

Essential Water 2026-31 Pricing Proposal

Attachment 2: Customer Engagement Strategy



September 2025

Table of Contents

About Essential Water	3
1. Our 2026-31 Pricing Proposal	4
2. Customer and Stakeholder Engagement	4
2.1 Engagement Approach	4
2.2 Channels for Customer and Stakeholder Engagement	5
2.3 Phases of Customer and Stakeholder Engagement	6
List of Figures	
Figure 1: Essential Water Customer Engagement Channels	5
Figure 2: Essential Water Customer Engagement Timeline	7

About Essential Water

At Essential Water, we're committed to delivering a high-quality and secure water supply to around 10,500 properties in Broken Hill, Menindee, Silverton and Sunset Strip as well as rural customers across Far West NSW. We also provide sewerage services to around 9,700 properties in Broken Hill.

Essential Water provides the following services:

- > Treated Water – Broken Hill and Menindee
- > Untreated Water – selected areas of Broken Hill and pipeline customers
- > Chlorinated Water – Silverton and Sunset Strip
- > Effluent Water – selected areas of Broken Hill (currently 5 active contracts)
- > Wastewater – Broken Hill
- > Liquid Trade Waste – non-residential customers in Broken Hill

Our network covers everything from dams and reservoirs to pumping stations, treatment plants, and pipelines. While most of our customers are local residents, we also provide services to local businesses, including several mining companies.

Essential Water is part of Essential Energy and has been operating under this structure since 2005. Our operations are guided by the Water Management Act 2000 (NSW), and we're regulated by the Independent Pricing and Regulatory Tribunal NSW (IPART) to ensure fairness and transparency in our services and prices.

1. Our 2026-31 Pricing Proposal

Looking ahead to 2026-31, we've been preparing a five-year plan that will outline our major spending and projects, as well as any significant new initiatives. IPART will review this plan to make sure our spending is efficient and determine the maximum prices we can charge our customers. IPART will also be looking to see how our pricing proposal's initiatives and expenditure delivers value for our customers.

"...each business will actively involve and engage with its customers to develop a set of outcomes aligned to their preferences. Involving customers to set the priorities and outcomes that matter most is essential if water businesses are to identify better ways of delivering services. Therefore, we are shifting our expectations of customer engagement: rather than engaging to 'tick a box', each business should be able to gain insights from customers through a variety of methods as standard practice."

"Delivering Customer Value: Our water regulatory framework" IPART (2024)

2. Customer and Stakeholder Engagement

To shape this plan, we've been reaching out to our customers and stakeholders to understand what matters most to you. We have asked for your input on our services, what you'd like to see improved, and how we can best meet your needs over the next five years and beyond. We have used a mix of existing and new ways to connect, so that all customers have had a chance to share their thoughts. Your feedback has helped us to make decisions that truly reflect our customers and community's priorities, and which will result in outcomes that maximise long-term value and benefits for customers at an efficient cost. We have engaged in different phases to build on our customer feedback and align with the development process of our Pricing Proposal.

Once the new pricing period begins, our conversation with customers and stakeholders won't stop – we'll keep engaging with you to ensure our services continue to meet your expectations.

2.1 Engagement Approach

As part of Essential Energy, our approach to engagement is shaped by our Stakeholder Engagement Framework. We're proud to be a member of the International Association for Public Participation (IAP2) and follow their seven Core Values, focusing on fairness, inclusion, and respect for all voices. Using the IAP2 Public Participation Spectrum, we have made the commitment to being open and involving you as much as possible, so that we can understand your preferences and reflect these in our decisions – sometimes by consulting, other times by working directly with you or even collaborating on solutions, depending on the issue and considering the level of influence customers have in how services are delivered.

We recognise that our customers are diverse and experience our services in different ways. That's why we actively engaged with a broad cross-section of our customer base to ensure a wide range of voices were heard. Our engagement included businesses, homeowners, renters, First Nations peoples, individuals of varying ages, genders, and income levels, as well as customers experiencing vulnerability. We also reached out to different communities across our network area to better understand their unique needs and priorities.

2.2 Channels for Customer and Stakeholder Engagement

To hear from a wide range of perspectives, we have been using several channels: our contact centre, website, social media, as well as some new ways to hear from you to have some more targeted and deeper deliberations on topics.

Figure 1: Essential Water Customer Engagement Channels

Customer-Wide Survey	• Consulted with household and business customers about their priorities, feedback on services and operations, and desired outcomes for 2026-31 and beyond. An invitation on how to participate in the survey was included in customers' quarterly bill in late 2024.
Online Engagement	• Consulted with customers and community members about their priorities, feedback on services and operations, and desired outcomes for 2026-31 and beyond.
Community Events	• Consulted with customers and community members at local community events about their priorities, feedback on services and operations, and desired outcomes for 2026-31 and beyond.
Stakeholder Meetings	• Continued regular meetings with local and relevant stakeholders (e.g. Broken Hill City Council) to hear feedback on specific and general issues and involve these stakeholders in our decision making.
Essential Water Customer Panel *	• Established a new customer panel of representative household and small business customers to collaborate on the Pricing Proposal. The Panel was comprised of 9 males and 7 females, of which 5 identified as being First Nations Australians. In addition, 5 members were small business owners and 5 members noted difficulty in paying bills. • The Panel convened regularly for an in-depth look at issues and deliberation on options. We used independent facilitators to make sure we heard everyone's feedback honestly and fairly. Essential Water has incorporated the Panel's deliberations into the Pricing Proposal wherever possible.

* The Essential Water Customer Panel was formed through Expressions of Interest applications. Participants were selected based on availability and eligibility, and the number of final participants was chosen to ensure a representative sample of customers. This was based on an applicant's response to a range of demographic questions such as those relating to gender, age, household income levels, First Nations peoples, experiences of vulnerability, and tenant or property owner.

2.3 Phases of Customer and Stakeholder Engagement

Engagement Phase 1: Hear directly from customers and stakeholders about their priorities and desired outcomes

We heard directly from you about your priorities and what outcomes are most important for you, both now and in the future. You gave us feedback on how we're doing and what areas you think we should focus on going forward and what outcomes you want us to deliver.



Essential Water identified potential options for meeting these priorities and outcomes

Engagement Phase 2: Explore options for meeting customer priorities and outcomes and seek feedback on customer preferences

Based on what we heard in Phase 1, we presented different ways we could meet your priorities to our customer panel and stakeholders. We also shared the investments we know we must make, including those needed to continue delivering our services and your desired outcomes, or those needed to comply with different rules or standards. We explained the potential effects of these must-do investments and optional investments, including on bills, so our customers and stakeholders could weigh the options, discuss the trade-offs, and let us know which approaches customers valued the most.



Essential Water incorporated customer and stakeholder feedback on potential options

Engagement Phase 3: Work with customers and stakeholders to refine and finalise 2026-31 plans

We then worked with the customer panel to finalise the design of our 2026-31 plans. We shared the total bill impacts of must-do and the optional investments the customer panel had preferred. The customer panel then deliberated on these plans as a total package and shared their final preferences on which options should be included in the 2026-31 Pricing Proposal.



Essential Water reflected customer and stakeholder feedback into 2026-31 Pricing Proposal

Ongoing Engagement: Continue engaging with customers and stakeholders as business as usual

We are now submitting the proposal to IPART and will keep our customers and stakeholders updated on how this process is developing.

Once IPART has reviewed and made its final decision, we will continue to regularly engage with customers and stakeholders. We will share information about major investments and how we are implementing our projects and initiatives, talk to you about any new or emerging issues or priorities, and seek ongoing feedback on how we are performing against meeting your desired outcomes. This ongoing and regular two-way conversation with you will help us to continually focus and centre on our customers, now and into the future.

Figure 2: Essential Water Customer Engagement Timeline



We are proud of how you have been working together with us to help shape the future of Essential Water. Your voice matters, and we're here to listen.