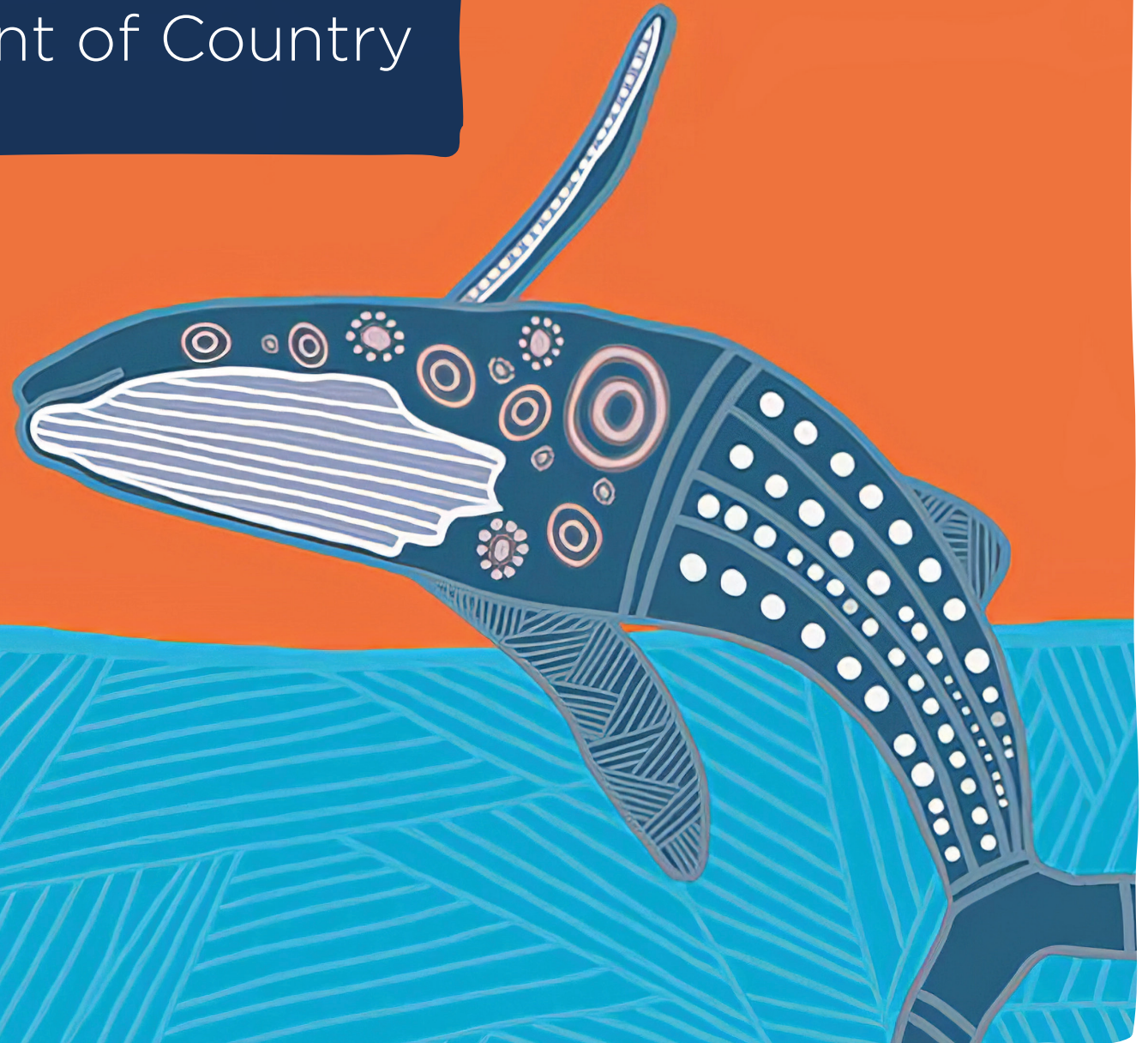


SYDNEY  
**DESALINATION**  
PLANT

Customer and Stakeholder  
**Engagement Strategy**  
2025

# Acknowledgment of Country

We acknowledge the Gweagal clan of the Dharawal people as the Traditional Owners of the land on which the Sydney Desalination Plant stands, and we pay our respects to Elders past and present.



[www.kinyalerrk.com.au](http://www.kinyalerrk.com.au)

# Contents

Introduction .....	Page 4
Our role in the water supply network .....	Page 5
Why we are engaging now .....	Page 6
Our engagement approach .....	Page 7
Who we're engaging .....	Page 8
Our engagement timeline .....	Page 9



# Introduction

As Sydney's only major rainfall independent source of drinking water, the Sydney Desalination Plant is an integral part of the city's drinking water supply, contributing to its long-term water security. Our vision is to be a great water company that provides safe, reliable and high-quality drinking water to the people, households and businesses of Sydney.

Our Customer and Stakeholder Engagement Strategy is part of SDP's commitment to be a customer centric business that continues to provide value to the people of Sydney.

Our corporate strategy is aligned with our engagement strategy and will help us achieve our vision.

While the Plant was originally built to respond to the worst drought in a century, recent experiences have shown just how important the Plant is to bolster drinking water supplies across Greater Sydney.

Since mid-2023, the Plant has been operating on a flexible full-time basis. This means it has been providing operational support to Sydney Water by increasing supply of high-quality drinking water.

In 2026, we will submit our next pricing proposal to our price regulator, the

Independent Pricing and Regulatory Tribunal (IPART). To support the development of our pricing proposal, we have embarked on our most extensive customer and stakeholder engagement process to date.

We are engaging through a multi-stage engagement program to shape our pricing proposal. We are engaging primarily with Sydney Water – our only direct customer, NSW Government and our Customer Advisory Panel to ensure we can continue delivering the drinking water services that the people of Sydney value.

Understanding Sydney Water and end-customer needs and preferences through engagement will be crucial to delivering in their long-term interests.

**We are committed to good practice engagement and will engage meaningfully with customers and key stakeholders.**

# Our role in the Water Supply Network



Since construction was completed in 2010, the Plant has drawn water from the ocean and transformed it into high-quality drinking water.

From our site at Kurnell in Sydney's southeast, we treat, filter and re-mineralise seawater to produce up to 250 megalitres (million litres) of high-quality drinking water a day. That's about 15 per cent of the city's drinking water needs and is enough to fill more than 100 Olympic-sized swimming pools.

The water is then transported via an 18km pipeline to Sydney Water's supply network at Erskineville, where it is distributed to about 1.5 million people across homes and businesses.

The Plant is Sydney's only major non-rainfall dependent source of drinking water. The NSW's Government's 2022 Greater Sydney Water Strategy affirmed the value that the Plant provides. In 2023 our operating licence was changed, and the Plant has since been operating on a flexible full-time basis.

The Plant now operates all year round responding to water production requests from Sydney Water. The Plant contributes to Sydney's water supply system by bolstering drinking water supplies across Greater Sydney.

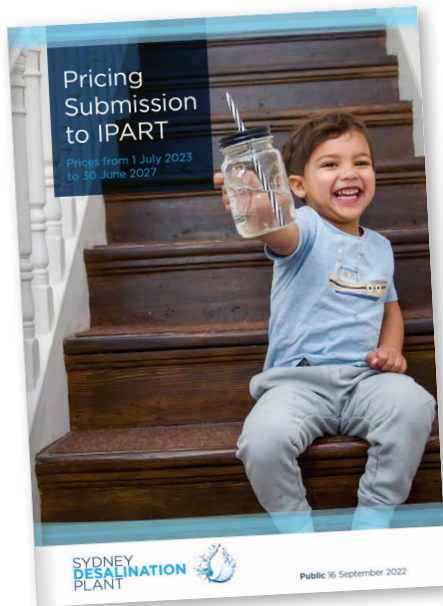
The water supply system has been placed under strain due to a growing population, new industries such as Data Centres, growing climate related pressures like severe droughts, bushfires and floods. This has demonstrated the need for the Plant to remain operational outside drought periods.

We know that customers are most concerned about clean, reliable and uninterrupted drinking water. Our flexibility and availability show that the Plant has always been, and will continue to be, an essential component of Sydney's water management and water-resilient future.

**We provide flexible full-time operation, we respond to water quality challenges driven by flooding, storms, bushfire debris and major system maintenance needs in addition to drought response.**

# Why are we engaging now

We are a price regulated business. The maximum prices that we can charge are set by the Independent Pricing and Regulatory Tribunal (IPART) under the Water Industry Competition (WIC) Act.



Typically, every five years, we provide a submission to IPART describing the services we will provide and the prices we will charge. Our next regulatory proposal is due in September 2026 and IPART will set prices that apply for the period from 1 July 2027 to 30 June 2032.

To support the development of our pricing proposal, we have embarked on our most extensive customer and stakeholder engagement process to date. This engagement process, leading into our next regulatory period is also an opportunity for us to reflect on how the Plant has operated over the past few years under our new operating framework.

**In addition to informing our next pricing submission to IPART, engagement feedback will be incorporated in our future strategic direction and investment decisions.**



# Our engagement approach

Our engagement objective is to reflect the priorities, requirements and expectations of water customers, the community and Sydney Water in our next pricing proposal to IPART.

We will achieve this through a comprehensive, multi-stage engagement program that focuses on the topics that are most important to our customer and stakeholders. Our iterative approach will incorporate stakeholder feedback to refine and improve outcomes and develop greater organisational capacity and processes that leaves a legacy.

Key pillars of our engagement approach include:

- Direct and extensive engagement with Sydney Water to ensure we appropriately balance costs and service levels within our operating rules.
- Leveraging feedback from end-use customers that was provided to Sydney Water through its recent customer engagement program.
- Establishing a Customer Advisory Panel of customer advocates who will provide diverse and important perspectives and work with us to develop a customer centric regulatory proposal that reflects and balances feedback.
- Early stakeholder engagement with the NSW Government and IPART.

Our engagement strategy is founded on principles of transparency, honesty, responsiveness and inclusiveness.



## Transparent

We are clear about the scope of the engagement



## Honest

We are open and authentic in our interactions



## Responsive

We respond in a timely and constructive manner



## Inclusive

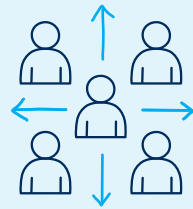
We provide appropriate time and resources for meaningful input

We commit to incorporating feedback to the maximum extent practical

# Who we're engaging with

We are committed to good practice engagement and intend to engage meaningfully with our customer Sydney Water and key stakeholders.

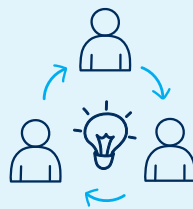
Sydney  
**WATER**



End customer feedback

SYDNEY  
**DESALINATION**  
PLANT

**IPART**  
Independent  
Pricing and Regulatory  
Tribunal NSW



Customer Advisory Panel



We are holding a series of engagement workshops with Sydney Water, NSW Government and our Customer Advisory Panel. Workshop participants have been given an opportunity to co-design and shape our engagement agenda. Through this process, we have committed to implementing recommendations into our pricing proposal to the maximum extent possible.

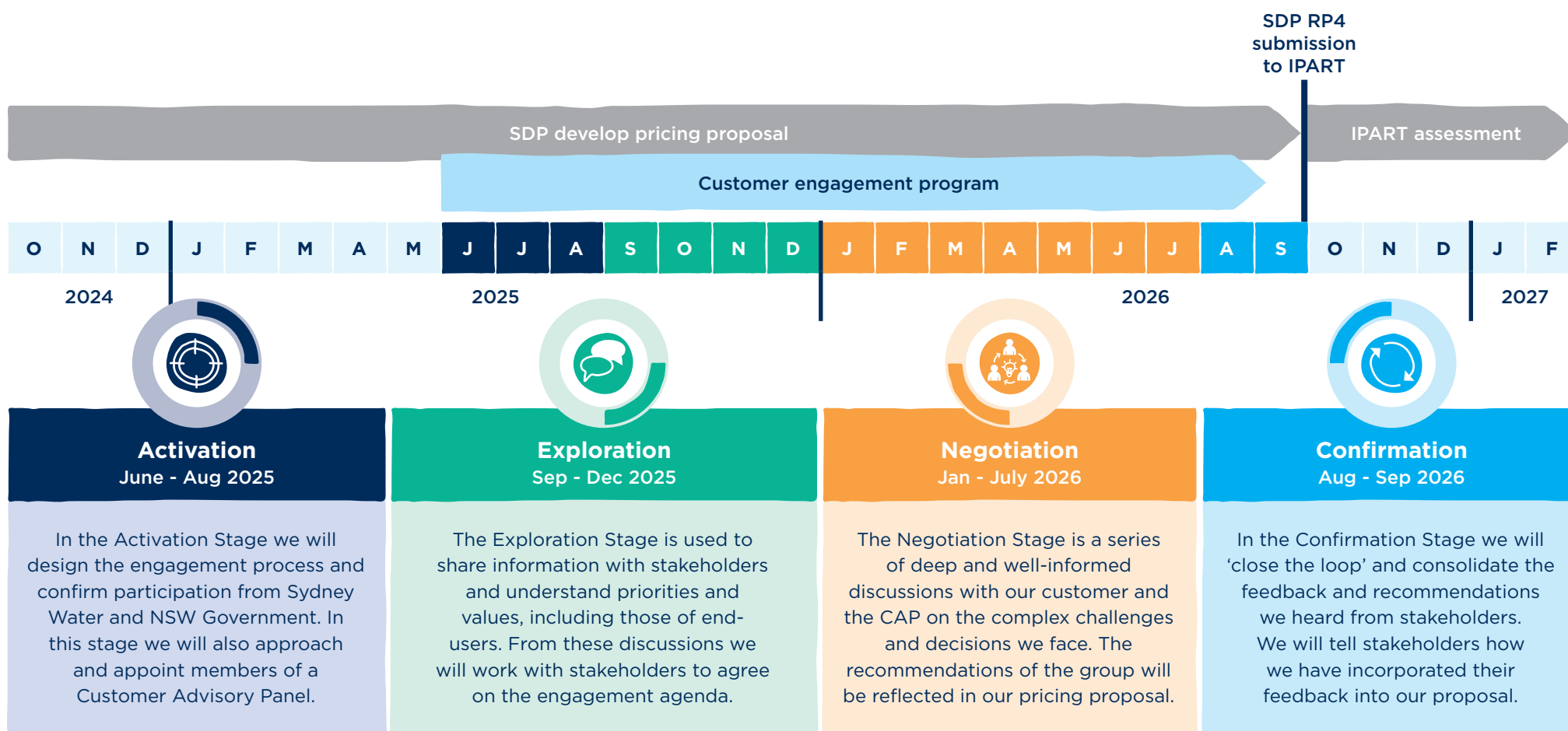
In addition, we have leveraged the feedback that water users provided to Sydney Water through its recent engagement program. Sydney Water have provided us with over 30,000 de-identified data observations from its engagement program. We have taken this data to independently analyse customer priorities with a focus on the feedback that is relevant to us.

Our Customer Advisory Panel has been asked to help us interpret this data so our pricing proposal incorporates the views of Sydney's water users.

# Our engagement timeline

Our 4-stage engagement program is being held over a 12-month period. Through our engagement activities we seek to better understand the value that we provide to the community and Sydney Water and incorporate their views and preferences.

Our engagement approach will inform our next pricing submission to IPART and our future strategic direction and investment decisions.



SYDNEY  
**DESALINATION**  
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