



Welcome!

Please **mute** your microphone

Please **turn on your camera**
(webcam)

We will be **recording** and
publishing this recording on our
website

We will start at **1:32 pm**

IPART Independent
Pricing and Regulatory
Tribunal | NSW

2025 Hunter Water price review

Public Hearing

18 November 2024

Agenda

1:30 pm Welcome and overview

1:50 pm Session 1:

- Hunter Water's presentation
- Comments and questions

3:00 pm Short break

3:10 pm Session 2:

- IPART's presentation
- Comments and questions

4:20 pm Closing remarks



Welcome

Acknowledgement of Country

Carmel Donnelly PSM

Chair

Public Hearing



IPART's water review process

We will conduct a detailed, consultative review process

Our review will take 9 months and involve:



Consulting with
customers and
stakeholders



Carrying out
detailed research
and analysis



Engaging independent
experts for advice to
inform our decisions

We are required to consider a range of matters



Are customers protected from abuses of monopoly power?



Impact of Hunter Water's prices on quality, reliability and safety standards



Do Hunter Water's prices promote environmentally sustainable development?



Social impacts of Hunter Water's prices and cost-of-living impacts



Opportunities to adjust project timelines or reduce capital programs



Deliverability of proposed capital plans



We will use our 3Cs framework



Today's purpose

We want to hear your views about Hunter Water's pricing proposal and what issue matter to you.



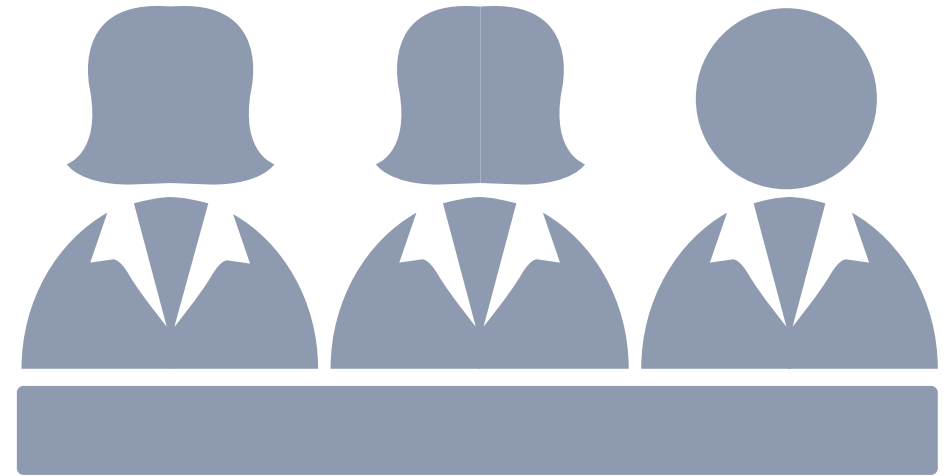
Public Hearing



Session 1

Darren Cleary (Managing Director, Hunter Water)

Comments and questions



Short break



Public Hearing



Session 2

IPART Secretariat

Proposal overview

Cost increases

\$507 m

each year over 5 years

26% ↑

in average annual costs compared
to previous determination

Typical bill increases

5.7% ↑

or

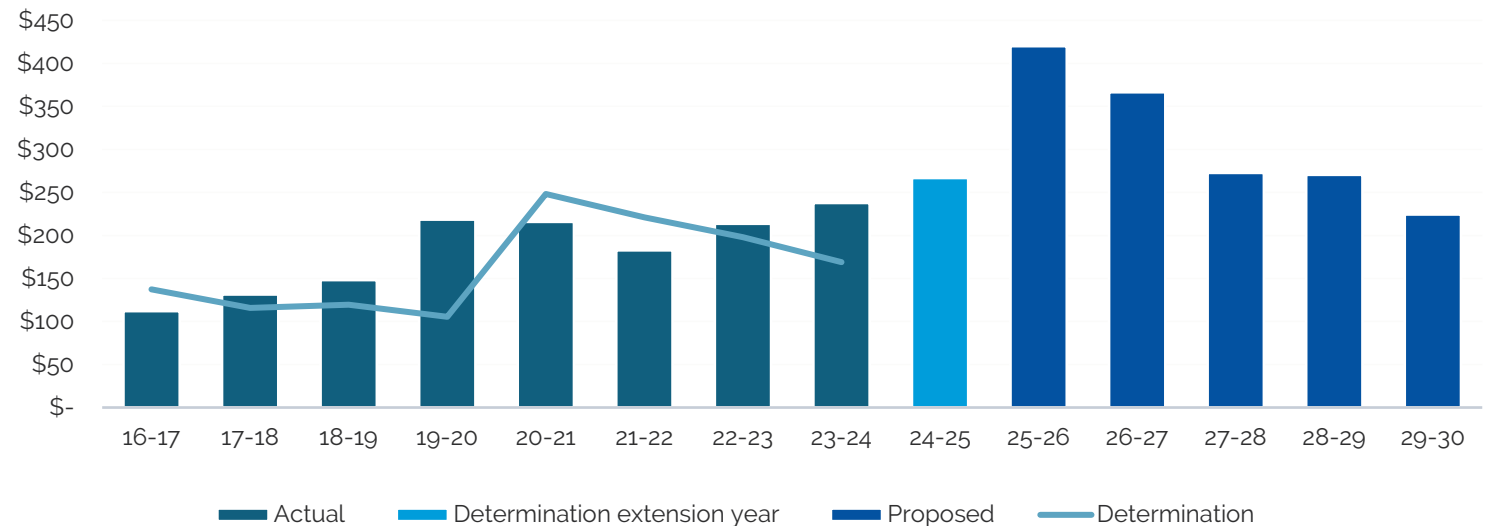
\$86

each year over 5 years (plus inflation)
Typical household water, wastewater
and stormwater bills



Hunter Water's proposed capital expenditure

Proposed capital costs are higher than in previous determinations (\$million, \$2024-25)

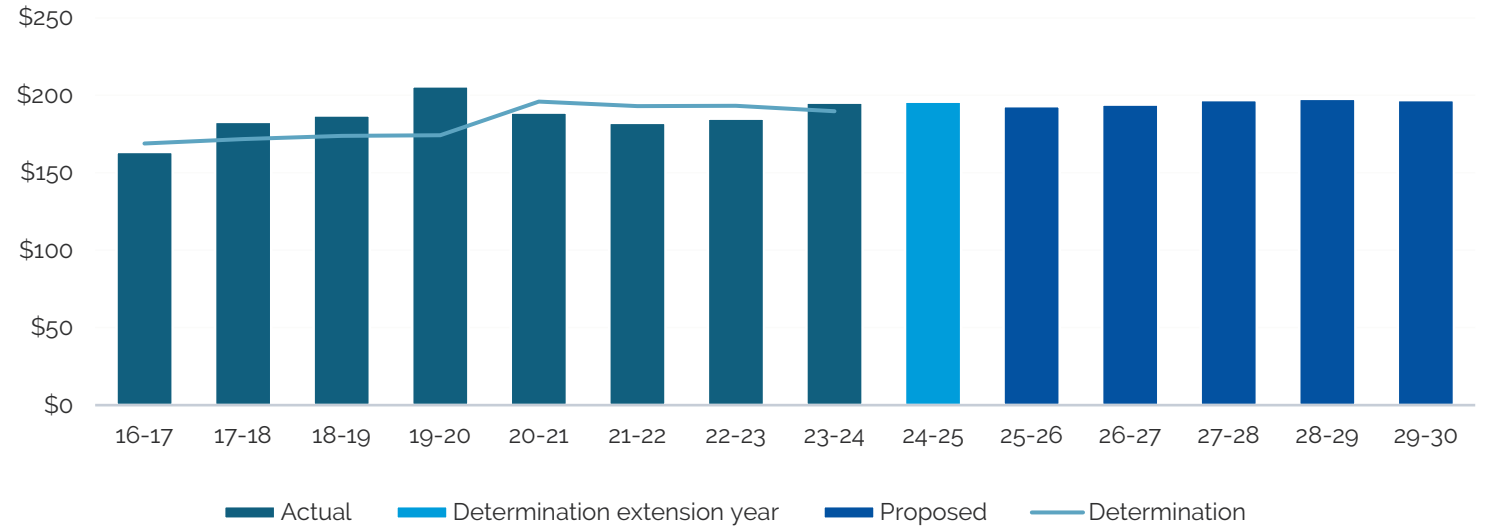


49%
Higher on average per year than what we used to set prices in our last review

Proposed capital spending prioritises the Belmont desalination plant to improve water security and defers and reduces some spending on growth assets

Hunter Water's proposed operating costs

Proposed operating costs appear stable (\$million, \$2024-25)



14%

Higher on average per year
than what we used to set
prices in our last review

Modest increases proposed to
support:

- growing customer base
- higher wages, vehicle costs
- digital technologies
- customer outcome commitments

Hunter Water's proposed spending on customer outcomes

High-quality services
\$896m


Value for money,
affordable
\$41m

Water security
\$537m

Environmentally
sustainable
\$455m

Great customer
service
\$82m

Community-focused
\$11m



Community Panel
recommendations:

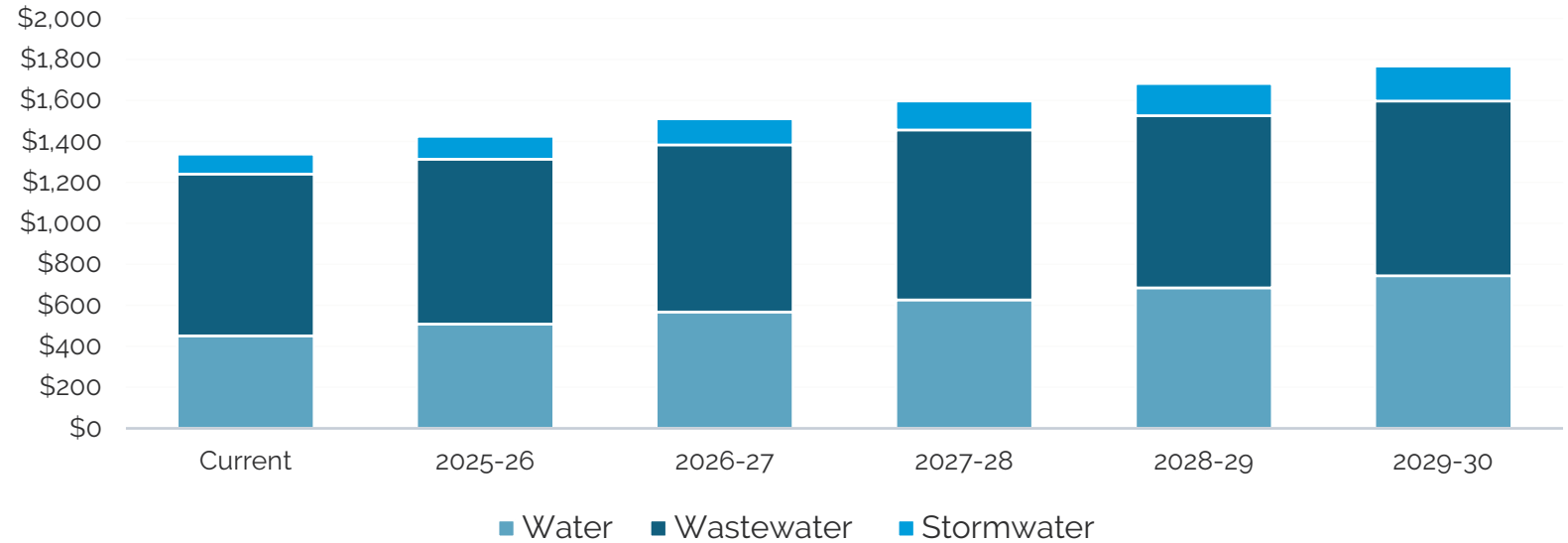
- Carbon reduction
- Conserving water
- Hot spots

\$36m

Note: Figures include both operating and capital expenditure

Hunter Water's proposed bill increases

Proposed bills for a typical house would increase gradually (\$2024-25)



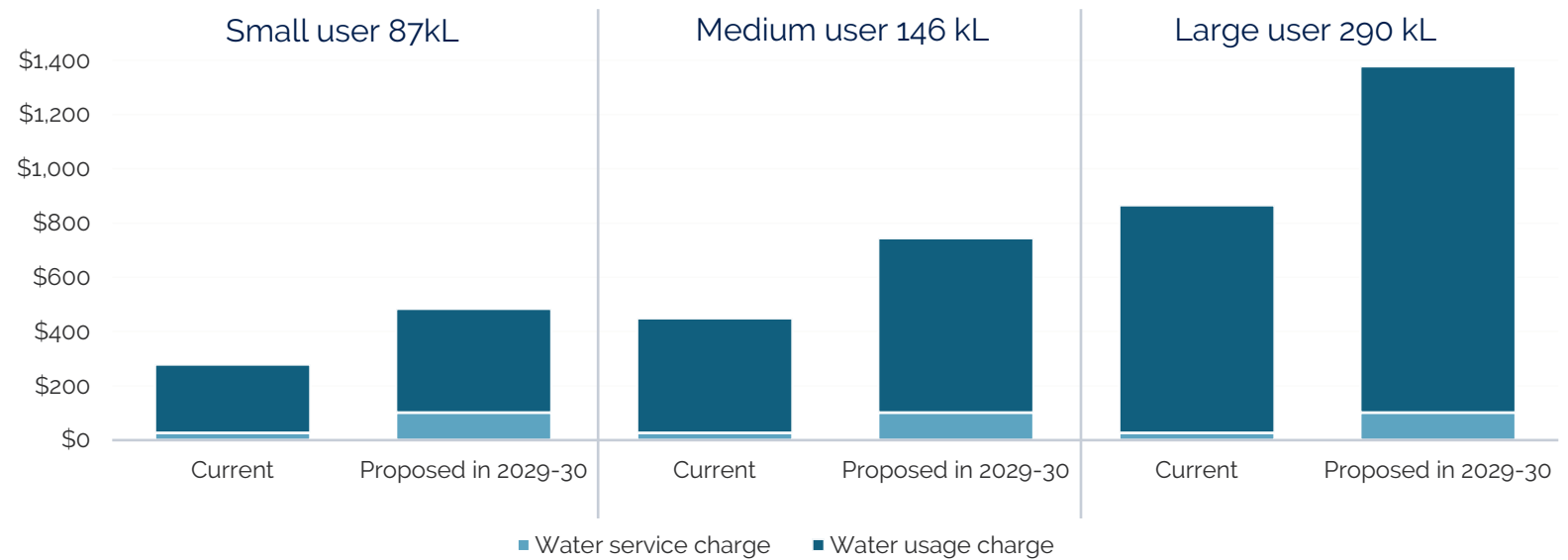
Typical household yearly bill increases over the next 5 years (\$2024-25)



Note: Typical bills are based on a customer that owns a house and uses 146kL each year

Hunter Water's proposed water price changes

Proposed bill impacts depend on how much water customers use (\$2024-25)



\$2.89 → \$4.40

Usage price increase per kL to 2029-30

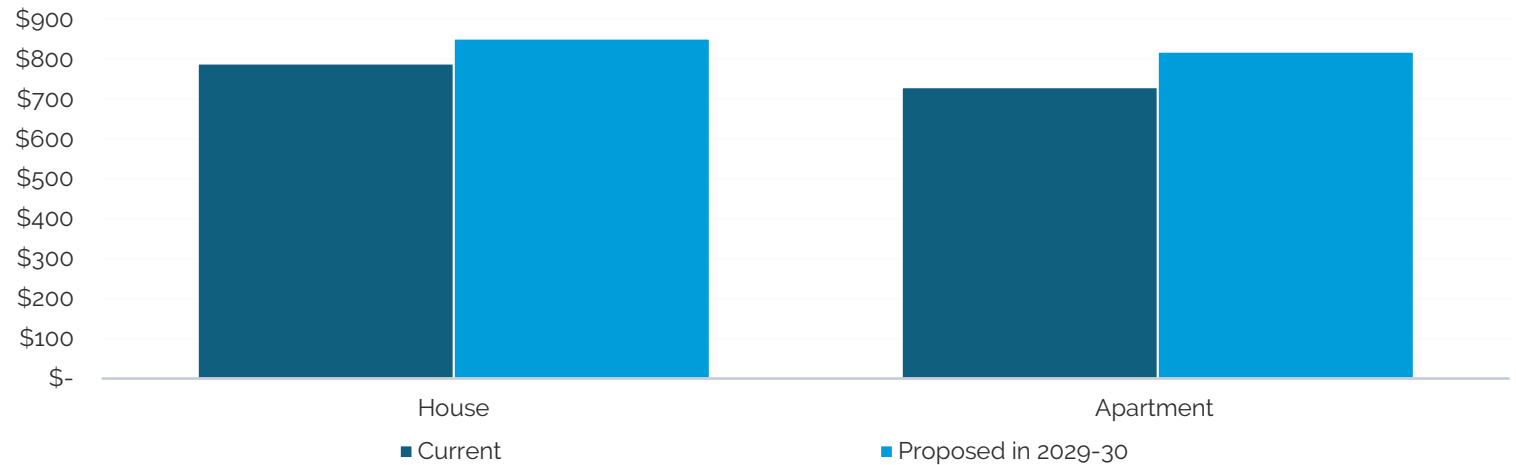
Water usage charges

9% ↑

each year on average over 5 years (plus inflation)

Hunter Water's proposed wastewater price changes

Proposed wastewater bills increases reflect differences between houses and apartments (\$2024-25)



Household wastewater bill in 2029-30



\$852

Houses



\$819

Apartments

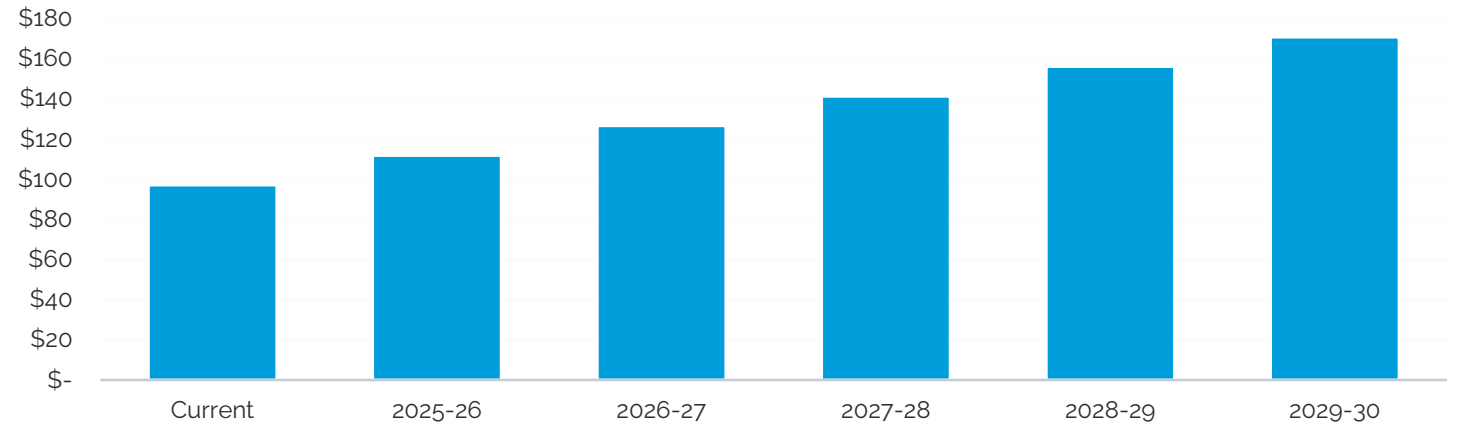
Wastewater bills

2% ↑

each year over 5 years for
both houses and
apartments (plus inflation)

Hunter Water's proposed stormwater price changes

Proposed stormwater bills would increase materially over the period (\$2024-25)



\$97.04 → \$170.81

Stormwater price increases
for houses to 2029-30

Stormwater bills

12% ↑

each year on average over
5 years for residential and
non-residential customers
(plus inflation)

Hunter Water's proposed dishonoured or declined payment fee

- IPART also regulates the fee that Hunter Water can charge for dishonoured or declined payments
- Hunter Water has proposed to reduce this fee in the upcoming pricing period
- This fee is proposed to apply to all dishonoured or declined payments

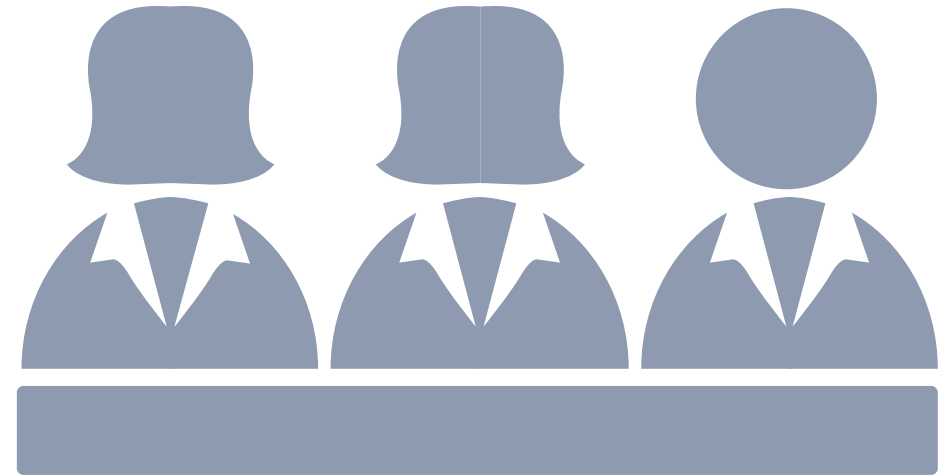
\$32.36 → \$6.55

Dishonoured or declined
payment fee proposed to
reduce from 2025-26

We are thoroughly assessing the pricing proposal

- We will investigate key issues:
 - affordability of bills and service levels
 - impacts of large increases to the water usage charge
 - water security and the Belmont Desalination Plant.
- We have engaged independent experts:
 - conduct an expenditure review
 - review Hunter Water's customer engagement.

Comments and questions





Closing remarks and next steps

Next steps



Contact us

Contact us:

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Visit our website

<https://www.ipart.nsw.gov.au/review/water-metro-pricing/prices-hunter-water-corporation-1-july-2025>

Thank you

