFT OPERATING LICENCE CLAUSE | | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|---|--|---|
| 3.2 | 'As required" reporting | 3.2.2 Notification of significant changes to Water Quality Management Systems Hunter Water must notify IPART and NSW Health of any significant changes that it proposes to make to the Drinking Water and Recycled Water Quality Management Systems. | Clause 3.2.2 may be redundant given that it appears to be addressed in the required content of the annual compliance and performance report. Consider deleting this clause or add a clarification if it is intended to address a different requirement or reporting mechanism. |
| 3.3 | Publicly available documents | No change | |
| 4 | ORGANISATIONAL SYSTEMS MANAGEMENT | | |
| 4.1 | 'Periodic reporting' | 4.1.1 Annual compliance and performance reporting The report must include: <ul style="list-style-type: none"> • ... • ... • ... • ... • any failures major non-conformities in each management system and the action taken to resolve them. | The terminology "failure" is inconsistent with terminology used in certification audits and surveillance audits associated with international standards. Audit finding categories are non-conformities (major), non-conformities (minor), observations, improvement opportunities, noteworthy efforts (negative to positive, in severity order). |
| 4.2 | 'As required" reporting | No change | |
| 4.3 | Publicly available documents | No change | |
| 5 | PERFORMANCE MONITORING AND REPORTING | | |
| 5.1 | 'Periodic reporting' | 5.1.1 Annual compliance and performance reportingHunter Water's statement of compliance must be provided in accordance with IPART's Public Water Utility Audit Guideline. | The component of the sub-clause relating to the statement of compliance appears to be misplaced, given that the content and format are specified by IPART in its Audit Guidelines. Hunter Water recommends: moving this component into the Audit Guideline; or a separate sub-clause; or integrating it into 5.1.2, which addresses reports specifically related to Operational Audits. |
| 5.2 | 'As required" reporting | No change | |
| 5.3 | Publicly available documents | No change | |

| DRAFT OPERATING LICENCE CLAUSE | CLAUSE DETAIL AND REQUESTED CHANGE | RATIONALE |
|--------------------------------|---|---|
| 6 | CUSTOMER AND STAKEHOLDER RELATIONS | |
| 6.1 | <p>'Periodic reporting'</p> <p>The report must include:</p> <ul style="list-style-type: none"> • the activities of the customer advisory group in the financial year including: <ul style="list-style-type: none"> - the activities and achievements of the customer advisory group , and - compliance of the customer advisory group with the charter, • any systemic problems arising from Complaints and the action taken to resolve them, • any changes made to: <ul style="list-style-type: none"> - the Customer Contract, - the Procedure for Payment Difficulties and Actions for Non-Payment, - the customer advisory group charter, - the Internal Complaints Handling Procedure, and - the external dispute resolution scheme referred to in clause 6.6 of the Licence. <p><i>[Note: Under the Licence, Hunter Water must:</i></p> <ul style="list-style-type: none"> • <i>maintain and implement a Procedure for Payment Difficulties and Actions for Non-payment (Licence, clause 6.3)</i> • <i>consult with its Customers and Consumers through a customer advisory group and maintain a customer advisory group charter (Licence, clause 6.4),</i> • <i>maintain and implement an Internal Complaints Handling Procedure (Licence, clause 6.5), and</i> • <i>be a member of the external dispute resolution scheme (Licence, clause 6.6).</i> <p><i>This section 6.1.1 requires Hunter Water to report on how it complies with these Licence conditions.]</i></p> | <p>The required content of the annual compliance and performance report and the explanatory report seem inconsistent in relation to all points except the customer advisory group. The report must include “any changes made” whereas the explanatory note states that Hunter Water must report on how it complies with the relevant licence conditions overall. While Hunter Water does not object to the latter, it questions the administrative efficiency of such a requirement given that this information is readily available to customers and the general public on its website, via its Contract Centre and in pamphlets provided at least annually (in accordance with draft licence clause 6.7). It would also seem to duplicate the content of the Operational Audit questionnaire.</p> |
| 6.2 | <p>'As required" reporting</p> <p>No change</p> | |
| 6.3 | <p>Publicly available documents</p> <p>Hunter Water must make the compliance and performance report on its customers and stakeholder relations Management Systems (referred to in section 6.1.1 of this Reporting Manual) available free of charge:...</p> | <p>Correction of typographic error</p> |

REPORTING MANUAL APPENDICES

IPART collects and publishes annual performance information from the three major public water utilities in New South Wales to ensure transparency and improve public confidence, provide additional incentives to the utilities to perform to expectations and enable identification of areas for improvement. The reportable indicators are specified in each public water utility's Reporting Manual, which forms part of its licence package.

Hunter Water agrees with IPART's draft decision to make no change to the requirements to report against IPART performance indicators and to pursue a separate review across the industry.²⁵ However, a number of drafting changes have been identified that would:

- Increase the consistency between the major public water utilities without changing intent
- Incorporate clarifications provided by IPART during the 2012-2017 Operating Licence term, which will improve transparency and auditability
- Transparently clarify the classification of wholesale customers (i.e. their inclusion or exclusion in performance calculations).

Subsequent tables adopt the following conventions:

- Table captions are identical those used in the draft Reporting Manual
- Only tables containing indicators with proposed drafting changes are included
- Only indicators with proposed drafting changes are included

²⁵ IPART, 2016(a), pages 67 -69.

Table C.8.1 Performance Indicators - Infrastructure

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND DRAFTING CHANGES | RATIONALE |
|---------------|---|---|--|
| I 1 | The number of properties affected by an unplanned water interruption duration of more than 1 hour and less than or equal to 5 hours. | <p>Property means any real property to which either of both of the following conditions apply applies:</p> <p>a. the real property is connected to the water utility’s drinking water supply system, to the water utility’s sewerage system or to the water utility’s recycled water system and a charge for the services provided by one or more of those systems is levied on the owner of the real property;</p> <p>b. the real property is within a declared stormwater drainage area for which the utility imposes a stormwater charge upon the owner of real property in that area.</p> | <p>Property</p> <p>The infrastructure performance indicators applying this definition of property only involve the drinking water supply system. References to sewerage system, recycled water system and stormwater drainage area are not relevant in this context and could be deleted. This requested change is editorial only.</p> |
| I 2 | Occurrence of water interruptions to affected properties (ie, the number of properties experiencing 3 or more Planned and or Unplanned water interruptions) of more than one hour duration). | <p>the real property is within a declared stormwater drainage area for which the utility imposes a stormwater charge upon the owner of real property in that area.</p> | <p>Alternative providers of water and wastewater services have recently emerged in the Lower Hunter, following establishment of a regulatory framework for competition in the NSW water sector in 2008 (private network operators and retail suppliers licensed under the <i>Water Industry Competition Act 2006</i>).</p> |
| I 3 | Events leading to planned or unplanned water interruption where 250 or more properties experience an interruption of over 5hrs duration. | <p>For clarity, neither wholesale customers nor their end-users are considered to be properties for the purposes of reporting performance against IPART indicators.</p> <p>Water Interruption means any event causing a total loss of water supply due to any cause. Water interruption excludes those caused by bursts or leaks in the service connection to internal plumbing or planned meter replacements. All interruptions not subject to notification caused by third parties or a power failure should be included. Exclude instances of reduced service levels due to, for example, low pressure. If a property experiences more than one interruption then it should be counted for each event. A water supply interruption, which causes loss of supply to 100 customers, is counted as 100 customer interruptions.</p> <p>Planned water interruption – water interruption initiated by the water utility for which at least 24 hours’ notice has been given to the customer.</p> <p>Unplanned water interruption means an interruption in which an occupier of a property has not received at least 24 hours notification of the interruption or an</p> | <p>Alternative providers may seek wholesale services from Hunter Water for on selling to end-use customers or to support provision of recycled water services. In these circumstances the alternative providers are wholesale customers.</p> <p>Wholesale customers often own water and sewerage infrastructure used for their business but may not own the land to which a connection is requested. Such a situation would not meet the definition of property and therefore should not be included in the calculation.</p> <p>Explicit clarification of the treatment of wholesale customers for the purposes of reporting performance against IPART indicators would provide clarity to stakeholders (including auditors) and assist Hunter Water in complying with draft licence clause 5.2.2 (record systems and accurate reporting).</p> <p>Unplanned water interruption</p> |

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND DRAFTING CHANGES | RATIONALE |
|---------------|--|--|---|
| | | <p>interruption that has occurred prior to the expiry outside the period of any notice provided to an occupier advising of an interruption. It also includes outages where the duration exceeds that originally notified. In this case the entire outage is classed as unplanned.</p> | <p>During the current licence term IPART confirmed the intention to classify the interruption as “unplanned” if it occurred outside of the period specified in the notice. e.g. if the notice says there will be an interruption on day ‘x’ between 9am and 12 noon, it is counted as an unplanned if:</p> <ul style="list-style-type: none"> • The interruption occurs (or starts) prior to 9am on day ‘x’, or • The interruption occurs (or finishes) after 12 noon on day ‘x’. <p>The requested change formalises an existing clarification.</p> <p>I 2</p> <p>During the current licence term IPART confirmed the intention to count the property:</p> <ul style="list-style-type: none"> • after a total of 3 events (not 6 events) • based on any combination of planned and unplanned interruptions (i.e. all planned, all unplanned, or a combination) <p>The requested change formalises an existing clarification.</p> |
| I 4 (H) | The number of residential properties affected by planned water supply interruptions in peak hours (5am -11pm). | <p>Property as per I 1.</p> <p>Planned water interruption as per I 1</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. For the purpose of this indicator, property refers to only residential properties. 2. Interruptions spanning any part of the peak period are to be included. | |
| I 5 | The number of properties in the utility’s drinking water supply network experiencing a water pressure failure | <p>Property as per I 1.</p> <p>A property experiences a water pressure failure if a pressure of less than 20 metres head is experienced for a continuous period of 30 minutes or more measured at</p> | References should be updated to reflect Hunter Water circumstances (rather than Sydney Water). The requested changes are editorial only. |

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND DRAFTING CHANGES | RATIONALE |
|---------------|--|--|-----------|
| | which is occasional or recurrent, but not permanent. | <p>the point of connection of the property to the water supply system (usually at the point of connection known as the 'main tap'), but does not include a situation in which the property experiences low water pressure on a day when peak day demand exceeds 370 megalitres per day.</p> <p>For the purpose of this indicator:</p> <ul style="list-style-type: none"> a. where connected properties are in multiple occupancy, each separately billed or occupied part shall be counted as one connected property. Connected properties currently unoccupied shall be included. b. a Property is taken to have experienced a water pressure failure at each of the following times: <ul style="list-style-type: none"> (i) when a person notifies the water utility that the Property has experienced a water pressure failure and that water pressure failure is confirmed by the water utility; or (ii) when the water utility's systems identifies that the Property has experienced a water pressure failure; and c. a property will not be taken to have experienced a water pressure failure if that water pressure failure occurred only because of: <ul style="list-style-type: none"> (i) a planned water interruption or unplanned water interruption; (ii) water usage by authorised fire authorities in the case of a fire; or (iii) a short term or temporary operational problem (such as a main break) which is remedied within 4 days of its occurrence. <p>Occasional or recurrent, but not permanent water pressure failure includes one off failure sites.</p> | |

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND DRAFTING CHANGES | RATIONALE |
|---------------|------------------|---|-----------|
| | | Properties with a permanent low water pressure failure refers to properties that record a failure for every day of the year and is calculated through the water utility's Water Pressure Reporting Proforma system modelling . | |

Source: IPART, 2016, Hunter Water Corporation Reporting Manual, Water – Draft Reporting Manual, Appendix C. Hunter Water analysis.

Table D.1 Performance Indicators - Environment

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND REQUESTED CHANGE | RATIONALE |
|---------------|--|---|---|
| E 8 | Total area of clearing of native vegetation. | Native vegetation indicators will be an estimate based on the production of the water utility's Environmental Management Plans and documents, or triggered by Flora and Fauna studies. It will only be reported above 0.01 Hectares. | Consistency with Sydney Water Corporation Reporting Manual Indicator E 12 |
| E 9 | Total area of native vegetation rehabilitated, including due to replanting and protection by the water utility. | The definition of Native Vegetation will be derived from the <i>Native Vegetation Act 2003</i> (NV Act). The Objects of the NV Act provide guidance as to what needs to be considered when assessing whether an area will be included in the vegetation loss figures. Note: Indicator will include works undertaken by or on behalf of the water utility on land that is not owned by the water utility, such as offsetting impacts to one area by rehabilitation or replanting at another site. This is to be reported on a financial year basis only. Planned rehabilitation or clearing works are not to be included until such time as the works are completed. | |
| E 10 | Total area of native vegetation gain due to rehabilitation, replanting and protection by the water utility. | E10 = E9 – E8. (per SWC) | |

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND REQUESTED CHANGE | RATIONALE |
|---------------|---|--|-------------------|
| E 11 | Total number and nature of proceedings or Penalty Notices of conditions under licences issued to the water utility by NOW DPI Water for water management. | <p>Proceedings refers to proceedings in connection with the Water Management Act for prescribed offences.</p> <p>Penalty notice means a notice to the effect that, if the person served with the notice does not wish to have an alleged offence dealt with by a court, the person may pay, in accordance with the notice, the penalty specified in the notice.</p> <p>NOW means the NSW Office of Water.</p> <p>DPI Water means Department of Primary Industry – Water</p> | Updated reference |

Source: IPART, 2016, Hunter Water Corporation Reporting Manual, Water – Draft Reporting Manual, Appendix C. Hunter Water analysis.

Table E.1 Performance Indicators – Customers

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND REQUESTED CHANGE | RATIONALE |
|---------------|--|---|--|
| C 1 | The percentage of complaints resolved within 10 business days. | <p>Complaint is defined in AS/NZS-ISO 10002:2014 or the most recent up-date version of that standard. This standard AS/NZS defines a complaint as an expression of dissatisfaction made to an organisation, related to its products, or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected.</p> <p>The following examples are intended to provide some clarity to this definition.</p> <ul style="list-style-type: none"> • A contact requesting information is not a complaint. • A contact reporting a service difficulty or fault is not a complaint and these contacts are recorded separately. • A contact expressing dissatisfaction with repeat service difficulties and faults is a complaint. • A contact where a credit adjustment on the account has been made due to a meter misread is a complaint. | <p>Consistency with Sydney Water Corporation Reporting Manual Indicator C 1, corrected for consistency with clause 6.5.1 in the draft Hunter Water Operating Licence 2017-2022 (i.e. ISO 10002:2014 and AS/NZS 10002:2014 are separate standards with some differences in content. The draft licence references AS/NZS).</p> <p>Clarification given the advent of alternative water and sewerage service provides licensed under the <i>WIC Act 2006</i>.</p> |

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND REQUESTED CHANGE | RATIONALE |
|---------------|---|--|---|
| | | <ul style="list-style-type: none"> • A contact that results in a water quality issue is a complaint (ie, due to particles, discolouration, smell, taste, or a health issue). • A contact that results from an internal sewage overflow is a complaint. • Any Civil actions taken through a court for loss or damage arising from the water utility’s performance under the Customer Contract is a complaint. • Complaints regarding repeat service difficulties or faults where they are from separate customers arising from the same cause, are counted as separate complaints. • More than one complaint from the same customer arising from the same cause are reported separately. • A complaint that is registered with EWON is a corporation complaint. • A contact regarding a matter that is not the responsibility of the Corporation is not recorded as a complaint. • A contact regarding flooding the water utility’s Stormwater system is considered to be a complaint. <p>Resolution of a complaint means that:</p> <ol style="list-style-type: none"> a. the complaint is resolved to a customer’s satisfaction, or b. the customer is provided with an explanation as to why no further action is proposed in relation to the complaint, or c. the customer is provided with a date when the issue will be resolved if the complaint is relating to future planned operational or capital works. <p>A complaint made by the customer of a WIC licensee that mistakes Hunter Water as its network operator and/or retail supplier is not included in this indicator.</p> | |
| C 3 | Percent of metered accounts of customers that receive a bill not based on a business meter read for one year. | <p>Customer means any person who is taken to have entered into a Customer Contract with the water utility. It excludes separate (non-standard) agreements of the kind referred to under section 37 of the <i>Hunter Water Act 1991</i>.</p> | Clarification of the treatment of non-standard customers. |

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND REQUESTED CHANGE | RATIONALE |
|---------------|---|--|-----------|
| | | <p>A metered account refers to water usage metered account, which is billed based on volume. If a property has multiple meters and each metered account receives a separate bill based on a meter read, these should be reported as separate metered accounts for the purposes of this indicator. If a property has multiple meters and a single account is issued due to common ownership, the meters will also be treated as separate metered accounts for the purposes of this indicator.</p> <p>A customer meter read is one, which is provided by the customer to the utility.</p> <p>A business meter read is one taken by the utility or its contractor.</p> | |
| C 4 | The total number of residential customers disconnected for non-payment of amounts owed to the water utility. | <p>Residential customer means a customer who owns real property which is used as a principal place of residence.</p> <p>Non-Residential customer means all customers not classified as a residential customer, except wholesale customers.</p> | |
| C 5 | The total number of non-residential customers disconnected for non-payment of amounts owed to the water utility. | <p>For clarity, neither wholesale customers nor their end-users are considered to be customers for the purposes of reporting performance against IPART indicators.</p> | |
| C 6 | Total number of residential customers on whom water flow restrictions have been imposed. | <p>Disconnection means the stopping (either temporarily or permanently) of water supply to a customer's property.</p> <p>Flow Restriction means a direct intervention in the water supply system by the utility in order to reduce flow to a customer's property.</p> | |
| C 7 | Total number of non-residential customers on whom water flow restrictions have been imposed. | | |
| C 8 | Number of residential customers per 1000 residential properties experiencing financial difficulty who are being assisted through the water utility's hardship program or payment plans. | <p>Residential customer as per C4.</p> <p>Property means any real property to which either or both of the following conditions apply:</p> <ol style="list-style-type: none"> the real property is connected to the water utility's drinking water supply system, sewerage system or recycled water system and a charge for the services | |

| INDICATOR NO. | INDICATOR DETAIL | DEFINITIONS AND REQUESTED CHANGE | RATIONALE |
|---------------|------------------|---|-----------|
| | | <p>provided by one or more of those systems is levied on the owner of the real property;</p> <p>b. the real property is within a declared stormwater drainage area for which the water utility imposes a stormwater charge upon the owner of real property in that area.</p> <p>For clarity, neither wholesale customers nor their end-users are considered to be properties for the purposes of reporting performance against IPART indicators.</p> <p>Payment plan is a plan for a residential customer experiencing payment difficulties to pay a retailer by periodic instalments, any amount payable by the customer. A payment plan must only include an arrangement in which the customer is paying off an arrears component (of any overdue amount) and must consist of at least three instalments.</p> | |

Source: IPART, 2016, Hunter Water Corporation Reporting Manual, Water – Draft Reporting Manual, Appendix C. Hunter Water analysis.