

6 May 2025

Water Section  
NSW Independent Pricing and Regulatory Tribunal  
[water@ipart.nsw.gov.au](mailto:water@ipart.nsw.gov.au)

Dear Water Section,

Thank you for the opportunity to provide comment on IPART's Draft Determination of Prices for Hunter Water Corporation 2025-2030. WSAA will make more substantive comments on sector-wide issues when the draft determinations for Sydney Water Corporation and WaterNSW Corporation are released.

We make several points regarding the Hunter Water Draft Determination:

**1. We welcome and commend IPART's draft decision to include provision for the Belmont Desalination Plant in the funding envelope for the next pricing period.**

Recent experience has shown that there is some urgency around the need to complement traditional sources of water, with rainfall-independent sources of supply such as purified recycled water and desalination. These options provide resilience to drought but also other extreme events like floods and bushfires.

The adoption of the Belmont Desalination Plant is supported by NSW Government policy frameworks including the Lower Hunter Water Security Plan. Including provision for it helps reiterate to the community the importance of incorporating rainfall-independent sources of supply. It also helps to familiarise the community with so-called 'newer' sources of supply, which assists with building community support.

**2. We support IPART's draft decision to adopt an opex efficiency target of 1.0%.**

We are aware that Hunter Water has undertaken a robust review of its own opex to identify a realistic target for efficiencies. We believe Hunter Water's proposal of 1.0% is not 'inflated', rather a challenging but achievable level to aim for. We believe a higher target as contemplated by efficiency reviewers Houston Kemp, would jeopardise Hunter Water's ability to deliver its service obligations while maintaining financial viability.

**3. We encourage public hearings to be held in person**

WSAA attended the public hearing which was held online. We acknowledge that pricing reviews involve complex economic and regulatory subject matter, which are not easy for members of the community to actively engage with. However, it is our view that true community participation is much better enabled in an in person format than through an online meeting.

Thank you for considering our feedback.

Yours sincerely,



**Adam Lovell**  
Executive Director  
Water Services Association of Australia