

**Purpose:** Articulation to Councils risks that Wellington Water are not resourced to control and the alignment to Wellington Water overarching risks.

Item	Issue	Circumstances	Overarching Risk	Overarching Risk Context
1	Drinking water treatment plants' ability to comply with Water Services Act and Drinking Water Quality Assurance Rules.	<p>The lack of resiliency in the backbone systems (power and communications) to provide validated safe drinking water in accordance with Water Services Act.</p> <p>There is a lack of redundancy in critical systems (source, treatment, network) to provide safe drinking water in accordance with Water Services Act.</p> <p>The OPEX funding provided by SWDC does not include adequate allowance to compensate for the lack of resilience nor redundancy.</p> <p>WWL has prioritised Safe Drinking Water CAPEX improvements. SWDC has funded a number of CAPEX improvements to mitigate the immediate risks.</p> <p>Catchment risk assessment revisions indicate upgrade of Martinborough WTP to 4Log treatment (currently 3Log) is required due to Carterton and Masterton wastewater plants discharging to river upstream of WTP. Further work required to confirm extent of work and costs to implement (not currently identified in LTP). Further source water sampling is required to manage risk in meantime.</p> <p>Catchment risk assessment revisions indicate upgrade of Waiohine WTP to 4Log treatment may be required (currently 3Log) subject to outcome of further source water monitoring.</p>	<b>Compliance with Regulations</b>	<p>Insufficient OPEX to maintain current levels of service which may fail with little to no notice.</p> <p>Risk of potential non-compliance with regulations.</p> <p>WWL budgets in compliance with the LTP highlight insufficient funding to meet Water Services Act requirements.</p> <p>Known issues with the treatment plants are unable to be rectified due to funding constraints.</p> <p>WWL budgets in compliance with the LTP highlight insufficient funding to maintain the assets.</p> <p>The public will lose trust in our ability to provide safe and healthy drinking water.</p>
2	<p>Featherston / Greytown / Martinborough water system resiliency is compromised due to poor condition of assets.</p> <p>Tauherenikau River Crossing Martinborough reservoirs / timber tanks Greytown reservoir Waiohine timber tank Featherston watermain Martinborough WTP soda ash system (pH) control Uncapped test bores near extraction locations Martinborough water supply trunk main condition Martinborough WTP UV system</p>	<p>The limited budget available means that no works can be scheduled beyond those which are required to facilitate safe drinking water, continue work on the Featherston WWTP compliance project, and reactive capital budgets.</p> <p>Lack of investment in asset renewals program leading to reducing levels of service as the condition of the water assets degrade at a rate exceeding the renewal rate leading to an increase in required operational interventions (and cost) to fix asset failures and other resulting asset issues.</p> <p>Martinborough WTP UV &amp; resiliency - The system has no ability to run to waste on pump startup &amp; no dedicated supply main to reservoirs this results in low water turnover and water quality risks in reservoir.</p>	<b>Unplanned critical three waters asset failure</b>	<p>Council will incur significant unbudgeted cost when these assets fail.</p> <p>There is no funding in the LTP for these assets.</p> <p>Council will fail in their duty of care to provide sufficient drinking water under the Water Services Act and are vulnerable to prosecution.</p> <p>Parts of the network fail with no notice causing loss of safe drinking water supply.</p>
3	<p>Condition and resiliency of the Martinborough / Featherston wastewater networks.</p> <p>Donald St Pump Station - Current pump condition prevents maintenance and is at risk of failure.</p> <p>Fitzherbert Street – mobilising sucker trucks to prevent habitable floor flooding with untreated wastewater.</p> <p>Featherston wastewater network has very high inflow of groundwater during winter and in wet weather due to surface water ingress.</p>	<p>Due to underspend in FY22/23, there has been an opportunity to bring forward construction on the Donald St WWPS renewal. Construction forecast to begin in Q4.</p> <p>Current operational condition of the Pump Station is high risk.</p> <p>Donald St – Estimates to implement the Contingency plan are significant. (establish and operate (on State highway 53) until replaced).</p> <p>There is limited CAPEX to renew the Featherston network to a watertight standard to prevent the groundwater inflow.</p> <p>Insufficient funding to address preventative maintenance.</p>		<p>Parts of the network fail with no notice causing loss of service and public health risk.</p> <p>Insufficient OPEX to maintain current levels of service.</p> <p>SWDC have agreed that Donald St WWPS is a top priority and Programme Delivery working to bring construction forward within existing annual budgets.</p> <p>WWL budgets in compliance with the LTP highlight insufficient OPEX funding to maintain the assets.</p> <p>Achievement of the PNRP goal of wastewater disposal to land at Featherston is hindered due to the high levels of groundwater infiltration.</p>
4	Boar Bush Gulley road and Boar Bush reservoir and inlet/outlet pipe scour damage - on-going erosion and slips impacting access to the site and exposing the inlet and outlet pipes.	<p>Creek side of Boar Bush Road continues to erode. The inlet and outlet pipes are in this road and have been exposed. There are two risks; maintaining the access to the reservoir(to enable operation and maintenance) and damage to the water pipes (impacting supply to Featherston)</p> <p>WWL are relying on SWDC roading to respond to the risk as this is a Council road. SWDC roading are aware of the risk and are prioritising within their budgets. Council are in the process of taking steps to implement slip stabilization measures (trucking in boulders).</p> <p>WWL response focusses on managing the risk to staff safety and ensuring that the water supply to Featherston is not compromised. WWL is looking at options to protect the exposed pipe.</p>		<p>SWDC roading are aware of the risk and are prioritising within their budgets.</p> <p>WWL continue to raise this with SWDC - there is no funding allocated as this is a roading issue and is not within the responsibility of Wellington Water.</p> <p>WWL is looking at options to protect the exposed pipe. Additional funding or re-prioritisation of existing budgets will be required.</p>

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5	Wastewater treatment plants' ability to comply with resource consents (Martinborough / Greytown)	<p>The lack of resiliency in the backbone systems (power and communications) to provide validated compliance in accordance with Resource consents.</p> <p>There is a lack of redundancy and safety standards in critical systems (collection, treatment, disposal) to meet compliance in accordance with resource consents and duty of care requirements.</p> <p>The CAPEX / OPEX funding provided by SWDC does not include adequate allowance to compensate for the lack of resilience nor redundancy.</p> <p>Treatment plants are at capacity and may constrain future growth.</p> <p>Occasional trade waste non-compliances impacting plant operation - causing odour issues.</p> <p>Martinborough - insufficient funding to remove sludge levels in the oxidation pond to achieve consent compliance.</p> <p>High likelihood of enforcement action from GWRC. Martinborough - abatement notice received, WWL responded conjunction with SWDC and GWRC did not accept the proposal.</p> <p>GWRC have initiated their own study of Martinborough which covers the impacts of continued non-compliance.</p> <p>WWL proceeding with developing 10-year plans for the WWTP.</p>	<b>Treatment of wastewater</b>	<p>Insufficient OPEX to maintain current /compliant levels of service.</p> <p>WWL budgets in compliance with the LTP highlight insufficient funding to meet resource consent requirements.</p> <p>Known issues with the resource consents are unable to be rectified due to funding constraints and historical non-compliance.</p> <p>WWL budgets in compliance with the LTP highlight insufficient funding to maintain the assets.</p> <p>Increasing likelihood of enforcement actions by regulator and significant compliance costs.</p>
6	Featherston Wastewater treatment plant consent has expired.	<p>SWDC has requested a change of scope for short term consent within the LTP budget of \$16m.</p> <p>There is a risk that this will be insufficient to obtain even a short-term consent.</p> <p>The timeline set out by GWRC is tight however an extension was granted in December 2022 which can now be met.</p>		<p>WWL are operating with an out-of-date resource consent and are constrained in achieving the treatment outcomes for the site.</p> <p>Political factors unduly influence the process delivering a non-optimal outcome.</p> <p>Historical lack of progress with the consenting of this site has lowered the regulators tolerance and willingness to work towards an optimal solution.</p> <p>Level of funding insufficient to achieve a medium to long term solution that would meet the new regulatory and environmental requirements.</p>
7	LTP compliant operational budgets provide insufficient funding for preventative maintenance of network assets and proactive condition assessment.	<p>There are a number of known network assets that are operating at or near capacity. When adverse weather occurs network overflows are causing contamination of property.</p> <p>Budgets have increased but this still will not cover planned maintenance and will not cover planned nor unexpected events.</p> <p>WWL response focusses on responding to customer impact rather than reducing the impact on the customer through investigations and preventative actions.</p>	<b>Operational funding</b>	<p>Insufficient OPEX to maintain current levels of service.</p> <p>WWL budgets in compliance with the LTP highlight insufficient funding to carry our preventative maintenance on the networks.</p> <p>Known defects in the network cause customer impact at several locations.</p> <p>Communication to customers on the reduced level of service is unknown.</p>
8	Dam safety inspections and maintenance - Boar Bush raw water dam	<p>Regulations came into force May 2022. Funding was requested in the LTP for the potential impact classification and was not successful.</p> <p>Without an appropriate assessment of the potential impact classification of the dam WWL and SWDC do not understand what level of monitoring and maintenance and investment is appropriate.</p> <p>Funding may be required to remediate any issues identified from the assessment.</p> <p>Potential impacts Boar Bush Gully Road, reservoir and Featherston.</p>		<p>Dam failure could cause damage to Council assets, private assets and potential loss of life.</p> <p>Roles and responsibilities are unclear.</p> <p>Insufficient OPEX funding to manage risk and comply with regulation. No CAPEX allocated for potential remediation.</p> <p>Likely to lead to non-compliance with regulations.</p>
9	Cyber risk is growing globally and as a critical infrastructure organisation the right level of investment must be made to protect against cyber attack.	Cyber security requires a number of controls that must be kept current.	<b>Cyber security breach</b>	Successful cyber attack has the potential to impact services to customers.
10	The current LTP Capex is limiting the capacity for delivering further capital projects to SWDC.	<p>Condition of the water, wastewater and stormwater assets degrades at a rate exceeding the renewal rate leading to an increase in required operational interventions (and cost) to fix asset failures and other resulting asset issues.</p> <p>Prioritization of safe drinking water and reactive renewals means that there are projects as well the network renewals program on hold.</p>	<b>Delivery of the capital programme into the future</b>	Annual capex budgets only allow for a small number of top priority projects to be progressed, causing a lack of a steady stream of projects being briefed & designed. Should one project experience delivery issues, there are no side-line projects ready to turn-on or bring forward which can cause a significant gap in budget spent.