



MD21/5669

Ms Liz Livingstone
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
By email at: [REDACTED]

Dear Ms Livingstone

I refer to your letter to the Minister for Energy and the Environment, the Hon Matt Kean, dated 1 September 2021, inviting a submission on an application by Narara Ecovillage Co-operative Ltd (Applicant) under the *Water Industry Competition Act 2006* (WIC Act) to vary its Network Operators Licence and Retail Suppliers Licence (Licences) for the Narara Ecovillage (Village) near Gosford. The Minister has referred your letter to the Environment Protection Authority (EPA) for response.

The EPA has reviewed your letter and the accompanying documents supplied by the Independent Pricing and Regulatory Tribunal (IPART) and notes that the Applicant seeks changes to the Licences that would allow it to bypass the onsite sewage treatment system and recycled water network and instead send untreated sewage to Central Coast Council's (Council) sewerage network via a sewerage rising main and pump station connection. Potable water will also be supplied by Council with the onsite water dam only being used to treat and supply non-potable water to the Village. The EPA also notes that the application includes a change in the third-party provider from Aquacell Pty Ltd to Innaco Pty Ltd (Innaco).

In regard to the specific questions asked of the EPA, the EPA advises as follows:

1. The EPA is not the Appropriate Regulatory Authority (ARA) under the POEO Act for the Applicant, Innaco or the activities undertaken at the Village. However, the EPA has searched its records management systems and New South Wales Case Law and has found no evidence that the Applicant or Innaco have breached the POEO Act. The EPA recommends that IPART consult with Council, which is the ARA, if it has not done so already, on any regulatory action that may have been taken by Council.
2. The EPA is satisfied that all project-related risks can be managed with the proper design, installation and maintenance of the rising main and pump station, in accordance with industry standards and best available technology, with downstream risks to be transferred to Council. The region downstream of the Village is subject to flooding and therefore the pump station should be required to be designed with a wet well with sufficient volume to store sewage in the event of a failure at the pump station or other downstream failures. It is recommended that the pump station be constructed with a back-up generator to supply power, in the case of electricity disruption, to minimise surcharges of raw sewage to the environment (detailed further below).
3. Council will remain the ARA for the private water supply and sewerage network managed by the Applicant and/or its contractor under the POEO Act. The EPA recommends that IPART consult Council as the ARA, if it has not done so already, on any relevant conditions that may be required. The EPA remains the ARA for Council's sewerage systems.

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The EPA requests IPART consider the following additional conditions to the Licences.

- i) The rising main, pump station and any related infrastructure operated by the Applicant or its contractors must be:
 - a) maintained in a proper and efficient condition; and
 - b) operated in a proper and competent manner.
- ii) The pump station must be constructed with a wet well with sufficient volume to store sewage in the event of a failure at the pump station or other downstream failures. The volume should be determined by Council to meet relevant design rainfall events, or better, for the system.
Note: The EPA notes that the Applicant has advised that 360KL of sewage storage is available at the Village, equivalent to 10 days storage at full development which may be sufficient to satisfy emergency storage provisions, if Council agrees that a wet well is not required.
- iii) The pump station must be constructed with a back-up generator or alternate power source in the event of electricity disruption, to minimise and surcharges of raw sewage to the environment.

If you wish to discuss this matter further, please contact [REDACTED] on [REDACTED] or by email at [REDACTED]

Yours sincerely

[REDACTED]

**Executive Director
Regulatory Operations**