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**Re Draft Recommendation
Application for Declaration by Services Sydney**

Dear Sir

Thank you for a clear & well-written report. Your findings make sense and I would question only the proposed declaration period of 15 years.

Even without access to financial information, it seems likely that a project of this magnitude needs a longer period of certainty to recover costs.

I take a keen interest in Sydney Water and am a member of the North Head STP committee. SW have made it abundantly clear, both in Waterplan21 and all other long term planning documents and discussions, that they have no plans even on the distant horizon for significantly de-voluming major STPs. They have a \$7 billion investment in current arrangements and their main trunk sewers are robust for at least another 50 years. Depreciation timetables in Sydney Water's 2003 accounts were 120-150 years for sewage mains and 100 years for civil component of sewage pumping stations.

In summary, the chance that the "supply" at the major STPs will disappear within 30 or even 50 years seems remote.

There would naturally be reluctance to give any private company long-term guaranteed access without safeguards to the public purse in case of failure or monopolistic demands in the future. Any arrangement would presumably be contractual and could include short steps with performance benchmarks. However, if the declaration period is too short, a fully commercial proposition may not be possible.

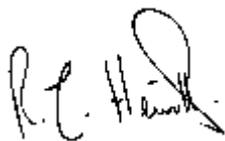
While there are chances of some breakthrough in technology or changing laws, these seem remote.

A viable declaration period is particularly important to Manly, at the far end of Services Sydney's proposed arrangement. If the declaration period were too short to accommodate the full proposal, an alternative based only on the Malabar outlet might be substituted. Fifty tons a day of "No 2s" are dumped offshore at North Head – I would like some prospect this can diminish in the future.

Apart from my NIMBY wishes, the recently announced Metro Water Strategy appalls me. There is still no urgency about creating robust, sizeable alternative water sources – we are still shuffling the deckchairs on the Titanic and paying lip service only to massive and inevitable effect of global warming. It is essential that we regard all water dumped in the sea as a precious resource that should be conserved if possible.

Please don't crucify this project before it gets started. **I urge you to re-consider the 15 year declaration period and recommend something much closer to Services Sydney's requested 50 years.**

Yours faithfully



Richard Hewitt