



Department of **Biodiversity,
Conservation and Attractions**
Office of the Director General

Your ref:
Our ref: FINAL DRAFT TO BE SIGNED
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Mr Tyson Self
Economic Regulation Authority
PO Box 8469
PERTH BC WA 6849

Dear Mr Self

THE EFFICIENT COSTS AND TARIFFS OF THE WATER CORPORATION, AQWEST AND BUSSELTON WATER – DRAFT REPORT

Thank you for the opportunity to provide comment on *The efficient costs and tariffs of the Water Corporation, Aqwest and Busselton Water* draft report by the Economic Regulation Authority (ERA).

The Department of Biodiversity, Conservation and Attractions is the lead agency responsible for the management and protection of the Swan and Canning rivers under the *Swan and Canning Rivers Management Act 2006*. It works with the Water Corporation, the Department of Water and Environmental Regulation and the WA Local Government Association to improve urban drainage throughout the Swan Canning Catchment.

As recognised in the report, one of the public benefits created by drainage systems is to control flooding. However, the historical and often singular focus on drainage for flood protection is negatively impacting our waterways. Modelling for the Swan Canning Catchment indicates that approximately 70% of the nutrient load to the Swan and Canning rivers comes from the urban drainage system contributing to algal blooms, low oxygen conditions and fish deaths.

The urban drainage system can be redesigned and improved to reduce levels of nutrients, pollutants and sediment entering the Swan and Canning rivers. The need to drain land and manage flooding has become increasingly redundant under a drying climate and there is now greater potential for these systems to be optimised to deliver multiple public benefits, including improved river health.

The Department with the support of the Water Corporation, local governments and the community, has completed several major projects that integrate water quality improvement, habitat restoration and public amenity while maintaining flood protection. Projects include the Wharf Street Wetlands and the Anvil Way Compensation Basin in Cannington and the Eric Singleton Bird Sanctuary Nutrient Stripping Wetland in Bayswater. While these projects have demonstrated innovation, and delivered important water quality outcomes, improving the urban drainage network throughout the catchment remains a critical challenge for the ecological health and community benefit of the rivers.



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The Department supports the ERA's recommendation that consideration be given to adopting a separate drainage levy that applies to all Water Corporation customers in the metropolitan area, with the proceeds from the levy being used to fund all drainage expenditure that creates public benefits, including improving drainage water quality.

If you wish to discuss any aspect of this further, please contact Mark Cugley, A/Director Rivers and Estuaries Division at the Department on 9278 0954 mark.cugley@dbca.wa.gov.au

Yours sincerely

Mark Webb
Director General

20 September 2017