

IPART 2025 - 2030 Pricing Proposal Engagement Plan

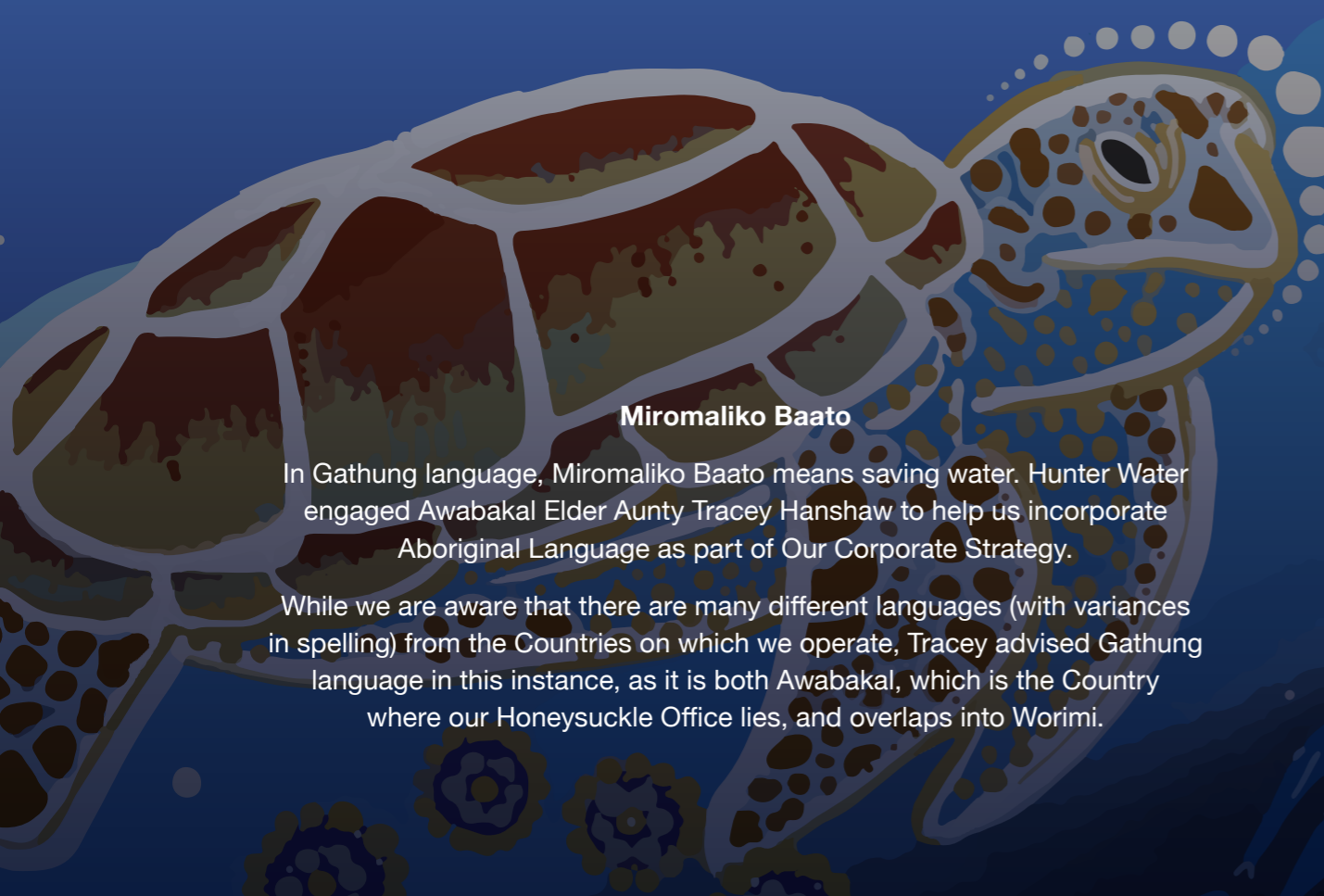


Hunter Water acknowledges the Traditional Countries of the Awabakal, Geawegal, Darkinjung, Wonnarua and Worimi peoples on which we operate and the Countries beyond where our water flows.

We recognise and respect their cultural heritage, beliefs and continuing connection to the lands and waters of our Traditional Custodians and pay respect to their Elders past, present and emerging.

We acknowledge and respect our First Nations resilience in living and respecting our Country's extreme climate for over 65,000 years, managing our natural resources sustainably with traditional farming, water and cultural practices.

Hunter Water understands the importance of working sustainably in managing our communities water resources. Learning from the enduring wisdom and holistic thinking of First Nations people and supporting our Country's first custodians' traditional importance of water, as 'Water is Life'.



Miromaliko Baato

In Gathung language, Miromaliko Baato means saving water. Hunter Water engaged Awabakal Elder Aunty Tracey Hanshaw to help us incorporate Aboriginal Language as part of Our Corporate Strategy.

While we are aware that there are many different languages (with variances in spelling) from the Countries on which we operate, Tracey advised Gathung language in this instance, as it is both Awabakal, which is the Country where our Honeysuckle Office lies, and overlaps into Worimi.

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Hunter Water's customers and communities are faced with a challenge.

The price of delivering water and wastewater services is rising. At the same time, increasing numbers of our customers are finding it hard to make ends meet.

As a utility we are seeking to respond to the challenges of drought and climate change, support a growing population, deliver the outcomes expected by our customers and community and leave an enduring legacy for future generations.

A series of inclusive, deep and sincere conversations are underway to empower our community to articulate answers to the big question that Hunter Water faces:

How do we balance providing reliable, high-quality services, with protecting the environment, creating a positive legacy for future generations, and keeping prices affordable?

Water is life and we are creating a sustainable water future for all. We need the community's help to make the wisest possible decisions for the immediate future, and for future generations. We need to have a clear answer to this question by September 2024, when we will propose to our economic regulator the Independent Pricing and Regulatory Tribunal (IPART) what our prices should be from 2025 through to 2030.

For our customers and community, this document will tell you a bit about what Hunter Water does. It also sets out how we will find out what matters most to you, and the amount of influence you'll have. Finally, it lists all the ways that you can participate.

The Lower Hunter is a vibrant, diverse and growing community. From a thriving metropolis to small towns, from new arrivals to the most ancient culture of all. From some of the world's biggest companies to our smallest sporting clubs and community groups, everyone relies on water. As a learning organisation, Hunter Water will include everyone in answering the big question, and we trust you, the community, to help us get the balance right.

We invite you to work with us in answering this question, and promise to incorporate your recommendations into our plans to the maximum extent possible.

You can learn more about Hunter Water and how to get involved in shaping our future by visiting our website:

www.hunterwater.com.au/haveyoursay/2025-2030-price-submission



Darren Cleary
Managing Director



What we do

We make sure that clean, safe drinking water comes out of the taps of around 280,000 homes and businesses across Cessnock, Dungog, Lake Macquarie, Maitland, Newcastle, Port Stephens, and a small part of Singleton local government areas.

We also take away the used water (wastewater) that goes down your drains from sinks, toilets, laundries, showers and baths, then treat it to protect the health of beaches and waterways. We also provide some stormwater, trade wastewater, recycled water and raw water services.

Figure 2: Map of our area of operations and traditional boundaries of First Nations Peoples



Customers and community are at the heart of all we do. Our Corporate Strategy **'Miromaliko Baato'** speaks to a deeply held value of partnering with customers and community.

Our comprehensive customer and community engagement will be conducted across multiple stages over two years in a way that is representative, reliable and valid. The process aims to balance customer, community and environmental needs. We have taken steps to ensure that the engagement is relevant for our stakeholders, is pitched at an appropriate level, and occurs at the right time, before the big decisions are made. This program

builds on the extensive engagement we have conducted previously to inform our decision making (see Figure 3 for some examples of this work).

Each stage of our engagement will deepen our understanding of what's important to our customers and community and what their priorities are. We have put a lot of thought into the barriers that prevent people from participating, whether they be economic, language, ability or just because engagement used to happen on our terms. Our approach is tailored to both the topics and the different engagement preferences of our customers, community members, peak bodies, and stakeholders.

Where the findings from Stages 1 and 2 are unanimous, a topic may not be brought to the deliberative forum. However, we will need customer and community help to solve the most difficult problems. Forum members will be provided with training in critical thinking, be able to ask for the opinions of independent third parties, and be given access to all relevant data. Participants will be given the findings from Stages 1 and 2 which show the preferences of different segments of the community, and will be asked to use their moral compass to make recommendations for the benefit of the entire region, including customers, community and the environment.

Forum members will then be offered the chance to join an ongoing panel of everyday customers that will inform Stage 4.

Qualitative and quantitative research techniques will be employed throughout the program of engagement work. These data will be triangulated in a transparent and accountable way to understand how much people are willing to pay for the experiences they want, and what their priorities are. This will ensure the Forum's recommendations are informed by multiple lines of evidence.

Figure 3: Pricing proposal stages of engagement

Examples of previous and ongoing engagement 2018-2023

- Customer experience monitoring
- Performance standards & rebates
- Quarterly community survey
- Lower Hunter Water Security Plan
- Vulnerability
- Customer journey mapping



Submit pricing proposal to IPART September 2024

An expert panel of critical friends

We will establish a Community Engagement Advisory Panel (CEAP). Its purpose is to review, test, evaluate and improve our plans at critical moments in the engagement journey.

We will form this panel of experts to ensure our customers, community and the environment get the best possible combination of services and prices, and that our engagement is relevant, sincere and inclusive.

Members will be sought with expertise in the following areas:

- Advocacy or support for customers experiencing financial vulnerability or other circumstances that create barriers to using Hunter Water's services or participating in the process.
- Advocacy for, and engagement with, the business community in the Lower Hunter region.
- Economic regulation in 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.

An ongoing panel of everyday customers

At the conclusion of the Deliberative Forums, participants will be offered the chance to join an ongoing customer and community panel. The panel's purpose is to collaborate with us on setting out a scorecard for the price path period and then meet annually to consider our performance.

This process will ensure that the people who made the decisions (deliberative forum participants) be involved in monitoring that we have acted on those decisions and that our customers are getting what they are paying for.

This engagement plan aligns with our corporate strategy '[Miromaiko Baato](#)', our corporate [Community Engagement Strategy](#) and our [Customer, Consumer and Community Consultation Procedure](#).

We have chosen methods to provide all customers with a high level of influence in how services are delivered. Ways we will promote all our engagement activities widely include:



Invitations to participate in surveys sent to our eBilling database.



Promote widely through our social media platforms (Facebook, Twitter and LinkedIn).



Promotion at community events such as open days, disability expos.



Conversations with stakeholder groups.



Focus group participants will be recruited from panels to form cohorts with particular characteristics, e.g. customers experiencing vulnerability, young people, older people etc.



Participants for the deliberative panel will be randomly selected in a two-part process. Invitations to register for the panel will be sent to a sample from our entire customer data base. Participants will then be selected from the registrations by an independent company and aligned to be representative of the demographic characteristics of our area of operations. Tenant customers will be welcomed.

Examples of the measures we will employ to deliver a diverse and inclusive engagement program that is accessible and tailored to our customer base are provided below. This list is not exhaustive and we will adapt and respond to emerging requirements and we always ask for feedback in an iterative way.

Particular customer types that we will specifically target to act as either participants in engagement activities or subject matter experts, or both, include:

• First Nations Peoples

We seek to learn from the enduring wisdom and holistic thinking of First Nations Peoples, reaching into the past to protect the future. We have been developing our relationships with First Nations Peoples over the past several years and are developing a First Nations Peoples engagement plan as part of our Reconciliation Action Plan (RAP). These continuing conversations will also seek feedback on the main question of our engagement. We will provide ample time for our First Nations Peoples to consider the question, and to consider how they would like to be engaged through the process.

We want to ensure that we offer opportunities for the First Nations Peoples community to participate in the ways that suit them and best meet their needs.

• Culturally and Linguistically Diverse

We have developed a register of Hunter Water staff who can act as interpreters for customers who have difficulty communicating in English. We currently have 13 languages registered, reflecting the diversity of our communities. These staff will be encouraged to promote activities through their networks.

• People who live with a disability

We will ensure that all face to face activities are conducted at venues that are accessible to people who live with a disability and provide any other support required to ensure that there is no impediment to participation.



- Examples of adjustments made to ensure people who experience disability can fully participate**
 Through reaching out to advocacy groups such as Vision Australia. We will make our materials able to be read by screen readers and provide any other support required for engagement with participants who are blind or have low vision. Through reaching out to advocacy groups such as Deaf Australia. We will provide Auslan interpreters and any other support required for engagement with participants who are hard of hearing.
- Customers experiencing vulnerability**
 Our customer support team works closely with support agencies. We have conducted qualitative research with these agencies, and their clients to understand the challenges they face and find solutions. We will continue to work with these networks to ensure these voices are heard throughout our engagement program. We will financially compensate participants in face to face engagement activities to ensure participation is not reserved for those who can afford to participate.
- Young customers**
 Through reaching out to education providers such as TAFEs and Universities, and targeted social media posts.

- Business customers (small, medium, large and major)**
 We have segmented our non-residential customers by customer type (major, large and small-medium). We will target these customers with promotional material as well as harnessing existing relationships with business networks. While we aim to reflect the values and views that we hear in our pricing proposal, and prefer to hear from you directly, IPART's review process also provides multiple stages for customers, the community and stakeholders to provide feedback. You can find out more about IPART's review process at <https://www.ipart.nsw.gov.au/Home/About-IPART/The-review-process>. IPART will also set up a dedicated web page for its review of Hunter Water's prices closer to September 2024 when we are due to submit our pricing proposal.



Our engagement program is designed to be meaningful and sincere for our customers and community as well as adaptive to respond to emerging issues or contexts.

At every stage we will ask participants for feedback on the process and if they felt their views were heard. As an example, we will ask questions in surveys as to whether participants felt the questions were 'loaded and leading' or 'fair and authentic'. For transparency, we will also report those statistics and feedback to our Deliberative Forum.

We will clearly indicate to the community through closing the loop activities how their recommendations were reflected in our pricing proposal, and provide detailed explanations why aspects were not if required. The deliberative forums will be presented with the 'baseline' bill increase comprised of factors beyond our control such as inflation as well as decisions that have already been made that will

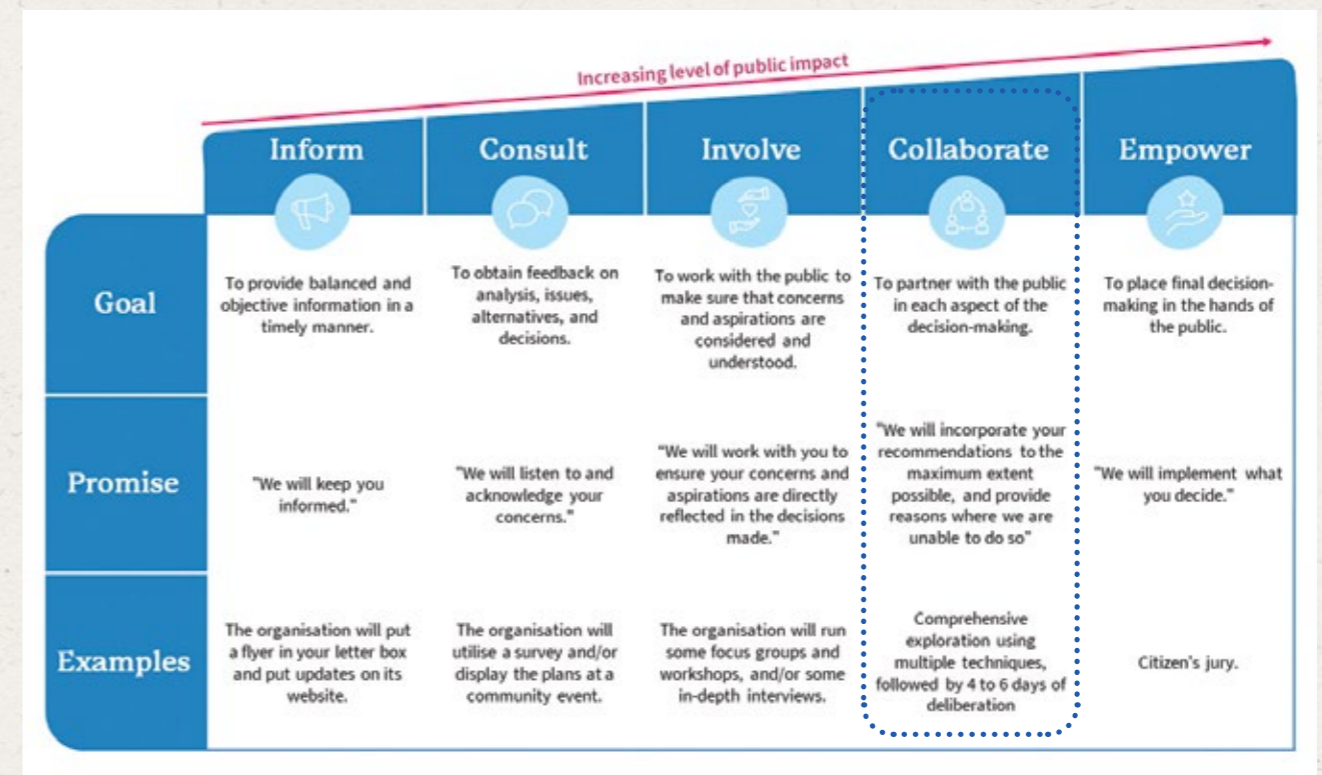
impact bills. This ensures that it will be transparent that any recommendations made by the panel will be in the knowledge of the cumulative potential bill impacts.

Outcome measures and targets will be developed with our customers and community to hold ourselves to account and will be openly and transparently reported to the community.

IAP2 level of participation

We have aligned our approach with the International Association for Public Participation (IAP2). The Public Participation Spectrum helps to define the scope of the community's input and their level of influence on the decision-making process. As you move to the right of the spectrum there is an increase in public participation and impact. We have committed to incorporate our customers' and community's advice and recommendations into our pricing proposal to the maximum extent possible (collaborate).

Figure 1: IAP2 Spectrum of Public Participation



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