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Hunter Water pricing determination welcome news for customer bills

Hunter Water has welcomed the Independent Pricing and Regulatory Tribunal (IPART)'s final determination of prices, with customers to benefit from lower bills over the next four years and increased investment in the region's water and wastewater infrastructure.

Managing Director Darren Cleary said the new prices commence on 1 July, and will help ease pressure on households and businesses during a time of economic uncertainty, with the typical household bill to fall by \$48 per year or 3.6 per cent.

"Our customers will have more control over their bills than ever before, with an increased portion of their bill coming from usage charges, rather than fixed charges.

"This provides an additional incentive for our customers to love water, with the majority of the typical household's water bill to come from their water usage charge of \$2.46 per thousand litres. Fixed charges will fall by 76 per cent to \$24 per year, or just over \$8 per bill.

"Separately, Hunter Water continues to provide support to customers who have been financially impacted as a result of COVID-19, and will continue to do so during this challenging time."

IPART's determination also provides a clear direction for Hunter Water's significant capital infrastructure works, with the green light given to its \$653 million program, an increase of 31 per cent compared to the spend over the past four years.

"This is welcome news and means that we can get to work on delivering important projects to ensure we continue to provide great services for our customers and community," said Mr Cleary.

"Over the next four years this will include major water and wastewater network upgrades, a continued focus on water conservation and leakage reduction initiatives, and additional funding for water recycling infrastructure and stormwater naturalisation works.

"As a major service provider in our region, the impact of these works will extend beyond Hunter Water, helping to sustain local jobs."

Meanwhile IPART has approved the introduction of a drought price for the first time. This would see the cost of water increase to \$2.90 per thousand litres after water storages drop below 60 per cent total capacity.

"While there's a low chance of this price being applied, it would provide a strong additional incentive for Lower Hunter residents to save water during periods of severe drought. A 15 per cent reduction in water use would fully offset the costs of this drought price," said Mr Cleary.

"It also reflects extra costs associated with delivering water during these periods such as higher treatment costs associated with the operation of the Tomago Sandbeds and increased water conservation initiatives."

The new prices come into effect on 1 July 2020. For more information, visit: www.hunterwater.com.au/pricing

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