

WASTING WATER

JOHN GEMMILL & BOYD BLACKWELL

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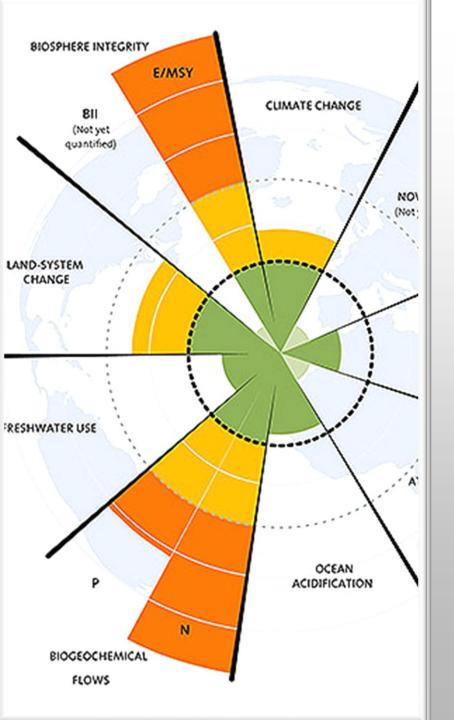


OUTLINE



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- INTRODUCTION: THE PROBLEM
- SOLUTIONS
- ONGOING PROBLEM
- CBA RESULTS
- RECOMMENDATIONS: NOUS
- CONCLUSIONS



PROBLEM: ECOLOGICAL ECONOMIC

- BIOCHEMICAL FLOWS
 - P & N HAVE EXCEEDED PLANETARY BOUNDARIES (STEFFENN ET AL. 2018; SEE BLACKWELL & GEMMILL 2020 FOR CONTEXT)
- LOCAL CONTEXT
- ECOLOGICAL ETHICS DUMPING WASTEWATER INTO A RECEIVING ENVIRONMENT IMPACTS:
 - OTHER SPECIES AND ECOSYSTEMS
 - UNETHICAL IF IT IS ANOTHER COMMUNITY'S WASTE
 - POLLUTES THE COMMUNITY'S ENVIRONMENT
 - DEGRADES THEIR OPPORTUNITY SET: REC & TOURISM, ECONOMIES, COMMUNITIES
 - UNECONOMICAL BY DEFINITION 'WASTING WATER'
 - 'EFFICIENT OUTCOME IS' ONE WHERE WASTE IS MINIMIZED OR NIL

INTRODUCTION: A NATIONAL PROBLEM



UNTIL 2018 VERY LITTLE KNOWN ABOUT AUSTRALIA'S 181 COASTAL OUTFALLS HOW MUCH WATER THEY DISPOSE INTO COASTAL WATERS?

WHERE THEY ARE LOCATED? WHAT NUTRIENTS THEY DISPOSE OF?

WHAT IMPACTS THEY HAVE FOR PEOPLE?

PROBLEMS PERSISTED WITH NO NATIONAL APPROACH TO WASTEWATER OUTFALLS

01

Solution:



02

Institutional/gover nance systems that better serve the people that are adversely impacted 03

Therefore 2nd part of the title – 'transparency' 04

National Outfall Database ('NOD')





Impacts on marine environment and ecosystems obvious but not properly addressed previously by formal institutions



Australia has 187 coastal wastewater outfalls (Fig. 1) – data for 2015-2019 available



1,350GL = almost 3 Sydney Harbours (Fig. 3)



Dispose of a range of wastes = 0.1%+ 99.9% water (Figs. 2&4) – N and P ('Nutrients')



Impacts of events on people and communication (i.e. transparency)

COASTAL OUTFALL OVERVIEW

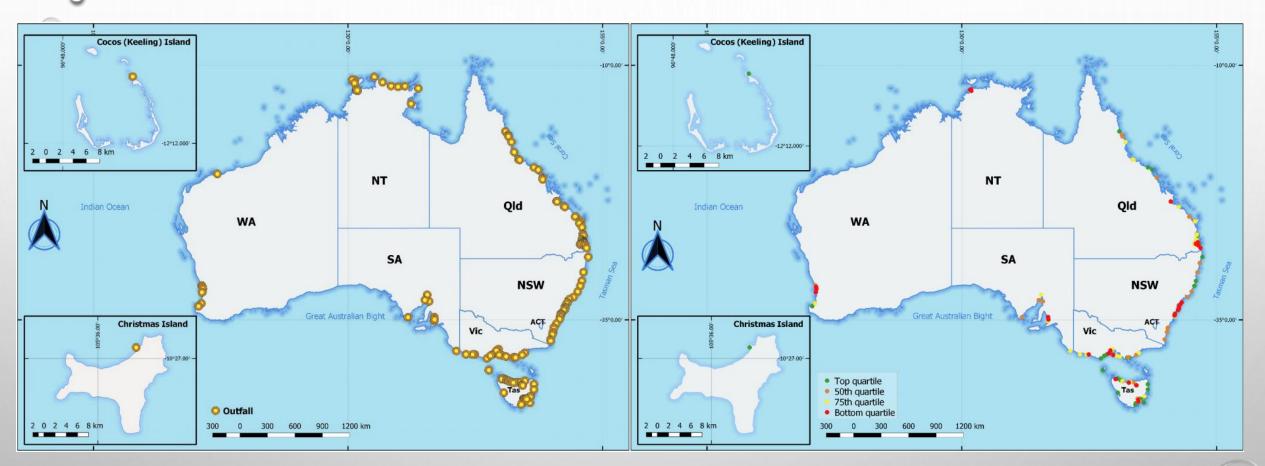
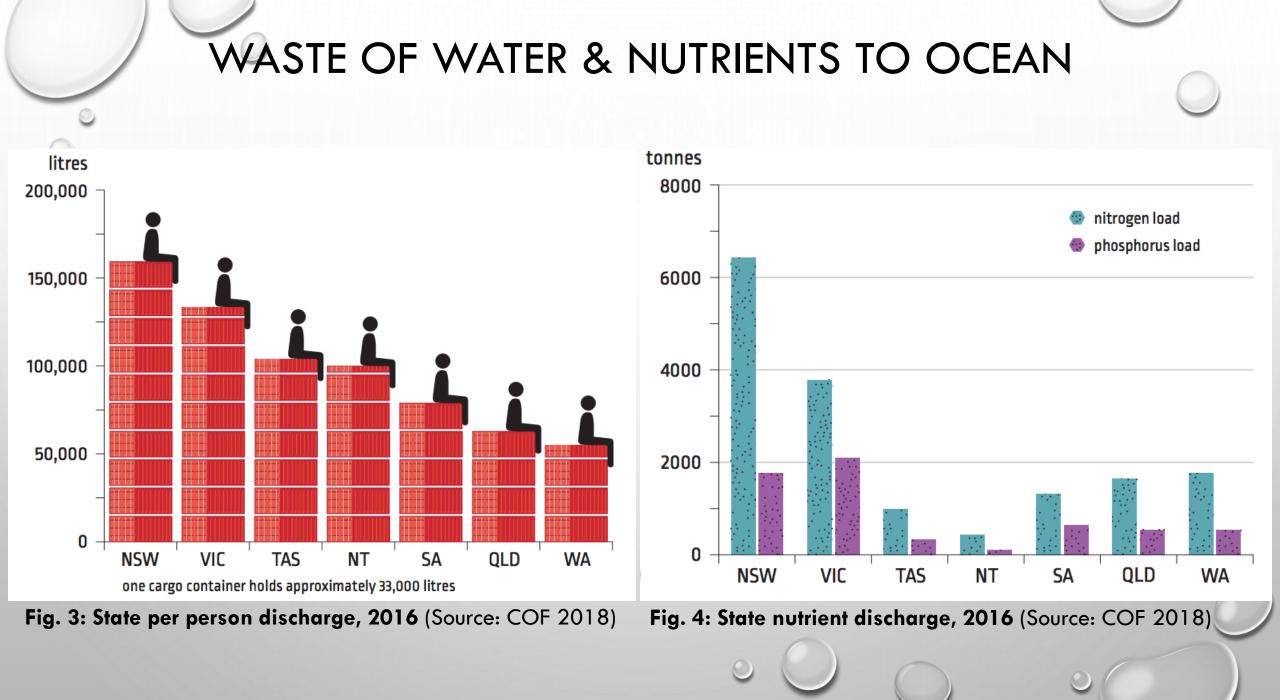


Fig. 1: Australia's Coastal Wastewater Outfalls (Source: Gemmill et al. 2019)

Fig. 2: Nutrient Load Quartile Rank (Source & Notes: Rohmana et al. 2019a; Top quartile lowest nutrient load – Lowest quartile – highest nutrient load).



PEOPLE'S CONCERNS

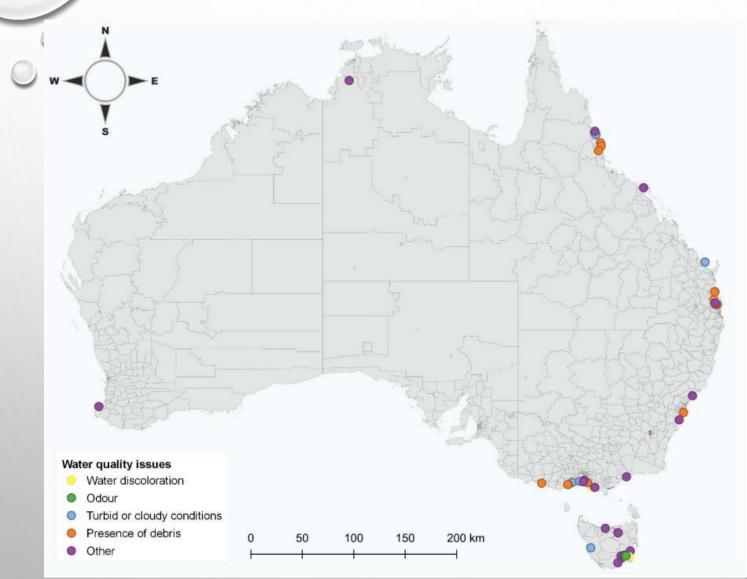


Fig. 5: Water quality issues (Source & Notes: Rohmana et al. 2019b)

- 37/N=77 OBSERVED 1-4 WATER QUALITY EVENTS IN LAST 12 MONTHS – FIG. 2 – ISSUES MOST LIKELY CAUSED BY:
 - HEAVY RAINS, STORMWATER
 RELEASED AND OTHER POLLUTION
 SOURCES
- INCREASED USE OF MARINE ENVIRONMENT DID NOT RESULT IN MORE EVENTS OBSERVED/GREATER AWARENESS
- 68% DISAGREED THAT THEY WOULD EXPECT TO BE NOTIFIED OF ANY WATER QUALITY EVENT
- 75% BELIEVED WOULD NOT BE INFORMED IN A TIMELY MANNER OF CHANGES IN WATER QUALITY BY LOCAL AUTHORITIES
- RESPONDENTS AWARE OF AN OUTFALL
 WERE NOT INFORMED IN A TIMELY
 MANNER (ONLY 50% THOUGHT SO)

Community

Engagement/Transparency?

INTRODUCTION: POLICY CONTEXT

Wasted water is a significant resource in a dry continent with Heightened Uncertainty

- Severe drought
- Raging bush fires
- COVID-19
- Floods
- Shortage of water supplies
- Abatement of negative consequences for:
 - marine & coastal ecosystems and
 - society & culture
- State/Territory responses with Regional Water Strategies etc.

What are the solutions?

SOLUTIONS: DIVERSIFIED PORTFOLIO

1. Upgrade wastewater outfalls to potable (A+)

- Under-utilised resource 🗸
- Uses current footprint 🗸
- Upgrade current infrastructure system
- Remove externalities
 I
- Use scarce resources more carefully 🖌
- Can deliver total of 2 * current supplies
- BUT.....What is the cost and what are the benefits **?**

2. Greenfield developments

- Invest in new developments with 'closed-loop' water re-use
- Prevents externalities from their source
- Creates a new footprint ⊠
- Requires an initial new allocation of water (with possible top-ups) X
- BUT... only marginal
 mainstream not
 affected X

3. Conservation/restrictions

- Use current supplies more carefully 🗸
- Invest in recycling opportunities
- Quickly implemented 🗸
- BUT...limited to current storage/supply levels ⊠

4. Desalination

- Can have water whenever you need it and to volumes within the system
- BUT...Very costly due to energy demands even with solar power IX
- Externalities significant: loss of natural assets/large coastal footprint/displacement
 X

5. Build new dams

Can create more secure supplies
BUT...Significant cost
Might not work
Large footprint
Displaces current social, cultural and economic footprint
Significant impact on natural assets and down stream users
Time to build and commission

COST & BENEFIT ASSESSMENT OF OUTFALL UPGRADES



- ASSESS THE BENEFITS OF REUSING AND RECYCLING WATER
- ESTIMATE THE COSTS OF UPGRADES
- COMPARE THE COSTS TO THE BENEFITS TO SEE IF THERE
 ARE NET BENEFITS
- NET BENEFITS ARE WHERE BENEFITS EXCEED COSTS
- NEED TO ACCOUNT FOR TIME VALUE OF MONEY
 THROUGH DISCOUNTED BENEFIT AND COST FLOWS
- COF COMMISSIONED A COST AND BENEFIT STUDY TO ESTIMATE THESE FOR AUSTRALIA'S OUTFALLS
- PREVIOUSLY NOT POSSIBLE BUT WITH NOD NOW
 POSSIBLE

Total Economic Benefit

Market benefit (captured by the market)

Direct use ✓ Value of recycled water sold Value byproducts sold Cost savings, offsets and credits

Indirect use 🗙 surpluses (losses) for marine related businesses spend by users of marine environment income flows from original spend of users through economy amenity value to surrounding properties and facilities

BENEFITS CAPTURED BY STUDY.... (& NOT CAPTURED) Non-market benefit (not captured by the market)

Option √

future ability to

use or

conserve water

or receiving

waters

Use benefit

Direct use ? Recreational for receiving waters

Indirect use X e.g. non-pecuniary spillovers to areas outside receiving waters Non-use benefit

Existence √ knowing recycled water/receiving environment improves although no use is intended

Bequest providing recycled water/improved receiving environment to future generations

Vicarious √ History, culture, art, poetry, other media

ADVANTAGES & LIMITATIONS

Advantages:

First macro-scale assessment of costs and benefits in Australia

Provides a comprehensive first pass assessment to help guide further work

Each individual upgrade should undergo a more detailed business case

Limitations No transportation or pumping costs included No distinction between primary and secondary upgrades All upgraded to tertiary A+ Cost estimates are from a large wastewater service provider – naturally advantage large scale recycling systems Smaller scale systems maybe more efficient/effective (despite economies of scale

LITERATURE REVIEW KEY FINDINGS (KF)



International best practice – Switzerland CBA of micro-pollutants



Wastewater recycling facilities – resource recovery assets



New, cyclical economy views



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Efficiency theory and practice: economies of scale & Micro –v– macro systems



Two key studies of relevance to transferring values – both from Sydney

Other findings....

TABLE. 2: H₂O RESULTS BY STATE TOTALS

0	States	Estuarine (no.)	Ocean (no.)	Total (no.)	Upgrade* no. percentage (%)	Upgrade [^] Flow (GL)	Upgrade* Flow / Total Flow (%)	Australian
	New South Wales (NSW)	-	29	29	64%	1,229	94%	Urban Water Use 2017-18 = 3,200GL ^a Thus, recycling opportunity is 62 % of urban
	Victoria (VIC)	-	19	19	63%	84	13%	
	Queensland (QLD)	40	11	51	53%	221	40%	
	Western Australia (WA)	-	12	12	83%	209	84%	
	Tasmania (TAS)	27	14	41	85%	81	89%	
	South Australia (SA)	-	10	10	60%	113	67%	
	Northern Territory (NT)	-	14	14	100%	31	100%	water use
	Total	67	109	176	64 %	1,968	64 %	

Notes and Sources: Synthesis of various items from <u>National Outfall Database (2018)</u>. * means outfall systems currently treating to a lower level of treatment at primary or secondary treatment levels. ^Of course, not in all cases, will all this water be re-used and we assume 63% is used. See the methods section Blackwell & Gemmill (2019). a. BOM (2019)

RESULTS OF OUTFALL COSTS & BENEFITS



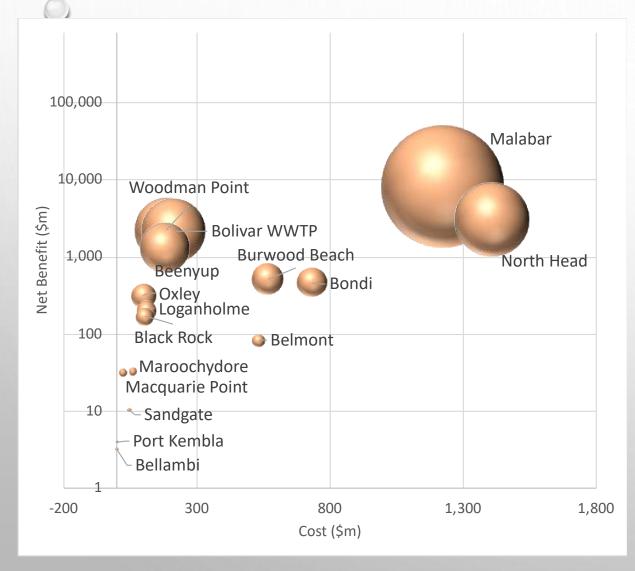
FIG.6: RESULTS BY STATE TOTALS (R=9%, T=15)

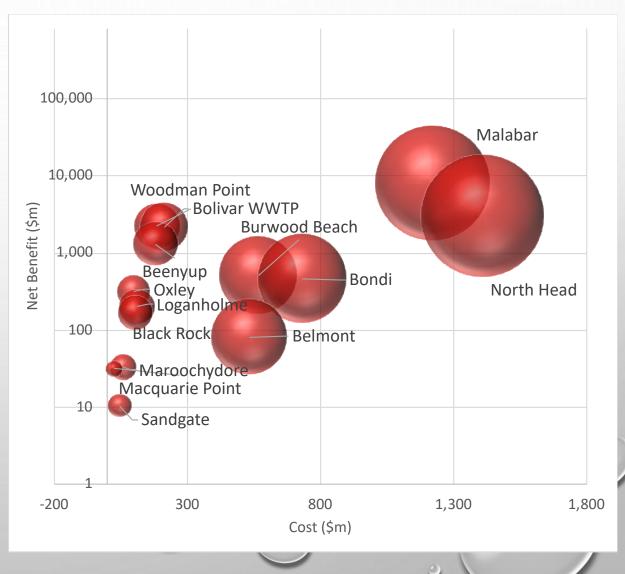


TOP 16 NATIONAL OUTFALLS BY NET BENEFIT

Fig. 7: Bubble size by Net Benefit

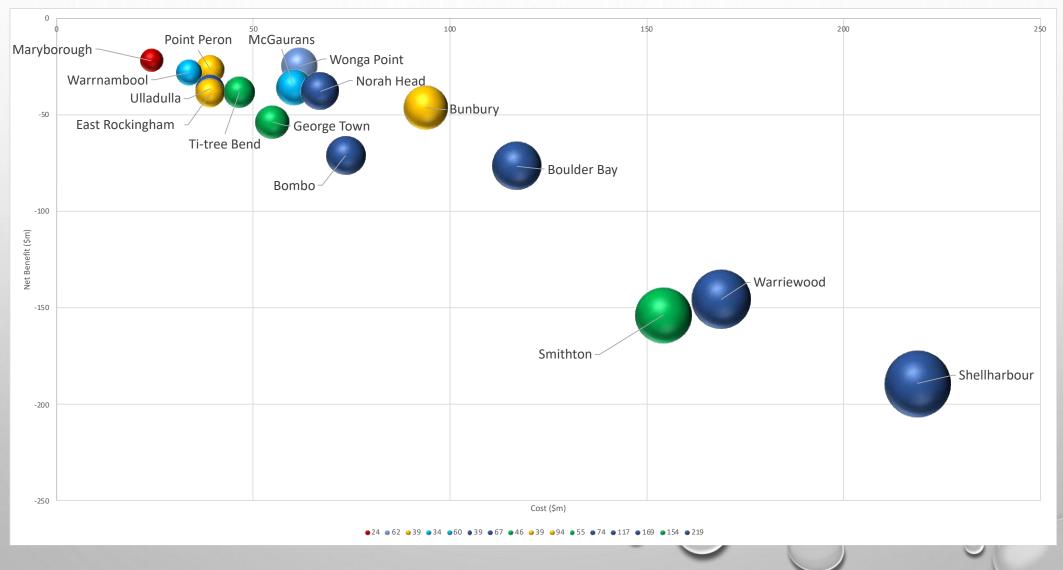
Fig. 8: Bubble size by Cost





BOTTOM 16 NATIONAL OUTFALLS

Fig. 9: Bubble size by Cost, Bubble colour by State



NSW OUTFALLS

Fig. 10: Bubble size by Cost

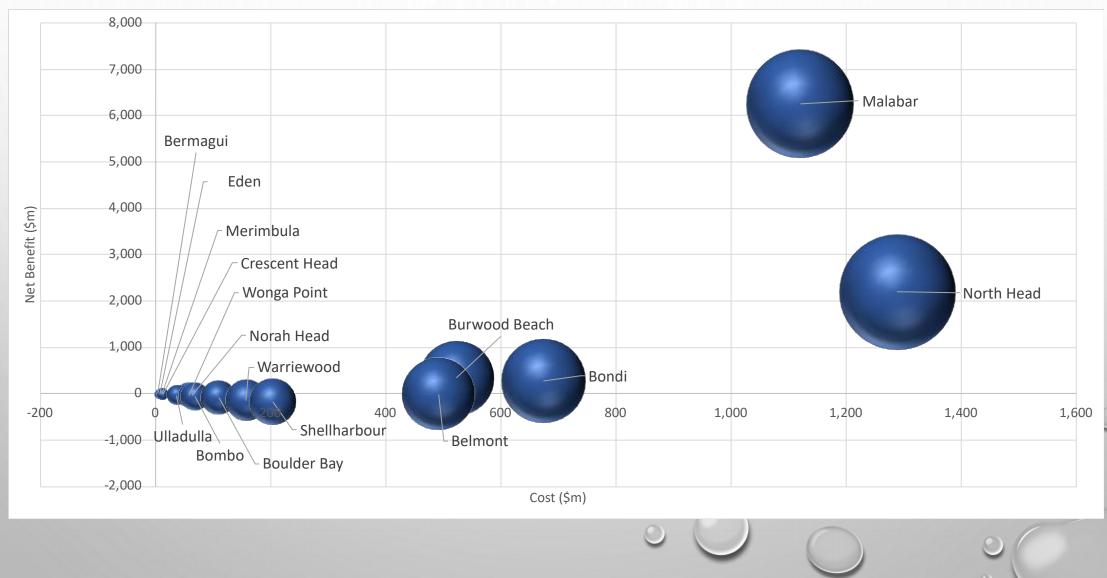




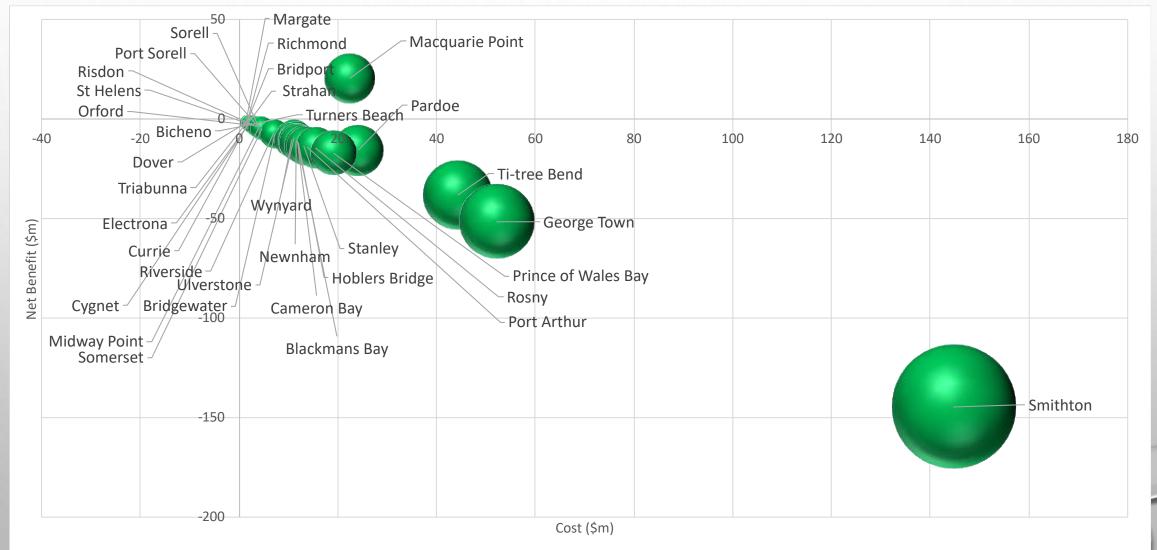


Fig. 15: Bubble size by Cost



TAS OUTFALLS

Fig. 16: Bubble size by Cost



TRANSPARENCY AND COMMUNITY EMPOWERMENT

- TRANSPARENCY = COMMUNITY LICENSE + COMPANY LINE
- GIVING COMMUNITIES TOOLS, SUPPORT AND CAPACITY TO CONTRIBUTE CONSTRUCTIVELY IN DESIGNING THEIR WATER INFRASTRUCTURE
- CLEAN OCEAN FOUNDATION = HONEST BROKER

foundatio

- EXPERIENCE COMMUNITIES
 DISEMPOWERED BY SCIENCE NEED TO
 SPEND MONEY ON INCLUSIVENESS
- THEREFORE, NOUS STRATEGY IS CARROT
 FOR COMMUNITY ENGAGMENT
- MICROPLASTICS & PFOS\PFAS DRIVING FUTURE WATER TREATMENT UPGRADES



TRANSPARENCY RECOMMENDATIONS



All coastal outfalls to Tertiary Class A+ standard of recycled water by 2030 or Equiv. to Eastern Treatment Plant Melbourne



Community Support through Engagement and Transparency

National Outfall

Database -

collaboration

innovative

National Standards for WTP data including transparency



Economic Instruments for Improved Societal Outcomes Circular Economy, Lifecycle Approach and Plant Description – Purple Pipes New or retrofit (Syd CBD, WSAA)





for most applications

Contains pollutants including pathogens, microplastics and

Class A+

Treatment

 High quality water suitable for all non-potable applications
 Safe for discharge to coastal outfalls

Advanced Treatment

THE NOUS FIVE-POINT PLAN

Class A+ by 2030

Federal Government to commit to upgrading all wastewater treatment plants (WTPs) to discharge only Class A+ water from coastal outfalls by 2030, making available up to 50% of the cost of the WTP upgrades.

National perspective is critical

Economic outcomes are assessed from both local and national perspectives to ensure less profitable through essential outfalls receive upgrades.

Supporting regions most in need

Outfalls to be classified to give priority not just to the size of reuse economic benefit but also to consider those located in areas severely affected by drought, fire, loss of tourism or other economic hardship.

Clean water fast-track process

Expert panel of stakeholders and regulatory authorities to be convened ASAP to cut red tape, develop selection criteria and expedite approvals for a 2020 round of projects.

Inland areas also need support

Many inland regional towns and cities discharge wastewater into waterways. The NOUS plan must be enhanced to also include upgrades to inland treatment plants and form part of NOD. POSITIVE POLICY IMPACT: NATIONAL OUTFALL UPGRADE STRATEGY - NOUS, (COF, ND)







Significant opportunities for federal, state and local governments to harness much needed water resources



Prevents waste of water and negative impacts on coastal ecosystems and communities

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Transparency recommendations will result in correct incentives for a better performing system

Net benefit to society from doing so without the costs and adverse consequences of desal + **Ecological Economics**



Builds resilience and further adaptive capacity to heightened uncertainty

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