

20 October 2020

Dr Paul Paterson (Chair)  
Independent Pricing and Regulatory Tribunal  
PO Box K35  
Haymarket Post Shop, Sydney NSW 1240

## **Review of domestic waste management charges**

Dear Dr Paterson,

Thank you for the opportunity to comment on the discussion paper on IPART's review of Domestic Waste Management (DWM) Charges levied by NSW local councils.

In providing water, wastewater, recycled water and stormwater services to more than five million people, a key responsibility of Sydney Water's is managing the water cycle. This includes the managing of various liquid & solid waste streams that arise from our business operations and recovering valuable bio-resources and energy.

An integrated approach to waste offers opportunities to meet customer expectations and preferences, reduce land-based litter impacts on waterway amenity and facilitate constructive solutions to the current dilemma of wasting valuable resources. We have the following comments:

- We note the Discussion Paper proposes that a regulatory approach may include pricing principles for DWM charges, to provide guidance to councils. Sydney Water support an approach that achieves the highest resource value for household waste and meets the NSW Government's commitments to reduce waste and emissions (including from food and garden organics).
- Sydney Water is a leader in contributing to a more 'circular economy' in our operations, including innovative programs such as the addition of post-consumer food waste to our anaerobic digesters to increase the amount of energy generated at our wastewater treatment plants. Sydney Water suggests the review consider market and procurement approaches that could promote greater recycling and support separation of food and garden organics for households. This could support a shift in how food and broader organic waste might be managed in Sydney to generate greater economic value and provide opportunities for collaboration with water utilities.
- Changing community behaviours such as increasing trends towards home-based food businesses and the use of domestic food waste disposal units potentially increase risk and cost to service by a water utility. We suggest that IPART consider the potential impact of changing tariff structures and whether a domestic waste service charge should be applied to Food Waste Disposal units.
- We will continue to monitor our wastewater systems to see if there is any increase in activity discharging wastes to sewer. Household rubbish that goes down drains and toilets can block both household plumbing and the wider wastewater system, increasing the risk

of breaks and overflows to our local creeks or customers' homes. We remove about 500 tonnes of wet wipes from our wastewater system every year.

- We respond to many illegal dumping incidents each year across our properties. In our view, the cost of waste disposal, particularly as it relates to asbestos waste, is a main cause of illegal dumping.

If you have any queries regarding our comments, please contact Freya Hartley, Senior Strategy Advisor on [REDACTED]

Yours sincerely

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Paul Higham  
Head of Strategy & Corporate Social Responsibility