

Executive summary

The *National performance report 2019–20: urban water utilities* (2020 Urban NPR) compares the performance of 80 utilities and councils (utilities) and five bulk water authorities providing urban water services to over 23 million people across Australia. The 2020 Urban NPR is published by the Bureau of Meteorology (the Bureau) with information provided by utilities across Australia's States and Territories. The report is the fifteenth in the series, and the seventh to be produced by the Bureau.

Part A of the report provides commentary on and analysis of key indicators. Part B of the report contains data for the full set of 166 indicators reported by utilities and bulk water authorities for all reporting years.

Despite some rainfall relief, urban water use increased after another warm and dry year

Despite some rainfall relief in eastern Australia in the early part of 2020, urban water use rose by 2 per cent following a second consecutive year of below-average annual rainfall. The 2019–20 reporting year was the sixth driest on record, and the 2018–20 period was the second-driest 24-month period on record. This was despite heavy rainfall in February 2020 which caused flooding in parts of Queensland and resulted in the Sydney region recording its highest monthly rainfall total in more than 60 years. In 2019–20, Australia experienced its third-warmest reporting year on record with the warm and dry conditions increasing demand for water in Australia's urban areas.

Increased reliance on desalination and groundwater to meet water demand

Low surface water availability saw an increased reliance on desalination to supply water to major urban centres in 2019–20. All states which have desalination plants reported a significant increase in production compared to 2018–19; Sydney and Adelaide increased the volume of water sourced from desalinated marine water by over eight times compared to the previous year.

Groundwater was an increasingly important source for urban users, particularly in Perth and areas outside the major urban centres. Water sourced from groundwater increased by 12 per cent nationally, and by 11 per cent in Perth, compared to 2018–19. In New South Wales, water sourced from groundwater increased by 62 per cent in response to lower surface water availability.

Typical water bills decreased slightly

For a fifth consecutive year, residential bills remained steady. The national median bill decreased by 2 per cent since 2018–19 (Figure 1) despite an increase in water demand related to the warm and dry conditions experienced during 2019–20. Water bill changes varied between the main urban centres; utilities in South East Queensland and Perth reported moderate increases of around 2.5 per cent and Darwin and Adelaide utilities reported slight decreases of about 1.5 per cent.

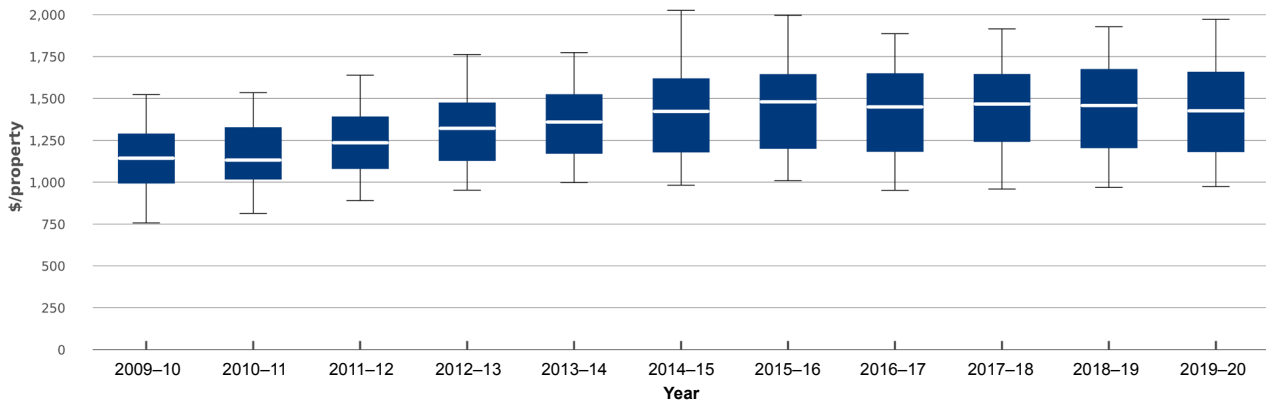


Figure 1 Typical residential bill: water supply and sewerage (\$), 2009–10 to 2019–20.
 For more about bills see Chapter 4 Pricing and Tables A3 and A4, Appendix A.

Increasing trend in combined capital expenditure on water and sewerage continued

In real terms, total capital expenditure on water supply and sewerage services by utilities grew for the fifth consecutive year, increasing by \$225 million (5 per cent) from 2018–19 to 2019–20. The investments have been mainly driven by utilities in the major water utilities group.

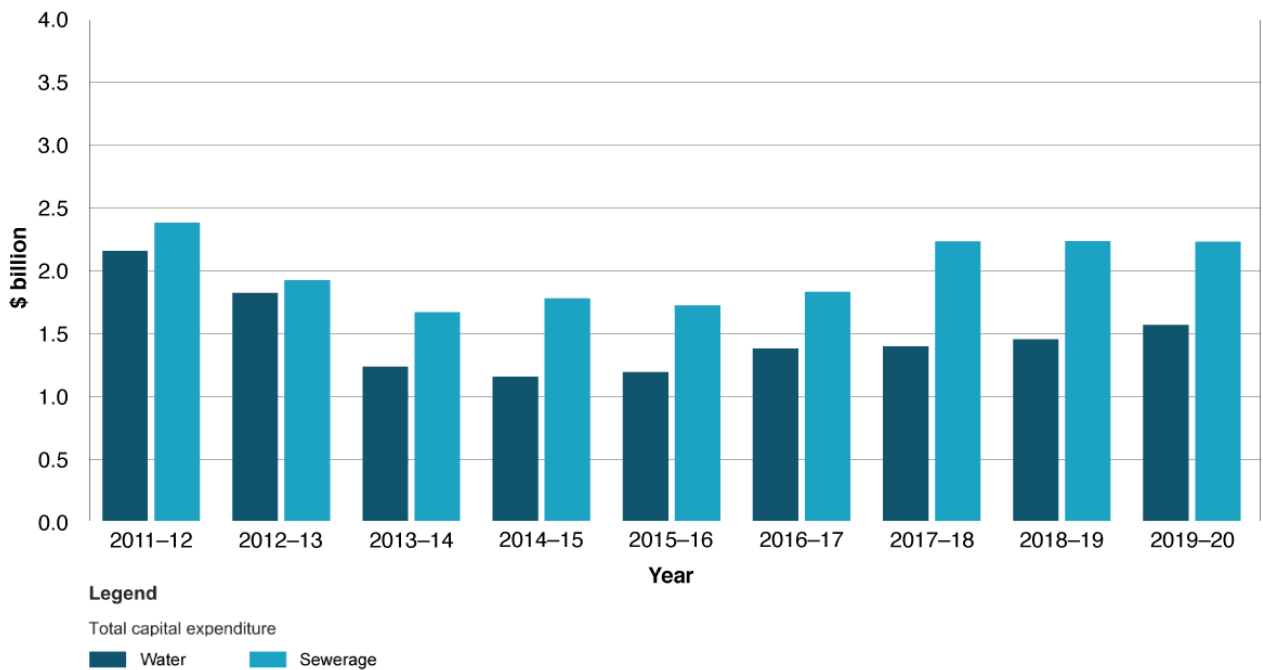


Figure 2 Total capital expenditure: water supply and sewerage (\$ billion).^a

^a Total is for utilities that reported all 10 years and excludes bulk water utilities

For more about capital expenditure see Chapter 5 Finance and Tables A5, Appendix A.