

22 November 2024

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To: Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop
Sydney NSW 1240
Lodged as an online submission.

Dear Tribunal,

IPART Review of Prices for Sydney Water Corporation from 1 July 2025

The City of Sydney welcomes the opportunity to provide input on the Independent Pricing and Regulatory Tribunal (IPART) review of prices for Sydney Water Corporation from 1 July 2025. The City is committed to fostering a resilient, inclusive, and sensitive urban environment. Central to this vision is ensuring that water management strategies align with the evolving needs of a growing population, particularly in the face of climate change and increasing urbanisation.

The City recognises the importance of ensuring that water services are both sustainable and affordable for our residents and businesses. This submission outlines our views on the proposed pricing structure and its implications for the community.

The City acknowledges the necessity of significant investment in water infrastructure to support the growing population and to ensure the reliability and quality of water services. The proposed \$16.6 billion in capital works and \$9.9 billion in operating expenditure are critical for maintaining and improving water, wastewater, and stormwater services. We support these investments as they are essential for the long-term sustainability of Sydney's water supply.

The City's submission highlights several key priorities:

- Affordability and Community Impact:** Emphasise the need for a balanced approach to pricing that considers affordability for residents and businesses, requesting a phased or gradual increase to reduce financial strain on communities.
- Efficiency Program;** Expand the water efficiency program in particular Strata Water-Fix. Consider lowering the water consumption (L/bedroom/day) benchmark for entry to the strata fix.
- Investment in Sustainable and Recycled Water Infrastructure:** The City of Sydney is committed to expanding recycled water use within the LGA and has recently constructed a recycled water pipeline on George Street in anticipation of future use. With key areas of growth showing strong potential for recycled water uptake, the City encourages pricing structures that support investments in sustainable infrastructure, particularly recycled water systems including the Sydney LGA.

4. **Stormwater and Wastewater Recycling Initiatives:** Building on initial investigations from Sydney Water’s subregional plans, the City would like to see focused efforts to explore recycling stormwater and wastewater within the Sydney LGA. Developing local recycling initiatives would bolster resilience, reduce potable water demand, and further align with the City’s environmental and sustainability goals.
5. **Transparency and Accountability:** Request transparency in fund allocation from pricing increases, with regular reporting on how these funds will support regional water sustainability goals, such as infrastructure for recycled water and stormwater management.
6. **Community Engagement and Education:** We appreciate the extensive customer engagement undertaken by Sydney Water in developing this proposal. The feedback from over 13,000 customers has been instrumental in shaping the pricing structure. We encourage ongoing dialogue with the community to ensure that their needs and preferences continue to be reflected in future pricing decisions.
7. **Support for Vulnerable Groups:** Enhance the safeguards, such as rebates or phased increases, to protect vulnerable groups from the impact of price increases.
8. **Collaboration on Major Projects:** Encourage partnership between Sydney Water and local councils on projects related to stormwater reuse, wastewater recycling, and large-scale water initiatives. Co-funding opportunities and joint efforts would maximise positive outcomes for the community and support sustainable water use.

If you have any questions in relation to this submission, please contact Mufid Noufal, Water Systems Manager at the City of Sydney on [REDACTED]

Yours sincerely

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Kim Woodbury
Chief Operating Officer