

Average rates over four years under Special Rate Variation options

The tables below compare the impact of three different Special Rate Variation (SRV) options on average residential and business rates over a four year period.

Each option presents a different SRV percentage increase in the first year, followed by standard annual increases by the rate peg.

The tables show how rates would change each year under each SRV option compared to the standard rate peg scenario. They also include the cumulative increase over time and the difference in cost between the SRV and rate peg only scenario.

Each of the options involve a permanent SRV.

The tables below are shown to illustrate how average rates would increase over four years, in line with Independent Pricing and Regulatory Tribunal (IPART) requirements, but should not be interpreted as stating that the SRV would only apply for four years.

After the four years shown in these tables, the rate peg percentage would continue to compound on the original SRV percentage.

Option 1, which reflects the rate peg only (no SRV), is not shown separately, as it is already included for comparison within each of the three tables.

Option 2 - Renew Infrastructure - 22% increase

		Year 1	Year 2	Year 3	Year 4	Cumulative
Average Residential Rate calculations	Base Year	2026/27	2027/28	2028/29	2029/30	Increase
Annual Residential rate under assumed rate peg	1,720	1,772	1,825	1,879	1,936	216
Annual increase Rate Peg (%)		3%	3%	3%	3%	
Annual Increase with SV	1,720	2,098	2,161	2,226	2,293	573
Annual Increase rate peg (%) with an SV of 19% for 4 years		22%	3%	3%	3%	
Cumulative impact of SV above base year levels		378	441	506	573	
Difference between SV and rate peg only scenarios		327	337	347	357	

		Year 1	Year 2	Year 3	Year 4	Cumulative
Average Business Rate calculations	Base Year	2026/27	2027/28	2028/29	2029/30	Increase
Annual Business rate under assumed rate peg	5,780	5,953	6,132	6,316	6,505	725
Annual increase Rate Peg (%)		3%	3%	3%	3%	
Annual Increase with SV	5,780	7,052	7,263	7,481	7,705	1,925
Annual Increase rate peg (%) with an SV of 19% for 4 years		22%	3%	3%	3%	
Cumulative impact of SV above base year levels		1,272	1,483	1,701	1,925	
Difference between SV and rate peg only scenarios		1,098	1,131	1,165	1,200	

Option 3 - Renew and Enhance Infrastructure - 29% increase

		Year 1	Year 2	Year 3	Year 4	Cumulative
Average Residential Rate calculations	Base Year	2026/27	2027/28	2028/29	2029/30	Increase
Annual Residential rate under assumed rate peg	1,720	1,772	1,825	1,879	1,936	216
Annual increase Rate Peg (%)		3%	3%	3%	3%	
Annual Increase with SV	1,720	2,219	2,285	2,354	2,425	705
Annual Increase rate peg (%) with an SV of 26% for 4 years		29%	3%	3%	3%	
Cumulative impact of SV above base year levels		499	565	634	705	
Difference between SV and rate peg only scenarios		447	461	474	489	

		Year 1	Year 2	Year 3	Year 4	Cumulative
Average Business Rate calculations	Base Year	2026/27	2027/28	2028/29	2029/30	Increase
Annual Business rate under assumed rate peg	5,780	5,953	6,132	6,316	6,505	725
Annual increase Rate Peg (%)		3%	3%	3%	3%	
Annual Increase with SV	5,780	7,456	7,680	7,910	8,148	2,368
Annual Increase rate peg (%) with an SV of 26% for 4 years		29%	3%	3%	3%	
Cumulative impact of SV above base year levels		1,676	1,900	2,130	2,368	
Difference between SV and rate peg only scenarios		1,503	1,548	1,594	1,642	

Option 4 - Renew, Enhance and Expand Infrastructure - 33% increase

		Year 1	Year 2	Year 3	Year 4	Cumulative
Average Residential Rate calculations	Base Year	2026/27	2027/28	2028/29	2029/30	Increase
Annual Residential rate under assumed rate peg	1,720	1,772	1,825	1,879	1,936	216
Annual increase Rate Peg (%)		3%	3%	3%	3%	
Annual Increase with SV	1,720	2,288	2,356	2,427	2,500	780
Annual Increase rate peg (%) with an SV of 30% for 4 years		33%	3%	3%	3%	
Cumulative impact of SV above base year levels		568	636	707	780	
Difference between SV and rate peg only scenarios		516	531	547	564	

		Year 1	Year 2	Year 3	Year 4	Cumulative
Average Business Rate calculations	Base Year	2026/27	2027/28	2028/29	2029/30	Increase
Annual Business rate under assumed rate peg	5,780	5,953	6,132	6,316	6,505	725
Annual increase Rate Peg (%)		3%	3%	3%	3%	
Annual Increase with SV	5,780	7,687	7,918	8,156	8,400	2,620
Annual Increase rate peg (%) with an SV of 30% for 4 years		33%	3%	3%	3%	
Cumulative impact of SV above base year levels		1,907	2,138	2,376	2,620	
Difference between SV and rate peg only scenarios		1,734	1,786	1,840	1,895	