



# TOTAL ENVIRONMENT

2004 / ISSUE 3

E D I T O R I A L

## Water Plan for Sydney Emerges

**With the Carr Government due to announce a new water plan for Sydney, environment groups and the private sector have been staking claims to the territory.**

In early August, TEC and other environment groups released the results of a two year investigation of Sydney's future water needs.\* With a combination of demand management, rainwater tanks, more frequent restrictions and recycling – Sydney would not have to consider a new dam on a river for more than 90 years.

An 'invisible dam', made up of conservation and recycling actions rather than one massive structure would be created – a much better use of the several billion dollar price tag for a new dam. Importantly, it puts Sydney on a sustainable footing recognizing our drying climate instead of reinforcing water guzzling habits.

It shares the load amongst the community and business – more directed to those who need to save water and creates big business opportunities in the recycling and water conservation industries. By not building a new dam, we diversify our water resources and harness the commitment to conservation and sustainability.

### Key elements are:

- rainwater tanks connected to toilet, laundry and outdoor uses, so that within 50 years half the houses have them – recognizing it rains more in Sydney than in the dams' water catchment;
- water conservation so that half the houses in Sydney are retrofitted within 50 years;
- permanent low level restrictions (eg, ban daytime use of sprinkler systems, hosing paths) for residential, commercial and public uses;
- recycling targets for industry, new development and existing areas (3% of annual consumption per year);
- 90% security of supply (meaning the likelihood of full scale restrictions is 10 years out of every 100 years).

These actions would be supported by two step pricing, a demand management fund and new planning requirements on single and multi-unit housing and commercial development.

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### Competition for Sydney Water

A few weeks later the Australian Competition and Consumer Council released a draft determination that allowed access to the city's wastewater infrastructure by competitors. This breaks the bureaucratic monopoly that has held back recycling efforts for years. Sydney Water is known to be deeply resistant to recycling and has infected government policy for decades. The entry of new recycling enterprises (to mine the sewers, for example) should assist in creating a major new market and employment, as well as help put Sydney on a sustainable water cycle.

\*A copy of the report and summary can be downloaded from - [www.tec.org.au](http://www.tec.org.au)

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# WASTE CRISIS

## Waste Councils Undermine Strategy

**Late last year,  
with great fanfare,  
the NSW Government  
adopted the Waste  
Recovery and  
Minimisation Strategy,  
setting a 66%  
diversion target from  
landfill. This is about  
double the current  
level for municipal  
waste and has to be  
reached by 2014. It  
was thought that new  
contracts for waste  
processing would  
follow for a new era  
of sustainable waste  
management for  
hundreds of thousands  
of tonnes.**

### THINK AGAIN.

TEC became aware that several council groupings were applying to the Australian Consumer and Competition Council (ACCC) to make joint tenders for their waste contracts. This required an ACCC determination that they could undertake 'anti-competitive behaviour'. In making such a decision the ACCC has to determine the public benefits. TEC was in attendance at the ACCC hearing into its draft decision, to advocate the public benefits and criticize the councils' approach.

While the councils promoted the various cost savings, they ignored the Waste Strategy. In fact they had convinced the ACCC in its draft determination that the benefits from alternative waste technology (AWT) would flow regardless of who took up the big contracts and were not that crucial. But this completely ignored the fact that new AWT requires long term contracts to justify investment in new recovery facilities. If landfill was chosen for example, then AWT would be locked out.

And this is exactly what the northern Sydney councils were aiming for. At the ACCC hearing their representative (from Ryde Council) said that they should decide what is best for the environment – not the NSW Waste Strategy. They were intent on ignoring the 66% diversion target and did not seem to understand that 'alternative', meant alternative to landfill. Southern Sydney councils did mention the Strategy, but sought up to 7 years of landfill, because 'residual' waste (a couple of hundred thousand tonnes per year) had no other purpose! Yet Germany is banning organic waste to landfill from next year.

Some councils and the Waste Processing and Recycling Association questioned the right of TEC to make submissions on environmental grounds. ACCC Deputy Chair, Louise Sylvan made it clear that the legislation and court judgements demanded a wide interpretation of the public interest.

*Continued next page*



# Sustainability reporting

## GOVERNMENT MUST ACT

Sustainable waste and resource management in NSW is at a turning point. Two alternatives for the way ahead are highlighted by the coincident emergence of competing technologies (landfill at Woodlawn and alternative waste technology (AWT) at UR3R, Eastern Creek). At stake is the Government's target for diversion of 66% municipal waste and 63% commercial and industrial waste from landfill by 2014 (we are now at 26% and 28% respectively).<sup>1</sup>

These targets require major changes in waste management practices. An additional 2 million tonnes will need to be recovered in the Sydney metropolitan area alone.<sup>2</sup> A strong policy approach that guarantees a central role for AWT is necessary.

To date the NSW Government has lost focus and waste policy is dangerously drifting. TEC is pressing for the remaining barriers to the widespread uptake of AWT to be overcome. The barriers include:

- Absence of a regional planning approach to AWT
- Failure of councils to comply with NSW Government resource recovery targets
- Waste levy escalation too slow
- Potential for alteration of development consent for Woodlawn to increase capacity
- Potential for local council opposition to AWT siting

The Government needs to show leadership by making the following policy announcements:

- An end to approvals for new landfills in NSW
- Short term (3 yr) landfill capacity extensions approved only if linked to new or long-term AWT to meet 2014 target
- Development of regional planning blueprint for AWT across Sydney
- Escalated introduction of waste levy to make landfill more expensive
- Introduction of regulatory framework<sup>3</sup> that facilitates:
  - o Harvesting of industrial areas for AWT
  - o Requiring councils to meet NSW Waste Avoidance and Resource Recovery targets when contracting waste management providers
  - o Defining AWTs as state significant developments
- Standards for a range of compost products to facilitate market development

**Leading corporations are now looking towards sustainability reporting (SR). TEC has been working to ensure such reports are credible and meaningful.**

A sustainability report differs from an environmental report or an environmental, health and safety (EHS) report. It is supposed to present a holistic picture of company activities and provide a balanced view of benefits and trade-offs among social, economic and environmental impacts. It's a huge and confronting task for corporations that are used to a single financial focus.

Our Green Capital program launched the Department of Environment and Heritage (DEH) review, 'The State of Sustainability Reporting in Australia 2004' at major events in Sydney and Melbourne. It shows trends in reporting in Australia compared to the rest of the world, with 116 of the top 500 Australian companies publishing sustainability reports in 2002-2003. That's almost double the previous year, but half the global rate.

Guidelines are available such as the Global Reporting Initiative (GRI), which, while not a "standard", is probably the closest thing. Then there is the process of auditing and verification of a report, which ideally is done independently and also requires a level of standardisation so that organisations can be actually compared to each other.

Does a sustainability report mean anything when an organisation can choose which part of the guidelines are relevant to its business? It is possible for an organisation to produce a report that essentially states no real indication of performance. This practice of "greenwashing" unfortunately happens and can be used as a PR exercise to make an organisation appear as though it considers its social and environmental impacts.

Companies identify enhanced reputation, closely followed by operational and management improvements, and improved risk management, as the primary benefits of reporting.

James Hardie and Energy Resources Australia have both recently received bad press for poor management of social and environmental impacts. This will certainly damage their reputation and affect their ability to operate in this country. Organisations that consider, manage and transparently report on these impacts are increasingly realising the benefits of doing so and this is driving the uptake of meaningful reporting.

At the end of the day, sustainability reporting can be a valuable process, and combined with increasing consumer awareness of environmental and social issues it could provide a real indication of an organisation's ethics not only for the business and investment communities, but for consumers as well.

Green Capital also convened a NGO/business forum to discuss the future of SR. TEC's recommendations included a mandatory framework and measures to improve community acceptance and auditing (see our website for a copy of the communique).

<sup>1</sup> NSW Waste Avoidance and Resource Recovery Strategy 2003, p. 36-38.

<sup>2</sup> NSW Waste Avoidance and Resource Recovery Strategy, 2003, p. 34.

<sup>3</sup> Via legislation or SEPP

## City fossil fuel cable fails

Readers of Total Environment will recall TEC's campaign to stop the CBD power cable intended to pump more fossil fuel energy into Sydney. Amounting to millions of extra tonnes of greenhouse gases, TEC argued in favour of demand management.

Now in a retrospective view, the Australian Consumer and Competition Council has found the analysis of DM was flawed: the cable did not need to be built this decade and was overly expensive. The ACCC have proposed to fine Transgrid, \$44m:

*"...by bringing forward investment in the DM program specified in the Regulatory Test assessment of the chosen option, Transgrid would have been able to defer investment in the MetroGrid project to ensure the continued compliance of the network with the existing n-1 standard until 2006 and potentially much later than this."*

Demand management was competitive under the initial analysis, but when costs increased, it became even more attractive. With Transgrid pushing for further cable work in the next ten years, the question is – will the utility's owner, the NSW Government, make the same mistake again?

## Historic Coalition Calls for Urgent Electricity Reforms

Jane Castle, Resource Conservation Campaigner

**Australians are the world's worst greenhouse polluters per capita, and electricity makes up the largest proportion of emissions - 33%. But the main cause of the problem, a distorted National Electricity Market, remains oblivious to its own devastating effects. The fossil fuel dominated electricity industry earns around \$110 million per week and has no incentive to encourage less waste and allow the entry of new, clean energy technologies.**

To tackle the National Electricity Market problems, TEC has led a broad and historic coalition of environment, consumer and community groups to call for urgent reforms. Eighteen groups from six states have endorsed a landmark Amendment Package to the National Electricity Law. The Package targets demand management, ecologically sustainable development, protections for low-income consumers and improved consultative processes.

These goals are not new. The Council of Australian Governments (COAG) has repeatedly called for the market to deliver greenhouse reductions and efficiency for many years. The call has gone unheeded. Instead, market reforms are driven by energy bureaucrats with narrow and out-dated micro-economic reform agendas. TEC aims to break this stranglehold, end the black-boxing of critical energy policy decisions and make the National Electricity Market environmentally sustainable.

TEC is now lobbying for the adoption of the Amendment Package by Energy Ministers, Premiers and the energy bureaucrats. The package builds on TEC's campaign earlier this year for amendments to energy market laws in the Federal and South Australian

Parliaments. While our amendments, adopted by the Greens and the Democrats, were not accepted, TEC was commended in the Federal House of Representatives for its work on greenhouse and demand management.

A critical strategy in TEC's ground-breaking campaign is to build alliances with other sectors affected by the inefficient, inequitable and polluting electricity market. Low-income consumers, for example, suffer from below standard, poorly insulated housing and inefficient appliances, as well as disconnections when they can't pay their bills. And all electricity consumers suffer when their bills pay for more polluting, coal-fired power stations that will worsen the drought, decrease water supplies, increase insurance premiums, reduce biodiversity and cause the loss of up to 10% of coastal wetlands from sea level rise. With consumer and community groups on side, this will become a powerful voice in the climate change debate.

**For a copy of the NEL Amendment Package see our website – [www.tec.org.au](http://www.tec.org.au)**

### STOP PRESS - Redbank bites the dust!

The proponents of the controversial Redbank 2 power station have withdrawn their appeal against the Government's refusal. Planning Minister Craig Knowles had rejected Redbank on greenhouse pollution grounds.



# SAVING THE COAST

Fran Kelly, Natural Areas Campaigner

**The coastal strip of NSW is under intense development pressure and this is occurring in the context of inadequate planning instruments and poor conservation of natural resources. It is essential that effective environmental planning parameters are established if further degradation of wetlands, remnant vegetation, water quality and foreshore assets is to be avoided; urban sprawl prevented; and infrastructure pressures do not become unmanageable.**

To date, a range of stop gap measures have been put in place – SEPP 71, Ministerial ‘call-ins’, and purchase of land for conservation. More recently the Coastal Conservation Assessment has been undertaken and fees obtained from the ‘planfirst’ levy are now being applied by councils and DIPNR to upgrade LEPs. In addition, ‘biodiversity certification’ of LEPs has been announced as a reform of threatened species laws.

It is now recognised that there is a deep crisis in coastal planning and the NSW Government intends to develop regional strategies and take action to reset the parameters for local council decision making. This is also the opportunity for the community to make a significant contribution.

As a result the community will need to make choices about the future pattern of development in their regions based on the best available information and application of environmental sustainability principles.

They need to espouse a vision that comes to grips with the pressures and opportunities in the regions.

TEC will be undertaking a project over the next 12 months to build on our previous work and assist regions and environment groups to:

- link into government processes;
- review the best available information;
- set priorities for environmental sustainability;
- make choices as new settlement and regional strategies and local plans are developed.

It is hoped that environment groups in a region will be able to come to a consolidated view. It is understood the Government will focus on the north coast first, although the project will also assist south coast groups as well.

## IS GROWTH AND DAMAGE INEVITABLE?

**You don’t have to look around too hard to see the rapid changes occurring on the coast. Villages are turning into towns, towns into mini-cities and natural landscapes are being transformed into urban and rural-residential subdivisions. The NSW coast is under huge pressure from a growing demand for coastal properties, from spiralling land prices and from speculators and developers who are marketing the coast to drive the demand and cashing in on the “good times” while they last.**

According to the NSW 2003 State of Environment Report population growth on the regional coast of NSW has been lower in the five years to 2002 compared to the previous five years but this doesn’t seem to be impacting on the very visible growth in housing development. This is probably due to a large percentage of properties being bought as investments and holiday homes which may well remain empty until baby boomers reach retirement over the next 10-20 years. Such a trend fits predictions by the Department of Infrastructure Planning and Natural Resources that up to a third of the populations in many regional coastal areas will be over 65 by the year 2030.

As land and house prices spiral, fewer people seeking rented accommodation or first homes will be able to afford to live on the coast unless there is secure and regular work available for them. Apart from tourism and services one of the main employers on the regional coast is the building trade and associated industries, so a large number of existing residents and newcomers are reliant on housing growth to keep them employed in order to pay their mortgages or rent. Just as the desire by so many to live and invest in the coast, due to its attractiveness, is contributing to its degradation, the desire by many to see development continue to grow so they can stay employed has created a spiral that will be hard to escape.

If we accept that some development is inevitable, and it is not ultimately possible to prevent people from moving from the cities, does

this mean we have to accept that the coastline will be transformed into one long string of urban housing estates?

The answer to that is no we don’t, but it will require a firm commitment to planning that puts the environment and landscape first and designs with nature. It might mean saying ok to sympathetically located and designed apartment blocks in return for stemming urban sprawl. Or it might mean opting for new settlements in locations further back from the coast in areas where land is already cleared. It would also mean requiring all new development to be environmentally sustainable in terms of water and power use. And it would mean ensuring adequate infrastructure, water supplies and means to deal with waste and sewage, for example are in place before new developments are approved.

It would mean planning that goes from a regional to a local level with specific updated controls, not on a development by development basis that allows developers to drive it. It would mean ensuring that wetlands, lakes, rivers and creeks, wildlife corridors and certain vegetation communities, for example, are absolute no go areas. Planning would have to be more certain and detailed, less flexible and state clearly what is allowed and what isn’t and shouldn’t be able to be changed at a developer’s whim.

In the end it comes down to having the will to change the way things are.

# WATER TO COST MORE - It's About Time

**Major reforms to water pricing in Sydney appear imminent with a recent report by the Independent Pricing and Regulatory Tribunal (IPART) on price structures to reduce demand for water in the Sydney Basin.**

The most significant recommendation is for the introduction of a two-tiered price structure for residential customers. Customers who use more than 400 kilolitres each year would be charged a significantly higher rate for any water used above that level. Average household consumption in Sydney is currently around 290 kilolitres a year.

A two-tier or step price system is an important first step to promote water conservation. Charging highest volume users more for their water will provide a clear signal that Sydney's water is too precious to waste and will encourage more sustainable water use practices.

The 400 kilolitre step point has been chosen to target discretionary water use such as swimming pools and watering gardens and will be a useful start to introduce customers to a two-tiered system. Achieving long term sustainability will ultimately demand, however, that this figure be reduced over time. This should be coupled with assistance to vulnerable customers to reduce their water use.

In an important move IPART has also recommended that there should be a significant reduction in the fixed charges in water bills. The high

level of fixed charges in current water bills provides little incentive for customers to conserve water as even a major reduction in consumption will produce only a modest reduction in their bills. Reducing fixed charges will give customers more control over the size of their bills and reward people who make the effort to use less water.

A serious flaw in the recommendations, however, is the failure to recommend a two-tier wholesale price structure so that Sydney Water would be penalised for failing to meet its water conservation targets.

Present pricing arrangements provide little incentive for Sydney Water to invest in water conservation. In effect, the more water they sell the greater their profit. TEC and other environment groups have argued that a wholesale step price is needed to penalise Sydney Water for any water they purchase from the Sydney Catchment Authority in excess of their demand management targets. TEC will continue pressing for wholesale step pricing.

## Rivers policy fails the test

**The National Competition Council (NCC) oversees the implementation of key federal/state agreements including water reform. It can make recommendations on whether a state can be subject to withdrawal of federal funds if it fails to meet an agreement.**

Its latest report – 'NSW: allocation of water to the environment', is a damning indictment of the Carr Government's policy:

"The Council considers that New South Wales has not met its Council of Australian Government (CoAG) obligation to provide appropriate allocations of water to the environment in stressed and/or overallocated rivers. Acknowledging CoAG's 1994 statement that action needed to be taken to address widespread natural resource degradation occasioned in part by water use and its considerable concern (expressed in August 2003) over the pace of securing adequate environmental flows and adaptive management arrangements to ensure ecosystem health in

Australia's river systems, the Council attaches a great deal of importance to this matter. As a result, it considered recommending a significant reduction in New South Wales's 2003-04 competition payments in this deferred 2003 assessment, which would continue in subsequent years until New South Wales implements arrangements that will deliver appropriate environmental allocations."

The NCC states it has now moved a step further in recommending a substantial suspension or reduction in competition payments to NSW, to apply from 2004-05, unless NSW lifts its game.

Given that recent water laws passed by the NSW Parliament have made it even harder to restore our rivers to health, environment groups will be making a substantial submission to the NCC to call the Government to account.

Leigh Martin, Urban Campaigner

## Tank Paddock

**The campaign to save the Tank Paddock, an important area of freshwater wetland habitat of the Minmi and Hexham wetlands in the lower Hunter, has taken a major step forward with a decision by Newcastle City Council to rezone the land for Environmental Protection.**

Situated just north of the township of Minmi, the Tank Paddock is approximately 140 hectares in size and forms part of the catchment of the Hexham wetlands. It provides habitat for rare species and vegetation communities which are not well represented in the current reserve system. It also provides an important link between the Watagan forests and the wetlands of the Lower Hunter. The site was under threat of residential development with an application for rezoning to allow large lot subdivision. Pro-development forces within Newcastle Council appeared hell bent on approving development despite numerous reports recommending that the site be protected.

A coalition of local and peak environment groups (including TEC) was formed to oppose development of the Tank Paddock and urged Council to place the land in an environmental protection zone.

The campaign lasted several years with extensive lobbying of Councillors and the NSW Government.

Importantly several pro-development Councillors were not re-elected at the March local government elections and on 8<sup>th</sup> of June this year Council voted unanimously to give the site an environmental protection zoning.

While this represents a major victory, vigilance will be required to prevent any future attempts by developers to rezone the land for residential development. Ultimate protection will depend on acquisition of the land for a publicly owned reserve.

Protection of the Tank Paddock is a key part of a wider campaign to protect a lower Hunter 'green corridor'. This campaign continues.

# HELP THE ENVIRONMENT TODAY FOR OUR FUTURE

## VOLUNTEERS NEEDED

TEC and the environmental battle can be greatly assisted with your volunteer time and skills.

If you can help, please return this coupon to:  
Volunteers Coordinator, Total Environment Centre,  
Level 2, 362 Kent Street, Sydney 2000.

I would like to volunteer to help TEC with:

- Reception / phones
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My previous work has been .....

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Return this form and payment to:

The Administrator

Total Environment Centre Inc

Level 2, 362 Kent Street,

Sydney 2000 Australia

## Consider a Bequest

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"I bequeath the sum of \$..... to TOTAL ENVIRONMENT CENTRE Inc. for its general purposes and declare that the receipt of the Treasurer for the time being of Total Environment Centre Inc. shall be complete discharge to my executors in respect of any sum paid to Total Environment Centre Inc. "

news letter

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