

IPART 2022 Pricing Determination: Water, Sewerage & Stormwater Drainage **FAQs**



About

The Independent Pricing and Regulatory Tribunal (IPART) released its final determination on water, sewerage and stormwater drainage pricing for the Central Coast on 24 May 2022, returning rates to levels that can see Council better maintain its vast water and sewer operations.

Please note: In the IPART Determination IPART has referred to Central Coast Council's Water and Sewerage business as 'CCC Water'.

Frequently Asked Questions (FAQs)

Who decides our water, sewerage and stormwater drainage prices?

The Independent Pricing and Regulatory Tribunal (IPART) is responsible for determining the maximum water, sewerage and stormwater drainage prices for major water utilities in NSW. For its 2022 determination, IPART found that CCC Water must increase its spending so that it can appropriately maintain all of the infrastructure required to provide water-related services. Customers have told us there were persistent water quality problems in some parts of the water supply system. The rate increases can enable CCC Water to improve the quality of services for customers across the Central Coast.

During its decision-making process, IPART considered various options and announced their final decision finds the right balance between the cost of providing services and managing the

impacts on bills by staggering the increase over four years.

How does IPART's decision differ from Council's proposal?

CCC Water proposed an immediate bill increase for typical residential customers of 37 percent in 2022-23. IPART have largely supported this proposal, however determined the increase will be staggered over four years.

What will a typical residential bill look like?

IPART's determination will see typical household bills increase by the following increments, plus inflation:

- 17 percent on 1 July 2022 (\$183 increase)
- 6 percent in 2023-24 (\$80 increase)
- 8 percent in 2024-25 (\$106 increase)
- 1 percent in 2025-26 (\$9 increase)

For a typical household your total water, sewer and stormwater bill using 170kl of water would be \$1242.00 per annum.

For a typical apartment your total water, sewer and stormwater bill using 105kl of water would be \$1016.00 per annum.

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For a medium fast-food outlet your total water, sewer and stormwater bill using 500kl of water, a 25mm meter would be \$2721 per annum. Customers can utilise the billing calculator on IPART's website to see how this decision will impact their bill:

ipart.shinyapps.io/CentralCoastWater2022/

What are the prices for residential homes?

The prices for residential homes are:

- water usage is \$2.31/kL (was \$2.10)
- water service charge is \$155.24 for first year (2022-2023)
- sewerage service charges have been aligned between former Gosford and Wyong and will be \$563.78 for a household in the first year (2022 – 2023, which includes sewerage usage charge)
- stormwater drainage charge is \$130.07

What are the prices for businesses/non-residential customers?

The prices for non-residential customers are:

- water usage is \$2.31/kL

Water service charge will be determined according to water meter size, as per the table below Meter size	1 st year price
20mm	\$155.24
25mm	\$242.56
40mm	\$620.96
80mm	\$2,483.84
100mm	\$3,881.00
150mm	\$8,732.25

Sewerage usage and services charges vary across the different customer groups, please refer to IPART's billing calculator:

ipart.shinyapps.io/CentralCoastWater2022/

Meter size	1 st year price
20mm	\$591.71
25mm	\$924.55
40mm	\$2,366.84
80mm	\$9,467.36
100mm	\$14,792.75

This is the unadjusted water service charges. These do not reflect sewer discharge factors.

Stormwater drainage – area-based charges

Land Size	Price
Small (<or=1000m ²)	\$130.07
Medium (>1000m ² and <or=10,000m ²)	\$227.63
Large (>10,000m ² and <or=45,000m ²)	\$1,073.11
Very Large (>45,000m ²)	\$3,251.85

How long will the prices be in place for?

Prices have been set for four years (from 1 July 2022 - 30 June 2026).

When will my bill change?

On your first water notice after 1 July 2022.

Is it true that Council lost income for its water and sewer operations in 2019?

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Yes. The new pricing structure provides a correction to water and sewer charges which were significantly reduced as a result of the 2019 IPART determination. IPART's 2022 determination will allow Council to invest in its

water and sewer operations and increase the quality of these services for the community.

How much is the pensioner rebate?

A single pensioner household bill with a concession will increase by 20 percent (\$146) in Gosford and by 27 percent (\$183) in Wyong and then by 10 percent (\$84) from 2023-24, 12 percent (\$110) in 2024-25 and 1 percent (\$13) in 2025-26.

Pensioner concessions for water and wastewater services are available for Central Coast pensioners under the Local Government Act 1993 (section 575) and equate to a maximum of \$175 each year. CCC Water provides pensioners with a reduction of 50 percent of the water supply service and water usage charge levied up to a maximum of \$87.50 per year and reduction of 50 percent of wastewater service and wastewater usage charges, similarly up to a maximum of \$87.50 per year.

Does the IPART determination mean a large increase in charges for my business?

Business customers will see an increase in their bills, dependant on their meter size and type of

business. Refer to the IPART billing calculator to calculate how IPART's determination will impact your business's water charges here: ipart.shinyapps.io/CentralCoastWater2022/

How do we compare with other water utilities?

IPART found that CCC Water's current bills are among the lowest in Australia for comparable water utilities.

IPART's final report states that "Under our new prices, bills for the typical customer in 2022-23 would be:

- the third lowest compared to typical customer bills of the large water businesses in Australia
- lower than the typical customer would pay in neighbouring local government areas, which are serviced by Sydney Water and Hunter Water"

In 2023-24 and 2024-25, CCC Water bills would be 2-3 percent higher than for a Hunter Water typical customer, and 16 percent higher than for a typical Sydney Water customer. They would remain within the 20 lowest bills compared to 88 other water utilities in NSW.

Why did Council's submission request a 34 percent increase in expenditure?

Over the last five years we have seen a deterioration of our assets due to age (a considerable amount of our infrastructure was built by Public Works in the 1960s). The Central Coast has increased in both population and

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expansion of greenfield sites, which has increased pressure on our water and sewer services.

In 1960, the population of the Central Coast was 31,000 people, and today it stands at 355,000, with a growth rate of 1.06%. In 10 years' time, it is estimated 378,933 people will be living on the Central Coast.

Therefore, expenditure is needed to renew, upgrade and increase capacity to treat and deliver water, treat sewage and deliver stormwater drainage for the community.

How will the community see the revenue is being spent?

CCC Water will publish compliance and performance reporting data on its website. Published data will include:

- Water demand versus production
- Service standards and performance
- Environmental standards - our performance in relation to our licence conditions
- Drinking water quality management activities and programs
- Operational programs and expenditure on key improvement areas
- Capital investment progress and activities
- Changes to legislative and regulatory requirements
- Regulatory performance and reporting (national performance reporting as well as best practice)
- Community survey results

- Introduce a Customer Charter - focusing on outage notifications, response times and alignment with drinking water standards

Central Coast Council is committed to being transparent and accountable to our community.

In what other ways will CCC Water demonstrate their accountability to the Central Coast community?

Council will also provide an annual performance report, with the first due in September 2023. We will also take additional steps to share performance data with our community, including a quarterly media release that will outline our performance and direct the community to Council's website for further details.

Council welcomes the application to the Minister to review the determination in two years, in relation to Council's performance and accountability.

What if I can't afford to pay my bill?

If you are having trouble paying your water account on time, Council can provide hardship assistance and a personalised payment plan to help you get back on track.

Ratepayers are eligible to be considered for hardship assistance where the property you pay rates on is:

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- your principal place of residence (home); or
- the principal place of residence of your dependent who is also suffering genuine financial hardship, or
- owned by an aged pensioner and is vacant whilst the ratepayer is in short-term care.

Depending on your individual needs, we can provide you with information about:

- payment options, including help to set up weekly, fortnightly, or monthly direct debits
- personal payment plans to help you pay off your overdue rates at the same time as addressing your future instalments in one easy plan
- access to Centrelink's CentrePay facilities
- referral to financial counselling services
- advice on how to manage your water usage to save money.

A copy of Council's Debt Recovery and Hardship Policy for affected customers can be found on Council's website here:

www.centralcoast.nsw.gov.au

For further information on the water and sewerage programs go to Council's website here: www.centralcoast.nsw.gov.au

For further information on IPARTs determination please go to the IPART website here: www.ipart.nsw.gov.au

How was this pricing proposal to IPART different from the Special Variation application you submitted to IPART earlier this year? Haven't my rates already gone up?

As a ratepayer, you receive two separate bills: your general rates and your water, sewerage and stormwater drainage rates.

Every dollar that we receive from your water, sewerage and stormwater drainage rates is treated as completely separate to Council's other revenue streams, including your general rates.

In other words, we can only spend this set of rates on water, sewerage and stormwater drainage services such as water mains renewals, the upgrade of water and sewer treatment plants and stormwater management to ensure the ongoing health of our waterways.

In 2018, IPART set Council's prices for water, sewerage, and stormwater drainage services for a three-year period, from 1 July 2019 to 30 June 2022, following a pricing submission made by Council. Typically, a pricing determination goes for four years, but due to the newly merged Council, IPART set it for a three-year period.

Then, earlier this year, in response to Council's financial situation, Council successfully applied to IPART for a 15% rate rise to general rates, to help with Council's financial recovery. This

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process is called a Special Variation (SV) application and is a one-off application. This application was for general rates only, and did not include your water, sewerage and stormwater drainage rates. [You can read more FAQs about the SV here.](#)

On 10 September 2021, Council submitted their latest pricing proposal to IPART for the period commencing 1 July 2022. This pricing proposal was submitted due to the timing set by IPART. It was not brought forward in line with the SV.

Why was a new IPART water pricing submission made just two years after the last one in 2019? Is this the normal frequency and if not why the sudden change in frequency?

In 2018, IPART set Council's prices for water, sewerage and stormwater drainage services for a three-year period, from 1 July 2019 to 30 June 2022, following a pricing submission made by Council. Typically, a pricing determination goes for four years, however IPART set it for a three-year period due to the newly merged Council.

Council's next pricing submission was due for lodgement with IPART in September 2021 and will determine Council's prices for those services from 1 July 2022 until 30 June 2026.

For Council to prepare the pricing proposal to IPART, a rigorous process was undertaken

where business cases for expenditure needed to be completed as well as asset management plans and community consultation.

Once the pricing submission is sent to IPART (September 2021) it will be another 9 months

before price changes are implemented, which brings us to 1 July 2022.

The fact that Council is preparing the proposal now is due to the timing set by IPART. It has not been brought forward in line with the Special Variation application submitted to

IPART by Council as part of its Business Recovery Plan.

Ask us a question

Contact us via our 24/7 online [Customer Service Centre](#), or by calling 1300 463 954.

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