



# Water Services Strategy - 3

## Waters



# Outline

- What is Water Services Strategy (5 mins)
- 25-34 9 Year Plan Recap (40 mins)
  - What services we provide
  - Key challenges summary
  - How the challenges impact what we do
  - What we plan to do

# Water Services Strategy (WSS)

What is it?

- Key public planning and accountability document for Water Service Providers
- Replaces the LTP for water content – and a statement of policy intentions
- Must set out activities to achieve objectives –with different level of detail depending on timing
- Purpose set out in s232 of LGWSA
- Needs to state publicly:
  - Water services activities and outcomes expected to be achieved
  - Strategic, operational, financial and other matters - including significant forecasting assumptions / risks
  - Significant issues
- Statutory baseline – all WSPs must adopt a WSS by no later than 30 June 2027



Local Government (Water Services) Act 2025

# Water Services Strategy (WSS)

If a council is the water service provider (e.g. in-house business unit):

- They may prepare WSS in parallel with LTP, but cannot contain duplication (LTP cannot include groups of activities information)
- Will be setting rates in usual way
- Able to include water services information in:
  - Financial Strategy (FIS information included in WSS)
  - Infrastructure Strategy (Council document) – where desirable to support an integrated approach to infrastructure planning (but cannot include detailed information that is in the WSS)
- Consultation can be combined with LTP consultation, but must form discrete part of consultation material. A summary of major matters must be consulted on.



# Water Services Strategy (WSS)

Water Services Providers must:

- Carry out water services activities in a way that achieves objectives in section 17 of the Local Government Water Services Act 2025 ([Local Government \(Water Services\) Act 2025 | New Zealand Legislation](#)) (LGWSA):
  - Reliable, resilient and quality water services
  - Regulatory compliance—Cost-effective and financially sustainable
  - Open, transparent and accountable
  - Support housing growth and, if applicable, urban development
- To act in accordance with financial principles in section 18 of the LGWSA
- To document, in the WSS, the activities it intends to carry out to achieve relevant objectives and outcomes



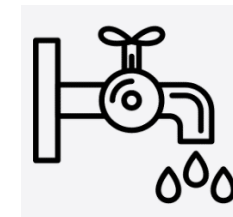
Local Government (Water Services) Act 2025



# What we do

## Water supply

- We collect, supply, treat and distribute water to customers in Dunedin, to maintain the health of the community and to support the local economy.



\$1.83 billion of assets

## Wastewater

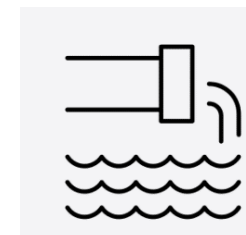
- We collect, treat, and dispose of wastewater from residential and commercial customers across Dunedin, to protect the health of the community and the environment.



\$2.04 billion of assets

## Stormwater

- We collect rainwater from the roofs of houses and buildings, footpaths and roads and divert it to the ground, into waterways or the ocean, to prevent flooding of properties and businesses.



\$1.17 billion of assets





# Key 3W Infrastructure Themes and Challenges

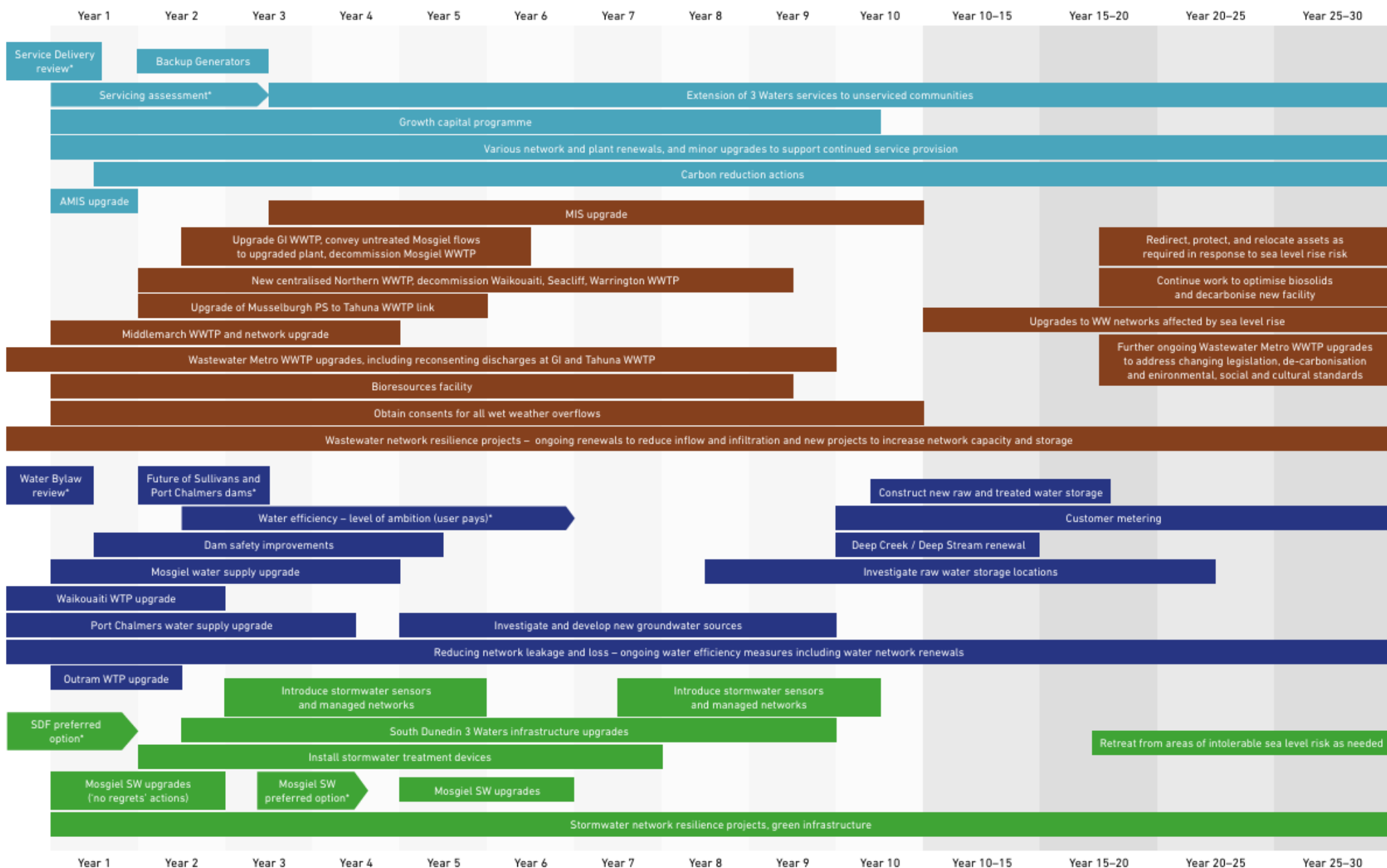
- Aging infrastructure
- Regulatory, service delivery
- Public health / environmental
- Growth / changing demands
- Resilience
- Zero carbon
- Asset management
- Infrastructure delivery programmes
- Performance and compliance monitoring





# What we plan to do – the 2025-34 Infrastructure Strategy and 9 Year Plan

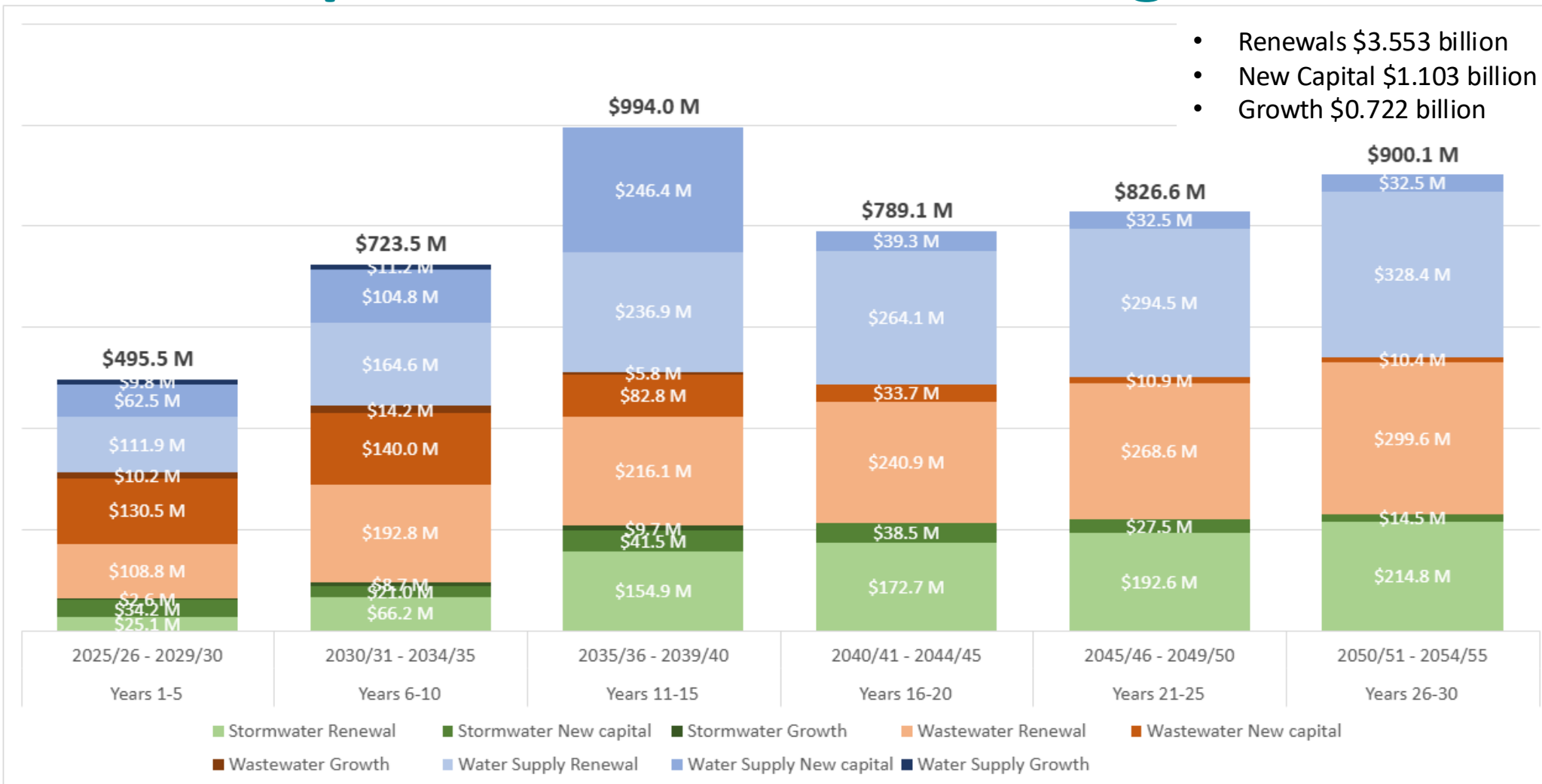






# What we plan to do – 30 Year Budget Summary

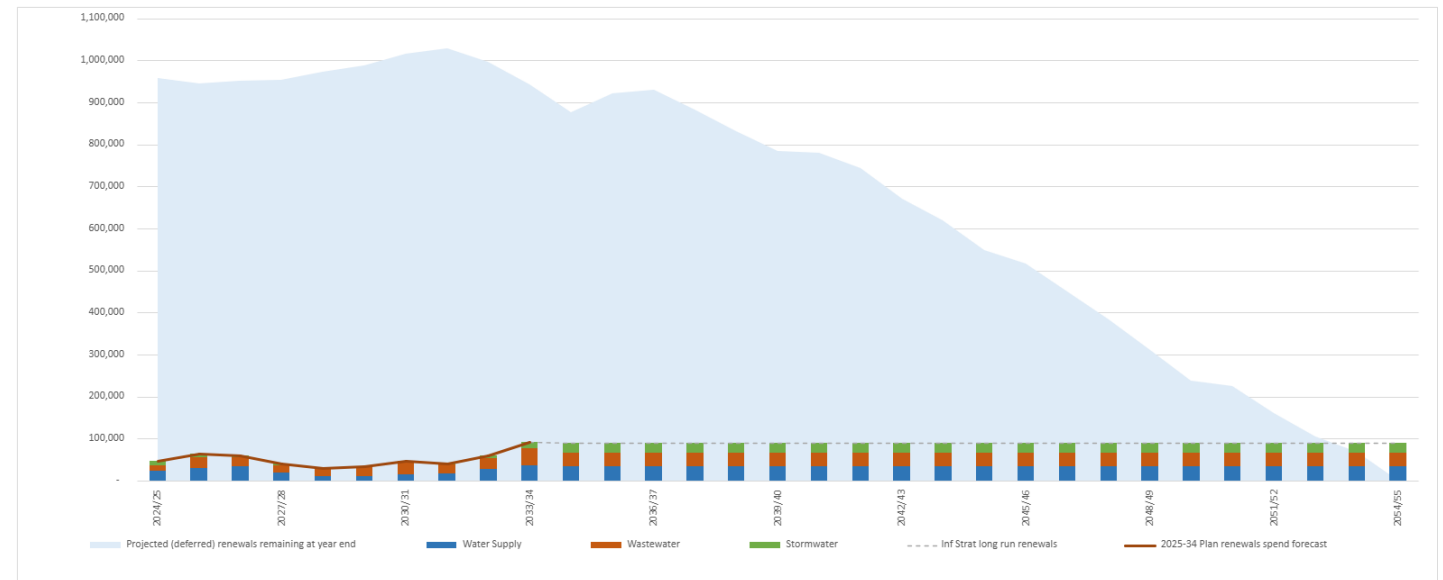
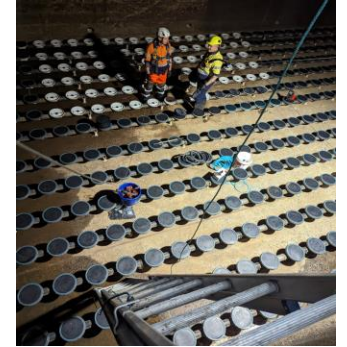
- Renewals \$3.553 billion
- New Capital \$1.103 billion
- Growth \$0.722 billion





# What we plan to do – Aging infrastructure

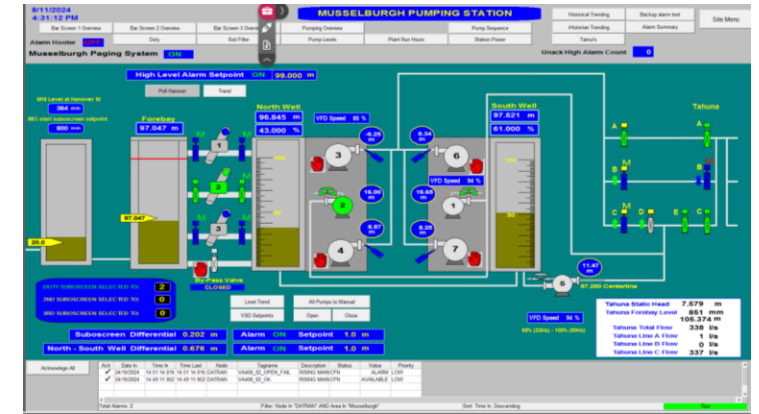
- Extending renewals over next 30 years
- Prioritise rehabilitation over full replacement where possible
- Extending the useful life of our assets
- Benefits
  - Increased resilience
  - Improved regulatory compliance
  - Improve public and environmental health, safety
  - Reduce water supply leakage
  - Reduce wastewater overflows





# What we plan to do – SCADA / AMIS

- Replace or upgrade SCADA (Supervisory Control and Data Acquisition) and AMIS (Asset Management Information Systems) with fit for purpose infrastructure.
- Allowance:
  - Yr 1-9: \$3.1M (mostly renewals)
  - Yr 10-30: NIL
- Benefits
  - Replace aging assets
  - Reduce cyber security and business risks
  - Improve data management including for compliance and asset management
  - Improve operational efficiency



## Challenges Addressed

Aging infrastructure	✓
Growth / changing demands	
Resilience	✓
Zero carbon	
Regulatory, Services Delivery	✓
Public Health / Environmental	✓





# What we plan to do – Growth

- New infrastructure and upgrades to 3 Waters networks (including pump stations and pipes) to service plan-enabled growth
- Extending services as per FDS
- Allowance:
  - Yr 1-9:
    - Plan-enabled growth - \$114.1M (mix new and renewals)
    - Service extensions - \$23.1M
  - Yr 10-30:
    - Plan-enabled growth - \$66.9M (mix new and renewals)
    - Service extensions - \$23.2M





# What we plan to do – Regulatory

- New wastewater treatment plant(s) to service Warrington and Waikouaiti with potential future capacity for Waitati and Seacliff
- Upgrade Middlemarch wastewater treatment plant and network
- Allowance:
  - Yr 1-9: \$76.9M (mostly new capital)
  - Yr 10-30: \$34.7M
- Benefits
  - Maintain level of service
  - Replace ageing assets which require renewal
  - Resilience for future sea level rise
  - Meeting Te Tiriti obligations



Challenges Addressed	
Aging infrastructure	✓
Growth / changing demands	✓
Resilience	✓
Zero carbon	
Regulatory, Services Delivery	✓
Public Health / Environmental	✓





# What we plan to do – Bioresources

- Identify and deliver a secure bioresources solution
- Allowance:
  - Yr 1-9: \$17.4M (new capital)
  - Yr 10-30: \$44.6M (new capital)
- Benefits
  - Beneficial use of resources
  - Reduced operational costs
  - Resilience of sludge disposal route (as a bioresource)
  - Contributes to DCC Zero Carbon targets



## Challenges Addressed

Aging infrastructure	✓
Growth / changing demands	
Resilience	✓
Zero carbon	✓
Regulatory, Services Delivery	✓
Public Health / Environmental	✓





# What we plan to do – Wet weather network performance wastewater

- Reducing inflow & infiltration from laterals, removing cross-connections, sealing manholes in low-lying areas, pipe upgrades, network storage, raising and relocating assets in flood-prone areas
- Increased monitoring / smart networks to identify issues and respond to events
- Allowance:
  - Yr 1-9: \$78.3M (mostly new capital)
  - Yr 10-30: \$56.5M (new capital)
- Benefits
  - Reduce risk of wastewater overflows
  - Reduce potential for public health hazard
  - Improved freshwater and coastal water quality
  - Reduce operational impacts and costs



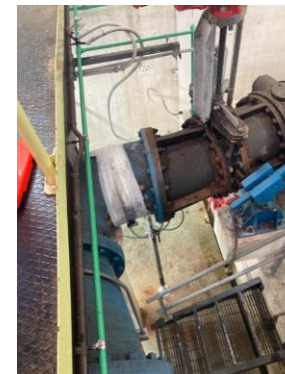
Challenges Addressed	
Aging infrastructure	✓
Growth / changing demands	✓
Resilience	✓
Zero carbon	
Regulatory, Services Delivery	✓
Public Health / Environmental	✓





# What we plan to do – Musselburgh to Tahuna

- Relining of existing rising mains (short-term)
- New tunnel and pump station to convey wastewater to Tahuna
- Allowance:
  - Yr 1-9: \$56.9M (mix new and renewals)
  - Yr 10-30: \$NIL
- Benefits
  - Replace vulnerable assets (some over 100 years old)
  - Reduce HSW risks associated with current pump station
  - Reduce risk of failure of MPS/transfer
  - Reduce potential for environmental/public health hazard
  - Significant improvement to network wastewater performance in wet weather (including Surrey St)



## Challenges Addressed

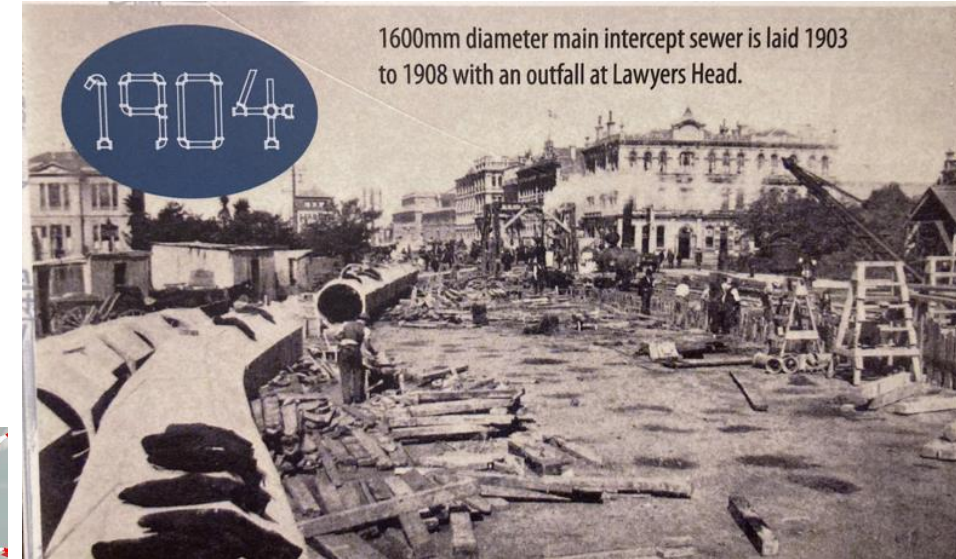
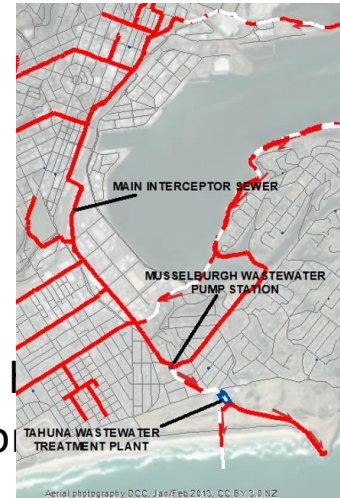
Aging infrastructure	✓
Growth / changing demands	✓
Resilience	✓
Zero carbon	
Regulatory, Services Delivery	✓
Public Health / Environmental	✓





# What we plan to do – MIS

- Asset renewal or rehabilitation of approx. 4km gravity main up to 1.65m diameter
- Allowance:
  - Yr 1-9: \$20.4M (mostly renewals)
  - Yr 10-30: \$6.0M (mostly renewals)
- Benefits:
  - Rehabilitate or renew critical assets
  - Reduce potential for environmental/public health impacts
  - Improvement to network wastewater performance
  - Resilience to extreme weather
  - Resolve constraints on growth in CBD (FDS)



## Challenges Addressed

Aging infrastructure	✓
Growth / changing demands	✓
Resilience	✓
Zero carbon	
Regulatory, Services Delivery	✓
Public Health / Environmental	✓





# What we plan to do – Decommission Mosgiel WWTP

- Decommission Mosgiel WWTP and convey wastewater to Green Island WWTP for full treatment
- Upgrade Green Island WWTP to treat Mosgiel WW and potentially other flows
- Allowance:
  - Yr 1-9: \$42.7M (mix new and renewals)
  - Yr 10-30: \$NIL
- Benefits
  - Replace ageing assets which require renewal
  - Reduce risk of wastewater overflows
  - Reduce operational costs (less WWTP)



## Challenges Addressed

Aging infrastructure	✓
Growth / changing demands	✓
Resilience	
Zero carbon	
Regulatory, Services Delivery	✓
Public Health / Environmental	✓





# What we plan to do – Mosgiel, Port Chalmers and Rotary Park water supply

- Alternative water supply route to Mosgiel
- Upgrading water supply to Port Chalmers and decommissioning the water treatment plant
- Upgrading water supply to at Rotary Park
- Allowance:
  - Yr 1-9: \$43.5M (mostly renewals)
  - Yr 10-30: NIL
- Benefits
  - Replace aging assets
  - Allow for growth
  - Improve operational efficiency
  - Reduce operational costs and carbon



## Challenges Addressed

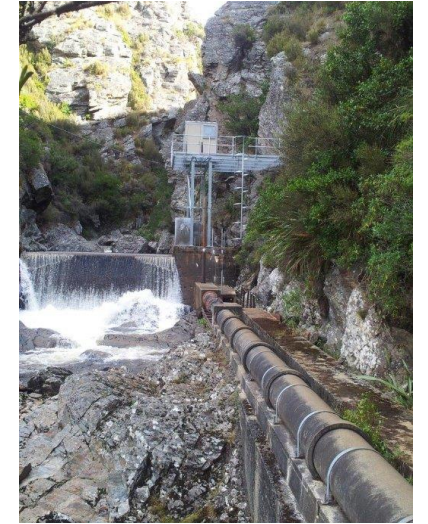
Aging infrastructure	✓
Growth / changing demands	✓
Resilience	✓
Zero carbon	✓
Regulatory, Services Delivery	
Public Health / Environmental	





# What we plan to do – Resilience

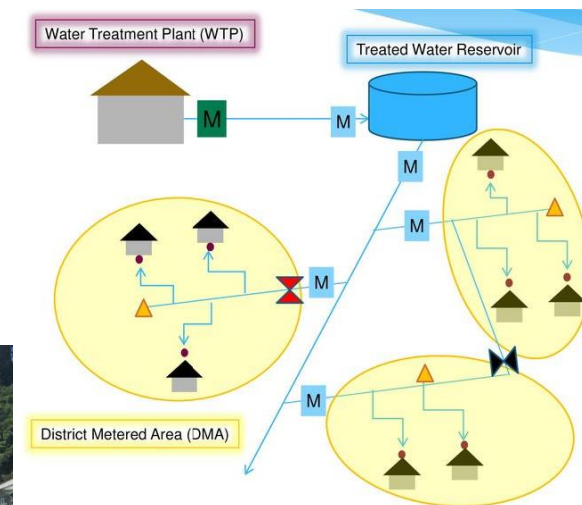
- New alternative water sources
  - Additional water storage
  - New mobile power generators
  - Maintain and improve the safety of our dams
- Allowance:
    - Yr 1-9: \$38.9M (mostly new capital)
    - Yr 10-30: \$259.5M (new capital)
  - Benefits
    - Resilience for water supply constraints
    - Resilience against natural hazards
    - Maintain level of service
    - Replace ageing assets which require renewal





# What we plan to do – Water efficiency

- District Metered Area (DMA) creation to improve ability to target leakage
- Improved pressure management to reduce pipes breaks and water loss
- Methods to identify leaks on customers pipes
- Allowance:
  - Yr 1-9: \$58.3M (mostly new capital)
  - Yr 10-30: \$84M (new capital)
- Benefits
  - Replace aging assets
  - Improve operational efficiency
  - Reduce operational costs and carbon
  - Allow for growth while reducing capacity upgrades
  - Improved health of source waters



## Challenges Addressed

Aging infrastructure	✓
Growth / changing demands	✓
Resilience	✓
Zero carbon	✓
Regulatory, Services Delivery	✓
Public Health / Environmental	✓





# What we plan to do – SDF and Mosgiel stormwater



- South Dunedin Short Term Options (3 projects)
- Implementation of South Dunedin Future (SDF) adaptation plan
- Upgrades to Mosgiel stormwater network
- Allowance:
  - Yr 1-9: \$53.8M (mostly new capital)
  - Yr 10-30: NIL
- Benefits
  - Replace aging assets
  - Reduce risk of flooding
  - Reduce risks to public, property and environment



Challenges Addressed	
Aging infrastructure	✓
Growth / changing demands	
Resilience	✓
Zero carbon	
Regulatory, Services Delivery	
Public Health / Environmental	✓



# Questions?

