



IPART Independent
Pricing and Regulatory
Tribunal | NSW

Mamre Road Stormwater Scheme

Stakeholder workshops

11 June 2024



Welcome and Acknowledgement of Country

Carmel Donnelly PSM
Chair

Agenda

- 01 Welcome
- 02 What we've been asked to do
- 03 Introductions and initial views
- 04 What we heard in response to our Issues Paper
- 05 Discussion: Optimal scheme design and costs
- 06 Discussion: Cost allocation
- 07 Closing remarks and next steps

Our terms of reference

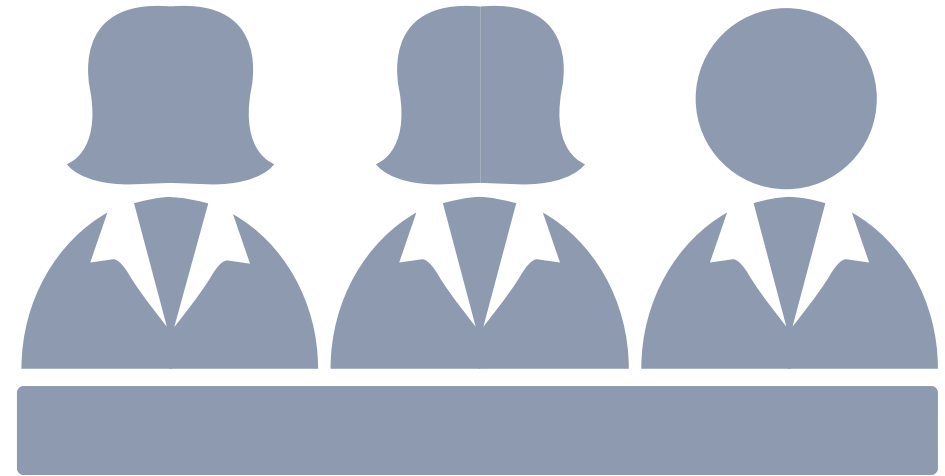


Provide advice on the **efficient costs** of providing stormwater drainage services within the Mamre Road Precinct



Provide advice on the **efficient allocation of costs** between developers, taxpayers and others

Initial views



Scheme design and costs: What submissions said

Controlling peak discharges is more efficient than building stormwater storage and reuse systems to replicate pre-development runoff.

Stormwater reuse at source is more efficient than storing and pumping stormwater for reuse in catchments already provided with potable and recycled water.

On-lot stormwater management may be more cost effective than a regional solution.

Developers need to accommodate a higher standard for [stormwater] runoff to protect the health of the downstream catchment.

Stormwater runoff must be managed to avoid algal blooms and disease and change in creek flows that cause erosion.

Efficient lifecycle costs could be achieved by outsourcing parts of the plan to be delivered and maintained by private operators for the life of the asset.

Sydney Water is not best placed to deliver and manage stormwater solutions.

Landowners may be left with undevelopable or landlocked parcels of land.

Sydney Water should acquire affected land at fair compensation.

The naturalised trunk drainage system adds significant additional costs which are not required to meet waterway health targets.

The scheme costs cannot be compared to recent stormwater schemes in similar greenfield developments in Greater Sydney provided by local councils, because they don't consider the stringent environmental and waterway health requirements, land tax and ongoing and maintenance costs of the system, as well as provision of an integrated recycled water distribution network and service.

Cost allocation: What submissions said

If the government deems that ownership of large areas of land exceeding the greater of the 1% AEP or Riparian plus a buffer is preferred, then that agency should fund the acquisition from its own funds.

Typically, development in a new release area pays for most of the infrastructure that supports it, unless the scheme for managing stormwater extends beyond a reasonable and efficient scope of work.

It is preferable to seek funding from impactors before funds are sought from beneficiaries or the wider community. Developers would be the primary source of funding for growth infrastructure.

Alternative funding models for land tax could help reduce the overall costs of the scheme, although any solution should be capable of being applied in other locations.

Developers shouldn't have to pay for interim works (like rainwater tanks) if these solutions are disconnected once the recycled water network is in place.

Because of the low water demand of typical developer types in the precinct, the beneficiaries of recycled water will be broader than the developers on which costs are imposed and should bear more of the costs.

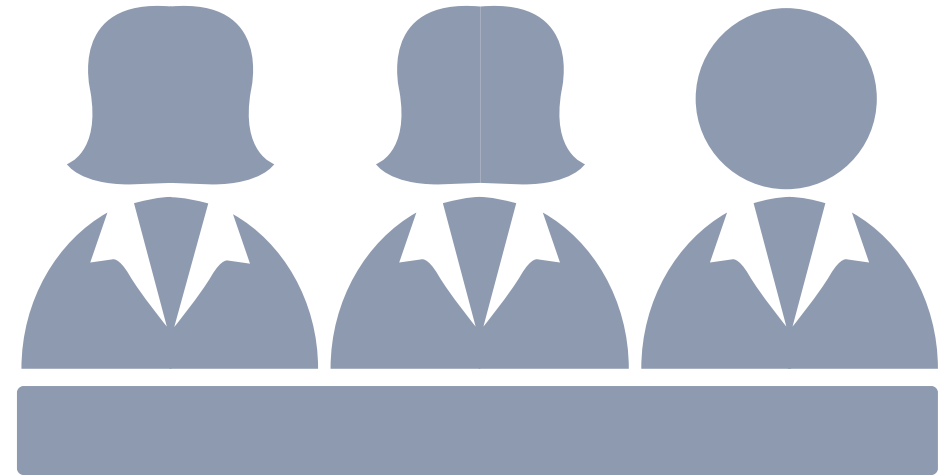
Discussion: Scheme design and efficient costs

1. Could the same waterway health objectives be delivered in a more cost-effective way?
 - a. Is naturalised trunk drainage a necessary element to meet waterway health objectives?
 - b. Can on-lot storage basins partially reduce trunk drainage costs? What is the trade off?
2. What is the water demand of industrial users in the precinct?
3. How can developers pass on the costs of the scheme?

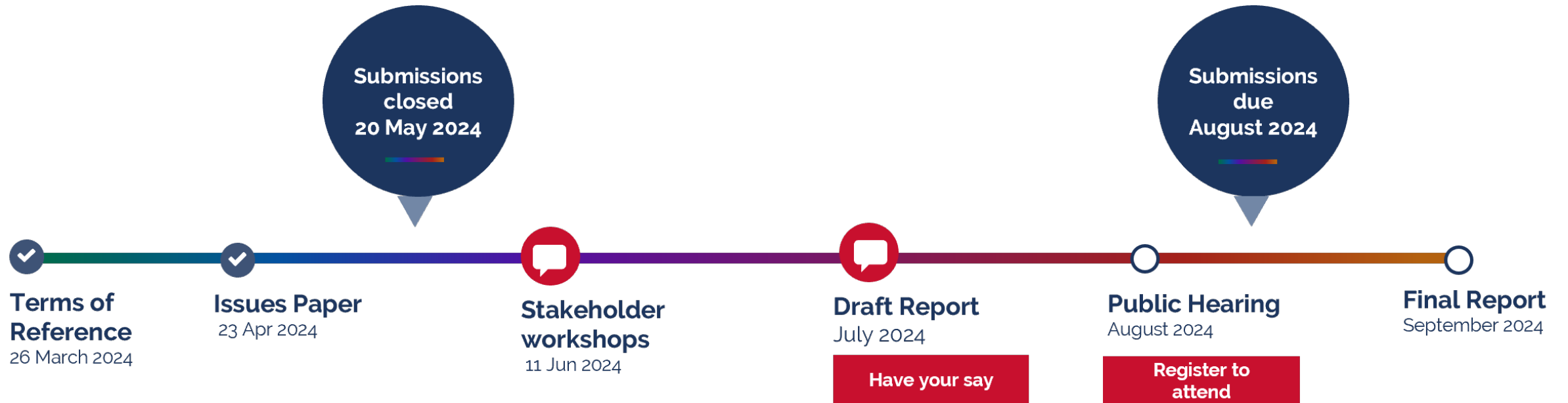
Discussion: Cost allocation

1. What elements of the scheme extend beyond a reasonable and efficient scope of work?
2. What additional benefits does the scheme provide beyond achieving the waterway health objectives? Who benefits?
3. Should developers pay for interim solutions (e.g. rainwater tanks) that are later disconnected?
4. Land tax – is there any rationale to treat this differently from other costs?

Questions or comments



Next steps



Contact us

Melanie Mitchell

 02 9913 7743

 melanie.mitchell@ipart.nsw.gov.au

Visit our webpage

 [Mamre Stormwater Scheme Review](#)