



Sydney
WATER

2025–30 Price Proposal

Public Hearing

21 November



The background is a photograph of a rock wall with several ancient handprints painted in ochre. A large blue circle is partially visible at the top center, and a large white water drop icon with a black center is in the bottom right corner.

Acknowledgement of Country

I/We respectfully acknowledge the Traditional Custodians of the land and waters on which we work, live and learn. We pay respect to Elders past and present.

Focus for today

- Exploring our proposal through the lens of customer, context and cost
- Outlining the benefits of the proposal and what it will deliver for our customers
- Clarifying potential impact, and how we're supporting our customers
- Presenting our proposed measures and targets
- Allowing time for Q&A



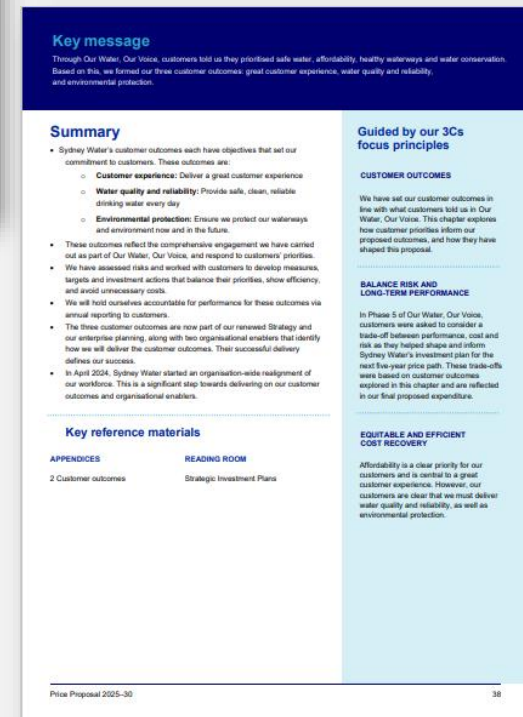
What is our Price Proposal?

- It's essentially our 5-year business plan outlining our proposed plans, with investment and expenditure, to seek confirmation on customer prices and therefore bills.
- It gives us an opportunity to ensure we're delivering to customer and community expectations, responding to Government priorities and meeting our compliance and regulatory obligations in a prudent and efficiency way.
- It tells a story through the lens of customer insights and outcomes:
 - Why, why now
 - How we're going now with a view to long-term objectives
 - What, when and how we'll deliver to achieve this
 - How we'll pay for it
 - How we'll support customers
 - Our approach to transparency and credibility



- 12 appendices plus additional supporting documents
- 1 infographic
- 1 customer summary (outlined on website)

- 546 pages
- 1 Executive summary
- 16 Chapters (each with a chapter summary, linking to IPART's 3Cs framework)

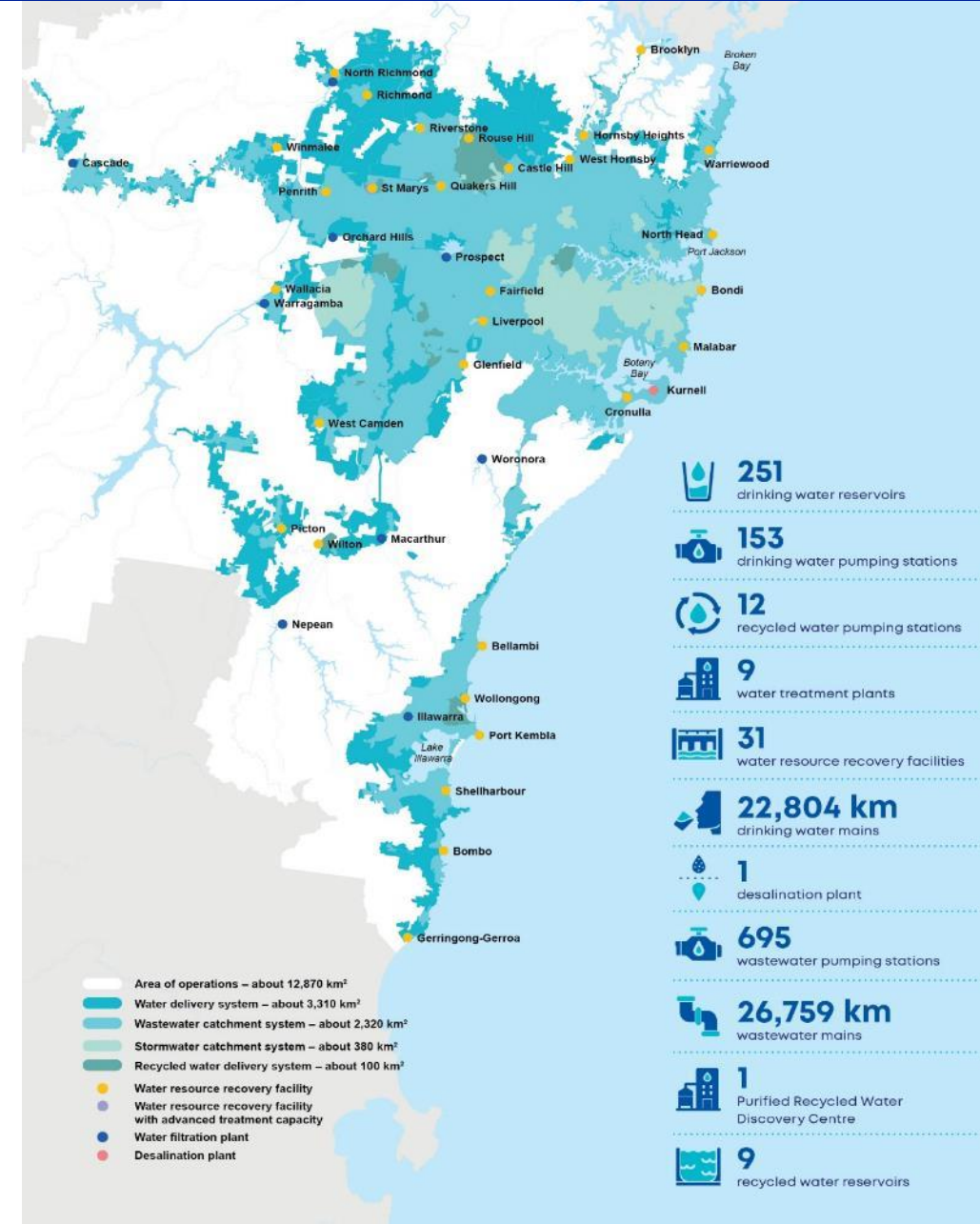


Sydney Water today

Sydney Water is Australia's largest water utility. We provide safe, high-quality drinking water to 5.4 million people and over 122,000 businesses every day across Greater Sydney, the Blue Mountains and the Illawarra. We are committed to maintaining healthy, world-class waterways that support thriving, liveable and sustainable cities.

We operate under the *Sydney Water Act 1994* (NSW) and our three main, equal, objectives are to:

- protect public health
- protect the environment
- be a successful business.



Our proposal is deeply connected to the priorities and expectations of our customers



- 2 customer panels
- 58 focus groups
- 120 interviews
- 10 workshops
- 5 surveys
- 12 customer forums

Our customers told us what they value today and what's important for tomorrow

They are community-orientated, cost-conscious and future-focused.

Our Water, Our Voice customer engagement



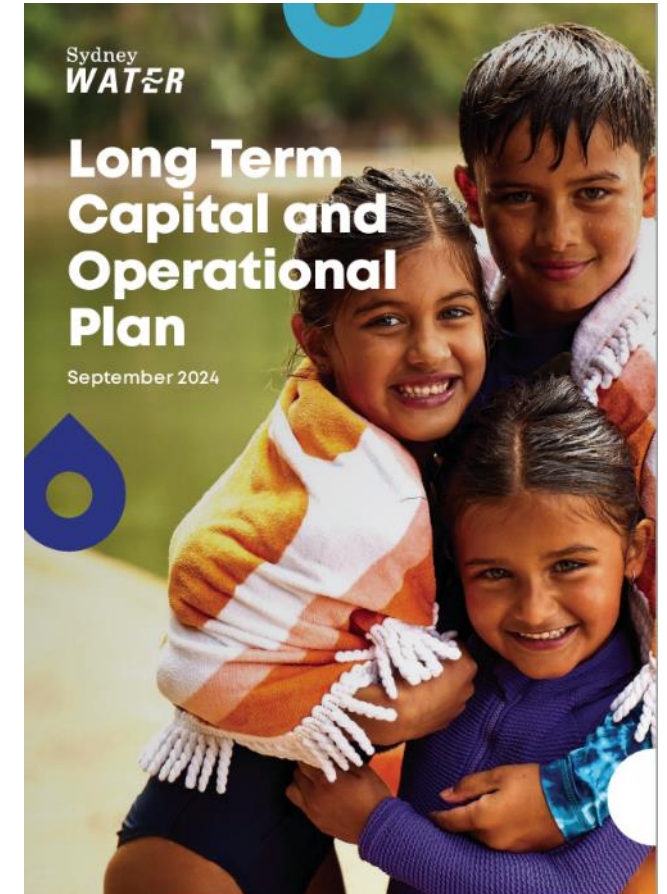
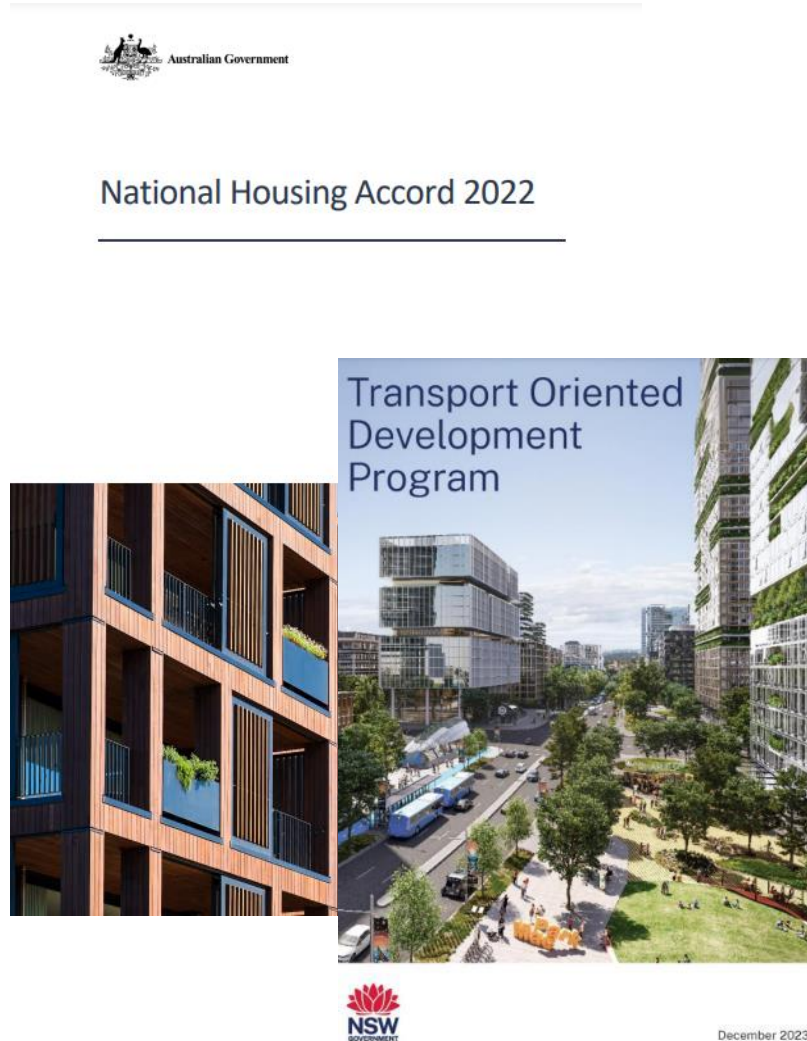
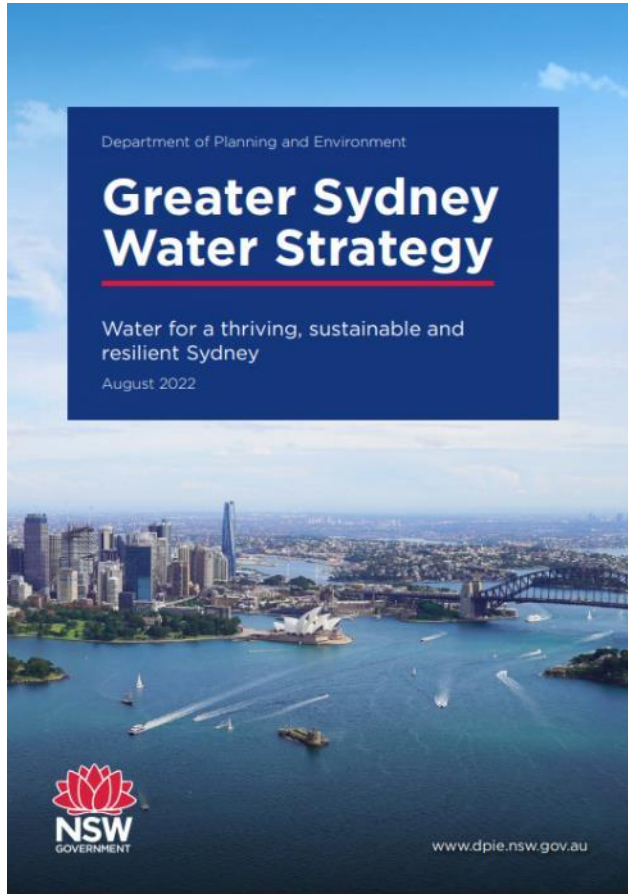
Their insights underpin our proposal:

- Their priorities and preferences (for customer interaction, community, environmental and future focused services)
- Their willingness to pay for services and customer outcomes
- Their preferred investment plans
- Their preferred options for water usage, ODIs and price control

How customer insights support our price proposal



Our plans are aligned to NSW Government, with a focus on housing and delivering the Greater Sydney Water Strategy



And respond to current and future regulatory changes



Hawkesbury–Nepean
Nutrient Management
Framework



Environmental
Protection Licence



NSW Biosolids
Regulatory Review



Australian Drinking
Water Guidelines



NSW Climate Risk
Ready Guide

But achieving this comes at a challenging time



01.

Growing cities



02.

Climate change



03.

Changing expectations



04.

Emerging technology



05.

Unpredictable events

Sydney Water's infrastructure, originally built with the best technology of its time, is now reaching capacity limits. With new, advanced technologies available, there's an opportunity to upgrade and invest in future improvements. This approach aims to ensure optimal performance and minimise costs for customers.

The bulk supply system was designed when dams could provide water security at low long run marginal cost.

Over 80% of the city's water is sourced from Warragamba Dam and treated at the Prospect Water Filtration Plant.

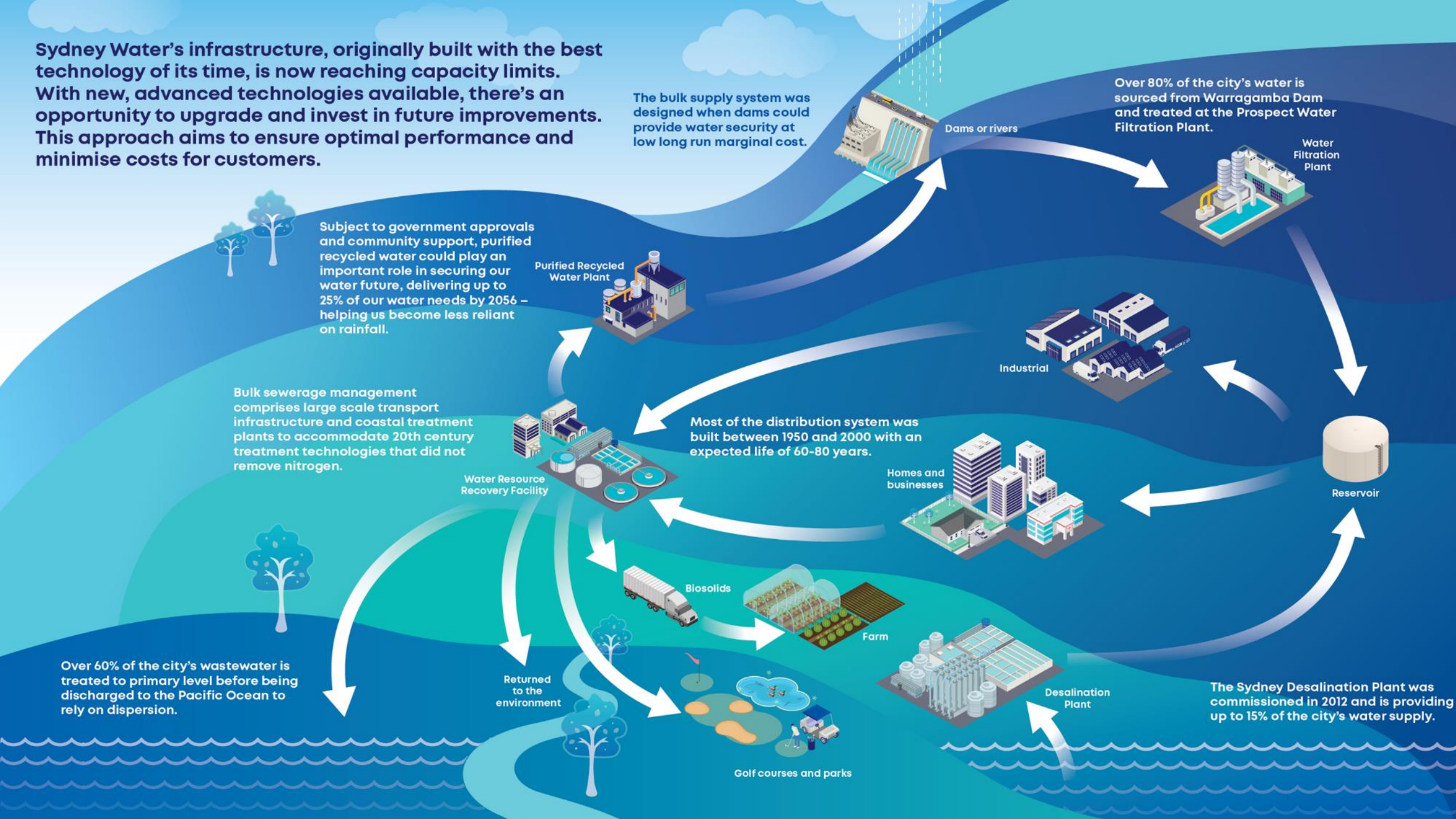
Subject to government approvals and community support, purified recycled water could play an important role in securing our water future, delivering up to 25% of our water needs by 2056 – helping us become less reliant on rainfall.

Bulk sewerage management comprises large scale transport infrastructure and coastal treatment plants to accommodate 20th century treatment technologies that did not remove nitrogen.

Most of the distribution system was built between 1950 and 2000 with an expected life of 60-80 years.

Over 60% of the city's wastewater is treated to primary level before being discharged to the Pacific Ocean to rely on dispersion.

The Sydney Desalination Plant was commissioned in 2012 and is providing up to 15% of the city's water supply.

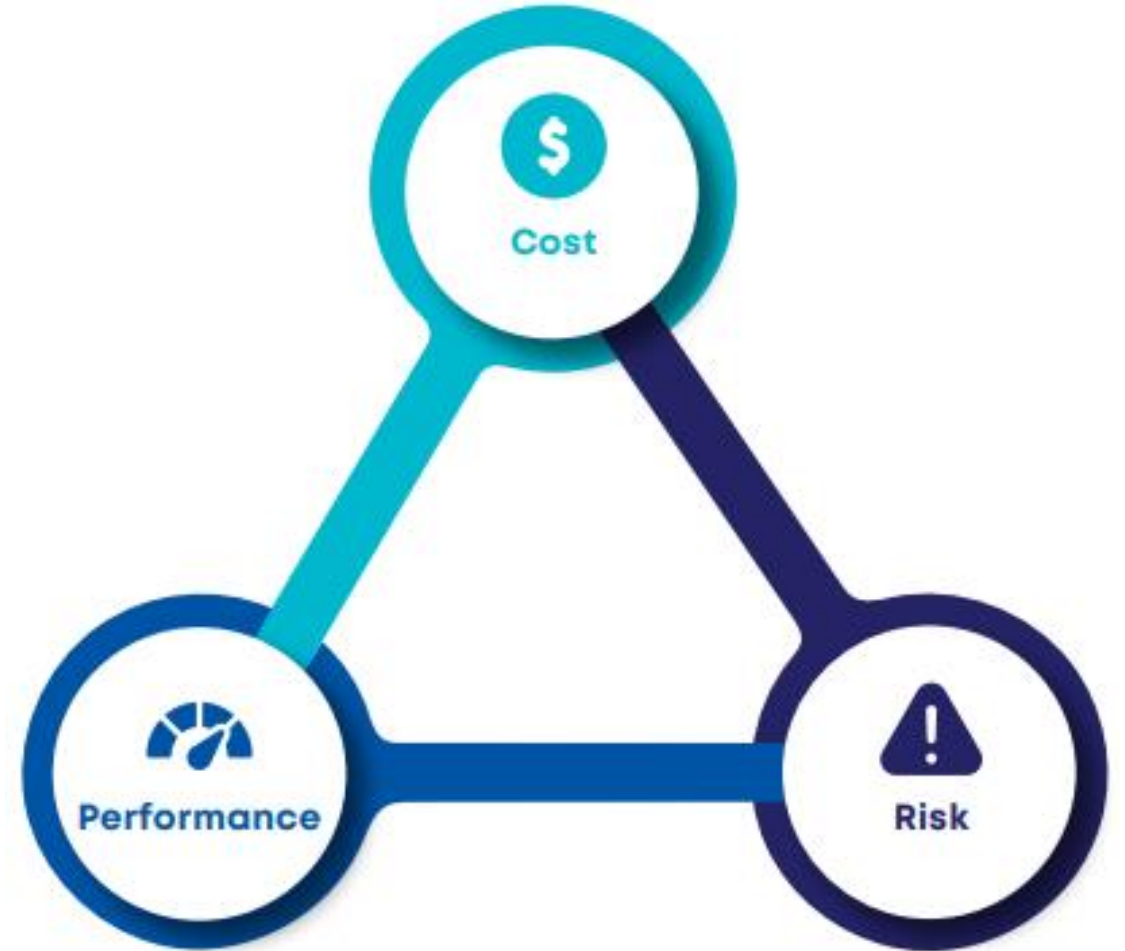


We have an optimised investment pathway that provides direction to 2050

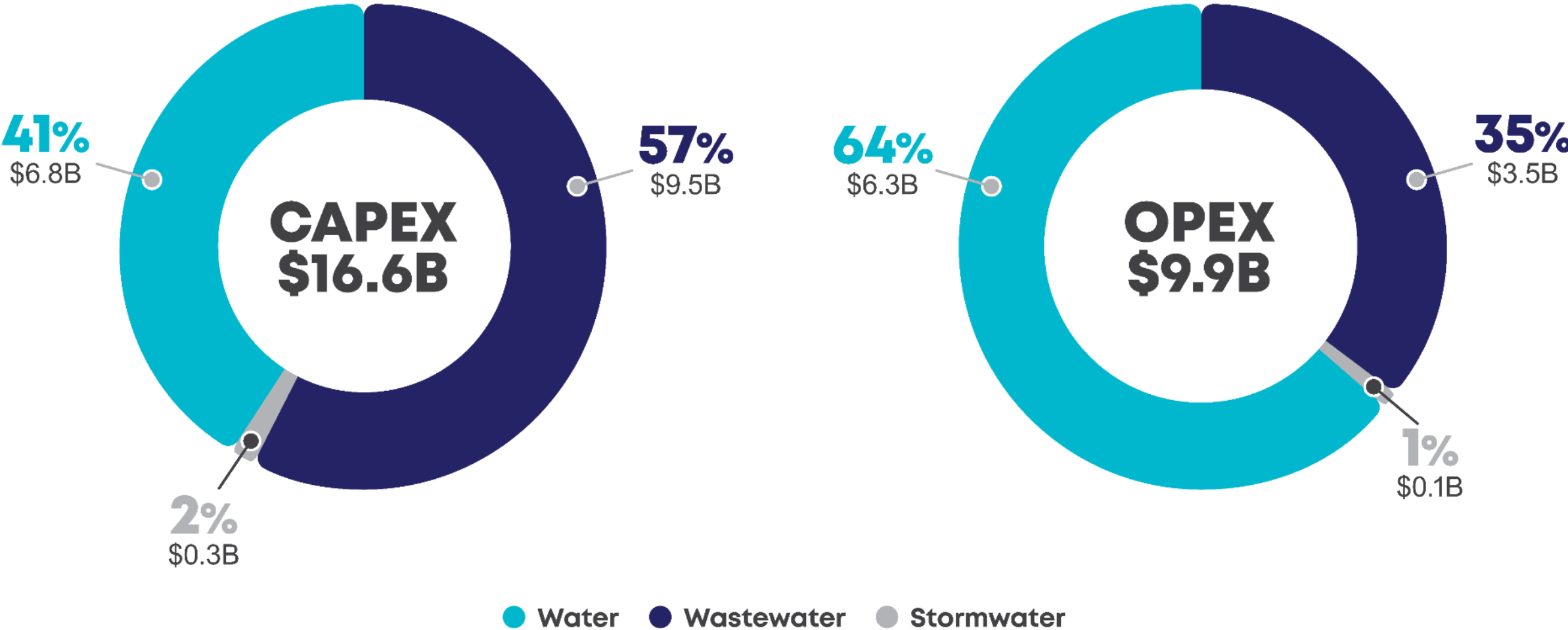
It balances risk, cost and performance and requires a fundamental shift to the way we do 'water' across Greater Sydney

To ensure future generations can enjoy the lifestyle our customers value today, two strategic planning opportunities are embedded in this proposal:

- reconfiguring the west-to-east flow by further decentralising our largest water and wastewater systems
- building new rainfall independent supplies, increasing resilience to climate change related weather events and using our resources more effectively.



Our proposed expenditure of \$26.4 billion over the next 5 years aligns with our customers' expressed cost, risk and performance preferences



We're delivering a transformative investment in our city

Key programs and projects over the next 10 years include:

- 01

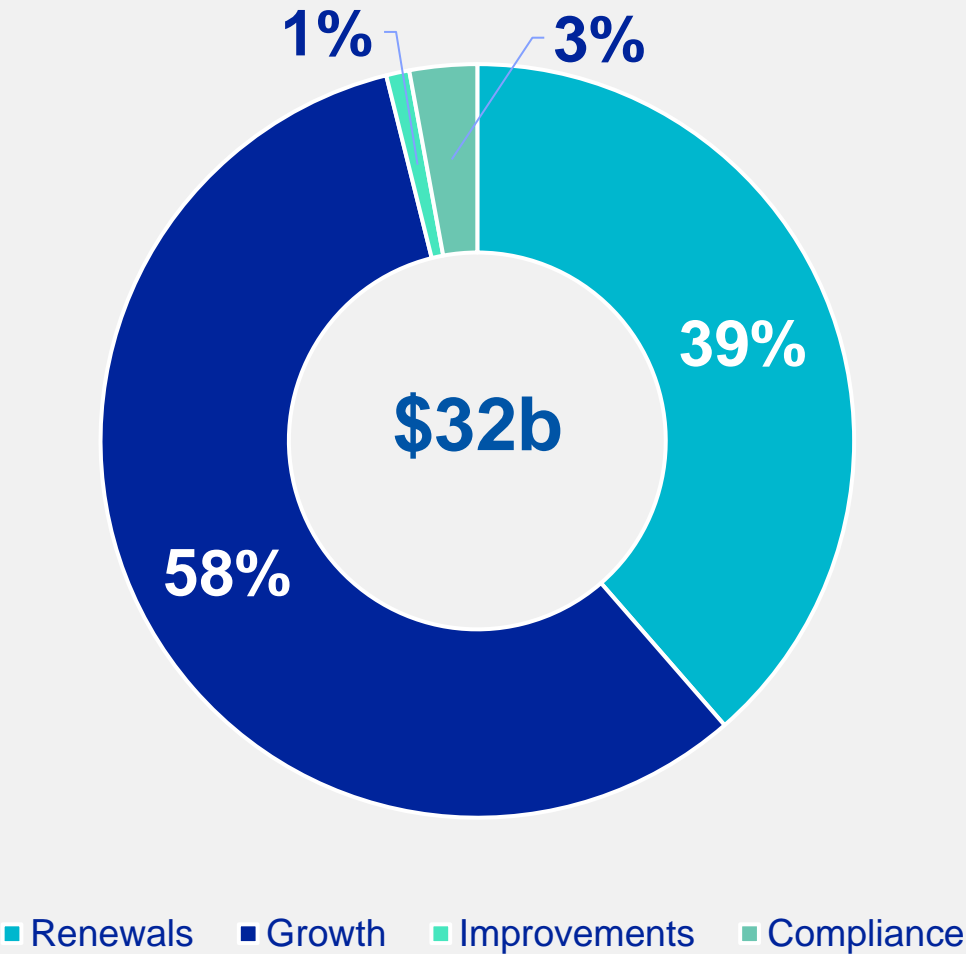
New and upgraded water and wastewater infrastructure to **service new growth** areas such as in Western Sydney, and infill growth in Central and Eastern Sydney.
- 02

Purified recycled water (PRW) plants and expansion of the Sydney Desalination Plant to provide a resilient and reliable water supply.
- 03

Integrated stormwater management in Mamre Road and the Aerotropolis precincts.
- 04

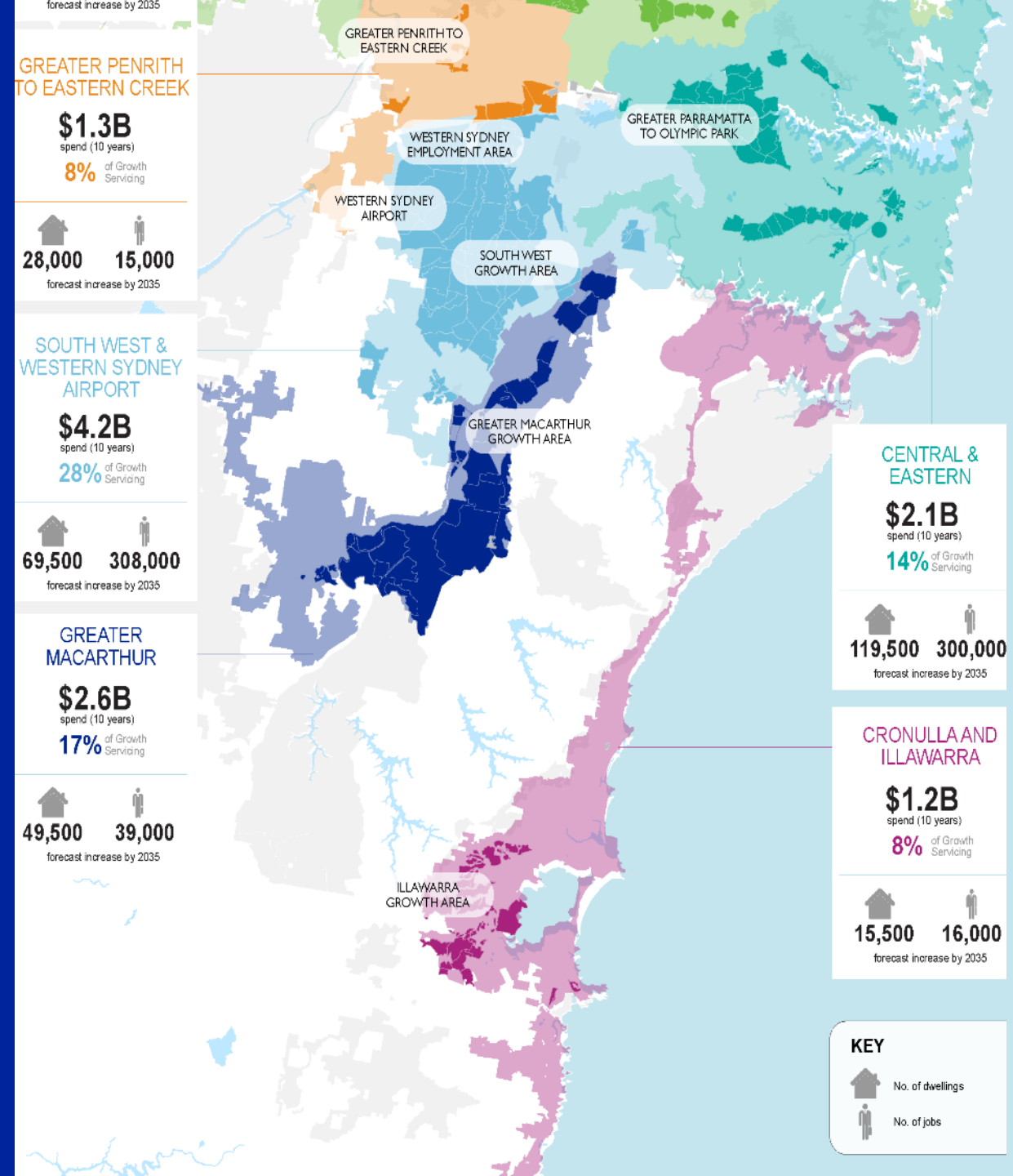
Increased maintenance to maintain appropriate levels of current asset performance and future asset and service risk.

10-year infrastructure capital investment (\$real)



We're focused on servicing growth

Over the next 10 years, anticipated growth investment in existing (brownfield) and new (greenfield) areas – equivalent in geographical size to Canberra – will support 510,000 jobs and 670,000 dwellings.



And delivering value for our customers

We heard our customers are community-oriented, cost-conscious and future-focused. Guided by these insights, our key investments will deliver our customers' priorities:



Customer experience

- Rolling out smart meters for tracking usage, leak detection, and cost management
- Renewing stormwater systems to prevent flooding and protect property
- Investing in digital platforms for better, more efficient customer service
- Enhancing digital tools for developers to support growth
- Upgrading our systems to deliver data-driven, tailored services



Water quality and reliability

- Expanding and upgrading water infrastructure to support growth
- Improving water filtration plants for safe drinking water
- Building purified recycled water (PRW) plants for future water security
- Expanding desalination capacity to enhance supply
- Renewing ageing filtration plants and networks for reliability



Environmental protection

- Expanding wastewater infrastructure to support growth and prevent pollution
- Upgrading facilities to meet environmental standards
- Installing stormwater and recycled water systems to reduce pollution
- Renewing wastewater mains to protect waterways
- Investing in renewable energy to reach net zero emissions by 2030

**2025–30
forecast expenditure**

**Capex \$569 million
Opex \$851 million**



**2025–30
forecast expenditure**

**Capex \$5,907 million
Opex \$4,988 million**



**2025–30
forecast expenditure**

**Capex \$9,480 million
Opex \$2,622 million**



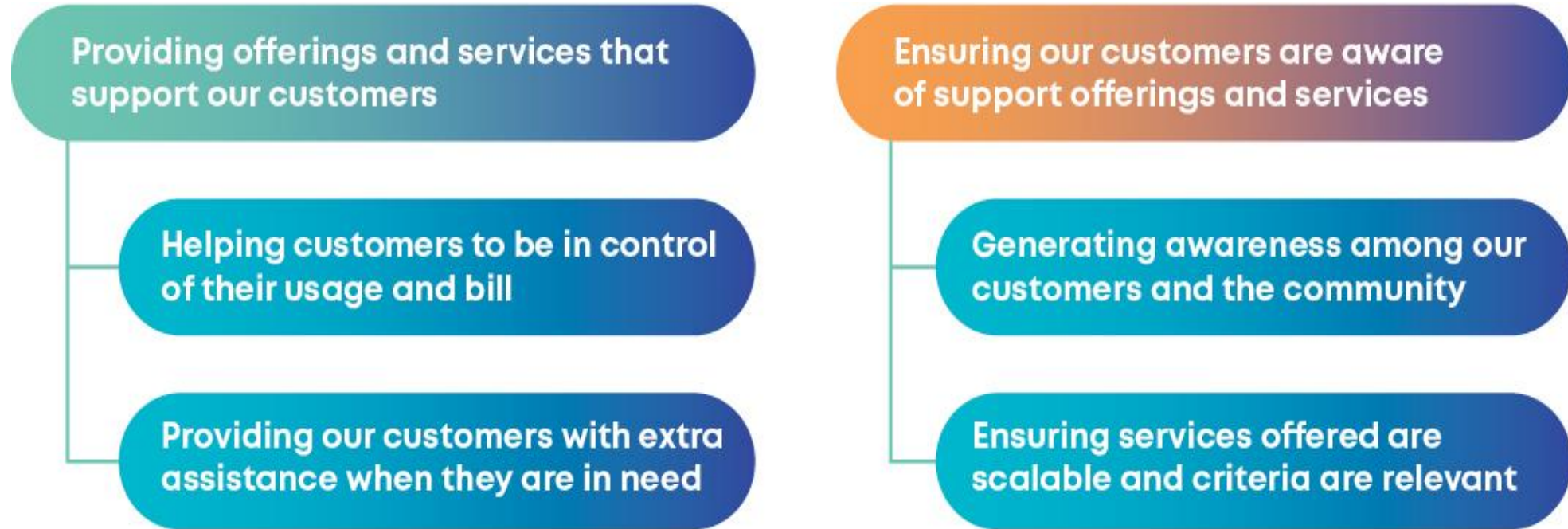
We know that affordability is top of mind for everyone

Our price submission for 2025–30 proposes the bill for a typical water and wastewater customer consuming 200 kL per year would increase 18% in 2025–26 and a 6.8% each year to 2030.

2025–2026	\$4.35 extra, per week
2026–2027	Approx \$2.00 extra, per week
2027–2028	Approx \$2.00 extra, per week
2028–2029	Approx \$2.00 extra, per week
2029–2030	Approx \$2.00 extra, per week






We will support our customers – as we've always done



\$1 billion over 5 years has been allocated to help our customers

We've outlined what you can expect from us through our measures and targets

And we make a commitment to customers on our ability to deliver, to be efficient and to embrace innovation.

	Performance measures	Baseline	Targets (short, medium, long term)			Trend
		2023–24 (or other)	2025–26	2029–30	2034–35	
 Customer experience	Affordability: average residential customer bill as a percentage of average disposable income for the Greater Sydney Region	0.86%	≤0.98%	≤1.28%	≤1.46%	Maintain (benchmark range)
	Customer satisfaction: measured position compared to the top-quartile of benchmarked peers in the quarterly Brand Tracker Customer Survey (an external survey), based on a customer rating for overall service satisfaction of 8 or more out of 10	Top quartile	Top quartile	Top quartile	Top quartile	Maintain (benchmark range)
	Water literacy: literacy score (out of 10) from the quarterly Water Literacy Tracker (an external survey) testing customers' understanding of water, where it comes from, how it's managed, and where it goes	4.9	≥5.15	≥5.75	≥6.5	Improve
	Public access and recreation: annual increase in number of sites with improved community access for recreation (including swimming). This includes sites managed by Sydney Water for temporary or long-term access and sites managed by local councils or agencies	1 extra site	≥1 extra site	≥1 extra site	≥0	Maintain
 Water quality and reliability	Drinking water quality: percentage of systems where drinking water meets health guidelines.	100%	100%	100%	100%	Maintain
	Available water supply: proportion of drinking water demand that can be met by RFIS	17%	≥17%	≥33%	≥38%	Improve
	Drinking water use: residential drinking water use per person per day (in LPD, litres per person per day)	183 LPD (Q3 result, observed 12 month rolling average)	<183 LPD	<182 LPD	<173 LPD	Improve
	System leakage: percentage of drinking water supplied lost as leakage (proposed as ODI, outcome delivery incentive)	9% (Q3 result, observed 12 month rolling average)	≤8%	≤7%	≤7%	Improve
	Water continuity: percentage of customers affected by an unplanned water interruption for more than five hours	1.7%	< 2%	< 2%	< 2%	Maintain
 Environmental protection	Quality of treated wastewater (concentration – core pollutants): percentage of WRRFs where quality of wastewater discharged complies with annual concentration limits of core pollutants that treatment plants are designed to treat	96.2%	≥84.6%	100%	100%	Improve
	Pollution and environmental harm incidents: number of pollution incidents or other incidents that cause, or could cause, environmental harm, mainly as a result of wastewater treatment and network incidents. This also includes other incidents such as water discharge, vegetation or heritage impacts	1053	≤1053*	≤1053*	≤1053*	Maintain (recent average weather performance)
	Volume of recycled water available: volume of our recycled water that is available for supply, including treated wastewater and harvested stormwater (gigalitres (GL)/year)	39 GL/yr (Average 2019–20 to 2023–24)	≥46 GL/yr	≥62 GL/yr	≥114 GL/yr	Improve
	Natural area and green infrastructure land: percentage of Sydney Water land area with natural values and green infrastructure that is actively managed	22%	≥75%	≥78%	≥80%	Improve
	Net zero carbon emissions (tCO2-e): volume of Scope 1 and 2 carbon emissions (CO2-e tonnes per year, where CO2-e refers to 'carbon dioxide equivalent')	390,000 tCO2-e (2020–21)	≤279,000 tCO2-e	Achieve net zero emissions	Maintain net zero emissions	Improve
	Climate risk maturity health check: Enterprise-scale level of climate risk management maturity rated through the NSW Climate Risk Maturity Health Check Tool	Fundamental/repeatable	Systematic	Advanced	Advanced	Improve

* For pollution and environmental incidents targets we have set a variability band of one standard deviation of the long-term average performance which creates an upper bound of 1,497 incidents per year.

Tomorrow's water starts today

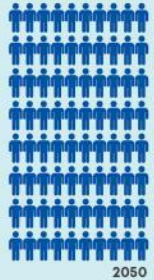
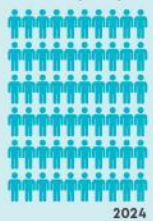
Sydney
WATER

The Independent Pricing and Regulatory Tribunal of NSW (IPART) sets our prices to reflect the efficient cost of providing services and to ensure fair prices for customers. We submitted our proposal for 2025–30 with IPART in September 2024. IPART's independent public consultation gives customers the opportunity to share their views.

Sydney Water is Australia's largest water utility. We provide safe, high-quality drinking water, wastewater and some stormwater services to 5.4 million people every day across Greater Sydney, the Blue Mountains and the Illawarra. By 2050, that number will increase to more than 7 million.

7,000,000+
people

5,400,000
people



More people mean more...



homes and
businesses



toilets
flushing



washing
machines
running



kettles
boiling



gardens
growing



parks to
play in

And there are challenges...

Climate change and extreme weather events – like floods, droughts and bushfires – impact the amount of water available and the quality of the water.

Our network is getting older and needs ongoing maintenance.

We only use most of this water once before treating it and returning it to rivers and the ocean.

80%

of our water supply comes from one source – Warragamba Dam

15%

from the Sydney Desalination Plant

5%

from other dams and rivers

13,000
customers

told us what they value today and what's important for tomorrow

Our teams – from field crews to customer service and community engagement – connect with thousands of customers every day. For the last two years, we have built even stronger relationships through the Our Water, Our Voice engagement program.

Over the next 5 years, we need to spend

\$26.4 billion

to deliver the services our customers expect now and water supply for future generations

We heard our customers are community-oriented, cost-conscious and future-focused. Guided by these insights, our key investments will deliver our customers' priorities:



Customer experience

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What could this mean for your annual bill?

In our price submission for 2025–30, Sydney Water proposes the bill for a typical water and wastewater customer consuming 200 kL per year would increase 18% in 2025–26 and a 6.8% each year to 2030.



Alex, Jordan & Riley
Young family
Live in a house in Marrickville
Medium water users

Last annual bill **\$1,257.00**

2025-2026	\$1,484.00
2026-2027	\$1,584.00
2027-2028	\$1,691.00
2028-2029	\$1,805.00
2029-2030	\$1,928.00

182 litres
per person per day



The Patels
Multi-generational family of six
Live in a house in Fairfield
High water users

Last annual bill **\$1,533**

2025-2026	\$1,805.00
2026-2027	\$1,905.00
2027-2028	\$2,012.00
2028-2029	\$2,127.00
2029-2030	\$2,249.00

183 litres
per person per day

We're always here to help...

- Enabling our customers to manage their water usage and bills
- Offering financial assistance when needed

It's all outlined in our Price Proposal for 2025–30

- NOV 2024** IPART requests customer feedback on our submission
- MAR 2025** IPART draft report
- JUN 2025** IPART final report and price direction
- 1 JUL 2025** New prices take effect

Q&A

