



Customer, Consumer and Community Consultation Procedure

July 2023

TABLE OF CONTENTS

Introduction	2
Associated Hunter Water strategies and plans.....	2
Corporate Strategy.....	2
Community Engagement Strategy	4
Customer Experience Strategy	4
IPART pricing proposal engagement plan.....	5
Community consultative groups	6
Community Engagement Advisory Panel	6
Customer and Community Advisory Group	6
Procedure schematic and methods overview	7
Updating this procedure	11

INTRODUCTION

Hunter Water delivers services under an Operating Licence granted by the NSW Government. The Operating Licence is our overarching regulatory instrument and is set on the recommendation of, and compliance monitored, by the NSW Independent Pricing and Regulatory Tribunal (IPART).

Section 13 of the *Hunter Water Act 1991* (NSW) requires that the Operating Licence 'include terms and conditions that require [Hunter Water] to maintain procedures under which [Hunter Water] is to consult with its customers at regular intervals in relation to the provision of the systems and services'.

Consistent with our governing legislation, and our Operating Licence we are required to articulate to our customers, consumers and community our consultation methods, activities and the outcomes we intend to achieve.

We consult with our customers and community in a number of ways and for a range of purposes, from the development of strategic and investment plans, willingness to pay for service levels through to the design, development and delivery of specific projects and programs. These activities help to guide our day to day operations, longer term strategies and investment decisions.

We are committed to regular, meaningful, unbiased and representative consultation with our customers and community and aims to:

- Understand our customer, consumer and community needs, interests and preferences as well as willingness to pay for service levels
- Understand how our systems and processes can better support more effective, direct relationships with consumers, including residential tenants
- Obtain advice and perspectives on our customer contract
- Obtain advice on such other key issues related to our planning and operations under our Operating Licence which impact on our customers, consumers and the community in our area of operations.

This customer, consumer and community consultation procedure describes the methods that will be employed to achieve these outcomes, noting that activities outlined will necessarily evolve to ensure they are fit for purpose to accurately and objectively obtain relevant insights. This document will be updated to include new and emerging methods, techniques and topics as required.

Associated Hunter Water strategies and plans

There is a suite of strategic Hunter Water documents that describe our commitment to understanding customer and community insights to inform our decision making. These documents should be read in tandem with this procedure as they provide the rationale for the consultation activities we undertake, the 'why' as well as the 'how'. An overview of each of these are provided below.

Corporate Strategy

Our Corporate Strategy, *Miromaliko Baato*, builds on Hunter Water's strong track record to provide an ambitious blueprint to create a sustainable water future for all. Our Strategy is complemented by a number of tangible and measurable strategic objectives that will help us move towards our desired strategic outcomes. These objectives are regularly monitored and reviewed through Hunter Water's annual Business Plan.

One of the strategic outcomes described in our Corporate Strategy is 'Customers and community at the heart of all we do'. We deliver on this outcome by actively improving our understanding of customer and community values and preferences and incorporating insights into our decision making (see Figure 1).

Our guiderails

How we will deliver these outcomes



Strategic Outcome

By understanding what our customers and community value, anticipating their diverse and changing needs, and reflecting this in our decision-making

By listening to and caring for our customers and community, and by doing what we say we will do

By using our deep local knowledge to deliver experiences and outcomes that customers value

Listening and doing

Understanding and anticipating

Delivering experiences that customers value

Customers and community at the heart of all we do

Figure 1: Corporate Strategic Objective 'Customers and community at the heart of all we do' from Hunter Water's Corporate Strategy 'Miromaliko Baato'

A link to our Corporate Strategy will be provided when available.

Community Engagement Strategy

Our Community Engagement Strategy provides a snapshot of how we listen to our customers and community and what we've heard. The Strategy also outlines the importance of engaging with our community so that we can reflect customer and community views in our decision making.

Through a defined and meaningful engagement program we provide ongoing opportunities for community participation in our decision-making, enable our customers to understand our challenges and become advocates for water conservation. Our 'always on' approach means that every interaction we have is an opportunity to listen, learn and respond.

The strategy articulates our:

- Engagement journey to date highlighting key initiatives
- Approach to community engagement and alignment with the International Association of Public Participation (IAP2) public participation spectrum
- Roadmap of how we consult with our customers and community to help inform our strategic direction and future investment priorities (see Figure 2).

Overview of engagement approach to inform investment decisions.



Figure 2: Overview of engagement approach to inform investment decisions from Hunter Water's Community Engagement Strategy

To understand more about our Community Engagement Strategy visit our website here <https://www.hunterwater.com.au/community/community-engagement/community-engagement-strategy>.

Customer Experience Strategy

Our Customer Experience Strategy is how we will succeed and deliver on our ambition of becoming a customer centric organisation, where customers and the community are at the heart of all we do. It aims to evolve our capability to get closer to our customers through an ongoing focus

on making their experience with Hunter Water better – by reducing effort, giving them time back and resolving their problems.

Currently, we send a customer experience survey to customers who have an interaction with us across a variety of touchpoints. These include interactions over the phone, complaints and enquiries, developer services, and outages in the field. The response data is collated and analysed to inform how our services are performing and result in CX index scores to monitor overall performance.

We also capture feedback from customers using the website to inform how well the channel is serving user’s needs and how we might need to improve the experience or content.

A link to the Customer Experience Strategy will be included in this document when available.

IPART pricing proposal engagement plan

IPART’s new water regulatory framework is designed to promote a genuine shift to customers. Under the framework, a water business’ pricing proposal must demonstrate how customers and the community have been involved in setting the engagement agenda and how the resulting proposal demonstrates that our activities and expenditure promote customer value.

Our strategic focus, and supporting new regulatory framework, necessitate a fundamental change to previous planning and development of our pricing engagement.

Hunter Water has been moving towards a more customer centric organisation for many years and, as such, we are starting from a good base of knowledge of customer preferences. This includes extensive engagement undertaken for the Lower Hunter Water Security Plan (LHWSP) as well as other engagement activities incorporating multiple quantitative and qualitative research methods.

We have developed a comprehensive customer and community engagement plan that will be conducted across multiple phases over two years in a way that is flexible, iterative and builds on insights as the work progresses (see Figure 3). This work will inform our long-term strategic thinking and direction setting and feed into proposed service levels, customer outcomes and expenditure plans.

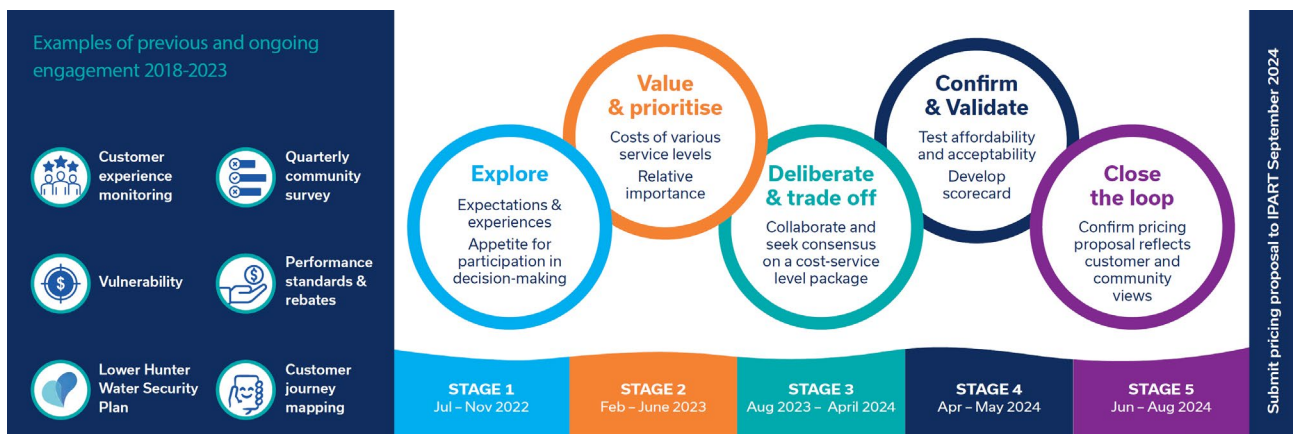


Figure 3: IPART pricing proposal engagement plan

To understand more about our customer and community engagement to inform our 2025-2030 pricing proposal to IPART, visit our website here

<https://www.hunterwater.com.au/haveyoursay/2025-2030-price-submission>.

COMMUNITY CONSULTATIVE GROUPS

We work closely with those who are impacted by the decisions we make, including our customer, community and stakeholder advocacy groups. We have, and will continue to, establish project specific Community Liaison Groups (CLGs) to constructively work with community and stakeholder representatives throughout the development and delivery of initiatives such as strategic plans and asset delivery. In addition to these CLGs, we also have two advisory groups, the Customer and Community Advisory Panel and the Community Engagement Advisory Panel.

The continuation of these groups will be assessed overtime and will be adapted according to corporate, community and customer priorities.

Community Engagement Advisory Panel

We have established an expert Community Engagement Advisory Panel (CEAP) as part of our customer and community engagement plan to inform our pricing proposal to IPART for the 2025-2030 price path. IPART's new water regulatory framework is designed to promote a genuine shift to customers. Under the framework, a water business' pricing proposal must demonstrate how customers and the community have been involved in setting the engagement agenda and how the resulting proposal demonstrates that our activities and expenditure promote customer value.

We formed this panel of experts to help hold ourselves accountable for undertaking high-quality customer and community research and the appropriate use of the insights gathered.

The CEAP was formed to:

- constructively challenge Hunter Water on the design and implementation of pricing proposal customer engagement activities, and use of customer insights in decision making for the purpose of Hunter Water's pricing proposal
- assure customers, the community, stakeholders and IPART of the quality of engagement work and integration of customer insights into the pricing proposal.

Members bring to the CEAP background and experience in the following areas:

- Expertise in economic regulation and regulatory issues within the utilities sector
- Designing, implementing, analysing and applying the findings of customer research and engagement using a range of qualitative and quantitative methods beyond an academic context
- Advocacy or support for customers experiencing financial vulnerability or other circumstance that create barriers to using Hunter Water's services.
- Advocacy for, and engagement with, the business community in the Lower Hunter region.

Customer and Community Advisory Group

Our Customer and Community Advisory Group (CCAG) enables two-way, open communication between Hunter Water and local councils, customer representatives, environmental groups and community organisations. The CCAG, and its predecessor the Community Consultative Forum, have operated since the early 1990s.

The CCAG's membership is made up of community representatives whose role is to provide advice and feedback on emerging issues, performance, strategies, programs and projects representative of the broad range of needs and interests of the local community and other stakeholders in Hunter Water's area of operations.

Membership of the CCAG includes representatives of local government, residential and business customers, environmental and community organisations.

The CCAG operates under the terms of its Charter which describes its purpose, role and responsibilities. More information about CCAG can be found here <https://www.hunterwater.com.au/haveyoursay/customer-and-community-advisory-group>

PROCEDURE SCHEMATIC AND METHODS OVERVIEW

An overview of our ongoing and consultation activities that are conducted as required is provided in Figure 4. Table 1 and Table 2 describe the methods used to undertake these activities.

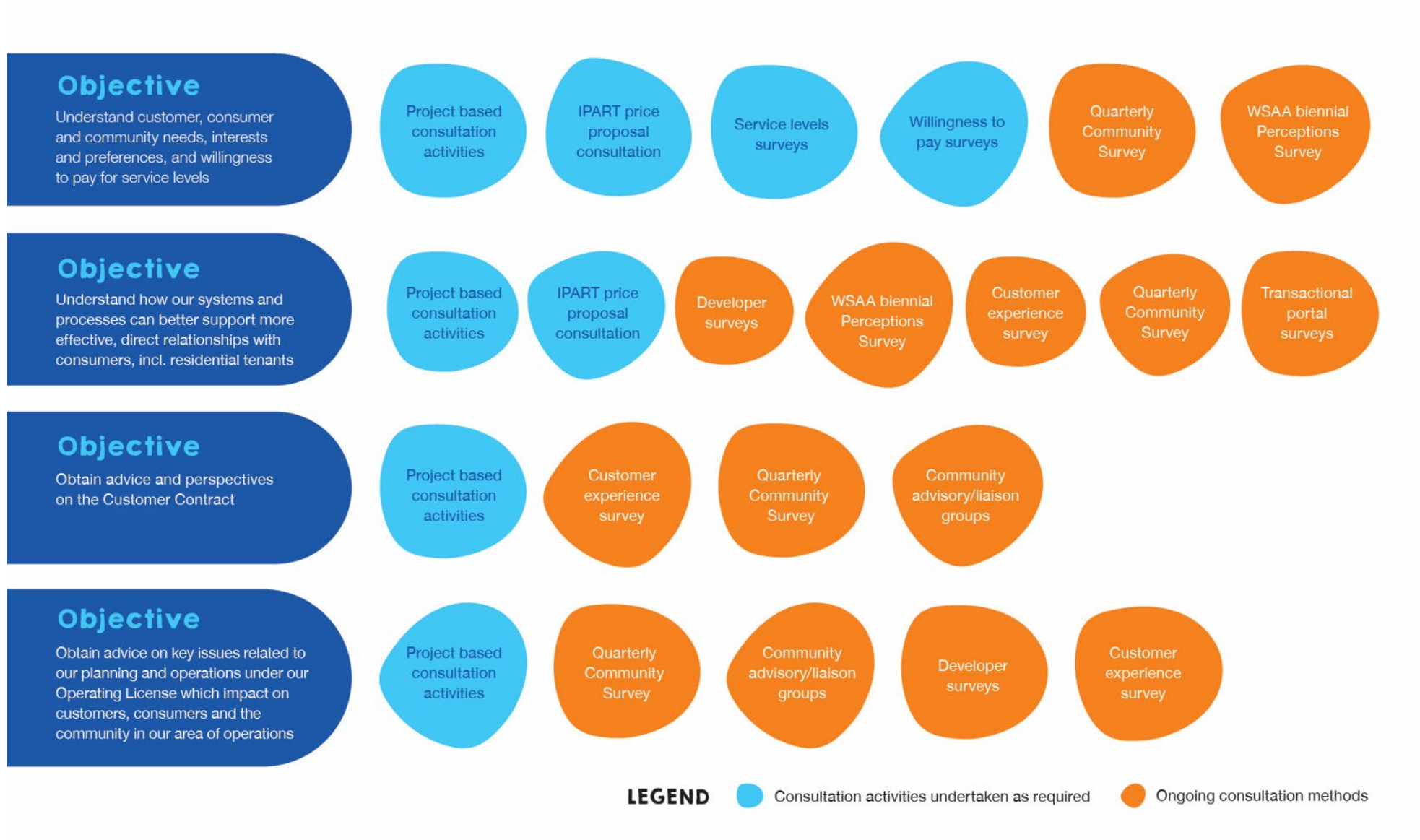


Figure 4: Consultation activity procedure

Table 1: Consultation activities, methods and topics undertaken as required

Consultation activities		
Consultation activities undertaken as required		
Activity	Method	Topics
Willingness to pay (WTP) surveys	Representative online surveys	We have undertaken WTP surveys on a range of topics including: <ul style="list-style-type: none"> • Carbon reduction • Liveability and environmental service standards • Recycled water • Stormwater amenity
Service level surveys	Representative online surveys and online discussion boards	<ul style="list-style-type: none"> • Service levels and attributes valued by customers • Levels of satisfaction with the services we deliver • Customer expectations about rebates and services
IPART pricing proposal consultation	<ul style="list-style-type: none"> • Deliberative forums • Bill simulation survey • Prioritisation survey • Online community workshops • Focus groups 	<ul style="list-style-type: none"> • Community values, aspiration and appetite for participation in decision-making • Relative importance and prioritisation of various service levels • Cost-service level package trade-offs
Project based consultation activities	<p>Various qualitative and quantitative methods aligned to insights required and IAP2 spectrum. See Community Engagement Strategy for description https://www.hunterwater.com.au/community/community-engagement/community-engagement-strategy.</p> <p>Examples include community drop in sessions, co-design processes, surveys, workshops and focus groups, public exhibition of draft Plans and Strategies.</p>	<p>Aligned to project requirements to inform:</p> <ul style="list-style-type: none"> • Business case/investment plan development • Strategy and plan development • Asset design and delivery

Table 2: Ongoing consultation activities, methods and topics

Ongoing consultation activities		
Activity	Method	Topics
Transactional portal surveys	Online surveys from community members using any of our transactional portals	How well our transactional channels (e.g. website) are serving user needs and identification of potential improvements
WSAA biennial Perceptions Survey	Representative national online survey with Hunter specific cohort (distributed on online panel)	<ul style="list-style-type: none"> • Corporate reputation • Ease of doing business • Corporate trust • Satisfaction with water quality • Affordability • Water literacy and conservation • Community expectations for service delivery
Quarterly Community Survey	Representative online survey conducted every three months (distributed to online panel and via an open link)	<ul style="list-style-type: none"> • Corporate reputation • Ease of doing business • Corporate trust • Satisfaction with water quality • Affordability • Water literacy and conservation • Community expectations for service delivery • Ad hoc project based questions
Customer Experience Survey	Online survey distributed to participants who have had an interaction with our customer service team on any topic per month. The survey is also sent to all customers when they experience an outage (planned or unplanned) or make a complaint	<ul style="list-style-type: none"> • Customer experience (ease, sentiment, satisfaction) performance • Satisfaction with customer service provision
Developer surveys	Monthly outbound telephone surveys to developer customers	<ul style="list-style-type: none"> • Customer experience (ease, sentiment, satisfaction) performance • Satisfaction with customer service provision

UPDATING THIS PROCEDURE

A review of this procedure, and its effectiveness in supporting Hunter Water to achieve the outcomes stated above, will be conducted and reported to IPART by 30 June 2026.

Additionally, this procedure and associated activities described, will be updated and adapted over time according to:

- Changes in regulatory frameworks and processes
- Customer and community feedback
- Emerging consultation methodologies and technologies
- Shifts in corporate or customer and community priorities
- Implementation of relevant new corporate strategies and plans
- Unknown local, regional, national or global events.