

Reference: 040604 PS:FR  
Enquiries: Paul Smith

Mr John Feil  
Executive Director  
National Competition Council  
GPO BOX 250B  
Melbourne Vic, 3001

By e-mail: [Info@ncc.gov.au](mailto:Info@ncc.gov.au)

Dear Mr Feil,

**Re: Manly Council's Submission on Services Sydney Proposal to Declare Services Provided by Sydney Water**

Manly Council believes that Services Sydney Proposal satisfies all criteria for declaration of Sydney Water Transmission Service and Interconnection Service in accordance with the *Trade Practices Act 1974 (TPA)*.

The proposal represents good value to the community of Manly and brings opportunity to the market for improved sewage delivery and management services for the Sydney Basin. This is detailed in attachment 1 and 2.

- Attachment 1 provides an itemised submission on the criteria as outline in the Issues Paper compiled by the National Competition Council
- Attachment 2 provides a supplementary Assessment on the Future Proposal by Services Sydney.
- Attachment 3 provides a background to Manly Councils position regarding concerns with the current end of pipe treatment and disposal method by Sydney Water.

Should you have any questions regarding Council's submission, please contact Council's Water Cycle Management Officer, Paul Smith on ph: 9976 1519.

Yours faithfully,

J. W. Hunter,  
**Director Corporate Planning & Strategy**

# ATTACHMENT 1



**SUBMISSION**

**NATIONAL COMPETITION COUNCIL**

**TO DECLARE SERVICES SYDNEY PROPOSAL**



**SUBMISSION  
NATIONAL COMPETITION COUNCIL  
TO DECLARE SERVICES SYDNEY PROPOSAL**

**1. Are the Transmission Services and the Interconnection Services “services” as defined in s.44B?**

Manly Council is of the belief that the Transmission Services and the Interconnection Services fall under the criteria as defined in clause (a), of s.44B of the Trade Practices Act.

**2. Are the Transmission Services and the Interconnection Services so integral to the delivery of one another that the relevant service is a combined transportation and interconnections service?**

Manly Council views the Transmission Services and the Interconnection Service as integral components for effective management of the Sydney Sewage Reticulation Network.

This is notwithstanding the potential for transactions to ensure sustainable management by two or more companies as detailed in the Services Sydney Proposal. Manly Council encourages any potential opportunities that may arise from de-monopolising the current, singular, system of service provision by Sydney Water.

**3. Are the Transmission Service and Interconnection Service such that they can each be bought and sold, or for which there are potential transactions?**

Council feels the transmission service and interconnection services would be difficult to buy and or sell in isolation. There does exist, however, significant scope for transaction protocols to be developed which would allow for the sale of each or access to each independently. Manly Council is of the view that a cost attribute to a percentile of sewage pipe capacity may facilitate an appropriate mechanism for the sale of each respectively. Council would encourage any devised configuration for potential transactions that ensures the current monopoly is altered and that IPART would facilitate a costing regime for such a percentile pipe capacity use, ensuring capacity is never breached.

**4. What is the current degree of physical interconnection and operational integration and co-ordination between the NSOOS, BOOS and SWSOOS?**

Given the unique natural, built and social characteristics of Manly and the other LGA’s within the catchments of the NSOOS, BOOS and SWSOOS, Manly Council feels the **physical inter-connectiveness is limited** although tunnel connection of the coastal plants is possible. Manly Council also feels physical interconnection would not encourage decentralised and system interception and management of the NSOOS, BOOS and SWSOOS.

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5. **The operational integration and co-ordination** of the systems is considered essential to ensure long term, whole of Sydney Basin, management of water and wastewater issues. Councils previously stated position is to favour interception and re-use strategies rather than end of pipe solutions. This position (in part) reflects concerns about overflows in the present network.

6. **What (if any) would be the practical consequences of declaring services provided by each of the NSOOS, BOOS and SWSOOS respectively, as opposed to the Services provided by the Sydney Sewage Reticulation Network as a whole?**

Council feels this would result in a greater opportunity for localised best management practices involving the interconnection of sewage within the local water and wastewater cycle. Not-with-standing the need for integrated waste management systems to govern long-term sustainability issues.

Considering Manly LGA has a major outfall and is subject to old sewage infrastructure, Council feels that decentralising each of the networks will promote greater consideration of localised impacts and subsequently promote better management practices and equity in resource prioritisation on a local scale.

7. **What is the current level and the reasonable foreseeable level of demand for the services provided by the Sydney Sewage Reticulation Network?**

Manly Council would like to make reference towards sustainable catchment yields quoted in the PENGOS report - "Sydney's Water - Going to Waste" in addition to Sydney Water Annual Report and The Nature Conservation Council recommendations for "Sustaining the Catchment". These figures are summarised in attachment 1, pages 3 and 4. It is predicted that the population connected to the current sewage network will increase to 4.86 million by 2021.

Based on these figures there is a clear need to find alternate mechanisms for reducing demand on the current network in addition to seeking alternate end-use solution above and beyond Sydney Waters mainstream engineering concepts.

7. **What is the current capacity of the Sydney Sewage Reticulation Network?**

**Does it currently satisfy demand and will it do so in the future given reasonable future demand?**

Manly Council feels that the current capacity of the network is insufficient to accommodate the current population (in certain conditions/areas). This is without considering the predicted population increase – see attachment 1: page 5 & 6.

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Intercepting sewage as defined in the Services Sydney Proposal would see a reduction in flows and an increase in capacity, effectively reduce overflow occurrence intervals into Manly's and the Sydney Basin's Waterways.

**8. Is it cheaper for one facility to meet this demand than two or more facilities?**

Manly feels that a separate network in isolation from the existing Sydney Water owned network would result in an unnecessary increased fees and charges

Council feels the system has the capacity to be shared particularly if capacity is reduced via interception. None-the-less, to gain a true indication of "cheaper" the proposal must consider and attribute a value to the **social** and **environmental** costs within the one framework (TBL). With this in mind Council concludes that the Services Sydney proposal would result in a cheaper outcome.

**9. Is the sewage collection market as defined by Services Sydney in its application an appropriate dependent market criterion (a)?**

Yes. Manly Council feels the definition provided by Services Sydney is appropriate and in accordance with s. 44G(2)(a) of the TPA.

**10. What is the potential scope for competition in the sewage collection market or any other potential dependant market?**

The proposal would likely promote a more competitive sewage collection and process market in several forms.

Below is some potential market competitors emergent of such a proposal.

- Alternate bio-solid production (e.g. pelletised fertilisers),
- Wastewater treatment facilities services,
- Demand management logistics services,
- Research and development (academic, private and public),
- Social acceptance and investigative markets,
- Specialised Academic curriculum,
- Modifications to the regulatory institution(s) at a local and state level.
- Transportation of by-products

Whilst Sydney Water currently outsource a large proportion of their works and services into the private sector they operate under the auspices of Sydney Water and therefore restricts the "free market".

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**11. Does Sydney Water have the ability and incentive to exercise market power to adversely effect competition in the sewage collection market or any other dependant market?**

Manly Council feels that Sydney Water have a monopoly on the sewage collection markets and therefore have the ability to adversely affect competition. Given the singular economic bottom line overriding Sydney Water decision making, Manly can presume they have the incentive. However, considering Sydney Water's current dilemma regarding demand management, current pipe condition and capacity, and the predicted increase in population, council contends that, Sydney Water have little option but to consider all valid opportunities to achieve a long term and sustainable water plan.

**12. Can the reasonably foreseeable demand for sewage treatment and waste disposal services for the area serviced by the Sydney Sewage Reticulation network be satisfied more cheaply by the North Head, Bondi and Malabar treatment plants taken together, than by 2 or more plants?**

Manly Council's view is the criteria applied to evaluate the proposal is heavily weighted towards cost / benefit scenarios and is therefore inadequate to allow for informed comments within a 'sustainability' context. Manly Council feels a triple bottom line accountability framework is essential to provide informed comparative comments. On a TBL assessment Council believes the Services Sydney proposal is "cheaper" than the present arrangement.

**13. Are there any examples of competing sewage treatment plants sharing a common reticulation network?**

Brubaker (1998) provides a comprehensive overview of differing scenarios for a comparison between private and publicly operated sewage networks.

In Canada, virtually all water and sewage utilities are publicly owned and publicly operated – with poor operating compliance. In France, many municipalities contract out water and sewage operations to private companies. England and Wales have fully privatised their water and sewage services – with significant reduction in the re-occurrence of overflows and subsequent environmental concerns.

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**14. Are there any reasons why the Sydney Sewage Reticulation Network should not be considered to be of national significance in satisfaction of criterion (c)?**

Council feels the Sydney Sewage reticulation network is of National Significance and cannot find reasons for stating otherwise. The network is of national significance for reasons below:

- Human health and safety - Servicing 1.592 million properties and 4.067 million people (20% of Aus population).
- Environmental integrity and sustainability – recycling and re-use
- National Trade – providing sewage services to 30% of the gross domestic product of A\$753 billion
- International Trade – Tourism (already a vital industry and trending to grow).

**15. Are each of the NSOOS, BOOS and SWSOOS considered separately, of national significance in satisfaction of criteria (c)?**

Yes. Even in isolation each of NSOOS, BOOS and SWSOOS provide a compelling service to the respective percentile population and therefore each is considered of national significance. Particularly in their geographical location adjacent to Manly and Bondi beaches which are icons of the Australian culture and identity.

**16. What is the nature of the health and safety regulatory regime within which Sydney Water provides sewage services? To what extent would a party seeking access to each be subject to such a regime.**

The regulation of the current sewage collections system in Sydney is governed by the State Government through the Department of Environment and Conservation (DEC). Manly feels there exists a paradox in this scenario in that State Government also own, operate and finances Sydney Water. If the DEC decide to curb sewage pollution, they – meaning the state government, will have to pay the bills. Therefore Council feels the declaration and private sector competition will allow the DEC to scrutinise compliance without this conflict of interest.

In addition, Manly would like to see the formal establishment of an integrated and localised compliance assessment framework in an open and transparent manner. Manly Council currently service the Sydney Water / Manly Council Partnership Committee whereby relevant state, local, and community work together to ensure compliance of sewage services. The need for such a process will be more so as Services Sydney's proposal will create new risks to human health and safety as treated effluent is proposed to be pumped back into the waterways, which are currently utilised for primary and secondary contact.

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**17. Is there any reason why health and safety matters cannot be dealt with through appropriate terms and conditions of access to each of the Services so as to satisfy criteria (d)?**

There exist published literature available which suggest privatised sewage network management provides a greater benefit in water and wastewater reduction and a lower risk of re-occurrence intervals of sewer overflows across the globe (Brubaker, 1998).

Manly feels that the proposal, if regulated appropriately, would not increase the risk to human health and safety above and beyond that displayed by the current system of sewage supply. None-the-less independent monitoring and open and transparent reporting must be essential to ensure this. This is particularly so as Manly Council has had difficulty gaining access and transparency to Sydney Water information in the past.

**18. Would competition in the sewage collection market or any other dependant market be likely to deliver environmentally beneficial outcomes?**

Manly Council feels that competition in the market has significant benefits for the environment of Manly and the Sydney Basin. This is supported by numerous working examples across the Europe, Asia and Australia.

**19. In what way would the applicable regulatory regime need to be revised if each of the services was declared and what would be the likely costs of such revision?**

The applicable regulatory regime will need to be modified to ensure the current state of the Hawkesbury / Nepean River is not compromised through additional loadings or inadequately treated sewage effluent discharge. Criteria applicable to govern Deep Ocean outfalls do not apply to river system discharge and therefore the current compliance framework must reflect these changes.

Any regulatory framework must also consider the uses currently on the river system such as primary contact, secondary contact, agriculture, aquaculture and ecosystem health.

**20. To what extent would the costs of regulating more than 1 sewage service provider be greater than the cost of regulating Sydney Water alone?**

Manly is of the belief there will be additional costs of regulating the service through greater and modified coverage for compliance and enforcement. The private market would incur the additional costs and this would be reflected in modification to the sewage service cost on the consumer. Manly believes this would allow for the true value of the sewage service to better reflecting environment and social issues of each Local Government Area.

\* \* \*



## Attachment 2

### AN ASSESSMENT OF FUTURE PROPOSALS FOR SYDNEY'S WATER SUPPLY AND SEWAGE

Judy Reizes  
Manly Environment Centre

The future of Sydney's water and sewerage developments has recently been the topic of much discussion and media coverage. A commercial enterprise, Services Sydney Pty. Ltd. has submitted a proposal "**Application under Part IIIA of the Trade Practices Act 1974 Requesting Recommendation that Sewage Transmission and Interconnection Services Provided by Sydney Water corporation be Declared**"

The proposals by Sydney Water for future development in Waterplan 21 were examined by an independent group of environmental organisations, Peak Environment Non-Government Organisations (PENGOs) and the present state of Sydney Water's infrastructure and its impact on the environment reported on in their report "**Sydney's Water Going to Waste? – A Summary Report of the 4<sup>th</sup> Sydney Water project.**"

I have evaluated these three documents together with Sydney Water's Annual Report 2003, (600 pages approx.) and they provide an excellent platform for determining the need for future activity for a more sustainable Sydney in terms of water and waste water.

Services Sydney's application for access to Sydney Water's infrastructure to permit Services Sydney to treat and re-use of sewage effluent (as reported in the Manly Daily last month) is attached. It is also on the National Competition Council website ([www.ncc.gov.au](http://www.ncc.gov.au)). It should be noted that there are a number of confidential parts to the application which are not available.

Attachment 12 to Services Sydney's "Comparison of Outcomes of Waterplan 21 and Sustaining the City" accurately reflects the concerns of Council, the community and the PENGOs about Waterplan 21. This is reproduced below:

#### **"SERVICES SYDNEY PTY. LTD. APPLICATION Attachment 12. Comparison of Outcomes of Waterplan 21 and Sustaining The City**

Description	Sustaining the City	WaterPlan 21
Permanent removal of SWSOOS Risks	Yes	No
Minimize disposal of Sewage into Ocean	Yes	No
Minimize Ocean dispersal of Hazardous components	Yes	No
Tertiary Treatment of Sewage	Yes	No
Minimize use of fossil fuels	Yes	No
Maximize use of Renewable Energy	Yes	No
Environmental Flows to Hawkesbury/Nepean	Yes	No
Revenue from Water Sales	Yes	No
Water for Irrigation	Yes	No
Future 'Second' Water Source	Yes	No
Bio-solids Transportation by Rail	Yes	No
Overall Wet Weather performance	High	Questionable
Risk	Private Sector	Sydney Water

**SERVICES SYDNEY PTY. LTD. APPLICATION (CONT.)**

And the following extract below from Attachment 7 from Services Sydney's Application and the attached **Water Balance with Population Growth till 2051, CSIRO adjusted Sustainable Yield, SWC Extraction with 100% Demand Management Success, Environmental Flows and Irrigation Needs** shows the impact of future populations on water drawdown which will be well above the **500 Gigalitres per annum** recommended by the PENGOs to supply adequate environmental flows to the Hawkesbury Nepean River. In other words, "the net result of Waterplan 21 is substantially negative (unsustainable)"

**Attachment 7. Sydney's Future Growth and Water Needs – The Water Balance.**

**Future Sydney Water Bulk Water Extractions to 2051 with population growth, 100% success in Demand Management and 100% success with all Non-engineering solutions (Outflow)**

Demand management and non-engineering solutions include rainwater tanks, re-plumbing of toilets and washing machines, water efficient showerheads and washing machines, step (or penalty) pricing and water restrictions. With 100% implementation and 100% success in all these measures, daily per capita water consumption of 415 L in 2001-02, is postulated to fall to 329 L. Using population growth figures as provided by DIPNR for independent Anderson Review (Appendix C), the following Table shows a demand growth scenario to 2051.

Description	2001	2011	2021	2031	2041	2051
Population (million) connected to SWC	3.97	4.43	4.86	5.24	5.59	5.90
Average water use – 100% success (L/c/d)	416	329	329	329	329	329
Consumption (Gigalitres per year – GL/a)	603	562	583	629	671	708

It is highly unlikely (impossible) to achieve 100% success. A more realistic success rate looking at historic performance and difficulties in converting existing dwellings would be no more than 20%. However, we use 100% success throughout.

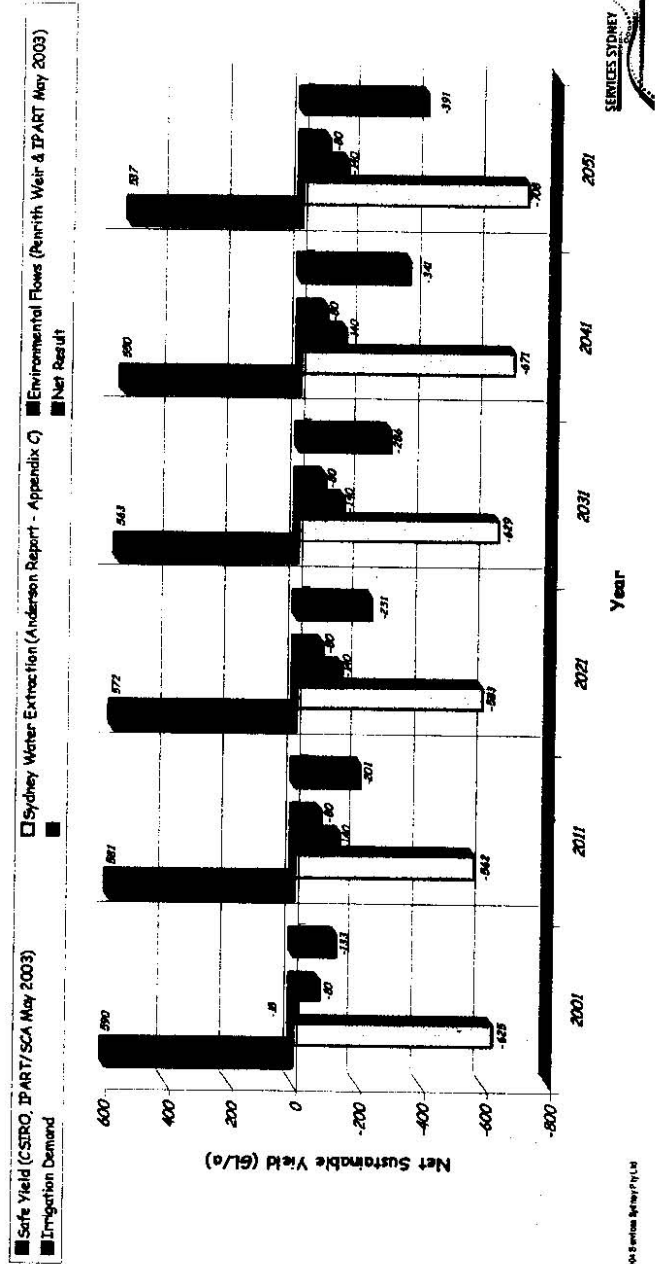
**PEAK ENVIRONMENT NON-GOVERNMENT ORGANISATIONS (PENGOS) REPORT "SYDNEY'S WATER - GOING TO WASTE?"**

(PENGOS – Australian Conservation Foundation, National Parks Association, Nature Conservation Council, Sydney Coastal Councils Group, Colong Foundation, Total Environment Centre, OzGreen)  
(Report not generally available yet).

**Major Findings:**

*"Sydney Water's poor performance against its core targets for water conservation and recycling can be attributed to underspending on demand management and recycling*

**Water Balance with population growth till 2051, CSIRO adjusted Sustainable Yield, SWC Extractions with 100% Demand Management Success, Environmental Flows and Irrigation Needs**



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Services Sydney Application to the National Competition Council

*programs and on the corporation's use of 'least cost planning' approach to select demand management options. The 2002 mid-term review by the Independent Pricing and Regulatory Tribunal (IPART) found that 'the approach does not currently undertake comparison of demand and supplyside options as required by the licence' and calls for 'reporting of a traditional cost-benefit ratio which is clearly understood by stakeholders'. The PENGOs found that priorities change significantly when environmental costs and benefits are included."*

*"Sydney Water's current approach is not consistent with ecologically sustainable development, and the corporation must change its decision-making practice in order to select options that meet sustainability targets. To ensure Sydney's Water cycle is ecologically sustainable, we must aim for a total water consumption target of 500 GL/annum, augmented by increased recycling, to supply adequate environmental flows in the Hawkesbury-Nepean and avoid the need for a new dam on the Shoalhaven. Ideally this consumption target should be achieved without relying on inter-basin transfers."*

**Solutions:**

*Sydney's water supply must be managed to avoid the need for a new dam, which will irreparably damage another major river (the proposed Welcome Reef dam on the Shoalhaven). Life cycle assessment for Sydney Water and PENGOs demonstrates that hard engineering solutions to augment supply, such as desalination, also come at high environmental cost.*

*A 500 GL/year total consumption target allows for return of environmental flows to the Hawkesbury-Nepean River system, while water conservation reduces demand. In addition, it creates a viable water conservation market for private investment. To achieve water efficiency targets, conservation must be supported by increased water recycling. PENGO studies have found that decentralised local recycling requires less energy and materials than the centralised solutions preferred by Sydney Water.*

**Statement:**

*The report concludes that Sydney Water's progress toward sustainability is too slow, with weak demand management and recycling strategies and implementation. To meet its legislative obligations, Sydney Water must act as an effective advocate for sustainable water use.*

*In order to avoid a water supply crisis, the environment groups call on Sydney Water, together with government and the wider community, to build an 'invisible dam' from strong water conservation and recycling measures applied to all existing customers and new development and redevelopment in Sydney."*

The following statistics from the Sydney Water 2003 Report Volumes 1-3 (600 pages approx) further demonstrate the unsustainability of Sydney Water's operations and ageing infrastructure.

## SYDNEY WATER ANNUAL REPORT 2003

### THRESHOLDS/TARGETS NOT MET

	<b>Per Annum</b>
<b>WATER USE</b>	<b>637,743 Megalitres</b>
<b>Total draw down:</b> 2001/2 targets not met 2004/5 & 2011/12 in doubt Per capita use increased to 416 l/pd	
<b>EFFLUENT REUSE</b> 1999 effluent recycling target has been abandoned. (recycling rate of only 2.5%)	<b>12,045 Megalitres</b>
<b>UNACCOUNTED FOR WATER 13% of TOTAL USE</b>	<b>83,395 Megalitres</b>
<b>SEWER OVERFLOWS</b>	
No. of dry weather overflows (up 25%)	19,012
No. of field verified wet weather overflows on public land - (up 73%)	608
No. of overflows on private land (up 34%)	24,133
<b>SEWER CHOKES</b> 25% increase, exceeding threshold of 50 per 100km	83 per 100km
<b>ODOURS COMPLAINTS IN SEWAGE TRANSPORT SYSTEM</b> Increase in odour complaints, means threshold/target not met	88%
<b>WATER MAIN BREAKS AND LEAKS</b> Increase exceeds threshold of 35/100km	50.53breaks/100km
<b>GREENHOUSE EMISSIONS</b> Highest in 10 years. Note 54% is used for sewage treatment and transport	394,420 tonnes

## SYDNEY WATER ANNUAL REPORT 2003 (cont)

## IMPACTS

	<b>Per annum</b>
<b>EFFLUENT DISCHARGED INTO RIVERS &amp; OCEANS INTO OCEANS</b>	<b>450,000 Megalitres 392,200 Megalitres</b>
<b>(EFFLUENT REUSE 2.5%)</b>	<b>12,045 Megalitres</b>
<b>NORTHSIDE STORAGE TUNNEL DISCHARGES</b>	
Annual discharge to North Head STP	<b>5,500 Megalitres</b>
Estimated annual discharge based on average 2% increase in annual flow of North Head STP	<b>2,628 Megalitres</b>
Shelly Beach predicted 70ML, actual 650ML	
<b>GREASE &amp; SOLIDS DISCHARGED TO OCEAN (BIOSOLIDS RECYCLED)</b>	<b>62,058 TONNES 51,059 TONNES)</b>
<b>WATER QUALITY</b>	
EPA Prediction for no swim days in Middle Harbour	<b>33%</b>
Significant decrease in bacterial levels at harbour beaches	<b>nil for 4/7 sites</b>
Queenscliff Beach – time unsuitable for swimming	<b>44%</b>
Manly Lagoon - time unsuitable for swimming and numerous algal blooms	<b>75%</b>
<b>CHEMICAL EMISSIONS TO RECEIVING WATERS</b>	
Chemical levels were generally highest at North Head and Malabar outfalls *	
<b>CHEMICAL AIR EMISSIONS</b>	
Increase in chlorine emissions from North Head Odour Scrubbers	<b>63%</b>

\* Significant differences in benthic macrofauna and chemistry sediment over time were measured at the Malabar outfall.  
Conclusions from Sydney Water's Ocean Sediment program was unable to consistently associate any disturbance of sediment quality or impact on benthic macrofauna communities with deep ocean outfalls.

### **INFRASTRUCTURE REPAIR AND RENEWAL**

A previous Sydney Water Annual Report and proceedings of IPART have indicated that Sydney Water regard the life of infrastructure such as sewer mains as 150 years. Last year Sydney Water only renewed 0.5% of their total of 22,868km sewer mains or 118km. At this rate of renewal, I have calculated that it will take 200 years to renew the whole system. Where does the 150 years come from?

As regards sewer overflows the Sydney Water Report 2003 states that:

“the number of wet weather overflows reported above (see Threshold/Targets not met) represents only a small proportion of the total number of overflows in the system, as they are based on the field verification of overflows reported by customers. In future years we will improve reporting of wet weather overflows by using computer models of the main (trunk) sewerage system to estimate the number of overflows. These models will provide a much better reflection of the true number of sewage overflows and will be verified against measured data. This modelling process is a requirement of our sewerage system licences issued by the NSW Environment Protection Authority.”

An article by Murray Hogarth (SMH 1<sup>st</sup> April, 1999) stated:

“also, leaked Sydney Water financial documents obtained by the Herald show that it has been dramatically underspending on replacement of the city’s aging network of water and sewer pipes – underspending, based on confidential advice to Sydney Water from British water industry experts, by a factor of sevenfold on water and eightfold on sewerage. The underspending was occurring when the State Government was pulling record dividends out of Sydney Water, including \$250 million in 1997-98 and possibly even more this financial year.”

Paul Broad was quoted in media as saying that \$5 Billion would be needed to bring overflows to 1 event per year, versus the 20 events in 10 years now. There has been “no catchup” in capital expenditure since to compensate.

The Institution of Engineers Infrastructure Report Card 2003 gave NSW urban sewage infrastructure a C- classification.

### **Results of the Sydney Water’s Customer Satisfaction Survey**

As regards public perception, it is interesting to note that since Sydney Water changed the question in their Customer Satisfaction Survey in 2000-2001 from “satisfaction with the sewage treatment system” to “sewerage system” the satisfaction level increased from 60% to 80%.

By comparison, Melbourne Water's long term plan which is designed to make Melbourne the world's most water-sensitive city have some impressive targets:

- 15% reduction in water consumption by 2010
- 20% water recycling by 2010
- 35% reduction in greenhouse gas emissions by 2006
- No offensive odour from Melbourne Water assets by 2007
- All natural waterways in good condition by 2025.

#### CONCLUSION

For over ten years Manly Council has had a policy of deinstitutionalising the North Head Sewage Treatment Plant by devolving the NSOOS to permit water re-use.

Manly relies solely on its fragile environment to generate tourism revenue estimated at at least \$100 million per year. Recently, the EPA issued no swim warnings for Middle Harbour for 30% of the time.

Sydney Water's "Sewerage Catchment Asset Management Planning (SCAMP) – Manly SCAMP Needs Assessment Report" tabled at the last Sydney Water Partnership Meeting and yet to be reviewed by Paul Smith and myself, documents the many sensitivities of the Manly LGA and lagoon catchment and infrastructure inadequacies.

Questions are being asked in Parliament about claims by commercial fishermen that the chemicals from the ocean outfalls are rotting their nets and our concerns about the impact on North Head's rocky reef have not been addressed by the current monitoring. The PENGOS preferred approach in the ocean outfall catchments is to progressively de-volume sewerage system flows in order to meet Sydney Water's obligations under the S.27 of the Sydney Water Act 1994.

Services Sydney's application provides a timely opportunity to take a wholistic approach to water management at last. Their Issues Paper, April 2004, (attached) has just appeared on the National Competition Website and Council has until 4<sup>th</sup> June to make submissions. ~~I have not reviewed this document as yet.~~

#### References:

- "Applications under Part IIIA of the Trade Practices Act 1974 Requesting Recommendation that Sewage Transmission and Interconnection Services Provided by Sydney Water Corporation be Declared" Services Sydney Pty. Ltd. March 2004.
- Issues Paper "Application by Services Sydney for Declaration of Sewage Transmission and Interconnection Services Provided by Sydney Water" National Competition Council. April 2004. (not reviewed to date)



- “Sydney’s Water – Going to Waste?” Peak Environment Non-Government Organisations – Australian Conservation Foundation, National Parks Association, Nature Conservation Council, Sydney Coastal Councils Group, Colong Foundation, Total Environment Centre, OzGreen. (undated – December 2003)
- “Sydney Water Annual Report 2003 – Environmental, Social and Economic Performance” including “ESD Indicators and Environment Plan Report”, “Environmental Indicators Compliance Report (Volume 1-3)”.
- “2003 NSW Infrastructure Report Card” Engineers Sydney, August 2003.
- “Sewerage Catchment Asset Management Planning (SCAMP) – Manly SCAMP Needs Assessment Report” Sydney Water. February 2002 (received March 2004) – yet to be assessed.
- “Faulty Tunnel Vision” – Murray Hogarth, Sydney Morning Herald. 1st April, 1999.
- “Sewage Solution – Pipe to control spillage” Scott Howlett, Manly Daily, March 2004.
- “Plan to Dump Outfalls” Michael Mapstone, Peninsula Living 2004.



**SUBMISSION**

**COMMITTEE CONDUCTING THE INQUIRY**

**GENERAL PURPOSE STANDING COMMITTEE NO. 5**

**INQUIRY INTO AND REPORT ON SYDNEY WATER'S BIOSOLIDS  
STRATEGY**



**Sydney's Sewerage Treatment  
A System on the Brink ???**

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1 (d) Evaluate the implementation of recommendations relating to the treatment of biosolids from previous parliamentary inquiries and reports on Sydney Water.	<b>14</b>
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### **APPENDICES:**

- “A” News Release “Carr Government to Clean up our Harbours, Rivers and Beaches - 1/5/1997, Page 1 and 2.
- “B” Major Ocean Plants Bio Solids, Handling and Transport - Options Assessment, Page 5, Option C.
- “C” The Waterways Package, May, 1997, Page 6.
- “D” Extract from Board Minutes 6/4/1999.
- “E” Sydney Water Executive Meeting Paper, 22/6/1998, Page 9, Bio Solids Siting Recommendation.
- “F” Sydney Water Executive Meeting Paper, 19/5/1998, Page 1, Under Background.
- “G” Letter Minister for Urban Affairs and Planning.
- “H” Letter from Minister for the Environment.
- “I” Exchange of Communications Between DUAP and Transwater on Condition 25 of the Storage Tunnel Approval Relating to the Bio Solids Strategy.
- “J” Bio Solids Siting Recommendation, Page 9.

## **EXECUTIVE SUMMARY**

- Manly Council's experience of Sydney Water and its predecessor is "too little too late".
- The famous Heritage Listed Norfolk Island Pines, which were dying from the effects of air borne pollution, finally alerted all of us to the seriousness of this problem in the 1960's and 1970's.
- It was not until the last decade of the twentieth century that the discharge (at cliff face) was changed from century old practices.
- Until the Northside Storage Tunnel was built, sewage overflows to the Harbour, Lagoon and Ocean was predicted at the rate of 200 occasions over ten years.
- The Northside Storage Tunnel was originally planned to have a return sludge pipe and water reuse pipe and provision for other utilities.
- Sydney Water promised no more trucking for Manly.
- Sydney Water has reneged on previous promises and commitments and is apparently disregarding its own expert's recommendations.
- Sydney Water apparently influenced the Department of Urban Affairs and Planning in relation to the wording of conditions attaching to the approval of the Northside Storage Tunnel.
- Sydney Water is apparently not accountable to the Department of Urban Affairs and Planning or to the Environment Protection Authority in relation to gaining approval of the Bio Solids Strategy.

- Sydney Water and other Government Agencies are apparently not following the philosophy and intent of the Carr Government's 1997 Waterways Package, which promoted decentralisation, recycling, reuse and a focus away from coastal treatment plants and ocean discharge.

\* \* \*

## TERMS OF REFERENCE OF THE INQUIRY

*“That General Purpose Standing Committee No. 5 inquire into and report on Sydney Water’s biosolids strategy, and in particular:-*

1.
  - (a) evaluate the options presented for public consultation;*
  - (b) examine the scope the selected options provide for decentralisation and devolving of the system;*
  - (c) examine the consultation process to determine its integrity;*
  - (d) evaluate the implementation of recommendations relating to the treatment of biosolids from previous parliamentary inquiries and reports on Sydney Water;*
  - (e) evaluate whether the biosolids strategy is consistent with the consent conditions imposed on the Northside Storage Tunnel by the Department of Urban Affairs and Planning; and*
  - (f) consider Sydney Water’s options for a biosolids strategy for North Head.*
2. *That the Committee present a report by 4 December 2000.”*

\* \* \*

**MANLY COUNCIL'S RESPONSE TO INQUIRY TERMS OF REFERENCE**

***1 (a) Evaluate the options presented for public consultation.***

**Manly Council's Response**

**The Options do Not Match the 1997 Vision**

*Note 1.*

The New South Wales Government's Waterways Package, released in 1997 professes to be a blueprint for "a comprehensive assault on water pollution" and "the Waterways Package avoids quick fix solutions adopting instead a series of goals to be realised between 1997 and the year 2020".

The Premier, in issuing the package, is quoted as saying:-

*"The Waterways Package is a result of two years of scientific research and development by the Environment Protection Agency and Sydney Water. The methodology used by Sydney Water has been checked by the CSIRO."*

Manly Council has always been concerned that Sydney Water has been "a law unto itself". The Waterways Package, having being developed with the Environmental Protection Authority and checked by CSIRO and supported by the Premier, in Manly Council's view gives it considerably credibility. However, how does one ensure that the Waterways Package objectives are achieved, and especially by Sydney Water?

The key benefits enunciated for the Waterways Package included, inter alia:-

- *decreasing the reliance on ocean discharge;*
- *prevention of sewage pollution on all bathing beaches from Palm Beach in Sydney's north to Bombo near Kiama on the South Coast;*

*Note 1: Appendix A, News Release "Carr Government to Clean up our Harbours, Rivers and Beaches - 1/5/1997, Page 1 and 2.*

- *upgrading the three main ocean outfalls to prevent grease on our beaches;*
- *reconfiguring the Sydney Water system to promote effluent recycling for commercial users;*
- *stopping 80 to 90 percent of sewage overflows Sydney-wide;*
- *meeting urban growth demands while preventing environmental damage to waterways.”*

### **Conclusion**

Manly Council’s view is that the criteria used in evaluating the various options have been heavily weighted away from environmental and community perspectives (as per the Waterways Package), and weighted more to economic, commercial and technology issues which are perhaps more the primary focus of Sydney Water. This is regrettable!

A further point in this regard is that the Northside Storage Tunnel was originally estimated to cost \$375 Million, and Council understands, the final cost is likely to exceed \$450 Million. Given that the cost of the various options in the Biosolids Strategy are in the hundreds or millions and that Sydney Water has been so inaccurate in estimating the cost of the Northside Storage Tunnel, one can assume that the estimates of the costs of the various options are likely to be equally “rubbery”.

Council would assert that these costs estimates, therefore, should not be relied upon to evaluate the cost comparisons of the options presented.



The Carr Government's Waterways Package, prepared after two years of scientific research by the Environment Protection Agency and Sydney Water and checked by CSIRO, should be the guiding document for consideration of long term strategies **and the cost estimates provided for the various options should be treated with extreme caution in evaluating the options presented.**

**If the Waterways Package and philosophy is ever to mean anything, then the Government Departments, Authorities and Corporatised Bodies must openly and effectively comply with its objectives - and not skirt around them.**

**With regard to Sydney Water, we are sorry to say that Manly Council and its Community have no confidence in its intentions (see response to 1(b) following).**

\* \* \*

**MANLY COUNCIL'S RESPONSE TO INQUIRY TERMS OF REFERENCE**

**1. (b) *Examine the scope the selected options provide for decentralisation and devoluming of the system.***

**Manly Council's Response**

Some of the key benefits quoted in the release of the New South Wales Government's 1997 Waterways Package were:-

- “• *Decreasing the reliance on ocean discharge.*
  
- *Reconfiguring the Sydney Water system to promote **effluent recycling** for commercial uses.*
  
- *Eliminating grease from our beaches, to improve the reliability (of the three major ocean outfall plants) and to increase the quality of **effluent for recycling**.*
  
- *No further centralisation of ocean treatment in Sydney so as to maximise flexibility for reuse.*
  
- *Upgrading of all treatment facilities to **focus on decentralisation**, improved effluent quality and **maximising reuse options**.*
  
- *Establishing a utility corridor to carry enhancement, such as **bio solids transport line**, recycled **effluent carrier**, power lines and telecommunications cabling.”*

**Promises and Commitment Reneged Upon**

As we now know the “promises” and “commitments” given by Sydney Water regarding a return sludge pipe within the Northside Storage Tunnel have been reneged upon.

It is quite clear that in early communications with Council, and indeed in advertisements placed in local newspapers by the Sydney Water Corporation, that they had a clear commitment to the return sludge pipe in the planning and design of the tunnel. Now we find that Sydney Water reneged on that pipe and the community of Manly is now faced with a considerable **concentration, expansion and entrenchment of sewage treatment activities at North Head**. This is clearly at odds with previous commitments and with the principles enunciated in the 1997 Waterways Package.

**The scope of the options is too narrow and builds on the existing. It fails to deliver on the Vision.**

The Government, having spent two years developing the Waterway's Package through the Environmental Protection Authority, Sydney Water and the CSIRO, should ensure that the **scope of selected options do not depart from that original planning document**.

Sydney Water obviously finds the options involving the off-site pipeline transfer of bio solids to Bunerong or Camilia from the major plants too difficult and "would result in a range of new community impacts and issues". Manly Council would argue that the right solution is not necessarily the easiest solution and that it is the role of Government to consider all the issues, but to make decisions on behalf of all their constituents.

The easy option of just loading up the existing sites with more and more infrastructure with the consequential amenity and possible health and other social consequences seems to be Sydney Water's "line of least resistance" approach. **"It is expansion and entrenchment by increment."**

**Energy from Sludge - Is there another Agenda?**

Note 2.

An example of Manly Council's fear in this regard is that in Sydney Water's Options Assessment Community Consultation document (at page 5), when referring to on-site bio solids processing at North Head, states:-

*“This process produces granules or pellets that can be used in agriculture, forestry, fertiliser manufacturer or as an energy source.*

*Whilst new to Australia, this technology is well established in Europe and North America and operates to high environmental standards.*

*This option would only be implemented if the on-site treatment of bio solids is confirmed as a preferred long term direction for bio solids management at North Head.”*

In putting forward the options for expansion of on-site bio solids processing at North Head, this reference to energy generation is incidental to the actual option discussed in the Options Paper and this is why Manly Council is so mistrustful of Sydney Water.

Manly Council is of the view that one of the reasons why Sydney Water is favouring on-site processing of bio solids at North Head, is in fact that they are taking to account this further potential in their current options analysis.

If this is the case, is clearly skewing the consultative process in that their preferred option is predicated on even more incremental entrenchment of sewage processing on North Head.

This oblique reference allows them to claim they have been open and accountable and yet hardly anyone seems to have understood the implications for the future at North Head or other plants for that matter.

Note 2: Refer Appendix B, Major Ocean Plants Bio Solids, Handling and Transport - Options Assessment, Page 5, Option C.

## **Entrenchment**

Clearly there is a time for establishing a vision and a strategy for what the Sydney sewage treatment should be in the long term. This was what the 1997 Waterways Package gave us. Clearly if an inappropriate course of action is entrenched, there will be a time when “**there is no going back**”.

Council’s fear is that once this further entrenchment of bio solids treatment at North Head is commenced, there will be no going back and that the next inevitable step will be a energy from sludge plant on North Head as well.

The 1997 Waterways Package proposed decentralisation of facilities for good and sound reasons, including facilitating options for decentralised treatment and reuse of both water and bio solids and it also embodied the principle of social equity in sharing the impacts throughout the network.

At the conclusion of Clause 7 of the Waterways Package released May, 1997, the document states:-

Note 3.

***“The Waterways Package recognises the need to protect the aquatic environment without impinging on the land or air environments or community amenity.”***

Council has always asserted that it makes no sense to bring all of Sydney’s sewage to the coast and then transport it west again to where re-use markets are located. The selected option does nothing for decentralisation and whilst sludge may be devolumented after capture, the sewerage system itself, which is already over loaded on Sydney Water’s own advice, will not be devolumented by interception. Even with the Northside Storage Tunnel, the volume will exceed system and plant capacity on a regular basis (up to several times per year).

\* \* \*

Note 3: Refer Appendix C, The Waterways Package, May, 1997, Page 6.

**MANLY COUNCIL'S RESPONSE TO INQUIRY TERMS OF REFERENCE**

**1. (c) *Examine the consultation process to determine its integrity.***

**Manly Council's Response**

1. Council has a long standing mistrust of Sydney Water ever since the early 1970's when Manly Council was advocating for improved treatment of the influent at the North Head Sewerage Treatment Plant. At the time, this was impacting and killing Norfolk Island Pines on Manly Ocean Beach (and it is a matter of conjecture as to whether there were other biological impacts).
2. It was not until the early 1990's that the extended ocean outfall gave some relief on the Pine's issue.
3. In relation to the consultation process for the Northside Storage Tunnel, Council and the community of Manly were clearly promised (and the Sydney Water Corporation clearly committed to) a return sludge pipelines within the tunnel. This is evidenced in material that the Sydney Water Corporation produced.
4. In relation to the consultation on the bio solids strategy, there is great concern in relation to the incidental reference to the energy from sludge reference on page 5 of their document, and there is also concern that the options preferred by Sydney Water are influenced by the fact that once bio solids treatments are established at the individual ocean outfall plants that the next incremental step of energy from sludge will be an inevitable progression.
5. There is concern that this scenario may impinge on Sydney Water's ability to objectively assess alternatives.

## **Rubbery Figures**

Note 4.

On the matter of cost estimates for the alternative options, Council has seen that in costing the Northside Storage Tunnel has blown out by possibly \$75 Million (**without** the return sludge pipe included).

If the figures for the bio solids “options” were equally “rubbery”, then they would be a poor basis for assessing the cost benefits of the different options proposed.

## **Integrity - Behind Closed Door Debate Versus Public Debate**

Manly Council believes that the Sydney Water Corporation has moved away from the vision and the principles enunciated in the 1997 Waterway’s Package, particularly in relation to decentralisation, recycling and reuse and lessening impacts on land, air and community. Council is concerned that the options assessment paper produced by Sydney Water Corporation in June, 2000 is flawed in its objectivity and there must be serious questions that the outcome of the consultation process differs so markedly from the recommendations made by professional staff within Sydney Water to the Executive of the Sydney Water Corporation as discovered in a Freedom of Information search. The material obtained by Manly Council indicates that in a submission to a meeting of the Executive of the Sydney Water Corporation on 22nd June, 1998, Senior Staff of Sydney Water recommended:-

***“Bio solids processing at a site in Bontany industrial area, such as Bunerong is recommended. This option has an estimated net present value of \$550 Million. It moves all bio solids trucking from the three major plants to an industrial area, where the increase would be inconsequential compared to the existing traffic loads. This option would allow Sydney Water Corporation to meet its promise of eliminating bio solids trucking in the Manly area as well as reducing impacts on community amenity associated with Sydney’s largest treatment plant.”***

Note 5.

Note 4: Refer Appendix D, Extract from Board Minutes 6/4/1999.

Note 5: Refer Appendix E, Sydney Water Executive Meeting Paper, 22/6/1998, Page 9, Bio Solids Siting Recommendation.

**About Face**

It is inconceivable that between June, 1998 and June, 2000 that the strategy has changed so much without some very substantial influence as yet unexplained by Sydney Water.

Manly Council is faced with the inevitable conclusion that it is the possibility of the energy from sludge scenario that is influencing current thinking and options analysis.

One final example of the mistrust that Council has for Sydney Water's consultative process is evidenced by a further reference obtained under Freedom of Information. This relates to an Executive Briefing Paper from a meeting of the Executive dated 19th May, 1998. Under the heading "Background", the Briefing Notes state:-

Note 6.

***"North Head has been identified as the priority for upgrading, as it is the most overloaded major coastal STP and has the most significant risk issues. In addition, commitments have been made as part of the Northside Storage Tunnel Project to eliminate sludge related trucking."***

Council draws attention to the fact that the proposed bio solids strategy does not deliver on the **commitment** to **eliminate** sludge related trucking in Manly. Therefore, the Council and the community have been misled. Council therefore has no confidence in Sydney Water's integrity. Council is particularly concerned as to their real plans and intentions on the energy from sludge issue.

\* \* \*

Note 6: Refer Appendix F, Sydney Water Executive Meeting Paper, 19/5/1998, Page 1, Under Background.



**MANLY COUNCIL'S RESPONSE TO INQUIRY TERMS OF REFERENCE**

***1. (d) Evaluate the implementation of recommendations relating to the treatment of biosolids from previous parliamentary inquiries and reports on Sydney Water.***

**Manly Council's Response**

Council does not propose to comment on this Term of Reference in detail, except to advise that it has been Council's experience over 20 to 30 years that Sydney Water has rarely delivered on its promises in a timely fashion and that in general, there seems to be lack of accountability to the State Government and other Government instrumentalities, such as the Environmental Protection Authority and the Department of Urban Affairs and Planning. Most recently, Council has received a letter from both the Deputy Premier, the Hon. Andrew Refshauge, and also from the Minister for the Environment, the Hon. Bob Debus, who both confirm in writing that:-

***"They have no formal role in developing or approving the (bio solids) strategy."***

**Note 7.**

This of course raises the serious question of who the Sydney Water Corporation is accountable to, particularly when one has regard to the Terms of Reference for the **Inquiry 1(e)**:-

***"(is) the biosolids strategy consistent with the consent conditions imposed on the Northside Storage Tunnel by the Department of Urban Affairs and Planning."***

Manly Council has always assumed that Environmental Protection Authority, Health and Urban Planning Portfolios should have a big say in what Sydney Water is allowed to do or not do.

\* \* \*

**Note 7: Refer Appendix G and H, Letters from Relevant Ministers..**

**MANLY COUNCIL'S RESPONSE TO INQUIRY TERMS OF REFERENCE**

***1. (e) Evaluate whether the biosolids strategy is consistent with the consent conditions imposed on the Northside Storage Tunnel by the Department of Urban Affairs and Planning.***

**Manly Council's Response**

Manly Council has in its possession copies of material obtained under the Freedom of Information Act, which extracts from recent exchanges from the files of Sydney Water, as follows:-

Note 8.

- “1. Extract from Director General's Report (DUAP) dated 9th July, 1999, forwarded to Minister for Sydney Water.***
  
- 2. Extract from fax 9th August, 1999 to Ron Quill (Transwater) from Executive Director of DUAP.***
  
- 3. Extract from letter 9th August, 1999 from Ron Quill (Transwater) to the Executive Director of DUAP.***
  
- 4. Extract from fax 10th August, 1999 to Ron Quill (Transwater) from the Executive Director of DUAP.”***

Close examination of this exchange of correspondence indicates that a particularly important Condition of the Consent for the Northside Storage Tunnel was embodied in Condition Number 25.

**Note 8: Refer Appendix I, Exchange of Communications Between DUAP and Transwater on Condition 25 of the Storage Tunnel Approval Relating to the Bio Solids Strategy.**

It is important to note that the Director General of DUAP on 9th July, 1999, indicated to the Minister for Sydney Water:-

***“Sydney Water Corporation should install the bio solids pipeline within the tunnel, prior to the commissioning of the tunnel, unless otherwise agreed by the Director General, in accordance with an agreed bio solids strategy.”***

You will see that by way of a series of exchanges between DUAP and persons associated with Sydney Water, including Mr. Ron Quill the General Manager of Transwater, by 10th August, 1999, the condition has been materially changed through a process of several drafting changes to delete all references to:-

- “1. The cessation of bio solids transport by road from the North Head Sewerage Treatment Plant.*
  
- 2. The need or otherwise for a bio solids pipeline within the tunnel and the timing of installation of any such pipeline.”*

All references to any performance outcomes, such as the cessation of road haulage of bio solids or the requirement for the installation of the pipeline, have been **deleted**.

This clearly indicates that Sydney Water is virtually telling other arms of Government what it wants. Certainly there is no apparent accountability of Sydney Water to DUAP, and this raises the question of whether there is similar influence over other agencies, Governments and Departments such as the EPA and Health.

### **Conclusion**

Sydney Water (Transwater) effectively wrote its own Condition 25, which is an extremely watered down version of the original Draft.

The relevant Minister then advises:-

*“DUAP has no formal role in developing or approving the (bio solids) strategy.”*

This raises the question of accountability.

\* \* \*

**MANLY COUNCIL'S RESPONSE TO INQUIRY TERMS OF REFERENCE**

***1. (f) Consider Sydney Water's options for a biosolids strategy for North Head.***

**Manly Council's Response**

As set out earlier, Council is generally in accord with the general principles of the State Government's Waterways Package 1997, particularly as it relates to decentralisation processing and recycling and reuse closer to at source generation. Council also believes in the social equity of sharing of impacts and Council is extremely concerned that the strategies being developed by Sydney Water are focussed on further expansion and entrenchment of processing at North Head and that the consequences of this are that there will be continued trucking of bio solids through the streets of Manly forever.

This is an **alarming** scenario for:-

1. The community of Manly.
2. The eight million people annually, who will have their eyes, ears and noses assaulted by the huge 26 wheeler trucks, when they visit Manly as tourists.
3. Our pride and reputation as a clean, green "clever" country.

Whilst Sydney Water has attempted to understate the impact of truck movements in Manly by stating that truck movements are only 1% or so of the truck movements in Darley Road, it fails to acknowledge that the impact of these trucks can not be likened to the other 99% which they attempt to compare them with. These trucks are large volume, fully enclosed B double, 26 wheel articulated trucks and because of their nature and size, have to use a very fixed and defined route through particular streets of Manly - many of which are primarily residential in character. It would be very rare for other trucks using the route to have more than six to eight wheels.

## **Conclusion**

Manly Council favours proper decentralisation of the system, with capture treatment and recycling and reuse carried out in areas closer to source generation and closer to possible and probable reuse markets.

Council has concerns that the present aged infrastructure of the Northern Sydney Sewerage System is inadequate and this is obvious in wet weather flows. Even with the new Northside Storage Tunnel, it is inevitable that there will be overflows into the harbour, possibly up to several times per year.

Currently, we have notices on our harbour beaches, such as Clontarf, Fairlight and Manly Cove, warning people not to swim for three days after heavy rain and much of this problem emanates from the unsatisfactory sewerage system. To put further loads on it as Sydney expands, is clearly not sustainable.

Some form of interception and diversion needs to be planned for now.

Council is opposed to any expansion and/or entrenchment of sewage processing at the North Head Sewerage Treatment Plant and the Northside Storage Tunnel was presented to Manly Council on the basis that it had a return sludge pipe and that the tunnel would be used as a utilities corridor.

Council still feels that the return sludge pipe to Camelia or other points west or the alternative, as per the Options Paper, to send a pipeline connecting the ocean treatment plants and linking to the bio solids treatment facility at Bunerong is far preferable to additional facilities at North Head. In Sydney Water's own words:-

*"This option would allow Sydney Water Corporation to meet the promise of eliminating bio solids trucking in the Manly area, as well as reducing impacts on community amenity associated with Sydney's largest treatment plant."*

Note 9.

Note 9: Refer Appendix J, Bio Solids Siting Recommendation, Page 9.

and:-

*“It moves all bio solids trucking from three major plants to an industrial area, where the increase would be inconsequential compared to existing loads.”*

\* \* \*

## **CLOSING STATEMENT**

Manly Council was established in 1877. The name Manly was given to this locality by Captain Arthur Phillip in 1788 and Manly Council takes its stewardship of the area very seriously.

The public and private domain over which Manly Council has some land use management control are maintained and regulated in the interests of inter-generational equity and sustainability.

Manly Council has an enviable reputation for its environmental management initiatives and recently won six significant awards for its environmental management procedures.

Council works co-operatively with many other organisations, such as the Roads and Traffic Authority, Department of Land and Water Conservation, Golf Clubs, Environmental Protection Authority, State Fisheries, etc., and together we pursue a sustainable future with an environmental focus.

The people of Manly and our many visitors were treated contemptuously by the predecessor to Sydney Water in that the sewerage treatment facility at North Head was grossly inadequate and presented numerous health risks, not only to the Norfolk Island Pines, but also to those who swam in the Harbour and at the Ocean Beach.

This is further demonstrated by the closure of the incinerator at North Head after concerns were raised by Manly Council. The bottom line for Council is that Sydney Water still seems to be able to run its own race and dictate terms to other Government agencies and departments, whereas Council expects that the Environmental Protection Authority, the Department of Health and the Department of Urban Affairs and Planning should all set the appropriate standards for the Sydney Water Corporation to follow.



If these Government departments and agencies are not willing or able to play this role, it is considered that the Parliament must directly take charge of the situation. This is why Manly Council makes the submission to your Inquiry.

In summary, Council asks that the Inquiry insist:-

1. That trucking of bio solids through the streets of Manly is stopped as soon as practicable.
2. That there be no expansion or entrenchment of sewage treatment at North Head.
3. That any bio solids strategy needs to deliver these two objectives within an acceptable timeframe, for example, three to five years.
4. That Sydney Water be required to deliver on the underlying strategy of the 1997 Waterways Package which is:-

***“Upgrading of all treatment facilities to focus on decentralisation, improved effluent quality and maximising reuse options.”***

\* \* \*