



24 May 2018

Dr Peter J Boxall AO
Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Dear Peter,

Water Utility Performance Indicators Review 2018

Thank you for the opportunity to comment on IPART's *Water Utility Performance Indicators Review Draft Report April 2018*.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. Our comments are informed by these complaints, and also from our community outreach and stakeholder engagement activities. EWON's water jurisdiction covers the water utilities who report to IPART through the performance indicators that are currently under review.

We have not commented on specific performance indicators; rather we are providing general feedback based on our experience.

Water performance indicators are collected by IPART for all licensed water utilities. This information is in addition to licence compliance monitoring and some utilities reporting responsibilities under the National Water Initiative and other legislation. The draft IPART Report proposes to reduce the compliance burden on water utilities and eliminate duplication in reporting requirements. IPART also points out that much of the information currently collected is not relevant to IPART's role and questioned the usefulness of that information.

The draft IPART Report has proposed to reduce the number of performance indicators to 27 (a reduction of 75%). It has also proposed to establish consistent measures applicable to all utilities, although some indicators remain that reflect the specific nature of the utility, particularly for Water NSW, remain.

I note the key indicators that remain are focused on asset performance, particularly related to interruptions, leaks, water pressure and sewerage overflows. EWON agrees that these areas are critical measures of performance.

The areas dropped are water quality, environmental measures and customer service measures, all of which are monitored in other reporting regimes.

Of particular interest to EWON are the customer service measures which include contractual service obligations, hardship, restriction and disconnection provisions and dispute resolution processes. I further note that these measures will continue to be monitored by the IPART compliance monitoring regime, through annual audit of water utility compliance with operating licences, and in more detail than the current requirements that are the subject of this review.

Therefore, the removal of this area of reporting from the performance indicators does not compromise in any way IPART's monitoring of these issues.

Accordingly, EWON is of the view that this change in IPART's approach to reducing duplicated reporting and strengthening of IPART's Compliance Monitoring regime is a positive step forward.

If you would like to discuss this matter further, please contact Rory Campbell, Manager Policy & Research, on (02) 8218 5266.

Yours sincerely



Janine Young
Ombudsman
Energy & Water Ombudsman NSW