

Board meeting | 28 October 2025

Public session



Venue	Watercare Services, Level 4 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	From 9:45am

Meeting administration		Spokesperson	Action sought	Supporting material
1	Opening karakia	Chair	-	Verbal
2	Apologies	Chair	Record apologies	Verbal
3	Quorum	Chair	A majority of directors	Verbal
4	Declaration of any conflicts of interest	Chair	For noting	Verbal
5	Minutes of the previous meeting of 30 September 2025 Board meeting	Chair	For approval	Minutes
6	Public deputations	Chair	For information	Verbal
Items for information, discussion and approval				
7	Health, safety and wellness update	Andrew Mercer	For discussion	Report
8	Statement of Intent measures: residential per capita consumption (PCC) and gross PCC	Emma McBride	For approval	Report
9	Chief Executive's report	Executive Team	For discussion	Report
Governance				
10	Asset Management Committee meeting update	Graham Darlow	For discussion	Verbal update
11	Board planner	Chair	For information	Report
12	Directors' appointment terms, committee memberships and meeting attendances	Chair	For information	Report
13	Disclosure of directors' and executives' interests	Chair	For information	Report
14	General business	Chair	For discussion	Verbal update

Date of next meeting	Tuesday, 25 November 2025
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Karakia Timatanga (To start a meeting)

1. **Whakataka te hau ki te uru**

Whakataka te hau ki te tonga

Kia mākinakina ki uta

Kia mātaratara ki tai

E hī ake ana te atakura

He tio, he huka, he hau hū

Tihei mauri ora!

*Cease the winds from the west
Cease the winds from the south
Let the breeze blow over the land
Let the breeze blow over the ocean
Let the red-tipped dawn come with a sharpened air.
A touch of frost, a promise of a glorious day.*



2. Tukua te wairua kia rere ki ngā taumata

Hai ārahi i ā tātou mahi

Me tā tātou whai i ngā tikanga a rātou mā

Kia mau kia ita

Kia kore ai e ngaro

Kia pupuri

Kia whakamaua

Kia tina! TINA! Hui e! TĀIKI E!

Allow one's spirit to exercise its potential

To guide us in our work as well as in our pursuit of our ancestral traditions

Take hold and preserve it

Ensure it is never lost

Hold fast.

Secure it.

Draw together! Affirm



Minutes

Board meeting	Public session
Date	30 September 2025
Venue	Watercare House, Level 4 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	9:50am

Attendance		
Board of Directors	Watercare staff	Guests
Geoff Hunt (Chair) Frederik Cornu (except for item 2) John Crawford Rukumoana Schaafhausen Graham Darlow Julian Smith Karen Sherry Via Microsoft Teams Andrew Clark	Angela Neeson (Chief Financial Officer) Richie Waiwai (Tumuaki Rautaki ā-Iwi me ngā Hononga) Sarah Phillips (Chief People Officer) David White (Acting Chief Programme Delivery Officer) Suzanne Lucas (General Manager – Capital Delivery) Andrew Mercer (Head of Health, Safety and Wellbeing) (from the start until the end of item 7) Tim Scheirlinck (Head of Water Planning and Acting Chief Strategy and Planning Officer) Sharon Danks (Head of Water and Acting Chief Operations Officer for water) Emma McBride (Head of Legal and Governance) Tere Ryan (Security Specialist) Brent Evans (Head of External and Strategic Relations) (from start until the end of item 2) Via Microsoft Teams Jamie Sinclair (Chief Executive) Meg Wiltshire (Chief Corporate Affairs Officer) (until end of item 5) Jonathan Piggot (Head of Wastewater and Acting Chief Operations Officer for wastewater) (for item 2 only) Matthew Hill (Senior Legal Counsel)	Guests from Auckland Council Councillor Ken Turner, Watercare’s Lead Councillor Councillor Greg Sayers (via Microsoft Teams, for the second half of Item 2) Trudi Fava, Principal Advisor CCO Governance and External Partnerships Members of the public Kereama Nathan, Te Herenga Waka o Orewa Marae (for item 2) Derek Manning, Downer New Zealand

2.	Public deputations The Chair welcomed Derek Manning, who is attending the board meeting as an observer. He then invited Mr Nathan to provide his public deputation. Deputation from Kereama Nathan The Chair welcomed the members of the public present and invited Kereama Nathan to present. The following points were discussed: • Te Herenga Waka o Orewa Marae is in Silverdale and near the Weiti River. It has been there since 2012. The marae plays a role of kaitiaki, protecting the awa as part of the environment and a local resource. The marae has been working hard on the local riparian spaces. • Watercare's Blue Gum Pump Station is in close proximity to the marae. There have been odour issues for a long time, but it has recently got worse. There have been four wastewater overflows from the pump station this year, in March, April and two in August. • The best outcome would be the removal of the pump station, but the marae recognises that expecting that is unrealistic in the short term. • The marae has grave concerns about the frequency of the overflows and formally requests that Watercare address the recurring wastewater problems and develop a plan to prevent future overflows as a priority. • While Mr Nathan has phoned and met with Watercare numerous times over the last year or so, the rising main continues to break/overflow. For this reason, he has come to the board meeting, in person, to present his concerns directly to the Board. • The marae would like to partner with Watercare as the wastewater infrastructure is maintained and revitalised in the area. There are signs of life in and around the awa, but with intensification comes the need for a higher focus and higher priority to protect the awa. Deputation from Councillor Greg Sayers Councillor Greg Sayers then presented, and the following points were discussed: • Councillor Sayers expressed his gratitude on behalf of his constituents in the Rodney area as Watercare has invested significant amounts in the area, including Warkworth, Wellsford and Te Hana. • The amounts involved, particularly on the new Snells Beach Wastewater Treatment Plant (\$450m) and the new plants in Wellsford (\$70m), could not have been paid for by Rodney alone, and are only possible as they are now part of the SuperCity/Auckland Council. • The communities in these areas are very grateful, and Watercare's investment in the area has not gone unnoticed. Cr Sayers thanked Watercare for their bold decision making and for future proofing this growing area of Auckland. The Chair thanked both for their deputations and advised Mr Nathan that a formal written response would be sent to him from the board next week.
1.	Minutes of the previous meeting of 26 August 2025 board meeting <i>The board resolved that the minutes of the public session of the board meeting held on 26 August 2025 be confirmed as true and correct.</i>
3.	Health, safety, and wellness update Andrew Mercer presented the report which was taken as read. The following key points were made:

	• The board thanked Andrew for the information about Health & Safety Reform and what it means for Watercare. From previous discussions, the changes tend to be on critical risk management, which is something Watercare has been improving for some time. The other changes impact smaller businesses and are therefore not as relevant for Watercare. • HSE Global, a health and safety consultant, was engaged about two years ago and made recommendations to the board. Andrew took over soon after the receipt of the recommendations and implemented these. The recommendations included integration between the different business units within Watercare. The board acknowledged the good work on implementing the recommendations. • The business is rolling out new safety goals for people leaders and has reestablished the Executive Safety Committee. The key is ongoing improvement and visibility of a health and safety mindset. • The reforms are proposing to change the Approved Code of Practice (ACOP) framework so industries can submit their own ACOPs. It is widely recognised in the industry that there is space for developing more and our contractors are keen to see this too. • Watercare can take a leadership role in ACOPs relating to the water industry, and already connects with Australia through the Water Services Association of Australia (WSAA) for example in relation to hydrogen sulphide exposure limits. • Regarding the incident involving fireworks and damage to a reticulated gas pipe near a Watercare worksite, this was responded to by the fire service and made safe. We are reviewing this, and our other sites, from a security perspective. • In response to a question from the Board, it was clarified that kaimahi check oxygen levels before entering digesters for renewal works and they wear an oxygen monitor. • Over the last five years or so there has been a shift in public sentiment and teams are seeing more aggressive behaviour from the public. This is being felt across industries and sectors with public-facing functions (eg supermarkets, airlines, utilities). Last month, there was a firearm-related incident, and this month there are knife and dog incidents. We have increased the rate of our security training and we now flag sites with potentially dangerous dogs. • Much of the security training is about disengaging and having an escape plan. We run one-on-one and group sessions with MSN, laboratory sampling teams and our Newmarket receptionist, and offer training to our contractors as well. • Dangerous dogs have become more of a problem right across Auckland and the board asked management to consider whether, as a responsible employer, something more could be done, including engaging with our counterparts at the Council, and to keep the board updated. • The board requested that, once the data are available (acknowledging that it only began in January), the critical risk inspections and events graphs (on page 13 of the pack) include a comparison with the previous year's data. <i>The board noted the report.</i>
4.	Review of the Corporate Governance and Board Committees' Charters Emma McBride introduced the report which was taken as read. The following key points were made: • In the Corporate Governance Charter, under the new water services legislation, the statement of intent will be replaced with a Water Services Strategy. • For the Audit and Risk Committee Charter, there will be an on-going question of where responsibility for the oversight plans will fall, once they are developed. This is something to revisit as they are developed and implemented. • The Economic Regulation Committee may be able to be disestablished in the near future as Charter reporting and implementation becomes "BAU".

	<i>The board approved the revisions to the Corporate Governance Charter, the Audit and Risk Committee Charter, the Asset Management Committee Terms of Reference and the Economic Regulation Committee Terms of Reference.</i>
5.	Chief Executive's report The CE introduced the report, which was taken as read. The following key points were made. • The Local Government (Water Services) Act 2025 (previously known as "Bill 3") was enacted in August and the CE acknowledged its significance. There are new opportunities and new compliance obligations, and a significant amount of work for the team. • The Commerce Commission has started consultation on the information disclosure aspects of enduring economic regulation, and we need to respond by 20 October 2025. This is a significant step in our regulatory journey. Initial information disclosure will include asset management and financial aspects. We will be completing a submission and the expectation is that Watercare may be subject to both the Charter and the information disclosure requirements for two years before the Charter expires in mid-2028. Key performance measures • The targets for water consumption measures are being finalised with Council. We have worked out the methodology, and will present those to the board via the October 2025 board pack. We will then seek the Council's assistance to amend the Statement of Intent (SOI) to incorporate the agreed targets, so we can start reporting for Q1 FY26. • The board requested commentary be included in relation to the capital expenditure spend. Customer and communities • The bypass pipeline installed on the Elizabeth Street bridge (which became operational in mid-August) is working as expected and there have been no significant overflows. As a result, oyster harvesting has resumed. • Unfortunately, there was a blockage in Warkworth due to fats, oils and wet wipes. This received some media attention, but it was not an infrastructure failure. There is a need for a targeted community education campaign, delivered with sensitivity given the ongoing works. • There has been an increased amount of engagement with strategic stakeholders, including meetings with the developer community, with a focus on the customer experience. Mana whenua and iwi engagement • There has been an enormous amount of engagement. Whakawhanaungatanga has been extended to Ngāti Manuhiri, Te Uri o Hau, Ngāti Maru, Ngāti Pāoa, Ngā Maunga Whakahii o Kaipara, and Ngāti Whanaunga. Site visits were undertaken with Ngāti Manuhiri to Snells Beach, Waiwera, and Red Beach, and with Te Uri o Hau at Kaiwaka. • Monthly hui are now confirmed with 12 iwi, ensuring consistent engagement and visibility across kaupapa. • The biosolids and metro servicing issues were socialised with all iwi. Waiohū iwi have expressed interest in engaging collectively. People

	- There has been a slight increase (less than 1%) in staff turnover, the first time turnover has not fallen in 18 months. This is attributed to the rolling 12-month calculations rather than a significant rise in departures. - The high leave liability in the Operations team remains an issue. The board noted the challenge of managing leave for 24/7 teams and the associated health and safety risks. Sharon Danks explained that the team is being encouraged to take more leave. It was noted that when looked at from a per FTE perspective, the high leave balance in Operations is generally in line with the rest of Watercare. - The board requested a resourcing plan for the operations team as a priority action for November/December 2025 board meeting. Operations - Watercare was fully compliant in relation to drinking water and had excellent results for resource consent compliance and in its performance metrics. Risk - There were four whistleblower incidents which have all been investigated and addressed. In response to a question from the board, it was clarified that Watercare does have a conflict of interest policy, and an interests register for Board members and Executives. Senior leaders and employees in the procurement team must also make an annual declaration about any conflicts of interest. Not all employees make a declaration every year. The Internal Audit team will review whether this level of disclosure (rather than getting all staff to do a yearly declaration) remains fit for purpose. - LGOIMA requests continue to track high and consistent. The option of proactively releasing more information was raised, but there is no major theme and releasing more information would be unlikely to reduce the number of LGOIMA requests. Capital delivery - The Snells Beach wastewater treatment plant is now operational. It is now taking all the flow from that catchment. - The final details are being worked through for the Warkworth Growth Servicing Pipeline before we get the contract underway. - The Central Interceptor continues to progress and we will be diverting the northern system in Q1 or Q2 next calendar year. - For the Queen Street diversion works, microtunnelling commenced from the Mayoral Drive jacking pit, jacking down Queen St towards the Wellesley St shaft. We have been working through stakeholder issues given the high hoardings in the area. - There is now a dedicated programme for renewals work, with \$500m of work planned over the coming 18 months. A portion of this work should be contracted by Christmas. - The Chair thanked and farewelled David White, as this is his last board meeting before returning to Australia. David White noted his two key messages for Watercare as he departs is: continue to have a relentless focus on safety – get out and about and talk to the teams on site; and remember and celebrate the amazing job that Watercare does delivering its core business - safe and reliable water/wastewater services 24/7/365. <i>The board noted the report.</i>
6.	Asset Management Committee meeting update Graham Darlow, Chair of the Asset Management Committee (AMC), provided an update. The Māngere Biosolids Servicing Project will have a long list of options by December 2025 and a shortlist by March 2026.

	- Biosolids will be addressed at every AMC meeting from now on. - The AMC discussed bringing forward some proposed works for the Kelmarna Collector (part of the Western Isthmus Water Quality Improvement Programme). It was determined that more work was needed on the business case before it could go to the board. <i>The Board noted the update.</i>
7.	Economic Regulation Committee meeting update There was no Economic Regulation Committee meeting.
8.	Board planner The Operating Cost and Efficiency Improvement Plan required under the Charter will need to be approved at the December 2025 meeting. <i>The board noted the board planner.</i>
9.	Directors' appointment terms, committee memberships and meeting attendances <i>The board noted the report.</i>
10.	Disclosure of directors' and executives' interests The Chair noted he had resigned from the Preston 2 Trust Limited. <i>The board noted the report.</i>
11.	General business The Chair addressed Cr Turner and thanked him for his time as Watercare's Lead Councillor noting that the Board appreciated in particular his forthrightness and plain speaking and wished him all the best for the upcoming local body elections. Cr Turner thanked the Chair in response. The public session closed at 11:05am.

CERTIFIED AS A TRUE AND CORRECT RECORD

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Geoff Hunt, Chair

Board meeting | 28 October 2025
Public session



Health, safety, and wellbeing update

For discussion

Document ownership / Whaimana tuhinga

Prepared by / Kaiwhakarite
Andrew Mercer
Head of Health, Safety and Wellbeing

Recommended by / Kaitaunaki
Sarah Phillips
Chief People Officer

Submitted by / Kaitono
Jamie Sinclair
Chief Executive Officer

1. Purpose / Whāinga

This report provides an update on health, safety and wellbeing outcomes and performance at Watercare for September 2025.

2. Executive summary / Whakarāpopototanga matua

The report includes a summary of monthly activity across five core areas of HSW focus:

- Leadership
- Staff / Kaimahi engagement
- Insight into critical risk management
- Continual improvement
- Performance trends and analysis.

3. Supporting information / Pārongo tautoko

3.1 Leadership

	July 2025	August 2025	September 2025	Commentary
Leadership walks Target to be determined by business unit	151 Feedback	142 feedback	130 feedback	Overall, number of leadership conversations and site inspections remain high, with a sustained focus on leadership engagement in the field. New company-wide performance goals for leadership walks were created during September.
	191 inspection	185 inspection	146 inspection	
Training – Safety leadership in action Target: 100% of people leaders	95%	96%	98%	Training completion rates have improved steadily from 95% in July to 98% in September, with six people leaders yet to complete it (four being new to the

	July 2025	August 2025	September 2025	Commentary
				leadership role). Leadership capability development continues to be a key focus for driving successful safety performance.
Health and safety executive engagement meeting Target: 1 per month compulsory attendance	1	1	1	Executive safety meetings are held monthly, providing a dedicated leadership focus on HSW performance and improvement, including critical risk management, safety leadership and worker engagement.

3.2 Kaimahi engagement

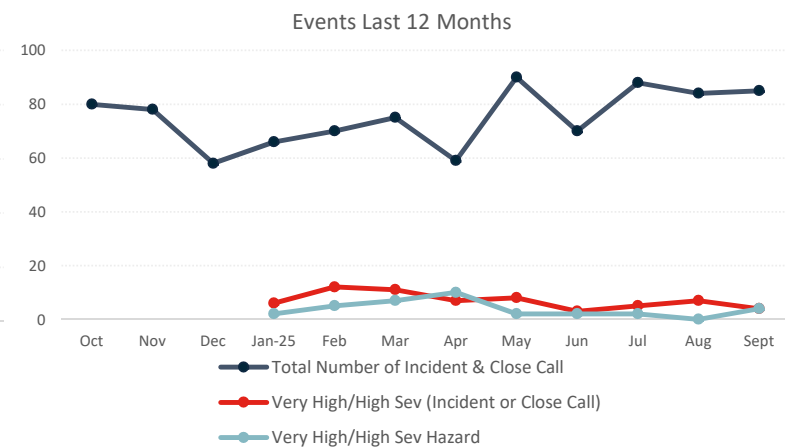
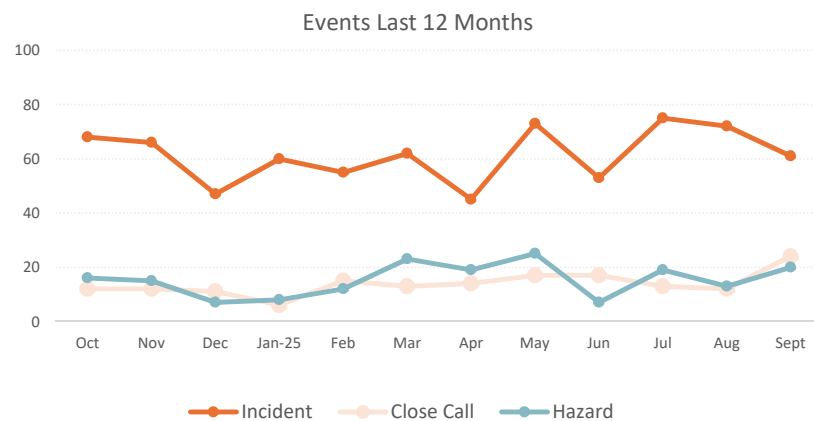
	July 2025	August 2025	September 2025	Commentary
HSW climate The team targets a HSW climate rating of ≥8/10 in each six-monthly Watercare climate survey	8.2 (+0.3 above benchmark)			The most recent staff survey was completed in June 2025, with a 0.1-point improvement from the November 2024 survey.
Reward and recognition All business units to have a way to reward and recognise positive health, safety and wellbeing	334	232	192	This measure is the total number of recognition nominations made via the company 'recognition app'. Note that many other forms of reward and recognition happen outside of this format.
Training – induction (HSW Essentials) Target: 100% of Kaimahi	99%	99%	99%	A small number of predominantly casual workers yet to complete this induction.
Communication / engagement	Watercare's bi-monthly company-wide HSW update in September highlighted progress on DoneSafe, HSR committee, executive safety meetings, leadership principles, programme delivery, and mentally healthy work trials. A review of Watercare's standard PPE range was completed, rationalising some items, adding new clothing options for pregnancy, and bump caps for head protection.			

3.3 Risk management and insight into the permit audits

	July 2025	August 2025	September 2025	Commentary
Permit audits per site Target: One per site	65/36 91% compliance	50/36 86% compliance	44/36 93% compliance	Permit audits remain an important measure of critical risk assurance, checking the effective application of our control of works process.

	July 2025	August 2025	September 2025	Commentary
Critical risk inspection Measured as: number of inspections completed	40	27	31	The focus on critical risk management, and the implementation of critical risk inspections, has seen an average of 30 critical risk inspections completed monthly since January. The upcoming Donesafe design will integrate documented risk assessments with control of work procedures, enabling better targeting of critical risk inspections.
Emergency preparedness Measured as: number of emergency drills completed	4	5	4	One chemical spill emergency drill at Pukekohe Water Treatment Plant, one desktop emergency scenario drill at Wellsford Water Treatment Plant, a fire evacuation drill at the laboratory, and one additional project task emergency drill with contractors at Rosedale WWTP.
No. of high/very high potential of harm events (incidents and close calls)	5	7	4	We continue to encourage a positive approach to safety event reporting. We have seen a general increase in the overall number of incidents and close calls, but comparatively low number of high potential events.

Details of events with very / high potential of harm



3.3.1 Summary of high-potential events in September

High potential events involving Watercare employees

Close call – a portable davit fall arrest system at the Lower Nihotupu Dam valve tower was found to be incorrectly set up. The dam technician recognised the fault and corrected the set up. The standard operating procedure has been reviewed and updated, and learnings shared with the wider team.

High potential events involving Contractors

Incident – a subcontractor was working at the Onehunga wharf when he fell into the water between a tugboat and wharf structure. The fall was ~2m and the worker was unharmed. A review of this incident was undertaken, and corrective actions implemented.

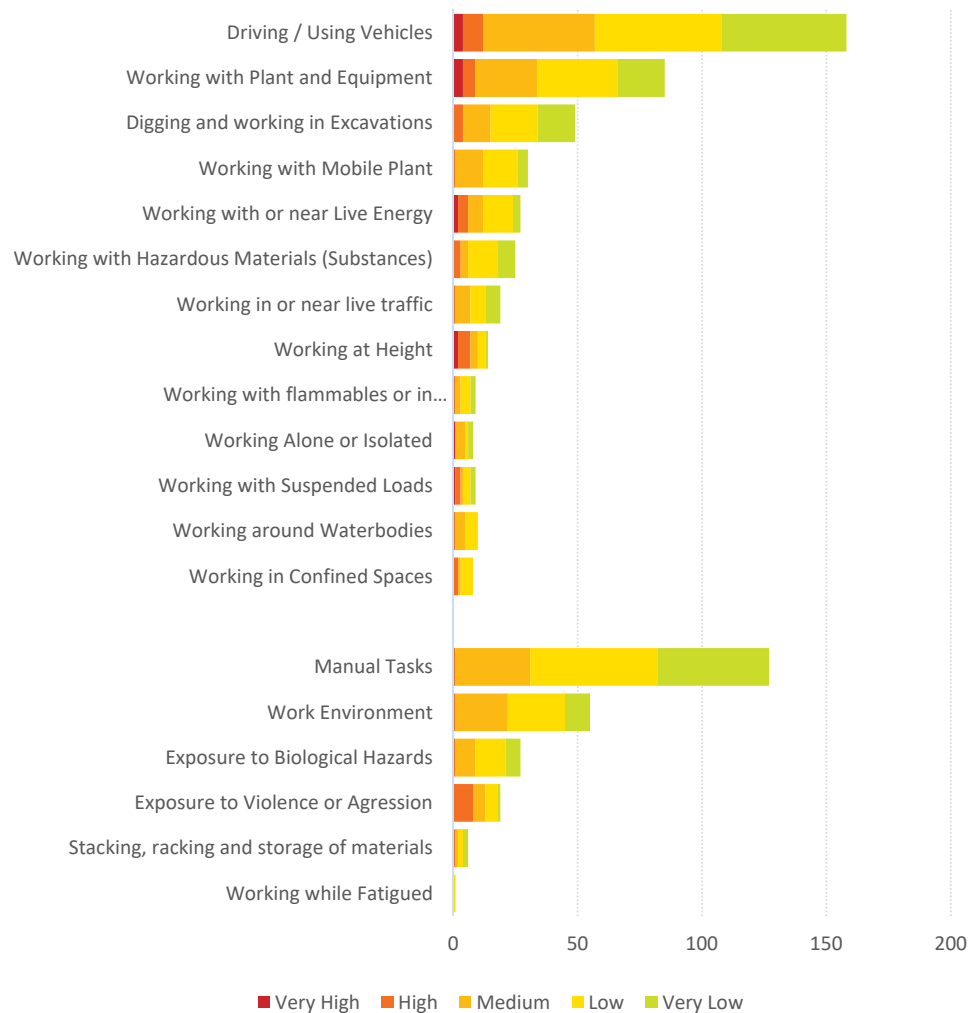
Incident – a contractor was removing redundant cable from a cable trench within Māngere Wastewater Treatment Plant (WWTP). A steel plate trench cover dropped into the trench and damaged a live 11kV HV cable and two earthing cables, causing an electrical short circuit and tripping one of the plant blowers. One of the workers suffered a minor ankle injury due to the steel plate impact. The injured worker received first aid and required no further treatment. The incident is currently under investigation, and learnings and improvement actions will be captured and shared.

Close Call – During a pre-commissioning walkover at Waitākere Water Treatment Plant (WTP), a newly installed switchboard was found with circuit breakers in the 'off' position but no lock-out tag-out applied. The installation was completed without the necessary isolation permits in place, and the job safety analysis did not cover live low-voltage work. Although the new circuit was switched off, the main power supply to the panel remained energised, posing a potential electric shock risk. Learnings included: strengthening isolation controls, permit-to-work compliance, and supervision of third-party contractors.

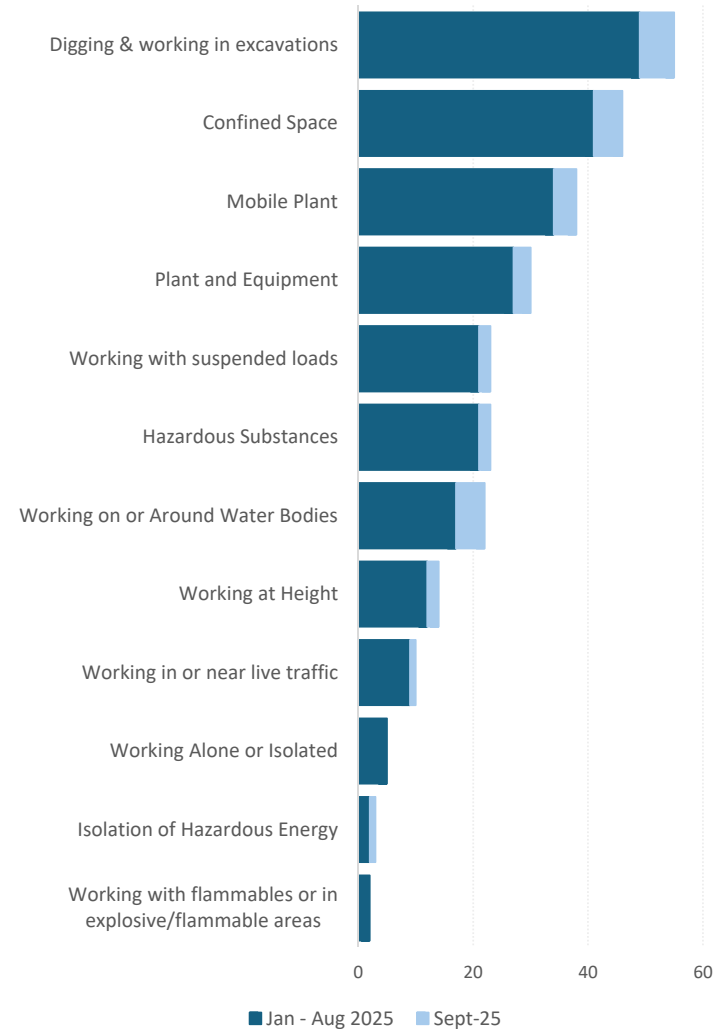
3.3.2 Critical risk inspections and events

The chart below shows the number of critical risk inspections completed and severity of events reported this year, across the identified critical and non-critical risk areas.

Severity of Incident and Close Calls Reported since January 2025



Critical Risk Inspection Jan - Sept 2025



3.4 Continual improvement

	July 2025	August 2025	September 2025	Commentary
Learnings identified and shared	1	6	1	A post-incident learning team was formed, involving Watercare and both main contractor and subcontractor personnel, to investigate the 11kV cable damage event at Māngere WWTP. Key findings, root cause, and recommendations are currently under review.
Digital safety systems	The digital safety system project has progressed the design of Control of Work, Isolations, and Permits processes, which are now nearing completion. The development of Audit Management and Employee Health Records is progressing and will shortly move into initial testing. High-level data integration design continues, with Enterprise Asset Management integration planned.			
Open iCare cases Target: <5% of iCare cases last 12 months	868 13%	1165 16%	1103 15%	Open cases with no actions are reviewed and ready to close, and a process for managing that efficiently is currently been determined.

3.5 Performance trends and analysis

	Commentary											
Health and wellbeing support	In September, the Mentally Healthy Workshops trial with the HSW team was a strong success, providing valuable insights into the work factors that support or challenge wellbeing. Participants developed a set of proposed actions for leaders to consider, and the response from leadership has been highly supportive, with a commitment to progressing the ideas raised. We’re continuing to refine the workshop approach ahead of a proposal for broader rollout. As part of Blue September, we were honoured to host a guest speaker, who shared his personal journey with prostate cancer. His kōrero was a powerful reminder of the importance of early detection and was well received by both in-person and online attendees.											
ACC performance monitoring	There are four recordable injuries in September, including one lost-time injury working with equipment, two restricted duty injuries resulted from manual handling in our labs and a medical event during pipeline repairs involving trenches Our claims management and return-to-work programs are proving effective, with employees returning to work in an average of 33.6 days, far surpassing the 63-day target. This success story is built on providing immediate support and creating coordinated recovery plans from day one. We’ve identified that we can get our people back to their best even faster by improving the timeliness of our Initial Rehabilitation Plans (IRPs). To do this, we are strengthening our partnership with Howden Care, and bringing their injury management experts into the conversation earlier. This will create a stronger support network between our employees, their leaders, and our partners, ensuring a faster and more seamless recovery for everyone. <table><tr><th>Performance measure</th><th>September performance</th><th>Target</th><th>Commentary</th></tr><tr><td>Timeliness of Cover Decisions (Non-Complicated)</td><td>56.1% within 8 days (Average: 13.6 days)</td><td>≥50% within 8 days</td><td>We are exceeding the target for timely decisions on straightforward claims, ensuring our people receive prompt confirmation of support.</td></tr></table>				Performance measure	September performance	Target	Commentary	Timeliness of Cover Decisions (Non-Complicated)	56.1% within 8 days (Average: 13.6 days)	≥50% within 8 days	We are exceeding the target for timely decisions on straightforward claims, ensuring our people receive prompt confirmation of support.
Performance measure	September performance	Target	Commentary									
Timeliness of Cover Decisions (Non-Complicated)	56.1% within 8 days (Average: 13.6 days)	≥50% within 8 days	We are exceeding the target for timely decisions on straightforward claims, ensuring our people receive prompt confirmation of support.									

	Commentary			
	Timeliness of Cover Decisions (Complicated)	66.7% within 62 days (Average: 53.7 days)	≥50% within 62 days	Our performance on complex claims is also strong, with decisions made well within the targeted timeframe. This reflects our commitment to navigating complexity efficiently.
	Timeliness of First Weekly Compensation Assessment	69.6% within 10 days (Average: 34.7 days)	≥50% within 10 days	We are significantly outperforming the target for initiating weekly compensation, ensuring financial stability for our people during their recovery. The average processing time of 34.7 days, while long, is influenced by the complexity of some cases and is an area for further review.
	Timeliness of Initial Individual Rehabilitation Plan (IRP)	60% within 28 days	≥80% within 28 days	This is a key area for improvement. While we are not yet meeting the target, we have initiated a strategic collaboration with Howden Care to involve our HSW Injury Team earlier in the process. This will facilitate more timely and effective rehabilitation planning.
	Average Return to Work (RTW) Timeframe	33.6 days	≤63 days	Our proactive approach is yielding excellent results in this area, with our people returning to their pre-injury roles in approximately half the targeted time. This is a direct outcome of our focus on early support and coordinated recovery planning.

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4. Recommendation / Te tūtohunga

That the Board notes and discusses this report.



Board meeting | 28 October 2025
Public session



Statement of Intent measures: residential per capita consumption (PCC) and gross PCC

For approval

Document ownership / Whaimana tuhinga

Prepared by / Kaiwhakarite

Priya Thurai | Emma McBride

Head of Customer Insights | Head of Legal and Governance

Submitted by / Kaitono

Jamie Sinclair

Chief Executive Officer

1. Purpose of the report / Te take mō te pūrongo

To seek the Board's approval for an amendment to be made to the Statement of Intent 2025-2028 (SOI).

2. Executive summary / Whakarāpopototanga matua

Our SOI was approved by the CCO Direction and Oversight Committee at its meeting held on 12 August 2025.

In our SOI, measures #30 (Gross per capita consumption) and #31 (residential per capita consumption), did not include targets. This is because the methodologies for the measures were still being determined.

The methodologies and targets for these measures are now settled and we propose sending a letter to the Mayor to communicate the new targets and ask for the SOI to be updated and approved ([attachment 1](#)).

3. Supporting information / Pārongo tautoko

3.1 Gross per capita consumption (PCC)

Measure #30 on our current SOI states the following:

#	Measure	Source	2024 actual	2025 SOI target	Next three-year targets		
					2026	2027	2028
30.	The average consumption of drinking water per day per resident within the territorial authority	Council required	264 litres	253 litres	Council has proposed a new methodology for this measure, which will result in new targets for the next three years. Targets will be communicated to the Council as soon as they are set.		

#	Measure	Source	2024 actual	2025 SOI target	Next three-year targets		
					2026	2027	2028
	district (*litres/plus/minus 2.5%) (12-month rolling average). (Gross PCC)	measure – SOI			We are still committed to achieving the target for FY51 set out in the Auckland Water Strategy.		

The methodology for this measure is set out below.

Gross PCC is defined as the total water supplied across the network—including residential, commercial, leakage, and bulk supply, less water exported to Waikato District Council — divided by the number of people served by the water network. It is expressed in litres per person per day and calculated as a 12-month rolling average, covering both the metro and non-metro connected production and population.

The formula used is:

Gross PCC = (Total BSP Water Demand (including Rodney and Franklin metro) + non-metro + assumed transmission losses (2% gross BSP) – Water Exported to Waikato) ÷ Connected Population × 365

- **Total BSP water demand** includes metro, non-metro, and Waikato District Council (WDC) areas.
- **Non-metro** is water supplied in areas such as Warkworth and Waiuku that are not connected to the metro network.
- **Water exported** refers to bulk supply to external entities like Waikato District Council.
- **Connected population** is derived from Stats NZ subnational population medium growth estimates, adjusted for the percentage of the population connected to the network.

Watercare’s proposed methodology for FY26 and beyond

Watercare supports transitioning to a consistent, transparent methodology for long-term comparability and alignment with the Auckland Council methodology. We propose adopting the revised methodology while retaining key improvements.

Proposed enhancements:

- **Include transmission losses** (2% of gross production)
- Include **non-metro** water and population
- Use NZ stats latest **average population**, adjusted for the annual connection growth.

We have re-baselined FY25 which would be 262 l/p/d including transmission losses.

The impact of the methodology changes to Gross PCC

The impact of the methodology change is that Gross PCC has been reported less than what our revised calculation presents. Earlier methods (prior to the FY25 adjustment) used inflated census figures (Stats NZ 2018 census + 1.8% annually), but this was replaced due to overcounting errors. The current method uses the most recent Stats NZ figures and has factored in 2% of transmission losses.

Therefore, we agreed with Council that whilst Watercare is still committed to achieve our Auckland Water Strategy Gross PCC target of 225 by 2050, that we need to revise the annual targets and glidepath to reflect the methodology change.

Now that the methodology for the measure is finalised, the targets for the measure are set out below for the next three years.

They are set out in the table below:

#	Measure	Source	Next three-year targets		
			2026	2027	2028
30.	The average consumption of drinking water per day per resident within the territorial authority district (*litres/plus/minus 2.5%) (12-month rolling average). (Gross PCC)	Council required measure – SOI	257 +/- 2.5%	256 +/- 2.5%	255 +/- 2.5%

Using the new methodology, the result for September 2025 is 259 l/p/d (12 month rolling average) so we are on track to achieve this target for FY26.

3.2 Residential PCC

Measure #31 on our current SOI states the following:

#	Measure	Source	2024 actual	2025 SOI target	Next three-year targets		
					2026	2027	2028
31.	The average consumption of drinking water per day per resident within the territorial authority district (*litres plus/minus 2.5%) (12-month rolling average). Note: Calculation is based on bulk supply minus commercial consumption, divided by connected population (Residential PCC)	DIA	Existing DIA measure (see no. 30 above) with a new methodology	N/A	Methodology still being determined by the DIA. Targets will be communicated to the Council as soon as they are set.		

DIA have introduced revised guidance for the Non-Financial Performance Measures Rules 2024, for Demand Management, namely “The average consumption of drinking water per day per resident within the territorial authority district”.

The performance measure will help communities and territorial authorities make informed choices on how they use their water resources. Careful management of the demand for water is an important component of integrated water resources management to ensure that demand does not exceed capacity, that water is allocated efficiently, and that productivity is maximised.

The DIA has said that this performance measure should be reported as a single, city or district wide assessment (number).

Consumption is to be expressed as litres per person per day and based on the following fields defined in the Water Services Authority’s Network Environmental Performance Measure (NEPM) guidance for:

- **D-EH4 Water supplied to the drinking water network (m3/year)**
- **D-EH7 Non-residential water use (m3/year)**
- **D-EH3 Total population served by the drinking water network.**

Compliance should be calculated using the following formula:

(D-EH4 Water supplied to the drinking water network - D-EH7 Non-residential water use) / D-EH3 Total population served by the drinking water network / 365 / 1000

Watercare’s proposed methodology Change to Residential PCC for FY26 and beyond

Watercare has worked with Water NZ to provide the DIA with guidance to change the methodology as it should also remove real water loss from the calculation, so that we are truly measure residential demand, which is the purpose of this measure.

Consumption is to be expressed as litres per person per day and based on the following fields defined in the Water Services Authority’s [Network Environmental Performance Measure \(NEPM\) guidance](#) for:

- **D-RE1 Estimated total drinking water network water loss (m3/year)**
- **D-EH4 Water supplied to the drinking water network (m3/year)**
- **D-EH7 Non-residential water use (m3/year)**
- **D-EH3 Total population served by the drinking water network**

Compliance should be calculated using the following formula:

*(D-EH4 Water supplied to the drinking water network – D-RE1 Estimated total drinking water network water loss – D-EH7 Non-residential water use)/ D-EH3 Total population served by the drinking water network / 365 * 1000*

The DIA have confirmed that while they are in support of the methodology change, the current methodology for calculating drinking water performance measures remains unchanged until updated guidance is released—expected for the 2025/26 financial year. She acknowledged sector feedback, including suggestions to align with Taumata Arowai’s metrics, and is considering whether to release updates for Measure Five earlier to support more accurate reporting. While the guidance can be revised, the performance measures themselves are set in legislation and cannot be altered without formal amendment.

Now that the methodology for the measure is finalised, the targets for the measure are set. They are set out in the table below:

#	Measure	Source	Next three-year targets		
			2026	2027	2028
31.	The average consumption of drinking water per day per resident within the territorial authority district (*litres plus/minus 2.5%) (12-month rolling average). Note: Calculation is based on bulk supply <i>minus water loss</i> and commercial consumption, divided by connected population (Residential PCC)	DIA	165 +/- 2.5%	164 +/- 2.5%	163 +/- 2.5%

Using the new methodology, the result for September 2025 is 161 l/p/d (12 month rolling average) so we are on track to achieve this target for FY26.

4. Proposed budgetary implications / Ngā ritenga ā-pūtea kua marohi

The report does not have any direct budgetary implications.

5. Next steps / Ngā mahi ka whai ake

Subject to the Board’s approval, the Board will be asked to delegate final sign off of the draft letter (attachment 1) to the Mayor to communicate these amendments in the SOI.

6. Recommendation / Ngā taunakitanga

That the Board approves the draft letter to the Mayor communicating the amendments to the SOI, and delegates to Geoff Hunt (Board Chair) the final sign off of the letter (attachment 1).

7. Attachment / Te whakapiringa

Attachment number	Description
1.	Draft letter to the Mayor of Auckland Council from the Board Chair



Attachment 1



Watercare Services Limited

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Auckland 1142, New Zealand

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www.watercare.co.nz

[Date] October 2025

Mayor Wayne Brown
Office of the Mayor
Auckland Council
Council Building
135 Albert Street
AUCKLAND

Dear Mayor Brown

Amendment to Watercare Services Limited's Statement of Intent 2025-2028

We refer to our Statement of Intent for 2025-2028, which was approved by the CCO Direction and Oversight Committee at its meeting held on 12 August 2025.

Background

In this SOI, measures #30 (Gross per capita consumption) and #31 (residential per capita consumption), did not include targets. This is because the methodologies for the measures were still being determined with Council and the DIA respectively.

The methodologies and targets for these measures are now settled and we therefore would like to request that the Governing Body reviews and approves an updated SOI, which includes these new targets.

Details of the two measures, methodologies and new targets are set out in the **Appendix A**.

Updated SOI

A copy of the updated SOI, with these new measures included is attached (**Appendix B**).

Please contact the Governance Team at Watercare if you have any questions or wish to discuss the new methodologies or targets in more detail. Otherwise, we look forward to receiving confirmation that our updated SOI has been approved by Council.

Yours faithfully,

Geoff Hunt
Board Chair
Watercare Services Limited

Copy to:

- Phil Wilson, Chief Executive, Auckland Council
- Trudi Fava, Principal Advisor, CCO Governance and External Partnerships

Appendix A

1. Gross per capita consumption (PCC)

Measure #30 on our current SOI states the following:

#	Measure	Source	2024 actual	2025 SOI target	Next three-year targets		
					2026	2027	2028
30.	The average consumption of drinking water per day per resident within the territorial authority district (*litres/plus/minus 2.5%) (12-month rolling average). (Gross PCC)	Council required measure – SOI	264 litres	253 litres	Council has proposed a new methodology for this measure, which will result in new targets for the next three years. Targets will be communicated to the Council as soon as they are set. We are still committed to achieving the target for FY51 set out in the Auckland Water Strategy.		

The impact of the methodology changes to Gross PCC:

The impact of the methodology change is that Gross PCC has been reported less than what our revised calculation presents. Earlier methods (prior to the FY25 adjustment) used inflated census figures (Stats NZ 2018 census + 1.8% annually), but this was replaced due to overcounting errors. The current method uses the most recent Stats NZ figures and has factored in 2% of transmission losses. Therefore, we agreed with Council that whilst Watercare is still committed to achieve our Auckland Water Strategy Gross PCC target of 225 by 2050, that we need to revise the annual targets and glidepath to reflect the methodology change.

Now that the methodology for the measure is finalised, the targets for the measure are set out below.

We wish to update the measure as follows:

#	Measure	Source	Next three-year targets		
			2026	2027	2028
30.	The average consumption of drinking water per day per resident within the territorial authority district (*litres/plus/minus 2.5%) (12-month rolling average). (Gross PCC)	Council required measure - SOI	257 +/- 2.5%	256 +/- 2.5%	255 +/- 2.5%

Using the new methodology, the result September 2025 is 259 l/p/d (12 month rolling average) so we are on track to achieve this target for FY26.

2. Residential PCC

Measure #31 on our current SOI states the following:

#	Measure	Source	2024 actual	2025 SOI target	Next three-year targets		
					2026	2027	2028
31.	The average consumption of drinking water per day per resident within the territorial authority district (*litres plus/minus 2.5%) (12-month rolling average). Note: Calculation is based on bulk supply minus commercial consumption, divided by connected population (Residential PCC)	DIA	Existing DIA measure (see no. 30 above) with a new methodology	N/A	Methodology still being determined by the DIA. Targets will be communicated to the Council as soon as they are set.		

Proposed methodology Change to Residential PCC

Watercare has worked with Water NZ to provide the DIA with guidance to change the methodology of this measure as it should not include real water loss, so that it truly measures residential demand, which is the purpose of this measure.

We wish to update the measure as follows:

#	Measure	Source	Next three-year targets		
			2026	2027	2028
31.	The average consumption of drinking water per day per resident within the territorial authority district (*litres plus/minus 2.5%) (12-month rolling average). Note: Calculation is based on bulk supply <i>minus water loss</i> and commercial consumption, divided by connected population (Residential PCC)	DIA	165 +/- 2.5%	164 +/- 2.5%	163 +/- 2.5%

Using the new methodology, the result September 2025 is 161 l/p/d (12 month rolling average) so we are on track to achieve this target for FY26.

Appendix B

Updated Statement of Intent for 2025-2028

(to be attached)

Chief Executive's report

Presented by: Jamie Sinclair



1. September 2025 update

September was an eventful month marked by significant infrastructure and financial milestones. We completed our first bond issue in the capital markets, raising \$400 million at very competitive rates. This was a very successful outcome and sets us up well as we become a regular participant in the debt capital markets. We also published our [2025 annual report](#), which outlines our key achievements and performance between 1 July 2024 and 30 June 2025.

Significant infrastructure milestones in September:

- We announced a record \$500 million investment in replacing and upgrading crucial ageing infrastructure in the next 18 months. This investment is a 44 per cent increase compared to the \$347m renewals programme spend in the 18 month-period ending 30 June 2025.
- We officially opened the new Snells Beach Wastewater Treatment Plant, marking a significant milestone in our \$450 million investment programme to transform wastewater services for the Warkworth and Snells/Algies communities. The new plant is designed to produce a higher quality of treated wastewater and once the full programme is complete next year, will significantly reduce overflows into the Mahurangi River and provide more capacity for growth.
- Our micro-tunnel boring machine completed its halfway mark down Queen Street to lay a new wastewater pipe as part of the \$115m Midtown Wastewater Diversion project. The new wastewater pipe will connect to the Ōrākei Main Sewer and capture flows from the city centre. The project will reduce wet-weather overflows into the Waitematā Harbour, improve the resilience of the local wastewater network, and allow for growth.
- We completed key milestones in the Clarks Beach wastewater outfall installation and plant upgrade, installing the final section of the outfall and the final part of the treatment process — the ultraviolet (UV) filtration units — at the plant. The outfall will store and discharge high-quality treated wastewater from the upgraded plant, approximately 100 metres into the Waiuku Channel. These upgrades are part of our programme to deliver essential wastewater infrastructure to support projected growth in Auckland's south-west.
- We progressed the construction of wastewater infrastructure to support growth in Auckland's north-west (Massey, Whenuapai and Red Hills) and connect stage one of the Northern Interceptor to our Rosedale Wastewater Treatment Plant. Once complete, this programme will help to rebalance and optimise Auckland's wastewater network and provide capacity for growth.

2. Key performance measures

This section covers Watercare's performance against the Statement of Intent 2025-2028 (SOI) measures for September 2025 which also includes the measures from the Watercare Charter. At the time of writing this report, our performance against the Q1/FY26 measures is being reviewed by the internal audit team as they will be published as part of our quarterly performance reporting.

No.	Key performance measures	FY26 target	Actual			Commentary
			July 2025	August 2025	September 2025	
1.	Compliance with Taumata Arowai Quality Assurance Rules T3 – Bacterial water quality . The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules T3.	100%	100%	100%	100%	
2.	Compliance with Taumata Arowai Quality Assurance Rules T3 – Protozoal water quality . The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules T3.	100%	100%	100%	100%	
3.	Compliance with Taumata Arowai Quality Assurance Rules D3 – Microbiological water quality . The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules D3.	100%	100%	100%	100%	One e coli was detected in High Head on 10 September 2025, and one e coli was detected in Buckland on 18 September 2025. Further details are included in the water quality section of this report. Note, there were two transgressions under the DWSNZ Watercare assessed both issues as being separate but isolated. E.coli events that were not representative of the water being supplied to customers from each location, and that there was negligible risk to the public health. A high degree of confidence was established that the drinking-water supply in each of the networks remained free of contamination. This particular SOI measure is under the DWQAR, and therefore this measure is 100% compliant.

No.	Key performance measures	FY26 target	Actual			Commentary
			July 2025	August 2025	September 2025	
4.	Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:					<i>Note the assumption is that abatement notices received relates to new notices issued in the financial year</i>
	a) abatement notices	≤2	0	0	0	
	b) infringement notices	≤2	0	0	0	
	c) enforcement orders	≤2	0	0	0	
	d) convictions	0	0	0	0	
	received by the territorial authority in relation to those resource consents.					
5.	The average consumption of drinking water per day per resident within the territorial authority district (*litres/plus/minus 2.5%) (12-month rolling average). (Gross PCC)	257 litres +/- 2.5%	261	260	259	Note: the methodology for this measure has been updated and the targets set for 2025-2028. See separate paper in this board pack for more information.
6.	The average consumption of drinking water per day per resident within the territorial authority district (*litres plus/minus 2.5%) (12-month rolling average) (Residential PCC)	165 litres +/- 2.5%	162.8	161.9	161.0	Note: this measure is a new measure required by the DIA. The methodology has been agreed with the DIA, and the targets have been set for 2025-2028. See separate paper in this board pack for more information.
7.	Median response time for attendance for urgent water callouts: from the time that the local authority receives notification to the time that service personnel reach the site (minutes) (12-month rolling average)	≤ 60 mins	39	39	39	
8.	Median response time for resolution of urgent callouts: from the time that the local authority receives notification	≤ 5 hours	3.3	3.1	3.12	

No.	Key performance measures	FY26 target	Actual			Commentary
			July 2025	August 2025	September 2025	
	to the time that service personnel confirm resolution of the fault or interruption (hours) (water, 12-month rolling average).					
9.	Median response time for attendance for non-urgent water call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (days) (12-month rolling average).	≤ 5 days	0.8	0.8	0.79	
10.	Median response time for resolution of non-urgent water call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (days) (12-month rolling average).	≤ 6 days	1	1	0.98	
11.	The total number of complaints received by the local authority about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply f) the local authority's response to any of these issues expressed per 1000 connections to the local authority's networked reticulation system (12-month rolling average).	≤ 10	7.8	7.9	8.1	
12.	Attendance at sewerage overflows resulting from blockages or other faults: median response time for attendance – from the time that the territorial authority receives notification to the time that service personnel reach the site (minutes) (12-month rolling average).	≤90 mins (LTP Target = 75 min)	77 P1:48 P2: 94	76 P1:47 P2: 94	74 P1:46 P2: 93	

No.	Key performance measures	FY26 target	Actual			Commentary
			July 2025	August 2025	September 2025	
		P1: 60 min P2: 240 min				
13.	Attendance at sewerage overflows resulting from blockages or other faults: median response time for resolution – from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (hours) 12-month rolling average.	≤ 5 hours	3.2	3	2.9	
14.	The total number of complaints received by the territorial authority about any of the following: a) sewerage odour b) sewerage system faults c) sewerage system blockages d) Watercare's response to issues with its sewerage system expressed per 1000 connections to the territorial authority's sewerage system (12-month rolling average).	≤ 50	17	17	17	
15.	The percentage of real water loss from the territorial authority's networked reticulation system (12-month rolling average).	≤13%	11.93%	12.14%	12.95%	Watercare calculates its leakage based upon the IWA (International Water Association) water loss calculation. The calculation involves estimates for both volumes produced and utilised. *Water loss result is with 95% confidence limits of +/- 10%. The three months shown are for March, April and May 2025.

No.	Key performance measures	FY26 target	Actual			Commentary
			July 2025	August 2025	September 2025	
16.	The number of dry-weather overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system (12-month rolling average).	≤ 5	0.7	0.7	0.7	
17.	Average number of wet weather overflows per engineered overflow point per discharge location (12-month rolling average).	≤ 2 overflows per year	0.3	0.3	0.3	
18.	Compliance with Taumata Arowai Quality Assurance Rules T3 – Chemical water quality . The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules T3.	100%	100%	100%	100%	
19.	Compliance with Taumata Arowai Quality Assurance Rules T3 – Cyanotoxins water quality . The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules T3.	100%	100%	100%	100%	
20.	Compliance with Taumata Arowai Quality Assurance Rules D3 – Residual disinfection (chlorine) water quality . The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules D3.	100%	97.1%	97.3%	97.4%	39 out of 40 distribution zones achieved full residual chlorine compliance. Further details are included in the water quality section of this report.
21.	Compliance with Taumata Arowai Quality Assurance Rules D3 – Disinfection by-products water quality . The extent to which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules D3.	100%	100%	100%	100%	
22.	Compliance with Taumata Arowai Quality Assurance Rules D3 – Plumbosolvent metals water quality . The extent to	100%	100%	100%	100%	

No.	Key performance measures	FY26 target	Actual			Commentary
			July 2025	August 2025	September 2025	
	which the local authority's drinking water supply complies with Drinking Water Quality Assurance Rules D3.					
23.	Percentage of household expenditure on water supply services relative to average household income.	< 1.5%	0.98%	0.91%	0.93%	
24.	Customer Net Satisfaction Score (Previously Net promoter score).	≥45	55	55	55	
25.	Community trust score.	≥55	52%	52%	52%	Trust has stabilised. But remains challenging to shift with price increases flowing through Q1.
26.	Percentage of customer complaints resolved within ten days of notification.	≥95%	99.1%	99.1%	99.0%	
27.	Ratio of procurement sourced through Māori owned businesses.	5%	2.6%	3.0%	3.5%	Total Spend \$10.38mm (\$7.15m Direct, \$3.33m Indirect) \$3.90m direct via Ngā Kakau Paraha.
28.	Operational greenhouse gas (GHG) performance. We will implement Mitigation measures in line with our emissions reduction targets (scope 1 and 2). <i>Note: these targets now include emissions from Puketutu island Previously set targets, excluding Puketutu, are shown in orange.</i>	<108,000 tonnes CO ₂ e (including Puketutu) <85,000 tonnes CO ₂ e (excluding Puketutu)	Measured quarterly	Measured quarterly	32,500 tCO ₂ e (including Puketutu) 25,300 tOC ₂ e (excluding Puketutu)	GHG emissions are determined quarterly therefore there is no value reported to July and August 2025. GHG Emissions for the first quarter of FY26 are approximately 30% of annual FY25 emissions and marginally above the estimated 25%. This appears to be due to total wastewater volumes, influent total nitrogen loads and influent biochemical oxygen demand loads being greater than 25% for our largest sites. Potentially driven by high rainfall during the first quarter of the

No.	Key performance measures	FY26 target	Actual			Commentary
			July 2025	August 2025	September 2025	
						year. Over 99% of electricity used in Q1 was zero carbon purchased through Ecotricity.
29.	Volume of real water loss from Watercare's supply network (litres per water supply connection per day) (12 month rolling average)	≤140	111.25 l/c/d	112.62 l/c/d	119.37 l/c/d	There is a lag in this reporting. The three months shown are for March, April and May 2025.
30.	Monthly median resolution time for resolving urgent water supply call-outs: from the time that Watercare receives notification of the call-out, until time Watercare receives notification that the person employed/engaged to respond to the call out that they have resolved the call out (12 month rolling average)	≤5 hours	3.3	3.1	3.1	
31.	Monthly median resolution time for resolving water non-urgent water supply: from the time that Watercare receives notification of the call-out, until the time Watercare receives notification that the person employed/engaged to respond to the call out that they have resolved the call out (12 month rolling average)	≤6 days	1	1	1	
32.	Number of unplanned water supply interruptions within Watercare's networked reticulation system expressed per 1000 water supply connections (12 month rolling average)	<10	7.0	7.1	7.0	
33.	Median resolution time for resolving wastewater overflows: from the time Watercare receives notification of the overflow until when Watercare receives notification from the person employed /engaged to respond to the overflow that they have resolved the overflow (12 month rolling average)	≤ 5 hours	3.18	3	2.9	

No.	Key performance measures	FY26 target	Actual			Commentary
			July 2025	August 2025	September 2025	
34.	The number of wastewater overflows, expressed per 1000 wastewater connections (12 month rolling average)	≤5	0.7	0.7	0.7	
35.	Credit rating	To maintain at least an investment grade credit rating.	Maintained	Maintained	Maintained	
36.	Maximum allowable revenue from prices for providing water supply and wastewater supply services.	\$845.10m	Measured yearly	Measured yearly	Measured yearly	
37.	Minimum allowable average increase in average infrastructure growth charges	15.5%	Measured yearly	Measured yearly	Measured yearly	
38.	Capital expenditure	\$1.05b	\$78.4m	\$149.4m	\$233.1m	Spend to date plus forecast indicates a full year spend of \$1.056b.

3. Our customers and communities

Customers are still feeling financially stretched due to rising living costs and high unemployment. With economic uncertainty and cautious spending, there's likely a growing concern about affordability and a heightened focus on value and reliability from essential services like water. This is reflected in our trust score of +52 from our voice of the city survey.

Watercare offers a priority assistance service to support customers who are financially stressed with payment plans and assistance via the water utility consumer assistance trust.

Watercare was featured in 198 media items, with a strong Media Net Sentiment Score of +47% – well above the rolling average of +30% since July 2024. Positive coverage (54%) focused on Watercare's \$500 million infrastructure investment in renewals, while a small amount of negative coverage (7%) centred on criticism from the Mahurangi oyster farming industry.

We continue to deliver a consistent customer experience with our customer net satisfaction score maintained at +55. Our faults and field crews delivered a consistently high-quality experience in Q1, with wait times to reach the team at their lowest in the past 12 months. This reflects meaningful gains in responsiveness and operational efficiency, reinforcing our commitment to customer service. Customer feedback shows the chat service is widely appreciated for being helpful, efficient, and easy to use. Customers value its quick response times and ability to resolve issues effectively, often preferring it over phone calls for its convenience and speed. Watercare now receives more inbound contacts via email and chat / chatbot.

Community satisfaction (Voice of the Community) with Watercare infrastructure projects remains relatively high, at 61% in Q1 FY26. While perceptions of professionalism and site safety remain steady, emerging concerns around timelines and noise highlight the importance of sustained engagement to maintain overall satisfaction as we increase delivery in communities.

Local Government Elections – October 2025

Auckland's voter turnout in 2025 was low at 28.8%. The Governing Body election delivered strong continuity, with nearly all incumbents re-elected including Mayor Wayne Brown. There are five new councillors, Victoria Short (Albany), Bo Burns (Howick), Matt Winiata (Manurewa-Papakura), John Gillon (North Shore), and Sarah Paterson-Hamlin (Whau) all who bring prior local board experience and established relationships, positioning the council for a stable and productive term. Watercare already has established relationships with these new Councillors.

Strategic relationships

Over the past month there were 36 interactions with strategic stakeholders including the National Infrastructure and Financing (NIFF) executive who attended a site tour of the Warkworth wastewater servicing programme. The Chief Strategy and Planning Officer has also been meeting with the major developers in Auckland starting to rebuild a more productive relationship. These conversations are as part of a wider programme of work to engage proactively with the development community.

The Water NZ and IWA-Aspire Conference offered an excellent opportunity for Watercare management to meet and network with those working in the New Zealand and Australian water services sector with a strong focus on implementing the NZ government's local water done well programme.

4. Iwi and mana whenua engagement

Focus

This month's focus has been on finalising the Achieving Māori Outcomes plan, continuing to strengthen relationships with mana whenua, supporting the business to ensure cultural support across the project cycle and supporting the organisation on its celebrations of te wiki o te reo Māori.

Key highlights

- Leadership walks: Te Rua Whetū have been strong advocates of Leadership Walks and this month the team has completed two walks- MSN and Security.
- Auckland Council – Ngā Mātārae: Watercare recently hosted Ngā Mātārae – the Māori outcomes team from Auckland Council. The focus of this hui was connecting with their staff, an update on Tāmaki Ora and the Māori Outcomes fund.
- Recurring hui: Monthly hui are now confirmed with 14 iwi, ensuring consistent engagement and visibility across kaupapa.
- Kaupapa engagements:
 - Kupu Wai: Work continues to be a priority for mana whenua. Te Ahiwaru Trust have agreed in principle to develop their narrative by way of a short doc film, a resource that will also offer Watercare staff an insight into the iwi.
 - Biosolids & Metro Servicing: The EOI process has closed, and we have had 13 responses from mana whenua to engage in stage one of this mahi.
 - Te wiki o te reo Māori: September marks the month where te reo Māori is celebrated and Watercare joined the wider public service and communities across the country to show its support. Stories were shared, a presentation of the history of te reo and shared kai.
- Strategic relationships:
 - Ngāti Whātua Ōrākei have Invited Watercare Management to a presentation at Takaparawhau covering history, current state, and aspirations. Plans are underway to hold this early next year.

Internal development

- Mana Whenua Engagement Framework (MWEF): the framework continues to provide the business with support and guidance.
- Internal engagement: ongoing internal engagement continues with our stakeholder management team to ensure alignment.
- Learning and development survey: Survey has been developed and reviewed by Te Rua Whetū. Currently with PnC for final review.

Strategic delivery contributions

- Tāmaki Ora & Achieving Māori Outcomes (AMO): Auckland Council launched their Tāmaki Ora plan this month with a great turn out from mana whenua, mataawaka and stakeholders across Tāmaki Makaurau. The Watercare AMO plan has been reviewed by the CEO and will be presented to the Board in November.
- Houkura board hui: Houkura board hui held this month to close off the year and before new board nominations. After the cross-CCO wānanga held at Houkura in August, further engagement with Houkura has taken place to discuss future reporting, in particular Māori procurement and mana whenua engagement data.

- Auckland Council and CCO Māori Outcomes collab hui: representatives from Council, Tātaki Auckland Unlimited, Auckland Transport and Watercare met earlier this month to identify shared opportunities where cross-organisational collaboration can support more effective and efficient delivery of Māori Outcomes.
- Metro service strategy and biosolids: 13 mana whenua have responded to the Expression of Interest around the biosolids programme. Three-four wānanga will be held with mana whenua to consult on the biosolids programme and the metro service strategy. Work has continued to support the biosolids programme team.
- S&P projects:
 - Ngāti Te Ata have received their CVA response to the Hingaia and things are progressing well.
 - Strategy and Consenting: Ngāti Whātua Ōrākei has identified its intention to work better with Watercare on streamlining project onboarding that is more beneficial for mana whenua in the consenting space.
 - Sustainability and Innovation plan: A kaitiaki and manaaki approach to sustainability will be developed. There will be a focus on climate change and te taiao.

5. Our people

Our Diwali celebrations lit up Watercare's Newmarket Head Office and our sites this year by bringing together staff in a vibrant display of culture, connection, and community. Organised by a dedicated group of kaimahi volunteers, the festivities featured traditional kai, colourful decorations, and cultural performances — reinforcing the organisation's commitment to diversity and inclusion.

The event followed closely on the heels of Te Wiki o te Reo Māori in September which marked its 50th anniversary. Our people were encouraged to deepen their understanding of te reo Māori through a series of challenges, storytelling sessions, and friendly competitions. Led by the Te Rua Whetū team, the celebrations included reflections on the language's history and its near loss, inspiring many to become active supporters of te reo in the workplace. These champions will help our kaimahi connect with learning opportunities and encourage participation in activities such as our multi-cultural kapa waiata (singing troupe) Ngā Korimako.

Adding to the month's energy, Watercare's annual sports tournament launched earlier than usual this year, drawing enthusiastic participation from across the organisation. Opening night featured spirited volleyball matches, team photos, and a strong sense of camaraderie. With netball and touch rugby among other contests still to come, the tournament promises to be a highlight of the season, celebrating teamwork, wellbeing, and friendly competition.

Our People dashboards for the month are included.

Actual FTE & Contractors

1,342.2 FTE*



124 Contractors

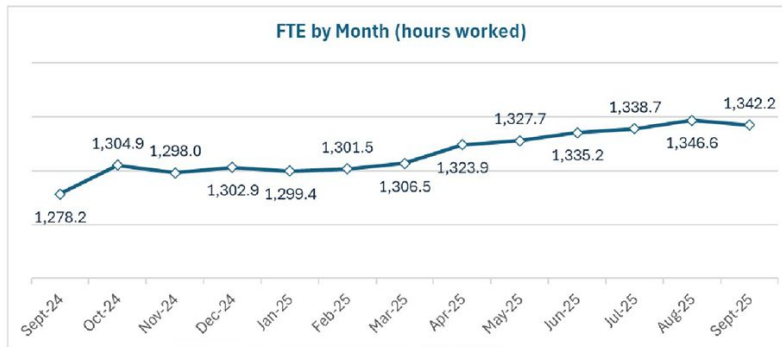


FTE of Permanent Employees

- A small decrease (4.4) in actual FTE, from 1,346.6 in August to 1,342.2 in September.

Contractors

- The total number of contractors has increased slightly to 124 from 123 in August.



* Actual FTE by month is calculated using actual hours worked (not contracted hours). FTE, Headcount, and Positions exclude interns

Workforce Status

Positions, Vacancies & Headcount

1,499 Total Positions ↑

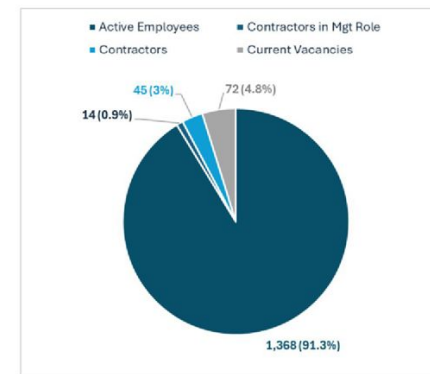
1,368 Headcount ↑

Positions & Vacancies

- There were 1,499 total positions at the end of September, an increase from 1,485 in August.
+5 Active Employees, -7 Contractors, +11 vacancies

Headcount

- Headcount has increased from 1,358 in August to 1,368 in September.
Joiners and leavers by Business Group are shown in another slide



*Contractors, Directors, and Interns are excluded (22 Interns were Fixed Term from Nov-24, left Feb-25). Long term leave and parental leave employees are included.

**There may be minor changes in Headcount and FTE results for previous months due to the 'snapshot' nature of the data (i.e. changes not processed at the time of the data extracts).

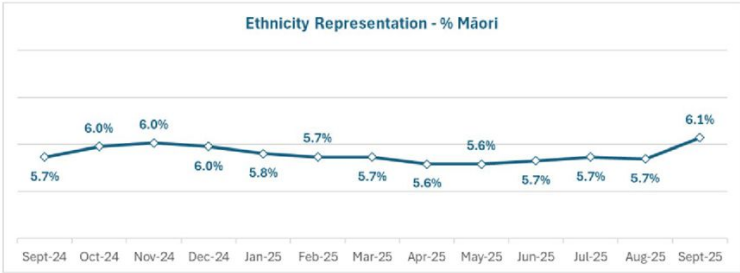
Workforce Demographics
Ethnicity, Gender, Tenure & Age

6.1% Māori

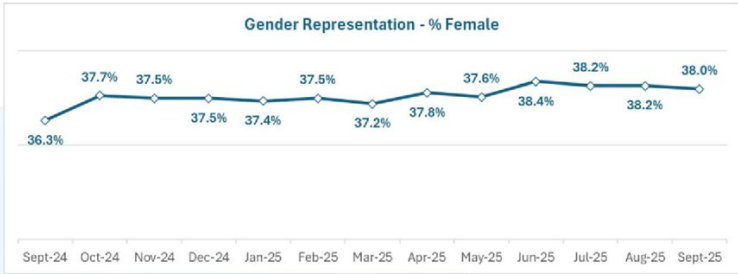


Ethnicity

- A significant increase in Māori representation this month. This is largely due to improved data capture in Workday and employees being able to update their own profile.



- A small decrease from 38.2% in August to 38.0% this month.



Board	25%	75%
Executive	38%	63%



Perm. Part Time	1.8%	0.4%
Perm. Full Time	34.9%	58.8%
Fixed Term	1.0%	1.5%
Casual	0.4%	0.4%
	38.0%	61.0%

Joiners, Leavers & Turnover

23 Joiners / 13 Leavers

8.2% Vol. Turnover 

31 Days to Hire 

Joiners and Leavers

- Increase in joiners, 23 in September compared to 18 in August
- Increase in leavers, 13 in September compared to 11 in August
- Details per business group in the adjacent chart.

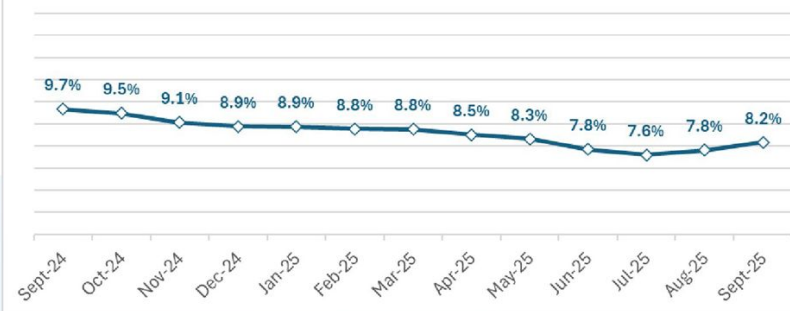
Attrition

- Voluntary turnover continuing a slow upward trend as earlier months of particularly low leaver numbers fall outside the 12-month rolling period; from 7.8% to 8.2%. However, the broader trend is still down compared with last year.

Hiring

- Average days to hire back up around expected levels with 16 hires completed in September with average time to hire of 31 days (from recruitment start to offer completed).

Voluntary Turnover (rolling 12-months)



Leave Liability

\$11.5m Total Annual Leave Liability ↑

\$8.5k Average Annual Leave Liability ↑

- **Annual leave liability** increased from \$11.3 million at the end of August to \$11.5 million at the end of September.
- **Average liability** increased from \$8.3k per employee in August to \$8.5k in September.

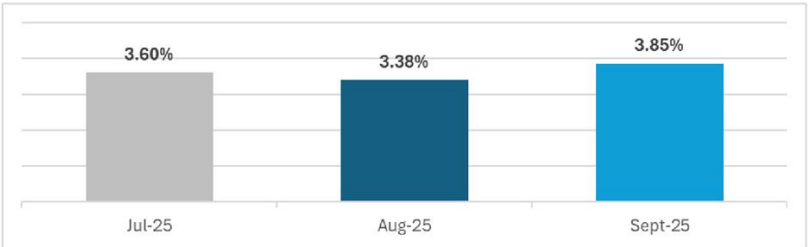


Sick Leave by month & Rolling Total

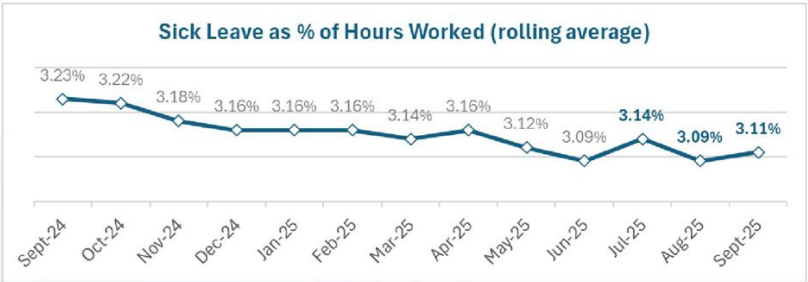
3.85% Sick Leave
(as % of total hours worked) ↑

3.11% Average
(Rolling 12 Months) ↑

- **Sick leave by month:** September saw a minor increase with sick hours accounting for 3.85% of total hours worked.



- **Rolling total sick leave rate** also increasing this month but below the same period last year.



6. Our operations

6.1 Waikato District Council wastewater overtopping

On Monday, 15 September at 7:45am, a Watercare operator arrived at the Ngaaruawaahia wastewater treatment plant and observed the oxidation pond at a critically high level, with overtopping occurring at the northern end. A small volume of pond water had flowed over the ring road around the pond and onto the adjacent grassed embankment. A stream passes at the end of this bank, approximately 15 metres from the pond. It was uncertain whether any pond water reached the stream, as the overflow volume was estimated at only 10–20 m³. Portable pumps were brought to site to reduce pond levels in a controlled manner. Environmental monitoring results indicated that pH, cBOD₅, ammoniacal nitrogen, total nitrogen, phosphorus, and suspended solids all remained within discharge limits. Ecoli levels were elevated, suggesting microbial contamination. However, the upstream control samples showed higher Ecoli concentrations than the downstream samples, indicating that the contamination likely originated from external sources rather than the overtopping event. Given the waterway's proximity to farmland and potential agricultural runoff, this is the most likely source of the elevated bacterial levels. Accordingly, the elevated upstream readings and improved downstream results suggest that the prompt response to mitigate the overtopping resulted in no measurable impact from the event on the surrounding waterway.

The elevated pond levels resulted from several contributing factors:

- High rainfall significantly increased inflows to the plant.
- The level sensor recording pond levels lost communications to SCADA due to a Programme Logic Controller (PLC) failure. This was not immediately repaired due to the upcoming plant upgrade.
- Human error with the operator incorrectly assessing the UV operation and that the plant was discharging when in fact the system was in recirculation mode.

The Waikato Regional Council (as regulator) and Waikato District Council (as client) were informed of the incident. A full investigation has been completed and reported. As a result, several actions have been taken. The level recorder has been reinstated, the pond wall has been assessed by the dam safety team, and hand over between teams has been improved to ensure critical operational requirements are clearly communicated between operators.

Despite the discharge volume being small and there being no observable environmental impact, we are unsure at this stage if Waikato Regional Council will take further action.

6.2 Water quality (WQ)

Microbiological and chemical compliance has been achieved for the month of September for all water treatment plants (WTPs).

38 out of 40 distribution zones achieved full microbiological compliance this month. E.coli of 1 cfu/100mL was detected in High Head distribution network zone (supplied by Ardmore and Waikato Water Treatment Plants) on 10 September 2025 and E.coli of 1 cfu/100mL was also detected in Buckland zone on 18 September 2025. We responded to each in accordance with our protocols. This included a thorough investigation which found with a high degree of confidence that, in each case, the water quality results were not representative of the supply and public health was not at risk at any time. We worked closely with our regulator, Taumata Arowai to ensure that they were kept informed at every stage of each investigation.

39 out of 40 distribution zones achieved full residual chlorine compliance. Warkworth distribution zone was non-compliant due one result less than 0.1 mg/L chlorine. The affected reservoir in the Warkworth distribution zone was rechlorinated. Due to this low chlorine result, the residual disinfection compliance for the month of September was achieved at 98%. This represents our 12-months rolling position up to date as 97.4% for residual disinfection SOI target.

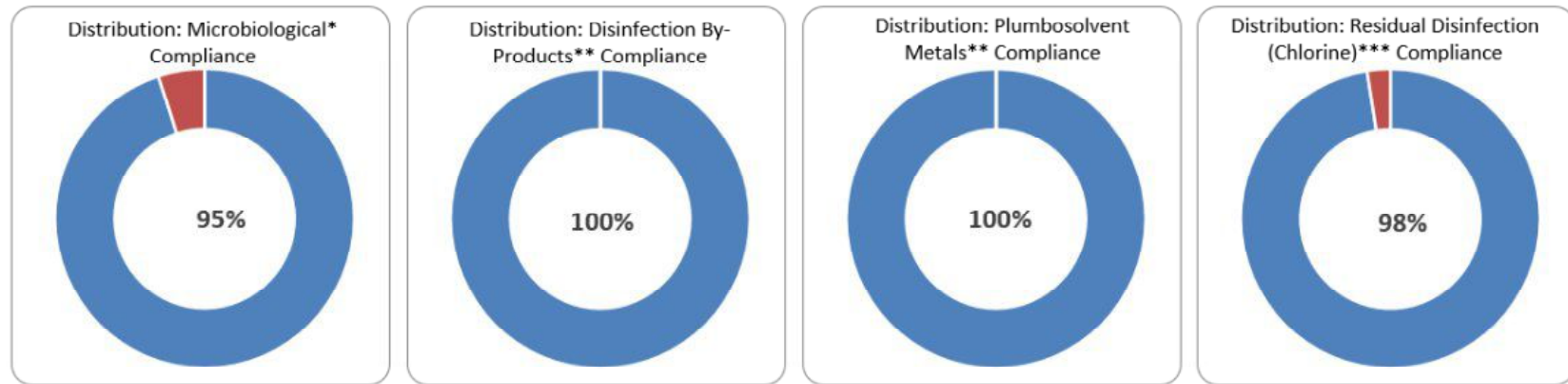
All distribution zones were compliant with other requirements.

Annual review of our Drinking Water Safety Plans (DWSP) is underway. The review will be completed by November 2025 and updated DWSPs will be resubmitted to Taumata Arowai by December 2025.

Scorecard

The water quality report for September 2025 is set out below.



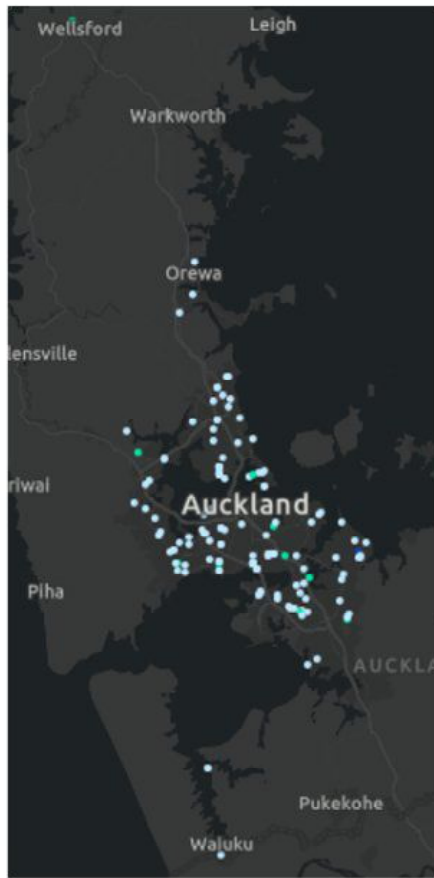


*At the WTPs bacterial compliance is assessed on continuous monitoring results. In the distribution network microbiological compliance is based on *E. coli* monitoring to indicate the probable presence of bacterial contamination of water supply.

** Chemical compliance: At the WTPs determinands present in the source water at concentrations >50% MAV and those associated with chemicals dosed during the treatment process are monitored. In the distribution network disinfection by-products (DBPs) are monitored in each zone, and chlorates monitored in four zones where chlorine booster stations are utilised as best practice monitoring.

*** Residual disinfection (Chlorine) – 85% of free available chlorine (FAC) samples in a month must be >0.20 mg/L in each distribution network zone, with no results <0.1 mg/L.

Customer complaints



Actions Taken

Illness Complaints*: Provision of WQ compliance data to customer, water testing and proactive hydrant flushing if appropriate.
Main cause: Unrelated health issue

Tainted Water: Network flush with field FAC and turbidity testing.
Main causes: Taste and odour, usually caused by chlorine residual.

Discoloured Water: Network flush at nearest fire hydrant or water meter as appropriate
Main causes: Most often brown/yellow water, sometimes black/white particles. Often caused by mineral and sediment build-up coming off pipes when there are changes in flow. Sometimes caused by household plumbing.

**Illness complaint –arises when a member of the public has an illness that they think is related to water quality. All such complaints are investigated and in all cases our drinking water has been found to be compliant. Persons with an illness complaint are referred to their medical professional.*

Repeat water quality complaints – April to September 2025



Actions taken for repeat complaints*

Central

- **Onehunga** – Networks to undertake long-term solution for Onehunga zone from December 2025.
- **Onehunga, Forbes St** – A further 10 complaints this month take this to 36 complaints of brown/yellow discoloured water from one customer in this period. Flushing organised after most complaints, customer liaison involved. WQ Scientist previously supplied complying Water Quality Reports. Head of Water has spoken to customer and explained there will be a mains renewal programme. An offer has been made to install an auto-flusher if the customer pays her unpaid water bills.
- **Onehunga, Hill St** – A further two complaints this month take this to nine complaints brown discoloured water complaints in the last six months from one customer (property also known as Gloucester Park Rd). Escalated to Customer Liaison.
- **Onehunga, Oranga Ave** – Two colour discoloured water complaints, resolved by flushing.

North

No repeat complaints arising this month.

South

- **Wallace Rd, Māngere Bridge** – Discoloured water, resolved by flushing.

**Repeat complaints – A customer WQ concern raised this month which has been raised at least once before within the last six months by the same customer.*

6.3 Leak detection programme

The proactive leakage detection programme has surveyed 2,900 km to date this financial year and found over 630 leaks with an estimated saving of 6 MLD.

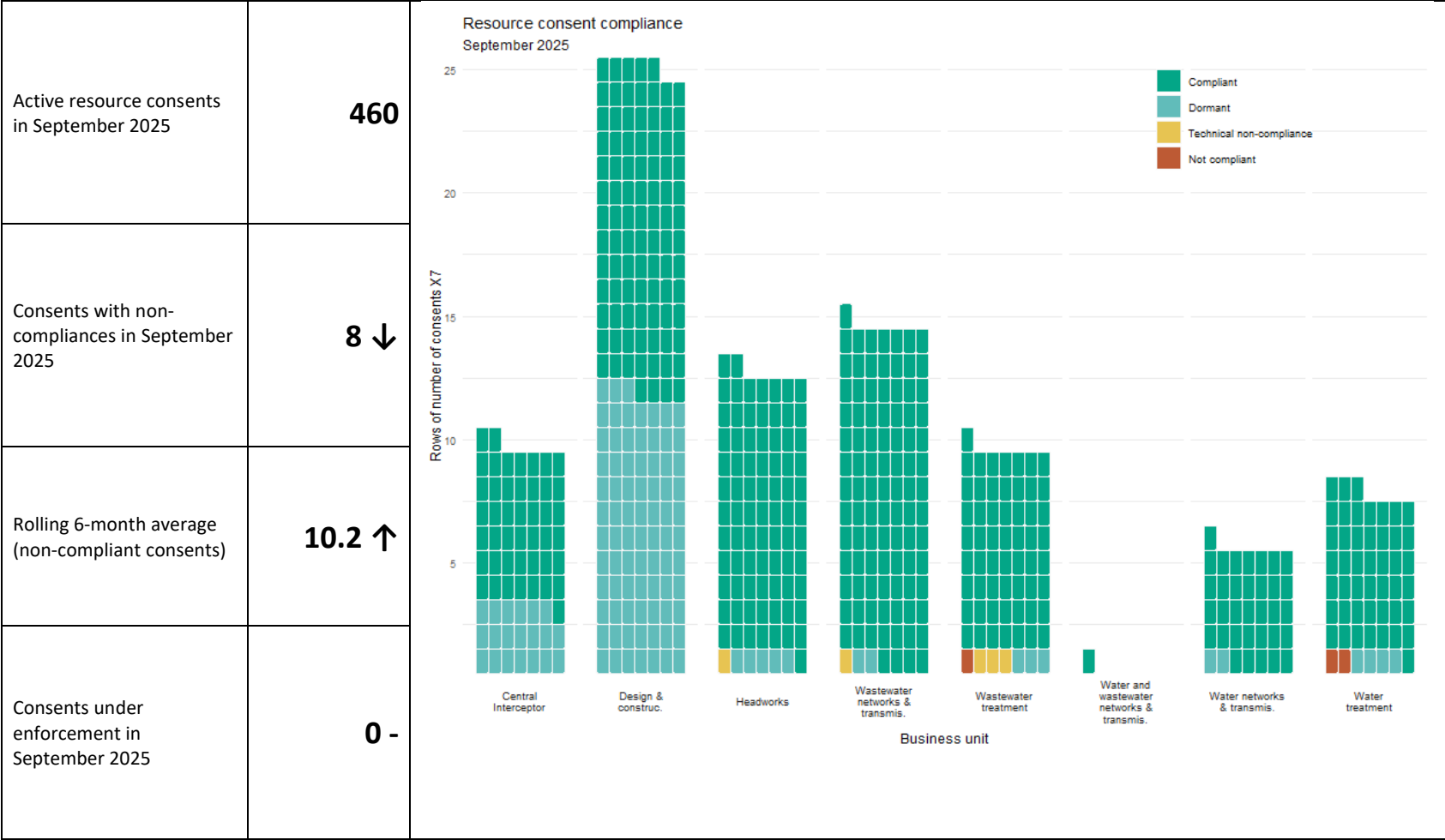
The district metering and pressure management work is ongoing, with construction work occurring in Māngere. Design work being completed for next work packages.

7. Risk and compliance

7.1 Non-compliance with resource consents

Overall consent non-compliance for operations decreased to eight in September, down from nine in August. Of these, five were classified as technical non-compliances, while three facilities had non-technical issues. A summary of the technical non-compliances is provided below, with detailed information on the three non-technical cases available in the consent table within this section:

- Lower Huia Dam (DIS60264215): Technical non-compliance with Condition 6 — Notification for discharge from the dam was not provided at least 24 hours prior to commencement. Notification was provided 18 hours before the discharge. No additional actions required.
- Waiuku WWTP (DIS60334129): Technical non-compliance with Condition 14 — The 12-month 92nd percentile limit for total inorganic nitrogen (≤ 20 gN/m³) has been exceeded, primarily due to historical exceedances earlier in the last reporting year. No exceedances have been recorded since November 2024. There is no indication of rising total inorganic nitrogen levels; however, seasonal patterns suggest spring is the most critical period for nitrogen removal, as bacterial activity lags following low winter temperatures. No additional action required.
- Clarks Beach WWTP (DIS60084111): Technical non-compliance with Condition 18 — The 12-month 92nd percentile for faecal coliforms exceeded the consent limit. With effluent volumes expected to decrease, compliance is anticipated within the next reporting cycle. Ongoing.
- Wellsford WWTP (DIS60068492): Technical non-compliance with Condition 24 — Exceedance of the 95th percentile limit for faecal coliforms due to elevated results in the previous month. Ongoing monitoring required.
- Network Discharge Consent: The Targeted Monitoring Programme remains in development. Initial monitoring (Stage 1) was completed but did not progress to the full programme or review phase. What has been agreed with Auckland Council, Watercare will finalise and submit the revised Targeted Monitoring Programme design to Auckland Council for certification under Conditions 58–60 by end of January 2026. Following certification, the programme will be implemented and a formal five-year review undertaken.



The rating Watercare applies in the detailed breakdown of non-compliance is consistent with Auckland Council's criteria. The rating is below:

Rating	Detail
Category 1	Watercare has complied with the consent condition.
Category 2	Watercare has not complied with the consent condition. Watercare has assessed the non-compliance as technical or having no more than a minor adverse effect.
Category 3	Watercare has not complied with the consent condition. Watercare has assessed that non-compliance has the potential to result in minor adverse effects on the environment. Alternatively, since the last audit, there is evidence of repeat Category 2 non-compliance.
Category 4	Watercare has not complied with the consent condition. Watercare has assessed the non-compliance as having the potential to cause significant adverse effects on the environment. Alternatively, since the last audit, there is evidence of repeat Category 3 non-compliance.

Facility/Asset	Consent	Condition(s)	Issue(s)	Actions and commentary (i.e. adverse effects)	Resolution	Category
Huia WTP	26979 / DIS80297101	Condition 3	Fluoride levels reached 1.09 mg/L breaching limit of 1 mg/L on one occasion.	This was the result of the hexafluorosilicic acid dose tank and bund being drained, cleaned and removed. There must have been some minor spillage, with the addition of rain, causing it to wash into the lagoon.	Updated the task list so that the lagoon valve remains shut until additional testing can be conducted before discharging.	Category 2
Wellsford WTP	DIS60396929	Condition 34	Monthly chlorine sample at discharge was greater than intake and consent standard. Discharge = 0.14 and upstream = 0.1 g/m3.	Re-sample is being collected to determine if on-going issue or 1-off.	Review will take place once additional sample results are available.	Category 2
Beachlands WWTP	DIS60263339	Condition 0	Effluent discharge volumes exceeded 2,800 m ³ /day on 2 days during the month; 3,450 m ³ on 12 September and 3,714 m ³ on 13 September due to rainfall	A new consent is due in late 2025, with the associated treatment upgrades included in the Asset Management Plan. The application for the consent has been lodged. Effluent quality is maintained throughout the period.	Ongoing	Category 2

7.2 Enterprise risk management

- The Enterprise Risk Report for October 2025 has been completed and is included in the Board papers for review.
- Awareness and training on the updated Newmarket Business Continuity Plan will commence in October 2025, with a test planned for December 2025.
- The review and update of the Enterprise Risk Framework is underway and planned for completion by December 2025. This review has been extended to consider feedback from the Asset Management Improvement Plan required by the Watercare Charter.
- A session has been completed with the Executive to discuss ways to improve risk culture across the business and get their feedback on areas for development.

7.3 Regulatory compliance

The implementation of the ComplyWith software to provide centralised monitoring of Watercare's compliance obligations is continuing. Work is continuing to confirm assignment of regulations which is planned for completion in December 2025, with a full survey to commence in January 2026 followed by a report of the findings by March 2026.

7.4 Privacy Act 2020

There have been no matters disclosed to the Privacy Commissioner since the last Board update.

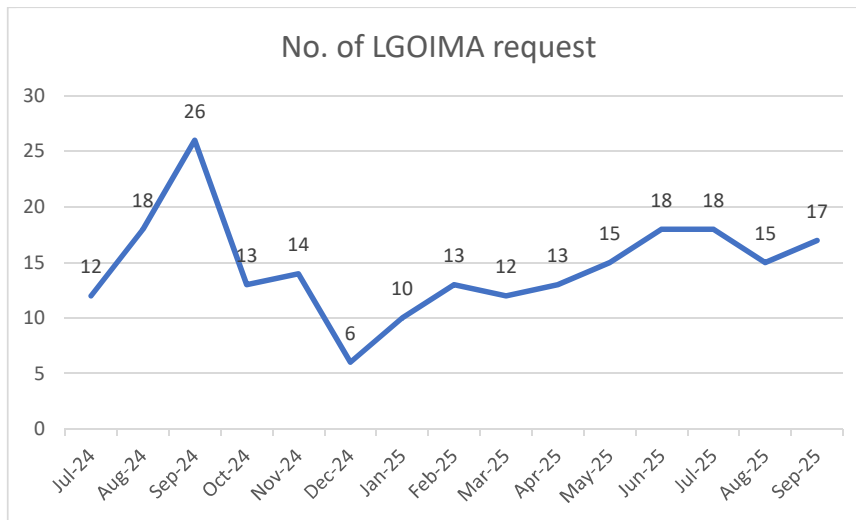
7.5 Whistleblowing update

There have been no disclosures made to the Whistle-Blower service since the last Board meeting. The four disclosures made last month were unrelated to each other and have all been closed out with no further action required.

7.6 LGOIMA requests

In September 2025, we received 17 requests for information under the Local Government Official Information and Meetings Act 1987 (the Act). Five of these requests were transferred from Auckland Council. The graph below is a monthly comparison graph with the number of LGOIMA requests received.

Watercare responded to 16 requests in accordance with the Act (within 20 working days). At the time of writing this report, we have one outstanding request for information, received in September 2025. We aim to process it in accordance with the Act.



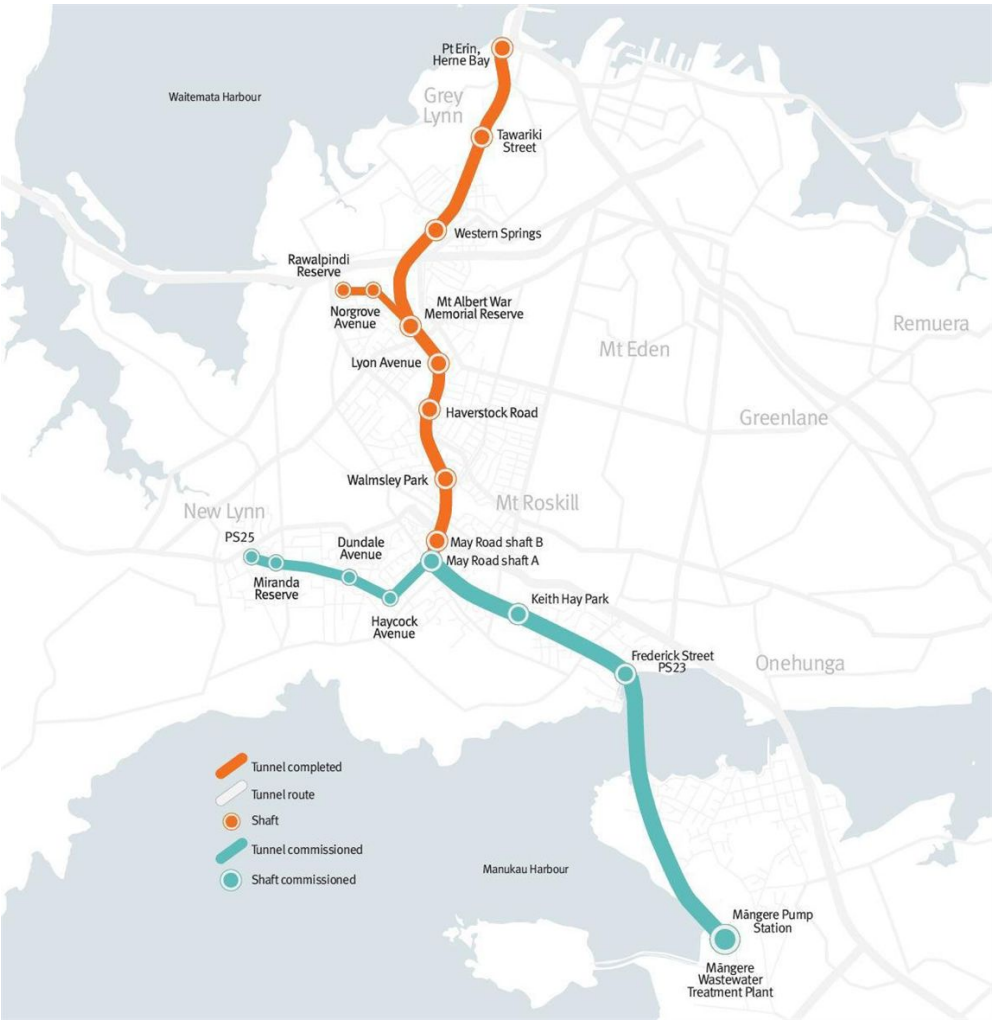
7.7 Non-RMA related legal actions

- There is currently one claim for \$1.2m for alleged damage to a residential property from a burst watermain. The matter is being handled by our insurers. A technical meeting was held with the plaintiff's experts and Watercare's experts in late February 2024. We have reviewed the plaintiff's engineering report into possible causes of damage to the residential property. The next step is to file an updated defence and either enter into mediation, or a Judicial Settlement Conference. If a settlement is not reached, a trial has been set down for April 2026.
- In February 2023, Watercare was served with a copy of proceedings lodged in the Māori Land Court by Te Runanga o Ngāti Whatua, Ngāti Manuhiri Settlement Trust concerning the legal status of the Hōteo Awa bed and customary ownership. Watercare owns property in Wellsford that adjoins the awa and draws water from it. Watercare filed a notice of intention to appear in late March 2023. In December 2024, Watercare filed evidence in the proceedings, setting out the history of the Wellsford WTP and the intake structure in the awa, and information about our consents and take from the awa via the intake structure. Awaiting further update from the Court.
- Watercare is involved in a legal dispute concerning a housing development in Red Hills.

8. Programme delivery

8.1 Central Interceptor

- In September 2025, the Health and Safety Performance Index (HSPI) increased three points to 94%.
- The Lost Time Injury Frequency Rate (LTIFR) remained at zero.
- Progress continued in general accordance with the Contractor's Programme Rev 8.1.
- Underground Works progress included: All tunnel-shaft connection works progressing to programme. Tunnel infiltration testing has been substantially completed (the upstream 200m section at Pt Erin remains) and complies with specification limits. PE tunnel liner production welding 98% complete, except for 200m section.
- Surface Works Progress: works progressed to adjusted schedule at all sites. Tawariki St GRP shaft progressed with 5 out of 8 modules installed.



8.2 Queen Street wastewater upgrade

- Microtunnelling commenced from the Mayoral Drive shaft, jacking down Queen St towards the Wellesley St shaft. At the end of September, the Microtunnelling Boring Machine (mTBM) had advanced 403m, 69% of the total drive towards Victoria St.
- Construction of the temporary shaft at Victoria St, which will receive the mTBM, is now expected to be on track for reception of the mTBM. At the end of September, shaft excavation and temporary support had proceeded near to the finished formation level, and temporary concrete blinding had been placed to receive the mTBM.
- Consent has been approved for the next phase of tunnelling, heading south under Queen St from Mayoral Drive to Marmion St intersection. Service relocation works for “Marmion Shaft” will commence in December 2025, and shaft piling will commence in August 2026.
- Revised business case will be presented to reflect the impacts of deferral requested by Auckland Transport to cater for commissioning of the CRL. Overall completion delayed 24 months to December 2028.



Pipe Jacking from Mayoral Drive shaft



Excavation within the Victoria Street shaft

8.3 Herne Bay wastewater upgrade

- The preferred design solution for connecting the St Mary's Bay Pump Station to the new Herne Bay Collector has been selected. Auckland Council Healthy Waters are progressing with consenting the St Mary's Bay Pump Station connection.
- The Contractor is now engaged and progressing with their design and construction proposal.
- The Contractor has completed physical utility and ground investigation works along the tunnel route and is now relocating Vector power assets that clash with the proposed works in Point Erin Park.
- The timeframe for completing the Design & Construct procurement process has extended to December 2025 to provide additional time for the contractor's design process.

8.4 Southern wastewater scheme

- There were no H&S incidents in September 2025.
- On the outfall, the diffuser modules were installed with piles cut to height and works forecast to complete in October.
- The MABR team have now installed the screens and cable pulling has commenced. Work continues installing pipework, cable trays, access platforms, and concrete slabs for the new plant upgrade.
- Watercare began decommissioning the dam at 372 Glenbrook Beach Road and continues with geotechnical investigation for the main scheme.



Boreholes undertaken at the Waiuku WWTP site

8.5 Northeast wastewater scheme

Snells Beach WWTP

- No Lost Time Injuries were recorded in September, and the Contractor has largely moved off site.
- The new Snells WWTP was formally opened on 15 September 2025 by Papa Hetaraka from Ngāti Manuhiri, Auckland Mayor Wayne Brown, Minister for Building and Construction Chris Penk and Watercare Board chair Geoff Hunt.
- All inflows from Warkworth and Snells are now connected to the plant and discharge quality should meet long term Resource Consent conditions in early October.
- Hot commissioning of the Dewatering system (last Hot Commissioning deliverable) is underway, and Provisional takeover is planned for October.
- Risk relating to commissioning and specifically the impact of equipment defects (diffusers) are the key risks on site that could impact target completion.
- Some schedule works snags are outstanding.
- Decommissioning of the existing plant will follow hot commissioning of the new plant in late November. Completion of the new plant overflow system will follow decommissioning of existing plant.



Yearly plant progress in August 2023, August 2024 and August 2025



Officials at Opening from left: Minister Chris Penk, Geoff Hunt, Mayor Brown, Papa Hetaraka and Watercare CE Jamie Sinclair

Warkworth to Snells transmission

This project is the installation of wastewater pipelines to provide the link between the new Lucy Moore Park wastewater pump station and the Snells Wastewater Treatment plant, providing the necessary capacity upgrade to meet the growing Warkworth community. This Project is now complete.

- There were no H&S incidents reported for September 2025.
- Local WW network flows have been diverted to the new Lucy Moore WW pump Station (DPWWS) wastewater pump station. The transmission system is in use and performing as expected.
- The Snells Outfall has been successfully connected to the new Snells Wastewater Treatment Plant and is operating as expected. Flows from the existing old WWTP are now being diverted through the new WWTP and pumped out to the new Outfall into Martins Bay.
- The Construction Contract for the Snells-Algies Saline intrusion rehabilitation Project is underway. Construction started 1 September 2025 after a team cultural induction and the site morning blessing ceremony presented by leaders of Ngāti Manuhiri.
- The following works are being done under a Minor Works Contract:
 - Modifications to the Lucy Moore Park Wastewater Pump station (DPWWS) are complete. This work is to accommodate the planned Warkworth Wastewater Growth Servicing transmission pipeline connection.
 - Horizontal Directional Drilling (HDD) installation of the Snells Water Treatment Plant waste pipeline to the new Transmission sewer will be undertaken during September.
 - Construction of the Goodall Parking area to commence during November 2025.

9



Saline Intrusion Rehab Site office



Snells Network Rehabilitation



Algies Bay Collection Rehabilitation



Typical Manhole to be replaced

Warkworth – Growth servicing wastewater pipeline

The project involves installing a wastewater pipeline between the Warkworth Showgrounds and the new Wastewater pump station at Lucy Moore Park, with a total length of approximately 2 km. The project aims to provide a necessary capacity upgrade to support growth in the Warkworth area, eliminate wastewater discharges from Warkworth WWTP and reduce overflows into the Mahurangi River from the Engineering Overflow Point (EOP) at Elizabeth Street.

- Stakeholder Engagement: NE Programme leadership engaged throughout the month with oyster farmers to ensure their concerns and required outcomes are integrated into programme delivery.
- Resource Consent: Consent Packages 1 and 2 were lodged, s92 queries have been responded to.
- Design & Engineering: The design team is completing the detailed design for both the Elizabeth Street open-cut section and the pipe bridge over the river. Ongoing engagements with Auckland Transport (AT), Healthy Waters, and the Council Parks teams have been completed.
- Execution:
 - Site layouts, shaft locations, and occupation timeframes for each site along the pipeline alignment have been confirmed. Landowner access approvals for these construction sites and shafts are completed for inclusion in delivery contract.
 - The construction services procurement continues in progress; tender pricing has been submitted in September and initial review responses submitted.
 - The Heritage Bridge over-pumping system at Elizabeth Street, Warkworth, to mitigate local network overflows into the Mahurangi River, was completed during July and is operational. Based on the monitoring data, the over-pumping system continues to perform mitigating significant rainfall event impacts on excessive overflows. In conjunction with this operation. Watercare Networks are making improvements adjacent to Hill Street intersection to reduce stormwater inflows.



Hill Street Intersection Network Improvements

8.6 Wesley Stage 2 Watermain and bulk supply point – Kāinga Ora (KO)

As part of the shovel ready projects for KO, this project will deliver 4.2km of new watermain ranging in diameter 200mm to 500mm and a new Bulk Supply Point (BSP). This will allow growth of 7,200 KO dwellings and 770 infill housing.

Mt Albert Works (Richardson Road and La Veta Ave)

- 46m Richardson Road – Completed the south side pipe tie-in works at the pipe bridge, constructed one air valve chamber and one scour valve chamber. Reinstated driveways and fence lines and installed a new access gate to the air valve on the pipe bridge. The crew is currently established outside the primary school on Richardson Road.
- La Veta Avenue – Progressing well with the construction of new valve chambers.

Mt Roskill Works (Denny Avenue, May Road and Memorial Avenue)

- May Road – Completed the pipe bridge and connections at May Road/Memorial Avenue and constructed a new scour valve chamber. The crew is currently working outside the shops at the Stoddard Road/May Road corner, completing the final section of pipe.

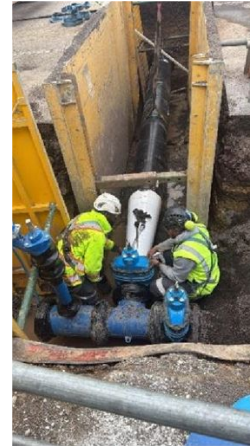
- Memorial Avenue – Installed 154m of 457 CLS pipe, including one new scour valve chamber. The Dominion Road crossing was completed during night shifts to minimise traffic impact.
- Stakeholders – Work is currently taking place outside local shops. Extensive stakeholder communication was undertaken beforehand, and no complaints have been received to date.



Construction of valve chamber on La Veta Ave



Night works for Dominion Rd crossing



Installation of cross connection on May Rd

8.7 Rosedale Northern Interceptor Integration

This project is the last phase of the NI wastewater pipeline construction, completing the connection from Hobsonville Wastewater Pump Station into the Rosedale WWTP and livening flows. 200m pipeline; new inlet confluence chamber for NI, Wairau Valley Branch Sewer and future Rosedale Rising Main; flows relocation of Septage Facility at Rosedale WWTP; Structural lining of the last 200m of the Wairau Valley Branch Sewer; Livening and commissioning of the entire system, (including chemical dosing plant) from Hobsonville PS to Rosedale WWTP (10km).

- Confluence Chamber: Bore piles and sheet piling works commence this month.
- NI Rising Main pipeline: Discharge chamber completed, gravity main pipework completed to final section before confluence chamber.
- Rosedale Rising Main diversion: Pipeline exposed for manhole to be built around it, diversion pipelines to inlet channels commenced construction.

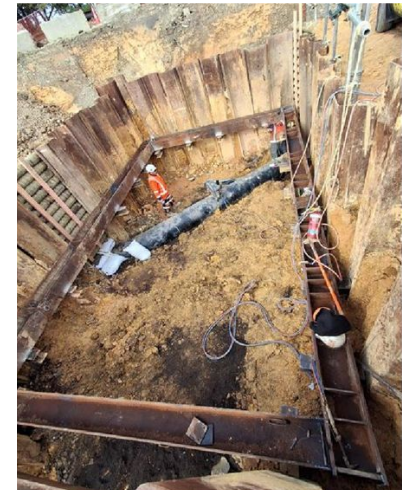
- Septage facility: Pre-commissioning to commence this month.
- Odour domes for efficient air valve chambers: work completed on all chambers.
- Hobsonville Pumpstation: agreement has been reached to leave this to the end of project as recirculation line is needed by Ops to turn over pumps in dry well.



Confluence chamber reduced dig to prep for bore piling



Wairau VBS in new manhole for lining



Rosedale RM exposed for new manhole

8.8 Archboyd Avenue wastewater pumpstation and associated pipework

This project caters for predicted increases in housing density within the catchment. The intensification of Favona, Buckland/Wickman and Māngere East neighbourhoods will result in a population increase from ≈11,800 (2018) to ≈22,900 by 2068. A 1.5km long gravity main, of which a 174m section will act as an emergency online storage with a 1.8m diameter. 100 L/s pump station located. 355mm diameter, 236m long rising main and additional 475mm diameter, 177m long gravity discharging to the Eastern Interceptor; and an engineered overflow point of 400mm diameter.

- Pump Station: Wet Well sheet piling has commenced.
- MH02: Excavation now complete.

- MH03/04 Works: Excavation has commenced.
- Stakeholder Event: Local Kindergarten attended the site on 8 October 2025. Event included naming of the TBM “Moana” followed by hand painting.



Pile Installation Wet Well & Inlet Manhole



MH 02 Excavation

8.9 Ōrakei Main Sewer

The Ōrakei Main Sewer (OMS) rehabilitation is a 5-stage rehabilitation, using a GRP ovoid-shaped liner. Total length to be rehabilitated is 1.6km, from MH18 in the Auckland Domain through to MH13 in Hobson Bay. The project will extend the operational life of the OMS by 100 years.

- Works have recommenced on site after 3.5 months of not being able to work due to the sewer levels being too high to work safely. Reestablishment and de-ragging activities were completed with grouting planned to recommence in October.

- The sewer level remains dynamic and influenced by multiple factors, including rain, ground water and high tides. The team are planning for the remaining grouting operations and the reinstatement required Alberon Reserve. Due to the winter delays preventing any works occurring, the team are working through mitigating any further delay to the project. Any further delays will be confirmed in October.
- Fortnightly updates to the community continue, ensuring they are aware of the delays to the programme.



Recommencement of works following high sewer levels

Western Springs

In May 2025, two significant defects were identified within the Auckland Zoo between MH35 and MH34. These defects required urgent intervention to prevent unplanned failure. The Project is to identify the defects and repair the OMS in this area.

- The first defect has been remediated, and a manhole has been placed to assist with future access.

- The second defect was assessed and will be rectified when the OMS sewer is relined in the future. At that time, the second defect can be safely removed. Assessment of the second defect highlighted that it should be rectified within the next two years, relining programme for this section of the OMS needs to meet the delivery date.
- Reinstatement of the surrounding area is 80% completed.

8.10 Huia 1 and Nihotupu Replacement

This project is upsizing the existing watermain for both the Huia 1 and Nihotupu 1 watermain.

- The programme has been impacted by an error identified in the concept design Strategy and Planning have been working on resolving this. Some of the scope is on hold while this is resolved. It has been identified that approximately 30 properties will fall below the minimum pressure standard, and there is also an issue with required firefighting flows. This is being worked on with Strategy and Planning to resolve the issue. However, it is looking like we will have to go revert to the original design of constructing a booster pump station. This could potentially add six months to one year to the programme. The completion date and cost forecast has been updated to reflect as estimated 8-month impact.
- The forecast has been updated to reflect an 8-month delay to the programme. This will need to be confirmed once the issue has been resolved.
- Atkinson Rd Bulk Supply Point (BSP) – All pipework in place for BSP.
- Network watermain update: Rosier to Solar Rd – 20% complete, Atkinson Rd – 80% complete, Kaurilands Rd, Konini Rd, Daffodil St and Scenic Drive – all pipe in the ground, just connections and final reinstatement to be finished.
- Stakeholders:
 - Regular interaction with the two main schools impacted by the works. They have been happy with how the disruption has been controlled.
 - The programme had been tracking to be completed by 30/10/25, traffic disruption and public sentiment has been relatively good. However, with the scope change identified in the Issue above, there will need to be a new comms and stakeholder liaison strategy to address any potential changes. This will be a focus over the coming month.



New BSP Chamber

9. Submissions on bills and other legislative instruments

The table below sets out the current programmes of work that are underway, and their expected impacts to Watercare.

Policy / Legislation	Current status	Watercare actions	Priority
Auckland Councils PC120 – “Housing Intensification and Resilience” Plan Change – to be notified	Due for public notification 3 Nov to 19 December 2025 – Hearings mid 2026	Watercare has contributed input, especially on the Combined Wastewater Qualifying Matter and the Natural Hazards chapters	High
Resource Management reform. Two bills to replace the RMA - expected late Nov 2025- “The Planning Act” and the “Natural Environment Act”.	Submissions expected to open over December 2025 to February 2026	Watercare expected to develop submission points	High
Commerce Commission NZ – “Information Disclosure in the Water Sector: Have Your Say”	Submissions closed on 20 October 2025	See full update below.	High
Marine and Coastal Area (Takutai Moana) (Customary Marine Title) Amendment Bill (MACAA).	Parliament has responded – will introduce an amendment Bill, October 2025.	Watching brief	Med
Other reform expected – Building Act (& Building Codes), Public Works Act, Emergency Management Act, a new Climate Change Adaptation Bill	Bills expected November/December 2025	Watching brief	Med

10. Matters for noting

10.1 Public deputation received at the 30 September 2025 Board meeting

Kereama Nathan, Chairman of Te Herenga Waka o Orewa Marae attended the 30 September 2025 Board meeting to discuss the overflows into Te Weiti Awa from the Blue Gum Pump Station. [Attachment 1](#) sets out Watercare’s response to Kereama.

10.2 Assessment of Watercare’s disclosure under clause 22 of the Charter

[Attachment 2](#) sets out a letter from the Commerce Commission setting out their assessment of Watercare’s disclosure under clause 22 of the Charter.

10.3 Information Disclosure – Feedback provided to the Commerce Commission

Watercare provided comprehensive feedback to the Commerce Commission's on their Information Disclosure (ID) Draft Determination. A copy of the submission (excluding the marked-up Determination) is attached to this report ([attachment 3](#)).

Overall, in summary, Watercare's submission supported the intent and purpose of ID but suggested that the implementation be phased and allow for a more flexible approach given the cost of compliance and the fact that the sector, New Zealand wide, is only just being stood up. This submission aligned with a complimentary, but separate submission, filed by our Shareholder, Auckland Council.

The Commerce Commission is now considering the various feedback it received and a Final Determination (i.e. the rules for enduring economic regulation), must be enacted by 26 February 2026, with ID expected to be operative for Watercare from 1 July 2026.

10.4 Significant meetings attended by the CE during September

- Department of Internal Affairs
- GSS (Group Shared Services) Auckland Council
- GSS Governance Board meeting
- Auckland Council Group CCO CEs
- Auckland Council – Craig McIlroy
- Auckland Council Rachel Kelleher
- CCO Directions and Oversight Committee
- Independent Māori Statutory Board / Houkura
- New Zealand Food Safety
- Water Services Association of Australia
- Waikato River Authority
- Engineering New Zealand Pickering Lecture (Speaker)
- Saltlabs NZ
- Infrastructure NZ
- Abergeldie
- Hobson Leavy
- Utilities Disputes

- Emerson
- Ghella
- Ngāti Whātua Ōrākei
- Citycare
- Deloitte
- Hon Simon Watts – Boardroom Series
- Stantec
- Mood of the Boardroom series with CEOs
- ANZ
- Hobson Leavy
- Joint Director-Generals of the GCSB and NZSIS Classified briefing
- Newstalk ZB Interview
- RNZ Interview.

11. Execution of documents

In accordance with the authority delegated, for the month of September 2025:

- there were two documents required to be signed by the Chief Executive in relation to deeds, instruments and other documents.
- there were four deeds signed by a director and Chief Executive.
- there were seven capex approvals signed by the Chief Executive that were below a threshold of \$50m.
- there were six contracts approved by the Chief Executive that were over \$100,000. They were as follows:

Contract description	Successful supplier
Charter Efficiency Programme – Workstream 3	Accenture NZ Limited
IFA – Residential Development at Unitec Wairaka Stage 1	Ngāti Whātua Ōrākei (Te Punga) Limited
Annual Microsoft licensing	Datacom Systems Limited
I&I Investigations for FY26	Citycare Limited
SoW-Central SCADA – Integration Services V2	Figure8 New Zealand Limited

Contract description	Successful supplier
Microsoft Enterprise Services Work Order FY26	Microsoft New Zealand Limited



Jamie Sinclair
Chief Executive Officer

Attachment 1



Watercare Services Limited

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www.watercare.co.nz

13 October 2025

Kereama Nathan
Te Herenga Waka o Orewa Marae

Via email: [REDACTED]

Tēnā koe Kereama,

9.1

Response to your public deputation at the 30 September 2025 Board Meeting

Thank you for attending our Board meeting on 30 September 2025 to discuss the overflows into the Te Weiti Awa from the Blue Gum Pump Station (PS).

Your concerns

I understand your concerns stem from the recurring wastewater overflows behind the marae, which are discharging into the Te Weiti Awa and surrounding areas. The environmental impact on the awa and its ecosystems is a key issue for the marae and the wider community. You are seeking clarity on Watercare's long-term solution to address these overflows.

Our response to your concerns

There have been three separate breaks on the rising main over the past 12 months. These are detailed in the Attachment 1.

You mentioned there were four breaks. However, the overflow on 4 January 2025 was unrelated to the rising main. Rather a cesspit at Flaxman Place (upstream of the rising main) blocked and also caused an overflow. The cesspit was unblocked and subsequent water quality testing has confirmed that ammonia (an indicator of wastewater influence on a waterbody) in the stream were below detection levels.

Watercare has responded to each break event following notification to us. This response has included cleaning-up after each break and progressing the necessary repairs. Clean up standard procedures can include one or more of the following actions, depending on the nature and size of the overflow:

- Flushing contaminated wastewater with freshwater to dilute and disperse pollutants.
- Applying lime powder to affected soil surfaces for disinfection.
- Applying disinfectant to hard surfaces to eliminate residual contaminants.
- Covering treated soil areas with hay to stabilise and protect the surface.
- Removing debris from the watercourse when present. However, in cases involving pump stations, solids in the wastewater are typically broken down by the pumps, resulting in minimal debris.

The fact that the pipeline has broken three times in less than a year means that it is likely that the asset is in a deteriorated condition, and there is risk of new faults occurring, despite the repairs we have done to date. Should this occur, we have staff and contractors available 24/7 to respond, undertake repairs and perform the required clean-up.

Renewal of the Blue Gum PS rising main is not currently part of our broader wastewater network renewals work packages. However, given the recent failure history (3 breaks in less than 12 months), and the impact of these failures on the marae and environment, we will include these assets in our programme of works. This will include working through feasibility of what a renewal of this rising main would entail so that we can cost and develop a business case for delivering the necessary works.

At this early stage, we are unable to provide timeframes or let you know what type of solution we plan to implement. However, as with all of our renewal projects, we will explore various engineering options, ranging from localised rehabilitation work to replacement of the 180m rising main. As with all of the work we undertake, we will need to balance solution options, with costs, benefits and risks prior to confirmation of a preferred option and progression of a business case.

We are commencing the scoping of this work and will be able to provide an update, and our proposed plan, once we fully understood the extent of the problem, and selected our preferred option. We are unable to commit to timeframes at this early stage but should be able to provide an update on progress in six months' time.

Final comments

Te Miringa Sherman from our Senior Engagement Specialist is looking to facilitate a hui between you and Mana Whenua (Ngāti Pāoa, Ngāti Manuhiri, Te Kawerau a Maki and Ngāti Whātua o Kaipara) to ensure the connection is made and offer reassurance regarding our long-term commitment to the protection and restoration of the waterways.

In the meantime, please continue to reach out to Watercare Management if you have any questions for Management or the Board.

Otherwise, Te Miringa Sherman will keep you up to date with our plans (including timing) to address the repeated overflows from the Blue Gum Pump Station.

Yours sincerely



Geoff Hunt

Chair

Watercare Services Limited

*Copy to: Jake Law, Hibiscus and Bays Local Board member (jake.law@aucklandcouncil.govt.nz)
Alexis Poppelbaum, Chairperson Hibiscus and Bays Local Board
(alexis.poppelbaum@aucklandcouncil.govt.nz)*

Attachment 1: Summary of the pipe breaks that have occurred at the Blue Gum Pump Station Rising Main

- Work order 26594234, 03/03/2025. Affected asset SL 2452795 (pipe bridge, in blue below).
- Work order 26636159, 19/03/2025. Affected asset SL 2452795 (opposite bank from previous fault).
- Work order 27069066, 27/08/2025. Affected asset SL 2446667 (in yellow below).



9.1

Attachment 2



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30 September 2025

Jamie Sinclair, CEO
Watercare Services Ltd.
73 Remuera Road
Newmarket, Auckland, 1050

Tēnā koe Jamie

Purpose of this letter

1. Interim economic regulation under the Charter started on 1 April 2025.¹ The price-path in the form of a maximum allowable revenue (MAR) for water and wastewater tariff revenue, and a minimum increase in infrastructure growth charges (IGCs) started to apply from 1 July 2025.
2. Under the Charter, in relation to the price-path, Watercare is required to report:
 - before the start of each financial year, how the regulated prices it sets for the upcoming financial year are forecast to comply with the Charter (clause 22); and
 - after each financial year, actual revenues earned from regulated prices (clause 23).
3. In this letter we deal with Watercare's report in relation to clause 22. We are writing to inform you that in our view Watercare has complied with the requirements in clause 22 of the Charter.

Our assessment of forecast revenue and pricing for the financial year 2026

4. In June Watercare published its report stating how:²
 - forecast revenue from water and wastewater tariffs for financial year 2026 complies with the Charter;
 - IGC increases for financial year 2026 comply with the Charter; and
 - Watercare is rebalancing its forecast revenue away from charges for water services provided and towards IGCs.

¹ [Local Government \(Water Services Preliminary Arrangements\) \(Watercare Charter\) Order 2025](#)

² Watercare, [Report on the price-quality path: forecast stage](#), Financial year 2026.

5. In our role as Crown monitor to Watercare we have assessed Watercare's disclosed report. We found that Watercare:
 - expects to earn a revenue of \$845.1m from prices for providing water supply and wastewater services for the financial year 2026, which is equal to the Charter maximum allowable revenue amount for that year;³ and
 - is increasing IGCs by 15.5%, which is equal to the minimum allowable rate of increase under Charter clause 17(2)(a) for the 2026 financial year.
6. As required in clause 22(2), Watercare also demonstrated:
 - what the forecast revenue implies for average combined water supply and wastewater service bills; and
 - how the average bill increase compares to the bill increases that were expected when the Charter maximum allowable revenue was determined (7.2% for the 2026 financial year).
7. Watercare estimates the average combined water supply and wastewater services bill to increase by 7.0%, from \$1,641 in 2025 to \$1,755 in 2026. This increase is somewhat less than the 7.2% increase expected when the revenue for the Charter was determined.⁴
8. We note that if the actual revenue from water and wastewater tariffs Watercare collects in financial year 2026 differs from \$845.1m, under the Charter this difference is 'washed-up' and reflected in tariffs for the following year.
9. If you have any queries about this letter please contact crown.monitor@comcom.govt.nz.

Nāku noa, nā



Charlotte Reed
Head of Water Regulation
Commerce Commission, Te Komihana Tauhokohoko

³ The Charter, clause 14(3) definition of "maximum allowable revenue or MAR", para (a).

⁴ Watercare estimates the average combined water supply and wastewater services bill for a given year as revenue from prices divided by the average billed monthly connections. It states that the somewhat lower average bill increase compared to the Charter reflects updated water consumption forecasts. Watercare, [Report on the price-quality path: forecast stage](#), Financial year 2026, page 10.

Attachment 3

Watercare Services Limited

Submission to the Commerce Commission on
Information Disclosure for Water Services – Draft Determination

20 October 2025

9.3



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1. EXECUTIVE SUMMARY

Watercare supports and recognises the benefits of a robust economic regulatory regime for the New Zealand water sector. Under the Local Water Done Well (“**LWDW**”) - Auckland solution, Watercare already has interim economic regulation through the Watercare Charter from 2025-2028, which includes information disclosure and price-quality requirements. In addition, under the Local Government (Water Services) Act (“**LGWSA**”), Watercare will have price-quality regulation after the Charter period ends.

Watercare welcomes the approach taken by the Commerce Commission (“**Commission**”) as Crown monitor for Watercare as it learns about the water sector, our issues, and challenges. We also believe it is important to have wide engagement with the water sector via these discussion documents that will shape information disclosure (“**ID**”) under the enduring economic regulation regime.

Watercare recognises that an effective ID regime can create transparency and incentivise performance by regulated suppliers that promotes the long-term benefit of consumers. We acknowledge the Commission's commitment to support water sector stakeholders to develop a shared understanding of the water sector and welcome the opportunity to provide feedback on the Draft Water Services ID Determination 2026 (“**Draft Determination**”).

Watercare and Auckland Council have provided separate but complementary and aligned submissions on the Draft Determination.

Watercare supports the Commission's commitment to adopting a **proportionate and staged approach** and agree that ID requirements should evolve in an incremental manner, meaning the performance, systems, and processes of each regulated supplier can similarly improve and mature over time.

Watercare has carefully reviewed the Draft Determination, together with the supporting information. Much of the information to be disclosed under the proposed Draft Determination is readily available and already being provided under the Watercare Charter. While we understand the intention behind many of the requirements and the benefits they can deliver to consumers, some disclosure requirements are particularly onerous and would be challenging and costly to comply with within the time provided. In more limited cases, it is not clear that the information would be of value to the Commission and consumers. Watercare notes that some of the information required by the Draft Determination may be confidential and / or commercially sensitive. Watercare understands that a regulated supplier may reasonably assert confidentiality over information provided to the Commission, however it would be useful for the Determination to expressly acknowledge this.

The sector faces a significant reform work programme over the coming years. Our concern is that the cumulative impact of regulatory change, entity establishment activities, and an extensive ID regime, places undue strain on the formative sector.

Removing, deferring, or paring back some of the proposed requirements would better align with sector circumstances and obligations and still provide the transparency that the ID regime seeks, to meet the purpose of Part 4.¹

In summary, Watercare's view is that this initial ID determination should:

- (a) **Establish a robust baseline for ID that the entire sector can achieve.** Watercare agrees with the overarching goal of information disclosure and that, over time, much of the information required would be useful for business purposes. However, even though Watercare is an established CCO, as with other water services providers, we will still need to prioritise our scarce resources to implement ID. Given this, focusing

¹ S 52A, Commerce Act.

to the greatest extent possible on disclosure of the information that we (and other water services providers) already have, in an existing format, and at a reasonable frequency, would be the preferred starting point. Prioritisation is paramount, otherwise the sector will be overwhelmed, which is not in the interests of either the sector or consumers. There also needs to be careful consideration given to whether certain information, although potentially useful to Watercare for internal purposes, needs to be disclosed to the Commission or the public at the level of granularity and frequency proposed. The level of robustness and internal resource required for director-certified public disclosures will differ to what is required for internal use.

- (b) **Adopt a pragmatic and flexible approach to regulatory implementation and reporting timelines to be achievable.** Watercare recognises that the Commission's current process to establish the first ID requirements is driven by statutory deadlines. This compressed timeframe in the legislation for ID implementation, alongside the many other compliance and transition processes already in flight through the LGWS Act (e.g. new land-access rules and other legal obligations), underscores the need for a pragmatic and flexible approach to the implementation of ID. In practice, this would mean less granular or prescriptive disclosure requirements, with shorter disclosure forecast time periods, more time to make certain disclosures, and greater flexibility in how the information is disclosed.
- (c) **Focus on core asset management and capital delivery information to support effective service delivery to customers, and transparent financial accountability.** Watercare acknowledges that a key area of focus, for the sector as a whole, should be asset management and capital delivery. The initial ID requirements should therefore target these areas and build on these fundamental requirements over time. As discussed below, in a number of respects, the level of detail required by the Draft Determination is too onerous at this foundational stage, and the long-term benefit of consumers can be better promoted with a more proportionate (and less resource intensive) approach.
- (d) **Align with Watercare's obligations under the Watercare Charter to the extent appropriate and practicable.** Watercare already has existing obligations to comply with interim economic regulation established under the Local Government (Water Services Preliminary Arrangements) (Watercare Charter) Order 2025 ("**Watercare Charter**"), which remains in force until 30 June 2028. We encourage the Commission to ensure that the first iteration of ID is aligned, as much as possible, with the existing requirements and reporting under the Watercare Charter. If additional or different disclosure is required by the Commission, then we propose that: a) this should be phased in over time, as Watercare's capability and the sector matures (i.e. post 1 July 2028), or b) the Commission should be able to clearly demonstrate that such different disclosure is necessary to meet the purpose of information disclosure under Part 4.²

Below we highlight particular examples of information requirements that could be reduced, deferred, or removed. Please refer to the attached mark-up of the Draft Determination for further detail of Watercare's proposals (Appendix: Draft Determination with our suggested mark-ups).

² Furthermore, Watercare consultation on the enduring price-quality regime, which is planned to commence after the Charter concludes is imminent and Watercare has significant work to ensure a high quality price-quality submission. This work should take precedence over further information disclosure. While Watercare may have a standing start in complying with economic regulation compared to other water service providers, there must be good reasons for any additional disclosures imposed on Watercare and not the rest of the sector.

Please note that in recommending that a requirement is deferred, we are not saying that it should not feature in due course. We simply mean that in our view it should not be included in the first phase of ID and should instead be considered later, when the sector has matured.

2. ASSET MANAGEMENT DISCLOSURES SHOULD BE LESS PRESCRIPTIVE AND STAGED

Asset management requirements should be pared back, at least in the short-term

Watercare acknowledges that it would be helpful in the long-term for its asset management process to be modelled against many of the current information disclosure requirements in Schedule C. However, the specific requirements do not reflect Watercare's current approach, and complying with the Determination will involve a significant restructure of how we prepare our AMP and record our information. We are unclear of the incremental benefit this investment will provide to consumers and believe a flexible and staged approach is appropriate.

While asset management disclosure may not be due until mid-2027 under the current proposal, in practice, this information will need to be finalised well before the end of 2026 to be included in the Water Services Strategy ("WSS") and to meet consultation obligations and statutory timeframes under the LGWS Act. In Watercare's case, we expect both our SAMP and AMP will need Board approval before the end of 2026 to accommodate the requirement to have a draft to Auckland Council by 1 March 2027, and for the WSS to be then publicly consulted on and adopted by 1 July 2027. Given this already compressed timeline, we are therefore concerned that there is not sufficient time to deliver on all of the requirements as prescribed in the Determination.

We include some examples below of why the proposed requirements are challenging to meet in the time available. However, these are not exhaustive, and our overarching submission remains that the Determination is better to adopt a more flexible approach to disclosure which permits Watercare to disclose information using its existing approach. If the Commission seeks greater prescription, this could be introduced over time.

Examples of disclosures that can be pared back and made less prescriptive

Critical assets

The requirement under clause C8 to list all critical assets and capacity and performance information in respect of each critical asset in each AMP is particularly detailed. This clause requires the provision of information that is in excess of what we will be required to provide in the WSS.

To provide helpful context, Watercare views all of its bulk transmission assets, treatment plants and certain local reticulation assets (i.e. those connecting hospitals and retirement villages) as critical assets. Watercare suggests that a more proportionate approach could be to instead require statistics on the condition of assets (e.g. 20% of assets will need to be replaced in the next 5-10 years), which would provide a useful view on the state of the network but at lower cost. Alternatively, these requirements could be amended to allow regulated suppliers to classify assets into categories currently used internally at the regulated supplier. We understand that in Victoria, Australia, water utilities are not required to list individual critical assets. The Victorian Government's Asset Management Accountability Framework³ is a flexible and non-prescriptive set of requirements. Watercare considers this flexible approach to asset management information disclosure requirements is both practical and useful.

³ [Asset management accountability framework | dtf.vic.gov.au](https://www.dtf.vic.gov.au/asset-management-accountability-framework)

Asset enhancements and improvements

C11 requires the AMP to specify asset-level information on current and future utilisation, capacity, and demand. We note that Watercare has tens of thousands of assets, and a suite of complex dynamic models, which are used to assess capacity and plan for the future. This clause would require the supply of information on all these assets, the models, and their results. In addition, in the context of Watercare, we manage a large number of improvements at any one time, so to comply with the requirements proposed, a significant review of existing business cases would be required to extract the relevant information. Watercare suggests that the same outcome and objective can be achieved with a more flexible requirement that allows regulated suppliers to describe their approach to a level of detail that a) they are capable of; and b) they consider would be useful for interested persons. We also suggest that improvement information be provided at a programme rather than asset level.

AMP performance indicators and performance assessment

C10 requires performance indicators to be specified in the AMP for a period of 10 years, and C21 requires the annual delivery report to include a comprehensive assessment of performance against the performance indicators specified in the AMP. It is not clear to Watercare what several of these performance indicators would require (for example, asset management practices and efficiencies) and we expect this would require a material workstream, given Watercare does not currently assess performance measures to this prescriptive level. Our preference would therefore be to disclose existing performance indicators. These performance measures would, in any event, feature in the WSS and we would prefer to only disclose these in the one place (the WSS) and for disclosure to relate to three years (Watercare's current approach) rather than 10 (as proposed in the Draft Determination).

Asset classes

Similarly, the requirement to provide information on each network asset class as specified in clause B4 is very detailed and prescriptive. If this requirement were removed, and there was greater flexibility to disclose information consistent with Watercare's existing asset information, it is our assessment that this would materially reduce the burden but not compromise the value to stakeholders.

Best practice compliance

Watercare notes the approach to Capability and Planning Improvements in the Explanatory Paper referencing a standardised assessment framework for assessing asset management and maturity (i.e. ISO standards) (with reference to clauses C5, C15 and C23). Watercare acknowledges the importance of adopting "best practice", and it aspires to align closely with recognised standards. Watercare's asset management improvement plan under the Watercare Charter is focused on this aim. However, this remains an ongoing process and takes time. Compliance with ISO requirements in the short-term would be extremely challenging.

Investment and delivery plan – forecast investment

Clause C18 requires that the investment and delivery plan specify how opex forecasts have been developed and how they take account of the lifecycle costs of current and new assets. Watercare is undertaking a significant project to build new models to support this level of reporting. However, to complete this work would be challenging within the required timeframe to feed into the first WSS and indeed the AMP and SAMP. We recommend this aspect of the IDP be deferred until the second cycle of asset management planning documents.

3. CERTAIN REQUIREMENTS ARE TOO ONEROUS AND SHOULD BE DE-PRIORITISED

As noted above, Watercare sees value in many of the proposals in the Determination. There are, however, some examples of disclosure requirements that do not clearly support the purpose statement and should therefore be deferred until there is a clear case for their inclusion.

Unit cost of replacement

In clause 6.21, there is a requirement to specify the estimated unit cost of replacing 1 metre of—

- (a) 100mm diameter underground water pipe (in respect of water supply services); and
- (b) 150mm diameter underground wastewater pipe (in respect of wastewater services).

For context, there are variable inputs which lead to the cost per unit replacement cost for any water organisation. Replacement costs vary by, for example, location (e.g. a busy urban road requiring traffic management costs vs a quiet rural side street), geology (e.g. clay vs rock), contractor costs (e.g. health and safety cost variables for the site), and construction methodology (trenching vs trenchless). Given there are so many variables that make up the cost of installing a meter of pipe, it is not clear how the information would be useful to interested persons. Watercare suggests it is removed from the Determination.

Asset values

The disclosures set out in Part 5 require information in respect of asset values to be provided in water services annual reports (or disclosed to the Commission). Specifically, the Commission is proposing that regulated suppliers disclose asset value roll-forward information for specified network asset classes. While Watercare can see the potential value of this categorisation, this would require additional work, as the 13 classes specified do not align with Watercare's current accounting structure. Similarly, Watercare currently does not have the ability to categorise WIP assets based on the specified asset classes. Watercare also suggests it is important not to pre-empt the use of specific Input Methodologies (IMs) with these annual report requirements. Progress towards robust asset valuation should be approached in a logical sequence, recognising that it cannot be achieved all at once, particularly when the future application of IMs remains uncertain. Part 5 (amended to align with GAAP) should therefore be removed.

Investment indicators

Watercare could not currently specify the information required in cl 6.29 without undertaking a significant mapping exercise and building sufficiently robust replacement values. In particular, Watercare does not see the benefit for interested persons of providing asset consumption ratios for each network asset class as defined, and how this is necessary to meet the purpose statement.

4. THE DETERMINATION SHOULD ALLOW FOR GREATER FLEXIBILITY IN DISCLOSURE

To accommodate the various types of water organisations that will exist across the motu, many of which will only have just been formed, and the different approaches and levels of capability that are likely to exist within these organisations, Watercare's recommendation is to introduce greater flexibility into disclosure requirements. Initially this may be at the expense of uniformity. However, as the water sector is only just commencing its economic regulation journey, Watercare considers there is benefit in focusing on specific disclosures for a core and manageable set of attributes. For other information that is considered valuable and therefore should be disclosed in some form sooner rather than later, regulated

suppliers should be given flexibility to disclose it in a manner that is efficient and makes sense for them based on existing process and resources.

Some examples are provided below.

Capex and opex categories

The Draft Determination is proposing capex amounts to be categorised as either growth, levels of service or renewals expenditure. This is consistent with the level of disclosure required under the Charter. However, the Draft Determination goes further and requires this expenditure to be further categorised (see B4(2), (4) and (6)). For example, there are four sub-categories for growth, six sub-categories for levels of service and 13 sub-categories for renewals. Watercare does not currently hold information consistent with the sub-categories proposed and queries whether Watercare should prioritise aligning its systems with these categories. Watercare proposes that these sub-category requirements be removed, or alternatively, only retained as a guide.

For example, Watercare could currently provide information based on the following sub-categories for renewals: water – treatment / bulk transmission / reticulation; and wastewater – treatment / bulk transmission / reticulation. This information, provided in this form, would also provide a more informative picture of water production, water distribution and the extent to which we are supporting growth in local networks, as compared to the proposed sub-categories. Put in real terms, building a pump station could involve a rising main (pipelines) and storage, but we would not see value in splitting out this project.

Watercare suggests simplifying the categorisation of renewal assets into six broad sub-categories for the purposes of asset management disclosures in this first determination, as above (including for clauses 6.16, C8, and C18). Alternatively, Watercare could today report on four sub-categories by combining treatment and transmission into one “bulk” sub-category (e.g. water – bulk (treatment and transmission) / reticulation; and wastewater – bulk (treatment and transmission) / reticulation).

Watercare has a similar comment in relation to the network opex categories in B1. It is Watercare's view that regulated suppliers should be permitted to disclose opex based on their existing approach. For Watercare, we recommend the initial form of disclosure align with the Watercare Charter, which is a split between water supply and wastewater. In time, and as ID matures and evolves, we can work towards single service level reporting for all opex costs, mindful that non direct costs would require a somewhat arbitrary allocation.

Watercare also notes that the Draft Determination requires capex relating to more than one expenditure category to be allocated across different categories. Watercare does not see the benefit for the additional work that this would involve. Watercare recommends that the regulated supplier be given the option to either allocate across multiple categories, or allocate the entire amount to the category that is the primary reason for the expenditure.

Allocated to regulated services

Under section 46 of the LGWSA, Watercare or other water organisations that are CCOs must only provide water services or services related to or necessary for providing water services. Accordingly, the vast majority of Watercare's revenue is clearly derived from regulated services. Any “non-regulated” services for the purposes of regulation under Part 4 would be at the margins of Watercare's operations.

Watercare does have commercial arrangements with third parties, such as the Waikato District Council (“WDC”) to deliver bulk supply and for operations, maintenance, and asset management services. We also have contracts with third parties for laboratory services.

Under the draft determination, Watercare will be required to assess how the relevant definitions of regulated and non-regulated services apply to services such as the WDC bulk supply contract, the inhouse provision of laboratory services for Watercare, the WDC maintenance contract, laboratory services to third parties and the license of software to third parties. Not all such services are clearly included in or excluded from the definition of regulated services. The existence of these services introduces a complexity to Watercare's disclosures given the current Draft Determination would require allocating values to regulated activities and therefore having to carve out "non-regulated activities". This allocation requirement appears to be targeted at council water services providers that clearly do a mix of regulated and non-regulated services. In that context, it makes more sense to separate revenue / funding and assets / liabilities between the provision of the regulated service and other activities. It appears to be less relevant for water organisations that are specifically established for the purpose of providing regulated water services.

Watercare therefore requests that either a materiality threshold be adopted for the allocation requirement to apply, or for the allocation requirements (between regulated and non-regulated services), including clauses 6.24 and 6.25, to not apply to water organisations. If the Commission is inclined to include an allocation requirement, we recommend this be delayed until FY29 so the sector can undertake the relevant assessment of services provided and prepare their reporting systems.

9.3

Residential / non-residential split

The information required by clause 4.9 prescribes that information on charges specifies whether the charge is "residential" or "non-residential" or a combination of residential and non-residential.

Whilst Watercare does record revenue as "residential" and "non-residential", it is worth highlighting that there are some complexities in the categorisations and definitions. For instance, an apartment building with a single bulk meter connection is treated the same as one where the ground floor contains a café or other non-residential activity. Similarly, retirement villages and gated communities with bulk meters at the boundary are handled in the same way. While the Commission may consider it useful to distinguish these categories for revenue disclosure purposes, there will be variability in the way water organisations define these matters in their systems. Watercare suggests it would be beneficial to allow for greater flexibility in these requirements.

We would be happy to work with the Commission to help define these terms on behalf of the sector.

Financing and revenue and funding indicators

Cl 6.33 requires disclosure of financing indicators. This clause is very prescriptive, particularly considering it deals with sensitive financial information, and it would require significant work to prepare these disclosures at the combined and single service (as well as entity) levels as required. It also does not fully recognise that Watercare's approach to funding differs from the rest of the sector. This clause should be deferred, or at least be made optional, particularly where sensitivity around financial information is a concern. The following points should also be considered:

- (a) Watercare is different to Councils and other water organisations as we cannot borrow from LGFA and do not have a council-backed guarantee. Accordingly, rating agencies look at Watercare as a utility, not as a local authority for financing metrics.
- (b) There are financial risks to consider, particularly regarding financial ratios. It is important not to assume that the gap between Funds From Operations (FFO) and a borrowing limit represents available funds—appropriate risk allowances must be made, taking into account other balance sheet demands.

- (c) In Watercare's context, limits should be defined by reference to the credit opinion of ratings agencies (such as Moody's).
- (d) Reference to terminology used and defined by rating agencies would be preferable, rather than creating a new suite of definitions.
- (e) Metrics should be selected as appropriate for the funding mechanisms an entity undertakes.
- (f) Funding / borrowing disclosures are appropriate at the consolidated (rather than single) level. Borrowing is not necessarily done on a type of service/per-project basis in this context.

In relation to revenue and funding indicators under clauses 6.30 and 6.31, we recommend that these should recognise the funding regime under which an entity is operating. In addition, we suggest that these should be introduced over time, and not pre-empt potential input methodologies (which may or may not be established in the future). Separately we note that Watercare uses the average proportion of household income in its affordability methodology, rather than median. If the methodology changes, then the target must change. As above, Watercare considers these requirements should be deferred or at least made optional.

9.3

5. FREQUENCY AND DURATION OF, AND DEADLINES FOR, FORECAST INFORMATION

Additional time required to prepare asset management information and forecast financial disclosures

Watercare understands the rationale for the disclosure of certain forecast financial and asset management information to meet the purpose of information disclosure under Part 4. However, allowing more time to prepare the disclosures is necessary, including because of the other reporting and planning obligations we have under the LGWSA, as well as overlap in content.

In particular, the LGWSA requires that regulated suppliers prepare and adopt a Water Services Strategy ("**WSS**") by 30 June 2027. This alone is going to be a large piece of work for Watercare. The Draft Determination currently requires disclosure of the following information **on or before** the adoption of the WSS:

- (a) forecast information covering a 10-year period (cl 3.1) and certain capex information for 30 years (cl 3.3);
- (b) Strategic Asset Management Plans ("**SAMPs**"), for when the first two WSSs are adopted (and then for every second WSS) (cl 3.4); and
- (c) Asset Management Plans ("**AMPs**"), and Investment and Delivery Plans ("**IDPs**") (cl 3.5-3.6).

Transitional provisions in Schedule A aside, in practice, if Watercare must adopt its WSS by 30 June 2027, Watercare will be required to prepare the above disclosures by the same date. These disclosures will necessarily feed into the WSS workstream. Based on the level of detail currently proposed, this is a lot of information to prepare and will require substantial work, particularly in respect of the first 2027 deadline. Indeed, we are already starting a workstream now and scoping how to resource this large piece of work.

In light of shareholder feedback and the director certification process, we therefore think it is prudent not to require the disclosures to be due on or before the date the WSS is adopted. A period between adoption of the WSS and ID disclosure would be reasonable and more manageable.

We understand that in other sectors, there is typically a period of time allowed for suppliers to prepare their disclosures. For example, in the airports' ID determination, forecast disclosure is due 40 working days after a price setting event. Watercare considers a similar timeframe could be required in the water sector context, given the extent of statutory reporting and planning requirements under the LGWSA, as well as the significant amount of information required.

We do not see why requiring disclosure on the same day as the event triggering the disclosure is necessary to meet the purpose of information disclosure. Interested persons who wish to assess the information will not be prejudiced by providing the regulated supplier with additional time to prepare comprehensive and accurate disclosures. To the contrary, it should be beneficial.

Recommendation: Watercare recommends amending the Draft Determination to allow the above-mentioned disclosures to be made up to three months after the final date on which a WSS must be adopted (e.g. for their first disclosure, as an example, regulated suppliers should have until 30 September 2027 to prepare the first set of required disclosures due alongside the 30 June 2027 WSS).

Requirement for annual 10-year forecast financial disclosures unnecessary

Watercare supports forecast financial disclosures but queries whether forecast information covering 10 consecutive financial years needs to be provided annually to meet the purpose of information disclosure under Part 4. This requirement would create additional compliance costs, particularly alongside the other extensive annual reporting requirements and plans required under the proposed ID, and financial matters required in WSSs covering 10-year periods. Watercare sees the value in preparing regular forecast information, but it is not clear to us what additional value is to be gained by the Commission, consumers or stakeholders from publicly disclosing these annually.

Currently, Watercare and all other councils produce forecast information as part of the Long-Term Plan process every three years. This cadence is logical in the context of the planning cycle under the LGA 2002. Watercare is also required to prepare a WSS covering a 10-year period every three years. It would therefore be more valuable to stakeholders, and would limit unnecessary compliance costs, if the requirement to update these financial forecasts was extended to every three years. The disclosure dates should also align with the Long-Term Plan cycles of local government.

For similar reasons discussed in relation to periodic disclosures above, Watercare submits that the forecast disclosures should be due within the three months after the start of the disclosure year (every third disclosure year if Watercare's submission is accepted).

Recommendation: Watercare recommends the Determination is amended to require disclosure of 10-year forecast financial information every three years, rather than annually, with such disclosure being due within three months of the start of the relevant disclosure year (e.g. regulated suppliers should have until 30 September 2027 to prepare the first set of required disclosures). Each three-year disclosure should align with council's long-term plan disclosure.

Requirement for periodic 30-year capex disclosure is very onerous and unnecessary

Watercare also submits that the requirement in clause 3.3 for periodic disclosure of the specified capex information (including cost allocation information) covering a 30-year period is unnecessary and burdensome.

The suggestion from Clause 3.3(2) of the Draft Determination is that this disclosure might be reasonable because, under LGWSA, the WSS covers 30 years in respect of some infrastructure and investment information, as outlined in Schedule 3 of the LGWSA and as follows:

- (a) water service providers are required to identify in their WSSs their expected significant water infrastructure issues for a period of at least 30 financial years.⁴
- (b) water service providers are required to include estimates of projected capex and opex associated with managing their infrastructure assets, including estimates of the projected capex and opex associated with managing these assets for each of the first 10 years and then each 5-year period covered by the WSS.⁵

The 30-year disclosure under the WSS, as set out above, are specific and only relate to “**significant** water infrastructure issues”. Otherwise, the WSS relates to a 10-year period.⁶ Given this, the 30-year capex forecast disclosure required by the Draft Determination of forecast information for **each** of the 30 consecutive financial years is therefore an onerous and unnecessary extension of the WSS, both in respect of the period covered and its content. The WSS requires capex estimates at a high level and in relation to Watercare's whole business (covering five-year periods beyond 10 years). In contrast, ID requires reporting for each year within a 30-year range against prescriptive capex categories and sub-categories at both the single and combined services level. Obtaining this level of information, at both the single and combined services level, would be costly, labour intensive and potentially involve expensive system level upgrades or enhancements. Additionally, for years 11 to 30, we would be providing the Commission with much less accurate capex estimates than what we can provide for years 1-10. Indeed, estimates that far into the future are likely to be difficult to validate in any meaningful way. We also do not believe the requirement for director certification is consistent with what would necessarily be very high-level estimates.

Watercare considers that the disclosure of periodic forecasts covering a 10-year period (cl 3.1) and AMPs (cl 3.5) will be of value. Capex forecasts covering a 10-year period (and provided every three years alongside each WSS, as proposed above) would be more in line with other industries (such as airports and electricity distribution). This would also avoid the risk of providing 30-year estimates that are difficult to predict and are likely to be materially departed from, causing confusion to stakeholders and customers. Watercare is comfortable to signal the significant water infrastructure projects at a high-level and provide estimates in its WSS as required by the LGWSA but forecasting capex for each year within a 30-year period for every year is excessive and not clearly valuable to Watercare or stakeholders. Regulated suppliers should therefore be allowed to focus their efforts on preparing 10-year forecasts, at least for the time being.

Recommendation: Watercare recommends that the Determination does not include the requirement to produce 30-year forecast capex information. Clause 3.3 should be merged with clause 3.1 so that regulated suppliers are only required to supply capex information every three years, covering a 10-year forecast period.

6. DEFINITIONS MUST BE FIT FOR PURPOSE

Watercare's feedback on the definitions have been guided by trying to align with terminology adopted in the Watercare Charter where appropriate, and to reflect Watercare's position as a stand-alone water CCO. Watercare's key feedback on the definitions are summarised below.

⁴ Clause 2(3) of Schedule 3, LGWSA.

⁵ Cl 7 of Schedule 3, LGWSA.

⁶ S 230(3)(c), LGWSA.

Charges

Watercare suggests further clarity in the definitions used in relation to charges in the draft determination. Specifically, we note that Watercare's infrastructure growth charge (IGC) does not appear to be referenced in the draft determination. This charge is not the same as a development contribution and this revenue and its treatment is critical to our FFO/Debt ratio.

In particular:

- (a) The definition of "connection charge" is currently too broad and should be restricted to the criteria currently proposed in subclause (a), being "a charge for which the primary reason is the connection of a new consumer to the network or the alteration of an existing connection".

- (b) The criteria currently in subclause (b) of connection charge more properly relates to growth charges, which Watercare proposes should be introduced as a standalone definition i.e.:

growth charge means a charge for which the primary reason is new demand or a change in demand on the network or a part of the network that contributes to the potential requirement for –

- (i) additional capacity to meet the demand; or
- (ii) additional investment to maintain standards of service.

- (c) The definition of "contaminant charge" appears intended to cover trade waste charges, but with broad flexibility to charge other contaminant related charges. Watercare agrees with this flexibility but suggests express reference to trade waste charges is included, as this is the contaminant charge likely to be common to all water services providers in the near term.

- (d) "Other charge" should not refer to fixed charge or volumetric charges, but instead should capture all charges that are not otherwise covered, i.e.:

other charge means a charge that is not a ~~fixed charge, volumetric charge~~ a usage charge, growth charge, contaminants charge, or serviceability charge

- (e) Watercare also suggests the addition of a further definition for "other payment obligation" and use of this term in clause 4.7 –which seeks disclosure of information on the regulated supplier's policy relating to funding growth. Currently, the drafting of that clause requires disclosures including charges and generic "obligations" related to a new connection or other type of growth. The unqualified use of "obligations" is too broad to be useful. Watercare understands these disclosures are intended to cover, for example, vested assets and financial contributions under the Resource Management Act 1991 (see current clause 4.7(4)). Therefore, Watercare suggests this term is explicitly defined as follows:

other payment obligation means a financial contribution to the regulated supplier in relation to a new connection or other type of growth, and:

- (i) includes payment for assets by the customer which are then vested in the regulated supplier, and financial contributions under the [Resource Management Act 1991](#); but

- (ii) excludes charges.

Network versus non-network assets

As drafted, the definitions of water supply network and wastewater network render the meaning of "network asset" unclear. Typically, when using the terms water and wastewater networks, Watercare is referring to the pipelines connecting customers, excluding transmission assets and treatment plants. However, based on the limited definition of non-network asset, we expect that it is intended for assets like treatment plants to be included in the definition of network assets. We have therefore proposed some changes to the definitions of water supply network and wastewater network.

We also note that, from an industry perspective, it would be more accurate to use the terminology "system" where transmission assets, treatment plants, dams, reservoirs etc are included e.g. system asset, non-system asset. We recognise the draft determination is using the definition in the LGWSA and it makes sense to align terminology. However, we maintain that it is important to provide clarification for the definition of network in the determination.

Similarly, we have proposed amendments to the definitions of "water supply network" and "wastewater network" so that system assets are covered.

Real water loss

The Watercare Charter contains a definition of real water loss that could usefully be brought into the Draft Determination. "Real water loss" is defined in the Charter as:

the volume of water—

- (a) lost through all types of leaks, bursts, and overflows at any part of Watercare's water supply network (including mains, service reservoirs, and service connections) up to the point of the consumer's connection; and
- (b) calculated using a water balance prepared and used in accordance with the Water Loss Guidelines Detailed Technical Guide, 2nd edition, published by Water New Zealand in August 2023.

The Draft Determination requires reporting on how a water supplier monitors and manages water demand and water loss across its networks in Asset Management Plans (see clause C11(1)(e)). It would be useful for the sector to have a common understanding of what water loss refers to and the Watercare Charter definition provides both clarity and a methodology for measuring that loss.

7. TREATMENT OF VEOLIA

Watercare has a longstanding contract in place with Veolia Water Technologies NZ ("**Veolia**"), which was inherited from Papakura District Council at the time of local government amalgamation in Auckland in 2010. Under this contract, Veolia provides water and wastewater services in Papakura (which is within the service area of Auckland Council).

It is not clear under the Commerce Act the extent to which Watercare's information disclosure responsibilities include reporting in relation to this contract with Veolia.

The "regulated suppliers"⁷ subject to the Determination are all "decision-making local government water service suppliers" in respect of water supply or wastewater services that makes decisions about either or

⁷ Cl 2(1), Schedule 7, Commerce Act 1986.

both of (a) capital and operating expenditure on the service, and (b) the level of charges or revenue recovery for the service.⁸ Veolia is therefore not a regulated supplier subject to ID at this stage as it is not "local government" (nor has an Order in Council been made declaring Veolia to be regulated).⁹

It is not clear to Watercare, given the nature of the Veolia arrangement and responsibilities of the respective parties, that Watercare is the "decision-making local government water service supplier" in respect of Papakura. This leaves a potential gap in which water and wastewater services in Papakura are not subject to ID.

If Watercare was the regulated supplier for Papakura, it would be essential that:

- (a) Watercare has the ability to access information from Veolia. Clause 6(6) of Schedule 7 of the Commerce Act allows the Commission to use a section 52P Determination to gather information about regulated activities from any party holding that information (such as a contracted party). Section 25 of the Local Government (Water Services) Act 2025 provides for third parties that have agreements to provide water services on behalf of a water services provider to give information to that water services provider on request, where the information is needed to meet regulatory requirements. We therefore recommend that the Determination clearly establishes what information is required in relation to the Papakura network – either to be provided directly by Veolia to the Commission or so that Watercare can request the information from Veolia (e.g. the Determination could remove any doubt that the provision of requested information under section 25 of the Local Government (Water Services) Act includes information in relation to information disclosure obligations).
- (b) Watercare is able to disclose Veolia's supplied information separately. Clause 2.2(2) currently requires information to be disclosed as consolidated information. We anticipate that in practice this is unlikely to be achievable as this would require Watercare directors to certify Veolia information. Consolidated disclosure would also risk not being for the long-term benefit of consumers, as it would not allow interested persons to assess performance by the different suppliers. We note that separate, non-consolidated disclosures are already occurring in respect of Watercare's Charter obligations, so what is being proposed would be a continuation of the status quo.

Recommendations: Watercare recommends that:

- (a) The Commission clarifies the treatment of Veolia / Papakura under the Determination; and
- (b) If Watercare is to be the regulated supplier in respect of Veolia / Papakura, either the Commission gathers that information from Veolia directly or Watercare is sufficiently empowered to request information from Veolia and can disclose the information provided by Veolia separately, which would need to be excluded from Watercare's assurance and certification obligations.

8. TECHNICAL COMMENTS ON DRAFT DETERMINATION REQUIREMENTS

We have proposed a number of technical amendments (in track changes and comments) in the **attached** version of the Draft Determination.

⁸ S 57D, Commerce Act 1986.

⁹ S 57L, Commerce Act 1986.

The guiding principles for our technical amendments are:

- (a) achieving consistency with the Watercare Charter where appropriate / possible;
- (b) reducing ID requirements that are costly to produce in proportion to the benefit to be achieved by disclosure at this stage; and
- (c) reducing overly onerous ID requirements where the perceived stakeholder value is unclear.

Board - Public Session - Board planner

		Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26
Meetings	Board	28-Oct	19-Nov (Board Strategy Session) 25-Nov	8-Dec		25-Feb	31-Mar	29-Apr	13-May (Board Strategy Session) 27-May	30-Jun	28-Jul	27-Aug	29-Sep	28-Oct	11-Nov (Board Strategy Session) 25-Nov	15-Dec
	Audit and Risk Committee		24-Nov			4-Feb			21-May			14-Aug 26-Aug			23-Nov	
	Asset Management Committee	10-Oct		1-Dec			6-Mar		8-May		8-Jul		4-Sep		6-Nov	
	Economic Regulation Committee		5-Nov 18-Nov	3-Dec 17-Dec		18-Feb	18-Mar	14-Apr	6-May	9-Jun	14-Jul	11-Aug	8-Sep	13-Oct	10-Nov	8-Dec
Running the Business	Financial		Auckland Council Draft Annual Plan - approve Watercare input			Approve half year accounts		Approve financials for FY26 including projected 26/27 price increases	Board approval of 2026/2027 Budget and updated FY26 financials	Board approval of Insurance proposal	Auckland Council and Watercare to review 30 June Treasury Interest rates	FY26 financial statements and annual report 2026			Auckland Council Draft Annual Plan - approve Watercare input	
	Statement of Intent		2024/2025 SOI Results to be presented to Board at Public Meeting. Public deputations to be received Q1 FY26 performance report due to Auckland Council by date TBC			Q2 (FY26) Performance Report due to Council by date TBC		Q3 (FY26) Performance Report due to Council by 1 May 2026		Present shareholder SOI feedback at public meeting. Public deputations to be received		Q4 (FY26) performance report due to Council by date TBC			Q1 (FY27) performance report due to Council by date TBC	
	Crown Monitor Regulation reporting		Q1 FY26 reports on performance targets due to the Crown monitor by 30 November Q1/FY26 opex and capex quarterly report and publish - due to the Crown monitor by 31 December Consider feedback from Com Com on Infrastructure Delivery and Asset Management Improvement Plan. Consider Feedback from Com Com on IGC Policy Review and Redesign, update and publish	Operating Cost efficiency improvement plan for feedback - due to Com Com by 31 December		Q2 (FY26) reports on performance targets due to the Crown monitor by 28 February 2026	Q2/FY26 opex and capex quarterly report and publish due to the Crown monitor by 31 March 2026		Q3 (FY26) reports on performance targets due to the Crown monitor by 31 May 2026	Q3/FY26 opex and capex quarterly report and publish - due to the Crown monitor by 30 June 2026		Q4 (FY26) reports on performance targets due to the Crown monitor by 30 August 2026	Q4/FY26 opex and capex quarterly report and publish - due to the Crown monitor by 30 September 2026		Q1 FY27 reports on performance targets due to the Crown monitor by date 30 November 2026	Q1/FY27 opex and capex quarterly report and publish - due to the Crown monitor by 31 December 2026
	Community and Stakeholder Relationships	hwi	Stakeholder Achieving Māori Outcomes Plan, Tāmaki Ora	hwi	Tira Hoe River Journey with Waikato Tainui - 27 and 28 January 2026	Stakeholder	hwi	Stakeholder	hwi	Stakeholder	hwi	Stakeholder	hwi	Stakeholder	hwi	Stakeholder

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		Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26
Meetings	Board	28-Oct	19-Nov (Board Strategy Session) 25-Nov	8-Dec		25-Feb	31-Mar	29-Apr	13-May (Board Strategy Session) 27-May	30-Jun	28-Jul	27-Aug	29-Sep	28-Oct	11-Nov (Board Strategy Session) 25-Nov	15-Dec
	Audit and Risk Committee		24-Nov			4-Feb			21-May			14-Aug 25-Aug			23-Nov	
	Asset Management Committee	10-Oct		1-Dec			6-Mar		8-May		8-Jul		4-Sep		6-Nov	
	Economic Regulation Committee		5-Nov 18-Nov	3-Dec 17-Dec		18-Feb	18-Mar	14-Apr	6-May	9-Jun	14-Jul	11-Aug	8-Sep	13-Oct	10-Nov	8-Dec
	Governance	Review of Watercare's Enterprise Risks Submissions on future bills update	Compliance with statutory obligations for Q1 FY26	Board delegations to the CE Policy Board performance review		Review of Watercare's Enterprise Risks Submissions on future bills update Compliance with statutory obligations for Q2 FY26		Review of Watercare's Enterprise Risks	Submissions on future bills update Compliance with statutory obligations for Q3 FY26		Review of Watercare's Enterprise Risks	Compliance with statutory obligations for Q4 FY26	Review of the Corporate Governance and Board Committee Charters Review of the Economic Regulation Committee Terms of Reference		Good Employer Policy update Compliance with statutory obligations for Q1 FY27	Board delegations to the CE Policy
	Karakia	Geoff Hunt	Frederik Comu	Andrew Clark		Graham Darlow	Karen Sherry	Julian Smith	Rukumoana Schaafhausen	John Crawford	Geoff Hunt	Frederik Comu	Andrew Clark	Graham Darlow	Karen Sherry	Julian Smith
Confidential		Mangere wastewater treatment plant (WWTP) distributed bowlers Herne Bay capex approval Watercare strategy	Digital review findings Q1 progress update on CE's KPIs			Q2 progress update on CE's KPIs			Q3 progress update on CE's KPIs		Q4 progress update on CE's KPIs and Approve CE's KPIs for FY27				Q1 progress update on CE's KPIs	
Audit & Risk Committee			Board delegations to the CE Policy Planning report for half-year accounts Internal audit report and plan Enterprise Risks Deep Dive on opportunities and risk arising from use of Artificial Intelligence Annual Summary of the Performance of Watercare Dams for 2024	Enterprise Risks update to the Auckland Council Audit and Risk Committee		Presentation of Watercare's draft halfyear accounts Internal Audit Report Half year audit update from Deloitte			Present plan for Year end Deloitte's planning report for FY26 year end financials Insurance renewal programme update Internal Audit Report		Approval of FY26 financial statements External audit update Internal audit report Enterprise Risks Deep Dive Insurance workplan FY27	Annual update to the Auckland Council Audit and Risk Committee		Board delegations to the CE Policy Planning report for half-year accounts Internal audit report and plan Enterprise Risks Deep Dive on opportunities and risk arising from use of Artificial Intelligence Annual Summary of the Performance of Watercare Dams for 2024		
Asset Management Committee		Mangere wastewater treatment plant (WWTP) distributed bowlers Network performance monitoring modelling programme Watercare's approach to growth Project dashboards and AMP financials Herne Bay capex approval		Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets Wastewater transmission asset programme Western water supply update Capital infrastructure delivery for the Waikato District Council Recycled water update			Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets		Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets		Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets		Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets		Project dashboards AMP financials, delivery report and traffic light reporting Quarterly update on capitalisation of Assets	
Economic Regulation Committee		A progress update on the Driving Value improvement plan (via an out of cycle paper)	Q1/FY26 performance report to Auckland Council and the Commerce Commission													

Board meeting | 28 October 2025
Public session



Directors' appointment terms, committee memberships and meeting attendances

For information

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Chief Executive Officer

1. Purpose of the report / Te take mō te pūrongo

This report is for noting and sets out:

- the tenure of the current directors of Watercare Services Limited;
- details of the committees each director is a member of;
- details of directors' attendance at Board meetings; and
- details of directors' attendance at committee meetings.

2. The details / Kōrero pitopito

We currently have eight directors appointed by Auckland Council.

2.1 The tenure of directors

Director	Original appointment date	End of term
Geoff Hunt (Board Chair)	12 October 2024	1 st term ends on 31 October 2027
Graham Darlow	3 February 2021	2 nd term ends on 31 October 2027
Julian Smith	1 January 2022	2 nd term ends on 31 October 2027
Andrew Clark	1 June 2024	1 st term ends on 31 October 2027
Frederik Cornu	1 June 2024	1 st term ends on 31 October 2027
Karen Sherry	1 February 2025	1 st term ends on 31 January 2028
John Crawford	1 February 2025	1 st term ends on 31 January 2028
Rukumoana Schaafhausen	1 June 2025	1 st term ends on 31 May 2028

2.2 Details of the committees

We currently have three committees to assist the Board in its corporate governance. Committee Chairs and members are appointed by the Chair. Attendance at Committee meetings by non-members is optional.

The table below sets out the membership of the current committees.

Director	Audit and Risk Committee	Asset Management Committee	Economic Regulation Committee
Geoff Hunt (Board Chair)		✓	✓
Graham Darlow		Committee Chair	
Andrew Clark	Committee Chair		
Julian Smith	✓		Committee Chair
Frederik Cornu		✓	
Karen Sherry	✓		
John Crawford			✓
Rukumoana Schaafhausen			✓

2.3 Directors' attendance at Board meetings in 2025 is detailed in the table below:

Attended ✓ Did not attend ✕ Not on the Board ■	Attendance at Board meetings														
	5 February 2025	26 February 2025	25 March 2025	29 April 2025	12 May 2025 Board strategy session	27 May 2025	11 June 2025	24 June 2025	29 July 2025	26 August 2025	30 September 2025	28 October 2025	19 November 2025 Board strategy session	25 November 2025	8 December 2025
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				
	✓	✓	✕	✓	✓	✓	✓	✓	✓	✓	✓				
	✓	✓	✓	✓	✓	✓	✕	✕	✓	✓	✓				
	✓	✓	✓	✓	✓	✓	✕	✓	✓	✓	✓				
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✕	✓				
	✓	✓	✓	✓	✓	✓	✕	✓	✓	✓	✓				
	Rukumoana Schaafhausen	✓						✓	✓	✓	✓	✓			

2.4 Directors' attendance at committee meetings in 2025 is detailed in the table below:

Attended ✓ Did not attend ✕ Not on the committee ■	Audit and Risk Committee meetings				Asset Management Committee meetings						Economic Regulation Committee meetings									
	4 February 2025	21 May 2025	14 August 2025	24 November 2025	7 April 2025	6 June 2025	8 August 2025	10 September 2025	10 October 2025	1 December 2025	17 June 2025	2 July 2025	16 July 2025	30 July 2025	14 August 2025	10 September 2025	5 November 2025	18 November 2025	3 December 2025	17 December 2025
Geoff Hunt (Board Chair)					✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓				
Graham Darlow					✓	✓	✓	✓	✓											
Julian Smith	✓	✓	✓		✓						✕	✓	✓	✓	✓	✓				
Andrew Clark	✓	✓	✓																	
Frederik Cornu	✓				✓	✓	✓	✓	✓											
Karen Sherry	✓	✓	✓																	
John Crawford											✓	✓	✓	✓	✕	✓				
Rukumoana Schaafhausen											✕	✓	✕	✓	✓	✕				

3. Recommendation / Te tūhunga

We recommend that the Board notes this report outlining directors' appointment terms, committee membership and meeting attendances.



Board meeting | 28 October 2025
Public session



Disclosure of directors' and executives' interests

For information

Document ownership / Whaimana tuhinga

Prepared by / Kaiwhakarite

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Head of Legal and Governance

Submitted by / Kaitono

Jamie Sinclair
Chief Executive Officer

1. Purpose of the report / Te take mō te pūrongo

Section 189 of the Companies Act 1993 requires the company to keep an interests register. Section 140 requires all directors to cause to be entered in the interests register, and disclose to the Board of the company, their interests.

One of key principles of good governance is transparency and having an open and honest approach to working with the wider community. Watercare not only maintains an interests register for its directors, but also voluntarily maintains an interests register for our executives.

2. The details / Kōrero pitopito

2.1 Watercare Services Limited's directors' interests register

The company obtains Directors and Officers (D&O) insurance for of all Watercare directors in accordance with section 162 of the Companies Act 1993.

Director	Interest
Geoff Hunt	• Principal, Geoff Hunt Consulting Ltd • Member, Institution of Engineering and Technology • Member, Institute of Directors • Trustee, Hunt Family Trust • Advisor to the Board, Geostabilization New Zealand Ltd (GSI)
Graham Darlow	• Director, Holmes GP ANZ Ltd • Director, Hick Group Ltd • Business Executive, Acciona Infrastructure NZ Limited • Director and Shareholder, Brockway Consulting Limited • Direction and Chair, Frequency NZ Limited • Director, Hick Bros. Civil Construction Limited

Director	Interest
	• Director, Hick Bros. Heavy Haulage Limited • Director, Hick Bros. Holdings Limited • Director, Holmes Group Limited • Director, Pac Tranz Limited • Chair, The LEAD Project Alliance Board • Project Governance Group, Sludge Minimisation Project and Major Transport Group, Wellington City Council • Advisor, Wellington Metro Water Services Delivery Plan
Julian Smith	• Board Trustee, Look Good Feel Better Trust • Director and Shareholder of JTB Enterprises Limited • Committee member of Institute of Directors, Auckland Committee • Chair, Institute of Directors Te Tai Tokerau, Northland Sub-Committee • Body Corporate Committee member, The Connaught Residential Apartments, Auckland • Group Secretary – Northland Corporate Group • Member, Waikato Tainui Kawenata Joint Governance Oversight Group • Director, Northport Group Limited • Director, Northport Limited • Director, Marsden Maritime Holdings Limited • Director, Marsden Marina Coves Limited • Director, MetService • MyCareerBrand
Andrew Clark	• Chief Financial Officer, Port of Auckland Limited • Director, Auckland City Water Limited (Watercare's subsidiary company) • Member, Waikato Tainui Kawenata Joint Governance Oversight Group
Frederik Cornu	• New Zealand Sustainable Solutions Lead, Schneider Electric • President and Board Member, French New Zealand Chamber of Commerce (FNZCCI) • Executive Committee Member, New Zealand China Trade Association • Shareholder and New Zealand Planet Leader, Team for the Planet
Karen Sherry	• Director, Donnell Sherry Ltd • Director, The Power Company Ltd • Director, PowerNet Ltd • Director, Electra Ltd • Director, Sasha & Otto Limited • Director, Electra Generation Limited

Director	Interest
	• Director, Electra Services Limited • Director, Pylon Limited • Director, Lakeland Network Limited • Director, Otagonet Limited • Director, Last Tango Limited • Trustee, Fritz Seppel Trust • Trustee, Freya, Fritz & Zorba Trust • Trustee of a number of Private Client Trusts which cannot be disclosed due to solicitor/client confidentiality reasons
John Crawford	• Director, Tarata Investments Ltd (Family Investment vehicle) • Director, Tier1 Advisors Ltd (not trading) • Director, Wealth Matters Ltd (not trading) • Director, Punganui Estate Ltd
Rukumoana Schaafhausen	• Shareholder and director, Schaafhausen Inc Limited • Director, Alvarium (NZ) Wealth Management Holdings Limited • Director, Alvarium Wealth (NZ) Limited • Director, Alvarium Investments (NZ) Limited • Director, Te Whata A Tamihana Limited • Director, Contact Energy Limited • Shareholder and Director, Kaitiaki Guardian Services Limited • Director, Kiwi Group Capital Limited • Director, Pathfinder Asset Management Limited • Director, Tainui Group Holdings Limited • Director, Te Rau o te Korimako Limited • Managing Director, Te Waharoa Investments (GP) Limited • Trustee, The King's Trust Aotearoa New Zealand • Trustee, The Tindall Foundation • Trustee, Waikato Endowed Colleges Trust

2.2 Watercare's executives' interests register

Executives	Interest
Jamie Sinclair	• Director and Shareholder, Sinclair Consulting Group Ltd
Priyan Perera	• Board member, Water New Zealand • Director and Shareholder, Popellow Limited
Mark Bourne	• Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Sarah Phillips	• Trustee, Te Motu a Hiaroa (Puketutu Island) Governance Trust
Richard Waiwai	• Director and owner, Te Hautapu Consultants Limited • Trustee of Te Rana Te Araroa Waiwai Whanau Trust • Relatives work for Waikato Tainui • Director, Moeā Limited
Angela Neeson	• Director, Tranquillo Properties Limited
Meg Wiltshire	Nil
Suzanne Lucas	Nil
Nigel Toms	• Co-Chair, Toi Ora Live Arts Trusts • Director, TRN Risk & Resilience Consulting • Member, Audit and Risk Committee, Institute of Risk Management

3. Recommendation / Ngā taunakitanga

We recommend that the Board notes the directors' and executives' interests.

