



Hunter Water Operating Licence Review

APRIL 2022

Response to IPART's Draft Report



Acknowledgement of Country

Hunter Water operates across the traditional country of the Awabakal, Birpai, Darkinjung, Wonaruah and Worimi peoples. We recognise and respect their cultural heritage, beliefs and continuing relationship with the land, and acknowledge and pay respect to Elders past, present and future.

Mariin Kaling - All for Water

Saretta Fielding

Saretta

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1. INTRODUCTION

The operating licence, issued by the NSW Government and administered by the Independent Pricing and Regulatory Tribunal (IPART) enables and requires 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 2017 and expires on 30 June 2022. IPART's end of term review will result in a recommendation for a new operating licence (licence), Customer Contract and Reporting Manual (licence package) to the Minister for Lands and Water to come into effect by 1 July 2022.

In February 2022 IPART published a "*Hunter Water Operating Licence Review: Draft Report*" (draft report) and licence package for feedback. A public hearing was held on 22 March 2022.

We support all of IPART's recommendations (see Appendix A). Our focus in the main body of our submission is on clarifications and modifications that we consider will improve the balance between costs and benefits in the recommended terms and conditions.

Our submission follows the sequencing of IPART's draft report

Hunter Water commends IPART for the manner in which it has conducted the review and the quality of the draft licence package. We appreciate the Secretariat's cooperation and prompt responses to our drafting questions along the way. We consider that IPART's work has reflected and balanced the preferences and needs of customers, consumers, regulatory agencies, stakeholders and the community whilst taking account of the administration and resource costs.

¹ IPART, 2014, *Assessment of Hunter Water Corporation Operating Licence: Application of the Licensing Framework*, Regulation Review – Case Study, August, Sydney. page 2.

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

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

2. WATER QUALITY AND SYSTEM PERFORMANCE STANDARDS

2.1. Water quality standards

Draft licence retains clauses to maintain and implement systems consistent with the Australian Drinking Water Guidelines (ADWG) and Australian Guidelines for Water Recycling (AGWR).

Hunter Water supports the proposed clauses as they ensure ongoing focus on water quality consistent with the high importance of protecting public health and the environment.

We request minor modifications to corresponding sections of the reporting manual as detailed in Table 1.

Table 1 Requested changes to reporting requirements on performance standards for water quality

No.	Clause	Hunter Water comments
3.1.1	Quarterly – Water Quality Monitoring Report – Drinking Water	If a comprehensive report is expected, similar to the Sydney Water Quarterly Drinking Water Quality Report, then Hunter Water request the Reporting Manual includes a transition period. Transition arrangements would allow time to develop and implement new content requirements, including consultation with NSW Health to ensure its needs are met.
3.1.2	Quarterly – Exception reporting to NSW Health – Drinking Water and Recycled Water	<p>There appears to be a typographic error in the following paragraph: <i>Hunter Water must prepare, for each quarter, a report on Hunter Water's monitoring of Drinking Water and Recycled Water. Reporting is exception-based. This means that only non-compliances with the performance standards for service interruptions drinking water and recycled water are required to be reported.</i></p> <p>Hunter Water refers to critical limit exceedances rather than breaches. Please update the below sentence. <i>"the relevant critical control point critical limit exceedance breached, and the action taken."</i></p>
3.2.1	Incident and emergency reporting – Drinking Water and Recycled Water	<p>Please update note in this section as follows: <i>"[Note: To comply with the Licence, each Water Quality Management System must define 'incident' and include protocols for external communications and reporting of any incident. This section requires Hunter Water to report any incidents in accordance with these protocols.]"</i></p>
3.2.2	Notification of significant changes to Water Quality Management Systems	<p>Hunter Water recommends the following dot point is removed on the basis that it is not relevant to the drinking or recycled water systems: <i>"change in disposal method of treated sewage to the environment"</i></p>

2.2. System performance standards for service interruptions

Hunter Water is pleased that IPART's draft recommendation adopt Hunter Water's proposed performance standards. The analysis underpinning this work was based on extensive customer engagement, willingness-to-pay surveys and cost-benefit analysis.

We support the expression of the standards as a proportion of properties supplied, to account for growth in the number of customers provided with services. However, we are continuing to work with the Secretariat to clarify the derivation of the draft new thresholds, to ensure that these do not effectively raise the standards.

2.2.1. Counting of properties that experience multiple service interruptions

IPART is proposing new conditions to clarify the counting of properties that experience multiple service interruptions.⁴ In its draft report IPART notes that *"These changes reflect the intent of the standard and do not seek to raise the standard"*.⁵

This would constitute a change to current practice for all of the four standards relating to water continuity, water pressure and dry weather wastewater overflows.

Our preliminary analysis has found that the proposed new requirements do not materially raise the standard for water continuity and dry weather wastewater overflows. However, the new requirement would substantially tighten the water pressure standard.

The effect on the water pressure standard arises due to the nature of the service provided, as described in Box 1. Additional detail is provided in Hunter Water's response to IPART's Issues Paper.⁶

The proposed new licence clauses 19(4)(b) and 19(4)(c) would require us to count one water pressure failure *per day* rather than the current approach of counting one water pressure failure *per year*. Whilst we recognise the benefits of transparently reporting the scale and distributional impacts of low water pressure, the impact of the proposed new conditions would be an immediate tightening of the standard.

As an example, if we count one water pressure failure *per month* between August 2021 and February 2022, Hunter Water would be on the cusp of exceeding the current hard limit of 4,800 properties experiencing low water pressure in a financial year. This simple example counts just seven out of a possible 365 days. Based on the draft report, we believe this is an unintended consequence as:

- it does not consider the costs and benefits of adopting the current limit with the draft new counting approach
- it does not allow a transition period for compliance with a tightened standard
- IPART's stated intent was to 'clarify' rather than 'tighten' the standard.

We propose that IPART retain its current approach to counting properties affected by low water pressure for 2022-2027 Operating Licence. We are amenable to a new reporting requirement related to the number of days properties are affected by low water pressure and invite further discussion on this matter.

We are aware that there are small clusters of properties receiving frequent or persistent low water pressure events. We intend to proactively consider customer outcomes and accountability for rectifying 'hot spots' receiving the worst service levels as part of our next pricing proposal rather than as a licence requirement.

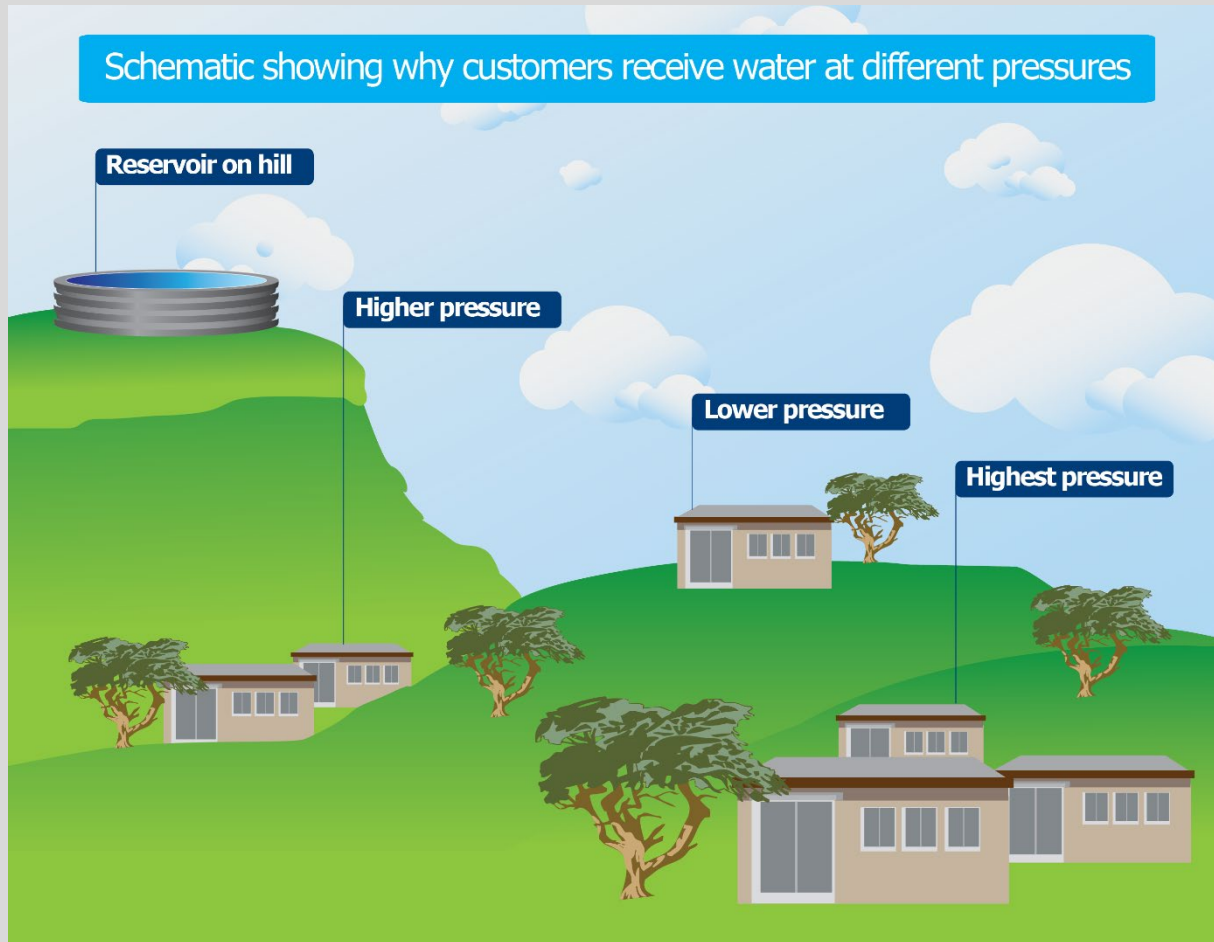
⁴ Draft clauses 18(5)(b), 19(4)(b), 19(4)(c) and 20(3)(b).

⁵ IPART, 2022, *Hunter Water Operating Licence Review: Draft Report*, pages 22, 25 and 27.

⁶ Section 2.2.3.

BOX 1 WHY CUSTOMERS EXPERIENCE LOW WATER PRESSURE

We use gravity to get water to you from a reservoir located at a high point in your area. Water pressure varies at different locations depending on how far you are from the reservoir and your elevation in relation to the reservoir. Water pressure also changes when we connect new properties to the water system.



Water pressure in our system can fall when people are using a lot of water. In areas with lower pressure, this may result in slow flow of water from your taps. You may notice:

- taking a few minutes to fill a bucket
- only a trickle of water coming from second-floor taps/shower
- not being able to use water in more than one place in the home (e.g. not being able to shower while using the washing machine).

Some properties experience low water pressure occasionally – only on very hot summer days when people are using a lot of water. This is a risk faced by all customers over time due to increasing demand.

Other properties experience low water pressure frequently – on most days of the year, for around half of each day, except in winter when people are not using much water.

Source: Based on Hunter Water and The CIE 2021 water service levels willingness to pay survey script.

3. OBLIGATIONS TO CUSTOMERS

3.1. Customer Contract

The rights and obligations of users of Hunter Water's services are set out in a Customer Contract (Schedule B of the current operating licence).

It is apparent from both our proposed Customer Contract and IPART's Draft Customer Contract that we are both committed to clearly and succinctly describing all of the ways the contract protects customers' rights. It also conveys obligations that help enable Hunter Water to ensure the safe, reliable and financially viable provision of services.

We have sought, and received, clarification from IPART's Secretariat on the intent of various changes in the draft Customer Contract. A full list of our questions and minor comments is included in Appendix B.

Hunter Water is requesting reconsideration of four substantial elements of the draft Customer Contract:

- Clause 2.2 – Who is covered by this contract
- Clause 7.2 – Notice of restriction or disconnection for non-payment
- Clause 11.2 – Access to the meter
- Clause 16.1 – Definition of dry weather, in the context of dry weather wastewater overflows

3.1.1. Who is covered by this contract (clause 2.2)

Section 36 of the Hunter Water Act 1991 (NSW) says that an owner of land that is connected to a water main or sewer main owned by Hunter Water (Hunter Water mains) is taken to have entered into a customer contract with Hunter Water for water supply or sewerage services (depending on the type of Hunter Water mains to which that land is connected).

IPART has proposed some changes which would apply parts of the Customer Contract to owners of land with an unauthorised connection to Hunter Water mains, tenants of land with a connection to Hunter Water mains, and other consumers of water or sewerage services on land with a connection to Hunter Water mains.

In effect, this would mean that, under the Customer Contract (and the Act), each of these classes of person is a "customer".

While Hunter Water understands that IPART may be concerned to give certain rights or protections to persons with any kind of connection to Hunter Water mains, Hunter Water must focus on protecting the safety, operations and efficiency of its infrastructure and services, and unauthorised connections may affect its ability to do so. The criteria for authorisation mainly relate to safety and operational effectiveness, so it is appropriate to give the rights and protections of a customer contract only to those who have obtained authorisation for their connection.

Hunter Water does not agree with IPART's interpretation of Section 36 but on balance, Hunter Water is willing to support the position that specific clauses of the Customer Contract will apply to unauthorised connections, non-standard connections, consumers and tenants.

3.1.2. Notice of restriction or disconnection for non-payment (clause 7.2)

Hunter Water's current business practice, based on the existing Customer Contract and which is supported by Hunter Water's billing system (known as 'Velocity'), is as follows:

- Customers with good payment history receive a reminder at day 28 (7 days after the due date). A final reminder is automatically generated by Velocity at day 42 requesting immediate payment. Failure to comply results in the customer being directed down the restriction/disconnection or debt recovery avenue.
- Customers with poor payment history do not receive this initial reminder, receiving the final notice on day 28, followed by the restriction/disconnection or debt collection avenue from day 42.

The path is determined in Velocity based on a number of variables but is auto-generated in most cases, unless escalated for manual review.

- The proposed changes to the Customer Contract mean that all customers will receive a reminder notice at day 28 followed by a restriction or disconnection notice giving 10 days to make payment, irrespective of whether the failure to pay is a one-off or a repetitive pattern. This will have the effect of reducing the period of grace currently provided to customers who have a good payment history, an important way of incentivising good payment practices.

Hunter Water would prefer to use restrictions sparingly and appropriately. Hunter Water recommends that IPART adopts the clause as proposed in our submission to IPART's Issues Paper.

3.1.3. Access to the meter (clause 11.2)

Currently, Hunter Water's third-party contractor attends the property and knocks on the front door to notify the occupant that the meter is about to be exchanged either as part of the meter exchange programme or on an as needs basis to replace a faulty meter. In the majority of cases, there is no one at home, the works are undertaken and a card is left in the mailbox advising of the meter exchange, meaning there is no inconvenience or impact to the customer or occupier. If there is someone at home, the contractor provides an opportunity for them to undertake or finish any water-use activities before the actual exchange or work takes place.

IPART's proposed drafting requires Hunter Water to provide two days' notice to customers to enter the property to 'test, inspect, maintain or replace the meter'.

If the contractor was required to provide such advance written notification, possibly on multiple occasions if the works were delayed on any particular day, this would add significantly to the cost of administering the contract. With advanced notification, it is impossible to be specific as to timing, meaning the window for carrying out the work will need to be longer than is actually required for the work, to provide some reasonable flexibility for the contractor. Hunter Water believes customers may potentially be more inconvenienced under an advanced notification system than the current approach.

Based on the data available, only a small number of customers express dissatisfaction with the current process. Hunter Water therefore believes the current process should be allowed to continue, particularly as the cost to implement the change outweigh any benefits it might deliver to the customer.

If IPART is unable to consider this request to maintain the status quo, Hunter Water requests that the drafting of clause 11.2(1) provides flexibility in Hunter Water's practices while ensuring compliance with the obligation to provide advance notice when required under the Hunter Water Act.

3.1.4. Definition of dry weather, clause 12.2(6)-(9)

IPART has introduced a definition of 'dry weather' to the Draft Customer Contract, which is relevant for the rebate arrangements for wastewater overflows.

While we understand the intent behind the proposed drafting was to seek alignment with obligations under Hunter Water's Environment Protection Licences (EPLs), not all of the EPLs contain this criteria and where they do, it is not consistent.

Hunter Water's current process involves a holistic assessment of the causes behind the wastewater overflow, which includes the knowledge and experience of Hunter Water's people when responding to the overflow and relevant weather conditions at the time, and not just merely relying on the simplistic approach of the amount of rainfall recorded in a particular area. Further, the additional resourcing required to monitor the rainfall gauges would not appear to be warranted, given there have been no adverse findings against the current processes following operational audits.

While it is acknowledged this current assessment process may result in a small number of customers receiving a rebate for dry weather wastewater overflows when in fact they have not met the threshold, we consider this an acceptable tolerance level given the perhaps unintended financial and administrative impacts that would result from the proposed changes, with no increased customer benefit.

Hunter Water requests the deletion of the definition on the basis that we will continue to rely on the existing data gathering, validation and analysis under the Operating Licence and Reporting Manual obligations.

3.2. Consulting with customers

3.2.1. Evolving our approach

Hunter Water's Towards 2024 Business Plan provides a roadmap for Hunter Water to achieve our vision of being a valued partner in delivering the aspirations for our region. Towards 2024 has four strategic priority areas, one of which focusses on customer centricity (see Figure 1). A key element underpinning this customer-centric approach is effective and community and customer engagement with the goal of increasing community trust in Hunter Water and our social licence.

Figure 1 *Towards 2024 Business Plan includes the key theme of customers and communities at the heart of all we do*



To be successful, over the long term, we know we need to gain a deeper understanding of customer and community needs, values, behaviours and expectations. We will use these insights and data to inform our decision making and deliver a range of actions enabling better community outcomes and increased advocacy.

As described in our response to IPART's Issues Paper, we prefer a minimalist approach that provides flexibility to use multiple techniques and methods to consult on a range of matters. This will help to ensure we identify and deliver services customers want at a price they can afford, in the short and long term.

Removal of the prescriptive obligations to maintain a Customer and Community Advisory Group (CCAG) does not prevent us from continuing to evolve and adapt the existing forum to complement our other customer and community consultation activities.

At the CCAG meeting on 30 March 2022, Hunter Water provided a briefing to members on the draft licence package including IPART's draft recommendations in relation to the operating licence provisions for consultation with customers. Our aim was to raise awareness of the opportunity to provide input to IPART's review, either directly to IPART or via Hunter Water. We expressed our support for the additional flexibility provided by the draft new clauses, which we see as supporting our efforts to engage more broadly and deeply.

3.2.2. Our journey to date

Consistent with the objectives of the Towards 2024 Business Plan and IPART's 3Cs Framework, we are committed to becoming a customer centric business; one that listens to our customers and community, understands their values and preferences and incorporates them into our decision making.

We engage with our customers and communities in a number of ways, and for a range of purposes, from the development of our strategic plans such as the Lower Hunter Water Security Plan, service levels and pricing submissions, through to the design and development of specific projects or programs.

Over the past few years we have been engaging with our customers and communities to understand what's important about the services we provide, their journeys and what they want from Hunter Water.

Building on the success of the Lower Hunter Water Security Plan engagement program, we have worked to embed best-practice engagement principles and approaches across the business. Key initiatives include:

- the introduction of a Voice of the Customer program to give prominence to the values and preferences of our customers and communities, and empowers our people to make decisions that are customer centric
- Toward 2024 Business Plan KPIs to improve community focus, customer and community understanding and customer experiences
- the introduction of a coordinated quarterly customer survey to gather insights from our customers about our performance and service levels, water conservation behaviours and level of water literacy
- a dedicated community engagement hub on the Hunter Water website
- establishing an Engagement Team to support the business, from strategy development through to project planning and delivery
- a community water literacy program to enable us to have deeper and richer conversations about our water future
- regular surveying of our customers about their interactions with us, our service levels and operational improvements, including 'Mystery Shopper' survey, contact centre survey and reputational surveys
- customer journey mapping to identify pain points for customers interacting with us. This has led to a number of process improvements, including customers and community affected by construction activities.

Our Community Engagement Strategy (draft in development) seeks to empower our people to engage on the things that matter to our customers and community. It outlines how we will gain a deeper understanding of customer and community needs, values, behaviours and expectations, and use these insights to inform our decisions. More than this, it shapes how we will strengthen community trust, enable better outcomes for all, build awareness of the work we, and increase community advocacy.

Our Community Engagement Strategy is a key building block to help us embed customer centricity in our everyday activities and decision making at all levels. Our community engagement principles and objectives are underpinned by the core values for public participation developed by the International Association of Public Participation, and are consistent with the NSW Customer Strategy and Customer Framework.

3.3. Providing information to customers

The Draft Operating Licence requires Hunter Water inform customers of variations made to key documents and policies, within 60 days of the variation, specifically clauses: 26(2), 28(3), 29(4), 31(4), and 32(3).

Within that time frame, the updated information is to be provided on Hunter Water's website and via the General Enquiry Process – we support this requirement. As currently drafted, it appears the updated information must also be provided to residential customers at least annually with their bills, within that 60 day period. In a practical sense, this is not possible due to Hunter Water's billing frequency and rolling billing cycles.

We ask IPART to consider redrafting this requirement to ensure it is clear and practical.

4. ENGAGING WITH COMPETITORS

Negotiating in good faith with potential competitors

Hunter Water's response to IPART's Issues Paper raised a concern with the proposed addition of a clause requiring Hunter Water to negotiate 'in good faith' with WIC utilities and potential WIC utilities. We queried whether an operating licence auditor would have the necessary skills and experience to interpret and test our commercial practices against the 'good faith' clause. We welcome IPART's commitment to update the audit guidelines with a definition of what it means to act 'in good faith'. The guidelines would also set out IPART's expectations regarding the types of evidence an auditor should request and consider.

Publishing servicing information to competitors

Hunter Water's response to IPART's Issues Paper did not object to publishing servicing information, such as projected demand, projected capacity constraints, indicative cost of alleviating or deferring constraints, and locations where further investigation is needed. IPART specifies the period for projections is at least 10 years. We do note that IPART's decision to require servicing information for Sydney Water and Hunter Water was made prior to the NSW Government's decision to re-introduce developer charges.

IPART's Draft Licence and Draft Reporting Manual include requirements to publish the servicing information on Hunter Water's website. This covers all available information by 30 September 2024 and complete information by 30 June 2025. From 1 July 2025, must publish servicing information for "each major Water System and Sewerage system **as it becomes available in a form suitable for publication**" (emphasis added).

Our response to the Issues Paper described the information requirements set out in IPART's 2018 Determination of Maximum prices for connecting to a water supply, sewerage or drainage system (the developer charges determination). We noted that IPART's determination covered all of the proposed servicing information.

Hunter Water will publish comprehensive information on system constraints and the cost of growth infrastructure as part of implementing IPART's developer charges determination. Hunter Water is planning to exhibit development servicing plans in 2022-23. The plans will document forecast investments in headworks, water and wastewater treatment plants, trunk infrastructure and distribution networks by development servicing plan area.

IPART proposed licence clause requires Hunter Water to publish all servicing information requirements by 30 June 2025. Our current thinking is that the developer servicing plans and associated exhibition requirements would satisfy IPART's requirement to publish servicing information at that time.

We have a concern with the requirement to publish this information "as it becomes available". We raise two issues:

1. **Auditability:** we question whether there is too much subjectivity about the interpretation of what constitutes new information for any of the five servicing information requirements. For example, we carry out a cycle of condition assessments and planning work on all major and most minor assets. At what point does a site visit, assessment or investigation trigger the need to publish new information on our website?
2. **Usefulness:** we question the practicality and usefulness of providing the information "as it becomes available", particularly whether WIC utilities and potential competitors would use this information.

Sydney Water's response to the Issues Paper noted the lack of external interest in its servicing information:⁷

"We have also had little interest in the publication of servicing information to meet new requirements in the Operating Licence. To date, this information has only been accessed by one interstate government agency."

⁷ Sydney Water, 2021, *Hunter Water Operating Licence Review 2021-22: Response to Issues Paper*, 15 November, page 10.

The requirement to publish information “as it becomes available” would apply during the period from 1 July 2025 and 30 June 2027 (end of the next licence period). Given the five-year refresh cycle in IPART’s developer charges determination, Hunter Water will exhibit and register the subsequent round of development servicing plans in 2027-28.

Hunter Water requests that IPART remove the “as it becomes available” requirement. If IPART’s considers an update is necessary during this period, IPART could consider an alternative requirement for Hunter Water to provide an update of any changes to the servicing information by 30 June 2027. This would be a one-off requirement, not an obligation to continuously publish new information.

We would also like to highlight few important benefits of development servicing plans and developer charges:

1. The developer charges determination sets out a method for calculating the incremental cost of adding new development in each development servicing plan area. In that sense, the developer charges provide an explicit and transparent signal of the costs of new development in wastewater catchments and water zones across our areas of operations.
2. The developer charges crystallise all of the investment costs in a single dollar value, revealing high and low-cost areas for new development. This dollar value will include the aggregate value of all investment projects in a development servicing plan. These aggregate values will include commercial in confidence information on individual project timing and internal cost estimates.
3. The re-introduction of developer charges, all else equal, should encourage developers to consider private infrastructure providers. Developers in higher cost areas may be prepared to pay and contract a WIC utility to build and operate an on-site wastewater facility, thereby avoiding any liability for wastewater developer charges.

APPENDIX A RESPONSES TO IPART FULL LIST OF DRAFT RECOMMENDATIONS

No.	IPART Draft Recommendation	Our Assessment
Water quality standards		
1.	Retain requirements in the Licence for water quality management systems consistent with the Australian Drinking Water Guidelines (ADWG) and the Australian Guidelines for Water Recycling (AGWR).	Support
2.	Retain requirements in the Licence to implement the water quality management systems.	Support
3.	Expand the definition of the AGWR in the proposed Licence to include all volumes of the guidelines.	Support
4.	Clarify NSW health's role in specifying reasonable health-based requirements made in writing. These are intended to be additional to the requirements set by the ADWG/AGWR (and are not intended to depart from the guidelines).	Support
5.	[Reporting Manual] Retain most of the current water quality reporting requirements but replace annual compliance and performance reporting on the water quality management systems with exception reporting only.	Support with minor modifications (refer to section 2.1 for details)
6.	Do not include a new Licence requirement for fluoridation. We can assess fluoridation performance under the water quality management system requirements in the Licence for drinking water.	Support
System performance standards		
7.	Retain 4 of the current 5 system performance standards for water continuity, water pressure and dry weather wastewater overflows in the Licence	Support
8.	Do not include one of the current water continuity standards for multiple short unplanned service interruptions.	Support
9.	Retain the service levels specified by the system performance standards in the current operating licence (i.e. do not increase or lower service levels).	Support with minor modifications (refer to section 2.2 for details)
10.	Express the standards as a proportion of properties supplied to account for customer growth.	Support
11.	Retain the current approach to set minimum standards in the Licence and do not optimise the standards.	Support
12.	[Reporting Manual] Do not include current annual compliance and performance reporting requirements for system performance standards and replace with exception reporting only.	Support
Water conservation and water planning		
13.	Retain requirements in the Licence to calculate system yield in a manner agreed with DPE.	Support
14.	Retain requirements in the Licence to maintain and implement a water conservation work program in relation to Water Storage and Transmission. This water conservation work program must be in accordance with Hunter Water's Water Conservation Strategy.	Support
15.	Include transition arrangements in the Licence so that the water conservation work program in relation to Water Storage and Transmission will be superseded by requirements to develop a 5-year Water Efficiency Plan. The Water Efficiency Plan will consider the total water cycle from catchment to tap.	Support
16.	Retain requirements in the Licence for Hunter Water to use an economic approach to water conservation (for water supplied from treatment plants to consumers).	Support

17.	Allow flexibility in the Licence for Hunter Water to use any economic approach once it has been approved by the Minister, and not be limited to the economic Level of Water Conservation methodology only.	Support
18.	Include transition arrangements in the Licence so that the water conservation work program based on the economic approach (for water supplied from treatment plants to consumers) will be superseded by requirements to develop a 5-year Water Efficiency Plan. The Water Efficiency Plan will consider the total water cycle from catchment to tap.	Support
19.	Include a new requirement in the Licence to prepare a drought response plan.	Support
20.	[Reporting Manual] Retain reporting requirements to support the proposed water conservation and water planning Licence conditions.	Support

Customer-related recommendations

21.	Retain requirements for publishing the Customer Contract, making timely variations and communicating those variations.	Support
22.	Support Hunter Water's proposed changes to the Customer Contract, except in some cases as explained in the Summary of changes to the Customer Contract published in Information Paper 3 on our website	Support with minor modifications (refer to section 3.1 for details)
23.	Make explicit in the Customer Contract which clauses apply to those customers that have a non-standard connection to Hunter Water's services and are not party to a separate agreement (i.e. are deemed to be included in the Customer Contract).	Support
24.	Include requirements in the Licence to communicate information to customers and the general public about customers' rights under the Customer Contract, available account relief and rebate claims available.	Support
25.	Include requirements in the Licence to update communications following any changes to the information in the Customer Contract, available account relief and rebate claims available.	Support
26.	Allow flexibility in the Licence for Hunter Water to use any method of communication with its customers and remove the current restriction of communicating through 'pamphlets'.	Support
27.	Do not include the current requirement to provide IPART with a copy of any notice of changes to the Customer Contract, before publishing that notice (current operating licence clause 5.1.2).	Support
28.	Retain Licence conditions extending customer protections under the Customer Contract to 'consumers' that are not usually party to the Customer Contract.	Support
29.	Retain requirements to make services available to properties in its area of operations, on request.	Support
30.	Retain requirements to maintain, implement and communicate to customers and the general public about assistance options and actions for non-payment and any variations to this information.	Support
31.	Include a new Licence requirement to develop, implement and communicate to customers and the general public about a family violence policy and any variations to this policy.	Support
32.	Retain requirements to develop, implement and communicate to customers and the general public about Hunter Water's internal complaints handling procedure and any variations to this procedure	Support
33.	Retain requirement for membership of an external dispute resolution scheme but allow Hunter Water the option of membership of the Energy and Water Ombudsman NSW or another external dispute resolution scheme approved by IPART.	Support
34.	Retain requirements to communicate to customers and the general public about the external dispute resolution scheme and any variations to this information.	Support

35.	Do not include the current prescriptive requirements for Hunter Water to maintain a Customer Advisory Group. Instead, allow flexibility in the Licence to undertake customer consultation in any manner that Hunter Water considers effective.	Support
36.	[Reporting Manual] Do not include current annual compliance and performance reporting requirements for customer and stakeholder relations and replace with exception reporting only.	Support
37.	[Reporting Manual] Retain requirements to report on customers' complaints and any actions taken to resolve them.	Support
38.	[Reporting Manual] Do not include current requirements to notify IPART of changes made to Licensed documents such as the Customer Contract, assistance options and actions for non-payment, and the external dispute resolution scheme because these are contained within the draft Licence.	Support

Commitment to quality processes and systems

39.	Retain requirements in the Licence to maintain an AMS consistent with Australian Standard AS ISO 55001:2014 - Asset management - Management systems – Requirements, or an alternative standard approved by IPART.	Support
40.	Retain requirements in the Licence to implement the AMS.	Support
41.	Retain requirements in the Licence to maintain an EMS consistent with Australian/New Zealand Standard AS/NZS 14001:2016 Environmental management systems – Requirements with guidance for use, or an alternative standard approved by IPART.	Support
42.	Retain requirements in the Licence to implement the EMS.	Support
43.	Retain requirements in the Licence to maintain a QMS consistent with Australian/New Zealand Standard AS/NZS 9001:2016 Quality management systems – Requirements with guidance for use, or an alternative standard approved by IPART.	Support
44.	Retain requirements in the Licence to implement its QMS.	Support
45.	[Reporting Manual] Do not include current annual compliance and performance reporting requirements for organisational management systems (AMS, EMS and QMS) and replace with exception reporting only.	Support
46.	Retain requirements in the Licence to use best endeavours to maintain an MoU with NSW Health.	Support
47.	Retain requirements in the Licence to comply with the MoU with NSW Health.	Support
48.	Retain requirements in the Licence to use best endeavours to maintain an MoU with DPE.	Support
49.	Retain requirements in the Licence to comply with the MoU with DPE.	Support
50.	Include new requirement for the MoU to specify how Hunter Water and DPE should work together to complete long-term plans.	Support
51.	The proposed Licence conditions reflect the transition from the Lower Hunter Water Plan to the Lower Hunter Water Security Plan.	Support
52.	Retain requirements in the Licence to use best endeavours to maintain an MoU with FRNSW.	Support
53.	Retain requirements in the Licence to comply with the MoU with FRNSW.	Support
54.	Retain requirements for a working group between Hunter Water and FRNSW. Expand the requirements for the working group membership to include other members such as the Rural Fire Service.	Support
55.	Retain requirements in the Licence to make services available to competitors (currently only WIC Act licensees), on request, subject to any reasonable conditions from Hunter Water.	Support

56.	Include a new requirement in the Licence to negotiate in 'good faith with competitors (including current WIC Act licensees and potential new competitors).	Support
57.	Retain requirements in the Licence to use best endeavours to cooperate with WIC Act licensees seeking to establish a code of conduct, on written request from the WIC Act licensee.	Support
58.	Include new requirements to publish servicing information on Hunter Water's website for competitors.	Support with minor modifications (refer to section 4 for details)
59.	[Reporting Manual] Include new requirements to report on Hunter Water's performance with providing information and services to competitors.	Support

Administration

60.	Retain the Pricing condition from the current operating licence with no significant change.	Support
61.	Retain requirements in the Licence for operational audits that accommodate remote auditing.	Support
62.	Retain requirements in the Licence to report in accordance with the Reporting Manual and provide information to IPART, NSW Health and auditors acting on IPART's behalf.	Support
63.	[Reporting Manual] Retain requirements in the Reporting Manual to provide a report on Hunter Water's progress with completing recommendations from the previous year's operational audit (but with a submission date of 30 June instead of 31 March).	Support
64.	[Reporting Manual] Retain requirements in the Reporting Manual to report annually on Hunter Water's performance against performance indicators.	Support
65.	[Reporting Manual] Retain requirements in the Reporting Manual to provide an annual statement of compliance (of Hunter Water's compliance during the previous financial year).	Support
66.	[Reporting Manual] Do not include requirements to report on significant changes to water quality management and organisational management systems.	Support
67.	Retain requirements in the Licence for Licence authorisation, term of the Licence, non-exclusivity, making copies of the Licence available, the end-of-term review of the Licence, notification about the Licence and Hunter Water's area of operations, similar to those in the current operating licence with no significant changes.	Support

APPENDIX B RESPONSES TO DRAFT CUSTOMER CONTRACT

Table.1 Summary of key proposed changes to Hunter Water's customer contract

No.	Hunter water current customer contract	No.	Hunter water proposed customer contract	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
Clause	Clause					
	Foreword		Foreword	No major changes. Inclusion of additional wording to align with Sydney Water	We support the proposed minor changes.	
1	Introduction	1	Introduction			
1.1	Words used in this contract	1.1	Words used in this contract	No change	-	
1.2	Understanding the Customer Contract	1.2	Understanding the Customer Contract	No major changes	-	
1.3	Policies			Relocated to Interpretation section	We support the proposed minor changes.	
1.4	Enquiries			Relocated to clause 18	We support the proposed minor changes. We note that in the draft Customer Contract the relocated clause is clause 14.	
2	What is a Customer Contract	2	What is a Customer Contract and who is covered by it?			
2.1	What is a Customer Contract?	2.1	What is this contract?	Minor refinements with no impact on the customer	We support the proposed minor changes.	
2.2	Who is covered by this contract?	2.2	Who is covered by this contract?	Minor refinements with no impact on the customer	We support the proposed minor changes. We have also proposed changes to acknowledge customers with unauthorised connections. <i>Anyone who is connected to a water main or sewer main owned by Hunter Water is taken to enter a contract, not just those with authorised connections</i>	Hunter Water comments provided in Chapter 3.1 of this submission.

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
					We have also proposed changes to extend customer protections to consumers that are party to the Customer Contract. We have referenced the clauses of the Customer Contract that apply to such consumers. These consumers could be tenants residing at a property where the landholder is Hunter Water's customer.	
2.3	Other agreements with us	2.3	Other agreements with us	Minor changes for clarity with no impact on the customer	We support the proposed minor changes.	
2.4	When does this Customer Contract commence?	2.4	When does this Customer Contract commence?	Refined to align with Sydney Water	We support the proposed minor changes.	
2.5	When does this Customer Contract end?	2.5	When does this Customer Contract end?	Minor refinements with no impact on the customer	We support the proposed minor changes.	
2.6	Variation of this Customer Contract	2.6	Variation of this Customer Contract	Minor refinements with no impact on the customer	We support the proposed minor changes.	
3	What water services do we provide?	3	What services do we provide?	Amalgamated all service types referred to in 3-7 under one heading	We support the proposed structural changes. We consider that these changes are minor in nature.	
3.1	Drinking water quality	3.1	Water services			
3.2	Supply of water services	3.1(1)	Supply of drinking water	Distinguished between drinking and recycled water	We support the proposed minor changes We have proposed minor changes referencing other relevant parts of the Customer Contract for clarity. Our changes do not propose any new requirements.	
3.3	Health or special needs	3.1(2) to 3.1(4)	Supply of recycled water	Distinguished between drinking and recycled water	We support the proposed minor changes We have proposed minor changes referencing other relevant parts of the Customer Contract for clarity. Our changes do not propose any new requirements.	

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
3.4	Drinking water pressure	3.1(5)	Drinking water quality	Distinguished between drinking and recycled water	We support the proposed minor changes.	
3.4	Water restrictions	3.1(6)	Recycled water quality	Distinguished between drinking and recycled water	We support the proposed minor changes and have included a minor change to clarify that the recycled water supplied will comply with the AGWR <i>and</i> any additional requirements specified by NSW Health in writing, as required in the draft Licence.	
4	What recycled water services do we provide?	3.1(7) to 3.1(8)	Health or special needs	Minor changes with no impact on the customer	We support the proposed minor changes and have included minor changes to clarify who 'critical' customers are and to clarify that information about the free water allowance is available on Hunter Water's website.	
4.1	Supply of recycled water	3.1(9)	Drinking water pressure	Included additional wording in line with Sydney Water for clarity	We support the proposed minor changes.	
5	What sewerage services do we provide?	3.1(10) to 3.1(13)	Water conservation measures	Changed from 'water restrictions' to 'water conservation measures' to reflect the broader focus	Hunter Water's proposed changes did not reflect this change. However, we have made it in the draft Customer Contract as we support this change.	
5.1	Supply of sewerage services	3.2	Wastewater services	Changed 'sewerage' to 'wastewater' here and throughout in line with current accepted terminology and aligning with Sydney Water	We support the proposed change.	
5.1	Wastewater overflow	3.2(1)	Supply of wastewater services	Amended 'our sewerage system' to 'our wastewater infrastructure' here and throughout the document for consistency and to more clearly distinguish from 'your wastewater system'	We have removed the reference to 'domestic' wastewater because it is unclear why this clause should be limited to domestic wastewater if the contract also covers non-residential customers.	Clause 3.2(1) <ul style="list-style-type: none"> Hunter Water would prefer the references to 'infrastructure' remains throughout the Customer Contract as it is more representative. For example, some wastewater customers discharge directly to a wastewater pump station rather than wastewater main.

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
						<ul style="list-style-type: none"> The wastewater services covered by the Customer Contract relate to domestic levels of discharge to our infrastructure. Other types of wastewater would require a separate trade waste agreement. For clarity, we propose that when referring to wastewater services, the Customer Contract points towards Trade Waste customers being considered in clause 3.2(6) which refers to them having separate agreements.
5.3	Wastewater mining	3.2(2) to 3.2(3)	Wastewater overflow	Minor changes with no impact on the customer	We support the proposed minor changes. We have proposed to remove the 'best endeavours' allowance and have included a minor change to reference that Hunter Water will ensure that any rebate or redress that may be due to the customer under clauses 12.2.4 and 12.3 are paid or provided. IPART has made more changes than this.	
5.4	Prohibited substances	3.2(4)	Wastewater mining	Minor changes with no impact on the customer	We support the proposed minor changes.	
6	What trade waste services do we provide?	3.2(5)	Prohibited substances	Minor changes with no impact on the customer	We support the proposed minor changes.	
6.1	Supply of trade waste services	3.2(6) to 3.2(8)	Trade waste services	More concise wording in line with Sydney Water	We support the proposed minor changes.	
7	What stormwater services do we provide?	3.3	Stormwater services			
7.1	Supply of stormwater services	3.3(1) to 3.3(2)	Stormwater services	More concise wording in line with Sydney Water	We support the proposed minor changes. We have removed the reference to 'domestic' stormwater because it is unclear why this clause should be limited to domestic stormwater if the contract also covers non-residential customers.	

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
7.2	Stormwater harvesting	3.3(3)	Stormwater harvesting	No change	-	
8	Factors affecting service	4	Factors affecting service	Renumbered due to amalgamation of clauses 3-7	We support the proposed structural changes. We consider that these changes are minor in nature.	
8.1	Unplanned interruptions	4.1	Unplanned interruptions	No change	We have made a minor change to reference the 24-hour Emergency (faults and leaks) Assistance Line.	Hunter Water's preference is for the public to be directed to our website for information about interruptions to services to ensure the Emergency (Faults and Leaks) Assistance Line is not unnecessarily congested
8.2	Planned interruptions	4.2	Planned interruptions	No change	-	
8.3	Major operational incident	4.3	Major operational incident	Minor change with no impact to customer	We support the proposed minor changes.	
8.4	Restriction or disconnection	4.4	Restriction or disconnection	No change	-	
8.5	Force majeure	4.5	Force majeure	Additional wording to reference pandemics, public health emergencies and government regulation or control in light of COVID-19. Given all of these additional matters are outside Hunter Water's control, this should not be considered a significant impact on customers.	We do not support Hunter Water's proposed change. We consider that 'Force Majeure' should be for unforeseen circumstances and not ongoing events such as the COVID-19 pandemic. We also do not support including 'government regulation and control' in this clause because we consider that Hunter Water should adapt its service delivery to any government regulation it is subject to.	
9	What you pay	5	What you pay			
9.1	How prices are set	5.1	How prices are set	No change	-	
9.2	Publications of charges	5.2	Publications of charges	No change	-	

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
9.3	Responsibility to pay the account	5.3	Responsibility to pay the bill	Changed 'account' to 'bill'	We support the proposed minor change.	
9.4	Concessions	5.4	Concessions	No change	-	
9.5	Your bill	5.5	Your bill	No change other than including a right to refuse to accept payment by unauthorised or suspected fraudulent or illegal means.	We support the proposed change. We have proposed an inclusion to clarify that customers can choose to receive their bill through other methods (such as electronically) and this decision will not be made for them by Hunter Water.	
9.6	Undercharging	5.6	Undercharging	No change	-	
9.7	Overcharging	5.7	Overcharging	No change	-	
9.8	Account queries and disputes	5.8	Account queries and disputes	Minor changes with no impact on customer	We support the proposed minor change.	
9.9	Wastewater usage charge	5.9	Wastewater usage charge	No change	We have proposed a minor change to clarify that the wastewater usage charge will be as determined by IPART.	
9.10	Other costs and charges	5.10	Other costs and charges	Changed 'account' to 'bill' and included an ability to refuse to accept payments via personal cheque or card payments where there is a history of 2 or more dishonoured payments to bring in line with Sydney Water	We support the proposed changes.	
10	What Can I Do If I Am Unable to Pay My Bill?	6	What can I do if I am unable to pay my bill?		•	
10.1	Payment difficulties and assistance options	6.1	Payment difficulties and assistance options	No change	We have proposed to expand the rights in the Customer Contract for customers experiencing payment difficulty. That is, we have proposed that in addition to what is already in the Customer Contract, Hunter Water will provide:	Hunter Water supports the proposed change in language on the basis that the change is not intended to expand the criteria about who receives Account Assistance.

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
					<ul style="list-style-type: none"> tailored advice on other broader assistance options (including any appropriate government concession programs); and referral to financial counselling services. 	
11	Restriction or Disconnection of Services	7	Restriction or disconnection of services			
11.1	Restriction or disconnection of services for non-payment	7.1	Restriction or disconnection of services for non-payment	Minor changes with no impact on customer	We support the proposed minor changes.	
11.2	Notice of restriction or disconnection for non-payment	7.2	Notice of restriction or disconnection for non-payment	TBC	We have proposed that a reminder notice should be sent to all customers who have failed to pay their bill, not just those with good payment history. We have also included information about how to contact Hunter Water if the customer is having difficulty making payments and informing customers of their rights to raise their concerns with EWON (or another dispute resolution scheme where one is approved under the Licence.	Hunter Water comments provided in Chapter 3.1 of this submission.
11.3	Restriction or disconnection for other reasons	7.3	Restriction or disconnection for other reasons	Called out 'drinking water' and 'recycled water' separately and other small changes for clarity	We support the proposed changes.	
11.4	Minimum flow rate	7.4	Minimum flow rate	No change	-	
11.5	Disconnecting by a customer	7.5	Disconnection by a customer	Removed superfluous words with no impact to customer	We support the proposed minor changes.	
11.6	Restoration of services after restriction or disconnection	7.6	Restoration of services	Minor changes with no impact on customer	We support the proposed minor changes.	

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
12	Responsibilities for maintenance and repair	8	Responsibilities for maintenance and repair			
12.1	Drawings	8.1	Diagrams	Changed 'clause 16.4' to Appendix A and 'drawings' to 'diagrams'	We support the proposed minor changes.	
12.2	Our responsibilities regarding our infrastructure	8.2	Our responsibilities regarding our infrastructure	No change	-	
12.3	Your responsibilities regarding your water system	8.3	Your responsibilities regarding your water system	Included: (a) additional wording for clarity around backflow prevention device testing being the responsibility of the customer; (b) clarification around our obligations in relation to investigating a failure in the customer's water system; and (c) clarification around restoration if repairs are done to the customer water system in line with Sydney Water	We support the proposed changes.	
12.4	Your responsibilities regarding your wastewater system	8.4	Your responsibilities regarding your recycled water system	relocated	We support the proposed minor change.	

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
12.5	Pressure sewerage system	8.5	Your responsibilities regarding your wastewater system	Minor changes calling out customer obligation to ensure rainwater not connected to wastewater system in line with Sydney Water with no impact to the customer	We support the proposed minor changes.	
12.6	Non-standard connections	8.6	Pressure sewerage system	Minor changes with no impact on customer	We support the proposed minor changes.	
12.7	Private joint services	8.7	Non-standard connections	Minor changes with no impact on customer	We support the proposed minor changes.	Hunter Water comments provided in Chapter 3.1 of this submission.
12.8	Stormwater connections, coverings and bridges	8.8	Private joint service	Minor changes with no impact on customer	We support the proposed minor changes.	
12.9	Conserving water	8.9	Stormwater connections, coverings and bridges	No change	-	
12.10	Giving notice of system failures	8.10	Water efficiency	Changed 'conserving water' to 'water efficiency' and included additional wording to highlight the preciousness of water to better reflect subject matter	We support the proposed changes but have removed reference to 'non-residential properties' connected to our wastewater infrastructure.	We note that the Draft Customer Contract appears to retain this reference.
12.11	Removal of trees	8.11	Giving notice of system failures	Relocation of wording for better flow with no impact to the customer	We support the proposed minor changes.	
		8.12	Removal of trees	Removal and relocation of words for better flow with no impact to the customer	We support the proposed minor changes.	
13	Defective or Unauthorised Work	9	Defective or Unauthorised Work			

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
13.1	Authorised Connections	9.1	Authorised Connections	Removal of superfluous words for better flow with no impact to the customer	We support the proposed minor changes.	
13.2	Defective or unauthorised work	9.2	Defective or unauthorised work	Changed 'employees' to 'people' in line with Hunter Water's values	We have proposed using the defined term 'Personnel'. We have clarified that this clause refers to unauthorised 'work' and not unauthorised 'connections'.	<ul style="list-style-type: none"> We request that we use the words 'our people' as this change was deliberately made to align with our recently refreshed values and direction from Hunter Water's Board. Hunter Water therefore does not support the change to 'Personnel', which is considered out of touch with modern language. The change from 'unauthorised connection' to 'unauthorised work' is not supported. 'Unauthorised work' is dealt with in 9.3 and has a different meaning to 'unauthorised connection'. We suggest amending the heading to 9.2 to 'Defective or unauthorised connections'
13.3	Building, landscaping and other construction work	9.3	Building, landscaping and other construction work	Minor changes for clarity with no impact on the customer	We support the proposed minor changes.	
13.4	Altering and unauthorised connection or use	9.4	Altering and unauthorised connection or use	Additional wording for clarity and including reference to recycled water with no impact on the customer	<p>We support the proposed minor changes.</p> <p>We have also proposed clarification about consequences to customers for not complying with the requirements of this clause and when customers must obtain Hunter Water's consent before carrying out certain activities.</p>	<p>We understand that reference to recycled water has been removed as the word 'water' adequately covers both as it does in the Hunter Water Act.</p> <p>To be consistent with 9.3, we propose to insert the words "without first requesting our consent" at the end of 9.4(1).</p> <p>Suggest to add "such consent to be at Hunter Water's reasonable discretion" to 9.4(3).</p>
14	Entry onto A Customer's Property	10	Entry onto your property	Changed 'a customer's property' to 'your property'	We support the proposed minor change.	

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
14.1	Access to Hunter Water's infrastructure	10.1	Access to Hunter Water's infrastructure	Included new wording for collecting, testing and maintaining drinking water and sampling points for drinking water AND recycled water with no impact to the customer	We support the proposed changes.	
14.2	Identification	10.2	Identification	Changed 'employees or contractors' to 'our people' in line with Hunter Water values	We have proposed using the defined term 'Personnel'	See our comments about 'our people' in response to clause 9.2 Hunter Water's identification cards fulfil the requirements of both sections 20 and 21 of the Hunter Water Act. We thank IPART for clarifying that both requirements can be provided in the same document - e.g. an identification card.
14.3.	Notice of access	10.3	Notice of access	No change	-	
14.4	Impact on customer's property	10.4	Impact on customer's property	Removed 10.4.3 as it was repetitive of the contents of 10.4.2	We support the proposed change.	
15	Water Meter Reading, Installation, Testing and Maintenance	11	Meter reading, installation, testing and maintenance	Removed 'water' as there may also be recycled and wastewater meters	We support the proposed changes.	
15.1	Installing and maintaining the meter	11.1	Installing and maintain the meter	Removed 'wilfully or negligently' from 11.1.4	We support the proposed changes. We have proposed clarification that charges for repair or replacement of meters that have been damaged by the customer do not include damages due to normal wear and tear.	
15.2	Access to the meter	11.2	Access to the meter	Changed 'Hunter Water or its representatives' to 'our people' in line with Hunter Water values	We support the proposed changes. We have proposed clarification Hunter Water will provide notice in accordance with clause 10.3 of the Customer Contract to enter the customer's property to test, inspect, maintain or replace the meter.	Hunter Water comments provided in Chapter 3.1 of this submission.

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
15.3	Measuring water supplied	11.3	Measuring water supplied	Removed 'water' in the heading so that the clause covers all forms of supply that are metered	We support the proposed change.	
15.4	Meter testing	11.4	Meter testing	Removed superfluous words	We support the proposed minor change.	
15.5	Meter replacement	11.5	Meter replacement	Changed 'defective' to 'faulty' in 11.5.1 to avoid confusion with 'defective works'	We support the proposed minor change.	
16	Redress	12	Redress			
16.1	Notification	12.1	Notification	No change	-	
16.2	Rebates	12.2	Rebates	No change except for substituting 'wastewater infrastructure' for 'sewerage system'	We support the proposed minor change. We have proposed clarification in the rebate for planned interruptions, that customers will not receive rebates for a fourth or subsequent event in a financial year.	Hunter Water proposes that for clarity and ease of administration the clause refers to "non-drought response days". In subsequent discussions, IPART has indicated nominal comfort with this position.
16.3	Forms of Redress	12.3	Forms of redress	Changed 'unsatisfied' to 'dissatisfied'	We support the proposed minor change.	
16.4	Claim for damages	12.4	Claim for damages	Amended 'we may compensate you for loss suffered' to 'you may be entitled to reimbursement' for better flow with no impact to the customer	We prefer the term 'compensation' to 'reimbursement'. We have proposed further clarity about how Hunter Water will treat claims under this clause.	
16.5	Limitation of Liability	12.5	Guarantees and assurance	Amended the heading to be in line with Sydney Water but no other changes	We support the proposed minor change.	
17	What can I do if I Am Unhappy with the Service Provided by Hunter Water	13	What can I do if I am unhappy with the service provided by Hunter Water?			

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
17.1	Customer complaints	13.1	Customer complaints	Included: (a) additional wording to encourage customer to seek resolution directly with Hunter Water in the first instance; (b) amalgamated and streamlined subclauses all with no impact on the customer	We support the proposed changes.	
17.2	Complaints review	13.2	Complaints review	Minor amendments for better flow with no impact on the customer	We support the proposed minor change.	
17.3	Resolution of complaints	13.3	Resolution of complaints	Minor amendments for better flow with no impact on the customer	We support the proposed minor change.	
17.4	External dispute resolution	13.4	External dispute resolution	Retained current day methods of contact	We have proposed a note stating that the Customer Contract will be updated to reflect an alternative external dispute resolution scheme (to EWON) if one is approved under the Licence (as per our proposed changes to the draft Licence). We have included this note throughout the Customer Contract where EWON is referenced.	Hunter Water would prefer the drafting of this clause be flexible to a potential future change in external dispute resolution body, consistent with the Operating Licence. IPART indicated a preference to retain specificity to make the terms clearer for Customers, and that any change should result in a variation to the Customer Contract. We accept this position, while noting the potential added administrative burden.
18	Who should I contact?	14	Who should I contact?			
18.1	Emergency assistance (Faults and leaks assistance)	14.1	Emergency assistance (faults and leaks assistance)	No change	We have proposed a clarification that the low water pressure problem that can be reported to the emergency assistance line is for low drinking water pressure.	
18.2	General Enquiries	14.2	General enquiries	Amended to incorporate up to date information and to reflect closure of regional satellite offices	We support the proposed change.	

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
18.3	Interpreter and TTY Services	14.3	Interpreter and TTY services	No change	-	
19	Consultation, Information and Privacy	15	Consultation, Information and Privacy			
19.1	Community Involvement	15.1	Community involvement	Amended to reflect change of name of customer advisory group	We support the proposed minor change. However, we have clarified that if our draft Licence recommendations are accepted, From 1 July 2023, there will be changes to the procedures described in this clause for consulting with our customers and consumers. Information about the new customer consultation procedures will be made available on our website.	
19.2	Providing Information	15.2	Providing information	No change	-	
19.3	Privacy	15.3	Privacy	Included reference to specific legislation and our Privacy Policy	We support the proposed minor changes.	
20	Definitions, Drawings and Interpretation	16	Definitions and Interpretation	'Drawings' now 'Diagrams' in Appendix A		
20.1	Definitions	16.1	Definitions	Minor changes such as 'sewerage system' to 'wastewater infrastructure' and further refinement for clarity	We support Hunter Water's proposed changes.	<p>Defective works - we question the need for inclusion of 'sewerage system, stormwater infrastructure' as the definition of 'infrastructure' already covers these assets.</p> <p>Dry Weather - Hunter Water comments provided in Chapter 3.1 of this submission about the definition of a dry weather overflow.</p> <p>Payment difficulty - see our comments in response to clause 6.1</p> <p>Personnel - we do not support the inclusion of this term and would prefer to refer to Hunter Water's 'people'</p>

No.	Hunter water current customer contract Clause	No.	Hunter water proposed customer contract Clause	Key changes proposed by Hunter Water and reasons for change	IPART comments	Hunter Water questions/comments
						<p>Wastewater Infrastructure - we note the definition is missing the words: “and includes operational and information technology environments, hardware and systems used in the provision of services”</p> <p>Wastewater overflow - prefer the use of the word ‘infrastructure’ for consistency and the word ‘failure’ to ‘problem’ consistent with 3.2(2)</p> <p>Water service - consider the proposed changes in light of clause 2.2(4) and 8.3(7)(f)</p>
20.2	Interpretation	16.2	Interpretation	Included ‘or a non-gazetted public holiday in our area of operation’ to the exclusion of business day as Hunter Water has a number of these	We support Hunter Water’s proposed changes.	
20.3	Drawings	16.3	Policies	Relocated from 1.3	We support Hunter Water’s proposed changes.	
			Appendix A	Updated drawings to provide clarity (with permission from Sydney Water)	We support Hunter Water’s proposed changes.	

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