IPART
New South Wales

Independent Pricing and Regulatory Tribunal

Network Operator and Retail Supplier Licence Application Form

Water Industry Competition Act 2006 (NSW)

PUBLIC APPLICATION

Application Form
June 2013

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

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Independent Pricing and Regulatory Tribunal of New South Wales
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www.ipart.nsw.gov.au

Contents

1 Instructions

The *Water Industry Competition Act 2006* (NSW) (the WIC Act or Act) came into operation on 8 August 2008 and, among other things, provides for the licensing of private sector water utilities.

Under the WIC Act, the Minister for Finance and Services (the Minister) is responsible for granting the following licences:

- **Network Operator's Licence** for constructing, maintaining and operating water industry infrastructure.
- **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 and for the ongoing administration and enforcement of licences.

1.1 Who should complete this form?

This form is for corporations that wish 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 is available on the NSW Government's legislation website at www.legislation.nsw.gov.au.

1.2 Information on filling out and submitting this form

1.2.1 General instructions to applicants

The questions asked in the application form are designed to allow you to establish your capacity and expertise to carry out the proposed activities in compliance with your licence (if granted), the WIC Act and the *Water Industry Competition (General) Regulation 2008* (NSW) (the General Regulation).

Your response should include sufficient information to demonstrate an extensive understanding of the activities you are proposing to undertake, the issues or impacts associated with these activities, and the processes required to address or manage these issues or impacts. The information provided in your application should reflect the type, size, complexity and level of risk associated with the activities to be licensed.[1]

[1] For example, a recycled water scheme involving a single source, basic treatment, and single pipeline to one commercial customer will be less complex and therefore require less supporting information than a multi-source scheme, with complex treatment and a pipe network ultimately supplying a mix of commercial and residential customers.

Following each question in the application form is an explanation (in italics) as to why we have requested the information and how it will be assessed in relation to the requirements of the WIC Act and the General Regulation. These explanations are provided as a general guide to help applicants understand the main ways in which the information sought is likely to be relevant for the assessment of their application. However, we may use the information provided for any other relevant purpose when we assess your application.

We will also have regard to the following licensing principles, in accordance with section 7 of the WIC Act:

- the protection of public health, the environment, public safety and consumers generally
- the encouragement of competition in the supply of water and the provision of sewerage services
- the ensuring of sustainability of water resources
- the promotion of production and use of recycled water
- the promotion of policies set out in any prescribed water policy document
- the potential for adverse financial implications for small retail customers generally arising from the activities proposed to be covered by the licence, and
- the promotion of the equitable sharing among participants in the drinking water market of the costs of water industry infrastructure that significantly contributes to water security.

Where more extensive information is required in response to a question (ie, example plans), the information is requested to be included as an appendix to the question. Unless indicated otherwise the appendices must be attached to the application to ensure there is sufficient information for IPART to make an assessment in accordance with the relevant legislation. An application that does not attach the necessary appendices may be considered to be an incomplete application resulting in a delay in processing. All appendices should be labelled as per the instructions.

1.2.2 Confidential information

IPART uses open public processes to consider applications and must invite submissions on applications from the public. Unless they are confidential, we treat your applications and appendices as public documents. We publish these documents on our website and distribute them to interested parties as appropriate.

Subject to our disclosure obligations (referred to below), we will treat as confidential the financial information that we request for the purposes of your application. We may share that information with our consultants, but will do so on a confidential basis.

You should let us know if you consider other aspects of your application to be confidential so that we can discuss your confidentiality concerns with you.

You should provide separate confidential and public copies of your application. In particular, you should provide:

- **a confidential application**, which is clearly marked "confidential" and clearly identifies the confidential information that should not be publicly released, and
- **a public application,** which does not contain the confidential information, for publication and distribution by IPART.

If we agree with all your confidentiality concerns, we will only publish the public application on our website. However we will furnish a copy of the confidential application to the Ministers specified by the WIC Act and General Regulation, as we are required to do under section 9(1)(b) of the WIC Act.

Please note that third parties may apply under the *Government Information (Public Access) Act 2009* for access to applications, including applications that contain confidential information. If we receive such an application, we will determine disclosure in accordance with that Act.

Where an application includes personal information, IPART will deal with that information in accordance with the information protection principles set out in the *Privacy and Personal Information Protection Act 1998*.

1.2.3 Is there an application fee?

The application fee for a network operator's licence is $2,500. The application fee for a retail supplier's licence is $2,500. If you are applying for both a network operator's licence and retail supplier's licence, the fee is $5,000.

The appropriate licence application fee should be paid either by cheque made payable to the Independent Pricing and Regulatory Tribunal of NSW or by electronic transfer to:

Westpac Banking Corporation
BSB: 032-001
Account No: 205717
Reference: WICA app

If payment is made electronically, please provide a copy of the electronic transfer receipt with your licence application.

Please note that once an application has been submitted, the application fee(s) will not be refunded if the application is rejected or withdrawn.

1.2.4 How do you submit the application?

You must submit one hard copy and one electronic copy of each of the versions (public and confidential) of the completed application form and appendices. You may wish to password protect your electronic confidential version. If so, we will contact you to request the password following submission of your application.

The electronic copy should consist of separate files for the application and the appendices for each of the sections. Where there is more than one appendix in a section, they should be combined into a single electronic file. For example, section 3 will have appendices 3.2.1 and 3.6.1 – these appendices should be combined into one electronic file. A summary of the appendices is included in attachment A to this form.

When you have completed your application, you should mark it to the attention of the Water Licensing team, and submit it to IPART in person, via email or via post:

In person	Via email	Via post
Attention: Water Licensing	Attention: Water Licensing	Attention: Water Licensing
Independent Pricing and Regulatory Tribunal	Independent Pricing and Regulatory Tribunal	Independent Pricing and Regulatory Tribunal
Level 15		PO Box K35
2-24 Rawson Place	*compliance@ipart.nsw.gov.au*	Haymarket Post Shop
Sydney NSW 2000		NSW 1230

1.3 If you require further information

If you have further questions about your application, you can contact the Water Licensing team in IPART by:

- emailing: compliance@ipart.nsw.gov.au, or
- telephoning: (02) 9290-8400 (general number).

We encourage you to discuss your licence application form and obtain assistance from the Water Licensing team *prior* to formally submitting your application. Once we receive your application, we will assign you a contact officer, who will manage your application and remain in contact with you throughout the process.

1.4 Where to from here?

1.4.1 What will happen next?

IPART will check that your application form is complete and that you have supplied all the necessary information and supporting documentation.

If your application is complete, we will undertake consultation and a detailed assessment before preparing a recommendation to the Minister to either grant or refuse the licence(s).

If the application is incomplete, it will not be processed and you will be asked in writing to supply the outstanding information. This is likely to delay the detailed assessment of your application. We may also request additional information in response to submission or our detailed assessment of your application.

If you wish you can withdraw your application at any stage during the process.

IPART uses our best endeavors to process applications quickly. Complete applications are generally processed between 6 to 8 months depending on the complexity of the project.

1.4.2 Audits and ongoing compliance obligations

Licensing obligations are set out in the *Water Industry Competition Act 2006* (NSW) and *Water Industry Competition (General) Regulation 2008* (NSW), which also sets out standard licence conditions.

IPART has also prepared a series of fact sheets explaining the audit and compliance obligations following the grant of a WIC Act licence.

It is particularly important to note that the granting of a network licence does not allow the licensee to bring any *new* water or sewerage infrastructure into immediate commercial operation. **A licensee must also obtain approval from the Minister before commencing commercial operation of new water or sewerage infrastructure.**

For further information, please refer to the following fact sheets or contact the Water Licensing team at IPART on the details provided above.

Fact sheets:

- *Summary of Audit Framework*
- *Commercial operation of new infrastructure*
- *Register of licences and other publicly available information*
- *Potable water services - public health requirements*
- *Water recycling - public health requirement.*

These documents can be downloaded from the IPART website, at http://www.ipart.nsw.gov.au/water/private-sector-licensing/private-sector-licensing.asp.

2 Contact Information

To be completed by all applicants

2.1 Contact Details

You need to nominate a primary contact person for all communication and correspondence between the corporation applying for a licence and IPART. This person must be a senior officer of the applicant corporation and not an external consultant. Ideally, this person's role within the corporation will be related to the project/activity to be licensed, and they must have the authority to speak on behalf of the applicant.

PRIMARY CONTACT	
Full name	
Bradley Rea	
Position title	Email address
Company Secretary	brea@wua.com.au
Business telephone number	Mobile telephone number
(08) 7999 8555	0400296171
Postal address for correspondence	
ADDRESS	
Suite 1005, 147 Pirie Street	
Adelaide	
STATE	POST CODE
SA	5000
SECONDARY CONTACT	
☐ Please check if the secondary contact should be copied into all correspondence.	
Full name	
Graham Dooley	
Position title	Email address
CEO	gdooley@wua.com.au
Business telephone number	Mobile telephone number
(08) 7999 8555	0429812947
Postal address for correspondence	
ADDRESS	
Suite 1005, 147 Pirie Street	
Adelaide	
STATE	POST CODE
SA	5000

3 General Information

To be completed by all applicants

3.1 Applicant Details

3.1.1	Please provide the following information for the corporation applying for the licence. Please note an application may only be made by or on behalf of a corporation (s8(1)).

Your response to this question is used in ASIC, ITSA and CATSI searches conducted as part of our assessment of your application. The information will also be used to specify the corporation that holds the licence (Act s.6(1)(a)), if a licence is granted.*

** These are searches of databases kept by the Australian Securities and Investments Commission (**ASIC**), Insolvency and Trustee Service Australia (**ITSA**), and Office of the Registrar of Indigenous Corporations (for corporations registered under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (**CATSI**))*

Corporation name	
WUA MidCo Pty Ltd	
ABN/ARBN	ACN
29 616 197 703	616 197 703
Corporation's registered office	
ADDRESS	
Suite 1005, 147 Pirie Street	
Adelaide	
STATE	POST CODE
SA	5000
Corporation's principal place of business	
ADDRESS	
Suite 1005, 147 Pirie Street	
Adelaide	
STATE	POST CODE
SA	5000

3.1.2	Please provide the following information for the Chief Executive Officer and ALL Directors of the applicant corporation

Your response to this question is used in ASIC, ITSA and CATSI searches to determine that the named individual(s) are not disqualified individual(s) and that the applicant corporation is not a disqualified corporation (Act, s10(3)). The information will also be used to assess, among other things, the applicant corporation's organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

PERSON ONE	
Full name	Graham John Dooley
Position title	CEO and Executive Director
Date of birth	14 November 1951

Residential address	
ADDRESS	
15 Greengate Crescent	
Beaumont	
STATE	POST CODE
SA	5066
PERSON TWO	
Full name	Daniel Vincent Latham
Position title	Non-Executive Director and Chairman
Date of birth	20 September 1966
Residential address	
ADDRESS	
16 Norwood Avenue	
Lindfield	
STATE	POST CODE
NSW	2070
PERSON THREE	
Full name	Alan Shang Ta Wu
Position title	Non-Executive Director
Date of birth	19 July 1977
Residential address	
ADDRESS	
118 Bobbin Head Road	
Turramurra	
STATE	POST CODE
NSW	2074

3.2 Activities for which a licence is sought

Please check ALL the applicable boxes for which you are seeking a licence

Your response to this question will be used to specify the activities that the applicant corporation will be authorised to undertake (Act s.6(1) and s.11(1)), if a licence is granted. The response to this question is a requirement for any network operator's licence application (Reg cl.6(1)(a) and 6(2)(a)) and for any retail supplier's licence application (Reg cl.10(1)(a) and 10(2)(a)).

3.2.1	**NETWORK OPERATOR** (to construct, maintain and operate water industry infrastructure)
	☐ Water infrastructure - drinking water
	X Water infrastructure – non potable water (including recycled water)
	☐ Sewerage infrastructure
3.2.2	**RETAIL SUPPLIERS** (to supply water or provide sewerage services)
	X Supply of drinking water
	X Supply of non-potable water
	☐ Provision of sewerage services

3.2.3	Have you commenced any of the activities for which you are seeking a licence?	
For example, you may have commenced construction, commercial operation and/or supply of services to customers.		
	X Yes please go to 3.2.4	☐ No please go to 3.2.5

3.2.4	Please briefly describe the activities that you have commenced including the date(s) on which they commenced.

Your response to the following question will be used to determine whether transitional arrangements apply to the project.

The Kooragang Industrial Water Scheme ('**KIWS**') incorporating the Mayfield West Advanced Water Treatment Plant ('**MWAWTP**') is currently owned by Kooragang Water Pty Ltd, a 100% subsidiary of WUA MidCo Pty Ltd ('**WUA**'), and operated under contract by SUEZ Water & Treatment Solutions ('**SUEZ**').

Ownership and operation of KIWS was handed over from Hunter Water Corporation to Kooragang Water Pty Ltd on 28 November 2017.

3.2.5	Please outline the approximate date you anticipate commencing the activities for which you are seeking a licence, if they have not yet commenced. For example, construction of the network infrastructure July 2014, construction of the water treatment plant December 2014, operation of the water treatment plant June 2015, supply to small retail customers August 2015.

Your response to the following question will be used as background information for the project.

N/A

3.3 Insurance Details

3.3.1	What types of insurance do you have or intend to obtain particularly in relation to the activities for which you are seeking a licence? Provide details of the level (i.e. amount) of insurance you are covered or intend to be covered by for each type. Include a summary of itemised inclusions and exclusions for each type of insurance you hold. **Attach copies of all relevant insurance certificates in Appendix 3.3.1.**

Types of insurance may include but are not limited to professional indemnity insurance, public liability insurance, workers' compensation and product liability insurance.

Your response to this question will be used to ascertain whether the applicant corporation has made appropriate arrangements with respect to insurance (Act s10(4)(c)).

The following insurance policies are held in relation to the activities for which WUA MidCo Pty Ltd is seeking a licence:

Policy	Description of cover	Level of cover
Industrial Special Risks	**Material Loss or Damage** All Real and Personal Property of every kind and description (not otherwise excluded) for which a value has been declared to Insurers, including Personal Property of Directors and Employees whilst on the Insured's business and not otherwise Insured, as more fully defined in the original Policy Wording. Coverage is endorsed to include Machinery Breakdown and General Property but subject to specific sub limits. **Consequential Loss** Loss sustained by the Insured resulting from an insured Material Loss or Damage event which causes interruption or interference with the Business up to a maximum Indemnity Period of 24 months. Coverage is endorsed to include customer and supplier dependencies.	$65,000,000 Combined Single Limit any one loss or series of losses arising out of any one event.
Combined Liability	**Public & Products Liability** Legal Liability to third parties for Personal Injury and/or Property Damage and/or Advertising Liability happening within the Territorial Limits and arising out of an Occurrence. **Professional Indemnity**	**Public & Products Liability** $50,000,000 Ultimate Net Loss in respect of each claim or series of claims arising out of any one Occurrence but limited to $50,000,000 in the aggregate for the

	Legal liability to third parties for Claims first made against the Insured during the Period of Insurance in respect of any kind of Civil Liability whenever occurring and whatsoever and howsoever incurred in connection with the conduct of the Insured's business. **Statutory Liability** Losses arising from Claims first made against the Insured during the Period of Insurance in respect of a Wrongful Breach of certain Acts of Parliament	Period of Insurance in respect of Products Liability. Notwithstanding the above, a sub-limit of $1,000,000 applies to Financial Loss (Negligent Failure to Supply) **Professional Indemnity** $2,000,000 Ultimate Net Loss in respect of each claim or series of claims arising out of any One Occurrence and in the aggregate for the Period of Insurance. **Statutory Liability** $1,000,000 Ultimate Net Loss Net Loss in respect of each Claim or series of Claims and in the aggregate for the Period of Insurance.

Certificates of Currency for the abovementioned insurance policies are attached as **Appendix 3.3.1**.

3.3.2	Explain why the level of cover provided or proposed by your insurer is sufficient for the size and nature of your proposed activities

For existing (brownfield) schemes, you must provide us with a report from an independent insurance broker which holds an Australian financial services licence under Part 7.6 of the *Corporations Act 2001 (Cth)* for the provision of insurance broking services ("Insurance Expert"), that:

(a) identifies the key risks of undertaking the activities to be authorised under the licence (if granted)

(b) sets out the types and levels of insurance obtained by you in relation to the activities being undertaken

(c) certifies whether, in the Insurance Expert's opinion, the type and level of insurance obtained by you is appropriate for the size and nature of the activities to be authorised under the licence

(d) provides reasons as to why the types and levels of insurance are appropriate for the size and nature of the activities being undertaken, and

(e) if any risks arising from undertaking the activities remain uninsured, provides reasons as to why.

Your response to this question will be used to ascertain whether the applicant corporation has made appropriate arrangements with respect to insurance (Act s.10(4)(c)).

Appendix 3.3.2 is confidential.

3.4 Third parties undertaking activities

3.4.1	If you intend on using third parties to undertake any **significant** activities for which you are seeking a licence (eg, construction of the reticulation network, management of the billing system) please provide their details below. If there are multiple third parties please provide the details for each party as well as an explanation of the activities it will be undertaking.

Third parties undertaking minor sub-contracting works on behalf of the applicant corporation such as electrical or plumbing contractors do not need to be named in the application. If you are unsure of whether the works are significant or otherwise please include the details or contact IPART.

Your response to this question will be used to determine whether any other persons should be specified on the licence (Act s.6(1)(a)), if a licence is granted. Where applicable, information from those third parties named may also be used to assess the applicant corporation's technical, organisational and financial capacity to undertake the activities for which it is seeking a licence.

Corporation name

SUEZ Water & Treatment Solutions Pty Ltd

ABN/ARBN	ACN
33 051 950 068	051 950 068

Corporation's registered office

ADDRESS

Level 3, 3 Rider Boulevard

Rhodes

STATE	POST CODE
NSW	2138

3.4.2	Please provide a detailed description of the activities that the third party, named above, will undertake on the applicant corporation's behalf.

SUEZ Water & Treatment Solutions Pty Ltd (SUEZ), is the O&M Contractor of KIWS pursuant to an Operation and Maintenance Agreement between Kooragang Water Pty Ltd and SUEZ, and is responsible for the following activities:

- operation of the KIWS plant and ancillary infrastructure;
- operational maintenance of the KIWS plant and ancillary infrastructure;
- supplying recycled and potable water in accordance with Performance Standards;
- preparing and delivering reports and other deliverables;
- delivering capital works of the KIWS plant and ancillary infrastructure;
- providing management and technical support in relation to the operation and maintenance of the KIWS plant and ancillary infrastructure.

3.4.3	Please provide details of the contractual arrangements the applicant corporation has in place with the third party, named above, to ensure the third party undertakes the activities in accordance with the licence (if granted).

Appendix 3.4.3 A and **Appendix 3.4.3 B** is confidential.

3.5 Other regulatory approvals

3.5.1	Please list any other regulatory approvals that have been obtained (or are being sought) for any of the activities for which the applicant corporation is seeking a licence. Include any regulatory approvals also related to the activities or the project. 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*, an Environment Protection Licence under the *Protection of the Environment Operations Act 1997*. **Provide a copy of any other regulatory approvals and/or licences in Appendix 3.5.1.**

Your response to this question will be used to determine whether IPART needs to co- ordinate this approvals process with other regulatory authorities. Information required in other approval processes may also be requested and used by us in determining this licence application.

SUEZ, on behalf of Kooragang Water Pty Ltd, has obtained the following regulatory approvals for KIWS:

- Network Operators Licence
- Retail Suppliers Licence
- Environment Protection Licence

A copy of these licences is attached in **Appendix 3.5.1**.

3.6 Monopoly supply

3.6.1	In your opinion, will the supply of water and/ or sewage services to customers be a monopoly service? If yes, please specify whether the monopoly service is in relation to: ▾ a specified water supply or sewerage service ▾ a specified area, and ▾ a specified class of customers.

Your response to this question will be used to determine whether the Minister should consider declaring the licensee a monopoly supplier in accordance with section 51 of the WIC Act.

WUA does not consider that the water services to customers of KIWS is a monopoly service as customers are able access potable water from Hunter Water Corporation as an alternative to the water service offered by KIWS.

3.7 Licensing principles

3.7.1	How does your proposed activity address the following principles (if applicable): ▾ The protection of public health, the environment, public safety and consumers generally ▾ The encouragement of competition in the supply of water and the provision of sewerage services ▾ The ensuring of sustainability of water resources ▾ The promotion of production and use of recycled water ▾ The promotion of policies set out in any prescribed water policy document ▾ The potential for adverse financial implications for small retail customers generally arising from the activities proposed to be covered by the licence, and ▾ The promotion of the equitable sharing among participants in the drinking water market of the costs of water industry infrastructure that significantly contributes to water security?

Your response to this question will be used in consideration of the licensing principles, in accordance with section 7 of the WIC Act

The protection of public health, the environment, public safety and consumers generally

KIWS was designed and constructed incorporating the results from several risk assessments. Copies of these assessments are included in the Recycled Water Quality Management Plan (RWQMP) attached in **Appendix 4.2.10**. The plant processes up to 12.6ML per day of treated effluent from Hunter Water Corporation's Shortland wastewater treatment plant (WWTP) that would otherwise be directed for environmental discharge, therefore reducing the volume of treated effluent discharged into the natural environment.

KIWS is also managed in accordance with WUA's and SUEZ's integrated quality, environmental and quality management systems that are third party certified to the requirements of ISO9001, ISO14001 and AS4801. A copy of WUA's certifications is attached in **Appendix 6.1.5**.

The encouragement of competition in the supply of water and the provision of sewerage services

KIWS supplies industrial customers with high quality treated recycled water which can be used in various processes. Supply charges to those industrial customers are pegged to Hunter Water's IPART Pricing Determination and designed to be competitive with potable water pricing, particularly if the end-user has additional process costs for potable water that are lower when using recycled water.

The ensuring of sustainability of water resources

The purpose of KIWS is to provide a high quality non-potable water supply which can be used by industrial customers to supplement potable water supply and thereby reduce demand for potable water from Hunter Water Corporation. The scheme replaces a substantial component of the potable water supply to HWC's largest water consumer and saves up to 3.3 billion litres per year of public drinking water, an estimated 5% of all water requirements in the Lower Hunter region each year.

KIWS continues to be an important part of the Lower Hunter Water Plan (2014) developed and monitored by the Metropolitan Water Directorate in consultation with Hunter Water, government agencies, stakeholders and the community.

The promotion of production and use of recycled water

KIWS provides a high quality non-potable water supply for industrial customers to supplement potable water use in specific areas of their operations and thereby reducing demand for potable water.

Public and Industry education is an important part of the scheme and to that end Hunter Water Corporation, WUA and SUEZ continue to provide education and awareness of the benefits of treating waste effluents to produce high quality recycled water that reduces demand on potable water supplies. KIWS facilities include an education annex utilized by HWC for school and public education to achieve these outcomes.

The promotion of policies set out in any prescribed water policy document

WUA recognizes and accepts HWC's Recycled Water Policy as the overarching policy document referenced in all the plant relevant documents, HWC plans and procedures. WUA, through SUEZ, has adopted these policies and procedures and incorporate them into our water management principles and plans for the operation of the MWAWTP. The promotion of these policies are, and will be set out, in all the relevant documents and processes.

The potential for adverse financial implications for small retail customers generally arising from the activities proposed to be covered by the license

Currently the plant supplies non-potable water to one large industrial customer although it is anticipated that the scheme would be able to supply other industrial customers in the future. As with the current customer, the supply will be governed by the agreement we enter into with that customer. It is not envisaged that the plant will supply small scale retail customers.

The promotion of the equitable sharing among participants in the drinking water market of the costs of water industry infrastructure that significantly contributes to water security

KIWS provides significant quantities of non-potable water to industrial customers thereby reducing the demand and use of potable water and in so doing, reduce and delay the requirement and expenditure to install additional infrastructure such as dams and water treatment plants, to augment water supplies for the public. With the constructed capacity to produce up to 9 ML per day of recycled water, the plant has the capacity to offset 3.3 billion litres per year of potable water, thereby contributing significantly to HWC's water security
aspirations.

As stated above, KIWS continues to be an important part of the Lower Hunter Water Plan (2014) developed and monitored by the Metropolitan Water Directorate in consultation with Hunter Water, government agencies, stakeholders and the community.

4 Network Operator

You need to complete the following section of this form if the applicant corporation is seeking a network operator's licence**.** Please note the sections are divided into the types of infrastructure as follows:

- 4.1 Water infrastructure - drinking water
- 4.2 Water infrastructure – non potable water (including recycled water and stormwater reuse)
- 4.3 Sewerage infrastructure.

Please complete only those sections that relate to your response in question 3.2.1 above.

4.1 Water infrastructure – drinking water

Only provide a response to the questions in the following section if the applicant corporation is seeking a licence for the construction, maintenance and operation of water infrastructure for the supply of drinking water.

4.1.1	Describe the proposed drinking water infrastructure from the source of the drinking water through to the end use (i.e. catchment to tap). Please include in your description all of the infrastructure for which the applicant corporation is seeking a licence. This will include any infrastructure that is to be used for the production, treatment, filtration, storage, conveyance or reticulation of the drinking water. Please list all sources and end uses in the description. Identify the infrastructure for which the applicant corporation is seeking a licence. **Provide a detailed process flow diagram of the proposed infrastructure from source to end use in Appendix 4.1.1.**

You must attach a process flow diagram in response to this question. The process flow diagram should only include the drinking water infrastructure where the scheme includes more than one type of infrastructure and must cover the process from source to end use. You may also include a piping and instrumentation diagram for additional information.

The response to this question will be used to draft a proposed licence. The licence will specify the type of water industry infrastructure, if a licence is granted (Act s.6(1)(a)). The response will also be used to ensure you have applied for the correct licence(s) and as a context for our assessment of the applicant corporation's technical, organisational and financial capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

N/A

4.1.2	Describe whether the infrastructure is existing infrastructure or is to be constructed. If the infrastructure is existing, please describe its current condition and operability. If the infrastructure is a mixture of existing and to be constructed **identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.1.1**.

The response to this question will be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).

N/A

4.1.3	Describe the location of the proposed infrastructure. For example include: ▾ the identification of specific lot descriptors (e.g. lot and DP numbers) for the production, treatment, filtration and/or storage infrastructure. ▾ the location of infrastructure for the conveyance and/or reticulation of drinking water by street name, local government area or other description as appropriate to the size of the scheme. **Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.1.3.**

The map may include all water industry infrastructure (ie, drinking water, non-potable water and/or sewerage) where the scheme includes more than one type of infrastructure.

The response to this question is a requirement for any network operator's licence (Reg cl.6(1)(a)). The response to this question will be used to specify the authorised area of operations (Act s.11(1)), if a licence is granted. The response will also be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg

cl.7).	
N/A	
4.1.4	Describe any interconnections between the proposed drinking water infrastructure and other infrastructure not part of this scheme (eg, interconnections with other licensed network operators or public utilities). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. **Identify all interconnections with other infrastructure on the process flow diagram in Appendix 4.1.1 and the map in Appendix 4.1.3.**
The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme and to identify possible additional licence conditions relating to the inter-connected systems and responsibilities for risks.	
N/A	
4.1.5	Where applicable, describe the connection point to customers or end users (e.g. the customer connection point may be a water meter). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. **Identify all customer and/or end user connections on the process flow diagram in Appendix 4.1.1 and the map in Appendix 4.1.3.**
The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme.	
N/A	
4.1.6	What volume of water is available from the proposed source? Where applicable, please provide the capacity of the source and the (allowable) average daily extraction rate from the source. If there is more than one source, please 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 4.1.6.**
The response will also be used as a context for the assessment of the technical, organisational and financial capacity of the applicant corporation (Act s.10(4)(a)).	
N/A	
4.1.7	What volume of water will be treated by the scheme? Please provide the average and peak daily flow rates treated by the scheme.
This information will be used to determine the fee category for the scheme, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.	
N/A	
4.1.8	What volume of drinking water will be produced by the scheme? Please provide the average and peak daily volume supplied to end users or retail suppliers.

This information will be used to assess the retail supplier's obligation not to over commit, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.	
N/A	
4.1.9	**Provide your preliminary risk assessment for the scheme from source to end use in Appendix 4.1.9**. It is important that your preliminary risk assessment accurately identifies any hazards present in the source water or likely to result from the proposed treatment process. The risk assessment will also address the intended, inadvertent and unauthorised end uses (and therefore routes of exposure) to the water. The preliminary risk assessment will identify any reasonably foreseeable risk event with the potential to expose people or the environment to hazards. The preliminary risk assessment will 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. The risk assessment must 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 31000:2009 (Risk management – Principles and guidelines), which is consistent with the approach outlined in the Australian Drinking Water Guidelines (element 2).	
The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(b) and cl.6(1)(c)(ii)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	
4.1.10	Describe how the 12 elements of the framework for the management of drinking water quality, as detailed in the Australian Drinking Water Guidelines (ADWG), have been addressed and will be implemented and maintained. **Provide evidence of the applicant corporation's capacity to implement the 12 elements of the framework in the ADWG in Appendix 4.1.10.**
The evidence should be in the form of management plans for either the proposed scheme or other similar schemes undertaken by the applicant corporation, or in a comprehensive statement detailing the process by which the management plan will be developed. For existing (brownfield) schemes you should provide the actual water quality plan for the site.	
The response to this question is a requirement for any network operator licence for water infrastructure (Reg cl.6(1)(d)(i)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	

4.1.11	How will the continuity of supply of the drinking water be ensured? What contingency plans are in place in the case of failure of the infrastructure? What alternative supplies of drinking water will be used when the infrastructure is inoperable?
The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(c)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	
4.1.12	Describe the systems and processes that the applicant corporation will have in place to manage the water infrastructure. **Provide evidence of the applicant corporation's capacity to develop and implement an infrastructure operating plan in Appendix 4.1.12.**
The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The processes and/or procedures should demonstrate good operational practice including life cycle planning, system redundancy, contingency planning, condition monitoring, management maintenance processes and processes of supporting skills needs. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual water quality plan for the site.	
The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(c)). The response will be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	
4.1.13	Describe the studies that have been completed to investigate any environmental impacts (including but not limited to 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? **Provide a copy of any environmental study and/or risk assessment in Appendix 4.1.13.**
As a minimum, an application must be accompanied by a statement of environmental effects (SEE) (unless the development is 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 SEE may be prepared by the applicant corporation or by a consultant acting on behalf of the applicant. The SEE must identify the environmental impacts of the proposed scheme, and the steps which will be taken to protect the environment or reduce the harm. Where the study is in the form of a comprehensive environmental assessment or EIS, please include only the executive summary.	
The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7). The response to this question may be used to draft a proposed licence, if a licence is granted.	
N/A	

4.1.14	If a treatment process forms part of the infrastructure for which the applicant corporation is seeking a licence, what waste streams will be generated by the proposed treatment plant and how will the waste be disposed of or handled?
The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7). The response will also be used as a context for our assessment of the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	

4.2 Water infrastructure – non-potable water

Only provide a response to the questions in the following section if the applicant corporation is seeking a licence for the construction, maintenance and operation of water infrastructure for the supply of non-potable water.

4.2.1	Describe the proposed non-potable water infrastructure from the source of the water through to the end use (ie, catchment to tap). Please include in your description all of the infrastructure for which the applicant corporation is seeking a licence. This will include any infrastructure that is to be used for the production, treatment, filtration, storage, conveyance or reticulation of the non-potable water. Please list all sources and end uses in the description. Identify the infrastructure for which the applicant corporation is seeking a licence. **Provide a detailed process flow diagram of the proposed infrastructure from source to end use in Appendix 4.2.1.**

You must attach a process flow diagram in response to this question. The process flow diagram should only include the non-potable water infrastructure where the scheme includes more than one type of infrastructure and must cover the process from source to end use. You may also include a piping and instrumentation diagram for additional information.

The response to this question will be used to draft a proposed licence. The licence will specify the type of water industry infrastructure, if a licence is granted (Act s.6(1)(a)). The response will also be used to ensure you have applied for the correct licence(s) and as a context for our assessment of the applicant corporation's technical, organisational and financial capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

The licenses being sought are for KIWS which comprises a section of pipeline that receives treated effluent from Shortland WWTP, the MWAWTP and a pipeline that supplies the treated recycled water to Orica. In addition, the scheme also operates and maintains two sections of pipeline to divert trade waste (brine & dirty filter backwash water) to HWC's sewer network.

The MWAWTP has the following installed treatment process:

- Treated effluent from HWC's Shortland WWTP is pumped to the MWAWTP via a dedicated line. Chloramine dosing occurs upfront of the auto strainers to prevent microbiological growth through the plant and ensure that there is no free chlorine in the system that may damage membranes
- The chloramine dosed effluent is passed through auto strainers that provide physical
- protection for the microfiltration system
- The filter effluent is pumped through microfiltration (MF) units to remove pathogens and
- suspended solids
- The filtrate from the MF plant is then pumped through reverse osmosis (RO) units to remove the dissolved slats, pathogens and all other particulates
- The permeate from the RO plant is directed to a degas tower to remove carbon dioxide from the permeate
- Degassed permeate is then dosed with sodium hypochlorite to inactivate pathogens (viruses and bacteria) before being pumped to the product storage tank
- A Dechlorination system is also installed to remove chlorine for water discharged to the Hunter River only

From the MWAWTP, recycled water is pumped via an 8km pipeline directly to a receiving point at Orica's Kooragang Island production facility where it is used in various industrial applications.

Please refer to **Appendix 4.2.1** for a detailed process flow diagram for KIWS.

4.2.2	Describe whether the infrastructure is existing infrastructure or is to be constructed. If the infrastructure is existing, please describe its current condition and operability. If the infrastructure is a mixture of existing and to be constructed **identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.2.1**.

The response to this question will be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).

The KIWS infrastructure exists and is currently being operated by SUEZ pursuant to a Network Operator Licence and Retail Supplier Licence issued by IPART and an O&M Agreement with Kooragang Water. The MWAWTP was commissioned in July 2014 and is operating in compliance to its design and licenses. The plant is in very good condition commensurate with its young age.

Refer to **Appendix 4.2.3** for the identification of all the infrastructure related to KIWS.

4.2.3	Describe the location of the proposed infrastructure. For example include: ▾ The identification of specific lot descriptors (eg, lot and DP numbers) for the production, treatment, filtration and/or storage infrastructure. ▾ The location of infrastructure for the conveyance and/or reticulation of non-potable water by street name, local government area or other description as appropriate to the size of the scheme. **Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.2.3.**

The map may include all water industry infrastructure (ie, drinking water, non-potable water and/or sewerage) where the scheme includes more than one type of infrastructure.

The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(a)). The response to this question will be used to specify the authorised area of operations (Act s.11(1)), if a licence is granted. The response will also be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).

The MWAWTP is located on the following land parcels:

- Steel River Industrial Estate, 15 Channel Road, Mayfield West, Lot 87 DP270249
- Steel River Industrial Estate, 17 Channel Road, Mayfield West, Lot 88 DP270249
- Steel River Industrial Estate, 19 Channel Road, Mayfield West, Lot 89 DP270249
- Steel River Industrial Estate, 21 Channel Road, Mayfield West, Lot 90 DP270249

The main treatment plant is constructed on Lots 87, 88 & 89, Channel Road Mayfield West. Lot 90 is contiguous land designated as land available for future expansion of the MWAWTP should it be required at a later stage.

The source raw water (treated effluent) is supplied by HWC's Shortland WWTP via a dedicated pipeline. The pipeline from the Shortland WWTP up to and including Valve 6 (as identified in **Appendix 4.2.1**) is owned, operated and maintained by HWC. The section of pipe post Valve 6 is owned by Kooragang Water and is operated and maintained by SUEZ.

The recycled treated water is delivered to Orica at Kooragang Island via a dedicated 8km pipeline from the MWAWTP which is owned by Kooragang Water and operated and maintained by SUEZ. The location of the pipelines is as set out in maps and drawings in **Appendix 4.2.3**.

The scheme also operates and maintains two sections of pipeline to divert trade waste (brine & dirty filter backwash water) to HWC's sewer network.

The location of the KIWS infrastructure is shown in **Appendix 4.2.3**.

4.2.4	Describe any interconnections between the proposed non-potable water infrastructure and other infrastructure not part of this scheme (eg, interconnections with other licensed network operators or public utilities such as sewers or water mains). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. **Identify all interconnections with other infrastructure on the process flow diagram in Appendix 4.2.1 and the map in Appendix 4.2.3.**

Examples of interconnections may include potable water top up or trade waste disposal, as well as to other network operators.

The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme and to identify possible additional licence conditions relating to the inter-connected systems and responsibilities for risks.

The following interconnections are installed:

- A trade waste pipeline connected to HWC's Burwood Beach WWTW catchment to discharge brine from the RO process
- A pipeline connected to HWC's Shortland WWTW catchment for MF backwash water recycle
- A connection for the discharge of treated non-potable water to Shortland WWTW's pipeline that discharges in the Hunter River in the event customers are not able to receive treated water or the non-potable water is not within the required quality specification

WUA ultimately responsible for operation and maintenance of all KIWS infrastructure as

identified in Section 4.2.3 which is operated and maintained by SUEZ pursuant to an Operation and Maintenance Agreement. WUA, as the owner, has ultimate responsibility and manages SUEZ pursuant to the Operation and Maintenance Agreement.

HWC is responsible for operation and maintenance of all infrastructure from the point of each interconnection with the KIWS infrastructure.

4.2.5	Where applicable, describe the connection point to customers or end users (eg, the customer connection point may be a water meter). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. **Identify all customer and/or end user connections on the process flow diagram in Appendix 4.2.1 and the map in Appendix 4.2.3.**

The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme.

The recycled water is supplied to Orica via a dedicated pipeline attached to a flow meter located at Orica's production site on Kooragang Island and delivered to an Orica owned and managed storage tank on their site. Any other treated water will be utilised by WUA and SUEZ for non-potable water use activities within the MWAWTP site.

The location of each interconnection is shown in **Appendices 4.2.1** and **4.2.3**.

4.2.6	What volume of water is available from the proposed source? Where applicable, please provide the capacity of the source and the (allowable) average daily extraction rate from the source. If there is more than one source, please 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 4.2.6.**

The response will also be used as a context for the assessment of the technical, organisational and financial capacity of the applicant corporation (Act s.10(4)(a)).

Hunter Water Corporation is the single source of treated effluent and is contracted to supply up to 12.6ML per day of treated effluent from their Shortland WWTP to the KIWS.

Appendix 4.2.6 is confidential.

4.2.7	What volume of water will be treated by the scheme? Please provide the average and peak daily flow rates treated by the scheme.

This information will be used to determine the fee category for the scheme, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.

The MWAWTP is designed to process up to 12.6ML per day of treated effluent. Actual treatment volumes will be determined by the requirements of the end user/s. The average daily flow rate of treated effluent treated by KIWS since WUA ownership in November 2017 is 9.95ML/d. The peak daily flow rate of treated effluent treated by KIWS since WUA ownership in November 2017 is 12.97ML/d.

4.2.8	What volume of non-potable water will be produced by the scheme? Please provide the average and peak daily volume supplied to end users or retail suppliers.

This information will be used to assess the retail supplier's obligation not to over commit, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.

The MWAWTP is designed to generate up to 9ML per day of non-potable water. The average daily volume of product water supplied to end users since WUA ownership of KIWS in November 2017 is 7.08ML/d. The peak daily volume of product water supplied to end users since WUA ownership of KIWS in November 2017 is 9.40ML/d.

4.2.9	List all the intended end uses for the non-potable water generated by the scheme.

The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a), Reg cl.8(1)).

The non-potable water will be utilised by Orica for non-potable water use on their site as well as some usage by WUA/SUEZ for activities within the MWAWTP. The non-potable recycled water may also be suitable for other industrial users in the Kooragang Island industrial area including, for example, within industrial processes, for cleaning purposes or potentially for dust suppression at nearby coal terminals.

4.2.10	**Provide your preliminary risk assessment for the scheme from source to end use in Appendix 4.2.10**. It is important that your preliminary risk assessment accurately identifies any hazards present in the source water or likely to result from the proposed treatment process. The risk assessment will also address the intended, inadvertent and unauthorised end uses (and therefore routes of exposure) to the non- potable water. The preliminary risk assessment will identify any reasonably foreseeable risk event with the potential to expose people or the environment to hazards. The preliminary risk assessment will 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. The risk assessment must 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 31000:2009 (Risk management – Principles and guidelines), which is consistent with the approach outlined in the Australian Guidelines for Water Recycling (element 2).

The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(b) and cl.6(1)(c)(ii)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a), Reg. cl.8(1)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

SUEZ considered the principles and plans detailed in various Hunter Water Corporation plans, reports and procedures, which were developed using AGWR principles and guidelines, and decided to adopt the outcomes and the documents which was attached in the relevant appendices to SUEZ's Network Operator and Retail Supplier Licence Application. This plan was approved by the Department of Health NSW.

A Hazard Analysis and Critical Control Point assessment was conducted by SUEZ for this scheme. WUA has reviewed this assessment and accepts its outcomes.

Refer to SUEZ's Recycled Water Quality Management Plan - Appendix B and Appendix C attached in **Appendix 4.2.10**.

4.2.11	Describe how the 12 elements of the framework for the management of recycled water, as detailed in the Australian Guidelines for Water Recycling (AGWR), have been addressed and will be implemented and maintained. **Provide evidence of the applicant corporation's capacity to implement the 12 elements of the framework in the AGWR in Appendix 4.2.11.**

The evidence should be in the form of management plans for either the proposed scheme or other similar schemes undertaken by the applicant corporation, or in a comprehensive statement detailing the process by which the management plan will be developed. For existing (brownfield) schemes you should provide the actual water quality plan for the site.

The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(d)(i)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a), Reg. cl.8(2)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence.

SUEZ's Recycled Water Quality Management Plan addresses the 12 elements of the frame work for the management of recycled water as per AGWR guidelines. WUA has reviewed the RWQMP and determined compliance to the AGWR guidelines.

Refer to SUEZ's Recycled Water Quality Management Plan attached in **Appendix 4.2.10**.

4.2.12	How will the continuity of supply of the non-potable water be ensured? What contingency plans are in place in the case of failure of the infrastructure? What alternative supplies of non-potable water will be used when the infrastructure is inoperable?

The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(c)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Kooragang Water has a long-term Supply Agreement for the supply of treated effluent with HWC which ensures the sufficient supply of raw water for processing into recycled water. In the event the plant is offline, HWC will physically supply potable water directly to the customers in lieu of the recycled water supply.

4.2.13	Describe the systems and processes that the applicant corporation will have in place to manage the non-potable water infrastructure. **Provide evidence of the applicant corporation's capacity to develop and implement an infrastructure operating plan in Appendix 4.2.13.**

The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The processes and/or procedures should demonstrate good operational practice including life cycle planning, system redundancy, contingency planning, condition monitoring, management maintenance processes and processes of supporting skills needs. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual water quality plan for the site.

The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(c)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Kooragang Water has entered into a long-term Operation and Maintenance Agreement with SUEZ to operate and maintain KIWS.

SUEZ is a global expert in designing, constructing, operating and maintaining water and wastewater infrastructure and has successfully delivered over 2500 water, wastewater and recycled water projects globally, including 25 wastewater treatment plants, two desalination plants, 26 water treatment plants and 13 water reuse plants and schemes throughout Australasia.

SUEZ has developed site specific plans and procedures for all sites to manage the processes and infrastructure in a safe, compliant and efficient manner. Below are some examples of SUEZ's current contracts that manage plants and deliver services similar to the Kooragang scheme.

<u>Prospect Water Filtration Plant</u>

SUEZ currently operates the Prospect Water Filtration Plant which supplies up to 1,500ML/day of potable water to Sydney Water Corporation's customers in the Sydney catchment area.

<u>Aroona Alliance (WA)</u>

SUEZ and its partner Transfield Services was selected by the Western Australian Water Corporation to maintain and operate the water production and wastewater treatment assets of Perth, the 4th largest city in Australia and one of the driest in the world. Overall SUEZ and its partner manage and operate 6 ground water treatment plants, 14

	wastewater treatment plants and 2 advanced water recycling plants, as well as 13 dams, 190 boreholes and 520km of trunk mains to deliver reliable services to Perth's 1.9 million residents through an integrated Alliance named Aroona. Allwater Alliance (SA) Allwater is a joint venture between Degremont, Suez, Transfield Services and SA Water which commenced a services alliance contract to operate and maintain metropolitan Adelaide's water, wastewater and recycled water systems. Allwater provider front line services to operate Adelaide's water supply which includes 9,000km of water mains as well as six different plants. The contract also covers the operation and maintenance of 7,200km of sewer mains and six wastewater treatment plants along with various recycled water schemes. Each year Allwater anticipates delivering 130,000ML of water to metropolitan Adelaide customers, treating 88,000ML of wastewater and recycling approximately 26GL of recycled water mainly for irrigation. With regards to KIWS, WUA has reviewed and approved an Operating Manual developed by SUEZ for the scheme. SUEZ's Operation Manual is attached in **Appendix 4.2.13**.
4.2.14	Describe the studies that have been completed to investigate any environmental impacts (including but not limited to 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? **Provide a copy of any environmental study and/or risk assessment in Appendix 4.2.14.**

As a minimum an application must be accompanied by a statement of environmental effects (SEE) (unless the development is 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 SEE may be prepared by the applicant corporation or by a consultant acting on behalf of the applicant. The SEE must identify the environmental impacts of the proposed scheme, and the steps which will be taken to protect the environment or reduce the harm. Where the study is in the form of a comprehensive environmental assessment or EIS, please include only the executive summary.

The response to this question may be used to draft a proposed licence, if a licence is granted. The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7).

HWC undertook a Review of Environmental Effects prior to the construction of the KIWS and this document is attached in **Appendix 4.2.14**.

The review consultant SKM concluded the following:

Overall the construction and operation of the KIWS would not result in any significant long term environmental impacts on the cultural and natural environment. The impacts from the operation of the KIWS would be mostly negligible with environmental aspects such as noise, traffic, waste, terrestrial flora and fauna, air quality and soils largely unaffected. However, operation of the KIWS would have some positive environmental benefits including:

- *Saving up to 9ML/day of potable water; and*
- *Significant reduction in the load of pollutants discharged into the Hunter River estuary.*

SUEZ currently holds an EPA (EPL - 1680) license with regards to KIWS.

4.2.15	If a treatment process forms part of the infrastructure for which the applicant corporation is seeking a licence, what waste streams will be generated by the proposed treatment plant and how will the waste be disposed of or handled?

The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7). The response will also be used as a context for our assessment of the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

The following waste streams will be generated by the plant:

- Brine from the RO process and it is directed to the Burwood Beach WWTP as trade waste for treatment. (*At full production it is anticipated that the plant would generate approximately 3ML per day of this waste stream)*

- MF dirty water generated from MF backwashing activities and this stream is directed to Shortland WWTP as trade waste for treatment. (*At full production it is anticipated that the plant would generate approximately 0.6ML per day of this waste stream)*

- Treated off-spec non-potable water to Hunter River via Shortland WWTP (infrequent events) discharge line and process.

WUA has a Trade Waste Agreement with HWC.

4.3 Sewerage infrastructure

Only provide a response to the questions in the following section if the applicant corporation is seeking a licence for the construction, maintenance and operation of sewerage infrastructure.

4.3.1	Describe the proposed sewerage infrastructure from the collection to disposal or reuse. Include in your description all of the sewerage infrastructure for which the applicant corporation is seeking a licence. This will include any infrastructure that is to be used for the collection, treatment, filtration, storage, conveyance or disposal of the sewerage or treated effluent. **Provide a detailed process flow diagram of the proposed infrastructure from collection to disposal or reuse in Appendix 4.3.1.**

You must attach a process flow diagram in response to this question. The process flow diagram should only include the sewerage infrastructure where the scheme includes more than one type of infrastructure and must cover the process from source to end use. You may also include a piping and instrumentation diagram for additional information.

The response to this question will be used to draft a proposed licence. The response to this question is a requirement for any network operator's licence for sewerage infrastructure (Reg cl.6(2)(d)(ii)). The licence will specify the type of water industry infrastructure, if a licence is granted (Act s.6(1)(a)). The response will also be used to ensure you have applied for the correct licence(s) and as a context for our assessment of the applicant corporation's technical, organisational and financial capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

N/A

4.3.2	Describe whether the infrastructure is existing infrastructure or is to be constructed. If the infrastructure is existing, please describe its current condition and operability. If the infrastructure is a mixture of existing and to be constructed **identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.3.1**.

The response to this question will be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).

N/A

4.3.3	Describe the location of the proposed infrastructure. For example include: ▾ the identification of specific lot descriptors (eg, lot and DP numbers) for the collection, treatment, filtration and/or storage infrastructure ▾ the location of infrastructure for the conveyance and/or reticulation of sewage by street name, local government area or other description as appropriate to the size of the scheme. **Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.3.3.**

The map may include all water industry infrastructure (ie, drinking water, non-potable water and/or sewerage) where the scheme includes more than one type of infrastructure.

The response to this question is a requirement for any network operator's licence for sewerage infrastructure (Reg cl.6(2)(a)). The response to this question will be used to specify the authorised area of operations (Act s.11(1)), if a licence is granted. The response will also be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).

N/A	
4.3.4	Describe any interconnections between the proposed sewerage infrastructure and other infrastructure not part of this scheme (eg, interconnections with other licensed network operators or public utilities such as sewers). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. **Identify all interconnections with other infrastructure on the process flow diagram in Appendix 4.3.1 and the map in Appendix 4.3.3.**
The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme and to identify possible additional licence conditions relating to the inter-connected systems and responsibilities for risks.	
N/A	
4.3.5	What volume of sewage will be treated by the scheme? Please provide the average and peak daily (hydraulic and biological, where relevant) flow rates treated by the scheme.
This information will be used to determine the fee category for the scheme, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.	
N/A	
4.3.6	What volume of treated effluent will be disposed of from the scheme? Please provide the average and peak daily disposal rates disposed from the scheme.
The response will be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7). The response to this question may be used to draft a proposed licence, if a licence is granted.	
N/A	
4.3.7	How will the treated effluent be disposed of from the scheme?
The response to this question may be used to draft a proposed licence, if a licence is granted. The response will also be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).	
N/A	
4.3.8	What wastewater and/or catchment characterisation studies have been undertaken? **Provide a summary report of any wastewater characterisation or catchment studies including results in Appendix 4.3.8.**
This information will be used as a context to the potential health and environmental risks posed by the scheme.	
N/A	

4.3.9	**Provide your preliminary risk assessment for the scheme from collection to disposal in Appendix 4.3.9**. It is important that your preliminary risk assessment accurately identifies any hazards present in the sewage or likely to result from the proposed treatment process. The risk assessment should also address the intended method of disposal and any inadvertent releases (and therefore routes of exposure) to the treated effluent. The preliminary risk assessment will identify any reasonably foreseeable risk event with the potential to expose people or the environment to hazards. The preliminary risk assessment will 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. The risk assessment must 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 31000:2009 (Risk management – Principles and guidelines). Where relevant, the risk assessment should identify and include any environmental risks and/or management actions identified in the development approval.	
The response to this question is a requirement for any network operator's licence for sewerage infrastructure (Reg cl.6(2)(b), cl.6(2)(c)(ii), cl.6(2)(d)(i)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	
4.3.10	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 4.3.10.**
The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The processes and/or procedures should demonstrate good operational practice including life cycle planning, system redundancy, contingency planning, condition monitoring, management maintenance processes and processes of supporting skills needs. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual water quality plan for the site.	
The response to this question is a requirement for any network operator's licence for sewerage infrastructure (Reg cl.6(2)(c)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	

4.3.11	How will the continuity of the provision of sewerage services be ensured? What contingency plans are in place in the case of failure of the infrastructure?
The response to this question is a requirement for any network operator's licence for sewerage infrastructure (Reg cl.6(2)(c)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (act s.10(4)(a)).	
N/A	
4.3.12	Describe the studies that have been completed to investigate any environmental impacts (including but not limited to water quality, quantity, air, 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? **Provide a copy of any environmental study and/or risk assessment in Appendix 4.3.12.**
As a minimum an application must be accompanied by a statement of environmental effects (SEE) (unless the development is 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 SEE may be prepared by the applicant corporation or by a consultant acting on behalf of the applicant. The SEE must identify the environmental impacts of the proposed scheme, and the steps which will be taken to protect the environment or reduce the harm. Where the study is in the form of a comprehensive environmental assessment or EIS, please include only the executive summary.	
The response to this question may be used to draft a proposed licence, if a licence is granted. The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7).	
N/A	
4.3.13	Where relevant, what land capability assessments have been undertaken on the proposed land disposal area? **Provide a copy of any soil capability assessment in Appendix 4.3.13.**
The response to this question may be used to draft a proposed licence, if a licence is granted. The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7).	
N/A	
4.3.14	If a treatment process forms part of the infrastructure for which the applicant corporation is seeking a licence, what waste streams will be generated by the proposed treatment plant (such as screenings and biosolids but not including the treated effluent) and how will the waste be disposed of or handled?
The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7). The response will also be used as a context for our assessment of the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	

5 Retail Supplier

Only to be completed by applicants seeking a retail supplier's licence.

Note a retail supplier's licence may only be granted if sufficient quantities of the water supplied will have been obtained otherwise than from a public water utility (Act s.10(4)(d)).

5.1 Supply of water

Please provide a response to the questions in the following section if you are seeking a licence for the supply of water by means of any water industry infrastructure. This section applies to the supply of drinking water and non-potable water.

5.1.1	Describe the water industry infrastructure that the applicant corporation will access to supply water.

The response to this question is a requirement for any retail supplier's licence for water industry infrastructure (Reg cl.10(1)(a). The response will also be used to ensure you have applied for the correct licence(s)).

The license being sought is for the Kooragang Industrial Water Scheme which comprises of the Mayfield West Advanced Water Treatment Plant (MWAWTP), a section of pipeline that supplies the source water from HWC's Shortland WWTP and a pipeline that supplies the treated recycled non-potable water to Orica.

This infrastructure is identified in **Appendix 4.2.3**.

5.1.2	What volume of water is available from the proposed source? Where applicable, please provide the capacity of the source and the (allowable) average daily extraction rate from the source. If there is more than one source, please 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 5.1.2.**

The response to this question will be used to determine whether sufficient quantities of the water supplied will have been obtained otherwise than from a public water utility (Act s.10(4)(d)).

Hunter Water Corporation is contracted to supply up to 12.6ML per day of treated effluent to KIWS from their Shortland WWTP.

5.1.3	What customers or classes of customers does the applicant corporation propose to supply with water?

Classes of customers may include residential, industrial, commercial or agricultural.

The response to this question is a requirement for any retail supplier's licence (Act s.6(1)(b)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

The treated non-potable water is targeted for industrial customers. Kooragang Water Pty Ltd has a water supply agreement in place with Orica for use for industrial purposes including cooling towers. Kooragang Water is currently looking for additional industrial

customers to take non-potable water for industrial purposes such as dust suppression, cooling towers, etc.	
5.1.4	Will you be supplying small retail customers with water (ie, less than 15Ml/year)?
A person is a small retail customer in relation to water supply if the maximum rate at which water is supplied, pursuant to one or more water supply contracts, to all premises that the person owns, leases or occupies is less than 15 megalitres per year.	

The response will be used as context to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)). The response will also be used as a context for the assessment of risks from the proposed scheme and to identify possible additional licence conditions relating to the supply of water to small retail customers.	
No.	
5.1.5	**Provide your preliminary risk assessment for the retail activities related to the scheme in Appendix 5.1.5.** 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), 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 4360 (Risk Management).	
The response to this question is a requirement for any retail supplier's licence (Reg cl.10(1)(b). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)).	
From a retail perspective, the main risk identified in this scheme is the non-payment by the customer (Orica). The risk assessment and mitigating actions is attached in **Appendix 5.1.5**. As to the effect this may have on the ability to supply the water, WUA does not anticipate that there could be any circumstances that would arise where supply would be terminated, barring continual non-payment, in which case the supply would be controlled by WUA.	
5.1.6	How will the continuity of the supply of water to customers be ensured? What contingency plans are in place in the case of failure of the infrastructure?
The continuity of supply may differ between customer classes. If this is the case for your project please define the different levels of service for each customer class and how the continuity of supply of water, relevant to that class of customer, will be maintained.	
The response to this question is a requirement for any retail supplier's licence (Reg cl.10(1)(b)(iii)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
As noted in our response at section 4.2.12, potable water will be provided by HWC's owned, operated and maintained infrastructure in the event that the plant is not able to supply non-potable water to Orica or other industrial customers or to meet the KIWS treatment plant requirements.	
5.1.7	Describe the systems and processes that the applicant corporation will have in place to manage retail activities including billing systems, complaint and debt recovery procedures. **Provide evidence of the applicant corporation's capacity to develop and implement a retail supply management plan in Appendix 5.1.7.**

The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual systems and procedures.

The response to this question is a requirement for any retail supplier's licence (Reg cl.10(1)(b)(iv)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Billing, complaint and debt recovery processes are contracted to SUEZ pursuant to the O&M Agreement with Kooragang Water Pty Ltd.

SUEZ currently use SAP software system for all of its financial functions including accounts receivable.

In regard to complaints handling, and as KIWS currently has only one customer, the agreement with that customer will detail the procedure to manage complaints re billing.

Please refer to **Appendix 5.1.7** for a copy of the SUEZ Business Practices Manual for information on systems employed and managed within the SUEZ business.

5.2 Provision of sewerage services

Please provide a response to the questions in the following section if you are seeking a licence for the provision of sewerage services by means of any water industry infrastructure.

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

The response to this question is a requirement for any retail supplier's licence for water industry infrastructure (Reg cl.10(2)(a)). The response will also be used to ensure you have applied for the correct licence(s).

N/A

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

Classes of customers may include residential, industrial, commercial or agricultural. The licence may also specify whether the customers are small retail customers.

The response to this question is a requirement for any retail supplier's licence (Act s.6(1)(b)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

N/A

5.2.3	Will you be providing small retail customers with sewerage services (i.e. less than 10.5 ML/year)?

A person is a small retail customer in relation to the provision of sewerage services if the maximum rate at which sewage is discharged, pursuant to one or more sewerage service contracts, from all premises that the person owns, leases or occupies is less than 10.5 megalitres per year, as determined in accordance with guidelines issued by IPART.

The response will be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)). The response will also be used as a context for the assessment of risks from the proposed scheme and to identify possible additional licence conditions relating to the supply of water to small retail customers.

N/A

5.2.4	**Provide your preliminary risk assessment for the retail activities related to the scheme in Appendix 5.2.4.** The risk assessment must 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. We strongly recommend that the applicant corporation utilises an established risk management system such as outlined in AS/NZS 4360 (Risk Management).

The response to this question is a requirement for any retail supplier's licence (Reg cl.10(2)(b)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)).	
N/A	
5.2.5	How will the continuity of the provision of sewerage services be ensured? What contingency plans are in place in the case of failure of the infrastructure?
The response to this question is a requirement for any retail supplier's licence (Reg cl.10(2)(b)(iii)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	
5.2.6	Describe the systems and processes that the applicant corporation will have in place to manage retail activities including billing systems, complaint and debt recovery procedures. **Provide evidence of the applicant corporation's capacity to develop and implement a retail supply management plan in Appendix 5.2.6.**
The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual systems and procedures.	
The response to this question is a requirement for any retail supplier's licence (Reg cl.10(2)(b)(iv)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
N/A	

6 Applicant experience and systems

The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Network operator	
Only provide a response to the questions in the following section if the applicant corporation is seeking a network operator's licence	
6.1.1	Describe the structure of the applicant corporation. Include in the description a list of the entities that have an ownership interest in the applicant corporation, whether legal or equitable. **Provide an organisational diagram in an Appendix 6.1.1.** The diagram should clearly show all entities that have an ownership interest in the applicant corporation,
The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
WUA MidCo Pty Ltd is an incorporated company. WUA MidCo Pty Ltd owns 100% of Kooragang Water Pty Ltd. WUA MidCo Pty Ltd is 100% owned by WUA TopCo Pty Ltd, which is 100% owned by the Global Diversified Infrastructure Fund (Active) which is managed by Colonial First State Managed Infrastructure Limited. An organisational diagram is provided at **Appendix 6.1.1.**	
6.1.2	Describe the applicant corporation's (and, where relevant, the nominated third parties) current experience in the construction, maintenance and operation of water and/or other utility infrastructure such as gas, electricity or telecommunications.
The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
WUA MidCo: WUA MidCo Pty Ltd is the parent company of the following schemes: Willunga Basin Water Company (SA) The Willunga Basin Water Company (WBWC), owned and operated by WUA, provides up to 6,200ML/annum of recycled wastewater to 210 grape, olive and other agricultural producers in the McLaren Vale region. In addition to this, WBWC also provides recycled water to some local reserves and sporting clubs through a Bulk Water Transfer Agreement with the City of Onkaparinga. Water is sourced from SA Water's Christies Beach Wastewater Treatment Plant (WWTP) and the City of Onkaparinga's Willunga Community Wastewater Scheme (CWMS) and Sellick's Beach CWMS. These combined water sources provide WBWC's customers with a reliable supply.	

WUA manages all aspects of operation of the scheme including maintenance, meter reading, billing and customer service. In addition, WUA manages the design and delivery of expansion projects.
WBWC first started operating in 1999 with 2,100ML/annum supplied to the original customers. The scheme was acquired by WUA in 2013 and by this time, demand had grown to 5,800ML/annum. WUA then invested $2 million in expanding to new customers at McLaren Flat.

Demand for recycled water from WBWC has significantly increased during the time that WUA has owned and operated the scheme. Demand was 54% higher in 2016 than in 2013 and continues to grow. The current contracted capacity of 6,200ML/annum has the potential to expand further with an additional 400ML of registered immediate demand.

Lightsview ReWater Scheme (SA)

The Lightsview ReWater scheme is a key component of the Lightsview master planned housing development in north eastern Adelaide. WUA owns and operates the water scheme, which currently supplies 1,300 residential properties with non-potable stormwater for combined indoor and outdoor purposes, such as toilet flushing and garden watering. In addition, ReWater provides open space irrigation within the Lightsview precinct. The Lightsview development is projected to grow to 3,200 properties once completed, with an estimated residential demand of 200ML/annum at full capacity. The City of Salisbury is the bulk provider of non-potable water to the ReWater scheme.

WUA also supplies 200ML/annum of water from the ReWater scheme for open space irrigation of eight reserves outside of the Lightsview precinct that are owned by the City of Port Adelaide Enfield. WUA is currently investigating connection to additional reserves in collaboration with the City of Port Adelaide Enfield and the City of Salisbury.

WUA manages all aspects of operation of the scheme including maintenance, meter reading, billing and customer service. In addition, WUA manages the design and delivery of expansion projects.

WUA has invested in infrastructure owned by the City of Salisbury to increase supply pressure, which has enabled WUA to fast track supply to new reserves owned by the City of Port Adelaide Enfield.

SUEZ:

SUEZ is a global expert with over 70 years' experience in designing, constructing, operating and maintaining water and wastewater infrastructure and has successfully delivered over 2500 water, wastewater and recycled water projects globally, including 25 wastewater treatment plants, two desalination plants, 26 water treatment plants and 13 water reuse plants and schemes throughout Australasia. Refer below to some examples of SUEZ's current contracts that manage plants and deliver services similar to the Kooragang scheme.

Prospect Water Filtration Plant

SUEZ currently operates the Prospect Water Filtration Plant which supplies up to 1,500ML/day of potable water to Sydney Water Corporation's customers in the Sydney catchment area.

Aroona Alliance (WA)

SUEZ and its partner Transfield Services was selected by the Western Australian Water Corporation to maintain and operate the water production and wastewater treatment assets of Perth, the 4th largest city in Australia and one of the driest in the world. Overall SUEZ and its partner manage and operate 6 ground water treatment plants, 14 wastewater treatment plants and 2 advanced water recycling plants, as well as 13 dams, 190 boreholes and 520km of trunk mains to deliver reliable services to Perth's 1.9 million residents through an integrated Alliance named Aroona.

Allwater Alliance (SA)

Allwater is a joint venture between Degremont, Suez, Transfield Services and SA Water which commenced a services alliance contract to operate and maintain metropolitan Adelaide's water, wastewater and recycled water systems. Allwater provider front line services to operate Adelaide's water supply which includes 9,000km of water mains as well as six different plants.

The contract also covers the operation and maintenance of 7,200km of sewer mains and six wastewater treatment plants along with various recycled water schemes. Each year Allwater anticipates delivering 130,000ML of water to metropolitan Adelaide customers, treating 88,000ML of wastewater and recycling approximately 26GL of recycled water mainly for irrigation.

6.1.3	List the key personnel involved in each of the significant activities (construction, maintenance and operation) and summarise their required skills, qualifications and experience. **Provide a position description for each of the key personnel positions in Appendix 6.1.3.**

Clearly identify whether the key personnel are employees of the applicant corporation or, where relevant, the nominated third party. It is not necessary to list all the employees. Ensure that the key personnel include the person or persons responsible for managing the applicant corporation's compliance with their legislative responsibilities.

The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

The WUA key personnel responsible for the management, stakeholder engagement, and operation of KIWS are:

- Graham Dooley – CEO
- Craig Heidenreich – General Manager
- Brad Rea – Company Secretary and Risk & Compliance Officer
- Antonia Stevens – Financial Controller
- Mike Gallant – Operations Manager
- Michael Barnett – Infrastructure Manager

The SUEZ key personnel responsible for the operation, technical support and stakeholder engagement of KIWS are:

- Mark Lautre – General Manager Operations
- Peter Segura – Operations Support Manager
- Peta Rogers – HSEQ Systems Manager
- David Colley – Plant Manager
- Richard John – Operator

CVs of WUA's key personnel are provided at **Appendix 6.1.3**

6.1.4	Please provide details of any other regulatory approvals or licences the applicant corporation or nominated third party holds in relation to the infrastructure activities for which you are seeking a licence.

Include relevant approvals for similar projects interstate or overseas to demonstrate the experience of the applicant corporation. We may seek confirmation of your compliance history in relation to other regulatory approvals or licences as part of our assessment.

The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

In New South Wales, WUA MidCo Pty Ltd holds the following regulatory approvals through its subsidiary, Kooragang Water Pty Ltd:

- Trade Waste

In South Australia, WUA MidCo Pty Ltd holds the following regulatory approvals through the following subsidiary companies:

Lightsview ReWater Supply Co Pty Ltd

- Water Industry Retail License issued by the Essential Services Commission of South Australia

Willunga Basin Water Company Pty Ltd

- Environmental Protection Licence No. 22904 issued by South Australian Environmental Protection Agency
- Approval for the Use of Recycled Water issued by SA Health

SUEZ holds the following regulatory approvals in relation to KIWS:

- Environmental Protection Licence No. 20757 issued by EPA NSW
- Network Operator Licence issued by IPART
- Retail Supplier Licence issued by IPART

6.1.5	What business systems will the applicant corporation have in place to ensure they can comply with your regulatory requirements? Are any of the systems certified or will they be certified?

Business systems may include but not be limited to quality assurance, asset management and environmental management systems.

The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

WUA MidCo Pty Ltd currently has an Integrated Management System in place to ensure it can comply with its regulatory requirements, which is third party certified to the following standards:

- AS/NZS4801:2001 – Occupational Health and Safety Management Systems
- ISO AS/NZS14001:2016 – Environmental Management Systems
- ISO AS/NZS9001:2016 – Quality Management Systems

A copy of the certifications are provided at **Appendix 6.1.5**

6.2 Retail supplier

Only provide a response to the questions in the following section if the applicant corporation is seeking a retail supplier's licence

6.2.1	Describe the structure of the applicant corporation. Include in the description a list of the entities that have an ownership interest in the applicant corporation, whether legal or equitable, and a list of the entities that the applicant corporation has an ownership interest in. **Provide an organisational diagram in Appendix 6.2.1.** The diagram should clearly show all entities that have an ownership interest in the applicant corporation.

The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Please refer to answer 6.1.1.

An organisation diagram is provided at **Appendix 6.1.1**

6.2.2	Describe the applicant corporation's (and, where relevant, the nominated third parties) current experience in the supply of water or the provision of sewerage services. Please also outline any previous experience in the retailing of other services such as gas, electricity or telecommunications.

The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

WUA

WUA has current experience in the supply of water retail services in the following schemes:

Willunga Basin Water Company

The Willunga Basin Water Company (**WBWC**), owned and operated by WUA, provides recycled wastewater to 210 grape, olive and other agricultural producers in the McLaren Vale district with a total contracted capacity of 6,200ML/annum. In addition, WBWC provides water to some local reserves and sporting clubs through a Bulk Water Transfer Agreement with City of Onkaparinga.

WBWC secured the rights to harvest the majority of treated wastewater from the Christies Beach Wastewater Treatment Plant in 1999 and the system has grown from 2,100ML of original customers to the current 6,200ML of customers. Purchased by WUA in 2013 with 5,800ML of customers, WUA has continued this growth to the current levels of 6,200ML and is actively managing further growth in the region with an additional 400ML of registered demand. Since acquisition by WUA, capital of $2 million has been invested including an expansion into McLaren Flat to the east of the McLaren Vale Township. This provides WBWC with access to increased exposure in a new area and provides a drought resilient, reliable and cost-effective irrigation solution to growers in this region. This infrastructure also enables further expansion into Blewitt Springs which has no supplementary water supply and is limited by groundwater supplies. This initiative will further secure the region's water supplies and underpin their reputation as a premium wine growing region.

As with Lightsview, WUA manages all aspects of the operations and maintenance, customer service, billing and meter reading, as well as the design and delivery of expansion projects. Since acquisition WUA has experienced significant increases in demand, with demands in FY16 being 54% higher than the first year of acquisition and WUA has continued to provide a largely uninterrupted supply throughout this

period. Upgrades to power supplies, pump infrastructure and installing cooling systems on major pump buildings has all ensured the reliability of the asset has been maintained through some extreme weather conditions.

WBWC also receives water from City of Onkaparinga and provides a valuable service in ensuring beneficial disposal and reuse of treated wastewater from the Willunga Community Wastewater Scheme (**CWMS**) which generates 350ML per annum of treated wastewater. In addition WBWC provides treated wastewater at pressure to City of Onkaparinga (**CoO**) through the Bulk Water Transfer Agreement which has enabled council to decommission their ageing pump station and provides them with a low cost water supply for their reserves and supply to local sporting clubs.

WBWC has also entered into an agreement for the transport, storage and disposal of treated wastewater from the Sellicks Beach CWMS. This project has enabled council to solve an environmental issue through providing a viable disposal path which will enable CoO to expand development in the Sellicks Beach area providing opportunities for local construction jobs and enabling land around the Sellicks Beach CWMS to be developed for recreational use by the local community. This solution has enabled the council to save approximately $1 million on an alternative solution and ensures that up to 90ML of treated wastewater can be supplied into the McLaren Vale region to further support the growing demand on water resources. This project and the larger business further demonstrates WUA's ability to collaborate with local government to achieve innovative outcomes and deliver environmental, social and financial benefits to the local community and the State of South Australia.

Lightsview ReWater Scheme

The Lightsview ReWater Scheme is a master planned housing development in North Eastern Adelaide into which WUA provides non-potable stormwater water for combined indoor/outdoor uses including toilet flushing, garden watering and other non-potable uses. The project is four years old and has 1,300 residential property connections with an ultimate capacity of 3,200 properties. The projected demand from residential properties is 200ML/annum at full capacity.

In addition to the residential properties WUA provides water for open space irrigation on reserves within the Lightsview area and to reserves owned by the Port Adelaide Enfield Council adjacent to Lightsview. The demand on these reserves is 200ML/annum and WUA is currently investigating the connection of additional reserves in conjunction with Port Adelaide Enfield Council and City of Salisbury. Due to the lower cost of the non-potable stormwater, Port Adelaide Enfield Council remains committed to further connections as WUA continues to grow the business.

City of Salisbury are the bulk provider of non-potable water to WUA for this project and WUA continues to work closely with City of Salisbury to identify opportunities to increase supply to WUA for servicing of new demand. Through this relationship WUA has invested in infrastructure owned by City of Salisbury to increase supply pressure which enables WUA to fast track supply to new reserves owned by Port Adelaide Enfield Council. This highlights WUA's capacity to work proactively with partners to realise mutually beneficial solutions.

WUA manages all aspects of the operations and maintenance, customer service, billing and meter reading, as well as the design and delivery of expansion projects and has the core internal team to deliver these services. The water infrastructure constructed within the Lightsview Development is managed by PEET Limited (**PEET**) on behalf of Renewal SA, with whom WUA hold agreements for the Infrastructure Ownership and Operations and Maintenance to ensure the principles of the Development and involvement of WUA are upheld throughout the Development lifetime.

Kooragang Industrial Water Scheme

The Kooragang Industrial Water Scheme (KIWS) is a recycled water scheme in Newcastle, NSW. The scheme was established by the Hunter Water Corporation (a NSW State owned public water utility), with the first water being delivered in 2014.

KIWS transfers up to 12 Megalitres (ML) of treated effluent each day from the Hunter Water Shortland Wastewater Treatment Plant to the Mayfield Advanced Water Treatment Plant (AWTP) which produces up to 9ML per day of highly treated recycled water for use by an industrial customer (Orica) on Kooragang Island. This scheme results in over 2000ML/year of drinking water being saved for Hunter Water.

WUA, through Kooragang Water Pty Ltd, acquired KIWS from Hunter Water in November 2017.

SUEZ

SUEZ is a global expert in designing, constructing, operating and maintaining water and wastewater infrastructure and has successfully delivered over 2500 water, wastewater and recycled water projects globally, including 25 wastewater treatment plants, two desalination plants, 26 water treatment plants and 13 water reuse plants and schemes throughout Australasia. SUEZ currently operates KIWS pursuant to an Operations and Maintenance Agreement with WUA. Refer below to some examples of SUEZ's current contracts that manage plants and deliver services similar to the Kooragang scheme.

Prospect Water Filtration Plant

SUEZ currently operates the Prospect Water Filtration Plant which supplies up to 1,500ML/day of potable water to Sydney Water Corporation's customers in the Sydney catchment area.

Aroona Alliance (WA)

SUEZ and its partner Transfield Services was selected by the Western Australian Water Corporation to maintain and operate the water production and wastewater treatment assets of Perth, the 4th largest city in Australia and one of the driest in the world. Overall SUEZ and its partner manage and operate 6 ground water treatment plants, 14 wastewater treatment plants and 2 advanced water recycling plants, as well as 13 dams, 190 boreholes and 520km of trunk mains to deliver reliable services to Perth's 1.9 million residents through an integrated Alliance named Aroona.

Allwater Alliance (SA)

Allwater is a joint venture between Degremont, Suez Environnement, Transfield Services and SA Water which commenced a services alliance contract to operate and maintain metropolitan Adelaide's water, wastewater and recycled water systems. Allwater provides front line services to operate Adelaide's water supply which includes 9,000km of water mains as well as six different plants.
The contract also covers the operation and maintenance of 7,200km of sewer mains and six wastewater treatment plants along with various recycled water schemes. Each year Allwater anticipates delivering 130,000ML of water to metropolitan Adelaide customers, treating 88,000ML of wastewater and recycling approximately 26GL of recycled water mainly for irrigation.

6.2.3	List the key personnel involved in the retail activities and summarise their required skills, qualifications and experience. **Provide a position description for each of the key personnel positions in Appendix 6.2.3.**

Clearly identify whether the key personnel are employees of the applicant corporation or, where relevant, the nominated third party. Ensure that the key personnel include the person or persons responsible for managing the applicant corporation's compliance with their legislative responsibilities.

The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Please refer to answer 6.1.3.

A position description for each of the key personnel positions is provided in **Appendix 6.2.3**	
6.2.4	Please provide details of any other regulatory approvals or licences the applicant corporation or nominated third party holds in relation to the retail activities for which you are seeking a licence.
Include relevant approvals for similar projects interstate or overseas to demonstrate the experience of the applicant corporation. We may seek confirmation of your compliance history in relation to other regulatory approvals or licences as part of our assessment.	
The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
Please refer to answer 6.1.4.	

6.2.5	What business systems will the applicant corporation have in place to ensure they can comply with your regulatory requirements? Are any of the systems certified or will they be certified?
Business systems may include but not be limited to quality assurance and environmental management systems. Retails systems such as billing and complaint management should be included in the response to this question.	
The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).	
Please refer to answer 6.1.5.	

7 Financial capacity

The response to the following questions will be used to assess the applicant corporation's financial capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Provide a response to the financial questions according to the following matrix:

	Question					
	7.1	**7.2**	**7.3**	**7.4**	**7.5**	**7.6**
Retail supply licence only	✓	✓	✓			
Network operator licence						
For infrastructure used for self supply	✓	✓				
For infrastructure used to supply large retail customers	✓	✓	✓			
For infrastructure used to supply small retail customers with non-essential services	✓	✓	✓	✓	✓	
For infrastructure used to supply small retail customers with essential services[a]	✓	✓	✓	✓	✓	✓

[a] Applicant corporations who are providing essential services to small retail customers will be required to meet with our financial assessment team following submission of the application to discuss the information requirements for making the financial capacity assessment.

7.1 How will the applicant corporation finance the proposed activity?

7.1.1	Describe the mechanisms by which the applicant corporation's activities are financed or to be financed. **Provide evidence of any financial guarantees or commitment of financial support in Appendix 7.1.1.**

Evidence of financial support may include, but is not limited to; a letter from a financial institution (being a bank, credit union or the government) confirming indicative financing of the applicant corporation's activities, including:

- the nature of finance (eg, bridging, long term, corporate debt, government funding)
- type and limit of the facility
- type and limit of any guarantee, and
- terms and conditions.

KIWS was purchased from the Hunter Water Corporation by Kooragang Water Pty Ltd in November 2017 on a 100% equity basis utilizing funds provided by WUA MidCo Pty Ltd. Ongoing OPEX and CAPEX is provided by funds acquired by Kooragang Water Pty Ltd through water sales. In the unlikely event that CAPEX requirements exceed the operating capacity of Kooragang Water, WUA TopCo Pty Ltd in its capacity as the head entity of the WUA group, will provide financial support.

A Letter of Comfort from WUA TopCo Pty Ltd is provided in **Appendix 7.1.1**

7.2 Are there any events that could affect the applicant corporation's future financial capacity?

7.2.1	Are there any events or circumstances, that you are currently aware of, that could affect the applicant corporation's future financial capacity? If applicable, provide details of all such events relevant to the applicant corporation for the last 3 years from the date of this application.

Events and circumstances may include but are not limited to:

- Government or other investigation of the applicant corporation or related entities
- Contract terminated
- Factors which might impact on the applicant corporation such as significant litigation, business commitments, contingent liabilities, collections by debt collection agencies on behalf of creditors or liquidation proceedings
- Any outstanding tax liabilities
- Any other particulars which are likely to adversely affect the applicant corporation's capacity to undertake the services under the licence (if granted).

There are no events or circumstances that WUA is currently aware of that could affect WUA MidCo Pty Ltd's future financial capacity.

7.3 What is the projected financial performance of the proposed activities?

7.3.1	Summarise the projected cash flows (net EBITDA), including key financial modelling assumptions, such as capex, for the first 5 years of operation (at minimum). Provide the projected cash flows for a minimum of the next five (5) years of operation (including projected closing balance sheets and profit and loss statements), taking into account the licensing agreements, with details of all key financial modelling assumptions in **Appendix 7.3.1**.

If necessary, a longer period may be provided to demonstrate financial viability of the project.

Appendix 7.3.1 is confidential.

7.3.2	Where the applicant corporation is seeking a network operator's licence, who is the owner of the infrastructure for which the applicant corporation is seeking a licence?

Kooragang Water Pty Ltd, a 100% owned subsidiary of WUA MidCo Pty Ltd.

7.3.3	Where the applicant corporation is applying for a retail supplier's licence to supply water or provide sewerage service to residential households, provide an estimate of the cost per household per year to supply water and/or provide sewerage services (as is relevant). Who will pay the cost? What is the proposed price level and structure for the first five years of operation?

The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)).

The KIWS is an industrial water scheme and does not supply water or provide sewerage services to residential households.

7.4 What is the applicant corporation's financial history?

7.4.1	Does the applicant corporation have a financial history? If not, explain why.
N/A	
7.4.2	Where the applicant is a new corporation, supported by one or more parent entities, provide a copy of guarantee or cross deed of indemnity provided by the parent entity, and financial statements for the parent entity for the last 3 years in **Appendix 7.4.2**.
Please include any parent entity with more than 20 per cent of equity in the applicant corporation.	
N/A	
7.4.3	Where the applicant 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, and a copy of guarantee or cross deed of indemnity provided by an entity such as a holding company or Director (provide financial statements demonstrating the financial viability of the guarantor) in **Appendix 7.4.3**.
N/A	
7.4.4	Where the applicant is not a new corporation, summarise the performance of the applicant corporation over the past 3 years below. Provide copies of tax returns for the corporation for the last 3 years in **Appendix 7.4.4(a)**. Provide financial statements for the last 3 years in **Appendix 7.4.4(b)**. Where the latest annual financial statements are more than 3 months old, provide the latest available management reports showing: ▾ a trading statement ▾ a profit and loss statement, and ▾ a trial balance.
It is preferable that these financial statements are audited. It is recognised that not all corporations are required to have their annual financial statements audited. However, where you are required to lodge audited financial statements with the Australian Securities and Investments Commission (ASIC), provide copies of these statements. (Note: consolidated accounts for the parent organisation or group to which the applicant corporation belongs would not be considered acceptable)	
N/A	
7.4.5	If applicable, what is the applicant corporation's credit rating? Provide the applicant corporation's Credit rating memorandum (eg, Standard & Poor's, Moody's or Fitch), if available in **Appendix 7.4.5**.
N/A	

7.4.6	Provide details of the applicant corporation's debt/equity finance and any debt covenants on existing borrowings.
N/A	

7.5 Contacts

7.5.1	Does the applicant corporation have an accountant? If yes, what are the accountant's contact details?
N/A	
7.5.2	Does the applicant corporation have an external auditor? If yes, what are the external auditor's contact details?
N/A	
7.5.3	If required, may we contact the accountant and/or external auditor registered taxation agent to clarify any information provided?
N/A	

7.6 Internal accounting records

7.6.1	Provide bank reconciliations, aged accounts receivable reports, and aged accounts payable reports in **Appendix 7.6.1** at the dates of: ▾ The latest management accounting reports (if applicable) and annual financial statements ▾ 30 September (most recent) ▾ 31 December (most recent) ▾ 31 March (most recent), and ▾ 30 June (most recent) for the applicant corporation.
N/A	
7.6.2	Provide an extract of the superannuation payable ledger in **Appendix 7.6.2** for: ▾ the 12 months ending on the date of the latest annual financial statements, and ▾ the period commencing on the date of the latest annual financial statements and ending on the date of the latest management accounting reports (if applicable) for the applicant corporation.
N/A	

7.6.3	Provide bank statements for the 3 months to the date of the latest management accounting reports (if applicable) or annual financial statements for the applicant corporation, whichever has been submitted with the application in **Appendix 7.6.3**.
N/A	

8 Statutory declaration and acknowledgement

To be completed by all applicants

8.1 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 not a disqualified corporation and that no director or person concerned in the management of the applicant corporation is or would be a disqualified individual within the meaning of the WIC Act.

A statutory declaration must be signed by an authorised witness.

This is a list of NSW authorised witnesses:

- 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; and
- 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 and the Chief Executive Officer of the applicant (named in the application form accompanying this declaration);

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 a disqualified corporation within the meaning of the WIC Act;

5. no director or person concerned in the management of the applicant corporation is, or would be, a disqualified individual within the meaning of the WIC Act;

6. I have the authority to make this application on behalf of the applicant (named in the application form accompanying this declaration);

and 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 application:

Chief Executive Officer and Director

Signature of person making the declaration:

Declared at *[place]*: Adelaide On *[date]*: 23 August 2018

In the presence of an authorised witness, who states:

I *[insert name of authorised witness]* James Frearson-Lea,

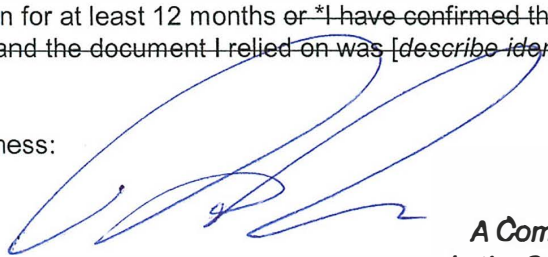
a *[insert qualification to be authorised witness]* Australian Legal Practitioner

certify the following matters concerning the making of this statutory declaration by the person who made it: *[* please 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: 23 August 2018

A Commissioner for taking affidavits
In the Supreme Court of South Australia
JAMES MICHAEL LANDON FREARSON - LEA

8.2 Acknowledgement

An acknowledgement should be provided by:

(a) company secretary and a director, or

(b) 2 directors, or

(c) in the case of a sole director, the sole director, or

(d) such other person that IPART agrees may provide the acknowledgement.

The applicant (named in the application form accompanying this acknowledgement) agrees to IPART furnishing a copy of the applicant'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)
- the Minister administering the *Public Health Act 1991* (NSW)
- the Minister administering Chapter 2 of the *Water Management Act 2000* (NSW)
- the Minister administering the *Environmental Planning and Assessment Act 1979* (NSW), and
- the 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 expediting the processing of your application, would you please indicate below whether 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 with 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:

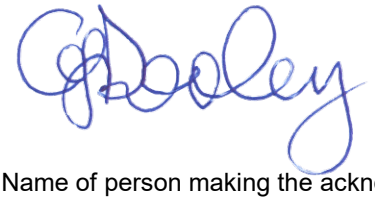
Graham John Dooley

Title of person making the acknowledgement:

Director

On [date]: 23 August 2018

Signature of person making the acknowledgement:



Name of person making the acknowledgement:

Bradley James Rea

Title of person making the acknowledgement:

Company Secretary

On [date]: 23 August 2018

Signature of person making the acknowledgement:

Attachment A: Summary of appendices

Applicant: **WUA MidCo Pty Ltd**

Scheme name: **Kooragang Industrial Water Scheme**

Date: **23 August 2018**

Are the following supporting documents labelled and attached as appendices?

Item	Confirm complete
Part 3: general information	
■ Copies of relevant insurance certificates (Appendix 3.3.1)	✔
■ Other regulatory approvals/licences (Appendix 3.5.1)	✔
Part 4: network operator (if applicable)	
For **drinking water** infrastructure	
■ A process flow diagram from source to end use showing infrastructure that is existing or to be constructed, interconnections and customers and/or end users (Appendix 4.1.1)	N/A
■ A map of the proposed infrastructure from source to end use showing interconnections and customers and/or end users (Appendix 4.1.3)	N/A
■ Where relevant, a copy of any agreements and/or licences to access the source water (Appendix 4.1.6)	N/A
■ A preliminary risk assessment for the scheme from source to end use (Appendix 4.1.9)	N/A
■ Evidence of the applicant's capacity to implement the 12 elements of the Australian Drinking Water Guidelines Framework (Appendix 4.1.10)	N/A
■ Evidence of the applicant's capacity to develop and implement an infrastructure operating plan (Appendix 4.1.12)	N/A
■ Any environmental study and/or risk assessment (Appendix 4.1.13)	N/A
For **non-potable water** infrastructure	
■ A process flow diagram from source to end use showing infrastructure that is existing or to be constructed, interconnections and customers and/or end users (Appendix 4.2.1)	✔
■ A map of the proposed infrastructure from source to end use showing interconnections and customers and/or end users (Appendix 4.2.3)	✔

Item	Confirm complete
■ Where relevant, a copy of any agreements and/or licences to access the source water (Appendix 4.2.6)	✔
■ A preliminary risk assessment for the scheme from source to end use (Appendix 4.2.10)	✔
■ Evidence of the applicant's capacity to implement the 12 elements of the Australian Guidelines for Water Recycling Framework (Appendix 4.2.11)	✔
■ Evidence of the applicant's capacity to develop and implement an infrastructure operating plan (Appendix 4.2.13)	✔
■ Any environmental study and/or risk assessment (Appendix 4.2.14)	✔
For **sewerage infrastructure**	
■ A process flow diagram from collection to disposal or reuse showing infrastructure that is existing or to be constructed, and interconnections (Appendix 4.3.1)	N/A
■ A map of the proposed infrastructure from collection to disposal or reuse showing interconnections (Appendix 4.3.3)	N/A
■ A summary report of any wastewater characterisation or catchment studies (Appendix 4.3.8)	N/A
■ A preliminary risk assessment for the scheme from collection to disposal (Appendix 4.3.9)	N/A
■ Evidence of the applicant's capacity to develop and implement an infrastructure operating plan (Appendix 4.3.10)	N/A
■ Any environmental study and/or risk assessment (Appendix 4.3.12)	N/A
■ Where relevant, a copy of a soil capability assessment (Appendix 4.3.13)	N/A
Pat 5: retail supplier (if applicable)	
For the **supply of water**	
■ Where relevant, a copy of any agreements and/or licences to access the source water (Appendix 5.1.2)	✔
■ A preliminary risk assessment for the retail activities related to the scheme (Appendix 5.1.5)	✔
■ Evidence of the applicant's capacity to develop and implement a retail supply management plan (Appendix 5.1.7)	✔
For the **provision of sewerage services**	
■ A preliminary risk assessment for the retail activities related to the scheme (Appendix 5.2.4)	N/A

Item	Confirm complete
■ Evidence of the applicant's capacity to develop and implement a retail supply management plan (Appendix 5.2.6)	N/A
Part 6: applicant experience and systems	
For a **network operator** (if applicable)	
■ An organisational diagram (Appendix 6.1.1)	✔
■ Position descriptions for each of the key personnel positions (Appendix 6.1.3)	✔
For a **retail supplier** (if applicable)	
■ An organisational diagram (Appendix 6.2.1)	✔
■ Position descriptions for each of the key personnel positions (Appendix 6.2.3)	✔
Part 7: financial capacity	
■ Evidence of any financial guarantees or commitment of financial support (Appendix 7.1.1)	✔
■ Where relevant, projected cash flows for minimum 5 years and key financial modelling assumptions (Appendix 7.3.1)	✔
■ Where relevant, the guarantee or cross deed of indemnity provided by the parent entity, and financial statements for the parent entity for the last 3 years (Appendix 7.4.2)	N/A
■ Where relevant, evidence of alternative funding arrangements such as a letter, guarantee or cross deed of indemnity provided by the guarantor (Appendix 7.4.3)	N/A
■ Where relevant, tax return for the applicant for the last 3 years (Appendix 7.4.4(a))	N/A
■ Where relevant, financial statements for the applicant for the last 3 years (Appendix 7.4.4(b))	N/A
■ Where relevant, the applicant's credit rating memorandum (Appendix 7.4.5)	N/A
■ Where relevant, bank reconciliations, aged accounts receivable reports, and aged accounts payable reports (Appendix 7.6.1)	N/A
■ Where relevant, extracts of the superannuation payable ledger (Appendix 7.6.2)	N/A
■ Where relevant, bank statements for the 3 months to date or annual financial statements (Appendix 7.6.3)	N/A