

# Regulators Advisory Panel - Minutes

Date and time 11 March 2024 2:00pm – 3:20pm

Meeting Regulators Advisory Panel meeting 2

Members present Ms Carmel Donnelly PSM – Chair, Independent Pricing and Regulatory Tribunal

(IPART)

Mr Jonathan Coppel – Tribunal Member, IPART

Ms Amanda Jones - Deputy Secretary, NSW Department of Climate Change,

Energy, the Environment and Water (DCCEEW Water)

Ms Sonya Errington – Director Technical, NSW Environment Protection Authority

(NSW EPA)

Dr Stephen Conaty – Director of Environmental Health, NSW Health

Staff in attendance Mr Andrew Nicolls PSM – CEO, IPART

Ms Fiona Towers – Executive Director, IPART

Mr Scott Chapman – Director, IPART Ms Eva McBride – Principal analyst, IPART

Mr Ashraf El-Sherbini – A/Chief Operating Officer, DCCEEW Water Ms Leslie Jarvis – Environmental Health, Health Protection NSW

# Acknowledgement of Country

The Chair opened the meeting with an Acknowledgement of Country.

#### Conflict of interest declarations

No conflicts of interest were declared.

# Critical issues emerging from pre-meetings on upcoming water price determinations (IPART – Carmel Donnelly)

The Tribunal has recently met with key water businesses as part of IPART's early engagement on upcoming price proposals for water pricing reviews due to IPART later this year. The discussions include long term planning and consideration of capital expenditure required. There is some potential for options being explored by the water businesses to lead to them proposing pricing increases, IPART proposes to invite RAP members to be present at further early engagement briefings from Hunter Water, Sydney Water, and WaterNSW on the capital and operating plans, customer engagement and pricing options.

It was agreed, that IPART will request the water businesses present their price proposals to the RAP, at separate RAP briefing sessions (with observers from the Department of Planning, Housing and Infrastructure, Infrastructure NSW and NSW Treasury).

This will assist all relevant NSW Government officials to have a shared understanding of, and opportunity to seek clarification on, the long-term plans and potential price proposal options being developed by the water businesses.

# Government housing priority precincts and Sydney Water growth planning (DCCEEW & IPART)

#### DCCEEW's housing, growth and planning policies – greenfield vs infill

The NSW Government has committed to new housing by 2029 under the National Housing Accord. The investment in water and wastewater infrastructure to support this growth and build resilience has some potential to impact customer bills. It is understood that Infrastructure NSW is reviewing the essential water and sewerage (and transport) infrastructure required to meet the housing targets and will provide its final advice in late March.

#### Mamre Road stormwater (IPART)

Sydney Water was appointed as the trunk drainage authority for stormwater in the Western Sydney Aerotropolis, including the Mamre Road Precinct. The proposed regional stormwater network is designed to provide meet waterway health targets and blue-green infrastructure to support and promote amenity, recreation, urban cooling and environmental outcomes. This will provide wider benefits to the community and environment, including recycled water, greater waterway health objectives and run-off outcomes, than the more traditional approaches to manage stormwater.

IPART has been given Terms of Reference and will commence a review this month to investigate the efficient costs to provide stormwater drainage services within the Mamre Road precinct, and efficient allocation of those costs between developers, taxpayers, and others.

## Waterway health - (EPA & DCCEEW)

The EPA, working with the science division of DCCEEW, is reviewing water quality objectives for receiving environments. This work includes community science and consultation with Aboriginal communities. The review aims to achieve the best environmental quality outcomes while being aware of the cost-of-living pressures.

## Supporting regional and rural local water utilities (DCCEEW)

There are 92 Local Water Utilities (LWU) servicing 1.85 million people in regional NSW, including 107 regional drinking water systems with extreme or very high-water security risks.

There is work underway to pursue sustainable service models, including a Parliamentary Inquiry into protection of LWUs from privatisation, a Productivity Commission review on funding models for LWUs and a strategic business case for the replacement of the Safe and Secure Water Program.

Support and advice functions are available to LWUs for strategic planning, specific or general technical advice, support for infrastructure development or operations, as well as education and training. The water efficiency program has to date saved around 6GL of water via leakage reduction and technical advice and on-the- ground support was provided during several boil water alerts.

#### Priorities of the next 6-months (All)

Items to investigate and present at future RAP meetings:

- Request that Sydney Water, Hunter Water, and WaterNSW present their long-term capital and operating plans and intended approach to pricing proposals (as RAP briefings)
- DCCEEW's Integrated Water Cycle Management policies.
- Purified recycled water (PRW) for drinking water roadmap.

### Next meeting

Monday 26 August 2024

Carmel Donnelly PSM

Chair