

Executive summary

The National performance report 2023–24: urban water utilities (2024 Urban NPR) compares the performance of 81 utilities and councils (utilities) and 5 bulk water authorities providing urban water services to over 26 million people across Australia. The 2024 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 19th in the series, and the 11th 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 155 indicators reported by utilities and bulk water authorities for all reporting years.

Increased volume of water supply from major sources with extended warm weather condition in 2023–24

2023–24 was the second warmest financial year on record, with above to very much above average temperatures across most of the country, except for parts of the central inlands of the Northern Territory. The total urban water sourced nationally increased by 3.9%, likely due to the extended warm conditions, with some variations across different states and territories. South Australia and Western Australia reported the highest increase at 13.6%, while New South Wales saw a decrease of 3.5%. Surface water remained the dominant source in all states and territories except Western Australia, which relied mainly on groundwater. Nationally, groundwater use increased by 9.5% due to limited surface water availability in parts of South Australia and New South Wales, as well as groundwater recovery and chlorine disinfection in the Northern Territory, which allowed for larger groundwater extractions.

Desalinated water use decreased by 5.2% nationally, mainly due to not being required in Victoria and a return to regular lower levels in New South Wales compared to the previous year when flooding affected surface water quality and availability.

Return to surface water use in Sydney and increased reliance on recycled water in Melbourne

In the 2023–24 financial year, Sydney returned to using surface water after its quality improved following major flooding in 2022, and with regionally above average rainfall during the reporting year. This returned the reliance on desalinated water to its regular levels for meeting urban water demand in 2023–24. In Melbourne, high surface storage levels (over 85% capacity) from wet conditions in 2022–23 meant that desalinated water was not required from the Victorian Desalination Plant for 2023–24. However, hot and dry conditions in this region led to increased use of recycled water, mainly for non-residential customers.

Slowed decrease in greenhouse gas emissions for water and wastewater services in major urban areas

Despite a 2.0% decrease in total national net greenhouse gas emissions for water and wastewater services in 2023–24 compared to the previous year, there were variations across states and territories. Canberra, Melbourne, and Sydney continued to reduce emissions for water and

wastewater services in 2023–24. Perth reported the highest net greenhouse gas emissions, mainly due to its high reliance on desalinated water, and it saw the highest percentage increase (19.0%) in emissions compared to the previous year. This increase was driven by dry conditions in the region affecting surface water storage and resulting in increased use of desalinated water from 2022–23. Emissions also increased in South East Queensland and Adelaide, likely due to the increased volume of water supplied in response to extended hot conditions and higher water demands.

Increased typical residential bills for water and wastewater services

In 2023–24, the typical residential bill increased nationally by 2.0% compared to the previous year, marking the first rise since 2019–20. All major urban areas experienced an increase in their water and wastewater service bills, except Melbourne where the declining trend continued mainly driven by decreased wastewater service bills in 2023–24. Despite the increases, typical residential bills remained below 2019–20 levels. Adelaide reported the highest increase of 5.2% while South East Queensland had the lowest increase at 1.8% from 2022–23.

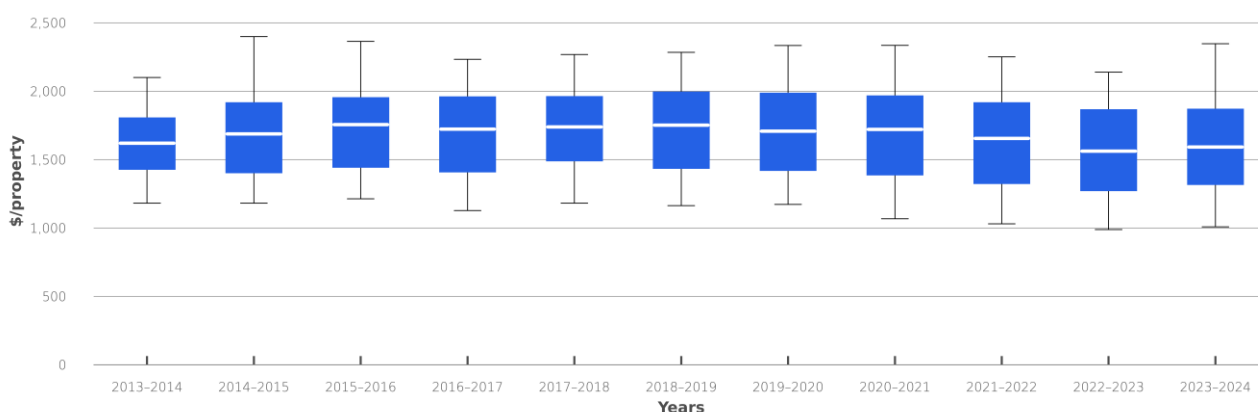


Figure 1 Typical residential bill: water supply and wastewater (\$), 2013–14 to 2023–24

Significant increase in total capital expenditure for water and wastewater services

In 2023–24, the total capital expenditure on water and wastewater services significantly increased due to the progression and expansion of capital programs across different states. The increase in expenditure for water supply was slightly larger than that for wastewater services. Among major urban areas, Darwin reported the highest increase (similar to last year) while representing the lowest total expenditure in 2023–24. Canberra was the only major urban area to report a decline, driven by decreased capital expenditure on wastewater services.

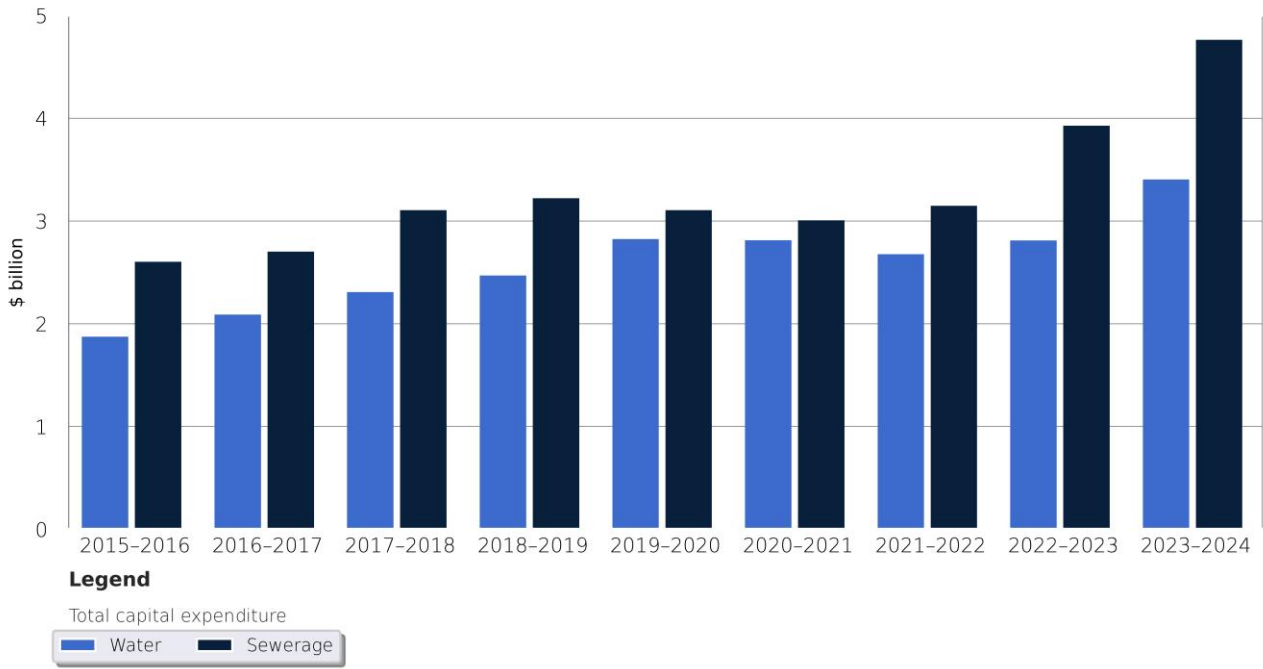


Figure 2 Total capital expenditure: water supply and sewerage (\$ billion) for utilities that reported all 9 years (excluding bulk water utilities)