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Report to Utility Services Committee
from Murray Kennedy, Strategy and Asset Manager

Response to the Commissioner for the Environment's Paper *Ageing Pipes and Murky Waters*

1. **Purpose**

To approve a submission to the Parliamentary Commissioner for the Environment about the Commissioner's paper *Ageing Pipes and Murky Waters (Attachment 1)*.

2. **Introduction**

Over the last 15 years or so most major utilities in New Zealand have been subjected to reforms. An exception is water, which in this context includes potable water, wastewater and stormwater. This does not imply the sector has not been reviewed. On the contrary, there have been several attempts at reform. The Department of Internal Affairs started a review process several years ago. This was subsequently taken over by the Ministry of Commerce (now the Ministry for Economic Development). Last year the Government of the day decided Local Government New Zealand (LGNZ) should undertake a review process. Also, over the last few years, there have been several reform conferences initiated by the New Zealand Water and Wastes Association.

Quite recently the present Government has decided that the LGNZ review should not proceed. Rather, reforms are to be undertaken in an incremental way.

In July this year the Parliamentary Commissioner for the Environment published a 60 page discussion paper *Ageing Pipes and Murky Waters*. Local authorities and other interested groups have been asked to respond by the end of September. A response has been prepared taking into account previous reform work.

3. **Analysis**

The Commissioner's paper has been prepared in accordance with the Environment Act 1986. Its purpose, as stated in the paper, is *To identify the key sustainability issues and significant risks affecting the sustainable management of urban water systems. It is intended that the investigation will inform, stimulate debate, encourage the consideration of alternative approaches, and contribute to the resolution of urban water system issues.* The paper though has been written on the basis the LGNZ review was proceeding. With recent events, where the Commissioner's work will sit in the context of localised water reforms is uncertain.

4. **Submission**

A draft submission is attached. It has been prepared from a wholesale water supplier point of view. Supplementary comment on the paper's proposed ecosystem approach to water management have been provided by the Environment Division.

5. **Recommendation**

That the Committee approve the attached draft submission.

Report prepared by

Approved for submission

M D KENNEDY
Strategy and Asset Manager

DAVID BENHAM
Divisional Manager, Utility Services

JANE BRADBURY
Divisional Manager, Environment

Attachment 1: Draft Submission to the Parliamentary Commissioner for the Environment
on “Ageing Pipes and Murky Waters.”