

Our Reference: AS 288#440

27 April 2020

Ms Liz Livingston
Chief Executive Officer
Independent Pricing & Regulatory Tribunal

c/o ipart@ipart.nsw.gov.au

Dear Ms Livingston,

Submission on IPART review of proposed Prospect to Macarthur pipeline

Within the past 12 months, Wollondilly Shire Council has encountered, drought, bushfires, floods and now a health epidemic. Through each of these significant events, Council has maintained its strong financial and operational aptitude in serving its community.

In light of these serious events, now is the time to learn, adapt, plan and build strong resilient places, particularly as we move forward to the future to meet our current and future demands for growth. It is sound policy practice to implement this last stage of a project that is already funded, and on which Government growth planning policies rely for success.

The Council has long expressed concerns regarding drinking water security for local residents and businesses. The last drought in 2019 saw the storage level of drinking water dams that fed the Macarthur area fall to below 30%. This heightened Council's concerns over water security for Wollondilly, with a number of formal resolutions aimed at understanding the ability to supply the future proposed growth of the Macarthur South region within the Wollondilly Shire.

This area in Greater Macarthur is the very location that the State Government has announced a further 40,000 new homes over the next 30 years. This is in addition to the additional 15,000 homes that occur at Wilton over the next 30 years.

Council is concerned that several projects that were prioritised to secure the water supply for the Macarthur South Area, and namely Wilton, are now no longer identified as priorities.

Council is aware that the recent Water NSW Project Burrawang to Avon Tunnel water project will be put on hold. Council is concerned that IPART has also recommended the removal of the proposed project for a drinking water link from Prospect to Macarthur (Pro-Mac) from the 2020-24 plan. It is noted that this recommendation is based on the recent

rainfall experienced in Sydney which has meant Sydney is no longer in drought. Council is very concerned with this short term reactive approach.

Given the current Covid 19 climate, this project has the ability to provide an important economic stimulus while also providing a long term environmental benefit to prevent degradation of our important rivers and ecosystems. This would also support the important Government priorities surrounding resilience flagged in the Greater Sydney Commission's District Plan.

While we understand that the rainfall in February 2020 filled the dams and reservoirs, we are concerned that longer term planning should still proceed to secure water supply to the Macarthur growth area. Additionally, there is also a future mining proposal under one of the Upper Catchment Dams. Council has raised its concerns about water quality and loss from this potential project.

My Council is strongly in support of the Pro-Mac drinking water link as it provides a strategic long term solution to water supply options in the Wollondilly Shire area.

As such, Council believes this project should be retained and supported because of its ability to:

- Maintain reliable water services, infrastructure and protect our environment;
- Respond to droughts and climate impact with water resilience;
- Invest in expanding our network to keep pace with our growing city; and
- Deliver an economic stimulus and sound fiscal responsibility to finalise an existing committed and funded project.

In the recent drought, southern dams depleted more quickly than Warragamba Dam. The Pro-Mac pipeline would link the Prospect South and Macarthur water distribution systems. During drought conditions, which may return before 2024, Macarthur customers will be able to receive water from the Prospect System (from Warragamba Dam), slowing the depletion in the southern dams. The link is two-way, so water from the Macarthur system can also be sent to the Prospect system. The project will also have long-term benefits for growth in parts of the south-west.

My Council strongly supports the retention of this project for the reasons outlined above. Wollondilly Council has maintained a strong advocacy focus on water security in the south west. Please also see below details of Council resolutions from 2018 and 2019. I also note that Council recently resolved to request that Sydney Water convene a water symposium. It is essential that we plan for water security in south West Sydney to provide for the significant increase in population planned for the next 20 years.

Should you have any questions, please do not hesitate to contact Council's Manager Environmental Services, [REDACTED]

Yours faithfully

[REDACTED]

Ben Taylor
CHIEF EXECUTIVE OFFICER

FORMER RESOLUTIONS OF COUNCIL:

- At its Ordinary Meeting of **19 August 2019, (Resolution No. 198/2019)**, Wollondilly Shire Council passed the following motion:
 1. *That Council write to the Member for Wollondilly Nathaniel Smith, The Minister for Water the Hon. Melinda Pavey and the Shadow Minister for Water Clayton Barr requesting that separate water restrictions based on the water storage levels in the Upper Nepean Dams be considered for Wollondilly and other LGA's which draw their water from the Upper Nepean Dams, given that these areas cannot be supplied by Warragamba Dam or the desalination plant.*
 2. *That Council request Sydney Water restrictions levels increase if they continue to transfer water to Prospect Reservoir from the Upper Nepean Dam.*
 3. *That we write to our neighbouring Councils that are supplied by the Upper Nepean Dams, highlighting our concerns.*
 4. *That we write to the Minister of Planning highlighting the challenges of water conservation in our area and request this be considered in relation to growth in our region.*
 5. *That Council ask the State Government for a long term strategic plan for the Upper Nepean Catchment Scheme.*

- *At its Ordinary Meeting of **20 August 2018, (Resolution No. 17/2018)** Wollondilly Shire Council moved the following resolution:*

“That Council write to the State Government and Sydney Water suggesting it is appropriate in view of the ongoing drought that it should evaluate the need for water restrictions.”