

Hall & Partners

Essential Water Customer Panel



Meeting 3 Report

April 2025



Background

Essential Water provides potable (drinking quality) water to around 18,000 people in Broken Hill and Menindee, and non-potable water to Silverton and Sunset Strip. Essential Water also provides wastewater services to Broken Hill. It is an operating division of Essential Energy, a NSW Government State Owned Corporation.

Similar to its parent company, Essential Water is required to develop a Pricing Proposal every five years which provides details of its upcoming expenditure and revenue requirements. The business is now developing the next Pricing Proposal (2026-2031) and has set up a new customer panel, the Essential Water Customer Panel (EWCP), as a mechanism for engaging with relevant customers.

Over the course of a year, the business will conduct in-depth engagement with this group on customer priorities, initiatives and pricing. This will complement broader online engagement with all Essential Water customers and more targeted engagement with larger customers and other stakeholders that will be run concurrently by the business.

The EWCP will meet in-person at a venue in Broken Hill, several times between November 2024 and June 2025.

This report outlines the findings and implications of the third meeting of the EWCP conducted in April 2025.

Objectives

The objective of the **third session** was to discuss and identify preferences for the customer priorities of:

- Sustainability and water efficiency,
- Customer interaction and experience, and
- Communication, engagement and transparency





RECRUITMENT

At the beginning of the process, customers were invited by the business to submit an expression of interest (EOI) to be part of the EWCP.

Selection to the Panel was open to anyone who is a customer of Essential Water.

Essential Water collected demographic information from those who provided an EOI.

SAMPLING

Final selection to take part was based on obtaining a mix of demographics in terms of gender, age, ethnicity, business ownership, income and vulnerability.

Sixteen attended the first session in November with thirteen attending the second and twelve attending the third meetings – their demographics are shown below.

METHODOLOGY

The first meeting was held in November 2024, the second in February 2025 and the third on 8 April 2025. The meeting was 2.5 hours from 6.00-8.30pm in Broken Hill Demo Club.

The format of the meeting consisted of a mix of information provision from Essential Water, Q&As, table discussions and activities and table feedback sessions.

Gender	Male	8
	Female	4
First Nations	Yes	4
Small business	Yes	2
Difficulty paying bills	Yes	3

Date of Birth	
1945-54	2
1955-74	2
1975-94	6
1995 +	1
Prefer not to say	1

Income	
Less than \$45,000	4
\$45,000-\$80,000	2
\$80,001-\$120,000	2
\$120,001 and above	1
Prefer not to say	3

Meeting structure and agenda

The twelve panel members were seated on two round tables of 6 people each. Each table had a facilitator from Hall and Partners (Liz Sparham and Zoe Brown).

The table facilitators guided participants through the discussions, asked questions on the topics and kept the tables to time. An overview of the agenda is included on the right with a full run sheet included in the Appendix).

The Head of Essential Water, Ross Berry, gave presentations on the topics, with questions allowed throughout. Staff members were also on hand during discussions to answer any questions from panel members and to provide any additional information required.

Overall, similar to the other sessions, the participants were highly engaged with discussions being lively and interesting. An evaluation was conducted at the close of the session with participants completing an end of session survey – results are included in the Appendix.

Time	Agenda Item
6.00pm	Welcome and Introduction
6.10pm	Presentation: Customer Priority 3: Sustainability and Water Conservation
6.25pm	Table Discussion and Feedback: Preference for Sustainability and Water Conservation
6.50pm	Light Dinner
7.10pm	Presentation: Customer Priority 4 – Customer Interaction and Experience
7.20pm	Table Discussion and Feedback: Customer Interaction and Experience
8.00pm	Presentation: Customer Priority 5 – Communication, Engagement and Transparency
8.05pm	Table Discussion and Feedback: Communication, Engagement and Transparency
8.20pm	Summing up and next steps
8.30pm	Close

Key takeaways

1

Most Panel members did not think that customers should be encouraged to use more water to help suppress lead dust in the Broken Hill area, therefore, they didn't support Essential Water reducing usage charges to assist with this. The main concerns about the approach were that,

- it conflicts with traditional water conservation messaging so would be confusing to customers,
- it would encourage water wastage, and
- dust suppression shouldn't be the responsibility of residential customers but rather the mining companies.

Those who did support it were of the opinion that anything that can be done to suppress lead dust should be done.

2

There was strong support for the introduction of smart meters during the next regulatory period, for a cost of \$9 on average each year. Automatic leak detection was identified as a particular benefit of the new types of meters as well as removing the need for estimated bills.

For local customer service, Panel members suggested a blended model would be optimal – face-to-face interaction by appointment only, alongside digital and phone support. Face-to-face interaction was thought to be required for customers with more complex needs such as businesses and those looking to make a new connection, and older customers who may not like engaging through digital means.

3

Communications to raise the level of knowledge in the local community was deemed important. Information on future developments such as the new sewerage treatment plant and smart meters was highlighted as key.

Social media, e-newsletters and text message were put forward as suitable channels.

There was strong sentiment for the business to engage more deeply with customers on issues that have cost impacts, with the current Panel thought to be the optimal way of doing so.





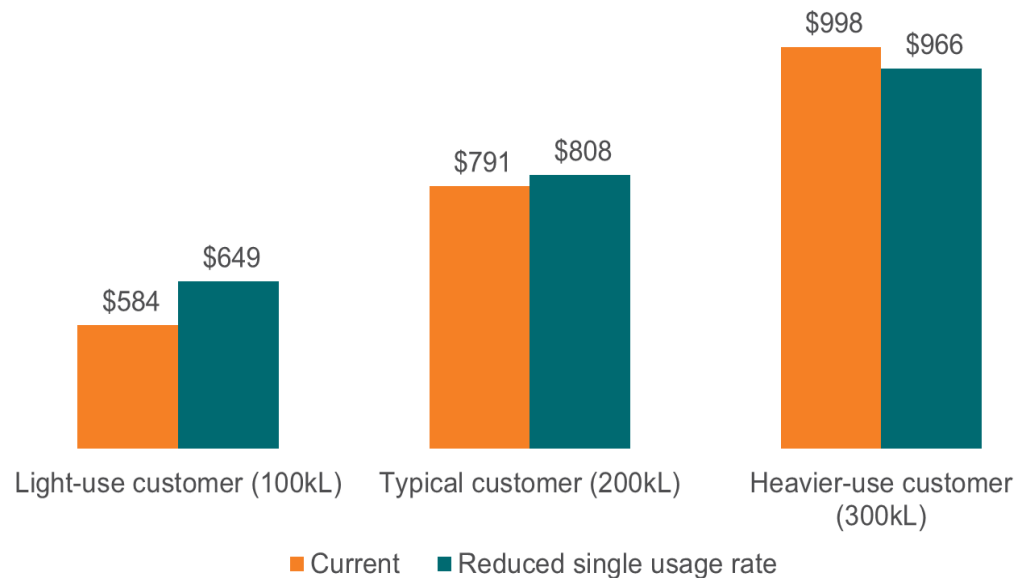
01

Sustainability

Lead dust suppression

The first session was dedicated to the customer priority sustainability and environmental protection and involved information provision and discussion about the issue of lead dust and whether Essential Water should encourage customers to use more water to help suppress lead dust. It was put to customers that Essential Water could reduce usage charges and increase fixed charges to encourage water use. Examples were provided for light-use (100kL), typical (200kL) and heavier-use customers (300kL) under the current and reduced usage rate scenarios.

Indicative impact to Customer bills (Water only)



Two thirds of the participants present did not think that customers should be encouraged to use more water to help suppress lead dust, therefore they did not support Essential Water reducing usage charges to assist with this. The reasons provided for these views were generally around:

- The climate in Broken Hill – it's a dry environment with less rainfall than many other locations, which was thought to suggest that water conservation should be encouraged rather than water usage.
- Customers are used to being told to save water, or use water wisely, which is in direct opposition to this message. It was thought that this could result in confusion amongst customers about whether they should be saving water or using more water.
- Some felt it would actually encourage water wastage as people wouldn't only use it on behaviours to suppress lead dust.
- Many voiced concerns about fairness and responsibility. They stressed that the responsibility for lead dust suppression shouldn't lie with customers. Instead, they felt that the mining companies responsible for the lead dust should be doing more to manage the impacts on the community. Some stated that vegetation that was planted in the 1950s and 1960s to suppress dust had not been replaced by the mining companies and should be, in order to help manage the situation.
- There were concerns that the increase in usage price would disproportionately impact light users like pensioners, who are more vulnerable to price increases than other customer groups.
- There were also concerns about future water security and that Broken Hill may run out of water in the future if people are encouraged to use more.

Lead dust suppression cont...

For those who did support the notion of encouraging customers to increase water usage by increasing the usage price, they did so because they felt that anything that can be done to contain lead levels is a positive thing for the health of Broken Hill residents.

If Essential Water does decide to adjust usage prices to encourage water use Panel members suggested that it would require a strong communication campaign to explain the reasons for this, what behaviours customers should be adopting to suppress lead dust that require greater water usage and how the increase in water supply to cater for this will be sourced.

It was also felt that if this program to encourage use does go ahead it should be focused on high-risk areas such as playgrounds, so Broken Hill Council should be encouraged to use more water in community spaces. It was also suggested that Council could plant more grass and vegetation in the community to help suppress dust.

In addition, suggestions were put forward for alternative solutions such as using more greywater for suppressing lead dust and also wood chips, paper and broken down soap – when that soaks in it helps to suppress the dust in the system.



“We live in a hot country. We’re told that water is a precious resource and that we need to be smart around how we use it.”

“It would give me half a mind to waste the water as I wouldn’t be paying any extra. Fixed charge is going up regardless. They actually want me to waste water!”

“If we are wasting water then water may run out! The Menindee lake has been dry for 20-years. Let’s look after our ecosystem.”

“The community has some responsibility but others bear a greater responsibility, such as the mines. Council has a role too.”

“More needs to be done but is this going to create another problem in terms of water conservation?”

“There should be an education piece around this for customers, especially if bills are going to be changing. People need to understand changes in billing rates to reflect this.”

02

Customer interaction/experience

Customer interaction/experience - metering

Next, Essential Water focused on the customer priority of 'customer interaction and experience'. For this section, information on the different meter types was provided - analogue compared to smart meters. Panel members were asked to consider the pros and cons and the value for money of a \$9 increase per year to provide customers with smart meters.

There were some questions from panel members relating to whether the digital meters are being trialled anywhere, where they will be put on properties (the same place as analogue meters) and whether smart meters will be 'putting people out of a job'. Essential Water answered all these questions prior to the discussions.



There was unanimous support for Essential Water introducing smart meters for a \$9 a year average bill increase per customer. The benefits that smart meters were felt to provide were seen to more than make up for the cost. The benefits that Panel members highlighted in their discussions were:

- That there will be better leak detection resulting in water conservation and cost savings for customers.
- The fact that bill estimates would no longer be used.
- That data on water usage can be accessed immediately which can inform better budgeting.
- It removes the need for property access for meter readers.

Customers also suggested that a future benefit of smart meters would be the possible introduction of time of use water charges similar to electricity plans. They suggested that using water in off peak times, e.g. watering the garden in the evening when there will be less evaporation could come with a lower charge.

“I like the idea, it’s convenient. I pay everything online anyway so I would like my bill calculated electronically.”

“I bought a small run down property outside of Broken Hill. I put lawn in, plugged a sprinkler in on a timer and left. The hose burst off and the smart meter detected that I had high water consumption. The water provider contacted me. It’s those small things that make a big difference.”

Customer interaction/experience – shopfront

The second component of the customer interaction priority focused on local customer service. The importance of having local customer service had been voiced at the first meeting and Essential Water wanted to explore the Panel's ideas for how this could be implemented in a way that balanced cost with need. There weren't any options put to the Panel for this priority, rather they were asked to brainstorm how they would like to see customer service provided to the residents of Broken Hill in the future.

Panel members suggested a blended model would be optimal – face-to-face interaction by appointment only, alongside digital and phone support.

When asked what kinds of issues they felt required a face-to-face interaction, they suggested that it would probably be more business issues or new connections. They also felt that older customers prefer face to face interaction so the option to see someone locally would be important to them. It was thought that all other enquiries could be dealt with online or by phone. An Australian based phone centre was highlighted as important, rather than an overseas call centre.

They stressed the importance of the face-to-face interactions being by appointment only – being set up by calling the phone number first or the option to set up online.

It was suggested that the staff member operating out of a local office could be taking phone calls, or doing other work, outside of appointment times, to ensure that their time is used optimally.

There was also a suggestion that the shop front could be both an Essential Water and Essential Energy office, so fielding enquiries about both services.

One of the reasons that a face-to-face presence had been called for at the first meeting was because there had been issues reported with the current phone system. A couple of participants mentioned that phone calls had not been answered or not been returned. So, it was stressed that the phone system has to be effective to reduce the need for a face-to-face back up. They wanted reassurance that phone calls would be answered and suggested that, similar to other phone or email-based systems, a ticketing system be introduced to ensure that issues are dealt with and resolved.

Having said this, they did still feel that a face-to-face presence was needed in a minority of circumstances as mentioned previously – for some business customers with more complex issues, new connections and older residential customers.



“How easy would it be to rent the shop front and have a community facing person there to deal with things? They could also have a headset on and work remotely for those customer service calls when they come in. A dual role so we are not wasting the resource.”

“We wouldn't need a local customer representative if the phone service was better, for example if there's a ticketing system.”

“It has to be economically viable.”

03

Communication, engagement and transparency

Communication, engagement and transparency

The last session of the evening was about the customer priority of ‘communication, engagement and transparency’. Again, for this session participants weren’t presented with any options but rather the panel was asked for their views on which topics they wanted Essential Water to communicate and engage on and which channels should be used.

There were strong suggestions that the broader customer base should have the opportunity to learn more about their water and wastewater services, similar to how the Panel had learned so much through these meetings. In particular, they suggested that customers would be interested in hearing more about the new sewerage plant, the introduction of smart meters by 2031 and the mains pipe replacement program.

In terms of the channels to be used, social media was suggested, and Essential Water’s Facebook page was praised, but it was thought that it would only be a minority of customers who would interact with the business on social media. Instead, it was suggested that it would be better to provide information to the broader community using a variety of formats, with social media being one channel. E-newsletters were suggested as well as text messages for shorter more punchy ‘news’ on new developments. On the proviso that customers would be able to unsubscribe, it was felt that text messages would be a good way to provide headlines that people can then go to the website to obtain more information about.

Specific engagement was suggested with Indigenous communities through land councils and through Indigenous organisations, including reaching out to and having discussions with elders. Discussions with the indigenous community could include information on future plans and how plans will impact water supplies.

Engaging with children through schools was also put forward as a suggestion.



Communication, engagement and transparency

Participants suggested that it is particularly important for Essential Water to keep engaging more deeply with customers on decisions that will result in cost impacts and therefore higher bills. In those instances, providing information wasn't thought to be enough, instead it was suggested that the business would need to educate customers in order for them to provide informed views that can help make decisions that are supported by the community. The continuation of the Panel was put forward as a good means of doing that, although it was recognised that there may not be a strong need to engage once the Pricing Proposal is submitted.

A suggestion was made that communications could be tested with the Panel before they are provided to the broader community.

When asked what they thought the business should be transparent about, costs were raised frequently – in relation to how money is currently spent on different aspects and where it is proposed that money should be spent in the future.



“The community should know more about what we’ve learned about – what changes are coming and how they will benefit customers.”

“They have a good Facebook page but not many people are on that. Unless you engage with it everyday you won’t get the information.”

“People only want to engage when there is an issue or cost impacts.”

“Having the knowledge about Essential Water needing to maintain the system changes my perceptions about them digging up the road.”

05

Conclusions

Summary and conclusions

Again, similar to the first two meetings, there was deep engagement with lively discussions amongst participants.

The topics discussed at the forum resulted in the following insights:

- Panel members did not think that customers should be encouraged to use more water to help suppress lead dust, therefore they did not support Essential Water reducing usage charges and increasing fixed charges to assist with this.
- There was unanimous support for Essential Water introducing smart meters for a \$9 a year average bill increase per customer. The benefits that smart meters were felt to provide were seen to more than make up for the cost.
- For local customer service, Panel members suggested a blended model would be optimal – face-to-face interaction by appointment only (particularly for businesses, new connections and older customers), alongside reliable and responsive digital and phone support. Essential Water should consider any changes that are required to provide this service and any cost impacts to customers. The cost impacts should be tested with customers.
- There were strong suggestions that the broader customer base should have the opportunity to learn more about their water and wastewater services, particularly on topics such as the wastewater treatment plant, digital meters and maintenance programs. Taking into consideration the findings from the last meeting, Essential Water should consider communicating on these topics as well as the future bill impacts expected following the submission to IPART. Social media, e-newsletters and text messages were put forward as suitable channels.
- Deeper engagement was suggested for broader more long-term issues that will have a cost impact for customers, with the Panel suggested as a suitable method for such engagement.

NEXT MEETING :

It is recommended that:

- The preferences obtained so far are revisited as part of the consideration of total costs in the final meeting.
- Essential Water presents an update on the costs for the non-discretionary items taking into consideration any further modelling.
- Participants be reminded to consider the 'must do' items and the total bill impact of their choices before making their final preferences.
- Essential Water could consult with the Panel about the key messages for communication to the broader community concerning the 'must do' items.



06

Appendix

Customer Panel End of Session Feedback

Participants were asked to complete an end of session evaluation of the meeting. Results are shown on the right.

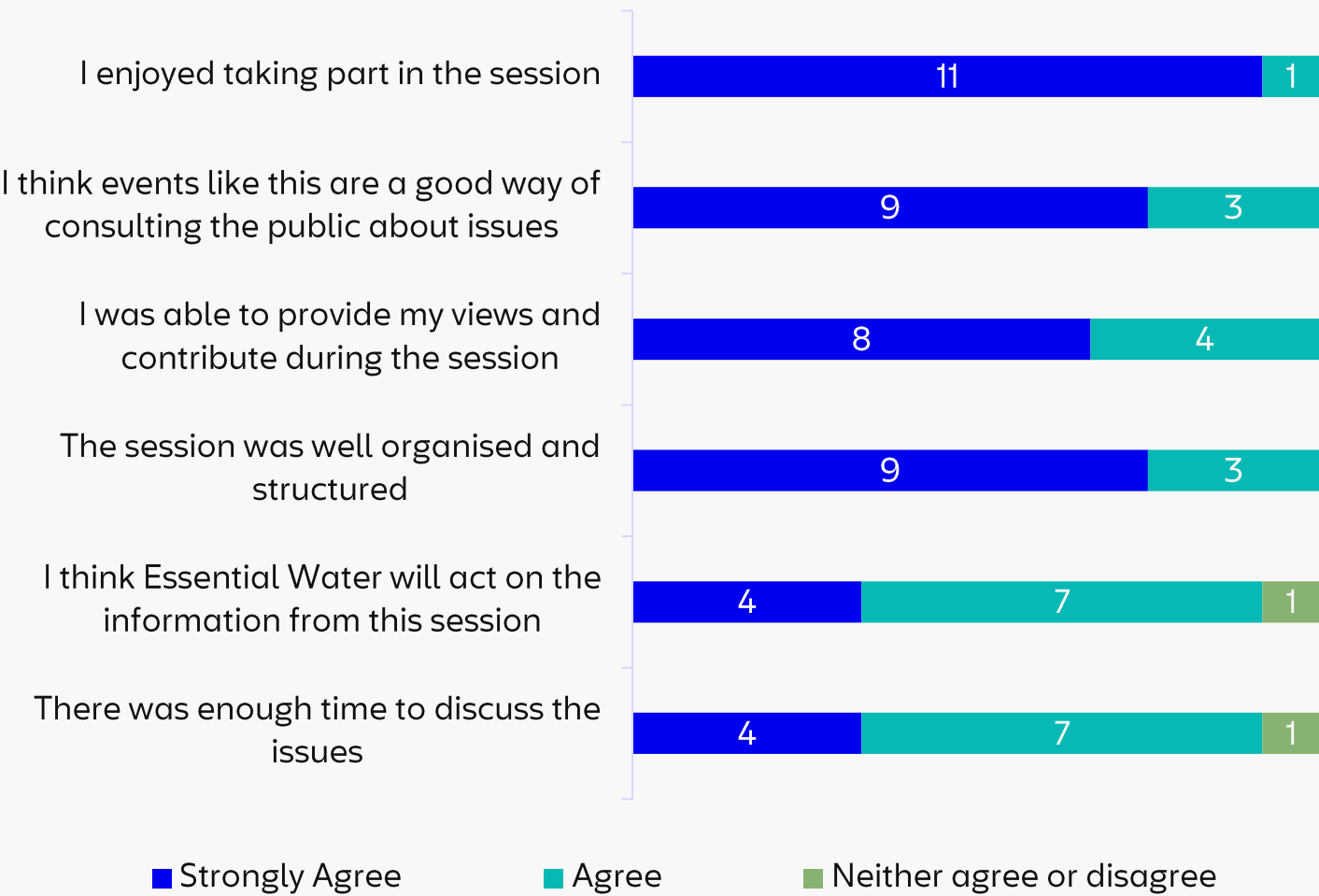
The vast majority of participants strongly agreed that they enjoyed taking part in the session and that such events are a good way of consulting the public about issues. They also strongly agreed that they were able to provide their views and contribute during the session as well as that the session was well organised and structured.

Two thirds strongly agreed that Essential Water will act on the information from this session. Although two thirds agreed that there was enough time to discuss the issues, only a third strongly agreed.

“Positive, open communication with all participants.”

“Very frank and honest discussion - best session so far”

“Vibrant discussions and understanding of strategic direction”



April Base: 12

Essential Water Customer Panel Run Sheet

Time	Agenda Item	Responsibility	Materials
6.00pm-6.02pm (2 mins)	Facilitator Introduction - Welcome back to session 3. - Similar structure to the last session – We went through the 'must do' items and then the options for the first two customer priorities of water quality and water security along with bill impacts. You chose your preferences. <u>Tonight</u> we are going to talk about some of the remaining priorities and the options for those. - Recap of guidelines 'Topics to engage on next time' noticeboard - Housekeeping – toilets and emergency protocol - Photo permission forms - Introduce first speaker	H&P	Flipchart with heading 'Topics to engage on next time' plus post it notes
6.02pm-6.10pm (8 mins)	EW Introduction - Acknowledge of Country - Recap: How we are using your feedback for the <u>5 year</u> plan - How we are discussing your priorities: - What we discussed last meeting - What we will discuss this meeting - What we will discuss at the next meeting - Recap of their preferences for water quality and water security	EW	PPT

6.10-6.25pm (15 mins)	Presentation: Customer Priority – Sustainability and Water Conservation - What we heard from the first meeting and <u>current status</u> - Survey results that relate to this priority - Lead exposure information - What charges make up the water bill – fixed and usage - Current pricing structure and potential structure to reduce usage charge and increase fixed service charge - What this would mean for different types of customers - Any questions? <i>Objective: Customer Panel understands how Essential Water is meeting its obligations in terms of sustainability and what the future options are for pricing to impact lead dust suppression, so they can identify preferences.</i>	EW	PPT
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Essential Water Customer Panel Run Sheet cont...

6.25-6.45pm (20 mins)	Table discussion/choosing preferences <i>Table introductions – each person to introduce themselves</i> Give out handout 1 - Lead information – is any of <u>it</u> new information? - Do they think that customers should be encouraged to use more water to help suppress lead dust? - If no, why? EXPLORE FULLY - If yes, do they support EW reducing usage charges to help encourage this? - What are the pros and cons of this? - Ask participants to fill in their answers on the handout and add their names - Discuss whether participants answered yes or no and why - Hand in sheets to facilitator for tallying up. Spokesperson to write tally of answers on flipchart with a few bullet points from the group about the reasons		Handout 1: info and options – includes preference identification (include names so we can give them back their personalised voting sheet next time)
6.45-6.50pm (5 mins)	Table Feedback: Sustainability and Water Efficiency - Quick feedback session on: - Whether customers should be encouraged to use more water - Whether they support EW reducing usage charges (potential option) and reasons why	H&P	Flipchart
6.50pm-7.10pm (20 mins)	Dinner Break		PPT

7.10-7.20pm (10 mins)	Presentation: Customer Priority – Customer Interaction and Experience - Replay what we heard from first meeting and <u>current status</u>: - Provide information on metering - Present options for metering - Present information about local customer service (shopfront) Objective: Customer Panel understands options for metering and local customer service and <u>are able to identify preferences</u>.	EW	PPT
7.20-7.50pm (30 mins)	Table discussion/choosing preferences: Customer Interaction and Experience Give out Handout 2 Metering - Customer feedback on the outcomes and <u>long term</u> vision – are these the right aspects to be focusing on for this priority? - Which of the metering options do they prefer and why? - What do they see as the most important benefits of smart meters? - Any concerns/disadvantages about smart meters? - Ask participants to select their preferred option for metering - Discuss which option participants chose and why - Hand in sheets to facilitator for tallying up.		Handout 2: info and options – includes preference <u>identification</u> (include names so we can give them back their personalised voting sheet next time)

Essential Water Customer Panel Run Sheet cont...

	Shopfront - How should EW provide easy access to customer <u>service</u>? - If they say shopfront – why? What needs is this meeting that can't be met on the phone? - What would it look like? Opening hours? Days of the week? - How would customers benefit? Which types of customers? - Could we be better off investing in more digital options? Spokesperson to write which option was preferred for metering and why? And a few bullet points from the group about what they want from local customer service.		
7.50-8.00pm (10 mins)	Table Feedback: Customer Interaction and Experience Quick feedback session on preferences for metering and shopfront and reasons why	H&P	Flipchart
8.00-8.05pm (5 mins)	Presentation: Customer Priority – Communication, Engagement and Transparency - What we heard from the first meeting and <u>current status</u> - Survey results that relate to this priority Objective: Customer Panel <u>are able to</u> input into how Essential Water engages with the community	EW	PPT

8.05-8.20pm (15 mins)	Table discussion: Communication, Engagement and Transparency Give out Handout 3 - Discuss options for communication and engagement - What information do they want to know? - How do you want to be informed? Channels? - What do they want to be consulted on? - How do you want to be consulted? - What are the benefits to customers of this? Flipchart the main points Quick feedback session if we have time.		Handout 3
8.20pm-8.30pm	Recap of what we heard and next steps Objective: Customer Panel hears summary of what we heard and is clear about how we will use this feedback.	EW	

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