

Highlands Midlands Region

Water and Sewerage Master Plan

2025



Since creation, the Palawa have lived in Lutruwita – Tasmania. More than 2,000 generations of Aboriginal families have cared for this Country, looking after its lands, seas, skies and waterways.

In the spirit of respect and gratitude, TasWater acknowledges the Tasmanian Aboriginal community as the traditional and ongoing custodians. We pay our respects to them, their culture and to elders past and present.

TasWater commits to working collaboratively and respectfully with the Tasmanian Aboriginal community to protect and sustain the precious resources on this ancient land for future generations.

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This is Version 1.0 of the Highlands Midlands Master Plan which will be updated following community and stakeholder feedback. The latest versions of all nine Master Plans will be published at www.taswater.com.au where ongoing submissions and comments are welcome.

Planning for the region

TasWater has created nine regional Master Plans to share our 50-year vision for infrastructure investment in water, sewerage and recycled water.

The boundaries of the nine regions consider council areas, population, availability of water, the existing network, economic growth and industry investment potential.

These plans are based on a detailed review of how well our current infrastructure and operations meet minimum service standards. We considered issues like how our regions are growing, how well our systems are performing, and climate change.

We then explored different options to make sure we can meet communities' current needs and long-term expectations – all in line with our Corporate Plan. Our aim is to invest in the right infrastructure, in the right places, at the right times to provide the most benefit to Tasmanians and our environment.

Our Master Plans are flexible, and we will adjust them as new information comes to hand. At key points in time, we will seek feedback from our customers, communities and stakeholders so that we don't lose sight of what's important to you.

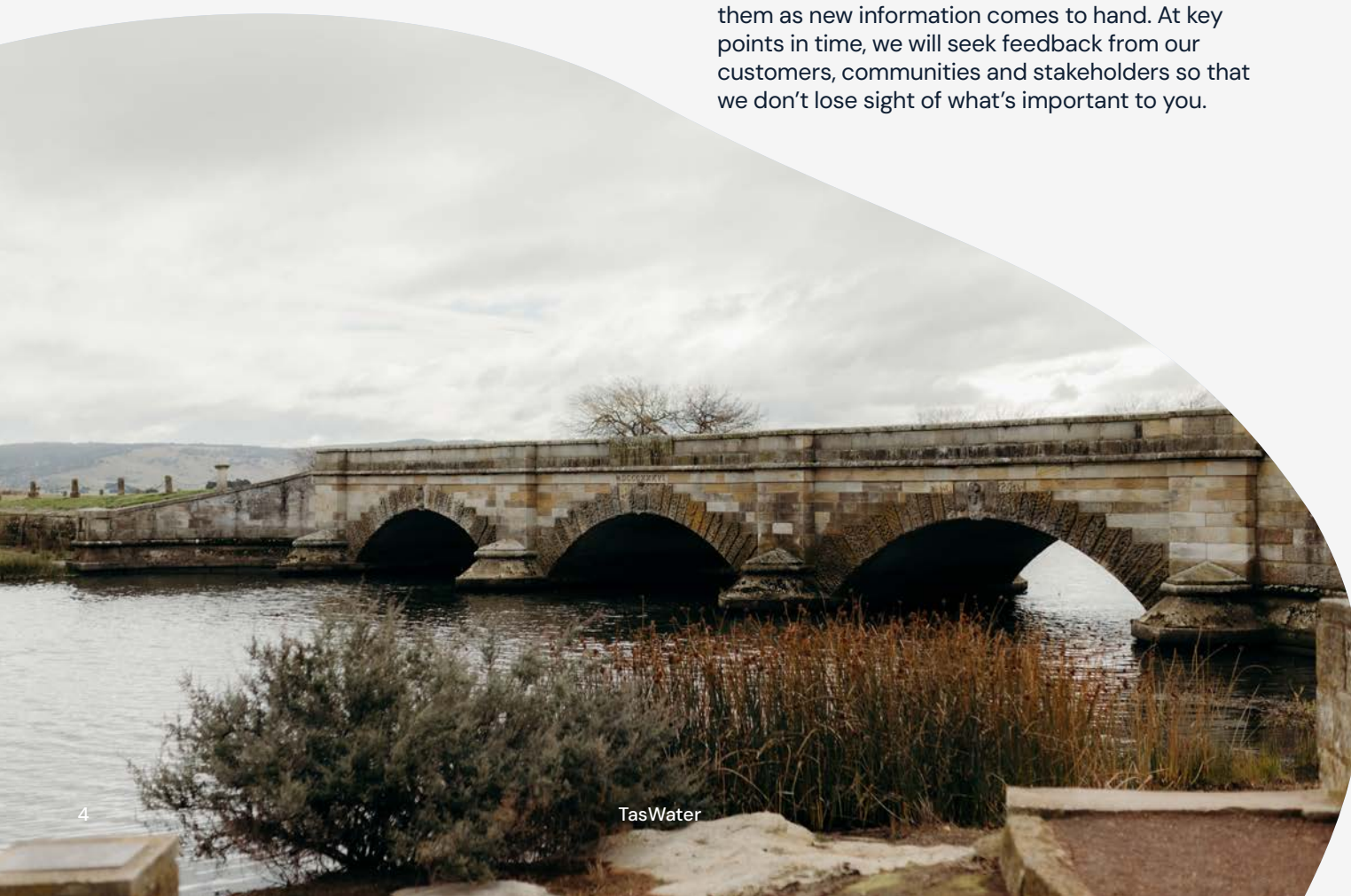
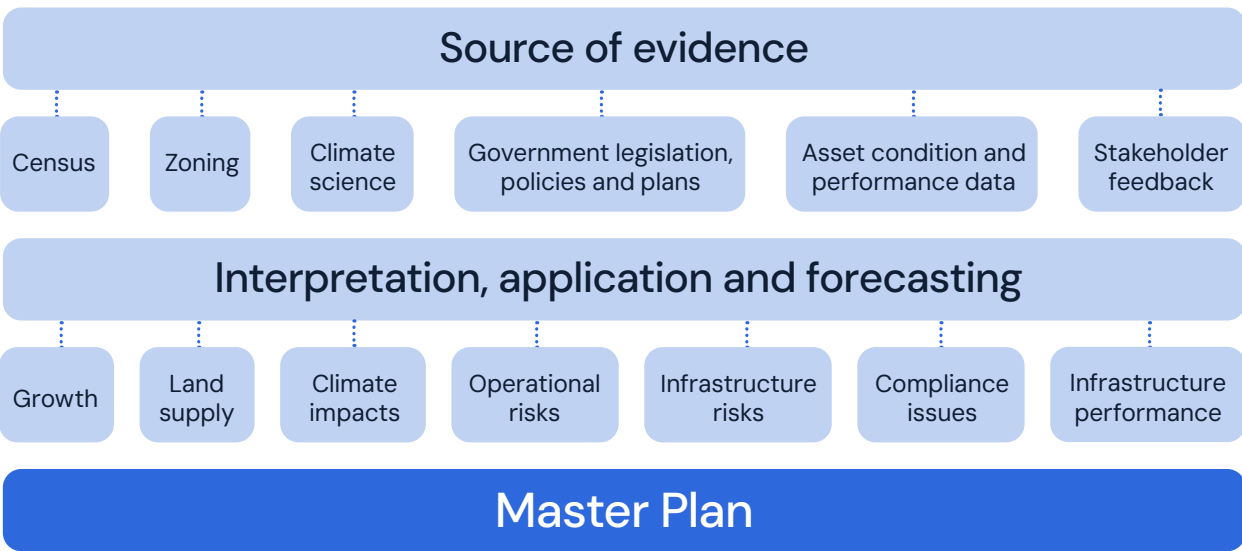
Our process

At TasWater, our infrastructure planning begins with gathering reliable data – including census figures, zoning, climate science, government policies, asset performance, and stakeholder feedback. This helps us understand current conditions and identify future needs. We then forecast growth, land supply, climate impacts, and infrastructure risks.

These insights guide our master planning, where we assess options and plan for future infrastructure upgrades or new assets. The process will be continually refined over decades as conditions change, ensuring our plans remain

responsive and aligned with community needs, environmental goals, and regulatory requirements.

We will continue to update our planning as new information becomes available, including through ongoing engagement with councils and stakeholders. The process is iterative, with a full review undertaken every four years as part of our Price and Service Plan development. This ensures infrastructure priorities are aligned with both our annual budgeting and long-term capital planning, helping us deliver infrastructure that is timely, cost-effective, and responsive to community needs.



About the region

The Highlands Midlands region in central Tasmania combines large agricultural and grazing plains with remote wilderness areas.

There are many thriving heritage towns on the plains like Oatlands, Fingal, St Marys, Hamilton and Campbell Town while communities around the region's lakes and mountains are mainly populated during holiday seasons.

The region has 13 water and 14 sewerage systems as well as recycled water schemes to support the region's residents, businesses and farms. In addition to the TasWater systems, Tasmania Parks and Wildlife Service owns and operates small sewerage schemes in natural areas.

Much of the region's water and sewerage infrastructure began as part of small, localised systems that were once fit for purpose. However, over time there has been underinvestment in our infrastructure as well as changing community expectations about how we manage growth and operate sustainably.

That's why in areas like Oatlands and Bothwell, we are investing in brand new water treatment plants to improve water quality and reliability. We know that many smaller towns also need investment in projects to reduce our environmental impact and support growth. This is part of our plan.

Growth areas

Over the next 50 years, the Highlands Midlands region is not expected to grow significantly. We have identified a possible 4,500 lots of land in our service areas which could be developed if zoning allows. Future growth areas are likely to be around Oatlands and Campbell Town.

However, there are a range of scenarios which make forecasting growth difficult. For example, large areas of land around towns like Oatlands could be used for residential development if there was spillover demand from neighbouring, higher growth regions.

In the 'shack' communities around the Highlands lakes, demand for sewerage and water services could increase if residents were there full-time or if tourism increases.

While we can't know for sure when and where development will occur, TasWater will continue to monitor data that informs our Master Plan and be ready to adjust our strategy as needed.



Highlands Midlands region key statistics



 CASE STUDY

Water quality a focus for regional towns

TasWater’s Regional Towns Water Supply Improvement Program has been underway since 2024 to improve water quality in St Marys, Oatlands and Bothwell.

The program involves increasing treated water storages and upgrading or replacing water treatment plants to ensure a more reliable supply of high quality drinking water.

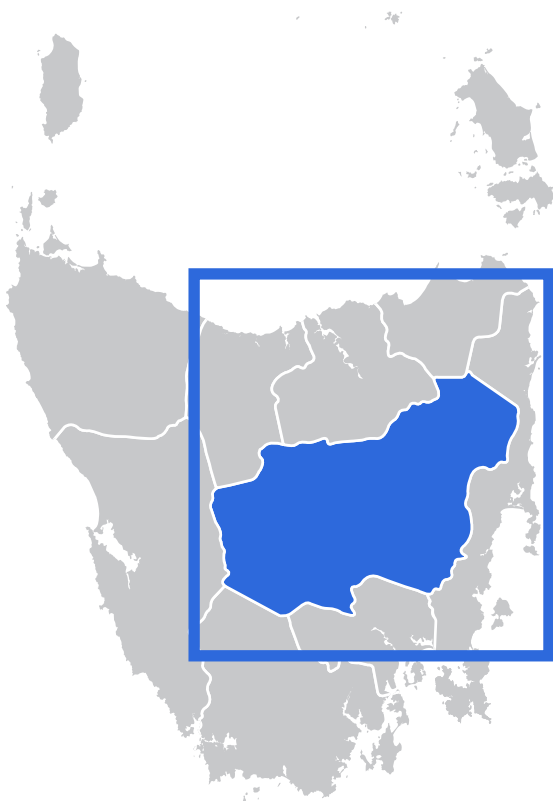
To date, a new water storage has been installed at St Marys, while plans are progressing for construction of the new Bothwell and Oatlands treatment plants by about 2028. Bothwell’s new facility will also have a connection to the Tasmanian Irrigation’s Southern Highlands Irrigation Scheme, and increased storage capacity.



In 2025, the Australian Government joined the Tasmanian Government to provide funding for the new Bothwell and Oatlands Water Treatment Plants.



How we service the region today



Legend – infrastructure

-  Water treatment plant
-  Sewage treatment plant



Challenges and opportunities

In developing our Master Plans, we have considered challenges that our state will face in future, as well as ones that are unique to the Highlands Midlands region. We also thought about the flip side – what opportunities are there for us to better support local people, our environment, cultural heritage and the economy?

The big issues



Lack of reliable water sources



Inadequate water allocations in our licenses



Infrastructure approaching capacity and ageing



High risk discharges from some sewage treatment plants



Dispersed small communities, making it hard to streamline systems



Opportunity to produce more recycled water

Climate change

Based on past trends and climate modelling, Tasmania is expected to keep getting warmer and we may face rising sea levels and more droughts, bushfires and intense weather.

A warmer climate affects how much water we have, its quality and how much our customers need to use. This puts extra pressure on our water supply.

Changes to the seasons – like shorter winters and longer, hotter summers – can also affect water quality. When there are algal blooms and low oxygen levels in our rivers and dams, water can be harder to treat and there can be changes in taste, smell and appearance.

For our sewerage systems, rising sea levels and more storms and floods put treatment plants and pump stations at risk of inundation. This also increases the likelihood of sewage overflows when stormwater gets into our pipes.

Climate change could mean we need to build new infrastructure, operate our systems differently or find other ways to manage water.

Water security

Our drinking water comes from dams, rivers and groundwater bores around the region before it's treated and delivered to our customers.

Already, many rivers that supply our water treatment plants have periods of low flow and the licensed water allocations we receive are not enough to keep up with demand.

If we continue to see drier conditions, river flows and groundwater levels could drop further – making it harder to meet unrestricted water demand.

To help us avoid water restrictions, we will need to continue to make sure we have enough water to go around and encourage our customers to value and conserve water at home and work. TasWater has a [Water Security Strategy](#) in place to guide our long-term water management.

Keeping up with growth

If the region's population grows over the next 50 years, our pipes, pump stations, reservoirs and treatment plants won't have the capacity to keep up.



CASE STUDY

Floating wetlands helping to protect our waterways

Some of our sewage treatment plants, including those at Ross and Fingal, are more than 50 years old and use lagoons as part of the treatment process.

Since 2023, an innovative trial has been underway to improve water quality and environmental outcomes. At the treatment plant lagoons, constructed floating wetlands have been planted on specially designed platforms to naturally absorb excess nutrients, such as nitrogen and phosphorus, before the purified water is discharged into local waterways.

The trial is the first of its kind in Tasmania and is expected to reduce nutrient levels in waterways by up to 60 per cent when fully established. This offers a cost-effective, low-energy alternative to traditional wastewater treatment upgrades.

The wetlands were designed by Clarity Aquatic with support from local company Resonance Consulting, while the wetland plants were cultivated by Wildseed Tasmania.

With the trial ending in mid-2026, TasWater is excited by the results so far. Monitoring of the wetlands' performance has shown that they are enhancing water quality and providing habitat for insects and birds.



Our infrastructure is also ageing, with some of it approaching the end of its intended operating life.

We will need to upgrade or replace many of our assets so we can continue to deliver safe, reliable services. This comes at a high cost, so improvements will have to be prioritised based on criteria like development timing, community benefit and compliance with laws and performance targets.

In some areas, unserviced communities may chose to connect to water and sewerage systems for the first time. This may be to support new development, address climate change or environmental impacts, or enhance water reliability or sewage treatment in smaller towns. Service introductions are only considered when there is community support, and if servicing costs can be recovered.

Water where it belongs

Around 43 per cent of the water we produce in the Highlands Midlands region doesn't end up reaching our customers. We call this 'non-revenue water' and we are working to cut our losses. Non-revenue water is from pipe leaks, theft, metering errors or uses like firefighting or system flushing.

We are also working to reduce the amount of stormwater that gets into sewerage systems and can cause overflows. This infiltration can

come from leaks, breaks and incorrect private plumbing connections.

If we reduce these problems, we may be able to delay costly infrastructure upgrades. This means we can provide services to more people using the same infrastructure for longer.

Achieving compliance

Like all water utilities, we are is subject to a range of environmental and health-based laws and targets.

Health-based targets help us to assess the quality of the water we supply to customers while environmental licenses set limits on any discharges from our infrastructure into the surrounding environment.

We know that due to age and underinvestment in our treatment plants, pumps and pipes over a long period, some of our infrastructure does not meet compliance targets. We are working to close the gaps and have made great progress in areas like water quality and reliability. In the Highlands Midlands region, we have been rolling out the Regional Towns Water Supply Improvement Program for St Marys, Oatlands and Bothwell since 2024. The program has seen new water storages constructed and progress towards building new water treatment plants at Bothwell and Oatlands.

Our 50-year vision for the region

After looking at a range of options to guide our long-term investment in water and sewerage infrastructure, our preferred approach balances climate resilience, water security, customer expectations, environmental and health compliance, and cost.

This Master Plan is based on what we know today – it’s a guide only. The location, timing and cost of new and upgraded infrastructure are not set in stone and we will remain flexible and adapt as our region continues to evolve.

Our plans for the region’s water and sewerage systems are outlined in the following pages. We have provided a summary of the current situation, the initiatives we propose to address key challenges, when works may occur and the outcomes we hope to achieve.

We are excited about the potential to build on what we have now to protect and enhance the Tasmanian way of life.

You are welcome to let us know what you think. Visit the TasWater website and look for the [Your Say](#) page.

What will it cost?

Initial estimates have been developed to help understand what it will cost to roll out improvements in the Highlands Midlands Region Master Plan. The total cost could be around \$57 million for sewerage infrastructure and more than \$73 million for water infrastructure over the next 50 years.

We will continue to work with our stakeholders and customers to make sure any spending is on the right things at the right times. We believe our approach represents a wise investment in the region’s future because it:



Tackles the most urgent issues right away



Delays major spending until later, helping manage budgets and adapt to future changes



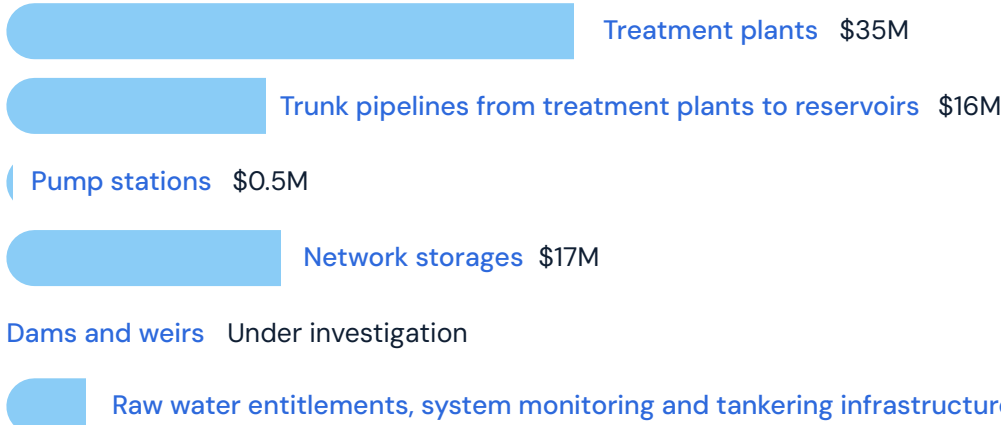
Reduces the need for, and number of, complex projects like new dams, treatment plants and long pipelines



Has a lower long-term cost (net present value) and development cost (capital cost) when compared with other options considered

Estimated cost (\$million over 50 years)

Water



Total water \$73.5M

Sewerage



Total sewerage \$57M

Note: Costs shown are 2025 budget estimates for major infrastructure projects and programs, and are subject to change. They do not include allowances for maintenance, renewal or replacement of ageing assets, or general infrastructure operating costs. The cost for water infrastructure is expected to increase following investigation of water supply requirements for the Bothwell, Oatlands and St Marys systems.



Our water plan

Area	The situation	What we plan to do	Outcomes
Highlands including these systems: - Bothwell - Bronte Park - Wayatinah - Ouse / Hamilton	Ongoing dry conditions and infrastructure limitations have resulted in occasional water carting and restrictions for our customers. One of the most affected areas in the Highlands has been Bothwell; a town supplied from the Clyde River whose flow is fluctuating with very low flow frequently observed. In addition, there is little capacity in our existing infrastructure to handle any future growth. Without infrastructure upgrades across the Highlands, restrictions are likely to continue. Climate change is likely to make the situation worse.	Additional water allocations will need to be secured across the region, or more water could be purchased from Hydro Tasmania. New water treatment plants are required for Bothwell and the Ouse / Hamilton area to improve water security and enable local growth. Bothwell Water Treatment Plant is needed by 2028, while the Ouse / Hamilton Water Treatment Plant is proposed by 2050. Additional raw water will be sourced in the short-term.	 Water security  Capacity for growth  System efficiency and reliability  Enhanced water quality
Midlands including these systems: - Oatlands - Tunbridge - Campbell Town / Ross - Conara / Epping - Rossarden - Fingal / Avoca - St Marys - Cornwall - Mathinna	Harsh climate conditions and changing water quality in raw water sources that supply our treatment plants have affected the reliability and quality of drinking water. Water carting has been needed to maintain supply in some areas. Insufficient water sources, dams that require major upgrade works and poor condition bulk main network are significant challenges in Oatlands water system. In addition, an ageing treatment plant coupled with limited room for growth requires plant replacement in the short term. Issues in the Campbell Town / Ross system are compounded by potential losses or unlicensed water extraction upstream in the Elizabeth River, and the treatment plant requiring upgrades to treat poor raw water quality. The Fingal/Avoca system also expected to need a capacity expansion to meet future growth. The St Marys Water Treatment Plant is not meeting water quality targets due to its age and hardness of raw water.	We propose to replace Oatlands and St Marys Water Treatment Plants and expand Blackman Dam 2 to support the Oatlands area community. Water treatment plants at Campbell Town / Ross, Conara / Epping, and Mathinna require upgrades to enhance water quality in the short term, and the plants at Campbell Town / Ross and Fingal / Avoca will need expansion for future capacity. Additional water allocations will need to be secured across the region or water could be purchased from other sources like Hydro Tasmania. Water from Fingal is expected to be tankered to Cornwall and Rossarden when required. New water treatment plants and upgrades are needed by 2035 apart from the Fingal / Avoca Water Treatment Plant which has enough capacity for 20 years. Additional raw water sources and allocations are likely to be sourced in the short-term.	

Highlands Midlands water

There are no system rationalisations proposed for the Highlands Midlands region.

1 2 Bronte Park and Wayatinah

- Obtain a water extraction licence or purchase water from Hydro Tasmania.

3 Ouse / Hamilton

- Transfer Gretna water licence. Obtain an additional licence or purchase water from Hydro Tasmania.

- Build a new WTP with increased capacity, raw water main and pump station.

4 Bothwell

- New connection is under negotiation.
- Build a new WTP on a new site, decommission the existing and upgrade the existing new raw water pump.

- Water treatment plant
- Raw water storage
- Decommissioned water treatment plant
- Tankering
- Serviced community

5 Oatlands

Most likely pathway:

- Negotiate water licence transfer from Council.
- Upgrade Blackman Dam 2 for compliance purposes and augment it to a larger capacity.
- Build a new WTP, renew the raw water main and upgrade the treated transfer main.

6 Tunbridge

- Obtain a water extraction licence or purchase water.

7 Campbell Town / Ross

- New connection under negotiation.
- Upgrade the WTP and the intake water.

8 Conara / Epping

- Upgrade the WTP.

9 Rossarden

- Obtain a water extraction licence.
- Develop a formal water tankering plan from Fingal WTP and install required infrastructure.

10 Fingal / Avoca

- Water licence transfer is under negotiation.

- Renew the WTP with increased capacity.

- Upgrade transfer mains.

11 Mathinna

- Upgrade the WTP.

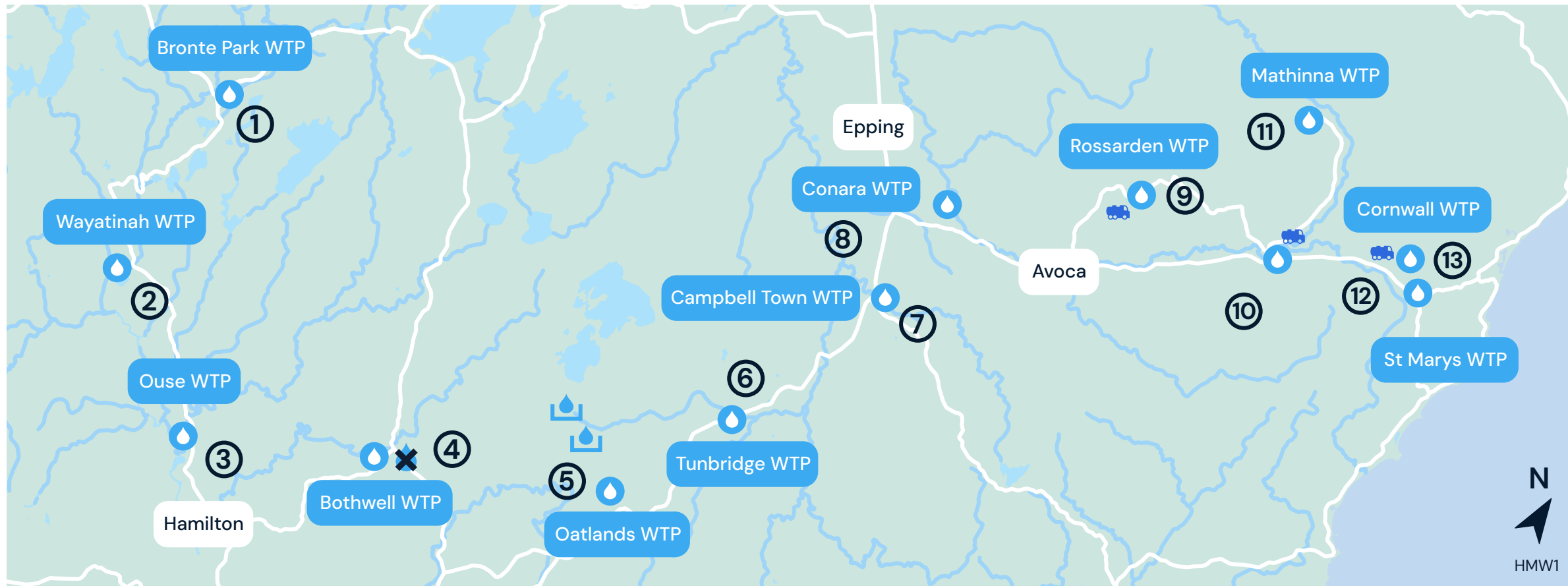
12 St Marys

- Construct new pipeline to source water from Fingal WTP.

13 Cornwall

- Develop a formal water tankering plan from Fingal WTP and install required infrastructure.

- Immediate / short term (by 2035)
- Medium term (2035 to 2050)
- Long term (2050 to 2070)
- Progress at any time if/when the opportunity or need arises



Our sewerage plan

Area	The situation	What we plan to do	Outcomes
Highlands including these systems: • Arthurs Lake • Bronte Park • Bronte Lagoon • Wayatinah • Ouse • Hamilton • Bothwell	Low projected growth in the Highlands and smaller, dispersed communities makes it hard to connect systems or reduce the number of ageing assets that require maintenance and upgrades. This includes Ouse Sewage Treatment Plant which is in a high flood risk area. Seasonal occupancy of communities around the Highlands lakes also affects demand for services during the year. If there is growth in tourism development in the area, upgrades to existing treatment infrastructure may be needed.	We propose to keep systems and assets in place, and upgrade them over time to enhance efficiency and environmental performance. Any upgrades at Ouse Sewage Treatment Plant would be above the flood level. Ultimately, we may need to relocate the Hamilton Sewage Treatment Plant to another site further away from neighbours and with better access to power. Water recycling schemes may be expanded where there are enough customers and costs can be recovered. Systems are expected to remain in place until at least 2050, and assets will be upgraded as needed over the short to medium-term.	 More sustainable infrastructure  Environmental compliance  System efficiency and reliability  Greater climate resilience
Midlands including these systems: • Conara • Ross • Kalangadoo • St Marys • Fingal • Campbell Town • Oatlands	While infrastructure in the systems is ageing, most assets are set up to handle growth, apart from Oatlands Sewage Treatment Plant which is already operating beyond capacity. This plant services an area which is growing steadily. The Ross Sewage Treatment Plant has operational issues including odour emissions and risks of discharge into the Maquarie River. The Fingal Sewage Treatment Plant is flood prone.	We propose to retain key systems and assets, and upgrade them over time to enhance efficiency and environmental performance. This includes potentially redesigning the Ross Sewage Treatment Plant and moving the Fingal Sewage Treatment Plant to a flood free site. Water recycling schemes may be expanded where there are enough customers and costs can be recovered. Treatment plant upgrades are expected to occur in the short to medium term, while relocating the Fingal Sewage Treatment Plant is a long-term option.	

Highlands Midlands sewage

There are no system rationalisations proposed for the Highlands Midlands region.

1 Highland Lakes systems

- Retain Bronte Park, Bronte Lagoon, Arthurs Lake and Wayatinah STPs. Invest in assets as required to maintain service levels, preferred disposal by absorption trench systems.

2 Ouse and Hamilton

- Retain Ouse and Hamilton STPs. Invest in assets as required to maintain service levels, seek opportunities for effluent recycling by irrigation. Ensure new assets are protected from flood levels.

3 Bothwell

- Retain and invest in the current STP. Expand the existing recycled water scheme.

4 Oatlands

- Retain and invest in the current STP. Expand the current recycled water scheme.

5 Ross

- Retain and invest in the current STP. Establish a recycled water scheme.

6 Campbell Town

- Retain and invest in the current STP. Ensure the long term viability of the recycled water scheme.

7 Conara

- Retain and invest in the current STP. Establish an absorption trench disposal area or small irrigation scheme. Nearby reserve land may be suitable. The current STP will require replacement in the short term.

8 Kalangadoo

- Retain and invest in the current STP.

9 Fingal

- Retain and invest in the current STP. Establish a recycled water scheme.

- New STP to relocate from flood prone land.

10 St Marys

- Retain and invest in the current STP. Expand the current recycled water scheme.

Immediate / short term (by 2035)

Medium term (2035 to 2050)

Long term (2050 to 2070)

Progress at any time if/when the opportunity or need arises

- Sewage treatment plant
- Recycled water scheme
- Absorption area disposal





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