

IPART SYDNEY WATER CORPORATION(SWC) PRICING 2025

Lynda Newnam Submission December 2024

Please accept this brief submission to the SWC Pricing Review.

I participated in the Hearing on 21/11/2024 <https://www.ipart.nsw.gov.au/sydney-water-and-waternsw-greater-sydney-public-hearing>

I appreciated the opportunity IPART provided for robust discussion. Unfortunately, I thought it was limited, not because of lack of time but because people in the room (well over 100), representing a number of stakeholders, did not speak. I didn't expect to speak but found too little was being raised. I understand key stakeholders engage in technical forums however I think it is important for the sake of transparency and for education to hear from these people at public forums.

With regard to key questions raised by IPART in

https://www.ipart.nsw.gov.au/sites/default/files/cm9_documents/Issues-paper-IPART-is-reviewing-prices-for-Sydney-Water-and-WaterNSW-Greater-Sydney-1-November-2024.PDF

5. What do you think about Sydney Water proposing to recover most of its additional costs to service customers through the water service charge (a fixed charge that does not vary by water usage)?

I agree with a fixed charge. With a 2- tier system (one where water usage above a certain level is charged at a higher rate) households with higher than average number of occupants may be disadvantaged even though the consumption by each occupant may be far lower.

Furthermore, consumers who make environmental contributions such as growing their own food, providing for biodiversity and even streetscape amenity (watering street trees) are potentially penalised.

9. What are your views on who should pay for stormwater services? Customers who are connected to the stormwater services, or all Sydney Water customers?

I agree Stormwater service costs should be shared and that this should be the first step towards Sydney Water managing all stormwater and making major investments in stormwater harvesting for non-drinkable use as well as recycling where appropriate.

11. What do you think about WaterNSW engagement process for its Greater Sydney bulk water services? Do you think WaterNSW has engaged effectively with customers and stakeholders?

I haven't been aware of Water NSW engagement. I have experience of engaging with Water NSW over contamination in the Botany Aquifer and along with IPART over the sale of Orica's cleaned Water since 2010¹ I was unaware until the November Hearing that Water NSW were required to pay rates to the NSW Government. I was concerned with the answer given to the question I raised on PFAS. I also heard there was a shortfall in their budget and potentially it would be greater than projected. I don't think Water NSW is sufficiently resourced to do what

the community expects/assumes is done, i.e. be guardians of drinking water catchments and aquifers. I observed Water NSW square off against Planning NSW at an IPC into the extension of Centennial Mine with Water advocating for protection of the catchment against longwall mining. It caught many by surprise that the IPC found against Peabody thanks in no small part to Water NSW. I'm not suggesting a partisan approach, however, if we expect our agencies to provide best practice advice/support they need to be resourced. The same goes for the EPA.

At the Hearing I heard Sydney Water staff say over and over 'our customers tell us this and that...and so on'. I've heard it many times before at IPART hearings. I asked how 'informed' their customers are and then was told those selected for intensive 'education' were given presentations, discussion time, the usual in stakeholder engagement.ⁱⁱ I asked if the EPA presented directly on the licences and was told they didn't but that they were invited. Health didn't present but if I heard correctly, they were in the room. I think at that point there was at least one person from the EPA online, but no-one spoke up. I've been through Sydney Water education. It's useful for networking but I wouldn't recommend basing feedback on investment strategies on what people 'agree' in these forums. Sydney Water frame the discussion, so the outcomes are predictable. It's a bit like offering a toddler the choice between the green and blue widget and not suggesting there are a range of other widgets. Drinking water/waste water/recreational water literacy is low and I think every agency and Council needs to work on raising literacy levels (also internally). Investment strategies need to be laid out transparently and robust discussion encouraged, particularly between EPA, Health and Councils, and experts in the community. However, the challenges are too serious to waste time playing, 'we listened to the customer' games. I find it concerning that NSW Treasury takes \$hundreds of millions from SWC. I'd like to see that money on the table. I'd like to see the priorities listed and full Benefit to Cost assessments presented. There should be discussions, in other places and not linked to pricing, on what can be made swimmable and where that is not viable instead of pretending that Meadowbank for instance is viable. Recycled drinking water should be a topic that Minister Rose Jackson is speaking about with passion and raising public awareness.

I mentioned 'recreational water'. Far too little is communicated in this area through what should be the combined efforts of Sydney Water, EPA, Councils and Health. I have noted this in previous submissions as well as the loss of Streamwatch as a community alert and conduit resource. It could be one of many different resources.

Finally, I did have a small stakeholder engagement 'win' during this year's round of Federal Infrastructure's assessment of the notoriousⁱⁱⁱ SWC Millstream overflow. I suggested in my submission an annual information session where SWC present on water quality improvements and associated issues along the SWOOS to Malabar WTP, with plenty of time allowed for discussion. After speaking to the EPA, who also agreed to present, it will likely be later in February 2025 and online so more people have an opportunity to participate/contribute.

From Consent Conditions: *Communication of compliance and compliance reporting 9) By 1 February 2025, 1 February 2026 and 1 February 2027 Sydney Water must provide an annual update on the progress of the implementation of the EMP at a community meeting to be held locally (e.g. Botany Town Hall).*

<https://www.infrastructure.gov.au/sites/default/files/documents/swc-mill-stream-authorisation-2024-2027.pdf> <https://www.sydneywatertalk.com.au/millstream>

I mention this because I think it is more useful to connect issue by issue/region by region and to genuinely engage on a regular basis rather than adhere to the current model.

If there is anything I need to explain, expand upon, or where I need to stand corrected, would you please contact me on [REDACTED].

Thank you again for the work you do.

Personal Background relevant in this area:

I have made 4 previous submissions to IPART SWC reviews and attended hearings/forums.

<https://www.ipart.nsw.gov.au/sites/default/files/documents/online-submission-individual-l.-newnam-14-oct-2019-174200000.pdf>

https://www.ipart.nsw.gov.au/sites/default/files/cm9_documents/Online-SubmissionIndividual-L.-Newnam-19-Oct-2021-112835099.PDF

https://www.ipart.nsw.gov.au/sites/default/files/cm9_documents/Online-SubmissionIndividual-L.-Newnam-1-Sep-2022-164711816.PDF

https://www.ipart.nsw.gov.au/sites/default/files/cm9_documents/Online-Submission-Individual-L.-Newnam-8-Mar-2024-182613228.PDF

Areas where I have engaged with Sydney Water: Streamwatch volunteer 2002-2024; Malabar WTP Community Representative 2016-2022; Interaction at industry CCCs – Botany Industrial Park and Port Botany CCC; SWC grant ‘Beat the Bottle’; academic research Chullora Wetlands; Botany Wetlands federal grant 2013; various ‘Community’ workshops.

ⁱ <https://www.ipart.nsw.gov.au/Home/Industries/Water/Alternate-water-utilities-WICA/WICA-Licenses-Listing-pages/Applications-licences/Orica-Australia-Pty-Ltd/Orica-ground-water-treatment-plant-Network-operator%E2%80%99s-and-retail-suppliers-licence> Note that since February 2023 with the collapse of the Qenos cooling towers Orica has had to dump around 5mgl daily of cleaned water into Bunnerong Canal which flows to Brotherson Dock, Botany Bay. That’s 2% of the output of the Desal plant.

ⁱⁱ I’m providing the ‘takeaways’ not quotes from the transcript.

ⁱⁱⁱ It was significantly more notorious when the NSW EPA and Sydney Water were answering to a Liberal State Government and Federal Infrastructure to a Liberal Federal Government. The local Labor Councils and Labor MPs were relatively subdued for this licence renewal. I make this observation because playing ‘politics’ adds to misinformation and erodes trust.