

Hunter Water Corporation

Maximum prices for water, sewerage, stormwater drainage and other services from 1 July 2020

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Preliminary

Application of this determination 1

1.1 This determination applies to Monopoly Services

This determination fixes maximum prices or sets methodologies for fixing maximum prices for the following services provided by Hunter Water:

- (a) Water Supply Services;
- (b) Sewerage Services;
- (c) Stormwater Drainage Services;
- (d) Trade Waste Services; and
- (e) Miscellaneous Customer Services,

(together, the **Monopoly Services**).

1.2 Some services are excluded from the scope of this determination

This determination does not apply to:

- (a) Water Supply Services and Sewerage Services provided pursuant to a Negotiated Services Agreement;
- (b) any services to which the 2017 Wholesale Services Determination applies;
- (c) bulk water transfers between Hunter Water and the Central Coast Council to which the 2019 Bulk Water Transfer Determination applies;
- (d) an Infrastructure Service provided to an access seeker pursuant to an access agreement under section 39 of the WIC Act or to an access determination under section 40 of the WIC Act;
- (e) the supply of recycled water by Hunter Water;
- (f) the supply of Raw Water by Hunter Water other than supply to a Raw Water Property; and
- (g) any Miscellaneous Customer Services not listed in Table 5.1.

2 Commencement and term of this determination

- (a) This determination commences on the later of:
 - (1) 1 July 2020; and
 - (2) the date that it is published in the NSW Government Gazette (Commencement Date).

(b) Maximum prices will continue to be calculated in accordance with this determination beyond 30 June 2024 until this determination is revoked or replaced. For the purpose of calculating maximum prices beyond 30 June 2024, the relevant figures from each Table of this determination, as necessary, are those for the Period from 1 July 2023 to 30 June 2024.

3 Replacement of 2016 Determination

- (a) This determination replaces the 2016 Determination.
- (b) For the avoidance of doubt, this determination does not replace the 2019 Bulk Water Transfer Determination or the 2017 Wholesale Services Determination.

[Note: The prices under the 2016 Determination for Trade Waste Services from 1 July 2019 to 30 June 2020 are referred to in setting prices under this determination for Trade Waste Services from the Commencement Date to 30 June 2021 (see clause 1 of Schedule 4).]

4 Pricing schedules

The schedules listed in Table P.1 below set out the maximum prices that Hunter Water may charge for supplying the Monopoly Services.

Table P.1 Pricing schedules

Schedule	Monopoly Services to which the schedule applies
Schedule 1	Water Supply Services
Schedule 2	Sewerage Services
Schedule 3	Stormwater Drainage Services
Schedule 4	Trade Waste Services
Schedule 5	Miscellaneous Customer Services

5 Legislative background

5.1 IPART may set maximum prices for government monopoly services supplied by specified government agencies

Section 11(1)(a) of the IPART Act provides IPART with a standing reference for the determination of maximum prices for government monopoly services supplied by a government agency specified in Schedule 1 to the IPART Act.

5.2 The Monopoly Services are government monopoly services

The Monopoly Services are government monopoly services because they fall within the scope of the Order.

5.3 **Hunter Water is included in Schedule 1 to the IPART Act**

Hunter Water is a government agency for which IPART has a standing reference to set maximum prices for government monopoly services because it is included in Schedule 1 to the IPART Act.

5.4 IPART has set a methodology for some prices, rather than fixing a maximum price

This determination fixes the maximum price for some services and sets a methodology for fixing the maximum price for other services. IPART's reasons for setting a methodology for fixing some maximum prices are set out in Schedule 6.

Schedule 1 Water Supply Services

1 Maximum prices for Water Supply Services

(a) The maximum price that Hunter Water may levy for supplying Water Supply Services to a Property (other than an Unconnected Property or Raw Water Property) in a Period is the amount calculated as follows:

$$MP_{WSS} = SC_{WSS} + UC_{WSS} + DSC$$

Where:

*MP*_{WSS} means the maximum price that Hunter Water may levy for supplying Water Supply Services to a Property in a Period;

SC_{WSS} means the water supply service charge applicable to the Property in the Period, calculated in accordance with clause 2;

UCwss means the water usage charge applicable to the Property in the Period, calculated in accordance with clause 3; and

DSC means the discretionary services charge applicable to the Property in the Period, calculated in accordance with clause 4.

- (b) The maximum price that Hunter Water may levy for supplying Water Supply Services to an Unconnected Property is \$0.
- (c) The maximum price that Hunter Water may levy for supplying Water Supply Services to a Raw Water Property in a Period is the water usage charge applicable to the Property in the Period, calculated in accordance with clause 3.

2 Water supply service charge

2.1 Standard water supply service charge

(a) Subject to clauses 2.2 and 2.3, the water supply service charge applicable to a Property in a Period is the sum of the water supply service charges for each Meter that serves the Property in the Period.

[Note: Clause 2.2(a) deems certain properties to have a single 20mm Meter and clause 2.3 apportions the water supply service charge for a Common Meter between the Properties served by that Common Meter.]

[Note: A Non-Residential Property in a Multi-Premises that has an Individual Meter downstream of a Common Meter is served by that Individual Meter and not by the Common Meter: see clause 2.5(b) of Schedule 7.]

(b) The water supply service charge applicable to a Meter that measures the supply of Potable Water is the water supply service charge in Table 1.1 for the applicable Meter size and applicable Period.

(c) The water supply service charge applicable to a Meter that measures the supply of Raw Water is \$0.

2.2 Certain properties are deemed to have a single 20mm Meter

- (a) For the purposes of clause 2.1(a), the following categories of Property are deemed to have a single 20mm Meter that measures the supply of Potable Water:
 - (1) each Residential Property;
 - (2) each Non-Residential Property within a Mixed Multi-Premises that is served by a Common Meter; and
 - (3) each Unmetered Property.

[Note: A Non-Residential Property in a Mixed Multi-Premises that has an Individual Meter downstream of a Common Meter is served by that Individual Meter and not by the Common Meter: see clause 2.5 of Schedule 7.]

(b) Where all Properties served by a Common Meter are deemed to have a single 20mm Meter under clause 2.2(a), the water supply service charge for that Common Meter is \$0.

2.3 The water supply service charge for a Common Meter is to be apportioned between the Properties served by the Common Meter

- (a) This clause applies to a Property that:
 - (1) is served by one or more Common Meters; and
 - (2) is not deemed to have a single 20mm Meter under clause 2.2(a).

[Note: A Non-Residential Property in a Multi-Premises that has an Individual Meter downstream of a Common Meter is served by that Individual Meter and not by the Common Meter: see clause 2.5 of Schedule 7.]

- (b) The water supply service charge applicable to a Property under this clause 2.3 for each Common Meter that serves the Property and measures the supply of Potable Water is a portion, as reasonably determined by Hunter Water, of the water supply service charge in Table 1.1 for that Meter in the applicable Period.
- (c) Subject to clause 2.3(d), the portion referred to in clause 2.3(b) must be determined by Hunter Water such that the sum of the portions for the Properties served by a particular Common Meter equals:
 - (1) the water supply service charge in Table 1.1 for the Common Meter, less
 - (2) the water supply service charges for any Individual Meters that are downstream of the Common Meter.

[Note: For example, Hunter Water may charge each Property based on unit entitlement or the number of Properties in the Multi-Premises]

(d) Where, but for this clause 2.3(d), the application of clause 2.3(c) would result in a negative water supply service charge, the water supply service charge applicable to the Property for the Common Meter is \$0.

[Note: Clause 2.3(d) would apply where the total water supply service charge for all Individual Meters downstream of a Common Meter would, under clause 2.3(c), be greater than the water supply service charge for the Common Meter.]

Table 1.1 Water supply service charges

Meter size	1 July 2020 to 30 June 2021 (\$)	1 July 2021 to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)
20mm	24.26	24.26 x CPI₁	24.26 x CPI ₂	24.26 x CPI ₃
25mm	37.91	37.91 x CPI₁	37.91 x CPI ₂	37.91 x CPI₃
32mm	62.11	62.11 x CPI₁	62.11 x CPI ₂	62.11 x CPI₃
40mm	97.04	97.04 x CPI₁	97.04 x CPI ₂	97.04 x CPI₃
50mm	151.63	151.63 x CPI₁	151.63 x CPI ₂	151.63 x CPI₃
80mm	388.16	388.16 x CPI ₁	388.16 x CPI ₂	388.16 x CPI ₃
100mm	606.50	606.50 x CPI₁	606.50 x CPI ₂	606.50 x CPI₃
Other Meter sizes	$(Meter size in mm)^2 \times$	$\frac{(\textit{Meter size in mm})^2 \times \textit{water supply service charge for a 20mm Meter for the applicable Period}}{400}$		

3 Water usage charge

3.1 Standard water usage charge

The water usage charge applicable to a Property in a Period is the amount calculated as follows:

Where:

UC_{WSS} means the water usage charge applicable to a Property in a Period;

VN_{PW} means the volume (in kilolitres) of Potable Water supplied to the Property in the Period on Non-Drought Response Days, calculated in accordance with clause 3.2(a);

UC_{PW} means the charge per kilolitre of Potable Water in Table 1.2 for the Period;

 VD_{PW} means the volume (in kilolitres) of Potable Water supplied to the Property in the Period on Drought Response Days, calculated in accordance with clause 3.2(b);

UC_{Uplift} means the uplift to the Potable Water and Raw Water usage charges on Drought Response Days in Table 1.2 for the Period;

 VN_{RW} means the volume (in kilolitres) of Raw Water supplied to the Property in the Period on Non-Drought Response Days, calculated in accordance with clause 3.2(h);

UC_{RW} means the charge per kilolitre of Raw Water specified in Table 1.2 for the Period;

 VD_{RW} means the volume (in kilolitres) of Raw Water supplied to the Property in the Period on Drought Response Days, calculated in accordance with clause 3.2(h);

HV_{PW} means:

- (a) in the case of a Non-Residential Property—the volume (in kilolitres) of Potable Water supplied to the Property in the Period in excess of 50,000 kilolitres; and
- (b) in any other case zero kilolitres; and

*UC*_{Discount} means the discount per kilolitre of Potable Water supplied to the Property in the Period in excess of 50,000 kilolitres in Table 1.3 for the Period and applicable location.

[Note: The high volume discount is being reduced over the term of this determination.]

3.2 Calculation of usage volumes

Total volume of Potable Water supplied to a Property in a Period

- (a) The volume (in kilolitres) of Potable Water supplied to a Property in a Period on Non-Drought Response Days (VNPW) is the sum of the volumes (in kilolitres) of Potable Water supplied to that Property on each day of the Period that is a Non-Drought Response Day.
- (b) The volume (in kilolitres) of Potable Water supplied to a Property in a Period on Drought Response Days (VD_{PW}) is the sum of the volumes (in kilolitres) of Potable Water supplied to that Property on each day of the Period that is a Drought Response Day.

[Note: Where data showing the volume of Potable Water supplied to a Property is not available on a daily basis in respect of a Meter Reading Period, clause 3.2(g) provides for a deemed amount of water to have been supplied on each day of the Meter Reading Period.]

Volume of Potable Water supplied to a Property on a particular day

(c) Subject to clause 3.2(g), and for the purposes of clause 3.2(a) and 3.2(b), the volume of Potable Water supplied to a Property on a day is the amount calculated as follows:

$$V_{PW} = IM_{PW} + CM_{PW} + UM_{PW}$$

Where:

 V_{PW} means the volume (in kilolitres) of Potable Water supplied to a Property on a day;

IM_{PW} means:

- (1) in the case of a Property served by one or more Individual Meters—the sum of the volumes (in kilolitres) of Potable Water supplied to the Property on that day, as measured by each Individual Meter; and
- (2) in any other case zero kilolitres;

CM_{PW} means:

- (1) in the case of a Property served by one or more Common Meters the volume (in kilolitres) of Potable Water deemed to have been supplied to the Property on that day under clause 3.2(d); and
- (2) in any other case zero kilolitres; and

[Note: A Non-Residential Property in a Multi-Premises that has an Individual Meter downstream of a Common Meter is served by that Individual Meter and not by the Common Meter: see clause 2.5 of Schedule 7.]

UM_{PW} means:

- (1) in the case of a Property that was an Unmetered Property on that day—the volume (in kilolitres) of Potable Water deemed to have been supplied to the Property on that day under clause 3.2(f); and
- (2) in any other case zero kilolitres.
- (d) Subject to clause 3.2(e), for each Common Meter that serves a Property, the Property is deemed to have been supplied the volume (in kilolitres) of Potable Water reasonably determined by Hunter Water for that day.
- (e) The sum of the volumes determined by Hunter Water under clause 3.2(d) for the Properties served by a particular Common Meter must not exceed:
 - (1) the total volume (in kilolitres) of Potable Water supplied by Hunter Water to those Properties on that day as measured by the Common Meter; less
 - (2) the total volume (in kilolitres) of Potable Water measured by any Individual Meters that are downstream of the Common Meter on that day.
- (f) For each day of any Unmetered Period, a Property is deemed to have been supplied the volume of Potable Water calculated as follows:

$$UM_{PW} = \begin{cases} \frac{PV_{PW}}{PD_{PW}} & \text{if there is a Previous Metered Period} \\ \frac{180}{365} & \text{if there is not a Previous Metered Period} \end{cases}$$

Where:

UM_{PW} means the volume (in kilolitres) of Potable Water deemed to have been supplied to the Unmetered Property for each day of the Unmetered Period;

PV_{PW} means the total volume (in kilolitres) of Potable Water supplied over the Previous Metered Period; and

PD_{PW} means the total number of days in the Previous Metered Period for Potable Water.

[Note: Previous Metered Period means the most recent period for which there is actual metering data that, in Hunter Water's opinion, reasonably reflects the seasonal water usage at the relevant Property].

[Note: Under clause 2.6(c)(1) of Schedule 7, the water usage charge for a Long Term Unmetered Property is to be treated as part of the water supply service charge for the purposes of the Hunter Water Act and Hunter Water's customer contract.]

Deemed volume where daily data is not available

- (g) Where data showing the volume of Potable Water supplied to a Property, Common Property or a Metered Standpipe is not available on a daily basis in respect of a Meter Reading Period, the volume of Potable Water supplied to that Property, Common Property or Metered Standpipe on each day of that Meter Reading Period is deemed to be equal to:
 - (1) the total volume of water supplied to that Property, Common Property or Metered Standpipe during that Meter Reading Period; divided by
 - (2) the number of days in the Meter Reading Period.

[Example: A Meter Reading Period has 90 days and Hunter Water supplied 900kL of Potable Water to a Property during that 90 days. Data showing the volume of Potable Water supplied to that Property is not available on a daily basis. The volume of water deemed to have been supplied by Hunter Water to the Property on each day of the Meter Reading Period is 10kL.]

[Note: Clause 2.6(b) of Schedule 7 provides for the pro-rating of a Meter Reading Period where it spans more than one Period.]

Total volume of Raw Water over the Period

- (h) For the purposes of clause 3.1, the volumes of Raw Water supplied to a Property in a Period on Non-Drought Response Days (VN_{RW}) and on Drought Response Days (VD_{RW}) are the volumes that would be calculated under clauses 3.2(a) to 3.2(g) if those clauses were modified as follows:
 - (1) each reference to 'Potable Water' is changed to 'Raw Water'; and
 - (2) for each day of any Unmetered Period for which there is not a Previous Metered Period, the volume of Raw Water deemed to have been supplied to the Property is zero kilolitres.

3.3 Water usage charge for Metered Standpipes

The water usage charge applicable to a Metered Standpipe in a Period is the amount that would be calculated under clauses 3.1 and 3.2 if those clauses were modified as follows:

- (a) each reference to a 'Property' is changed to a 'Metered Standpipe';
- (b) the volume of water supplied to a Metered Standpipe on a day is the amount measured by the Metered Standpipe on that day; and
- (c) where data showing the volume of Potable Water or Raw Water supplied to a Metered Standpipe is not available on a daily basis in respect of a Meter Reading Period, the volume of water deemed to have been supplied on each day of the Meter Reading Period will be calculated in accordance with clause 3.2(g).

Table 1.2 Water usage charges

	1 July 2020 to 30 June 2021 (\$ per kL)	1 July 2021 to 30 June 2022 (\$ per kL)	1 July 2022 to 30 June 2023 (\$ per kL)	1 July 2023 to 30 June 2024 (\$ per kL)
Potable Water	2.46	2.49 x CPI₁	2.51 x CPI ₂	2.54 x CPI₃
Raw Water	0.38	0.38 x CPI ₁	0.38 x CPI ₂	0.38 x CPI₃
Uplift on Drought Response Days	0.44	0.44 x CPI ₁	0.44 x CPI ₂	0.44 x CPI ₃

Table 1.3 High volume water usage discount

	1 July 2020 to 30 June 2021 (\$ per kL)	1 July 2021 to 30 June 2022 (\$ per kL)	1 July 2022 to 30 June 2023 (\$ per kL)	1 July 2023 to 30 June 2024 (\$ per kL)
Dungog	0.48	0.36 x CPI₁	0.24 x CPI ₂	0.12 x CPI ₃
Kurri Kurri	0.02	0.02 x CPI ₁	0.01 x CPI ₂	0.01 x CPI ₃
Lookout	0.16	0.12 x CPI₁	0.08 x CPI ₂	0.04 x CPI ₃
Newcastle	0.22	0.17 x CPI₁	0.11 x CPI ₂	0.06 x CPI ₃
Seaham-Hexham	0.43	0.32 x CPI₁	0.22 x CPI ₂	0.11 x CPI ₃
South Wallsend	0.11	0.09 x CPI₁	0.06 x CPI ₂	0.03 x CPI ₃
Tomago- Kooragang	0.48	0.36 x CPI₁	0.24 x CPI ₂	0.12 x CPI₃
Other locations	0.00	0.00	0.00	0.00

4 Discretionary services charge (Customer supported programs)

- (a) The discretionary services charge for a Residential Property (other than a Residential Property that has no capital improvements, is Vacant Land, or is within a Mixed Multi-Premises) is the sum of the charges in Table 1.4 for the applicable Period.
- (b) The discretionary services charge is \$0 for:
 - (1) a Non-Residential Property;

- (2) a Residential Property that has no capital improvements or is Vacant Land;
- (3) a Residential Property that is within a Mixed Multi-Premises.

[Note: The discretionary services charge is a charge to recover the costs of customer supported programs.]

[Note: Hunter Water may include a separate item for customer supported programs on customers' bills.]

Table 1.4 Discretionary services charge

Customer supported programs	1 July 2020 to 30 June 2021 (\$)	1 July 2021 to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)
Irrigation of public spaces	0.73	0.73 x CPI₁	0.73 x CPI ₂	0.73 x CPI ₃
Stormwater amenity improvement	0.97	0.97 x CPI₁	0.97 x CPI₂	0.97 x CPI₃

5 Residual water usage charge for Common Property

- (a) This clause applies to Common Property that is served by a Common Meter where:
 - (1) every Property downstream of the Common Meter is served by an Individual Meter; and
 - (2) the volume of water measured by the Common Meter is greater than the sum of the volumes measured by each Individual Meter that is downstream of the Common Meter over the same Period.
- (b) The maximum price that Hunter Water may levy for supplying Water Supply Services to a Common Property to which this clause applies in a Period is the amount that would be calculated under clauses 3.1 and 3.2 as if the Common Property were a Property, provided that:
 - (1) the volume of water deemed to have been supplied to the Common Property on a day is the amount measured by the Common Meter on that day less the amount measured by each Individual Meter that is downstream of the Common Meter on that day; and
 - (2) where data showing the volume of Potable Water or Raw Water supplied to a Common Property is not available on a daily basis in respect of a Meter Reading Period, the volume of water deemed to have been supplied on each day of the Meter Reading Period will be calculated in accordance with clause 3.2(g).

Schedule 2 Sewerage Services

1 Maximum prices for Sewerage Services

(a) The maximum price that Hunter Water may levy for supplying Sewerage Services to a Property (other than an Unconnected Property) in a Period is the amount calculated as follows:

$$MP_{SS} = SC_{SS} + UC_{SS}$$

Where:

MP_{SS} means the maximum price that Hunter Water may levy for supplying Sewerage Services to a Property in a Period;

SCss means the sewerage service charge applicable to that Property in the Period, calculated in accordance with clause 2; and

UCss means the sewerage usage charge applicable to that Property in the Period, calculated in accordance with clause 3.

(b) The maximum price that Hunter Water may levy for supplying Sewerage Services to an Unconnected Property is \$0.

2 Sewerage service charge

2.1 Standard sewerage service charge

(a) Subject to clauses 2.2 and 2.3, the sewerage service charge (*SCss*) applicable to a Property (other than a Transition Property) in a Period is the sum of the adjusted sewerage service charges for each Meter (*MSCss*) that serves the Property in the Period.

[Note: Clause 2.2(a) deems certain properties to have a single 20mm Meter and clause 2.3 apportions the unadjusted sewerage service charge for a Common Meter between the Properties served by that Common Meter.]

[Note: A Transition Property is: (a) any Non-Residential Property within a Mixed Multi-Premises that is served by one or more Common Meters; and (b) any Residential Property within a Multi-Premises except for a Residential Property that is a Community Development Standalone House.]

[Note: A Non-Residential Property in a Multi-Premises that has an Individual Meter downstream of a Common Meter is served by that Individual Meter and not by the Common Meter: see clause 2.5 of Schedule 7.1

(b) Subject to clause 2.4, the adjusted sewerage service charge applicable to a particular Meter in a Period is the amount calculated as follows:

$$MSC_{SS} = USC \times DF_{S}$$

Where:

MSC_{SS} means the adjusted sewerage service charge applicable to the Meter in the Period;

USC means the unadjusted sewerage service charge in Table 2.1 for the applicable Meter size in the Period; and

DFs means:

- (1) in the case of a Transition Property or a Property deemed to have a single 20mm Meter under clause 2.2-75%;
- (2) in the case of a Common Meter that serves a Non-Residential Property in a Non-Residential Multi-Premises - the percentage of water supplied to that Non-Residential Multi-Premises that Hunter Water estimates is discharged into the Sewerage System; and
- (3) in any other case the percentage of water supplied to the relevant Property that Hunter Water estimates is discharged into the Sewerage System.

[Note: Clause 2.4 sets a minimum adjusted sewerage service charge for Meters exclusively serving Non-Residential Properties and Non-Residential Multi-Premises.]

[Note: The discharge factor (DFs) approximates the percentage of a customer's water consumption that is discharged in the Sewerage System.]

[Note: A Non-Residential Property in a Multi-Premises that has an Individual Meter downstream of a Common Meter is served by that Individual Meter and not by the Common Meter: see clause 2.5 of Schedule 7.]

(c) The sewerage service charge (SC_{SS}) applicable to a Transition Property is the adjusted sewerage service charge (MSCss) calculated using the formula in clause 2.1(b) except that *USC* means the unadjusted sewerage service charge in Table 2.1 for a Transition Property in the Period.

2.2 Certain properties are deemed to have a single 20mm Meter

- (a) For the purposes of clause 2.1(a), the following categories of Property are deemed to have a single 20mm Meter:
 - (1) each Residential Property that is not within a Multi-Premises;
 - (2) each Community Development Standalone House; and
 - (3) each Unmetered Property.
- (b) Where all Properties served by a Common Meter are Transition Properties or Properties deemed to have a single 20mm Meter under clause 2.2(a), the sewerage service charge for that Common Meter is \$0.

2.3 The unadjusted sewerage service charge for a Common Meter is to be apportioned between the Properties served by the Common Meter

- (a) This clause applies to a Property that:
 - (1) is served by one or more Common Meters;
 - (2) is not deemed to have a single 20mm Meter under clause 2.2(a); and
 - (3) is not a Transition Property.

[Note: A Non-Residential Property in a Multi-Premises that has an Individual Meter downstream of a Common Meter is served by that Individual Meter and not by the Common Meter: see clause 2.5 of Schedule 7.]

- (b) The unadjusted sewerage service charge applicable to a Property under this clause 2.3 for each Common Meter that serves the Property is a portion, as reasonably determined by Hunter Water, of the unadjusted sewerage service charge in Table 2.1 for that Meter in the applicable Period.
- (c) The portion referred to in clause 2.3(b) must be determined by Hunter Water such that the sum of the portions for the Properties served by a particular Common Meter does not exceed:
 - (1) the unadjusted sewerage service charge in Table 2.1 for the Common Meter; less
 - (2) the unadjusted sewerage service charges for any Individual Meters that are downstream of the Common Meter.

2.4 There is a minimum adjusted sewerage service charge for some Meters

- (a) This clause applies to the following Meters:
 - (1) any Individual Meter that serves a Non-Residential Property; and
 - (2) any Common Meter that serves a Non-Residential Multi-Premises.
- (b) The adjusted sewerage service charge for a Meter to which this clause 2.4 applies is the greater of:
 - (1) the adjusted sewerage service charge applicable to a Property deemed to have a single 20mm Meter under clause 2.2(a); and
 - (2) the adjusted sewerage service charge for that Meter that would apply but for this clause 2.4.

Table 2.1 Unadjusted sewerage service charges

Meter size or Property type	1 July 2020 to 30 June 2021 (\$)	1 July 2021 to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)
Transition Property	694.54	714.97 x CPI ₁	735.39 x CPI ₂	755.82 x CPI ₃
20mm	817.10	817.10 x CPI ₁	817.10 x CPI ₂	817.10 x CPI ₃
25mm	1,276.72	1,276.72 x CPI₁	1,276.72 x CPI ₂	1,276.72 x CPI ₃
32mm	2,091.78	2,091.78 x CPI ₁	2,091.78 x CPI ₂	2,091.78 x CPI ₃
40mm	3,268.40	3,268.40 x CPI ₁	3,268.40 x CPI ₂	3,268.40 x CPI ₃
50mm	5,106.88	5,106.88 x CPI ₁	5,106.88 x CPI ₂	5,106.88 x CPI ₃
80mm	13,073.60	13,073.60 x CPI₁	13,073.60 x CPI ₂	13,073.60 x CPI ₃
100mm	20,427.50	20,427.50 x CPI ₁	20,427.50 x CPI ₂	20,427.50 x CPI ₃
Other Meter sizes	(Meter size in mm) ² >	× sewerage service charge 400	•	applicable Period

3 Sewerage usage charge

3.1 Standard sewerage usage charge

The sewerage usage charge applicable to a Property in a Period is the amount calculated as follows:

$$UC_{SS} = V_S \times UC_S$$

Where:

UCss means the sewerage usage charge applicable to the Property in the Period;

 V_S means:

- (a) in the case of a Property served by a Sewage Meter—the volume (in kilolitres) of sewage discharged from the Property into the Sewerage System in the Period as measured by the Sewage Meter; and
- (b) in any other case, the volume (in kilolitres) of sewage deemed to have been discharged from the Property into the Sewerage System in the Period, calculated in accordance with clause 3.2; and

UCs means the charge per kilolitre of sewage discharged into the Sewerage System in Table 2.3 for the Period.

[Note: Under clause 2.6(c)(2) of Schedule 7, the sewerage usage charge for a Transition Property or any Property deemed to have a single 20mm Meter under clause 2.2(a) is to be treated as part of the sewerage service charge.]

3.2 Calculation of discharge volumes

The volume (in kilolitres) of sewage deemed to have been discharged from a Property into the Sewerage System in a Period is:

- (a) in the case of a Residential Property or an Unmetered Property, where neither is a Transition Property 120 kilolitres;
- (b) in the case of a Transition Property—the volume specified in Table 2.2 for the applicable Period; and
- (c) in any other case the volume calculated as follows:

$$V_S = (VN_{PW} + VD_{PW} + VN_{RW} + VD_{RW}) \times DF_S$$

Where:

 V_S means the volume (in kilolitres) of sewage deemed to have been discharged from the Non-Residential Property into the Sewerage System in the Period;

 VN_{PW} means the volume (in kilolitres) of Potable Water supplied to the Property in the Period on Non-Drought Response Days, calculated in accordance with clause 3.2(a) of Schedule 1;

 VD_{PW} means the volume (in kilolitres) of Potable Water supplied to the Property in the Period on Drought Response Days, calculated in accordance with clause 3.2(b) of Schedule 1;

 VN_{RW} means the volume (in kilolitres) of Raw Water supplied to the Property in the Period on Non-Drought Response Days, calculated in accordance with clause 3.2(h) of Schedule 1;

 VD_{RW} means the volume (in kilolitres) of Raw Water supplied to the Property in the Period on Drought Response Days, calculated in accordance with clause 3.2(h) of Schedule 1; and

 DF_S means:

- (1) in the case of a Non-Residential Property in a Non-Residential Multi-Premises served by a Common Meter—the percentage of water supplied to that Non-Residential Multi-Premises that Hunter Water estimates is discharged into the Sewerage System; and
- (2) in any other case—the percentage of water supplied to that Property that Hunter Water estimates is discharged into the Sewerage System.

Table 2.2 Deemed discharge volume for Transition Properties

	1 July 2020	1 July 2021	1 July 2022	1 July 2023
	to 30 June 2021	to 30 June 2022	to 30 June 2023	to 30 June 2024
	(kL)	(kL)	(kL)	(kL)
Deemed discharge volume	102	105	108	111

Table 2.3 Sewerage usage charges

	1 July 2020	1 July 2021	1 July 2022	1 July 2023
	to 30 June 2021	to 30 June 2022	to 30 June 2023	to 30 June 2024
	(\$ per kL)	(\$ per kL)	(\$ per kL)	(\$ per kL)
Sewerage usage charge	0.68	0.68 x CPI₁	0.68 x CPI ₂	0.68 x CPI ₃

Schedule 3 Stormwater Drainage Services

1 Maximum prices for Stormwater Drainage Services

Subject to clause 2, the maximum price that Hunter Water may levy for supplying Stormwater Drainage Services to a Property within a Drainage Area is the stormwater drainage service charge in Table 3.1 for the applicable Property category (and Property Area, where specified) in the applicable Period.

2 Maximum prices for Properties within a Non-Residential Multi-Premises

- (a) The maximum price that Hunter Water may levy for supplying Stormwater Drainage Services to a Non-Residential Multi-Premises (other than a Non-Residential Multi-Premises assessed as Low Impact) is the charge in Table 3.1 for a Non-Residential Property with a Property Area that is equivalent to the land size of the Multi-Premises.
- (b) The maximum price that Hunter Water may levy for supplying Stormwater Drainage Services to a Non-Residential Multi-Premises assessed as Low Impact is the charge in Table 3.1 for a Non-Residential Property assessed as Low Impact.
- (c) The stormwater drainage service charge that may be levied on each Property within a Non-Residential Multi-Premises is a portion, reasonably determined by Hunter Water, of the charge that may be levied on the Non-Residential Multi-Premises under clause 2(a) or 2(b).
- (d) The sum of the portions determined for each Property under clause 2(c) must equal the stormwater drainage service charge that may be levied on the Non-Residential Multi-Premises under clause 2(a) or 2(b).

[Note: For example, Hunter Water may charge each Property based on unit entitlement or by dividing the charge by the number of Properties in the Non-Residential Multi-Premises.]

Table 3.1 Stormwater Drainage Services charges

Property category	1 July 2020 to 30 June 2021 (\$)	1 July 2021 to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)
Residential				
Residential Property not within a Multi- Premises	85.35	85.35 x CPI ₁	85.35 x CPI₂	85.35 x CPI₃
Community Development Standalone House	85.35	85.35 x CPI₁	85.35 x CPI₂	85.35 x CPI ₃
Residential Property within a Multi-Premises (other than a Community Development Standalone House)	31.58	31.58 x CPI₁	31.58 x CPI ₂	31.58 x CPI₃
Low Impact assessed Residential Property	31.58	31.58 x CPI₁	31.58 x CPI ₂	31.58 x CPI ₃
Non-Residential				
Small Property Area (≤1,000m²)	85.35	85.35 x CPI ₁	85.35 x CPI ₂	85.35 x CPI ₃
Medium Property Area (1,001m² to 10,000m²)	278.75	278.75 x CPI ₂	278.75 x CPI ₂	278.75 x CPI ₃
Large Property Area (10,001m ² to 45,000m ²)	1,772.82	1,772.82 x CPI ₂	1,772.82 x CPI ₂	1,772.82 x CPI ₃
Very Large Property Area (>45,000m²)	5,632.68	5,632.68 x CPI ₂	5,632.68 x CPI ₂	5,632.68 x CPI ₃
Non-Residential Property within a Mixed Multi-Premises (irrespective of Property Area)	31.58	31.58 x CPI ₁	31.58 x CPI ₂	31.58 x CPI₃
Low Impact assessed Non-Residential Property	85.35	85.35 x CPI₁	85.35 x CPI₂	85.35 x CPI₃
Vacant Land				
Vacant Land	85.35	85.35 x CPI₁	85.35 x CPI ₂	85.35 x CPI₃
Low Impact assessed Vacant Land	31.58	31.58 x CPI₁	31.58 x CPI ₂	31.58 x CPI ₃

Schedule 4 Trade Waste Services

1 Maximum prices from the Commencement Date to 30 June 2021

For the Period from the Commencement Date to 30 June 2021, the maximum prices that Hunter Water may levy for suppling Trade Waste Services to a Major Agreement Customer, a Moderate Agreement Customer, a Minor Agreement Customer or a Tanker Agreement Customer are the maximum prices applicable to that type of customer from 1 July 2019 to 30 June 2020 under the 2016 Determination, adjusted by the applicable CPI Multiplier.

2 Maximum prices for Major Agreement Customers

(a) Subject to clause 2(b), the maximum price that Hunter Water may levy for supplying Trade Waste Services to a Major Agreement Customer in a Period, other than for the Period from the Commencement Date to 30 June 2021, is the amount calculated as follows:

$$M1 = A + (B \times BV) + (T \times TV)$$

Where:

M1 means the maximum price that Hunter Water may levy for supplying Trade Waste Services to a Major Agreement Customer in a Period;

A means the sum of the applicable administration fees (including inspection fees) (where the agreement establishment fee is a once-off charge that applies to new Major Agreement Customers only) in Table 4.1;

B means:

- (1) for waste discharged up to and including the agreed Load Limit, the BOD charge for the applicable wastewater treatment plant in Table 4.2, adjusted by the applicable CPI Multiplier; and
- (2) for waste discharged in excess of the agreed Load Limit, three times the BOD charge for the applicable wastewater treatment plant in Table 4.2, adjusted by the applicable CPI Multiplier;

BV means the mass of BOD (in kilograms) for which BOD concentration strength exceeds 240mg/L, as measured by Hunter Water, discharged by the Major Agreement Customer at the applicable wastewater treatment plant in Table 4.2 in the applicable Period;

Tmeans:

(1) for waste discharged up to and including the agreed Load Limit, the TSS charge for the applicable wastewater treatment plant in Table 4.2, adjusted by the applicable CPI Multiplier; and

(2) for waste discharged in excess of the agreed Load Limit, three times the TSS charge for the applicable wastewater treatment plant in Table 4.2, adjusted by the applicable CPI Multiplier; and

TV means the mass of TSS (in kilograms) for which TSS concentration strength exceeds 290mg/L, as measured by Hunter Water, discharged by the Major Agreement Customer at the applicable wastewater treatment plant in Table 4.2 in the applicable Period.

(b) Where a Major Agreement Customer uses more than one of the wastewater treatment plants in Table 4.2, the maximum price is the sum of the applicable administration fees in Table 4.1, plus the sum of the charges for the use of each of the wastewater treatment plants, calculated by reference to Table 4.2.

3 Maximum prices for Moderate Agreement Customers

(a) Subject to clause 3(b), the maximum price that Hunter Water may levy for supplying Trade Waste Services to a Moderate Agreement Customer in a Period, other than for the Period from the Commencement Date to 30 June 2021, is the amount calculated as follows:

$$M2 = A + (B \times BV) + (T \times TV)$$

Where:

M2 means the maximum price that Hunter Water may levy for supplying Trade Waste Services to a Moderate Agreement Customer in a Period;

A means the sum of the applicable administration fees (where the agreement establishment fee is a once-off charge that applies to new Moderate Agreement Customers only) in Table 4.1;

B means:

- (1) for waste discharged up to and including the agreed Load Limit, the BOD charge for the applicable wastewater treatment plant in Table 4.2, adjusted by the applicable CPI Multiplier; and
- (2) for waste discharged in excess of the agreed Load Limit, three times the BOD charge for the applicable wastewater treatment plant in Table 4.2, adjusted by the applicable CPI Multiplier; and

BV means the mass of BOD (in kilograms) for which BOD concentration strength exceeds 240mg/L, as measured by Hunter Water, discharged by the Moderate Agreement Customer at the applicable wastewater treatment plant in Table 4.2 in the applicable Period;

T means:

(1) for waste discharged up to and including the agreed Load Limit, the TSS charge for the applicable wastewater treatment plant in Table 4.2, adjusted by the applicable CPI Multiplier; and

(2) for waste discharged in excess of the agreed Load Limit, three times the TSS charge for the applicable wastewater treatment plant in Table 4.2, adjusted by the applicable CPI Multiplier;

TV means the mass of TSS (in kilograms) for which TSS concentration strength exceeds 290mg/L, as measured by Hunter Water, discharged by the Moderate Agreement Customer at the applicable wastewater treatment plant in Table 4.2 in the applicable Period.

(b) Where a Moderate Agreement Customer uses more than one of the wastewater treatment plants in Table 4.2, the maximum price is the total of the sum of the applicable administration fees in Table 4.1, plus the sum of the charges for the use of each of the wastewater treatment plants, calculated by reference to Table 4.2.

4 Maximum prices for Minor Agreement Customers

The maximum price that Hunter Water may levy for supplying Trade Waste Services to a Minor Agreement Customer in a Period, other than for the Period from the Commencement Date to 30 June 2021, is the sum of the applicable administration fees in Table 4.1.

5 Maximum prices for Tanker Agreement Customers

The maximum price that Hunter Water may levy for supplying Trade Waste Services to a Tanker Agreement Customer in a Period, other than for the Period from the Commencement Date to 30 June 2021, is the amount calculated as follows:

$$T1 = A + (C \times V)$$

Where:

T1 means the maximum price that Hunter Water may levy for supplying Trade Waste Services to a Tanker Agreement Customer in a Period;

A means the sum of the applicable administration fees (where the agreement establishment fee is a once-off charge that applies to new Tanker Agreement Customers only) in Table 4.1;

C means the average strength charge which is set at \$6.08 per kilolitre, adjusted by the applicable CPI Multiplier; and

V means the volume (in kilolitres) of tankered trade waste, as reasonably determined by Hunter Water, discharged by the Tanker Agreement Customer.

Table 4.1 Administration fees

	1 July 2021 to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)
Major Agreement Customers			
Agreement establishment fee	719.67 x CPI ₁	719.67 x CPI ₂	719.67 x CPI ₃
Annual agreement fee	2,422.99 x CPI ₁	2,422.99 x CPI ₂	2,422.99 x CPI ₃
Agreement renewal/reissue fee	461.97 x CPI₁	461.97 x CPI ₂	461.97 x CPI₃
Variation to agreement fee	151.90 x CPI₁	151.90 x CPI ₂	151.90 x CPI₃
Inspection fee	236.75 x CPI ₁	236.75 x CPI ₂	236.75 x CPI ₃
Moderate Agreement Customers			
Agreement establishment fee	457.78 x CPI ₁	457.78 x CPI ₂	457.78 x CPI ₃
Annual agreement fee	708.14 x CPI ₁	708.14 x CPI ₂	708.14 x CPI ₃
Agreement renewal/reissue fee	280.74 x CPI ₁	280.74 x CPI ₂	280.74 x CPI ₃
Variation to agreement fee	151.90 x CPI₁	151.90 x CPI ₂	151.90 x CPI₃
Minor Agreement Customers			
Agreement establishment fee	177.11 x CPI₁	177.11 x CPI ₂	177.11 x CPI₃
Annual agreement fee	123.22 x CPI ₁	123.22 x CPI ₂	123.22 x CPI ₃
Agreement renewal/reissue fee	148.82 x CPI ₁	148.82 x CPI ₂	148.82 x CPI ₃
Tanker Agreement Customers			
Agreement establishment fee	579.94 x CPI₁	579.94 x CPI ₂	579.94 x CPI₃
Annual agreement fee	766.81 x CPI₁	766.81 x CPI ₂	766.81 x CPI₃
Agreement renewal/reissue fee	241.41 x CPI ₁	241.41 x CPI ₂	241.41 x CPI ₃
Variation to agreement fee	153.33 x CPI₁	153.33 x CPI ₂	153.33 x CPI ₃
After-hours access fee (up to four hours)	460.92 x CPI ₁	460.92 x CPI ₂	460.92 x CPI ₃
After-hours access fee (hourly rate beyond four hours)	86.95 x CPI₁	86.95 x CPI ₂	86.95 x CPI₃

Table 4.2 High strength BOD charges and TSS charges

Wastewater treatment plant	BOD > 240mg/L (\$ per kg)	TSS > 290mg/L (\$ per kg)
Belmont	1.32	0.36
Boulder Bay	1.36	0.38
Branxton	3.07	2.20
Burwood Beach	0.63	0.21
Cessnock	1.66	0.27
Clarence Town	4.99	4.16
Dora Creek	1.98	0.18
Dungog	2.15	1.44
Edgeworth	1.07	0.37
Farley	1.49	0.37
Karuah	7.35	1.27
Kearsley	2.02	0.86
Kurri Kurri	3.16	0.73
Morpeth	1.54	0.45
Paxton	4.11	2.88
Raymond Terrace	2.23	0.69
Shortland	3.54	0.68
Tanilba Bay	2.49	0.69
Toronto	1.67	0.26

[Note: These charges do not apply to Minor Agreement Customers or Tanker Agreement Customers.]

Schedule 5 Miscellaneous Customer Services

1 **Maximum prices for Miscellaneous Customer Services**

The maximum price that Hunter Water may levy for a Miscellaneous Customer Service listed in Table 5.1 is the corresponding price in Table 5.1, adjusted by the applicable CPI Multiplier.

Table 5.1 Maximum prices for Miscellaneous Customer Services

No	Miscellaneous Customer Service	\$
1	Conveyancing certificate	
	(a) Over the counter	15.07
	(b) Electronic	10.73
2	Property sewerage diagram	13.69
3	Service location diagram	
	(a) Over the counter	10.99
	(b) Electronic	8.89
4	Building over or adjacent to sewer advice	64.03
5	Water reconnection after restriction	
	(a) Restriction	56.36
	(b) During business hours (8am to 3pm on business days)	62.80
	(c) Outside business hours	100.10
6	Workshop flow rate test of meter – with strip test	
	(a) 20-25mm	259.59
	(b) 32mm	303.53
	(c) 40mm	304.56
	(d) 50mm light (being a Meter weighing less than 10kg)	378.14
	(e) 50mm heavy (being a Meter weighing 10kg or more)	409.82
	(f) 65mm	413.91
	(g) 80mm	617.29
	(h) 100mm	925.93
	(i) 150mm	1,138.51
7	Application for water disconnection	
	(a) Water disconnection (all sizes)	27.44
	(b) Recycled water disconnection (all sizes)	41.14
8	Application for water service connection (all sizes) – administration fee only	34.29
9	Application to assess a water main adjustment	298.42
10	Metered standpipe hire security bond	
	(a) 20mm	293.31
	(b) 32mm high flow	864.61
	(c) 50mm	864.61

No	Miscellaneous Customer Service	\$
11	Metered standpipe hire (annual fees)	
	(a) 20mm	111.19
	(b) 32mm high flow	225.45
	(c) 50mm	225.45
12	Statement of available pressure [Note: This fee covers assessment at three specific flow rates from a single	98.06
	connection point to Hunter Water's main. Additional points of connection and flow values can be assessed at additional cost at the technical services hourly rate (charge no. 34).]	
13	Application to connect or disconnect sewer services or for a special internal inspection permit	43.98
14	Application to connect or disconnect water and sewer services (combined application)	
15	Request for separate metering of units (per plan)	47.98
16	Building plan stamping	20.54
17	Determining requirements for building over/adjacent to sewer or easement	149.21
18	Hiring of a metered standpipe	
	(a) Application to hire a metered standpipe	56.41
	(b) Breach of metered standpipe hire conditions	
	(i) Breach 1	8.07
	(ii) Breach 2	8.07
	(iii) Breach 3 – step 1	8.07 29.69
10	(iv) Breach 3 – step 2 (customer fails to return standpipe)	29.09
19	Water meter affixtures/handling fee (a) 20mm, delivery and installation by Hunter Water	47.78
	(b) 25mm, delivery and installation by Hunter Water	47.42
	(c) 32mm, delivery and installation by Hunter Water	59.17
	(d) 40mm, delivery and installation by Hunter Water	59.17
	(e) 50mm light duty, delivery and installation by Hunter Water	110.38
	(f) 50mm or larger, to be collected by customer from Hunter Water	16.25
	(g) 50mm or larger, delivery by Hunter Water	221.77
20	Inspection of non-compliant meters [Note: Additional contractor hourly rate costs may apply, if required.]	53.96
21	Connect to or building over/adjacent to stormwater channel for a single	92.80
21	residence – application fee	92.00
22	Stormwater channel connection – assessment fee	248.35
23	Hydraulic design assessment fee	
	(a) Less than 80mm	195.20
	(b) 80mm or larger	290.25
24	Complex works design review	
	(a) Non-linear water asset	4,490.67
	(b) Non-linear sewer asset(c) Linear water and sewer asset	5,127.37
	(c) Linear water and sewer asset (i) Tier 1 (0-99m)	764.46
	(ii) Tier 2 (>99-1000m)	3,217.26
	(iii) Tier 3 (>1000m)	4,682.80

No	Miscellaneous Customer Service	\$
25	Application to assess sewer main adjustment	331.13
26	Revision of development assessment	310.69
27	Bond application for a single asset	2,465.06
	[Note: Additional assets can be included at the technical services hourly rate (charge no. 34).]	
28	Development assessment application	331.13
29	Application for water or sewer main extensions	332.15
30	Application to connect to/disconnect from Water Supply System	179.87
31	Shutdown and charge-up for water connection/disconnection	421.06
32	Application for additional sewer connection point	294.34
33	Complex works inspection fees	
	(a) Non-linear water asset	6,568.39
	(b) Non-linear sewer asset	5,975.63
	(c) Linear water and sewer asset	
	(i) Tier 1 (0-99m)	709.27
	(ii) Tier 2 (>99-1000m)	995.43
	(iii) Tier 3 (>1000m)	1,358.24
34	Technical services hourly rate	123.66
35	Remote application fee	89.83
36	Preliminary servicing advice	505.89
37	Servicing strategy review for major developments – asset assessment fee	1,522.78
	[Note: Water, sewer and recycled water are individual asset groups and each attract an assessment fee. Additional iterations may attract additional fees charged at the technical services hourly rate (charge no. 34).]	
38	Environmental assessment report review	934.11
	[Note: Additional costs, due to poor quality reports being submitted or reports requiring further revisions, may attract additional fees charged at the technical services hourly rate (charge no. 34).]	
39	Water cart tanker - inspection	46.45
40	Damaged meter replacements – various meter sizes	
	(a) 20mm	88.45
	(b) 25mm	150.23
	(c) 32mm	205.42
	(d) 40mm	282.07
	(e) 50mm light meter	293.31
	(f) 50mm heavy meter	325.00
	(g) 65mm	600.94
	(h) 80mm	523.26
	(i) 100mm	869.72
	(j) 150mm (k) 250mm	2,544.78 5.053.79
	(k) 250mm (l) 300mm	5,053.79 6,260.77
41	Affix a separate meter to a unit	33.57
	·	
42	Recycled water meter affix fee	61.22

No	Miscellaneous Customer Service	\$
43	Application for recycled water service connection – domestic	
	(a) Pre-laid service	21.67
	(b) Redevelopment – recycled water main size drillings	
	(i) 80mm	201.33
	(ii) 100mm	194.18
	(iii) 150mm	201.33
	(iv) 200mm	282.07
	(v) 250mm	323.97
	(vi) 300mm	393.47
	(vii) 375mm	663.28

Schedule 6 Statement of reasons for setting methodologies

1 Legislative framework

- (a) Under section 13A of the IPART Act, IPART may not choose to make a determination that involves setting the methodology for fixing a maximum price, unless IPART is of the opinion that it is impractical to make a determination directly fixing the maximum price.
- (b) If IPART makes a determination that involves setting the methodology for fixing a maximum price then it must include a statement of reasons as to why it chose to set a methodology.

2 Statement of reasons

2.1 **Methodology for Water Supply Services**

IPART has set a methodology for fixing the maximum price for Water Supply Services. This is because the cost of providing Water Supply Services depends on a number of variables such as the volume of water supplied to a Property, the Meter size and metering arrangement. As part of the methodology, water usage charges are higher on Drought Response Days. This is because Hunter Water's costs are higher during drought. It is impractical to make a determination directly fixing a maximum price.

2.2 **Methodology for Sewerage Services**

IPART has set a methodology for fixing the maximum price for Sewerage Services. This is because the cost of providing Sewerage Services depends on a number of variables such as the volume of sewage discharged from a Property. It is impractical to make a determination directly fixing a maximum price.

2.3 **Methodology for Trade Waste Services**

IPART has set methodologies for fixing the maximum price for Trade Waste Services. This is because the cost of providing Trade Waste Services depends on a number of variables that are different for each category of customer. These variables include the different types of administration fees that may apply, the different types of pollutants that may be in the trade waste and the location of the wastewater treatment plant at which the Trade Waste Services are supplied. It is impractical to make a determination directly fixing a maximum price.

Schedule 7 Definitions and interpretation

1 Definitions

1.1 General definitions

In this determination:

2016 Determination means IPART's determination No. 4 of 2016 titled 'Hunter Water Corporation – Maximum prices for water, sewerage, stormwater drainage and other services from 1 July 2016' published in New South Wales, Government Gazette, No. 53 of 24 June 2016, p 1592.

2017 Wholesale Services Determination means IPART's determination dated June 2017 and titled 'Hunter Water Corporation – Maximum prices for wholesale water, sewerage and trade waste services from 1 January 2018 (excluding services supplied to recycled water systems)', Government Gazette, No. 77 of 7 July 2017, p 3639.

2019 Bulk Water Transfer Determination means IPART's determination dated May 2019 titled 'Bulk water transfers between Hunter Water Corporation and Central Coast Council' published in New South Wales, Government Gazette, No. 67 of 28 June 2019, p 74.

Available Storage means the total available storage in Hunter Water's water supply reservoirs and groundwater reserves as published through a Daily Storage Figure.

Boarding House has the meaning given in section 516 of the Local Government Act.

BOD means Biochemical Oxygen Demand.

Cease Day means a day that is exactly 31 days after a day on which the following two criteria are satisfied:

- (a) it occurs after the First Drought Level Day; and
- (b) a Daily Storage Figure is published showing Available Storage is equal to or greater than 70% for the first time since Available Storage last fell below 60%.

Central Coast Council means the council of that name constituted under the Local Government Act.

Commencement Date means the Commencement Date defined in clause 2(a) of the Preliminary section of this determination.

Common Meter means a Meter which serves a Multi-Premises, where the Meter measures the water supplied to the Multi-Premises but not to each relevant Property located on or within that Multi-Premises.

Common Property means the parts of the following arrangements that are not Properties:

(a) a strata scheme;

- (b) a Community Parcel;
- (c) a Joint Services Arrangement; and
- (d) a building owned by a company where the issued shares of the company entitle the legal owner to exclusive occupation of a specified dwelling within that building.

Community Development Standalone House means a Residential Property that:

- (a) is on a Community Parcel; and
- (b) consists entirely of one dwelling.

Community Parcel has the meaning given to that term under the Community Land Development Act 1989 (NSW).

Company Title Dwelling means a dwelling within a building owned by a company where the issued shares of the company entitle the legal owner to exclusive occupation of a specified dwelling within that building.

CPI Multiplier has the meaning given to it in clause 1.2 of Schedule 7 of this determination.

Daily Storage Figure means:

- (a) a figure showing the level of total available storage in Hunter Water's water supply reservoirs and groundwater reserves and published daily on the Hunter Water website; or
- (b) if for any reason the figure described in paragraph (a) is not published, a figure showing the level of total available storage in Hunter Water's water supply reservoirs and groundwater reserves notified or published by an authority nominated by the Minister responsible for the Hunter Water Act.

Drainage Area means a drainage area declared in accordance with section 46 of the Hunter Water Act.

Drought Response Day means a day that falls within a period which commences on and includes a Trigger Day and ends on and includes the day before the next Cease Day.

First Drought Level Day means the first day on or after the Commencement Date on which a Daily Storage Figure is published showing Available Storage is below 60%.

Hostel means a premises that generally provides short-term tourist and visitor accommodation on a bed basis (rather than a room or self-contained suite basis).

Hotel means a premises that generally provides temporary or short-term accommodation on a room or self-contained suite basis.

Hunter Water means Hunter Water Corporation constituted under the Hunter Water Act.

Hunter Water Act means the *Hunter Water Act* 1991 (NSW).

Individual Meter means a Meter that serves a Property, where the Meter only measures the water supplied to that Property.

Infrastructure Service has the meaning given to that term in the WIC Act.

IPART means the Independent Pricing and Regulatory Tribunal established under the IPART Act.

IPART Act means the *Independent Pricing and Regulatory Tribunal Act* 1992 (NSW).

Joint Services Arrangement means a servicing arrangement whereby Hunter Water provides Water Supply Services or Sewerage Services to two or more Properties but only one of those Properties is directly connected to the Water Supply System or Sewerage System (the parent) with the other Properties (children) receiving the Water Supply Service or Sewerage Service through private infrastructure connected to the parent Property.

Large Non-Residential Customer means a customer that receives Water Supply Services to one or more Non-Residential Properties and has an annual water consumption that is greater than 7.3 ML.

Load Limit means the load limit specified in a trade waste agreement entered into between Hunter Water and a customer for the provision of trade waste services.

Local Government Act means the *Local Government Act* 1993 (NSW).

Long Term Unmetered Property means a Property that has been an Unmetered Property for an uninterrupted period of at least three years.

Low Impact means, in relation to a Property, that it has been assessed by Hunter Water as being 'low impact'.

Major Agreement Customer means a person who has entered into an agreement with Hunter Water that relates to trade waste activities assessed by Hunter Water as "Category 4 – Major" in accordance with the Trade Waste Policy.

Meter means an apparatus for the measurement of water usage but excludes an apparatus used to check the accuracy of a meter.

Meter Reading Period means a period equal to the number of days between two dates on which Hunter Water reads a Meter. For the purpose of calculating the period, it includes the most recent date on which Hunter Water read the Meter but does not include the previous date on which Hunter Water read the Meter.

Metered Standpipe means a portable metered device for temporary connection to the Water Supply System.

Minor Agreement Customer means a person who has entered into an agreement with Hunter Water that relates to trade waste activities assessed by Hunter Water as "Category 2 – Minor" in accordance with the Trade Waste Policy.

Miscellaneous Customer Services means the ancillary and miscellaneous customer services referred to in clause 3(f) of the Order.

Mixed Multi-Premises means a Multi-Premises that contains at least one Residential Property and at least one Non-Residential Property.

Moderate Agreement Customer means a person who has entered into an agreement with Hunter Water that relates to trade waste activities assessed by Hunter Water as "Category 3 - Moderate" in accordance with the Trade Waste Policy.

Monopoly Services means the services referred to in clause 1.1 of the Preliminary section of this determination.

Multi-Premises means:

- (a) for the purposes of Schedule 1 and Schedule 2:
 - (1) a premises where there is more than one Property, other than a premises that forms part of a Joint Services Arrangement; or
 - (2) a Joint Services Arrangement; and
- (b) for the purposes of Schedule 3, a premises where there is more than one Property.

Negotiated Services Agreement means a written agreement between Hunter Water and a Large Non-Residential Customer, a copy of which is provided to IPART by Hunter Water, under which Hunter Water agrees to provide Water Supply Services and/or Sewerage Services to the Large Non-Residential Customer at prices that are not the maximum prices set out in this determination.

Non-Drought Response Day means a day that falls within a period which commences on and includes the Commencement Date or a Cease Day, as the case may be, and ends on and includes the day before the next Trigger Day.

Non-Residential Multi-Premises means a Multi-Premises containing only Non-Residential Properties.

Non-Residential Property means a Property that is not a Residential Property.

Order means the Independent Pricing and Regulatory Tribunal (Water, Sewerage and Drainage Services) Order 1997 published in New South Wales, Government Gazette, No. 18, 14 February 1997, p. 558.

Period means, as the case may be:

- (a) 1 July 2020 to 30 June 2021;
- (b) 1 July 2021 to 30 June 2022;
- (c) 1 July 2022 to 30 June 2023; and
- (d) 1 July 2023 to 30 June 2024.

Potable Water means water that has been treated at a water filtration plant or desalination plant (but excludes recycled water).

Previous Metered Period means the most recent period for which there is actual metering data and during which the water usage at the relevant Property, in Hunter Water's opinion, is likely to reasonably reflect the water usage at that Property during the Unmetered Period.

Property includes:

- (a) a Strata Title Lot;
- (b) a Company Title Dwelling;
- (c) a community development lot, precinct development lot, or neighbourhood lot, as those terms are defined under the *Community Land Development Act 1989* (NSW);
- (d) a premises that contains two separate dwellings that is served by a single Meter (where neither dwelling is a dwelling to which any of paragraphs (a) to (c) apply);
- (e) a building, or part of a building, occupied or available for occupation as a separate dwelling or separate place of business, other than a building to which any of paragraphs (a) to (d) apply;
- (f) land (including Vacant Land);
- (g) a Hostel;
- (h) a Hotel; or
- (i) a Boarding House.

Property Area means the area of the land that comprises a Non-Residential Property measured in square metres.

Rateable Land has the meaning given to that term under the Local Government Act.

Raw Water means water that has not been filtered by Hunter Water and which is supplied by Hunter Water to the customer other than via that part of the Water Supply System which Hunter Water uses to supply Potable Water.

Raw Water Property means a Property:

- (a) that is connected to the Water Supply System by way of a direct connection to the Chichester Trunk Gravity Main; and
- (b) to which Hunter Water supplies Raw Water but not Potable Water.

Residential Property means a Property where:

- (a) in the case of the Property being Rateable Land, the Property is categorised as 'residential' under section 516 of the Local Government Act; or
- (b) in the case of the Property not being Rateable Land, the dominant use of the Property is residential, applying the classifications in section 516 of the Local Government Act.

Sewage Meter means an apparatus for measuring the volume of sewage discharged from a Property into the Sewerage System but excludes an apparatus used to check the accuracy of a sewage meter.

Sewerage Services means the sewerage services referred to in clause 3(b) of the Order.

Sewerage System means the sewerage system of Hunter Water.

Stormwater Drainage Services means the stormwater drainage services referred to in clause 3(c) of the Order.

Strata Title Lot means a 'lot' as defined under the Strata Schemes Development Act 2015 (NSW), but excludes a 'utility lot' as defined under that Act.

Subsequent Drought Level Day means a day:

- (a) which occurs after the First Drought Level Day; and
- (b) on which a Daily Storage Figure is published showing Available Storage is below 60% for the first time since Available Storage was last equal to or greater than 70%.

Tanker Agreement Customer means a person who has entered into an agreement with Hunter Water for the treatment of tankered wastewater in accordance with the Trade Waste Policy.

Trade Waste Policy means Hunter Water's Trade Wastewater Policy and any related documents referred to in that policy (as amended or replaced from time to time).

Trade Waste Services means the trade waste services referred to in clause 3(d) of the Order.

Transition Property means:

- (a) any Non-Residential Property within a Mixed Multi-Premises that is served by one or more Common Meters; or
- (b) any Residential Property within a Multi-Premises except for a Residential Property that is a Community Development Standalone House.

[Note: A Non-Residential Property in a Mixed Multi-Premises that has an Individual Meter downstream of a Common Meter is served by that Individual Meter and not by the Common Meter: see clause 2.5 of Schedule 7.]

Trigger Day means:

- (a) the day that is exactly 31 days after the First Drought Level Day; or
- (b) a day that is exactly 31 days after a Subsequent Drought Level Day.

TSS means Total Suspended Solids.

Unconnected Property means:

- (a) in the context of Schedule 1, a Property that is not connected to the Water Supply System; and
- (b) in the context of Schedule 2, a Property that is not connected to the Sewerage System.

Unmetered Period means a Period, or part thereof, for which a Property is an Unmetered Property.

Unmetered Property means a Property that is connected to the Water Supply System or Sewerage System and is not served by a Meter.

Vacant Land means land that has no capital improvements and no connection to the Water Supply System or Sewerage System.

Water Supply Services means the water supply services referred to in clause 3(a) of the Order.

Water Supply System means the water supply system of Hunter Water.

WIC Act means the *Water Industry Competition Act* 2006 (NSW).

1.2 Consumer Price Index

- (a) CPI means the consumer price index All Groups index number for the weighted average of eight capital cities, published by the Australian Bureau of Statistics; or, if the Australian Bureau of Statistics does not or ceases to publish the index, then CPI will mean an index determined by IPART.
- (b) Where this determination provides that an amount is to be adjusted by the applicable CPI Multiplier, it is to be multiplied by:
 - (1) CPI₀ for prices under the 2016 Determination that apply under clause 1 of Schedule 4;
 - (2) CPI1 for the Period from 1 July 2021 to 30 June 2022;
 - (3) CPI2 for the Period from 1 July 2022 to 30 June 2023; or
 - (4) CPI3 for the Period from 1 July 2023 to 30 June 2024.
- (c) In this determination:

$$\begin{split} CPI_0 &= \frac{CPI_{March2020}}{CPI_{March2019}} \\ CPI_1 &= \frac{CPI_{March2021}}{CPI_{March2020}} \\ CPI_2 &= \frac{CPI_{March2022}}{CPI_{March2020}} \\ CPI_3 &= \frac{CPI_{March2023}}{CPI_{March2020}} \end{split}$$

Where:

*CPI*_{March2019} means CPI for the March quarter of 2019;

*CPI*_{March2020} means CPI for the March quarter of 2020;

*CPI*_{March2021} means CPI for the March quarter of 2021;

CPI March 2022 means CPI for the March quarter of 2022; and

*CPI*_{March2023} means CPI for the March quarter of 2023.

2 Interpretation

2.1 **General Provisions**

In this determination:

- (a) headings are for convenience only and do not affect the interpretation of this determination:
- (b) a reference to a schedule, clause, paragraph or table is a reference to a schedule to, clause of, paragraph in, or table in, this determination unless otherwise indicated;
- (c) a construction that would promote a purpose or object expressly or impliedly underlying the IPART Act is to be preferred to a construction that would not promote that purpose or object;
- (d) words or expressions importing the singular include the plural and vice versa;
- (e) a reference to a law or statute includes regulations, ordinances, by-laws, rules, codes and other instruments (including licences) under it and consolidations, amendments, reenactments or replacements of them or of the law or statute itself;
- (f) where a word or expression is defined, other grammatical forms of that word or expression have a corresponding meaning;
- (g) a reference to a month is to a calendar month;
- (h) a reference to a financial year is a reference to a period of 12 months beginning on 1 July and ending on the following 30 June;
- (i) a reference to a person includes a reference to the person's executors, administrators, successors, replacements (including, but not limited to, persons taking by novation), agents and assigns;
- a reference to a body, whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body;
 - is a reference to the body which replaces it or which substantially succeeds to its powers or functions; and
- (k) a reference to a business name which is replaced by a different business name is taken to be a reference to the replacement business name.

2.2 Explanatory notes and clarification notice

- (a) Explanatory notes and examples do not form part of this determination, but in the case of uncertainty may be relied on for interpretation purposes.
- (b) IPART may publish a clarification notice in the NSW Government Gazette to correct any manifest error in this determination. Such a clarification notice is taken to form part of this determination.

2.3 Maximum prices exclusive of GST

- (a) Maximum prices specified in this determination do not include GST.
- (b) For the avoidance of doubt, where GST is lawfully applied to maximum prices under this determination, the resulting GST inclusive price is consistent with this determination.

2.4 Rounding rule

- (a) The CPI Multipliers calculated under clause 1.2 are to be rounded to three decimal places before adjusting a charge or maximum price for inflation.
- (b) For the purposes of rounding the CPI Multipliers under clause 2.4(a), any amount that is a multiple of 0.0005 (but not a multiple of 0.001) is to be rounded up to three decimal places.
- (c) Any charge or maximum price in a table of this determination is to be rounded to the nearest whole cent after adjusting the charge or maximum price for inflation.
- (d) Any other maximum price calculated in accordance with this determination is to be rounded to the nearest whole cent.
- (e) For the purposes of rounding a charge or maximum price under clause 2.4(c) or 2.4(d), any amount that is a multiple of 0.5 cents (but not a multiple of 1 cent) is to be rounded up to the nearest whole cent.
- (f) Despite clauses 2.4(c) and 2.4(d), where a charge for a Miscellaneous Customer Service calculated in accordance with schedule 5 is:
 - (1) \$100 or more, the charge is to be rounded to the nearest whole dollar; and
 - (2) less than \$100, the charge is to be rounded to the nearest 5 cents.
- (g) For the purposes of rounding a charge under clause 2.4(f)(1), any amount that is a multiple of 50 cents (but not a multiple of 1 dollar) is to be rounded up to the nearest whole dollar.
- (h) For the purposes of rounding a charge under clause 2.4(f)(2), any amount that is a multiple of 2.5 cents (but not a multiple of 5 cents) is to be rounded up to nearest whole multiple of 5 cents.

2.5 Meters that serve a Property

- (a) Where a Property is deemed to have a single 20mm Meter under clause 2.2(a) of Schedule 1 or clause 2.2(a) of Schedule 2, for the purposes of this determination, only that deemed Meter serves the Property.
- (b) Subject to clause 2.5(c), where a Non-Residential Property has one or more Individual Meters that are downstream of one or more Common Meters, for the purposes of this determination, the Property is served by those Individual Meters and not by the Common Meters.

[Example 1: A Mixed Multi-Premises, comprised of two Non-Residential Properties and ten Residential Properties, is connected to the Water Supply System at a single connection point. A 50mm Common Meter measures the volume of all water supplied to the Mixed Multi-Premises. One of the Non-Residential Properties has a 30mm Individual Meter that is downstream of the Common Meter. Under clause 2.5(b), that Non-Residential Property is served by that 30mm Individual Meter and not by the 50mm Common Meter. Under clause 2.5(a), each other Property in the Mixed Multi-Premises is served by its deemed single 20mm Meter, and not by the 50mm Common Meter.]

Example 2: A Non-Residential Multi-Premises, comprised of five Non-Residential Properties, is connected to the Water Supply System at two connection points. The first connection point has a 100mm Common Meter. The second connection point has an 80mm Common Meter. One of the Non-Residential Properties has a 50mm Individual Meter that is downstream of the 100mm Common Meter. That Non-Residential Property also receives water from the connection point with the 80mm Common Meter but does not have an Individual Meter that is downstream of that 80mm Common Meter. For the purposes of this determination, that Non-Residential Property is served by the 50mm Individual Meter and the 80mm Common Meter but not the 100mm Common Meter. Each other Non-Residential Property in the Non-Residential Multi-Premises is served by the 100mm Common Meter and the 80mm Common Meter. Note that the service charge and the usage charge for the 100mm Common Meter will be apportioned between these Non-Residential Properties at Hunter Water's discretion taking into account the service charge and usage charge for the downstream 50mm Individual Meter.]

(c) In the Period from 1 July 2020 to 30 June 2021, Hunter Water may disregard any downstream Individual Meters in a Joint Services Arrangement comprised only of Non-Residential Properties for the purposes of calculating the water supply service charge and sewerage service charge applicable to each Non-Residential Property in the Joint Services Arrangement.

Billing and pro-rating 2.6

- (a) For the avoidance of doubt, nothing in this determination affects:
 - (1) when Hunter Water may issue a bill to a customer for prices or charges under this determination; or
 - (2) when Hunter Water must read a Meter.
- (b) Hunter Water must levy any charge applying in this determination on a pro-rata basis, where:
 - (1) A Meter Reading Period traverses more than one Period; or
 - (2) A billing period covers part of a Period.

[Note: Clause 2.6(b) requires Hunter Water to levy charges (including service charges) on a pro-rata basis, meaning that any annual charges may be pro-rated based on the number of days falling within the relevant billing period. Billing frequency is dealt with in the customer contract available on Hunter Water's website.]

[Example: If Hunter Water reads the Meter at a Residential Property on 1 June 2021 and then again on 30 August 2021, the Meter Reading Period is 90 days. The first 29 days (excluding 1 June 2021) are in the Period from 1 July 2020 to 30 June 2021. The last 61 days (including 30 August 2021) are in the Period from 1 July 2021 to 30 June 2022. If the Meter measured that 180 kilolitres of Filtered Water had been used in the Meter Reading Period, 58 kilolitres would be allocated to the Period commencing 1 July 2020 and the remaining 122 kilolitres would be allocated to the Period commencing on 1 July 2021.]

- (c) For the purposes of the Hunter Water Act and Hunter Water's customer contract, the following charges are to be treated as part of the service charge for the relevant Monopoly Service:
 - (1) the water usage charge calculated under clause 3.2(f) of Schedule 1 for a Long Term Unmetered Property; and
 - (2) the sewerage usage charge for a Transition Property or any Property deemed to have a single 20mm Meter under clause 2.2(a) of Schedule 2.

2.7 This determination fixes maximum prices

For the avoidance of doubt, this determination fixes the maximum prices that Hunter Water may levy for the Monopoly Services. It does not specify who Hunter Water must levy the maximum prices on.

[Example: The maximum price that Hunter Water may levy for supplying Water Supply Services to a Residential Property in a Multi-Premises that is served by a single Common Meter is the sum of the applicable service charge and the Residential Property's share of the water usage charge for the Multi-Premises. This determination does not prevent Hunter Water from levying the service charge on the owner of the Residential Property and the aggregate water usage charge on the relevant owners corporation.]