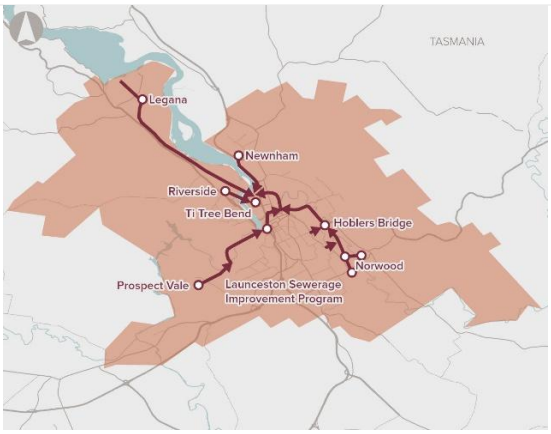
Launceston Sewer Transformation Program

LOCATION Launceston, Tasmania Kanamaluka / River Tamar	
SECTOR Water	
PROPONENT Tasmanian Government	
EVALUATION HISTORY Planning Investment (Problem Identification) - 2/12/2025	

Problem Description

The greater Launceston area, with a population of almost 100,000 people, is currently serviced by seven sewage treatment plants (STPs) which discharge into the Kanamaluka/Tamar estuary, one of the largest estuaries in Tasmania. Ageing infrastructure and a significant renewals backlog have led to the STPs failing to meet current or proposed water quality regulations, and it is anticipated that population growth will outpace the capacity of the plants within the next five years. The lack of additional treatment capacity limits residential growth in Launceston and increases risks of environmental degradation of the estuary. In addition, most of the treatment plant asset base will be due or overdue for renewal in the next 10-15 years.

Strategic Fit

The proposal strongly aligns to Tasmanian and Australian Government objectives. The Tasmanian Government considers additional treatment capacity to be a critical enabler of new housing development in Launceston and contribute to meeting Tasmania's National Housing Accord targets over the next five years.

Upgrades to the sewage treatment system will enable effective water quality management for the delivery of fit-for-purpose water that supports community and environment values and increase climate resilience by addressing asset risks.

This will support the objectives of the Tamar Estuary River Health Action Plan (TERHAP) collaboration between the Australian Government, Tasmanian Government, TasWater and City of Launceston.

Societal Impact

The proposal estimates that the cost to society of not addressing these problems is $791 million in present value terms. Addressing capacity constraints in the sewerage network is expected to support the development of 10,000 new residential dwellings in the long-term.

Addressing the problem will also improve nutrient removal performance, support compliance with discharge standards and enhance water quality in the Tamar Estuary, providing additional recreational benefits for the community. Upgrading the STPs could reduce greenhouse gas (GHG) emissions by 60%, compared to the current assets, supporting net zero and sustainability objectives.

Deliverability

The Tasmanian Government is considering potential responses to resolve the identified problems, such as:

- upgrades to individual localised treatment plants
- consolidation and upgrade of the treatment plants
- asset renewals.

Recommendations

Infrastructure Australia recommends that the proponent complete business case development (Stage 3 of Infrastructure Australia's Assessment Framework), including consideration of GHG emissions as outlined in the Guide to assessing GHG emissions.

Future submissions should clarify how the proposal's costs and benefits will interact with existing projects delivered by the Tamar Estuary Management Taskforce (TEMT) and co-funded by the Australian Government.

RELATED PROPOSALS:

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