

OFFICIAL



The Hon Rose Jackson MLC
Minister for Water, Minister for Housing,
Minister for Homelessness
Minister for Mental Health, Minister for Youth,
Minister for the North Coast

Our ref: BN24/795

Ms Carmel Donnelly PSM
Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop 1240

Dear Ms Donnelly *Carmel*

Terms of Reference for IPART Review of Sydney Water's Stormwater Scheme in Mamre Road.

I write to engage the Independent Pricing and Administrative Tribunal (IPART) under Section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* (NSW) (*IPART Act*) to conduct a review to determine Sydney Water's efficient costs of delivering stormwater drainage services in the Mamre Road Precinct.

Terms of reference for the review are attached to this letter. The Department of Climate Change, Energy, the Environment and Water (the Department), and Sydney Water look forward to working with IPART throughout the review. The Department will compensate IPART for this work on a cost-recovery basis.

Please contact Mr Ashraf El-Sherbini, Acting Chief Operating Officer, Water Group at ashraf.el-sherbini@dpie.nsw.gov.au for any questions pertaining to this review.

Yours sincerely

Rose Jackson MLC

Minister for Water, Minister for Housing, Minister for Homelessness
Minister for Mental Health, Minister for Youth, Minister for the North Coast

Date: *26.3.24*

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TERMS OF REFERENCE – Advice on costs of stormwater drainage services in the Mamre Road precinct

I, The Hon. Rose Jackson MLC, with the approval of the Premier under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* (IPART Act), enter into an arrangement for the Independent Pricing and Regulatory Tribunal (IPART) to provide the services described in this Terms of Reference.

The approved services

IPART is to provide advice on:

1. the efficient costs of providing stormwater drainage services within the Mamre Road Precinct;¹ and
2. the efficient allocation of those costs between developers, taxpayers and others.

IPART is to provide a report containing its advice to the Secretary of Department of Climate Change, Energy, the Environment and Water (DCCEE) within six months of receiving final terms of reference.

Matters IPART is to consider

In preparing its advice, IPART is to consider the following matters.

1. Existing work and instruments regarding governance of stormwater and waterways in and near the Mamre Road Precinct, including:
 - a. The Government's Risk-based Framework for Considering Waterway Health Outcomes in Strategic Land-use Planning Decisions;
 - b. Review of water sensitive urban design strategies for Wianamatta–South Creek (NSW Government, 2022)
 - c. Technical guidance for achieving Wianamatta–South Creek stormwater management targets (NSW Government, 2022)
 - d. The Greater Sydney Regional Plan and other associated work, such as Western Sydney Planning Infrastructure Compact (PIC) Program – Initial PIC Area;
 - e. The Western City District Plan;
 - f. The Mamre Road Development Control Plan, including the Waterway Health Objectives;
 - g. DCCEE's 2021 strategic business case; and
 - h. The existing work of DCCEE and Sydney Water on identifying costs savings in the delivery of stormwater drainage services in the Mamre Road Precinct and the resulting Discussion Paper.
2. The potential environmental, economic and social impacts of **not** providing regional stormwater drainage services in the Mamre Road Precinct in comparison to alternative servicing pathways.
3. The critical demand for industrial land in Sydney and the NSW Government's growth priorities for Western Sydney.
4. Comparative costs of providing stormwater drainage schemes¹ in:
 - a. Greater Sydney and other cities; and
 - b. the Mamre Road Precinct and other locations in Greater Sydney.

¹ The "Mamre Road Precinct" means the area identified as Precinct 12 on the Land Application Map under *State Environmental Planning Policy (Industry and Employment) 2021*, Chapter 2.

5. The effect and impacts of land tax and any other relevant taxation (eg. income tax) on the efficient costs of providing stormwater drainage services within the Mamre Road Precinct and options available to fund these taxes.
6. Any other matter IPART considers relevant.

IPART is to consider that other Stormwater Drainage Schemes, may not have the same or similar waterway health targets, objectives and outcomes. Any additional and reasonable costs associated with meeting the waterway health objectives and outcomes for the Mamre Road precinct should be factored into the review.

Conduct of the review

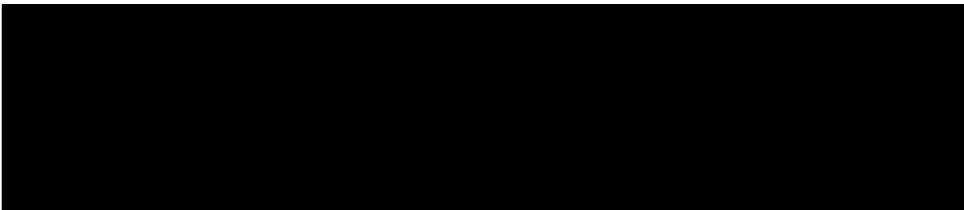
IPART is to consult with DCCEEW, the Department of Planning, Housing and Infrastructure, and Sydney Water in preparing its advice and may consult with other stakeholders at its discretion.

DCCEEW is to compensate IPART for providing the services described in these terms of reference, on a cost-recovery basis.



The Hon. Christopher Minns
Premier of NSW

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Minister for Homelessness,
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