



## FIRE AND RESCUE NSW SUBMISSION TO THE IPART REVIEW OF PRICES FOR SYDNEY WATER FROM 1 JULY 2020

Fire and Rescue NSW (FRNSW) has legislated community safety obligations under the *Fire and Rescue NSW Act 1989*. The ability to fulfil many of these obligations is dependent on the adequate provision of water from reticulated water networks, which in turn is linked to the financial investment in upgrading and maintaining these networks. Consequently, FRNSW is a stakeholder in the Sydney Water pricing review and has prepared this submission in response to Sydney Water's Price Proposal IPART's related Issues Paper.

As a result of representations made by FRNSW to IPART on the need to place community safety obligations on water network providers, including providing adequate water supply for firefighting, IPART included a requirement in Clause 9.4 of the Sydney Water Operating Licence for the establishment of a Memorandum of Understanding (MOU) between Sydney Water and FRNSW, as well as. This MOU was signed in October 2015. The provisions of Clause 9.4 include that:

- the purpose of the MOU is to *"Identify and develop strategies for efficient and effective provision of firefighting water consistent with the goals of each party to the memorandum of understanding."* [Clause 9.4.3 (c)];
- a Working Group was to be established; and in part consider *agreed timelines and a format for Sydney Water to provide a report to FRNSW detailing the network performance with regard to availability of water for firefighting (taking into account the minimum available flow and pressure in localised areas of the network);* [Clause 9.4.4(b)(ii)].

This report on network performance has not been supplied by Sydney Water. FRNSW raised this as a concern in the NSW Government Submission to the IPART Review of the Sydney Water Corporation Operating Licence on 7 September 2018 and recommended that a prescriptive provision be added to the Clause 9.4 requiring the working group/Sydney Water to provide IPART with a provision of firefighting water in selected local areas.

In response to this IPART's Final Report states:

*"We maintain our draft position that a requirement for reporting on areas of the network where water flow available is less than 10 litres per second and water pressure at less than 100 kilopascals, as proposed by the NSW Government (FRNSW), could be addressed under the memorandum of understanding (MOU) between Sydney Water and FRNSW, rather than as a performance standard or reporting requirement in the licence.*

*We note that Sydney Water submitted that it supports reporting on where the network where water flow available is less than 10 litres per second and water pressure at*

*less than 100 kilopascals. Sydney Water considered that development of a mapping tool to allow the reporting on water flow and water pressure is progressing well under the current MOU arrangements. Since the reporting of water flow and water pressure is already progressing under the MOU arrangements, we maintain our position that it is not necessary to include a new licence obligation to require reporting of the same information.” (pp. 65-66)*

There has been limited and slow progress on the mapping tool since this report was handed down. As an example, the original case study provided by Fire and Rescue NSW in its August 2014 submission to IPART – inadequate firefighting water provision in The Crescent, Dee Why – remains unaddressed and unresolved. Sydney Water has committed to a timeline to address these issues and finalise the mapping tool, but delivery of the first 30% is due for June 2020, with delivery of the remainder yet to be determined. –Fire and Rescue NSW continues to identify problem areas and regions, such as a number in the Northern Beaches and Eastern Suburbs where firefighting water supplies are inadequate, and desired levels of 10L/s and 100 kilopascals are not met.

Discussion at the MOU working group has confirmed insufficient allocated funding is a primary reason for slow progress on finalising this agreed provision. Given the significant increase in funding in a range of areas under the Price Proposal from Sydney Water (particularly in Capital Expenditure, with \$250 million to upgrade digital technology), FRNSW submits that IPART should impose a condition of adequate funding for firefighting water mapping as part of its approval. This should include prioritisation of initiatives such as the Smart Sensing Network and associated technology, a pilot of which has been helpful in progressing the collection of better pressure and low flow information. Resources need to be allocated to the mapping project and action needs to be taken on firefighting water supplies to address these ongoing issues.

Despite not having a comprehensive understanding of the Sydney Water reticulated water supply network, what has become apparent to FRNSW over the course of the MOU is that areas having limited firefighting flows are typically served by DN 100 cast iron pipe that was cement-lined in situ in the 1950s. The consequence of this cement lining is the internal diameter of the pipe was unevenly reduced, and friction loss increased due to the roughness of the cement lining. The test case presented to IPART in 2014 involved such a water main, laid in 1926 and cement lined in the 1950s. When considering the issues raised here, asset life and minimum pipe size obligations need to be considered.

Given the significant increase in capital expenditure envisaged in the Price Proposal and its focus on renewing critical infrastructure, FRNSW submits that Sydney Water should prioritise the replacement of the piping identified above, as well as upgrading other areas of the system where the provision of firefighting water is inadequate. Replacement would help ensure adequate flow rates and residual pressures, including a contribution to basic firefighting capability are provided to the community”. The work to be undertaken in the next period offers an opportunity to address ongoing problems in this area. If these problems do not receive attention as part of this review, they may remain unresolved for an extended time, leading to significant problems in emergency response in the longer term.