Sydney Airport Corporation Limited ACN 082 578 809

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5 December 2024

Independent Pricing and Regulatory Tribunal (IPART) 2-24 Rawson Place SYDNEY NSW 2000

Via email: water@ipart.nsw.gov.au

Dear Sir/Madam,

Re: IPART Review of Prices for Sydney Water and WaterNSW - Greater Sydney (Review)

Sydney Airport Corporation Limited (**SYD**) welcomes the opportunity to provide a submission to assist in IPART's Review. SYD supports Sydney Water and WaterNSW's proposal to carry out essential works at the Airport, including the urgent works needed to address the raw sewage overflow near the Airport's third runway which is of concern to both the Airport and the wider community.

SYD's submission to the Review is attached to this letter. Should you require any further information, please contact

Yours sincerely,







Attachment

Sewage Overflow at Sydney Airport

SYD supports Sydney Water and WaterNSW's proposal for the five-year period beginning on 1 July 2025. This support is contingent upon the proposal ensuring adequate resources are allocated for essential works to minimise the overflow of raw sewage into the Mill Stream near Sydney Airport's third runway.

Over the past seven years, SYD has collaborated with Sydney Water and the Commonwealth Department of Infrastructure, Transport, Regional Development, Communications, and the Arts (the Department) to address the issue of raw sewage overflows in the Mill Stream from eight Emergency Relief Structures (ERS). The ERS are located upstream of the Airport's third runway, on Commonwealth land, with sewage being discharged directly into Botany Bay.

These sewage overflows significantly increase the risk of bird strikes to aircraft during take-off and landing on the third runway. This runway has the highest recorded incidence of bird strikes at the Airport. Sewage overflow volumes are dependent on wet weather and can significantly increase depending on the conditions. For example:

- In 2023, 1,200 megalitres (ML) of untreated sewage was discharged from the ERS into the Mill Stream and subsequently flowed into Botany Bay.
- In 2022, Sydney Water recorded 8,557 ML of untreated sewage overflow into the Mill Stream, more than seven times that of 2023.

These overflow events can occur for extended periods of time. For example, between 23 February and 2 April 2022, sewage discharges occurred on 38 out of 40 days, resulting in 2,669 ML of raw sewage being released into the Mill Stream and Botany Bay. To illustrate the scale, this amount is equivalent to 1,068 Olympic-sized swimming pools of raw sewage.

In addition, gross pollutants such as wet wipes, sanitary products, and syringes have entered the Mill Stream during these discharge events. SYD has conducted independent tests of the Mill Stream following significant discharge events and found that water quality can take up to four weeks to return to acceptable levels.

National Airports Safeguarding Framework

The Australian Government is a foundation member of the United Nations International Civil Aviation Organisation (ICAO). Since ICAO's inception, Australia has demonstrated a strong commitment to ICAO's safety principles, dependability and leadership in the international civil aviation sector.

The National Airports Safeguarding Framework (NASF) is one way that Australia demonstrates compliance with the ICAO safety principles. The Australian Federal, New South Wales and other State and Territory Governments signed the NASF in 2012, which includes a guideline to manage the risk of wildlife strikes in the vicinity of airports. SYD is of the view that NASF also applies to state-owned corporations and agencies of the NSW Government, including Sydney Water.



In this context, the guidelines state:

The number of wildlife strikes and the attendant risk of fatalities, injuries, aircraft damage and operational delays can be reduced by managing land use around airports to minimise the potential for wildlife to be in conflict with aircraft operations.

The guidelines also specify that the bird strike risk caused by a sewage facility located within 3km of an airport should be mitigated. The sewage overflow into the Mill Stream is located just over 200 metres from the third runway's centre line, posing a serious risk of human injury or fatality, aircraft damage and significant disruption to the Airport's operations.

Commonwealth Authorisation to Pollute

Sydney Water is required to apply to the Department for an Authorisation to Pollute under the *Airports* (*Environment Protection*) Regulations 1997 (Cth), as the ERS discharge onto both Commonwealth and State land. A recent three-year Authorisation was granted to Sydney Water from 1 April 2024 to 31 March 2027 (the Authorisation).

The Authorisation requires Sydney Water to meet 20 conditions, as well as 7 objectives and 24 actions in the Mill Stream Environment Management Plan 2024 – 2027 during this authorisation period. These actions include capital works, maintenance actions and desilting works, which would lead to improvement of the South Western Suburbs Ocean Outfall Sewer (SWOOS) system and the implementation of the Malabar Strategic Business Case (SBC).

SYD has concerns regarding the implementation of the Authorisation and the actions that Sydney Water must complete within the Authorisation period. Sydney Water has expressed that they are unable to "commit sufficient resources" to these Authorisation actions without approved funding from IPART. Accordingly, SYD considers there is a risk that the actions within the Authorisation will be significantly impacted if funding is not approved, or only partly approved, by IPART. This would create an unacceptable risk to aviation safety, public health and the environment.

SYD supports actions which will reduce the risk posed by the ERS overflows listed in the Sydney Water Environmental Protection Strategic Investment Plan, including the:

- Malabar Wastewater System Augmentation works;
- Wet weather overflow abatement program;
- Wastewater network operations and maintenance;
- Wastewater network operations and maintenance etc.

SYD considers these funds will be instrumental in fulfilling the actions outlined in the Authorisation and supporting future initiatives aimed at minimising bird strike risks at Australia's largest international airport.