

Our Water, Our Voice Customer Engagement

We're on a journey with you to shape the future of water services through our customer engagement program. With customers at the heart of our long-term planning, next price proposal and Operating Licence, we're asking – what's important to you? Here's what we've heard so far.

We started a six-phase customer engagement program in July 2022, with our customers, community and stakeholders called Our Water, Our Voice. This will help inform our decision making, Operating Licence and pricing proposal to the Independent Pricing and Regulatory Tribunal (IPART) which will be submitted in September 2024.

What is a price review?

SYDNEY WATER

A price review is part of Sydney Water's cyclical regulatory requirement to IPART. Every five years we develop a price proposal for submission that reflects the efficient cost of providing our services. The priorities and expectations of our customers and community are at the foundation of our price proposal through customer engagement.

IPART

IPART sets the framework for the price review and makes a pricing determination every five years for the maximum price for drinking water and wastewater services that Sydney Water provides. IPART's final decision reflects the efficient cost of providing our services with the priorities and expectations of our customers and community at the foundation.

CUSTOMERS AND COMMUNITY

As end users of our services – including drinking water, wastewater, and stormwater – our customers and the community engage with us to ensure their priorities and expectations are reflected in the price proposal. This means we're all on the same page.

What was Phase 1 about?

Phase 1 kicked off the engagement program by understanding the priorities customers and stakeholders have for Sydney Water over the next 5-10 years, the relative importance of these priorities and the willingness of customers to pay for them.

Phase 1, what we did

During Phase 1 we heard from 4,282 customers, community members and stakeholders via forums, focus groups, interviews and online surveys.



2

Forums



14

Focus Groups



34

Interviews



4,009

Online survey responses

Phase 1 also included a Discrete Choice Experiment (DCE) to discover your willingness to pay for water services beyond current levels.

What is a DCE? It's a methodical approach to study choice behaviour in hypothetical situations. It tries to understand your preferences and demand for current and future services.

The DCE showed that participants are willing to pay for changes in service levels on these top 3 services:



Water aesthetics
(the smell and taste of water)



Healthy waterways and habitats



Water for green spaces

By the way, we should mention that clean, safe drinking water is the number one priority for customers across the board and is a non-negotiable, that is why it wasn't covered again in the DCE!

The research shows you've changed

Phase 1 has identified a noticeable change in participants' expectations and priorities since the last regulatory review by Sydney Water in 2019. Water's perceived value, use, and impact has changed.

The focus in the past has been on how water is used, its taste/smell, when it is used, what it is used for, and how it may be wasted or not used properly.

In 2022, participants displayed considerably more 'future-focused' and 'preventative' thinking when considering the value of water. For example, uses of water and wastewater which would mitigate against the two main risks identified by the community – drought and flood.

Additionally, there seems to be a shift in the views of participants from individual benefits of water to community benefits such as water usage for parks and gardens to maintain amenity, and communal accessibility of water (e.g., water fountains).

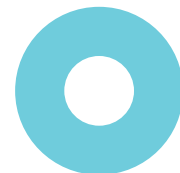
WHAT YOU SAID

"A LOT OF GOOD IDEAS CAME UP TONIGHT, I HOPE SYDNEY WATER WILL ACT ON AS MANY AS POSSIBLE."

"I WAS IMPRESSED AT HOW THE FORUM WAS FACILITATED. THE LAST SCORING OF PRIORITIES REALLY MADE ME FEEL MY VIEWS WERE TAKEN ON BOARD."

"IT'S GREAT THAT ACTUAL SYDNEY WATER EXECUTIVES WERE HERE TO LISTEN."

- Participants of forums phase 1



The top customer priorities for Sydney Water are:



- Maintaining clean and safe drinking water
- Ensuring bills remain affordable via cost management, payment plans and avoiding future cost spikes
- Maintaining clean, safe waterways and water recreation areas by reducing pollution
- Building infrastructure for water recycling and/or desalination for drought resilience
- Minimising leaks and breaks in the network to reducing water loss
- Community-based water saving programs for increasing water savings, reducing water usage
- Improving natural waterways and habitats to protect the environment
- Improving stormwater management, storage and capture to reduce water loss to the ocean
- Reducing the chances of your drinking water occasionally smelling or tasting different
- Minimising the impact of outages both planned and unplanned
- Contributing to a cooler environment and more pleasant green public spaces through trees and vegetation
- Maintaining a standard of customer service that meets or exceeds your expectations
- Reducing net carbon emissions to zero by 2050 or sooner via energy efficient operations and renewable energy
- Reducing the frequency and duration of severe water restrictions
- Ensuring better informed customers through improved/ modern communications to assist and manage water use

Our Water, Our Voice Customer engagement preferences

It's important for Sydney Water to know if you want to be kept informed and involved in future discussions about the regulatory process.

Approximately 60% of customers who participated in the Forums were interested in being involved in the process in the future:

“YES, I'M INTERESTED IN HOW CUSTOMERS FEEDBACK AND INTERESTS ARE TAKEN INTO CONSIDERATION OF THESE FUTURE PLANS.”

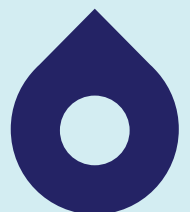
“YES, I WOULD BE CURIOUS E.G., SYDNEY WATERS "TOP 3" SUBMISSION RECOMMENDATIONS.”

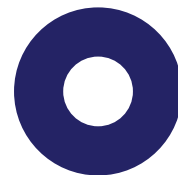
“YES, THE SUBMISSION TO IPART SHOULD BE MADE PUBLICLY AVAILABLE.”

“NOT DURING THE PROCESS; PROBABLY JUST THE RESULT.”

- Participants of forums phase 1

Sydney Water's Customer and Community Reference Group (CCRG) provides a platform for independent guidance through the customer engagement process. Ensuring customers and stakeholders are at the heart of Our water, Our voice.





Our research had depth and breadth across the general population. We spoke to all customer groups including major developers, business customers and value makers and the financially vulnerable. Here are additional outcomes identified by hard-to-reach customers.

Priorities for First Nation's customers:

- Cost reductions and prevention of bill shock where possible and larger family needs and community realities.
- Faster and more personal customer service systems.
- Cultural integrity and respect including approaching land use from a First Nations viewpoint.

Priorities for Small and Medium Sized Enterprise customers (SMEs):

- Business initiatives to nurture a water scarcity mindset directed at staff and customers.
- SME customers were highly supportive of the use of smart meters and other technology to support their business to monitor their usage.

Priorities for Culturally and Linguistically Diverse (CALD customers):

- CALD customers were particularly satisfied with the water quality in Sydney.
- Sydney Water should communicate to CALD groups that water is safe to drink via advertising, in-language, and in water bills.

Priorities for Individuals Living with a Disability (ILWD):

- Maintaining affordability for individuals living with a disability, particularly if increased water use is associated with or required to manage their disability.
- Provide increased access to smart meters to support individuals living with a disability to manage their water use.

Stakeholders (government) and customers (service critical high businesses, major developers and value makers) expect Sydney Water to:

- Address ageing infrastructure and ensure that the current network has the ability to support increasing demand and a growing population.
- Respond to a changing climate to guarantee a secure water supply into the future (through increased water capture/harvesting, water conservation and water recycling).
- Educate the community about how to conserve water.
- Ensure Sydney Water can facilitate timely communications and efficient decision-making.
- Reduce carbon emissions.



Next steps

The customer priorities identified in this phase will shape the direction of Sydney Water's proposal to IPART and our planning. The 15 priorities identified by customers will be further explored and refined in the remaining phases of the Our Water, Our Voice engagement program. In the next stage of engagement (Phase 2) we will understand customer expectations for service levels.

Sydney Water says a huge thank you to participants of Phase 1. It's been fun. If you wish to stay informed register to get involved in upcoming engagement activities visit:
www.sydneywater.com.au/our-water-our-voice

