

Independent Pricing and Regulatory Tribunal
New South Wales

Licence Application Form

Network Operator and Retail Supplier Licence
Water Industry Competition Act 2006 (NSW)

PUBLIC VERSION

Application
Water

August 2019

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Enquiries regarding this document should be directed to a staff member:

Christine Allen (02) 9290 8412

Robert Aposhian (02) 9290 8406

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1	12 March 2019	First release
2	22 August 2019	Changed details for contact person for enquiries.



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Tribunal Members

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1 Introduction

The *Water Industry Competition Act 2006* (NSW) (WIC Act) came into force on 8 August 2008 and includes provisions for the licensing of private sector water utilities.

Under the WIC Act, the responsible portfolio Minister¹ (the Minister) is in charge of making decisions on granting or refusing the following licences:

- ▼ A **network operator's licence** for constructing, maintaining and operating water industry infrastructure
- ▼ A **retail supplier's licence** to supply water or provide sewerage services, by means of water industry infrastructure.

The Independent Pricing and Regulatory Tribunal of NSW (IPART) is responsible for receiving and assessing licence applications for these licences. It is also responsible for the ongoing administration and enforcement of these licences.

1.1 Who should complete this form?

This form is for corporations applying to become licensees under the WIC Act. Under section 8(1) of the WIC Act, an application for a licence can only be made by, or on behalf of, a corporation.

A copy of the WIC Act and the Water Industry Competition (General) Regulation 2008 (WIC Regulation) are available on the NSW Government's legislation website at www.legislation.nsw.gov.au.

You should complete this form according to the instructions outlined in the Application Form Guidance Document: Network Operator and Retail Supplier Licence, Water Industry Competition Act 2006 (NSW) (the Guidance Document). The Guidance Document and the Application Form are available on our website at www.ipart.nsw.gov.au.

Direct any questions to the Director, Regulation and Compliance via email, wica@ipart.nsw.gov.au or telephone, (02) 9290 8412.

1.2 How this form is structured

This form is structured into the following parts:

- ▼ Part 1 provides an introduction to the form
- ▼ Part 2 contains the Statutory Declaration that must accompany the application form
- ▼ Part 3 contains the Acknowledgement that must accompany the application form

¹ Currently the Minister for Energy and Utilities, December 2018.

-
- ▼ Part 4 contains the licence application form schedules. These schedules are:
 - A) Applicant corporation information (to be completed by all applicants corporation)
 - B) Financial capacity (to be completed by all applicant corporations)
 - C) Network operator's licence – technical capacity
 - D) Retail supplier's licence – technical capacity – water supply
 - E) Retail supplier's licence – technical capacity – sewerage services.

2 Statutory declaration

A statutory declaration must be completed by all applicant corporations and submitted with their application.

Statutory declaration

Provide a statutory declaration from:

- a) The Chief Executive Officer and a director of the applicant corporation (each must complete a separate declaration); or
- b) The sole director and Chief Executive Officer of the applicant corporation; or
- c) Such other person that IPART agrees may provide the statutory declaration(s); to the effect that the information provided in the application is true and correct.

For the purposes of Part 3 of this application form, the statutory declaration should also state that the applicant corporation is neither:

- ▼ A disqualified corporation for the purpose of section 10(3)(a) of the *Water Industry Competition Act 2006 (NSW) (WIC Act)*, nor
- ▼ A related entity of a disqualified corporation that would have a direct or indirect interest in, or influence on, the carrying out of the activities that the licence (the subject of the application in relation to which this declaration is made), if granted, would authorise, for the purpose of section 10(3)(b) of the WIC Act.

A statutory declaration must be certified by a NSW authorised witness from the following list:

- ▼ a justice of the peace
- ▼ a solicitor or barrister with a current New South Wales or interstate practising certificate
- ▼ a commissioner of the court for taking affidavits
- ▼ a notary public, or
- ▼ a person by law authorised to administer an oath (eg, authorised witnesses in other jurisdictions).

I, do solemnly and sincerely declare that:

1. I am a director/the Chief Executive Officer/~~the sole director and Chief Executive Officer~~ [delete as applicable] of the applicant corporation (named in this application form).
2. The information provided in this application is true and correct to the best of my knowledge.
3. I am aware of the requirements under the *Water Industry Competition Act 2006* (NSW) (WIC Act) for the licence being applied for.
4. The applicant corporation is not, for the purpose of section 10(3)(a) of the WIC Act, a disqualified corporation (as defined in the Dictionary of the WIC Act).
5. The applicant corporation is not, for the purpose of section 10(3)(b) of the WIC Act, a related entity of a disqualified corporation (as defined in the Dictionary of the WIC Act) that would have a direct or indirect interest in, or influence on, the carrying out of the activities that the licence (the subject of the application in relation to which this declaration is made), if granted, would authorise.
6. I have the authority to make this application on behalf of the applicant corporation (named in this application form).

I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the *Oaths Act 1900* (NSW).

Name of person making the declaration:

Graham John Dooley

Title of person making the declaration:

DIRECTOR + CEO

Signature of person making the declaration:



Declared at

[place]:

Adelaide, South Australia

On [date]:

11 January 2021

In the presence of an authorised witness, who states:

I [insert name of authorised witness]

James Frearson - Lea

a [insert qualification to be authorised witness]

Lawyer

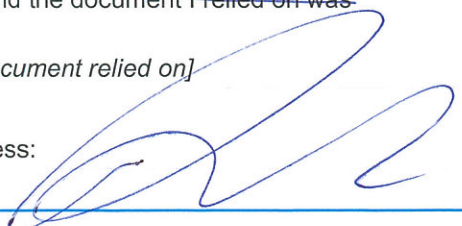
certify the following matters concerning the making of this statutory declaration by the person who made it:

[*cross out any text that does not apply]

1. *I saw the face of the person or ~~*I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering.~~
2. *I have known the person for at least 12 months or ~~*I have confirmed the person's identity using an identification document and the document I relied on was~~

[describe identification document relied on]

Signature of authorised witness:



Date:

11/1/2021

I, do solemnly and sincerely declare that:

3. I am a director/~~the Chief Executive Officer/the sole director and Chief Executive Officer [delete as applicable]~~ of the applicant corporation (named in this application form).
4. The information provided in this application is true and correct to the best of my knowledge.
5. I am aware of the requirements under the *Water Industry Competition Act 2006* (NSW) (WIC Act) for the licence being applied for.
6. The applicant corporation is not, for the purpose of section 10(3)(a) of the WIC Act, a disqualified corporation (as defined in the Dictionary of the WIC Act).
7. The applicant corporation is not, for the purpose of section 10(3)(b) of the WIC Act, a related entity of a disqualified corporation (as defined in the Dictionary of the WIC Act) that would have a direct or indirect interest in, or influence on, the carrying out of the activities that the licence (the subject of the application in relation to which this declaration is made), if granted, would authorise.
8. I have the authority to make this application on behalf of the applicant corporation (named in this application form).

I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the *Oaths Act 1900* (NSW).

Name of person making the declaration:

ALAN SHANG TA WU

Title of person making the declaration:

DIRECTOR

Signature of person making the declaration:

Alan Wu

Declared at

[place]: L5, TOWER 3, INTERNATIONAL TOWERS, 300 BARANGAROO AVE, BARANGAROO NSW 2000

On [date]: 18th JANUARY 2021

In the presence of an authorised witness, who states:

I [insert name of authorised witness]

FizAlianna Isabel LAM

a [insert qualification to be authorised witness]

Legal Practitioner

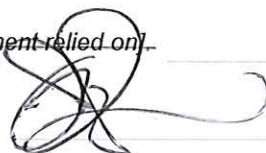
certify the following matters concerning the making of this statutory declaration by the person who made it:

[*cross out any text that does not apply]

9. *I saw the face of the person or ~~*I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering.~~
10. *I have known the person for at least 12 months or ~~*I have confirmed the person's identity using an identification document and the document I relied on was~~

~~[describe identification document relied on]~~

Signature of authorised witness:



Date: 18 Jan 21

3 Acknowledgement

All applicant corporations must sign an acknowledgement of IPART's intention to give copies of the application to relevant stakeholders.

An acknowledgement should be provided by:

- ▼ Company secretary and a director
- ▼ Two directors
- ▼ In the case of a sole director, the sole director, or
- ▼ Such other person that IPART agrees may provide the acknowledgement.

Acknowledgement

The applicant corporation (as named in the application form accompanying this acknowledgement) acknowledges that IPART will give a copy of the applicant corporation's completed application form, including any confidential information contained in that application form, to the:

- ▼ Minister administering the *Water Industry Competition Act 2006* (NSW) (except Part 3)
- ▼ Minister administering the *Public Health Act 2010* (NSW)
- ▼ Minister administering Chapter 2 of the *Water Management Act 2000* (NSW)
- ▼ Minister administering the *Environmental Planning and Assessment Act 1979* (NSW)
- ▼ Minister administering the *Protection of the Environment Operations Act 1997* (NSW),

in accordance with section 9(1) of the *Water Industry Competition Act 2006* (NSW) and clause 17 of the *Water Industry Competition (General) Regulation 2008* (NSW).

In the interest of streamlining the processing of your application, indicate below whether or not you agree to a copy of your completed application form (including any confidential information contained in that application form) being provided on a confidential basis directly to relevant departmental staff who have the responsibility to advise the Ministers named above on issues relating to the provision of water and sewerage services.

☒ **I agree** that a copy of my completed application form (including any confidential information contained in that application form) may be provided to relevant departmental staff as outlined above.

☐ **I do not agree** that a copy of my completed application form (including any confidential information contained in that application form) may be provided to relevant departmental staff as outlined above.

Name of person making the acknowledgement:

GRAHAM JOHN DOOLEY

Title of person making the acknowledgement:
[Director / Company Secretary]

DIRECTOR

On [date]:

11 January 2021

Signature of person making the acknowledgement:



Name of person making the acknowledgement:

Bradley James Rea

Title of person making the acknowledgement:
[Director / Company Secretary]

Company Secretary

On [date]:

11 January 2021

Signature of person making the acknowledgement:



4 Licence application form schedules

All applicant corporations must complete the licence application form schedules relevant to its application for a licence.

Template documents to assist applicant corporations in completing the licence application form schedules are available in the Guidance Document.²

There are two types of licence covered by the licence application form schedules:

- ▼ A network operator's licence
- ▼ A retail supplier's licence.

4.1 Network operator's licence

Under the WIC Act, a network operator's licence is required by proponents who wish to construct, maintain and operate water industry infrastructure. This includes all infrastructure required to produce, filter, store, convey, reticulate or treat water and sewage, and to dispose of any waste produced. Water includes potable (drinking) water and non-potable (recycled) water.

Applicant corporations applying for a network operator's licence must complete the following schedules (see Table 4.1):

- A. Applicant corporation information**
- B. Financial capacity**
- C. Network operator's licence – technical capacity.**

4.2 Retail supplier's licence

Under the WIC Act a retail supplier's licence is required by proponents who wish to supply water or provide sewerage retailing services.

Applicant corporations applying for a retail supplier's licence must complete the following schedules (see Table 4.1):

- A. Applicant corporation information**
- B. Financial capacity.**

² IPART, *Application Form – Guidance Document*, March 2019.

Applicant corporations applying for a retail supplier's licence that will supply water (including drinking water and/or non-potable water) must also complete the following schedule (see Table 4.1):














D. Retail supplier's licence – technical capacity – water supply.

Applicant corporations applying for a retail supplier's licence that will supply sewerage services must also complete the following schedule (see Table 4.1):

E. Retail supplier's licence – technical capacity – sewerage supply.

Applicant corporations applying for a retail supplier's licence that will supply both water and sewerage services must also complete both of schedules D and E (see Table 4.1).

Table 4.1 Completing the licence application form schedules

Applies to	Licence application form schedule				
	A	B	C	D	E
Network operator's licence					
Retail supplier's licence					
Water supply (drinking water and/or non-potable water)					
Sewerage services					
Both water supply and sewerage services					

A Applicant corporation information

Table A.1 Corporation details

Provide applicant corporation's name, ABN/ACN, registered and business addresses.	
<i>Corporation name</i>	Rosehill Network Pty Ltd ('the Applicant ')
<i>ABN</i>	11 131 213 691
<i>ACN</i>	131 213 691
<i>Address of registered office</i>	Suite 1005, 147 Pirie Street, Adelaide SA 5000
<i>Address of principal place of business</i>	Suite 1005, 147 Pirie Street, Adelaide SA 5000

Table A.2 Contact details

Provide primary and secondary contacts, with all relevant details (ie, names, addresses, email and telephone/mobile phone contacts).	
Primary Contact	
<i>Full name and position/title</i>	Bradley Rea, Company Secretary
<i>Business telephone number</i>	(08) 7999 8555
<i>Mobile number</i>	0400 296 171
<i>Email</i>	brea@wua.com.au
<i>Postal address</i>	Water Utilities Australia Suite 1005, 147 Pirie Street Adelaide SA 5000
Secondary Contact	
<i>Full name and position/title</i>	Craig Heidenreich, General Manager - Operations
<i>Business telephone number</i>	(08) 7999 8555
<i>Mobile number</i>	0439 399 974
<i>Email</i>	cheidenreich@wua.com.au
<i>Postal address</i>	Water Utilities Australia Suite 1005, 147 Pirie Street Adelaide SA 5000

Table A.3 Directors

Provide the following information (details may be included in an Appendix A3).

- a) The names, position title, date of birth and address of the Chief Financial Officer, Chief Executive Officer and any other persons concerned in the management of the applicant corporation.*

For each person

Full name

Position title

Date of birth

Residential address

Confidential

- b) A chart outlining the relationship between the applicant corporation and its ultimate Australian holding company, including the names of any intermediate holding companies.
Attach the organisation chart as Appendix A3(b).*

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- c) Resumes for CEO (or equivalent) and relevant key managers outlining relevant local and international experience in the water industry and matching role descriptions.
Attach resumes/CVs/experience and role descriptions as Appendix A3(c).*

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- d) Referees for relevant schemes. **Attach the list of referees/schemes as Appendix A3(d).***

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Table A.4 Scheme summary

Provide scheme details below.	
<i>Scheme name</i>	Rosehill Recycled Water Scheme ('RRWS')
<i>Location (include local government area, Lot and DPs)</i>	
<p>The RRWS is located in the local government areas of:</p> <ul style="list-style-type: none">• Fairfield City Council;• Cumberland Council; and• Parramatta City Council.	
<p>The Fairfield Advanced Water Treatment Plant ('AWTP') is located on land owned by the Applicant at 2 East Parade, Fairfield NSW 2165, being lots 7-11 and 12-16 in DP2728.</p>	
<p>The Woodville Reservoir is located on land leased by the Applicant at 13 Barbers Road, Guildford NSW 2161, being part of the land marked (A) on lot 1 in DP986628.</p>	
<p>The Rosehill Reservoir is located on land leased by the Applicant at lot 101, Durham Street, Rosehill NSW 2142 being the whole of the land in Title Folio Identifier 101/1168951.</p>	
<p>Please see Appendix A.04 for a map of the RRWS network pipeline.</p>	
<p>A description of what this variation application is seeking and current ownership arrangements is included in Appendix A.04A</p>	
<i>Describe the scheme:</i>	
<i>Provide a summary of each type of product to be captured by the scheme (eg, drinking water, recycled water, sewage, stormwater), the volumes generated and the treatment process to be used, including average and maximum capacity.</i>	
<p>The RRWS is an existing scheme that manufactures recycled water at the Fairfield AWTP and distributes to industrial customers via the RRWS network. The Fairfield AWTP receives treated effluent from the Sydney Water owned Liverpool to Ashfield Pipeline and further treats this water through a process consisting of screening, ultrafiltration, reverse osmosis, ion exchange, degassing, and chlorination.</p>	
<p>The Fairfield AWTP has a current capacity to produce 20ML/d of recycled water. The current average daily demand of recycled water in the period 1 July 2018 to 30 June 2019 has been 3.37 ML/d.</p>	
<i>Describe end uses</i>	
<p>The end uses of the recycled water include:</p> <ul style="list-style-type: none">• Cooling tower make-up• Industrial process• Wash-down• Firefighting• Irrigation	

Provide scheme details below.

- Toilet Flushing
- Washing Machine (cold tap)

Further information regarding the end uses is described in **Appendix A.04B**

Describe effluent/ waste products and disposal options (include volumes generated)

Trade waste is comprised of multiple waste streams from the process, including waste brine from the Reverse Osmosis process, waste backwash water from the Ultrafiltration process, Neutralised cleaning solutions for the Reverse Osmosis and Ultrafiltration processes and wastewater from the cationic exchange units.

The plant discharges on average 63,600kL of trade waste per month.

The trade waste typical concentrations are shown below:

	Units	Typical Concentration
Ammonia	mg/L	15.6
Turbidity	uS/cm	16.4
Conductivity	NTU	2221.7
pH	mg/L	7.3
Temperature	mg/L	22.6

List of all planning, environmental and other legislative approvals already obtained and those that are still required

N/A

List the staging of works, including a program of the main stages

N/A. The RRWS is existing.

List the total number and type of customers to be serviced

9 industrial customers

Describe the preferred timeline for the licensing of each stage of the work

Provide scheme details below.

N/A. The Applicant is already licensed.

Table A.5.1 Experience – Network Operator

Provide the following information (details may be included in Appendices A5.1(a) and A5.1(b)).

- | | |
|--|--|
| <p>a) Describe the applicant corporation's current experience in (and, where relevant, the nominated third parties' experience in):</p> <ul style="list-style-type: none">– Construction, maintenance and operation of water and/or other utility infrastructure such as gas, electricity or telecommunications– Environmental management activities relevant to the construction of water infrastructure. Evidence may include: extracts from environmental impact assessments, construction environmental management plans, operational environmental management plans, environmental management systems. This can include interstate and international experience. | <p>Provide full and complete details in Appendix A5.1</p> |
| <p>b) Provide resumes/CVs for key personnel (including nominated third parties) outlining relevant local and international experience and necessary skills for each of the following activities:</p> <ul style="list-style-type: none">– Construction, operations and maintenance– Environmental management. | <p>Provide full and complete details for relevant personnel in Appendix A5.1</p> <p>Confidential</p> |

Table A.5.2 Experience – Retail Supplier

Provide the following information (details may be included in Appendices A5.2(a) and A5.2(b)).

- | | |
|--|------------|
| <p>a) Describe the applicant corporation's current experience in (and, where relevant, the nominated third parties' experience in):</p> <ul style="list-style-type: none">– the supply of water or the provision of sewerage services. Also outline any previous experience in the retailing of other services such as gas, electricity or telecommunications. | <p>N/A</p> |
| <p>b) Provide resumes/CVs for key personnel (including nominated third parties) outlining relevant local and international experience and necessary skills for each of the activities to be licensed:</p> <ul style="list-style-type: none">– Retailing activities relevant to operating a utility. | <p>N/A</p> |

Table A.6 Corporate structure

Provide an organisational management chart and an ownership chart in Appendix A6.

Describe the structure of the applicant corporation, including a list of the entities that have an ownership interest in the applicant corporation, whether legal or equitable. The charts should clearly show how the corporation is managed, and all entities that have an ownership interest in the applicant corporation.

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Table A.7 Disqualified corporations

Provide the completed disqualified corporations and related entities chart in Appendix A7.

Provide additional information, as described in Appendix B of the Guidance Document, to allow a search for and assessment of each Director, the applicant corporation, and any related entities that would have a direct or indirect interest in, or influence on, the carrying out of the activities that the licence would authorise, if granted.

See **Appendix A.07**

Table A.8 Insurances

Attach copies of all relevant insurance certificates and relevant policy schedules and policy wording (eg, Product Disclosure Statements) in Appendix A8.

- a) *Describe the types of insurance the applicant corporation has or intends to obtain for the activities to be licensed (including the level of cover (amount) the applicant corporation has or intends to have) for the:*
 - Construction phase: N/A
 - Operations phase: **Confidential**
- b) *Where available, provide:*
 - Certificates of currency for all existing insurance policies: See **Appendix A.08B**
 - Relevant policy schedules and policy wording for current and future policies. Ensure the inclusions and exclusions of the policies are mentioned: **Confidential**
- c) Include a summary of itemised inclusions and exclusions for each type of insurance the applicant corporation holds.
- d) Explain why the type and level of cover provided or proposed by the applicant corporation's insurer is sufficient and appropriate for the size and nature of the applicant corporation's proposed activities across all phases of the scheme. Your explanation should show how the proposed insurance policies appropriately cover the risks of the applicant corporation's risk assessment. You should also obtain a letter or report from an insurance broker to support your explanation on the appropriate level of cover for the applicant corporation's scheme.
- e) If the corporation applying for a licence is a subsidiary of another corporation and is covered by the parent corporation's insurance policy/ies, provide certificates of currency and relevant policy schedules and policy wording demonstrating that the subsidiary will be covered by the parent company's policies.

Table A.9 Other relevant information

Provide any additional relevant information in Appendix A9.
Provide other relevant information to outline the applicant corporation's organisational capacity to undertake the activities that the licence will authorise. These may include: <ul style="list-style-type: none">▼ Business and management systems, and whether they are certified or consistent with an appropriate standard▼ Business risk assessments▼ Cross-organisational guarantees and third party agreements.
See Appendix A.09
Copies of the Plant and Network O&M Confidential
Copy of the Resource Deed between WUA and Rosehill Network Confidential

Table A.10 Third party activities

If the applicant corporation intends to use third parties to undertake any significant activities for which the applicant corporation is seeking a licence, (eg, construction of the reticulation network, management of the billing system), provide their details below. If there are multiple third parties, provide the details for each party as well as an explanation of the activities it will be undertaking.	
<i>Corporation name</i>	
Veolia Water Australia Pty Ltd	
<i>ABN/ARBN</i>	<i>ACN</i>
99 061 161 279	061 161 279
<i>Corporation's registered office address</i>	
Level 4, 65 Pirrama Road, Pyrmont NSW 2009	
<i>Provide a detailed description of the activities that the third party, named above, will undertake on the applicant corporation's behalf.</i>	
Veolia has been contracted to operate and maintain the Rosehill Recycled Water Scheme which incorporates both the Fairfield AWTP and network.	

B Financial capacity

The responses to the following questions will be used to assess the applicant corporation's financial capacity to undertake the activities the licence will approve (WIC Act section 10(4)(a)).

See the Guidance Document for further information on our assessment of financial capacity.

Table B.1 Financial capacity of the applicant corporation

How will the applicant corporation's activities be financed?
<p>Is the applicant corporation a new corporation, or does it have a financial history? (An applicant corporation may not have a financial history if it is a newly formed corporation).</p> <p>If the applicant corporation is a newly formed corporation (ie, without financial history), provide the following:</p> <ul style="list-style-type: none"> ▼ Copies of any financial guarantee, deed of indemnity or any other instrument that supports the applicant corporation's financial capacity. ▼ If a guarantee is to be provided by a parent or related entity, provide financial statements for the guarantor entity for the latest three financial reporting years. ▼ If the applicant corporation is a new corporation financed through alternative arrangements (eg, debt or equity), provide a letter from a financial institution (eg, bank, credit union or the government) certifying an existing or proposed line of credit or financial support. Also provide a copy of any guarantee or deed of indemnity provided by an entity, such as a holding company or Director. Provide financial statements for the latest three financial reporting years demonstrating the financial viability of the guarantor.
<p>For all applications provide (for the applicant corporation or a guarantor):</p> <ul style="list-style-type: none"> ▼ The latest three years of historical financial statements, including: <ul style="list-style-type: none"> – Profit and Loss Statement, also called the Statement of Financial Performance – Balance Sheet, also called the Statement of Financial Position – Cash Flow Statement, also called the Statement of Cash Flows. ▼ To ensure that financial reports are accurate the accounts should be accompanied by: <ul style="list-style-type: none"> – A registered company auditor's report confirming the accounts are accurate, and/or – Tax return documents for the last three years which can be used to verify the income and expenses in the financial statements. ▼ Where the reporting date of the most recent financial statements is more than three months prior to the application date, provide management accounts (eg, a profit and loss statement, trial balance or trading statement). These should be supported by the most recent bank reconciliation and a copy of the relevant bank statement. ▼ From the most recent accounts, an aged creditors report. ▼ From the most recent accounts, an aged debtors report. ▼ A list of suppliers, identifying any major or critical suppliers. ▼ A list of customers, identifying any major or critical customers. ▼ A three year forecast of profitability for the applicant corporation, including a forecast Profit and Loss Statement, Balance Sheet and Cash Flow Statement.

Provide all requested information in Appendix B1.

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Table B.2 Financial viability of the scheme

What is the projected financial performance of the scheme?
For the scheme, provide at least ten years of detailed forecast cash flows. The cash flow forecast should include:
<ul style="list-style-type: none">▼ Major income and expense items including (as relevant):<ul style="list-style-type: none">– Customer fees and charges income– Connection fees income– Developer contributions/subsidies– Capital expenditure– Operating and management costs– Bulk services charges and/or network operator fees and charges– Overheads and management fees– Sinking funds/contingency– Compliance costs.
▼ If the scheme is to be conducted in stages, the cash flow forecast should reflect this.
▼ Any provisions made for unexpected operational costs or non-planned maintenance.
▼ Key assumptions, including forecast (as relevant): <ul style="list-style-type: none">– Lot sales– Occupancy rates or any other drivers of cash inflows– Rates paid for bulk services (eg, bulk water or sewerage)– Waste disposal fees, and/or– Any other relevant key assumptions.
Provide the information in spreadsheet form (eg, Excel spreadsheet) in Appendix B2.
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Table B.3 Contextual information

Provide other relevant information that may inform the assessment of financial capacity of the applicant corporation.
For the applicant corporation, in addition to information already provided regarding financial support (eg, guarantees, debt and equity), provide:
<ul style="list-style-type: none">▼ Where the licensee is a part of a corporate group, the corporate group structure (including parent corporate group and details of ownership)▼ Equity structure (ie, equity holders, types of shares, options, quantities of shares and options etc)▼ Agreements, contracts or covenants that may impact the financial capability of the licensee, and/or▼ Any other information that may inform the assessment of financial capacity of the applicant corporation.
Provide all requested information in Appendix B3.
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Table B.4 Estimated price for services

For retail supplier licence applications, how much will the applicant corporation charge for its services?

Where the applicant corporation is applying for a **retail supplier's licence to supply water or provide sewerage service to residential households**, provide:

- ▼ Ten year forecasts of the cost to the licensee, per household, per year, to supply water and/or provide sewerage services (as is relevant).
- ▼ Details of how this cost would be recovered - that is, what are the details of who is expected to pay fees and charges (eg, customers, developers and/or grants and subsidies)?
- ▼ The proposed price levels and structure for the first ten years of operation.

Provide all requested information in Appendix B4.

Table B.5 Contacts

For all applications, provide contact details for an authorised representative to clarify financial information provided in the application.

Does the applicant corporation have an accountant? If yes, provide the accountant's contact details.

John Rawson
Partner, Deloitte Tax Services Pty Ltd
Level 17, 11 Waymouth Street, Adelaide, SA, 5000, Australia
D: +61 (8) 8407 7158 | M: +61 414 407 166
jorawson@deloitte.com.au

Does the applicant corporation have an external auditor? If yes, provide the external auditor's contact details.

Penny Woods
Partner, Deloitte Audit & Assurance
Level 17, 11 Waymouth Street, Adelaide, SA 5000
D: +61 (0)8 8407 7085 | M: +61 (0)407 470132
penwoods@deloitte.com.au

If required, may we contact the accountant and/or external auditor to clarify any information provided?

Yes.

Table B.6 Other information

Provide superannuation information as noted below.

For the applicant corporation, provide an extract of the superannuation payable ledger for the:

- ▼ 12 months ending on the date of the latest annual financial statements
- ▼ Period commencing on the date of the latest annual financial statements and ending on the date of the latest management accounting reports (if applicable).

Provide all requested information in Appendix B6. N/A

C Network operator's licence – technical capacity

The responses to the following questions will be used to assess the applicant corporation's technical capacity to undertake the activities the licence will approve (Act s.10(4)(a)).

See the Guidance Document for further information on our assessment of technical capacity.

Select the appropriate boxes for the infrastructure the corporation is applying for.

- ☐ Water infrastructure – drinking water
- ☒ Water infrastructure – non potable water (including recycled water)
- ☐ Sewerage infrastructure

Table C.1 Scheme description

Describe the proposed scheme in detail.

Include all infrastructure from catchment/treatment plant to tap/end user. You must:

- ▼ Include a full description of any infrastructure used in the capture, storage, conveyance/reticulation, and treatment of water and/or sewage.
- ▼ Provide a full description of all end uses (including irrigation, dust suppression and other broad-acre uses), waste disposal streams and disposal options, and any end uses requiring Environment Protection Licences (EPLs) or other regulatory approvals or licences.
- ▼ Describe any staging requirements for the proposed scheme with a supporting works program.
- ▼ Provide relevant water source type, identification and characterisation studies.

Your description should include the relevant concept design drawings, site plans, process flow diagrams and general arrangement drawings.

Provide all relevant documents in Appendix C1.

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Table C.2 Existing activities

Has the corporation commenced any of the activities for which it is seeking a licence?

☒ YES ☐ NO

If yes:

- ▼ Briefly describe the activities that the applicant corporation has commenced (ie, built and/or operating) including the date(s) on which the activities commenced, and the customers being serviced *eg, construction of the network infrastructure July 2015, construction of the water treatment plant December 2015, operation of the water treatment plant June 2016, supply to small retail customers August 2016.*
- ▼ Provide an indicative timeline outlining the dates for the commencement of any other activities for which the applicant corporation is seeking a licence.

If no, provide an indicative timeline outlining the major development milestones and dates for the commencement of the activities for which the applicant corporation is seeking a licence, if they have not yet commenced. *Eg, construction of the network infrastructure July 2020, construction of the water treatment plant December 2020, operation of the water treatment plant June 2021, supply to small retail customers August 2021.*

Provide all relevant documents and information in Appendix C2.

Table C.3 Area of operations

Describe the location of the proposed infrastructure.

This description should include:

- ▼ Specific lot descriptors (eg, lot and DP numbers) that identify the location of the production, treatment, filtration and/or storage infrastructure.
- ▼ The location of infrastructure for the conveyance and/or reticulation of water by street name, local government area or other description as appropriate to the size of the scheme.
- ▼ The location of identified irrigation areas for disposal of recycled water.

You should provide detailed maps to support the description of the area of operations. The map(s) should show the location of the proposed infrastructure from source to end use. Also provide any maps approved by the relevant planning authority.

Provide these maps and descriptions in Appendix C3.

Table C.4 Interconnections

Describe any interconnections between the proposed water infrastructure and other infrastructure not part of this scheme (eg, interconnections with other licensed network operators or public utilities)

In your description, identify who is responsible for the construction, operation and maintenance of which infrastructure.

Where applicable, describe the connection point to customers or end users (eg, the customer connection point may be a water meter). In your description, identify who is responsible for the construction, operation and maintenance of each piece of infrastructure.

Identify all interconnections with other infrastructure and/or end users on the process flow diagram.

Same as the existing licence.

A process flow diagram is provided in **Appendix A.04B**

Table C.5 End uses

Identify all intended end uses for each product supplied and waste products generated.

Provide evidence to support the proposed volumes of water expected to be generated and used.

Provide evidence to support the proposed quantity of waste products generated, and how the applicant corporation will dispose of it. Include any agreements with third parties, and regulatory approvals/licences.

Provide additional information in Appendix C5.

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Table C.6 Water balance

Provide a detailed water balance for all products and all scheme stages.

Water balances are required for each stage of works, and must provide (as a minimum):

- ▼ All assumptions used for modelling, and if assumptions do not meet industry standards, you must provide a statement of evidence to support the deviation
- ▼ A sensitivity analysis around end use assumptions, including future disposal pathways, eg, optional take up of recycled use in washing machines
- ▼ Any storage requirements
- ▼ All input and output volumes including peaking factors
- ▼ All waste streams and fate of waste/s

Irrigation models should be run on the median and 95%-tile rainfall scenarios. Irrigation of treated effluent/recycled water should have zero runoff and no more than 15mm deep percolation (inland) or zero (coastal) – as per the *EPA Guideline – Use of Effluent by Irrigation (2004)*.

Ensure that all water/sewage supplied and/or treated is accounted for.

Where relevant, support your assumptions by catchment and/or wastewater characterisation studies.

For all products supplied, provide detailed information on waste products generated and disposal options.

Provide a copy of the detailed water balance and assumptions, as well as any agreements and/or licences to access the source water in Appendix C6.

A water balance diagram is provided in **Appendix C.06A**

Table C.7 Volume details for services supplied

Describe the volume of water available from the proposed source.

For drinking water provide detailed information regarding the volume of water the applicant corporation will supply, agreements in place with other utilities and how the applicant corporation will ensure continuity of supply.

For recycled/non-potable water provide detailed information regarding the volume of water the applicant corporation will supply through treatment, agreements in place with other utilities and/or other recycled water users, and how the applicant corporation will ensure continuity of supply.

For sewage provide detailed information regarding the volume of sewage the applicant corporation will collect and treat, how the applicant corporation will dispose of waste products, and any agreements in place regarding the collection, storage and treatment of sewage. Also detail how the applicant corporation will ensure continuity of service.

Provide details in a separate Appendix C7.

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Details of source water, product water and trade waste volumes is provided in **Appendix C.07A**

Table C.8 Risk assessment

Provide the preliminary risk assessment for the scheme from source to end use.

The preliminary risk assessment should:

Provide the preliminary risk assessment for the scheme from source to end use.

- ▼ Accurately identify any hazards present in the source water or likely to result from the proposed treatment process
- ▼ Address intended, inadvertent and unauthorised end uses (and therefore routes of exposure) to the water
- ▼ Identify any reasonably foreseeable risk event with the potential to expose people or the environment to hazards
- ▼ Outline the broad mitigation measures where the risk of exposure to a hazard is unacceptable to human health or the environment in order to reduce the risk of exposure
- ▼ Identify critical control points (CCPs) and water quality targets.

The preliminary risk assessment should also identify the events and circumstances that could adversely affect the applicant corporation's ability to carry out the activities for which the licence is sought (including any activities undertaken by a nominated third party), the probability of the occurrence of any such event or circumstance, and the measures to be taken by the applicant corporation to prevent or minimise the likelihood of any such event or circumstance.

The preliminary risk assessment should demonstrate the application of a consistent methodology for identifying hazards and assessing potential impacts and risks to health and the environment. We strongly recommend that the applicant corporation utilises an established risk management system, such as outlined in *AS/NZS ISO 31000 (Risk management – Principles and Guidelines)*, which is consistent with the approach outlined in:

- ▼ The *Australian Drinking Water Guidelines* (ADWG)(element 2), for drinking water
- ▼ The *Australian Guidelines for Water Recycling* (AGWR)(element 2), for non-potable water.

The preliminary risk assessment should consider risks specific to the area of operations for which an application is sought. It should also address business and financial risks, and demonstrate/contain a statement that the licensee has consulted with NSW Health and the NSW Environment Protection Authority regarding health and environmental matters. A statement noting that the proposed treatment system meet the water quality targets for the intended end uses should also be included with the preliminary risk assessment.

Provide the preliminary risk assessment in Appendix C8.

Table C.9 Management systems and processes – water

Describe the systems and processes the applicant corporation will have in place to manage the water infrastructure.

Describe how the 12 elements of the framework for the management of:

- a) Drinking water quality, as detailed in the ADWG, and/or
- b) Recycled water quality, as detailed in the AGWR

have been addressed and will be implemented and maintained. Your response should include a clear description (with supporting evidence) of how and where the risk assessment has informed/will inform your water quality management plans(s).

Provide evidence of the applicant corporation's capacity to develop and implement relevant management plans, including an Infrastructure Operating Plan and Water Quality Management Plan (based on the 12 elements of the relevant framework) in Appendix C9.

Table C.10 Management systems and processes - sewerage

Describe the systems and processes that the applicant corporation will have in place to manage the sewerage infrastructure.

Provide evidence of the applicant corporation's capacity to develop and implement an infrastructure operating plan in Appendix C10.

Table C.11 Contingency plans

How will the applicant corporation ensure the continuity of the supply of water or the provision of sewerage services to customers? What contingency plans are in place in the case of failure of the infrastructure?

Provide a contingency plan in Appendix C11.

Table C.12 Regulatory approvals

List all relevant regulatory approvals.

For the activities to be licensed, provide a list of all of the regulatory approvals that have been obtained and/or are required to be obtained under:

- ▼ The *Environmental Planning and Assessment Act 1979*
- ▼ The *Protection of the Environment Operations Act 1997*
- ▼ Any other relevant legislation.

Attach copies of each approval (if granted) and any reports from the approval body.

Such approvals may include:

- ▼ Development consents for a housing development under the *Environmental Planning and Assessment Act 1979*
- ▼ Section 68 approval under the *Local Government Act 1993*
- ▼ Environment Protection Licence under the *Protection of the Environment Operations Act 1997*
- ▼ Any and all subsequent approved modifications.

Provide a copy of any regulatory approvals and/or licences in Appendix C12.

Table C.13 Development consents and determinations

Has the scheme been dealt with under either Part 3A (now repealed), Part 4 or Part 5 of the *Environmental Planning and Assessment Act 1979* (EP&A Act)? Refer to section 3.2 and Appendix C of the Guidance Document to inform your answer to this question.

Provide details of all relevant details in Appendix C13.

Table C.14 Environmental impact assessments

Describe the studies that have been completed to investigate any environmental impacts (including water quality, quantity, air, odour, noise, sea level rise, biodiversity and Aboriginal cultural heritage) from the construction and operation of the infrastructure.

Have the studies identified any significant environmental impacts from the scheme? If so, how are the environmental impacts proposed to be managed?

As a minimum, your application must be accompanied by a Review of Environmental Factors (REF) (unless the development is a designated development, Part 5 development, or a major project, in which case either an environmental impact statement (EIS) or comprehensive environmental assessment is required). The REF must identify the environmental impacts of the proposed scheme, and the steps which will be taken to protect the environment or reduce harm to the environment.

Where relevant, what land capability and/or site suitability assessments have been undertaken on the proposed land disposal (including irrigation) area?

Provide a copy of any:

- ▼ **Environmental study**
- ▼ **Land capability or site suitability assessment**
- ▼ **Environmental risk assessment**
- ▼ **Determination reports**

in Appendix C14.

D Retail supplier's licence – technical capacity – water supply

Table D.1 Scheme description

Describe the water infrastructure that the applicant corporation will access to supply water.
N/A

Table D.2 Volume of water

What volume of water is available from the proposed source?
Where applicable, provide the capacity of the source and the (allowable) average daily extraction rate from the source. If there is more than one source, provide the requested information for each of the sources.
Where relevant, provide a copy of any agreements and/or licences to access the source water in Appendix D2.
N/A

Table D.3 Class of customer

What customers or classes of customers does the applicant corporation propose to supply with water?
Will the applicant corporation be supplying small retail customers with water (ie, less than 15ML/year)?
N/A

Table D.4 Risk assessment

Provide the preliminary risk assessment for the retail activities related to the scheme.

The risk assessment **must identify the events and circumstances** that could adversely affect the applicant corporation's ability to carry out the activities for which the licence is sought (including any activities undertaken by a nominated third party). It must also identify the probability of the occurrence of any such event or circumstance and the measures to be taken by the applicant corporation to prevent or minimise the likelihood of any such event or circumstance.

The preliminary risk assessment should demonstrate the application of a consistent methodology for identifying hazards and assessing potential impacts and risks. We strongly recommend that the applicant corporation utilises an established risk management system such as outlined in *AS/NZS ISO 31000 (Risk Management– Principles and Guidelines)*.

Provide the risk assessment in Appendix D4.

Table D.5 Contingency plan

How will the applicant corporation ensure continuity of the supply of water to customers?

What contingency plans are in place in the case of failure of the infrastructure? If the continuity of supply differs between customer classes, explain why, and define how the applicant corporation will maintain the different levels of service.

Provide a contingency plan in Appendix D5.

Table D.6 Management systems and processes

Describe the systems and processes that the applicant corporation will have in place to manage retail activities including billing systems and complaint and debt recovery procedures.

Provide evidence of the applicant corporation's capacity to develop and implement a retail supply management plan in Appendix D6.

E Retail supplier's licence – technical capacity – sewerage services

For applicant corporations applying for a retail supplier's licence for supply of sewerage services.

Table E.1 Scheme description

Describe the sewerage infrastructure that the applicant corporation will access to provide sewerage services.

N/A

Table E.2 Class of customer

What customers or classes of customers does the applicant corporation propose to supply with sewerage services?

Will the applicant corporation be supplying small retail customers with sewerage services (ie, less than 10.5 ML/yr)?

N/A

Table E.3 Risk assessment

Provide the preliminary risk assessment for the retail activities related to the scheme.

The risk assessment **must identify the events and circumstances** that could adversely affect the applicant corporation's ability to carry out the activities for which the licence is sought (including any activities undertaken by a nominated third party). It must also identify the probability of the occurrence of any such event or circumstance and the measures to be taken by the applicant corporation to prevent or minimise the likelihood of any such event or circumstance.

The preliminary risk assessment should demonstrate the application of a consistent methodology for identifying hazards and assessing potential impacts and risks. We strongly recommend that the applicant corporation utilises an established risk management system such as outlined in *AS/NZS ISO 31000 (Risk Management– Principles and Guidelines)*.

Provide the risk assessment in Appendix E3.

Table E.4 Contingency plan

What contingency plans are in place in the case of failure of the infrastructure?

How will the applicant corporation ensure continuity of the provision of sewerage services to customers?

Provide a contingency plan in Appendix E4.

Table E.5 Management systems and processes

Describe the systems and processes that the applicant corporation will have in place to manage retail activities including billing systems, and complaint and debt recovery procedures.

Provide evidence of the applicant corporation's capacity to develop and implement a retail supply management plan in Appendix E5.