

28<sup>th</sup> March 2011

Mr Michael Deegan  
Infrastructure Coordinator  
Infrastructure Australia  
GPO BOX 594  
CANBERRA ACT 2601

**COPY**



RECEIVED 4 APR 2011

Dear Mr Deegan

**Re: AECOM Report into the Security and Quality of Water Utilities**

Please find attached a joint submission from the Lower Macquarie Water Utilities Alliance (LMWUA) and Centroc to the AECOM report into the security and quality of water utilities in Australia.

Lithgow City Council endorses the LMWUA/Centroc report and commends it to you as a genuine reflection of sentiment in our community.

As a member of the Centroc Water Utilities Alliance, Lithgow City Council has been engaged in cutting edge work in the delivery of secure, quality water supplies for our communities; see for example the national award winning Centroc Water Security Study. Further advice in this regard forms part of the attached report.

As an effective water utility in NSW Lithgow City Council is obliged and welcomes the delivery of well monitored best practice water and sewerage services using an integrated water cycle management model approach. Our pricing is nearing the transfer to best practice and delivers quality supplies to our communities effectively and efficiently keeping costs to our communities to a minimum.

Both keeping costs to our communities to a minimum and control over water supply in the hands at a local level is integral to the resilience of regional NSW, where Centroc members collectively have a bigger GDP than Tasmania.

I commend to you the Centroc Water Utilities Alliance model and frankly am appalled at the suggestion that our members should hand over control of our water services to a State entity. The AECOM Report contains a significant number of factual errors and conclusions that appear to be incongruous and is not supported by evidence. Also the recommendations of the AECOM on governance structures lack sound, evidence based analysis. Frankly this report appears to have been written with a preconceived outcome in mind rather than it allowing to draw a sound and practical direction.

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I would also like on the record on dismay at the process and its lack of consultation.

A review of the research undertaken by AECOM does more to defend the accountable, value for money and transparent service delivery by local government in NSW than to suggest it should be managed in the same way as in Victoria. Put quite simply, bigger is not better and the tyranny of distance in NSW does not lend itself to "mega" water utilities.

I am available at any time to discuss this matter. Please contact my Personal Assistant, Miss Casey Clarke on 02 6354 9999.

Yours Sincerely

*N. Castle*

Clr N Castle

**Mayor**