

August 18, 2014

Review of the Operating Licence for Sydney Water Corporation
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office 1230



Dear Sir/Madam,

Re: Priority Sewerage Program (PSP) under the new Sydney Water Operating Licence

We are writing to request that the above program for the delivery of a wastewater service to Scotland Island be included in the new Sydney Water's Operating Licence.

In the July 2014 submission to IPART Sydney Water has proposed that: *"the new licence should not contain any obligations for the Priority Sewerage Program (PSP). The licence is meant to reflect minimum standards for servicing our broad customer base. It should not be used as a vehicle to deliver specific, localised programs."*

The Priority Sewerage Program (PSP) was initiated by the NSW Government in the 1990s. The program provides improved wastewater services to selected existing but unsewered urban towns and villages in environmentally sensitive areas identified at that time by the Environment Protection Authority.

Scotland Island lies in Pittwater, not far from the mainland suburbs of Church Point and Bayview to the south. The Island is one kilometer in diameter and 0.5 square kilometers in area or 52.5 square hectares, and is 120 meters above sea level at its highest point. The Spotted Gum (*Eucalyptus maculata*) forest, an Ecologically Endangered Community, covers most of the Island. The Island is situated in one of the most pristine marine environments of Pittwater and Broken Bay.

There is no reticulated water or sewerage systems in place on the Island and the existing trench or biocycle systems are inadequate for the topography as shown in an independent report commissioned by the Scotland Island Residents' Association (SIRA) in 1995-1997 (available if required). The environmental damage is ongoing and the endangered Spotted Gum forest is experiencing dieback from the unchecked flow of nutrient rich water from local sewage seepage. This is an environmental and public health disaster for the 900+ residents of Scotland Island and surrounding areas of Pittwater.

The fact that a small area of residential properties in the immediate vicinity of the city of Sydney is without municipal infrastructure for water and sewerage is not acceptable.

Scotland Island has been listed on the PSP scheme since 2005. As recently as January 2014, SIRA met with Sydney Water representatives, Pittwater Council staff and Rob Stokes MP. Sydney Water conveyed that a reticulated waste water system was possible for the Island and, as most of the other PSP's were complete, Scotland Island was at the top of the list as the next project.

Our concerns are that if the new Operating Licence does not hold Sydney Water accountable for delivery of this program there will be no other alternative funding mechanism in place and the Island will not receive a reticulated sewerage system in the near future.

We need to ensure that delivery of this badly needed infrastructure for Scotland Island and the surrounding waterway is factored into Sydney Water's new Operating Licence.

Yours truly

Bill Eye
President
SIRA

Judy Readman
Vice President
SIRA

Cc: Rob Stokes, MP; Mark Ferguson and Christ Hunt, Pittwater Council