

Our reference: DOC12/25316; FIL06/917-14 & FIL06/928-09  
Contact: Rebecca Scrivener [REDACTED]



Mr James Cox PSM - Chief Executive Officer  
IPART  
PO Box Q290  
QVB Post Office NSW 1230  
Attn: Ms Lucy Garnier

Dear Ms Garnier

## **ISSUES PAPER – GOSFORD CITY AND WYONG SHIRE WATER, SEWERAGE AND STORMWATER DRAINAGE PRICES**

The Environment Protection Authority (EPA) has reviewed the Issues Paper on Gosford City Council's and Wyong Shire Council's prices for water, wastewater, stormwater drainage and other services that will apply from 1 July 2013.

The EPA regulates the environmental performance of the sewerage systems and wastewater disposal operations conducted by both Gosford City Council and Wyong Shire Council through conditions of several Environment Protection Licences. Copies of these licences are available from the EPA's website at: <http://www.environment.nsw.gov.au/prpoeoapp/>

The EPA has reviewed the summary papers submitted by both Councils in response to the IPART Issues Paper. The EPA supports the proposed major sewage projects identified by both Councils, particularly renewal programs associated with sewer pump stations and the sewerage reticulation/mains system.

EPA is aware of issues within Gosford/Wyong sewerage systems as a result of sewer discharge events that have occurred. EPA has conducted reviews of both Hunter Water and Mid-Coast Water sewer overflows, which have informed EPA upgrade requirements. EPA proposes to similarly conduct catchment based investigations with regard to the frequency and duration of sewage discharge events into sensitive receiving environments for the Gosford/Wyong sewerage schemes. EPA experience is that this will precipitate the need for the sewer authorities to undertake more detailed investigations that may include surveillance of the reticulation system via CCTV and physical inspections that are likely to result in EPA required on-ground works such as sewer pump station upgrade/renewal works, renewal of sewer mains, upgrading of manholes and relining works within the system. These types of works are often required by EPA through legally binding Pollution Reduction Programs.

EPA notes upgrades of this nature have been proposed. The costs presented by both Councils for the proposed sewerage projects are consistent with similar projects undertaken by other wastewater management authorities regulated by the EPA.

EPA has required much greater accountability and reporting by sewer authorities as a result of outcomes from inquiries into incidents that occurred at Orica Kooragang Island in 2011. In addition to substantial additional reporting of monitoring results there is now a much greater expectation from both the community and the EPA in regard to response to pollution incidents. Additional reporting and better response to sewer

overflow events to prevent environmental harm will result in increased operating costs for both Gosford and Wyong Councils.

In regard to the current price path a major component of EPA's regulation was the substantial upgrade to the Kincumber Sewage Treatment Plant that was required by Pollution Reduction Program 3. Most of these works have/will be completed in the current price path. The works have involved substantial upgrade of the treatment capability at the plant, along with much improved odour control (odours being a significant issue for this plant) and upgraded biosolids management.

The EPA also supports the Council improvement of odour management throughout sewerage systems to enable compliance with environmental legislation regarding prohibition of offensive odours.

Continued improvements to asset management and risk management systems, combined with appropriate upgrades to monitoring and control technologies will enable the Councils to comply with their Environment Protection Licences and environmental legislation.

If wish to discuss any of the above further, please contact Rebecca Scrivener in our Newcastle office on [REDACTED]

Yours sincerely



10-10-12

**PETER JAMIESON**  
**Head Regional Operations Unit – Hunter**  
**Environment Protection Authority**