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11th December 2025

Letter of Support - North East Water -2026-2031 Price Submission

To Whom It May Concern:

I welcome the opportunity to provide feedback on North East Water's (NEW) 2026-2031 Price Submission to the Essential Services Commission. As a local developer working across north-east Victoria, I have collaborated closely with NEW, participating in developer forums, targeted stakeholder sessions, and an online community forum during the development of this price submission.

Through this engagement, I have gained a detailed understanding of the challenges facing our region, the expectations of local stakeholders, and the scale of infrastructure investment now required. I am therefore pleased to express my strong support for NEW's proposal, which I believe is essential to sustaining regional growth, enabling new housing supply, and maintaining the liveability and economic resilience of our local communities.

NEW's engagement program has been among the most comprehensive I have participated in as a regional stakeholder. Over 4,700 customers participated in the engagement program, including developers, community members, local councils, First Nations organisations and businesses.

This was particularly evident through the deliberative forum, which produced 22 recommendations – 20 of which NEW committed to fully implement. This reflects an organisation genuinely listening to stakeholders and designing a price path grounded in community expectations.

As someone deeply involved in residential and commercial development across the region, I can confirm that significant water and wastewater upgrades are now critical constraints on future land release and construction.

The submission outlines **\$279.7 million** in capital investments between 2026-2031, enabling more than 9,000 new housing connections and generating approximately 500 construction and planning jobs.

From a development perspective, failure to invest now would stifle housing supply, delay the delivery of essential services such as childcare and medical, escalate construction costs and create long-term affordability pressures—outcomes directly counter to the region's strategic objectives.

As such, I support NEW's proposal to update New Customer Contributions (NCCs) to ensure that developers contribute fairly to the cost of growth to reflect the real cost of providing new water and wastewater capacity for developing areas, as I recognise that appropriately structured NCCs ensure that the costs of growth are shared equitably—reducing the burden on existing customers while enabling the major upgrades required to service new communities.

I acknowledge that the submission proposes an annual 5.25% price increase (before inflation). While any price rise must be carefully considered against cost-of-living pressures, I believe the following measures demonstrate NEW's responsible and fair approach:

- *Tariff rebalance implementation.*
- *Doubling of customer hardship support.*
- *Commitment that average bills will remain at or below the Victorian regional average.*
- *Consideration of a price freeze on volumetric charges if demand leads to revenue over-recovery in year one.*

This balanced approach aligns with the deliberative forum's recommendations and reflects a realistic assessment of the investment required to maintain reliable, safe water and sewer services in a rapidly growing region.

Throughout the submission process, NEW's development services team has consistently engaged with our sector in a respectful, constructive manner. NEW has:

- *Held multiple developer forums to share servicing plans and receive feedback.*
- *Worked collaboratively to solve complex infrastructure sequencing challenges.*
- *Treated developers as genuine partners in regional planning.*

The introduction of an online developer portal, clearer growth servicing plans, and streamlined asset standards will further improve efficiency and transparency across the development lifecycle.

I also support NEW's focus on environmental health, climate resilience, and regulatory compliance - targeting net zero by 2035. This initiative is not only environmentally vital but will also reduce long-term operating costs and future price shocks.

In conclusion, NEW's 2026-2031 Price Submission is the product of rigorous planning, extensive engagement, and genuine collaboration across the region. As a local developer and active participant in the process, I strongly support NEW's proposal.

The submission strikes the right balance between affordability, environmental responsibility, and the infrastructure investment urgently required to support housing, industry, and community wellbeing across north-east Victoria.

I commend NEW for its transparent, inclusive and forward-looking approach, and I urge the Essential Services Commission to approve the submission in full.

Sincerely,



Tyrone Naughtin
Director
Naughtin Development Group Pty Ltd