



Hunter Water Corporation Customer Contract Review

Submission to the Independent Pricing and Regulatory Tribunal

August 2010

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Hunter Water Corporation Customer Contract Review
Hunter Water Corporation submission to IPART
HW2008-252

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Submission to the Independent Pricing and Regulatory Tribunal

At Hunter Water's request, the Independent Pricing and Regulatory Tribunal (IPART) has agreed to carry out a review of Hunter Water's Customer Contract between July and December 2010.

Hunter Water requested this review be undertaken at this time, rather than waiting until the operating licence review in 2011/12 for a number of reasons. These include:

- The current Customer Contract has been in place for six years, is dated in some aspects and does not cover a number of changes that have occurred in the operating environment over that time. This creates some confusion for customers and limits the applicability of the contract.
- The Sydney Water Customer Contract, which has been in place for a shorter period, has just undergone its second review by IPART as part of their operating licence review. Comparison between the new Sydney Water contract and Hunter Water's older contract has revealed some areas for improvement.
- Hunter Water currently has resources available to support the review.
- Through discussions with IPART, it has been established that IPART also has resources available at this time.

The development of a new Customer Contract will benefit Hunter Water and its customers by:

- Bringing the Customer Contract in line with the current operating licence and the new system performance standards implemented from July 2010.
- Aligning the contract with new and changed processes resulting from replacement of Hunter Water's customer information and billing system in 2006.
- Improving clarification for customers.
- Ensuring Hunter Water is adequately covered in areas that are currently either not included, inconsistently covered, or insufficiently covered, in the Customer Contract such as supply of recycled water.

There are a number of key issues that have been identified and addressed in the review of the contract. These include improvements to areas that have been identified both through the dayto-day dealings of the business as well as through a thorough internal critical review of the existing Customer Contract.

Through this process, Hunter Water has endeavoured to realign parts of the Customer Contract that are out of sync with the 2007-2012 operating licence. Additionally, a number of developments in Hunter Water's business and operating environment have emerged since the implementation of the contract that are either not covered or insufficiently covered, and Hunter Water has made amendments to incorporate these changes.

Key areas of focus for the review include:

- Hunter Water's rebate strategy
- maintenance responsibility clarification
- clarification of the limits of liability for repair and restoration
- enhancing customer service and support provisions
- plumbing regulation changes
- implications of the Water Industry Competition Act 2006 (WICA) on the Customer Contract
- other changes to Hunter Water's operating environment, particularly the increasing supply of recycled water, and
- addressing areas of ambiguity throughout the contract that have become apparent over the previous six years.

At this time, Hunter Water also has been able to comprehensively review the changes made to Sydney Water Corporation's Customer Contract as part of IPART's review of the Sydney Water operating licence.

Hunter Water also reviewed the customer contracts and charters of other Australian utilities to help identify any gaps or deficiencies in the current contract and to identify innovative approaches to formalising the relationship with customers. This review was particularly helpful in developing appropriate rebates to customers when services are not delivered to defined standards

Review and consultation

Hunter Water recognises the requirements of Section 38 of the Hunter Water Act 1991 and Section 5 of the operating licence regarding the review and notification process, and the responsibilities of both IPART and Hunter Water for putting these requirements into effect. Specifically, Hunter Water understands that IPART's review process is likely to involve consultation with key community groups.

In anticipation of this, Hunter Water has undertaken proactive community engagement prior to the formal review process that will occur following submission of the proposed Customer Contract to IPART to gain insight into the community's views and address these early on in the process. This has included:

- conducting a survey on rebates with Hunter Water's customer panel. The survey was completed by 287 respondents, which was a response rate of 85 per cent. At the 95 per cent confidence level, this generates a confidence interval of ± 6 per cent. Results from this survey are presented in Appendix A.
- presenting the draft to the Consultative Forum and inviting their feedback which has included significant comment from the member representing the Property Owners' Association of NSW.
- providing the draft to both the Energy and Water Ombudsman NSW (EWON) and the Public Interest Advocacy Centre (PIAC), as key stakeholder groups representing customers, and meeting with both these parties to discuss the changes and seek their thoughts.

Hunter Water has appreciated the chance to consult with and receive comment from these valued parties. The recommendations and comments from all consulted parties have been considered in the review of the Customer Contract, many of which have been incorporated into the proposed Customer Contract to be submitted to IPART. The customer research findings have also been instrumental in the formation of the proposed rebate strategy.

In addition to the community engagement as detailed above, Hunter Water engaged the Newcastle office of Sparke Helmore Lawyers to conduct a legal review of the proposed Customer Contract terms and conditions. Subsequently, Hunter Water also incorporated many of Sparke Helmore's recommendations.

Key changes

Hunter Water's rebate strategy

As mentioned above, the current Customer Contract has been in place since 2003, and this includes the rebates. Rebates serve as a method of compensating customers who experience a reduced level of service from time to time. At present, rebates are not directly linked to the previous or recently-adopted operating licence system performance standards or any other service benchmark or measure.

Because the Customer Contract is intended to align with the provisions of the operating licence current at the time (and forms Schedule 2 of the operating licence), and that this should include rebates, Hunter Water proposes that the rebate strategy be reworked to align with the system performance standards that came into effect from July 2010, with the exception of the low water pressure rebate. The reasons for maintaining the current low pressure criterion are outlined in more detail later in this submission.

Planned interruptions

One change that Hunter Water proposes as a result of aligning rebates with the system performance standards is the removal of the rebate for planned water interruptions because there is not a standard for planned interruptions. It is Hunter Water's view that it is reasonable to interrupt customers' water supply for a limited time to perform essential maintenance or upgrading of assets without compensating customers with a rebate, so long as adequate notice is provided to customers and the interruption is not excessive in duration.

This proposal was tested in the customer panel survey on rebates, and only 13 per cent of respondents expected a rebate for planned interruptions when at least two days notice was provided. Forty-six per cent of respondents said they would be not inconvenienced, with a further 38 per cent being only slightly inconvenienced in this situation. These customer survey findings support Hunter Water's proposal to drop the planned interruptions rebate.

Unplanned interruptions

Hunter Water proposes to align the unplanned water interruption rebates with the relevant standards¹, but set time parameters that the interruption must be between 5:00 am and 11:00

¹ Unplanned interruptions system performance standards effective from July 2010:

^{1.} No more than 10,000 properties shall experience an unplanned interruption of more than 5 hours in a financial year; and

^{2.} No more than 5,000 properties shall experience 3 or more unplanned interruptions exceeding one hour duration in a financial

pm to be eligible for a rebate. In addition to this condition, Hunter Water is proposing to only issue rebates if no adequate alternative water supply² for essential purposes is provided.

Again, these ideas were tested as part of the customer panel survey, with less than 13 per cent of respondents expecting a rebate for unplanned interruptions occurring between 11:00 pm and 5:00 am. In addition to this, around 83 per cent of respondents believed that a rebate should be paid if an alternative water supply (either in the form of bottled water or a water truck in the street) was supplied. Both of these findings support Hunter Water's proposed changes to the unplanned interruptions rebates.

Low water pressure

Whilst Hunter Water proposes that other rebates be aligned with the system performance standards, it is proposing that the conditions triggering the low water pressure rebate remains unchanged. Hunter Water proposes to retain this rebate based on a number of factors, primarily the underlying belief that water pressure greater than 15 metres head at the point of connection is an acceptable level of water pressure and is consistent with levels experienced by residents in many other urban and rural areas of Australia.

In addition to this, Sydney Water's low water pressure rebate is paid for verified low pressure occurrences of less than 15 metres head. It would seem inconsistent for Hunter Water to offer a rebate when pressure falls below 20 metres head while a similar rebate is not payable in Sydney unless pressure is below a lower threshold of 15 metres head.

Hunter Water currently has approximately 1600 customer connections that regularly experience water pressure below the system performance standard of 20 metres head as they reside in an area with developer approval for low pressure based on the height of their land relative to the reservoir serving their properties.

Based on the above factors, together with the results from the customer panel survey which clearly indicated that customers did not perceive low water pressure to cause them significant inconvenience, Hunter Water proposes to align the value of the low water pressure rebate with that of the discontinuity rebates, at an allowance applied to the water usage charge of 15kL. When asked about the level of inconvenience experienced by five or more occasions of low water pressure lasting 30 minutes each, over 65 per cent of respondents believed that they would either be not inconvenienced, or somewhat inconvenienced, indicating that they are less inconvenienced by repeat low water pressure than by unplanned interruptions, and therefore it is Hunter Water's view that the rebate should not exceed the rebate received for unplanned interruptions.

Wastewater overflows

Currently there is only one rebate offered for wastewater overflows and this is for repeat overflows (i.e. two or more in a 12 month period). Hunter Water proposes to change this to two wastewater overflow rebates - one for single occurrences and one for repeat overflows (i.e. three or more in a financial year). It is also proposed that rebates on wastewater overflows only apply to incidents that are reported and confirmed.

Rebates will not apply to shaft blockages or breaks. This is because the sewer shaft is considered to be part of the customer's pipe work. Some confusion has arisen in the past

² Hunter Water is currently developing its Alternative Water Supply Policy. Alternative water supply may include bottled water, a tanker connected to the mains so customers can access the water supply through their taps, or a standpipe or tanker placed in the street from which water can be collected.

because Hunter Water has cleared shaft blockages when called by customers. This has resulted in confusion about responsibility for shaft blockages and eligibility for rebates. The draft contract clarifies this responsibility and rebate eligibility.

The customer panel survey questioned respondents on their level of inconvenience if a wastewater overflow was experienced on their property. These were clearly the incidents that cause the most inconvenience to customers, with over 70 per cent of respondents being either inconvenienced or extremely inconvenienced by a one off wastewater overflow, and over 91 per cent of respondents being either inconvenienced or extremely inconvenienced (76 per cent) by three or more wastewater overflows on their property during the financial year. These findings support Hunter Water's proposal on wastewater overflow rebates, which have been valued accordingly to reflect the level of inconvenience to customers.

By bringing the water discontinuity and wastewater overflow rebates into line with the system performance standards, Hunter Water is broadening the scope of customers who will be eligible for a rebate each year, particularly for low water pressure and wastewater overflows.

Administration of rebates

The new rebate strategy that Hunter Water is proposing not only aligns rebates with the system performance standards, but also applies rebates to water usage charges (rather than service charges as they are currently).

By applying the rebate against usage charges, the rebate adjustment will reduce the usage component of bills, which is generally passed on by landlords to tenant occupiers. The intention of this change is to compensate the customer or consumer who experiences the inconvenience - the occupier of the property - rather than limiting rebate compensation to the account holder (regardless of whether or not they occupy the affected property).

While this would be a major change in the way rebates are administered, both for Hunter Water and the water industry, Hunter Water believe that it would be an innovative and industry-leading move. This is in line with the increased focus of both Hunter Water and the broader essential services sector on the treatment of hardship, specifically practices and procedures relating to customer hardship, debt, and restriction and/or disconnection for non payment of bills.

By applying rebates to water usage charges, Hunter Water believes that it would be taking the interests of our customers and consumers a step further by compensating the affected occupant for inconveniences caused by service shortfalls. This would complement Hunter Water's hardship provisions, as customers experiencing hardship are often tenants (i.e. not the account holder). Linking rebates to water usage also provides for automatic increase of rebate value as water prices increase.

The proposed rebates are outlined in Table 1 below:

Table 1 Hunter Water's proposed rebates

Table 1 Halitel Water 3 proposed repates					
	Rebate trigger	kL allowance	value of rebate (based on 2011/12 CPI adjusted \$/kL prices)		
	Water service is interrupted for over 5 hours between 5:00am and 11:00pm due to a failure of our water system and no alternative water supply is provided	15	\$28		
Unplanned interruptions	Experience three or more unplanned water interruptions between 5:00am and 11:00pm in a financial year, each exceeding 1 hour in duration, due to a failure of our water system	15	\$28		
Water pressure	Water pressure is below 15 metres head at the point of connection to our water system for more than 30 minutes on more than five occasions in a financial year due to a failure of our water supply system, you have reported the problem by calling and we have confirmed each event	15	\$28		
Wastewater overflows	If you report and we confirm a one-off dry-weather wastewater overflow on your property due to a failure of our wastewater system (not including shaft breaks),	30	\$56		
	If you experience three or more dry weather wastewater overflows on your property in a financial year due to a failure of our wastewater system (not including shaft breaks)	120	\$223		

Other rebates

The current Customer Contract also contains rebate commitments for compensation for dirty water and for a boil water alert. These are retained in the proposed Contract and are unchanged.

Cost of rebate proposal

Based on historic trends Hunter Water's proposed rebate strategy will result in increased operating costs to the business. This is based purely on the increased value and scope of the rebates proposed and does not allow for any significant variation to Hunter Water's operational performance. Hunter Water's current pricing structure does not allow for any change to the rebate strategy over the current price path.

Table 2 below presents an analysis of the rebates paid over the current price path period and the costs to the business of the rebates incurred.

Table 2 Hunter Water's past and estimated rebate expenditure

Rebate Type	2008/09	2009/10 \$	Estimate under proposed new strategy
Planned Interruptions	\$21,100	\$18,000	-
Unplanned Interruptions			\$93,780
Water Pressure	\$28,550	\$5,450	\$6,890
Sewer Overflows	\$43,030	\$66,660	\$233,680
Boil Water	\$0	\$0	\$0
TOTAL	\$92,680	\$90,110	\$334,350

The figure of \$334,350 has been derived without the proposed caveats in place, except for the time parameters on water supply interruptions. It is difficult to quantify with accuracy what difference other caveats (such as exclusion of overflows from sewer shafts) would make to rebate expenditure. However it is anticipated that applying these conditions would result in a reduction in rebate expenditure. Therefore, for costing purposes, annual rebate expenditure of around \$300,000 has been assumed. Based on a similar assumed level of operational events resulting in the issue of rebates, Hunter Water's proposed rebate strategy would see an increase in operating costs over the remainder of the current price path of approximately \$420,000 or \$210,000 per year.

This is an estimate of expenditure only based on the number of events occurring in recent years. Actual expenditure ultimately will be dependant on unanticipated operational incidents and factors beyond Hunter Water's control such as climate and extreme weather conditions.

Hunter Water believes that with this new innovative approach it is appropriate to ensure cost neutrality within the current price path is achieved and that the increased rebate expenditure is embedded in future price paths. Hunter Water would therefore like the opportunity to discuss the method for implementation of the proposed rebate structure further with IPART and recovery of the additional costs.

Maintenance responsibility clarification

To date, the wording of Clause 8 - Responsibility of maintenance, of the current Customer Contract has caused confusion to customers and those within Hunter Water dealing in this area.

As a result we have provided clarification on where the responsibility lies for maintenance and repair of main-to-meter water connections, and wastewater pipes and fittings.

For water systems, this includes accepting responsibility for maintenance and repair of main-tometer water connections instead of trying to differentiate between those main to meter connections that Hunter Water installed and owns and those customers "own". By doing this, Hunter Water will bring itself in line with industry practice, as most other utilities accept responsibility for main-to-meter connections for basic residential customers as do most NSW councils.

The contract states that exceptions to this provision apply to fire services connected to directly to water mains and to non-residential main-to-meter connections that are specifically designed and installed to meet specific requirements of these customers. To meet the needs of customers, non-residential main-to-meter connections can be quite complex hydraulic installations and it is inappropriate that Hunter Water, and its general customer base, should meet the costs associated with these specifically designed installations. Responsibility for installing, maintaining, disconnecting and removing these connections will remain with customers.

For wastewater systems. Hunter Water has clarified that customers are responsible for maintaining and repairing all wastewater pipes and fittings within your property up to the "point of connection" with Hunter Water's wastewater system.

To provide further clarification and eliminate the risk of confusion and dispute, diagrams have now been included to clearly illustrate the division of ownership and responsibility for typical residential customers. (see Definitions - figure 1, 2 and 3).

Clarification of the limits of liability for repair and restoration

Damage liability and compensation is a difficult issue and is impossible to be prescriptive for every situation in the Contract. Hunter Water wishes to avoid being overly prescriptive, as this is consistent with the trend of other utilities moving toward reader friendly documentation with very limited legal jargon.

Additions have been made to the contract to provide clarification on the limits that Hunter Water will pay in terms of liability for repair and restoration.

This includes the rewording of the abovementioned system maintenance responsibility clarification. It also includes an additional clause to cover stormwater connections, covering and bridges (Clause 8.B), rewording of Clause 8.5 - Defective work, and rewording of Clause 8.7 -Building, landscaping and other construction work, and rewording of part of Clause 9.4 - Impact on customer's property to remove Hunter Water's liability to leave a customer's property, as near as possible to original condition.

Clause 9.4 has been the source of considerable confusion for customers and Hunter Water's field staff and complaint managers. It has resulted in many protracted disputes about appropriate compensation and restoration when Hunter Water has to access its assets, particularly pipes in, and adjoining, private property. Hunter Water accepts that there are instances where it has responsibility to restore a customer's property to as near as possible to original condition. However, in most instances, customers have constructed buildings, driveways, walls or fences and other landscaping contrary to the provisions of section 25 (Interference with works) and section 26 (Compensation to Corporation for damage) of the Hunter Water Act 1991. While these sections of the Act should prevail in any dispute, the wording of the current clause 9.4 has resulted in protracted and acrimonious dealings in relation to damage caused by Hunter Water in accessing its assets and in determining the appropriate level of compensation or restoration for this damage. The rewording of clauses 8.10 (8.7 in current Contract) and 9.4 of the contract aims to remove the apparent conflict between the provisions of the contract and sections 25 and 26 of the Act.

Enhancing customer service and support provisions

Hunter Water has endeavoured to make improvements throughout the Customer Contract to continue to enhance the delivery of a customer service focus. This includes providing further information and clarification on specific issues by improving the wording of certain clauses or incorporating new clauses. Greater detail has been incorporated on the assistance provided to customers experiencing financial hardship, as well as more detailed information on account relief rights and obligations.

Some examples of improvements to the Customer Contract that will ultimately be of benefit to Hunter Water customers are:

- new rebate strategy, which benefits customers as the rebates are fairer and compensate the affected occupant
- information on improved ways in which customers can interact with Hunter Water and access customer support services
- clarification of maintenance responsibility
- additional information on price setting
- additional information on what can be done if customers experience financial hardship
- further detail on customer privacy provisions

Plumbing regulation changes

One of the key changes in Hunter Water's operating environment is the changing plumbing regulations, which will see the responsibility for plumbing standards in Hunter Water's area of operations transfer from Hunter Water to the NSW Department of Fair Trading.

Fair Trading regulation will cover the licensing of plumbers, the standards for plumbing fittings/materials and approval to carry out work. The approval of work and associated inspections by Fair Trading will ensure plumbing is in accordance with the national plumbing code and standards and that approved materials and fittings are used. However, it will not regulate the impact of the plumbing work on Hunter Water's systems.

Because of this, it is important that the role of Hunter Water is clarified, should a customer's water or wastewater system impact adversely on its water, wastewater or stormwater systems. The change in the regulatory environment will also mean that Hunter Water no longer issues approvals to plumbers to carry out works. This removes the current opportunity for Hunter Water to asses new connections for impact on its water and wastewater systems.

These are potentially a significant issue. To ensure the Contract adequately provides Hunter Water with coverage for this regulatory operating environment change, a number of additions have been made in the proposed Customer Contract. These include additional circumstances in which Hunter Water may restrict or disconnect a customer (6.2 Disconnection or restriction for other reasons), and additional wording to parts of Section 8 - Responsibilities for maintenance and repair clauses.

A new clause (8.11 Connections to services) has been added to allow Hunter Water to establish its own connection requirements. This will allow Hunter Water to assess new connections and ensure that there is capacity in water and sewer networks to provide for new connections or establish hydraulic conditions that do not adversely impact on the networks. This is necessary because, as mentioned above, the new plumbing regulatory system will not asses the capacity of Hunter Water's system to provide service when authorising and approving new plumbing work.

Implications of the Water Industry Competition Act 2006 (WICA) on the Customer

The introduction of the WICA has impacted on Hunter Water's operating environment, and Hunter Water proposes to amend the Customer Contract to clarify that customers supplied by a third party, licensed under the WICA, are not covered by the Customer Contract for the services provided by that third party.

Amendments have also been made to provide information on termination of the Customer Contract if a customer decides to transfer to a supplier licensed under the WICA. These provisions reference the Transfer Code of Conduct being developed by the NSW Office of Water.

Other changes to Hunter Water's operating environment

Other areas that have evolved in Hunter Water's operating environment since the Customer Contract was last reviewed include increased recycled water connections and use of alternative water sources.

The draft Contract accompanying this submission includes additional information about the supply of recycled water (clause 3.1.4), specifically recycled water quality. Where relevant, other

clauses note if there is a different application or interpretation of the clause as it applies to recycled water.

Hunter Water has also proposed additional detail to be incorporated into 4.8.2 - Wastewater usage charges to allow for appropriate discharge factors to be applied for non-residential customers where significant wastewater discharge volumes originate from sources other than metered water supply or metered recycled water supply, such as large rainwater tanks. This provision aims to address situations where non-metered sources are ultimately discharged to sewer but not billed through non-residential sewer usage charges, which are based on metered water, or recycled water, supply.

Addressing ambiguity throughout the contract

Throughout the existing Customer Contract there are clauses with ambiguous wording that have become apparent over the seven years that the contract has been in force.

While it is necessary for the contract to be worded in such a way that allows a degree of openness and flexibility, the existing wording has been, on occasions, the cause of confusion for customers and consequential issues for Hunter Water case management and maintenance teams. Examples of ambiguous wording are the use of 'may' and 'will' regarding to Hunter Water's repair responsibility, account relief and redress, and lack of clarity about Hunter Water and customer responsibilities in matters such as property restorations as discussed above.

Submission of proposed Customer Contract

Hunter Water now submits its proposed Customer Contract to IPART for consideration.

Hunter Water welcomes the opportunity to discuss the proposed changes with IPART and other stakeholder groups if further detail is required beyond what is covered in this submission paper. It is Hunter Water's understanding that this proposed Customer Contract will be reviewed by IPART, who will then issue a final version which is to be made available to customers six months prior to becoming effective, or a shorter period as approved by the Minister.

As previous discussed with IPART, Hunter Water has prepared the contract with a view to it becoming effective from 1 July 2011.

References

The following documents and websites were referenced during the review of the Hunter Water customer contact.

Australian Survey Research Pty Ltd, 2010, Hunter Water: water interruptions and rebates survey report, Melbourne, May

City West Water (Vic), 2009, Customer Charter, viewed May 2010, http://www.citywestwater.com.au

Essential Service Commission (Vic), 2005, Customer Services Code. Metropolitan Retail and Regional Water Businesses, as amended June 2009, Melbourne

Hunter Water Corporation, 2003, Customer Contract, Newcastle, September

Hunter Water Corporation, 2007, Hunter Water Corporation. Operating Licence. 2007-2012, Newcastle, July

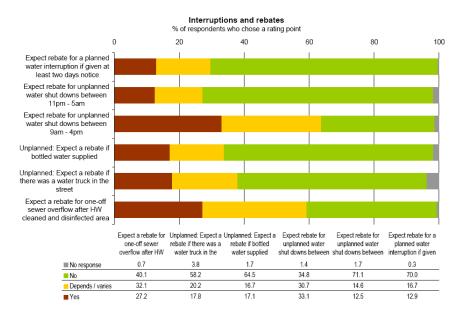
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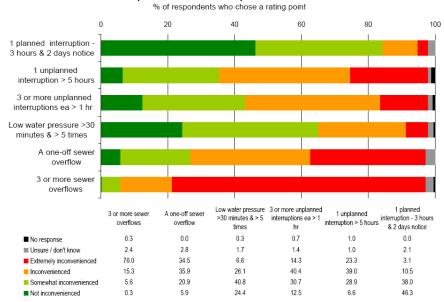
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Appendix A Customer Panel Survey Findings

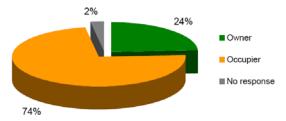


Various interruptions within 12 month period and level of inconvenience



Who should receive rebate for rental properties

% of respondents who chose an answer



Source: Australian Survey Research Pty Ltd Hunter Water: water interruptions and rebates survey report



Hunter Water Customer Contract

Proposed changes August 2010

Foreword

Hunter Water provides drinking water, wastewater services and some stormwater services to over half a million people in the lower Hunter region.

For Hunter Water, providing excellent service is as important as our other key objectives of protecting the environment, protecting public health and operating as a successful business.

This Customer Contract outlines your rights and obligations as a user of Hunter Water services and sets out the minimum standards of customer service that you can expect.

For more information about Hunter Water and the services we provide visit www.hunterwater.com.au or call us on 1300 657 657.

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1 Introduction

1.1 Words used in this contract

Some of the words used in this contract have a special meaning. The meanings are set out in the Definitions in clause 15 at the end of this contract.

1.2 Understanding the contract

There are a number of provisions in clause15 at the end of this contract that may assist you in interpreting the contract.

2 What is a Customer Contract and who is covered by it?

2.1 What is a Customer Contract?

This contract is between us, Hunter Water and you, the customer.

This contract provides the terms under which we provide, where available, water supply, recycled water supply, wastewater, trade wastewater and stormwater drainage services to you. The contract also sets out rights and obligations including your rights in any dispute with us.

This contract is a legally enforceable document and is a requirement of the Act. It forms Schedule 2 of Hunter Water's Operating Licence.

This contract is summarised in a separate document called the Customer Contract Summary. Copies of this pamphlet are available on our website or by contacting us on 1300 657 657.

2.2 Who is covered by this contract?

You are our customer and you are covered by relevant clauses of this contract if:

- a) You are the owner of property within our area of operations that is connected to a water main or wastewater system owned by us, and that connection has been authorised or approved by us, or where it is subject to a separate agreement; and/or
- b) You receive water and/or wastewater services from us; and/or
- c) You are the owner of property within a Hunter Water recycled water area and receive recycled water from us; and/or
- d) You are the owner of property that is within a declared stormwater drainage area; and/or
- e) you are liable to pay us an environmental improvement charge and we have not exempted you from that charge.

2.3 Other agreements with us

If you have a separate agreement with us (for example a non-standard water or wastewater agreement, a trade waste agreement or permit, recycled water agreement or stormwater harvesting agreement), the terms of this contract will apply unless they directly contradict the terms outlined in the separate agreement.

We may enter a separate agreement with you for the provision of different levels of service where possible. Before entering a separate agreement with you, we will provide you with an estimate of the costs to supply you with the service requested and advise you if the service that we have agreed to provide is below the standards set out in this contract.

2.4 When does this Customer Contract commence?

This contract commences on 1 July 2011, or on the date when water supply and/or wastewater services are connected to your premises, or the account is transferred to you, or you are transferred to Hunter Water from a supplier licensed under the *Water Industry Competition Act 2006*, whichever is sooner. You do not need to sign this contract for it to be valid.

On its commencement this contract replaces any previous Customer Contract between you and us unless the other separate agreements listed in clause 2.3 are in place.

Any rights and liabilities that have accrued under any previous contract with us are not affected by the commencement of this contract.

3 What services does Hunter Water provide?

3.1 Water supply services

3.1.1 Supply of drinking water

We will supply you with drinking water to meet your reasonable needs except:

- in the case of planned or unplanned interruptions, under clauses 3.4.1 and 3.4.2;
- in the case of drought or major operational difficulty under clause 3.4.3;
- where we are entitled to restrict or discontinue supply under clause 6; or
- in the case of events beyond our reasonable control.

If you experience unplanned interruptions at your property due to the failure of our water supply system, we will ensure that any rebates due under clause 7.2 are paid.

If you are heavily dependent on a continuous supply of water it may be in your interests to consider contingency arrangements in the event of an interruption to the water supply. Any such arrangements would be at your cost.

3.1.2 Drinking water quality

The drinking water we supply will comply with the health, taste and odour related guidelines provided in the *Australian Drinking Water Guidelines* 2004 as specified by NSW Health and any other taste and odour related guidelines, as required by the Operating Licence.

3.1.3 Drinking water pressure

We will use our best endeavours to ensure that the drinking water we supply to your property is at a minimum pressure of 20 metres of head at the point of connection to our main, as required by our Operating Licence.

If you report a water pressure problem due to the failure of our water supply system and we confirm the event, we will ensure that any rebates due under clause 7.2 are paid.

3.1.4 Supply of recycled water

We may supply you with recycled water if your property is within a Hunter Water recycled water area or you have entered a separate agreement with us.

We will supply these customers with recycled water to meet their reasonable needs except:

- in the case of planned or unplanned interruptions, under clauses 3.4.1 and 3.4.2;
- in the case of major operational difficulty under clause 3.4.3.2;
- where we are entitled to restrict or discontinue supply under clause 6; or
- in the case of events beyond our reasonable control.

If you are supplied with recycled water, we will give you information on the standard requirements for its safe use at the time we commence supply to you. We are not responsible for your use of recycled water contrary to the information we provide.

Within Hunter Water recycled water areas, the recycled water system and the recycled water we supply to you as customer will comply with the *Australian Guidelines for Water Recycling 2006 (Phase 1 Managing Health & Environmental Risks) National Water Quality Management Strategy* or as approved by NSW Health.

Outside recycled water areas, the quality of recycled water that we supply to you will be specified in an agreement with you.

3.1.5 Health or special needs

If you require a water supply to operate a life support machine or for other special health needs you must notify us. We will include you on our list of critical customers and ensure all practical steps are taken to provide a water supply to meet your reasonable health needs. However, disruptions to your water supply may not always be preventable, so you should be ready to make alternative arrangements if necessary.

Listed people will receive advance notification of any planned interruption to the water supply service under clause 3.4.2. In addition, we will contact you as soon as possible in the event of any unplanned interruption.

You may also be eligible for a free water allowance of up to 250kL per annum.

3.2 Wastewater services

3.2.1 Supply of wastewater service

If your property is connected to our wastewater system, we will supply you with wastewater services to meet your reasonable needs for the discharge of residential sewage except:

- where we are entitled to discontinue supply under clause 6; or
- in the case of planned interruptions and unplanned interruptions, under clauses 3.4.1 and 3.4.2;
- in the case of events beyond our reasonable control.

3.2.2 Wastewater overflow

We will make every reasonable effort to minimise the incidence of wastewater overflows on your property due to a failure of our wastewater system.

If there is a wastewater overflow on your property due to the failure of our wastewater system, we will:

- Respond promptly;
- Minimise inconvenience and damage to you by ensuring the overflow is contained as soon as possible;
- Clean up the affected area as quickly as possible at our cost and in such a manner to minimise the risk to human health; and

• Issue any rebates due to you under clause 7.2 and/or forms of redress under clause 7.3.

3.2.3 Blockage of your wastewater system

If a blockage occurs and you suspect that it is a blockage in our system, you should notify us.

If the blockage occurs in our wastewater system we will clear the blockage at our cost. However, you may be liable to pay to the extent you have contributed to the blockage.

If the blockage occurs in your wastewater system, you are responsible for arranging the blockage to be cleared by a licensed plumber at your cost.

3.2.4 Trade wastewater

You may discharge trade wastewater into our wastewater system only if you have obtained our prior written permission and entered into an agreement with us.

We will give you our prior written permission and enter into an agreement with you only if we are able to accept, transport and process trade wastewater that you discharge in full compliance with applicable safety and environmental laws, the Operating Licence and the Act.

You can contact us to obtain further information on the guidelines and standards for obtaining a trade wastewater agreement.

3.2.5 Wastewater mining and stormwater harvesting

You may extract wastewater from our wastewater system or stormwater from our stormwater system only if you have obtained our prior written permission and entered into an agreement with us. You may also require approval from other authorities.

You may contact us on 1300 657 657 for further information.

3.3 Stormwater drainage services

We provide a service to all properties within declared Hunter Water stormwater drainage areas for the transport of stormwater through the trunk stormwater drainage systems under our control.

If your property is within a declared stormwater drainage area we will charge you the charges for this service set by the Independent Pricing and Regulatory Tribunal of NSW (IPART).

Maps are available from us for inspection to assist in determining whether your land is within a declared stormwater drainage area.

3.4 Factors affecting service

3.4.1 Unplanned interruptions

If there is an unplanned interruption to your water supply service or wastewater service, we will use our reasonable endeavours to minimise the inconvenience to you by:

- restoring the service as quickly as possible;
- providing as much information as practicable on a 24 hour emergency telephone service on 1300 657 000. This telephone service will advise you how long the interruption is likely to last, based on the best information available at the time;
- providing access to emergency supplies of water and/or toilet facilities where reasonably practicable and necessary having regard to the particular circumstances. Where emergency supplies of water and/or toilet facilities are available, you can obtain information on how to obtain them from the 24 hour emergency telephone service.

3.4.2 Planned interruptions

We may need to arrange planned interruptions to your water supply services and wastewater services to allow for planned or regular maintenance of our wastewater system or water system.

We will inform you in writing, of the expected time and duration of any planned interruption, at least two days in advance if you are a residential customer, and seven days in advance if you are a non-residential customer unless you agree to another period.

We will attempt to reinstate your water or wastewater service within five hours in one continuous period.

3.4.3 Water restrictions

3.4.3.1 *Drought*

In accordance with the Operating Licence, with the Minister's approval, we may place restrictions on the use of water we supply to you during or on the approach of a drought. You must comply with our supply conditions during this time.

We will publish, in major newspapers throughout our area of operation and on our website, our drought supply conditions. These may include:

- restrictions on the use of water, including the purpose for which water may be used; and
- a variation of charges consistent with the Act and Operating Licence; and
- other conditions that we consider appropriate, including the purposes for which water can be used, the times when water can be used, the quantities of water that can be used, and the means or methods of use of water.

We will also make every reasonable effort to notify you in your next account of drought supply conditions, where applicable.

3.4.3.2 Major operational difficulty

In accordance with the Operating Licence, with the Minister's approval, we may need to shut down a water supply source in the event that a major operational difficulty occurs. If customer demands for water are high at the time of such an event, we may interrupt the supply, or place restrictions on the use of our water supply services to you until such time as the operational difficulty is over.

Where practicable, we will publish, in major newspapers throughout our area of operations and on our website, our supply/use conditions under these circumstances. These may include:

- restrictions on the use of water, including the purpose for which water may be used, and
- other conditions that we consider appropriate, including the purposes for which water can be used, the times when water can be used, the quantities of water that can be used, and the means or methods of use of water

4 What you pay

4.1 Responsibility to pay the account

If you are the account holder, you are responsible for the account and must pay us the amount of your account by the date specified, unless you have made other payment arrangements with us.

4.2 Publication of charges

We will publish, and provide you up to date information on our charging policies, current charges and concessions. This information will be provided to you on request free of charge, and in languages other than English.

4.3 Concessions

If you hold one of the recognised pensioner concession cards and are the account holder, you may be eligible for a government funded pension concession.

You must apply to us for the concession. To obtain information about your eligibility for a concession on your water account, please contact us on 1300 657 657 to lodge an application.

If you are eligible for a concession, we will ensure that it is applied to the full billing cycle in which is was requested.

Please advise us on 1300 657 657 if your eligibility for a recognised concession card changes.

From time to time, we may confirm your eligibility for concessions with relevant Australian and New South Wales government agencies administering concession eligibility. At all times your privacy will be protected and any confirmation of eligibility will be carried out in accordance with the requirements of the *Privacy and Personal Information Act 1998*.

4.4 Your account

4.4.1 When will your account be sent

We will issue you an account for the services that we provide. Residential account holders will be sent an account every four months. If we intend to change the billing frequency, we will give you at least four months notice.

Non-residential customers with high water usage and/or wastewater disposal may be sent an account on a monthly basis.

We will provide you the owner with a printed statement of all outstanding amounts for the previous 12 months at any time on request, free of charge.

4.4.2 What information is on your account

We will ensure that your account contains details of:

the account period to which it applies;

- the most recent meter reading;
- the total amount due;
- the usage and service fees;
- other fees and charges payable;
- the date payment is due;
- your postal address and account number;
- the address of the property at which the charges in the account have been incurred;
- options for the method of payment;
- a comparison of your water usage, where available;
- contact telephone numbers for account enquiries and emergency services;
- how to get information on payment assistance options;
- information in community languages about the availability of interpreter services and the phone number for these services.

4.4.3 How accounts are sent

We will send your account to the postal address you nominate.

If you do not nominate a postal address, the account will be sent to:

- the property to which the services are available or provided; or
- your last known postal address.

Your account will be considered delivered to you if it is sent to one of these addresses. Please advise us if you move or your postal address changes.

We may offer other methods of providing you with your account (such as e-billing) during the term of this contract.

4.4.4 How payment can be made

We will provide a range of payment options including by internet, direct debit, phone, mail or in person at an agency representing Hunter Water.

We may offer additional payment methods during the term of this contract. Current payment methods are shown on your latest account and can be found on our website at *www.hunterwater.com.au* or obtained by contacting us on 1300 657 657.

4.4.5 Overdue account balances

We may at our discretion charge you interest on overdue account balances at the rate applicable on the first business day of the preceding July under the *Civil Procedure Act 2005 (NSW)*, or other applicable fees. The interest will accrue on a daily basis commencing on the due date until you have paid the amount that is overdue.

We will also charge account holders costs and fees that we incur in recovering (or attempting to recover) an overdue amount.

4.5 Undercharging

If your account is less than what you are required to pay us (that is, we have undercharged you) as a result of our error, we may at our discretion adjust your next account to include and charge to you the amount (or amounts) by which you were previously undercharged.

If the undercharging is due to you providing false information or there has been an unauthorised connection or you have breached this contract or Act, you must pay the correct amount on request.

4.6 Overcharging

If your account is greater than what you are required to pay us (that is, we have overcharged you) due to our error, we will apply a credit to your next account after we become aware of the error.

4.7 Account disputes

If you do not consider that the charges on your account are correct, you must contact us on 1300 657 657. In some cases, we may at our discretion require you to provide evidence to support your claim.

If there is an unresolved dispute concerning an amount of money to be paid by you, we will not seek from you the amount that is in dispute until the dispute has been resolved. (Refer to section 12.3 for when a dispute is considered resolved.)

You are obliged to pay the undisputed amount by the due date shown on your account.

4.8 How prices are determined

4.8.1 Notification of price variations

We will set and vary charges from time to time, but only in accordance with our Operating Licence, the Act and the maximum prices and methodologies determined by IPART.

We will publish any variations to our charges and provide details with your account. The variation will commence on:

- the first day of the next billing cycle; or
- any other date we nominate after we have published the change; or
- a commencement date determined by IPART.

When the date for commencement of a variation occurs part way through your billing period we will apply the variation of charges on a daily "pro-rata" basis.

4.8.2 Wastewater usage charge

The wastewater usage charge applies to non-residential customers only. We will determine a wastewater discharge factor that is used to calculate wastewater service and usage charges.

At your request, we may adjust the determined wastewater discharge factor for your property if you provide verifiable evidence that the wastewater discharge from your property differs from the wastewater discharge factor we have determined.

Where significant wastewater discharge volumes from your property originate from sources other than metered water supply or metered recycled water supply (for example, from rainwater or other on-site sources, tankered water or effluent etc), we may at our discretion apply an additional discharge factor or require the wastewater discharge to be metered by a meter approved by us. The supply and installation of the approved wastewater meter will be at your cost

Where a discharge factor is varied, the revised charge will apply from the beginning of the next billing period. We will notify you of any change to your discharge factor.

4.9 Other costs and charges

4.9.1 Dishonoured or declined payments

If payment of your account is dishonoured or declined, we will charge you the relevant administrative fee set by IPART.

4.9.2 Costs for installing and connecting services

You must pay the installation costs of a connection and the construction of any necessary works from your property to our water system, wastewater system, and/or stormwater system.

Connection to our water system, wastewater system and/or stormwater system must be approved by us and comply with the conditions we set to ensure the safe and reliable supply of services. The connection must be undertaken by a licensed plumber and in accordance with relevant plumbing codes, regulations and standards and our published connection requirements.

4.9.3 Charges for other matters

We may charge you a fee for any other services you request from us. You should contact us for further details of any ancillary service charges.

We may also charge you other fees, charges and amounts where we are entitled to do so under the Act.

5 What can I do if I am unable to pay my account?

5.1 Payment difficulties and account relief

If you are experiencing financial hardship you should contact us and we will provide you with information about schemes available to assist you. All reasonable effort will be taken by us to provide assistance to you.

If you are experiencing financial hardship, you have a right to:

- Be treated sensitively on a case by case basis, by us
- Receive information from us on alternative payment arrangements
- A deferral of payment for a short period of time
- Negotiate an amount you can afford to pay us on an agreed instalment plan. If you are a non-residential customer these arrangements will be based on reasonable commercial considerations and market conditions
- Access to a language interpreter, if required, at no cost to you

Additionally, if you are a residential customer experiencing financial hardship, you will be offered programs that may assist you including:

- Information from us about an accredited welfare agency for payment assistance, such as payment assistance scheme vouchers
- Information on appropriate government concessions
- Other programs which may assist you, such as no interest loan schemes and water conservation programs

If you enter into a payment plan arrangement with us, we will:

- Enable you to make payments by instalments
- Inform you of the period of the payment plan and the amount and frequency of each instalment
- Provide for instalments to be calculated having regard for your consumption needs, your capacity to pay and the amount of any arrears you are required to pay
- Provide you with procedures that are fair and reasonable for dealing with financial difficulty.

If you are experiencing financial hardship and have entered into, or are in the process of negotiating a payment arrangement with us and honour that arrangement, we will:

- Not take any legal action to enforce the debt or disconnection or restriction of the supply of water to your property
- Waive interest on the overdue amount for the period of the arrangement

6 Restriction or disconnection of water and wastewater services

6.1 Restriction or disconnection of supply for non-payment

Please refer to clause 5.1 if you are unable to pay your account. We will make all reasonable efforts to help you pay your water account. However if you have not paid the account by the due date and have not made alternative payment arrangement with us, we may at our discretion restrict or disconnect your water supply, or take legal action in order to recover the debt.

You are likely to face additional costs if we proceed to disconnect or restrict your water supply, or if legal action is taken.

Our Code of Practice and Procedure on Debt and Disconnection is available on our website at *www.hunterwater.com.au*, by contacting us on 1300 657 657.

6.2 Notice of disconnection or restriction of supply of water

If you fail to pay your account by the due date we will send you a reminder notice.

The reminder notice will:

- state that payment is immediately due;
- advise you to contact us if you are having difficulty making payment; and
- provide you with alternative payment options available

If you fail to comply with the reminder notice, we will take further action to recover your payment, which may lead to the restriction or disconnection of your supply and/or legal action.

Full details of the steps that we will take before we restrict or disconnect your supply can be found in our Code of Practice and Procedure on Debt and Disconnection.

We will provide you with information on our Code of Practice and Procedure on Debt and Disconnection at least once a year and will advise you if we make changes to the Code.

Written notices referred to in this clause will be sent to you in the same manner in which accounts are sent to you under clause 4.4.3 of this contract. If we intend to restrict or disconnect a tenanted property notice will be sent to the property address as well as the postal address for the account before we restrict or disconnect supply.

6.3 Disconnection or restriction for other reasons

We may also disconnect or restrict the supply of services to your property in the following circumstances:

- if your water system or your wastewater system has not been authorised or does not comply with applicable codes, regulations and standards or our connection requirements;
- you fail to rectify a defective water or wastewater system as if requested by us in accordance with clause 8.5 of this contract;

- you breach this contract, the Act or other agreement with us, concerning the
 use or taking of water or the discharge of wastewater or stormwater, or
 access onto your property;
- you discharge trade wastewater into our wastewater system without a trade waste agreement with us or do not comply with the conditions of the trade waste agreement;
- if a serious health, environmental or operational risk is posed by the discharge of chemicals or other substances into our wastewater system;
- if a serious health or environmental risk is posed by backflow of any substance from your water supply system into our water supply system;
- if you have not correctly installed and maintained a backflow prevention device prior to being connected to our water system or have failed to provide a test report by the due date;
- you use your recycled water in a manner inconsistent with its intended purpose or in a manner contrary to the information we provide about the safe use of recycled water;
- where we are entitled or required to restrict or to discontinue supply by direction of the Minister or under an applicable law.

6.4 Restriction and legal action

We will not restrict your water supply or commence legal action:

- Without explaining alternative payment options
- If there is an unresolved dispute as to the amount owing (for when a dispute is deemed to be resolved for this purpose please see clause 12.3)
- If you are in proven financial hardship
- If you have entered into a payment arrangement with us and are complying with it

We will not restrict your water supply:

- If you need water for a life support machine or other special needs
- On a Friday, weekend or on a public holiday or the day before, or after 2 pm on a weekday
- Without giving a least two days notice of our intention to restrict your water supply
- Without giving reasonable notice to the occupier of the property that we intend to restrict the supply
- Without advising the occupier that in some circumstances the Act permits a tenant to pay outstanding charges and deduct them from rents otherwise payable
- Provide the occupier reasonable opportunity to pay the account
- If a related complaint is being considered for resolution by Hunter Water or EWON, or by legal proceedings.

6.5 Minimum flow rate during restriction

If we restrict the supply of water to you, we will provide a reasonable flow for health and hygiene purposes. If you believe that the restriction will cause a health hazard you should contact us.

6.6 Disconnection by a customer

You may disconnect your property from our water system or wastewater system provided that:

- you have complied with all applicable health, environmental and local council regulatory requirements;
- you have given us all information we may reasonably require;
- you or your contractor have given us two business days notice of the disconnection from either system, paid the relevant fees, booked an inspection of the work and returned any of our property to us (i.e. the water meter); and
- the disconnection is undertaken by a licensed plumber or drainer and conducted in accordance with plumbing, drainage or other regulations or standards that apply.

We will continue to charge you a water and/or wastewater service availability charge, even if you are not using the service, until the disconnection(s) from supply have been confirmed and/or any of our property is returned to us.

6.7 Restoration of services after restriction or disconnection

When the reason for the disconnection or restriction of water and/or wastewater services no longer exists or if there is mutual agreement to restore supply, we will restore:

- your water supply on the same day, if you pay or we agree to other arrangements before 2pm on any business day;
- your water supply on the next business day if you pay or we agree to other arrangements after 2pm;
- your wastewater service within 24 hours if you pay or we agree to other arrangements.

You will be required to pay a reconnection fee for the water supply and/or wastewater services to be restored to your property. When the conditions for restoration are met after 2 pm, we may restore water supply on the same day but you will be required to pay an after-hours reconnection fee. The standard and the after-hours reconnection fees will be in accordance with those set by IPART.

7 Redress

7.1 Notification

If you notify us of a failure by us to comply with this contract or our activities result in inconvenience, damage or loss to you or your property we will investigate the matter and promptly advise you of:

- your right to a rebate under clause 7.2;
- redress options available under clause 7.3;
- how we may rectify your problem; and
- how to seek compensation from us under clause 7.4.

7.2 Rebates

We will provide a rebate to you, for an occurrence of the following:

Service interruption

When you experience an unplanned water service interruption for over 5 hours between 5:00am and 11:00pm due to a failure of our water system and no alternative water supply is provided, you are entitled to an automatic rebate of 15 kilolitres to be applied to the water usage component of your next bill. You will be eligible for this rebate for the first and second event that you experience in a financial year.

Where you experience three or more unplanned water interruptions between 5:00am and 11:00pm in a financial year, each exceeding 1 hour in duration, due to a failure of our water system, and we have not provided you the notice required under clause 3.4.1, you are entitled to an automatic rebate of 15 kilolitres to be applied to the water usage component of your next bill.

Low water pressure

Where your water pressure is below 15 metres head at the point of connection to our water system for more than 30 minutes on more than five occasions in a financial year due to a failure of our water supply system, you have reported the problem by calling 1300 657 000, and we have confirmed each event, you are entitled to a rebate of 15 kilolitres to be applied to the water usage component of your next bill.

Wastewater overflow

If you report and we confirm a one-off dry-weather wastewater overflow on your property due to a failure of our wastewater system (not including shaft breaks), you are entitled to an automatic rebate of 30 kilolitres to be applied to the water usage component of your next bill.

If you experience three or more dry weather wastewater overflows on your property in a financial year due to a failure of our wastewater system (not including shaft breaks), you are entitled to an automatic rebate of 120 kilolitres to be applied to the water usage component of your next bill.

Dirty Water

If you are not provided with clean water suitable for normal domestic purposes, you should contact us on 1300 657 000.

We may at our discretion provide compensation for damage caused by dirty water (see clause 7.4) and we may refund you the cost of water used to flush your water system.

We will undertake an investigation of recurrent dirty water problems to derive a long term solution.

Boil Water Alert

If NSW Health issues a 'boil water alert' due to contamination of drinking water caused by us, you are entitled to a rebate of 15 kilolitres to be applied to the water usage component of your next bill, if your property is within the declared alert area.

We will pay the rebate in your next account where possible.

7.3 Forms of redress

In addition to our obligation to pay a rebate under clause 7.2, we may provide one or more of the following forms of redress:

- reinstatement;
- repair:
- rectification:
- construction of works:
- providing alternative supplies of water;
- emergency accommodation;
- payment for damages as set out in clause 7.4.

If you are unsatisfied with the form of redress we provide you, you may request additional redress from us. We will consider your request in accordance with the timeframes in clause 12.1 as if your request were a complaint.

7.4 Claim for damages

In the event of physical loss or damage to you or your property as a result of our activities or our failure to comply with this contract, the Operating Licence or Act, we may at our discretion compensate you for any loss suffered, following our investigation of the matter.

You should make your initial claim to your insurance company. If your loss is not covered by an insurance policy you may notify us for consideration.

If you make a claim for damages you must specify the nature of the problem and the type of compensation sought. We may also request for you relevant documentation and evidence in support of your claim for damages.

We will attempt to advise you within five working days of receiving your claim of:

- how we or our insurers will investigate the claim;
- a proposed response time for a representative of us or our insurers to visit your property (if required) and to make a decision;
- the name and contact details of the representative of our insurers or us who is able to advise you of the progress of your claim.

You will be provided with a written assessment of your claim, within the time indicated. This will outline the reasons for the decision and the type of compensation to be provided, if any.

If you are not satisfied with our decision, you have the right to seek review of your claim under clause 12.2 or you may seek an external review under clause 12.4.

7.5 Limitation of liability

The only promises we make about the goods and services we provide under this contract, and the only conditions and warranties included in this contract are:

- those set out in this document; and
- those that the law (for example, the *Trade Practices Act 1974*) say are included.

However, where we are liable to you because of a breach of a condition or warranty that the law says is included in this contract, our liability is to the extent permitted by law, limited to:

- replacing the goods and services to which the breach relates; or
- at our option, paying you the cost of replacing those goods, or having the services supplied again.

The limitation of our liability does not affect rights you have under a law that applies to us that says we cannot exclude or limit our liability.

8 Responsibilities for maintenance and repair

8.1 Your water system

If you are a property owner, you own and are responsible for maintaining and repairing all of the pipes and fittings between our water system and the buildings and/or taps on your property. This is referred to as your water system. (See diagram in Section 15 – Definitions and interpretation)

As a property owner, you are responsible for any damage caused by a failure of your water system.

We will maintain and repair the water system up to and including the water meter unless the water meter is more than one metre along the pipe inside your property, in which case we will provide this service up to one metre along the pipe inside the property boundary.

If there is no water meter, we will maintain and repair the water system up to one metre along the pipe within your property boundary closest to our water main. Your property includes any easement within which your meter or private service may be situated.

We do not maintain or repair:

- main to meter services greater than 40 millimetres diameter and/or that are designed and installed to meet a customer's supply requirements
- illegal services and water services installed contrary to appropriate codes, regulations and standards or our connection requirements
- dedicated fire services or combined fire and domestic water services connected to our water mains
- backflow prevention devices
- water services connecting to privately-owned water mains such as in some Community Title subdivisions or shared private services
- private water services connecting to our water mains under the terms of a 'Non-standard Agreement'
- faults resulting from wilful or negligent damage.

You are also responsible for rectification and repairing any illegal services installed contrary to appropriate codes, regulations and standards or our connection requirements.

We will also not meet the costs of installing new private services or modifying, upsizing or relocating existing private systems.

We are not responsible for:

- installing, modification, disconnection or disposal of water connections between our water main and the meter, and
- installing, maintaining, repairing or annual testing of backflow prevention containment devices on properties, except where the device is integrated into the water meter supplied and owned by Hunter Water.

Please contract Hunter Water on 1300 657 657 if you have any questions about the repair and maintenance responsibilities for your water system.

8.2 Your wastewater system

You are responsible for maintaining and repairing all wastewater pipes and fittings within your property up to and including the point of connection with our wastewater system. This is referred to as your wastewater system. (See diagrams in clause 15 – Definitions and interpretation)

It is possible that the point of connection with our wastewater system is outside your property. If you do not know where the point of connection is, you should contact us on 1300 657 657.

We do not maintain or repair:

- wastewater services connecting to privately owned wastewater mains such as in some Community Title subdivisions or shared private services;
- Private wastewater services connecting to our wastewater system under the terms of a 'Non-standard Agreement'.
- faults caused by wilful or negligent damage.

You are also responsible for rectification and repairing any illegal services installed contrary to appropriate codes, regulations and standards or our connection requirements.

We will also not meet the costs of installing new private services or modifying, upsizing or relocating existing private services.

Please contract Hunter Water on 1300 657 657 if you have any questions about the repair and maintenance responsibilities for your wastewater system.

8.3 Pressure wastewater system connections

If your property requires a pressure wastewater system, you may be connected to either a common effluent pumping (CEP) system or a low pressure sewer system (LPSS), also known as a grinder system.

If you are connected to a pressure wastewater system, we will repair and maintain up to and including the boundary kit, however repair and maintenance responsibilities may vary between the different systems listed above. We encourage you to contact Hunter Water on 1300 657 657 to confirm your system maintenance responsibilities.

Please also refer to Figure 2 in the Definitions and Interpretations section at the back of this Contract for clarification.

You are also responsible for any local government authority on-site permit or inspection fees relating to the tank and system.

8.4 Non-standard wastewater system connections

If your property has a non-standard wastewater system connection we will repair and maintain the system up to the point of connection with our sewer main, which may be outside the property boundary. If you are connected to a non-standard wastewater system you will hold a non-standard agreement with us, which will detail yours and our maintenance responsibilities.

If you have questions about your non-standard wastewater system connection, you are encouraged to contact Hunter Water on 1300 657 657.

8.5 Private joint water systems or private joint wastewater systems

If you share a private joint water system or a private joint wastewater system you are responsible for the cost of its maintenance. The apportionment of costs incurred in its maintenance is a matter between you and others who share it.

8.6 Stormwater connections, coverings and bridges

You are responsible for the maintenance of any connections between your property and our stormwater channel, pipe or culvert, regardless of land ownership.

We are not responsible for the maintenance of any coverings, bridges or similar structures within your property that cover or cross our stormwater channels, pipes or culverts unless they are owned by us.

8.7 Conserving water

You may install water efficient plumbing fixtures, appliances and equipment as recommended under the Water Efficiency and Labelling and Standards Scheme.

You may install water saving devices, for example:

- that collects and uses rainwater for your own use. Provided that the water tanks are not directly connected to our water system in any way, you do not need to meet any of our requirements. However, if the water tank is to be directly connected to our water system, you will be required to install the appropriate backflow prevention device as specified in Australian Standard 3500. This is to avoid the risk of backflow contamination of our drinking water supply.
- a composting toilet that does not require connection to our water system or our wastewater system.

For non-residential properties, where rainwater tanks with a volume exceeding 20,000 litres are installed to supply plumbing facilities connected to our wastewater system (for example, where rainwater is used for toilet flushing, laundry supply, floor wash down etc), we may require wastewater discharge to be metered or may impose an additional discharge factor as set out in clause 4.8.2.

Health, environmental and local council requirements must be complied with when installing water saving devices and approval may be required from your local council. If you need to obtain details of our requirements, you should contact us on 1300 657 657.

On request, we will provide you information on how to conserve water. You can also refer to our website at www.hunterwater.com.au for information and resources on conserving water.

8.8 Defective or unauthorised work

If we become aware that any part of your water, wastewater, recycled water or stormwater system is defective or unauthorised and impacts or poses a risk to the operation of our water, wastewater or stormwater system, we will request the defect to be fixed within a reasonable time.

If you do not comply with the notice, we may at our discretion restrict your water or recycled water supply or disconnect your wastewater connection until it is fixed. We may also remedy the defective or unauthorised work and you will be charged the reasonable costs incurred by us in undertaking this work.

If you are experiencing financial hardship and are unable to pay for such work, you should contact us and we will provide you with information about schemes available to assist you. All reasonable effort will be taken by us to provide assistance to you.

8.9 Giving notice of system failures

You should inform us if you become aware of any failure of our water system, wastewater system or stormwater system. If you notify us of an interruption to your supply or a burst or leak in our system, a disruption to the wastewater drainage from your property or an overflow or leakage from our system, we will ensure that the problem is attended to as soon as practicable.

8.10 Building landscaping and other construction work

You must not undertake building, landscaping or other construction work that is over, or adjacent to, our water, wastewater or stormwater system and which may damage, interfere with or obstruct access to our systems without first obtaining our consent.

Approvals for building, landscaping or other construction work that involves building over, or adjacent to, our systems are to be requested from us in advance of any activity being undertaken on the property.

Conditions may apply to any approval for building, landscaping or other construction work that is over, or adjacent to, our water, wastewater or stormwater systems.

Failure to obtain approval or comply with the conditions of an approval will limit our obligation to reinstate building, landscaping or other construction or liability for compensation (see clause 9.4) as a result of our need to access our systems.

Properties with an existing water service must be metered during the building period. The meter must be accessible (as described in clause 10.4) at all times.

8.11 Connections to services

Connections to our water, wastewater or stormwater systems are to be made using the services of a Hunter Water accredited installer or licensed plumber and in accordance with Hunter Water's published 'Connection Requirements' and any other plumbing and drainage regulations, codes and standards that may apply.

8.12 Altering and unauthorised connection or use

You must not:

- wrongfully take, use or divert any water supplied by us; or
- wrongfully interfere with the operation of a meter or prevent a meter from registering the quantity of water supplied by us; or
- wrongfully discharge any substance into a system owned by us.

You must obtain our consent before carrying out any activity that may alter, cause destruction of, damage to, or interference with, our water, wastewater, or stormwater systems.

8.13 Removal of trees

If a tree on your property is obstructing or damaging our water system, wastewater system, or our stormwater system, or is reasonably likely to do so, we may require the removal of the tree at your cost.

We will give you 14 days notice in writing requiring you to remove the tree. You may with our consent and at your cost, take steps to eliminate the cause of damage or interference to our water system, wastewater system, or stormwater system, without removing the tree.

We may at our discretion reimburse you for reasonable expenses incurred in removing the tree if:

- you could not have reasonably known that the planting of the tree would result in the damage or interference; or
- an easement did not exist in favour of our system when the tree was planted.

If you fail to comply with the notice to remove the tree, by the specified date, then we may remove the tree and recover the costs of removal from you.

We cannot require a tree to be removed that is the subject of a protection or conservation order under the *Heritage Act 1977*, or the *National Parks and Wildlife Act 1974*, local council regulation or any applicable law.

9 Entry onto a customer's property for maintenance

9.1 Access to Hunter Water's system

You must ensure that we have safe access to your property, to:

- maintain our water, wastewater, or stormwater systems
- to ensure that this Customer Contract, the Operating Licence or the Act is being complied with
- for other purposes set out in the Act or other applicable laws
- to read a meter.

9.2 Identification

When we enter your property, our employees or contractors will carry identification that will be shown to you (or to any person present at the time of access).

9.3 Notice of access

We will give you, or the occupier of your property, two days written notice specifying the date, and approximate time of our entry onto your property, unless you agree to a shorter notice period.

We will not give you written notice in cases where:

- In our opinion entry is required urgently
- the purpose is to read, fit exchange or maintain a meter
- giving notice would defeat the purposes of entry
- we intend to conduct a water restriction investigation on your property
- we conduct a general property inspection such as meter, plumbing or a backflow device or trade wastewater inspection
- to assess the operation or condition of our systems where that inspection is not intrusive.

9.4 Impact on customer's property

If we enter your property we will ensure that we:

- cause as little disruption or inconvenience as possible;
- remove all rubbish and equipment we have brought on to the property;
- if our activities result in inconvenience, damage or loss to you or your property, we may provide redress as outlined in Section 7.)

You may be entitled to compensation under the Act for damage incurred by our entry to your property. Any entitlement to compensation will be subject to the conditions set out in clause 8.10.

10 Water meter reading, installation, testing and maintenance

10.1 Measuring water supplied

Unless we otherwise agree, a meter will measure the quantity of water that we supply you. You will be charged for the quantity of water measured by the water meter, unless the meter is faulty and we are required to adjust what we charge you under clause 10.3.

If a meter is stopped or damaged, an estimated consumption will be calculated on a basis which is representative of your consumption pattern.

Where in our opinion no satisfactory basis exists to adjust a usage charge, we will negotiate with you a mutually agreeable adjustment of charges based on an estimated reading.

When the price for water or wastewater usage is varied on a date that falls within your meter reading period, we will apply the new price on a pro rata basis.

We will attempt to provide an actual meter reading at least once every 12 months, inclusive of meter readings taken by you on our behalf.

10.2 Water meter installation and maintenance

We will supply you with a meter that complies with the relevant Australian Standard. You must not remove a water meter from your property without our consent.

We may require you to meter each individual property served by a single connection to our water system. Your plumber or designer should check our published requirements during the planning stage.

A backflow prevention device of a type approved by us may be required to be fitted to the outlet of the meter.

You are required to pay for the meter's installation and ensure that it is installed either by us or a licensed plumber. The installed meter remains our property and we will maintain it. We may charge you for the cost of replacement of the meter if it is wilfully or negligently damaged.

We may charge you an un-metered service charge, if there is no meter or other instrument measuring the supply of water to your property.

We may require that you fit a meter to your fire service. This will be a requirement under your building approval with us.

10.3 Meter testing

If you consider that the meter is not accurately recording water passing through it, you may request that we test it. We will advise you of the meter test results and make available a written report on your request.

You will be required to pay the costs of the meter test prior to the test proceeding. This cost will be refunded if the meter is shown to be inaccurate.

If the test shows that the meter is over recording in accordance with the relevant Australian Standard, we will:

- Replace the meter;
- refund any charge paid by you for the test; and
- recalculate your account on a basis that is representative of your consumption pattern.

If the test shows that the meter is under recording in accordance with the relevant Australian Standard, we will replace the meter and refund any charge paid by you for the test.

10.4 Access to the water meter

We may enter your property without notice for the purposes of reading, testing, inspecting, maintaining, and replacing the meter.

You must ensure that the meter is reasonably accessible to Hunter Water or its representatives for meter reading and meter maintenance purposes. The meter and the visible pipe connected should be clear of concrete, plants, trees bushes and other obstructions.

If you have not provided reasonable and safe access to your meter, we will bill you on an estimate of your usage and will also recover the cost of the attempted meter reading.

If you have not provided reasonable and safe access to the meter for a reading on two or more occasions, we will:

- relocate the meter: or
- seek access at a time suitable to you, which will incur an additional fee; or
- ask you to read the meter on our behalf; or
- make other arrangements with you.

If you cannot provide reasonable access for reading the meter on an ongoing basis and we cannot come to a mutually acceptable solution, we may treat your property as un-metered and may impose an imputed service and usage charge. The imposition of imputed charges does not affect our right to address meter access issues at any subsequent time.

If you intend to relocate your meter, you should engage a licensed plumber at your cost. Your plumber should check our published connection requirements before relocating the meter.

10.5 Meter replacement

We will replace the meter at no cost to you if the meter:

- is found to be defective; or
- if it can no longer be reasonably maintained; or
- is replaced as part of a meter replacement program.

If we incur additional costs to replace the meter because of actions by you (e.g. restricted access to the meter, structural work at or near the meter), we will recover those additional costs from you.

We will attempt to notify you at the time of replacement and advise you that a new meter has been installed. A mutually acceptable time will be negotiated with nonresidential customers for the replacement of meters, where practicable.

11 Who can I speak to if I have any questions or want to make enquiries?

11.1 General enquiries

If you have an enquiry relating to an account, payment options concession entitlements or other information about our services, we would encourage you to contact us as follows:

- by telephone between 8.00am and 5.00pm Monday to Friday on 1300 657 657
- by writing to us at PO Box 5171, Hunter Region Mail Centre NSW 2310
- by using the enquiries email link on our website at www.hunterwater.com.au

If we cannot resolve your enquiry immediately, we will respond to your request within three working days.

Our response will provide an explanation and the name of the contact person for follow up enquiries if you are not satisfied.

If your complaint cannot be resolved within these timeframes, our response will advise you of the name and contact number of the person who will investigate your enquiry further.

11.2 Emergency assistance

In the event of a leak, burst water main near your property a wastewater overflow, an unplanned interruption to supply, or a water quality or water pressure problem, we provide a 24 hour emergency telephone service on 1300 657 000. The emergency phone number is also listed on your account and in the telephone directory.

11.3 Interpreter and TTY services

We provide an interpreter service for people from non-English speaking backgrounds. Please call 131 450 to access these services.

Customers who are deaf or have a hearing or speech impairment can contact us through the National Relay Service (NRS):

- TTY users phone 133 677 then ask for 1300 657 657
- Speak and Listen (speech-to-speech relay) users phone 1300 555 727 then ask for 1300 657 657
- Internet relay users connect to the NRS (see www.relayservice.com.au for details) and then ask for 1300 657 657

What can I do if I am unhappy with the service provided by Hunter Water?

12.1 Customer complaints

If you have a complaint about our service or our compliance with this contract, the Act or Operating Licence you should contact us on 1300 657 657. You can also email us at *enquiries@hunterwater.com.au*, or write to us at Hunter Water, PO Box 5171 HRMC NSW 2310. If we cannot resolve your complaint immediately, we will use our best endeavours to respond and resolved your complaint within three working days.

Our response will provide reasons for our decision and the name of the contact person for follow up enquiries if you are not satisfied.

If your complaint cannot be resolved within these timeframes, our response will advise you of the name and contact number of the person who will investigate your matter further.

We will provide you with information on our internal and external complaints handling processes in a pamphlet with your bill at least once a year.

12.2 Complaints review

If you are not satisfied with the solution offered or action taken by us, you may have the complaint reviewed by a manager.

The manager will:

- clarify your complaint and the outcome sought;
- ensure that the matter has been properly investigated;
- advise you of the estimated timeframe for our proposed action;
- communicate to you our final decision;
- outline the relevant facts and regulatory requirements where appropriate;
- indicate what we will do to address the issue;
- notify you of your rights to external review, if you are still not satisfied with our decision.

12.3 When a dispute is considered resolved

Hunter Water is committed to resolving any concerns you may have with the service we provide you to a level you deem satisfactory and in a timely manner.

A dispute will be considered finalised when:

- we provide you with a substantive response that:
 - a. resolves the dispute to your satisfaction or indicates how the dispute will be resolved to your satisfaction; or

- b. provides an explanation of the relevant policy and/or regulatory requirements and why no further action is proposed in relation to the dispute; or
- c. provides a date when the issue will be resolved if the complaint relates to future planned operational or capital work;
- The dispute is resolved through an external dispute process in accordance with clause 12.4; or
- 28 working days have passed since receiving our response pursuant to clause 12.1 or 12.2 and you have not sought a further review by us or lodged a claim in an external dispute resolution forum.

We will extend the 28 working days by a reasonable period if:

- within those 28 days you have requested an extension; or
- after the 28 days you demonstrate that, because of special circumstances, you were unable to seek an extension within the 28 days.

12.4 External dispute resolution

You have the right to seek external resolution of a dispute that has not been resolved by us to your satisfaction.

12.4.1 The Energy and Water Ombudsman New South Wales

You have the right to refer a complaint or dispute arising under this contract to the Energy and Water Ombudsman NSW (EWON).

EWON is an independent dispute resolution body that can investigate and resolve many disputes you have with us under this contract.

Full details on EWON's services are available on the EWON website (www.ewon.com.au) or by calling EWON on 1800 246 545.

EWON's services are available to you at no cost.

You may choose whether or not to accept EWON's decision. If you decide to accept it, then it will be final and binding on us.

12.4.2 The Consumer, Trader and Tenancy Tribunal

The Consumer, Trader and Tenancy Tribunal may hear and determine consumer claims relating to services supplied by us under this contract.

12.4.3 Other legal avenues

You may also seek legal advice.

13 Consultation, information and privacy

13.1 Involving customers in service planning

We have an established Consultative Forum to enable community involvement on issues relevant to our programs, services and decision-making processes.

The Consultative Forum Charter explains the role and functions of the Consultative Forum. The Charter is available on our website at *www.hunterwater.com.au*, or you may contact us on 1300 657 657 to obtain a copy.

13.2 **Providing information**

We will respond in a timely and open manner to requests for information consistent with normal commercial practices and the *Freedom of Information Act* 1989 and the *Government Information (Public Access) Act* 2009.

13.3 Privacy

We will treat your personal information according to the provisions of the NSW Privacy and Personal Information Act 1998.

To the extent permitted by law, we may exchange information about your creditworthiness, credit standing, credit history or credit capacity with credit reporting agencies, other credit providers, other suppliers, or our agents, contractors and franchisees.

We may also confirm your eligibility for bill concessions and exemptions (for example, pensioner rebates) with relevant government agencies administering concession eligibility.

When does my Customer Contract with Hunter Water terminate?

14.1 Termination of this contract

This contract will terminate between us and you if you cease to be covered by this contract as described in clause 2.2.

The termination of this contract does not affect any rights or obligations of you or us that accrue prior to termination.

If this contract, or part of the contract, terminates because you, the account holder have requested that some or all of the services that we provide to your premises be transferred to a supplier licensed under the *Water Industry Competition Act 2006*, we will comply with the Transfer Code of Conduct established under that Act to affect the transfer.

14.2 Variation of this contract

We may also vary this contract as permitted by the Act.

Variations to this contract will be available on our website, and from our offices for access or collection free of charge.

Section 38 of the Act provides that a variation of the Customer Contract must be published in a daily newspaper circulating in the Area of Operation at least six months before the variation becomes effective, or a shorter period of notice approved by the Minister. A copy of the notice must also be given to the customer. This requirement to give notice of variations to the terms of the contract, does not apply to variations in charges and fees made in accordance with a determination of IPART.

15 **Definitions** and interpretation

15.1 **Definitions**

Account holder is taken to have the same meaning as "owner" as defined by the

Hunter Water Act 1991.

means the Hunter Water Act 1991 and any regulations in force Act

under it.

Alternative water

supply

Is drinking quality water that may be available during a supply interruption. Supplies may be in the form of bottled drinking water

or a road tanker from which water can be collected.

is the areas of operations specified in section 16 of the Act, and Area of operation

described in Schedule 1 of the Operating Licence.

Availability charge is a charge for service availability, rather than use of our

wastewater or water service, where the land concerned is

connected to the wastewater or water service.

Backflow prevention Containment device

means a device to prevent the reverse flow of water from potentially polluted source, into the drinking water supply system.

Billing cycle

means billing periods each of four months commencing on 1 July,

1 November, and 1 March each year.

Charges includes any charge or fee payable under this Customer Contract

or other contract made between Hunter Water and a customer for

the provision of water supply, wastewater or drainage services.

Charging period

is any period for which your account was calculated.

Complaint/dispute

means an expression of dissatisfaction made to an organisation, related to its products, or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected. A complaint can be a written or verbal expression of dissatisfaction about an action, proposed action or failure to act by the water

utility, its employees or contractors.

Connection Requirements means Hunter Water Corporation's published requirements for connection to its water, wastewater and stormwater systems. These requirements are intended to ensure that there is adequate capacity in the systems for customer connection and that Hunter Water's systems are protected against potential problems that could arise from defective connections and defective customer systems.

Consultative Forum

means a panel of community representatives that meets regularly with Hunter Water to enable community involvement in matters relevant to the performance of Hunter Water Corporation. Requirements in relation to the Consultative Forum are set out in

clause 5.4 of the Operating Licence.

Customer is defined in clause 2.2 of this contract.

Defective and unauthorised work

means any water, recycled water, wastewater or stormwater service on your property that includes:

- construction or use of a service that does not comply with current codes of practice, standards, legislation or regulations; and/or
- a blockage or leakage from, or into, the service.

Disconnection

means the stopping (either temporarily or permanently) of our supply of services to your property.

Drainage area

means a declared stormwater drainage area in accordance with section 46 of the Hunter Water Act 1991.

Drinking water

means water that is intended for human use and consumption and free of harmful chemicals and disease-causing organisms.

Drought

includes a prolonged period of low rainfall resulting in an actual or potential water shortage.

Dry weather wastewater overflow

means an overflow resulting from a blockage in the wastewater pipe network (e.g. caused by tree root invasion or pipe collapse), a pumping station electrical or mechanical failure or other system problem not related to transporting excess wastewater flows during wet weather.

Enquiry

means a written or verbal question by or on behalf of a customer which can be satisfied by providing information, advice, assistance, clarification, explanation or referral to an external body.

Financial hardship

means situations where a customer desires to pay an account, but is unable to pay all or some of the account or is unable to pay by the due date.

Low water pressure

is water pressure of less than 20 metres head for a continuous period of 30 minutes or more measured at the point of connection of the property to the water supply. A property is not considered to have experienced low water pressure if it is caused by a planned or unplanned water interruption; water usage by fire authorities in the case of a fire; or temporary and short term operational problems (including breaks in a main or failure in a pump).

Maintenance

includes repairs and replacement, and where relevant testing and inspection.

Meter

is the device used to measure the water use on the property. This includes any remote reading equipment and associated wiring, power, plumbing and servicing equipment.

Non-residential customer

is a customer who is not a residential customer as defined in this section and includes customers who own or occupy properties providing commercial residential services (for example, boarding houses, caravan parks, hotels, hostels, mobile home villages and motels).

Non-standard agreement

are agreements for non-standard water and wastewater connections are required when a property does not have direct frontage to a water or sewer main. Non-standard water connections may also apply where customers connect directly to a trunk water main. Non-standard connections require the property owner to enter into a separate written agreement with Hunter Water.

Operating Licence

is the licence granted to us under section 12 of the Act.

Our water service

means the services we are permitted to provide by the Operating Licence and any applicable law in respect to storing and supplying water.

Our water system

includes the dams, tanks, pumping stations, water mains, pipes, treatment plants and other equipment which we must provide, manage, operate and maintain under the Act to store and supply water.

Our wastewater service

means the services we are permitted to provide by the Operating Licence and any applicable law in respect to

- providing wastewater services; and
- disposing of wastewater.

Our wastewater system

includes the pumping stations, wastewater mains, pipes, treatment plants and outfalls and other equipment which we must provide, manage, operate and maintain under the Act to provide wastewater services and disposal or reuse of wastewater.

Owner

a person who holds ownership title to the property, as defined by the *Hunter Water Act 1991*.

Payment assistance arrangement

means any of the types of assistance described in clause 5.2 of this contract.

Personal information

includes any information held by us that relates to the supply of services by us, where your individual identity is apparent or can be reasonably ascertained from the information.

Point of connection (wastewater)

For gravity wastewater systems this is the extent to which the sewer pipe was laid by Hunter Water toward to property when the sewer system was installed. Where the main is in the property to be connected, this is usually the junction on the wastewater main or the junction on the top of a riser. Where the main is not in the property to be connected, this may be the end of a branch line (usually about 1.2 metres inside the boundary of the property to be connected.

For pressure and vacuum wastewater systems this is the boundary kit or inlet point to the main that feeds into the vacuum pot.

Planned interruption

means an interruption to a water or wastewater service initiated by us to allow maintenance to be undertaken and for which notice has been given to you.

Plumbing standards

Include current codes of practice and standards, legislation and regulations applying to plumbing work and plumbing fittings and materials.

Pressure sewer system

means a system where wastewater is pumped to our wastewater system from collection tanks installed on your property and where these tanks and pumps are owned and maintained by you. Figure 2 illustrates a typical residential installation.

Private joint wastewater service

is where two or more properties share the same private wastewater pipes. Private joint wastewater services have one connection to the wastewater main. Customers with a private joint wastewater service share and own the service in common with each property owner sharing the service, and are jointly responsible for its condition.

Private joint water service

is where two or more properties share the same private water pipes. Private joint water services have one connection to the water main. Customers with a private joint water service share and own the service in common with each property owner sharing the service, and are jointly responsible for its condition.

Property

means

- an individual dwelling or premises used for any purpose; or
- land, whether built or not (excluding public land); or
- a lot in a strata plan that is registered under the Strata Schemes (Freehold Development) Act 1973 or the Strata Schemes (Leaseholder Development) Act 1986

that is connected, or for which a connection is available, to Hunter Water's water supply system or wastewater system or within a declared drainage area.

Reasonable time

for the purposes of clause 8.8, means

- a period of not less than 24 hours from notification by us where, in our opinion, the defect is reasonably likely to significantly impact on any of our systems or other customers, and
- a period that, in our opinion, allows sufficient time for you to arrange and carry out the necessary rectification.

Recycled water

is water that is derived from treated wastewater and is not suitable for drinking at the time of supply by us.

Recycled water area

is the geographical area occupied by a community or communities supplied with recycled water through a pipe network separate from the drinking water system.

Residential customer

means a customer who owns or occupies residential property, being property:

- that is the customer's principal place of residence; and/or
- on land categorised as residential under the Local Government Act 1993.

Residential wastewater

includes all liquids and any substances in them, which may be discharged into our wastewater system from a residential property, including discharges from toilets, hand basins, urinals, sinks, baths, showers, washing machines and similar items.

Restriction

means a direct intervention in the water supply system by Hunter Water in order to reduce flow to a customer's property.

See separate and unrelated definition for "Water restrictions".

Service charge

is a charge for being connected to the water and/or wastewater and/or stormwater drainage system.

Stormwater harvesting

means extraction and storage of stormwater from stormwater channels and pipes for non-potable water use. Stormwater harvesting systems and operations may require licences and approvals from regulatory agencies.

Stormwater services

means the services we are permitted to provide by the Operating Licence and any applicable law in respect to providing stormwater drainage systems.

Stormwater systems

means the stormwater drainage channels, pipes, detention structures, and stormwater quality improvement devices and other equipment that we must provide, manage, operate and maintain under the Act to provide stormwater services.

Hunter Water's stormwater systems are mostly the major open channels and pipe systems into which council pipe networks and street drainage systems discharge. Hunter Water's systems do not include street drainage or minor pipe networks provided by local councils.

Hunter Water does not operate any stormwater systems in the Dungog, Maitland and Port Stephens local government areas.

Third party access

means formal arrangements where a third party uses the services provided by monopoly water industry infrastructure (generally pipes, pumps and reservoirs) to transport water or wastewater between their customers and their treatment facilities (or another point at which water is inserted or wastewater extracted).

Trade wastewater

includes any liquid, and any substances contained in it, which may be discharged into our wastewater system from a non-residential property, and any vehicle transporting wastewater, including septic effluent and wastewater from ships and boats. Trade wastewater does not include sewage from residential premises connected to Hunter Water's wastewater. The term trade wastewater as used in this document includes run off from contaminated open areas.

Unplanned interruption

is an interruption that is caused by a fault in our water system or a fault that is our maintenance responsibility and no notice has been given to you.

Wastewater

means untreated or partially treated material contained within our wastewater system, consisting of discharges from residential or non-residential properties, or trade wastewater.

Wastewater mining (also known as sewer mining)

is the process of tapping into a wastewater pipe (either before or after the wastewater treatment plant) and extracting wastewater that is then treated and used as recycled water. Wastewater overflow a discharge of wastewater from our wastewater system. These

overflows may occur in wet or dry weather.

Wastewater usage is a measure of the volume of wastewater discharged to the discharge factor wastewater system expressed as a percentage of water delivered

to the property via all Hunter Water drinking water meters.

Water restriction(s) means a restriction by Hunter Water on the use of water in

accordance with relevant conditions in the Operating Licence and

the Hunter Water Regulation 2010.

We, our or us means Hunter Water Corporation, established under the Act,

including its officers, employees, agents and contractors.

Your wastewater is defined for the purposes of maintenance and repair only in clause 8.2 and your maintenance responsibilities as they apply to

clause 8.2 and your maintenance responsibilities as they apply to most typical household installations are illustrated in Figures 1 and

2 below.

Your water system is defined for the purposes of maintenance and repair only in

clause 8.1 and your maintenance responsibilities as they apply to most typical household installations are illustrated in Figure 3

below.

You or your means our customer for the purpose of this contract.

Figure 1 - Standard wastewater system maintenance responsibilities

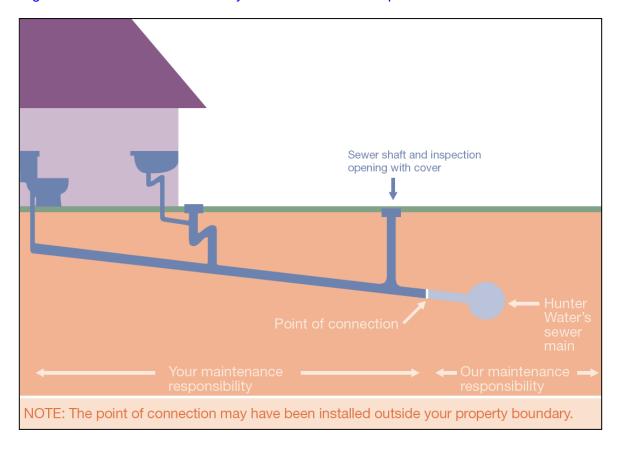


Figure 2 - Pressure wastewater system (CEP and LPSS) maintenance responsibilities

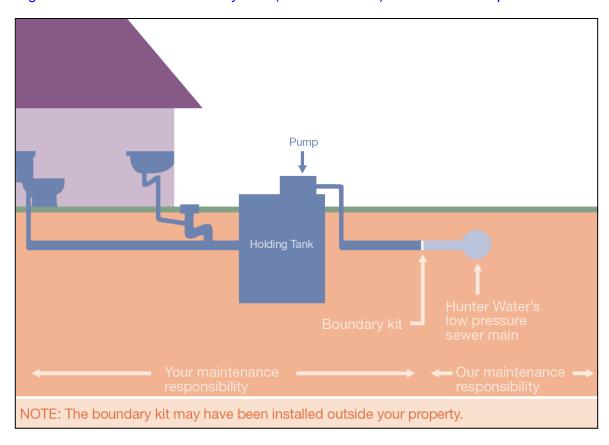
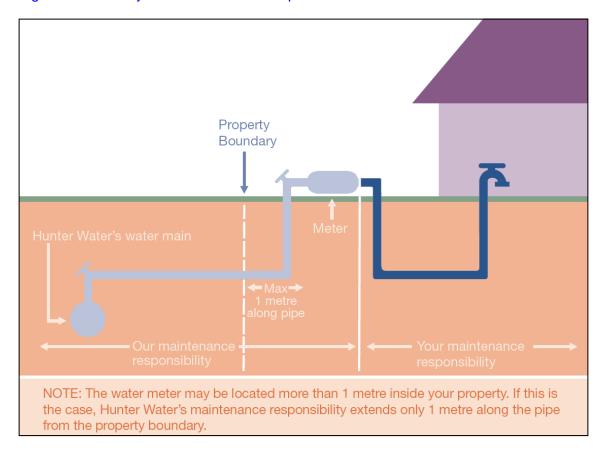


Figure 3 - Water system maintenance responsibilities



15.2 Interpretation

In this contract, the following interpretations apply:

- A person includes an individual, a body corporate, an unincorporated body or other entity.
- The law includes legislation, regulations, licences, orders, mandatory codes, permits and directions.
- A working day is Monday to Friday, excluding New South Wales gazetted public holidays.
- The singular includes the plural and vice versa.
- If there is any inconsistency between this contract and any law, the law will prevail to the extent of the inconsistency.
- The reference to document, instrument or law includes any amendments, revisions, renewals or reprints from time to time.
- Where a word is defined, any other grammatical form of that word has a corresponding meaning.