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Your submission for this review:

Sydney Waters prices haven't increased in over 10 years and I am concerned that by making the cuts to Sydney Waters proposed investment profile, as proposed in the draft determination, Sydney's water security will be reduced even further, making Sydney less resilient to drought and floods, and putting even more pressure on an aging assets that are already at capacity. Without adequate investment over the next 5 years Sydney Water will be unable to maintain its current level of service and unable to provide infrastructure needed to increase housing supply. This will lead to even more increases in house prices and therefore cost of living. My specific concerns regarding the areas where IPART have proposed cuts are detailed below.

Bulk water production * The draft determination proposed a 5GL per year shift in demand from SDP to WaterNSW and states that although emergency work can arise, IPART do not accept there should be plans for significant rain events. * High rainfall events are only likely to increase due to climate change and increased reliance on water from Warragamba Dam during periods of poor water quality increases the risk of a boiled water notice. * Shifting demand from shift in demand from SDP to WaterNSW will also see dam levels decrease more quickly in a drought and increases the risk of experiencing extreme restriction levels. This makes drought planning more challenging and reduces water security.

Growth expenditure * The draft determination uses the SHSF, which does not include all current government housing policies including the housing accord. * Availability of water and wastewater infrastructure is already been recognised as a pinch point for enabling increases in housing supply. * Less investment in water and wastewater infrastructure to service growth will further slow the provision of housing in Sydney and further contribute to the housing crisis and therefore increase the cost of living.

Prospect Pretreatment * IPART have recommended to exclude Prospect Pre-treatment from the determination. * Prospect pre-treatment is critical to avoiding boiled water notices to 85% of Sydney during periods of poor water quality which are only likely to increase with climate change. * As growth-driven demand continues, it will be increasingly difficult for Sydney Water to manage poor raw water quality and produce treated water that meets Australian Drinking Water Guidelines without these proposed upgrades, reducing the reliability of Sydney's drinking water supply.

Hawkesbury Nepean Nutrient management framework * The Hawkesbury Nepean Nutrient management framework (HNNMF) regulates nutrients discharged from wastewater treatment plants by allowing offsets if Sydney Waters discharge nutrient limits are above their EPL. * If cuts are made to offset projects, Sydney Water will not meet the reduction in nutrient loads required by the EPA and they may take regulatory action.

Purified Recycled Water (PRW) * The draft determination defers PRW projects except for Quakers Hill. Citing that less priority should be given to Rainfall Independent Supply (RFIS). * The main driver for PRW in Sydney is not RFIS, it is to offset wastewater investment and if there are cuts to PRW projects, this will lead to an increase in wastewater costs for customers longer term. Water and wastewater maintenance and renewal * Sydney water have proposed an uplift in maintenance and renewals over the next 5 years as their assets age and the impacts of climate change become more frequent and severe. * Less maintenance to the water network will likely lead to more main breaks (therefore more unplanned outages a were service for customers) and higher leakage. * Less maintenance to the wastewater network will come at a cost of more breaks and chokes resulting in more dry weather overflows and further deteriorating of the already aging sewer network. This will likely lead to more regulatory action from the EPA. * Less maintenance now will further deteriorate assets and increase capital investment needed in the future. The draft determination is also in direct conflict with core messaging in the Greater Sydney Water Strategy in that it aims to increase RFIS (the draft proposes deferring PRW and reducing water from SDP), increase resilience to extreme events (the draft proposes cutting prospect pretreatment and reducing water from SDP) and ensure our waterways are healthy (the draft recommends cutting funding to the HNNMF).