



MEDIA RELEASE

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ONLINE BILLING TO STAMP OUT POSTAGE PAIN

Hunter Water will for the first time offer online billing to counter the financial impact of Australia Post's decision to increase the price of a postage stamp by 67% in the past three years.

The Australia Post has made a request to the ACCC to charge \$1 for the delivery of a regular sized envelope from 1 January, meaning Hunter Water's annual postage costs would exceed \$850,000.

Hunter Water Interim CEO Jeremy Bath said moving to online billing will help contain Hunter Water's operating costs and therefore contribute to keeping local water prices among the cheapest in Australia.

"Australia Post's decision to increase the price of a stamp to \$1 from January is a 43% jump in price which amounts to an extra \$300,000 in postage costs every year.

"The reality is the cost of a stamp will only continue to rise and likely with regularity. Adding to the pain is the forecast reduction in the days the mail is delivered, which will have the effect of giving our customers less time to pay their bill.

"Hunter Water has the cheapest average water bill in Australia. It is going to be incredibly difficult to retain that position without taking action now to counter Australia Post's decision to yet again increase the price of a postage stamp. A move to digital billing will help offset most if not all of the additional postage cost that would otherwise ultimately impact upon the price of water our customers pay.

"Hunter Water sends more than three quarters of a million water bills every year, and with the Hunter's population on course to hit 1 million by 2050, postage costs are a threat to the affordability of water.

"Online billing will be an option for our customers that many will jump at the opportunity to experience. It will help facilitate online payment of bills and allow for customers to be emailed their bill. By avoiding the delay of printing a bill then posting it in the mail, our customers are likely to have three to four extra days to pay their water bill.

"We know not everyone is comfortable with online billing, which is why customers will continue to receive their paper bills as a default but with the ability to 'opt in' for online billing.

"Customers will be given incentives to register for online billing, such as competitions offering prizes of \$1,000 towards your water bill," he said.

Hunter Water's e-billing system will commence in July 2017 with customers able to register for the service 12 months prior.

Stamp prices since 2003

2003	2008	2010	2014	2016
50c	55c	60c	70c	\$1.00

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