

PUBLIC VERSION



Combined Application Form
Network Operator and Retail Supplier

Water Industry Competition Act 2006

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Combined Application Form: Network Operator and Retail Supplier

Application to become a licensee under the Water Industry Competition Act 2006

Who should complete this form?

This form is for corporations that wish to become licensees under the *Water Industry Competition Act 2006* (the WIC Act). A copy of the WIC Act is available on the Independent Pricing and Regulatory Tribunal (IPART) website, at <http://www.ipart.nsw.gov.au/water/private-sector-licensing/regulatory-framework.asp>.

What do you need to complete this form?

It is essential that you refer to the 'How to Apply Guide' document <http://www.ipart.nsw.gov.au/water/private-sector-licensing/application-forms.asp> when completing this form. This document will guide you in answering every question. It is available on the IPART website.

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

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

In general, IPART would also encourage you to discuss your licence application form and obtain assistance from the Utility 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.

Is there an application fee?

If you are applying for both a Network Operator's Licence and Retail Supplier's Licence, the fee will be \$5,000.

How do you submit the application?

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

| In person | Via email | Via post |
|--|---|--|
| Attention: Utility Licensing Independent Pricing and Regulatory Tribunal Level 8 1 Market Street Sydney NSW 2000 | Attention: Utility Licensing Independent Pricing and Regulatory Tribunal compliance@ipart.nsw.gov.au | Attention: Utility Licensing Independent Pricing and Regulatory Tribunal PO Box Q290 QVB Post Office Sydney NSW 1230 |

The application should include:

- ▼ one hard copy and one electronic copy of the completed application form and supporting documentation, and
- ▼ the appropriate licence application fee 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

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

Confidential information

IPART uses open public processes to consider applications. Unless confidentiality is agreed, IPART treats applications as public documents. It publishes applications on its website and distributes them to interested parties as appropriate.

Where confidentiality is agreed with IPART, applicants should provide separate confidential and public copies of their application. In particular, applicants 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 confidential information, for publication and distribution by IPART.

Each of these versions should be provided in electronic and hard copy form.

IPART will furnish a copy of the confidential application to the Ministers prescribed by the WIC Act and regulations, in accordance with section 9(1)(b) of the WIC Act (refer to Part 5(b) of this application for further details). IPART will publish the public application on its website.

A request for access to confidential information will be determined in accordance with the *Freedom of Information Act 1989*.

Important note to applicants

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 separate approval from the Minister before commencing commercial operation of a new water or sewerage infrastructure (this is explained in further detail in the ‘How to Apply Guide’).

Please also note that the granting of a licence does not guarantee that the licensee will be financially successful in the marketplace.

Part 1: Introduction

A network operator’s licence authorises the licensee to construct, maintain and operate water industry infrastructure. A retail supplier’s licence authorises the licensee to supply water (drinking or non-drinking) or provide sewerage services by means of any water industry infrastructure. The information requested in this part of the Application Form is intended to provide a high-level overview of the activity that is to be the subject of the licence.

You must attach any additional information or supporting documentation in response to a question in the Application Form in an Appendix referenced Appendix A, B, C etc, with a title corresponding to the question. For example, your response to question 1(e) would be titled “Appendix X - Are any third parties providing services in relation to the activities to be authorised under the licence?”.

1(a) What activities are to be licensed?

i. Network Operator

Tick the applicable box(es) below.

| Activity being licensed | Network Operator’s Licence |
|--|-------------------------------------|
| Water infrastructure – drinking water | <input checked="" type="checkbox"/> |
| Water infrastructure – non-drinking water (including supply of recycled water) | <input checked="" type="checkbox"/> |
| Sewerage Infrastructure | <input checked="" type="checkbox"/> |

ii. Are you constructing, maintaining and/or operating the infrastructure?

Tick the applicable box(es) below.

| Drinking Water Infrastructure | Non drinking Water Infrastructure | Sewerage Infrastructure |
|---|---|---|
| <input checked="" type="checkbox"/> Construct | <input checked="" type="checkbox"/> Construct | <input checked="" type="checkbox"/> Construct |
| <input checked="" type="checkbox"/> Maintain | <input checked="" type="checkbox"/> Maintain | <input checked="" type="checkbox"/> Maintain |
| <input checked="" type="checkbox"/> Operate | <input checked="" type="checkbox"/> Operate | <input checked="" type="checkbox"/> Operate |

iii. Retail Supplier

Tick the applicable box(es) below.

| Activity being licensed | Retail Supplier's Licence |
|--------------------------------|-------------------------------------|
| Supply of drinking water | <input checked="" type="checkbox"/> |
| Supply of non-drinking water | <input checked="" type="checkbox"/> |
| Provision of sewerage services | <input checked="" type="checkbox"/> |

1(b) Who is the applicant?

| | |
|--|--|
| Corporation Name | Central Park Water Factory Pty Ltd ('CPWF') |
| ACN | 151 072 838 |
| Place of Incorporation | NSW, Australia |
| Address of Applicant's Registered Office | Suite 211, 283 Alfred Street North Sydney NSW 2060 |
| Address of Principal Place of Business (if different from Registered Office) | Suite 1, Level 3, 210 George Street Sydney NSW 2000 |

1(c) Who manages the applicant corporation?

Provide the full name, date of birth and residential address of the Chief Executive Officer and Directors of the applicant corporation to assist ASIC and ITSA searches.

| | |
|---------------------|-------------------|
| Full name | Terence Leckie |
| Title | Managing Director |
| Date of birth | |
| Residential address | |

1(d) Who is the contact person for the application?

| | |
|---------------------------|---------------------------------------|
| Contact Person | Stephen J McKewen |
| Title | Executive Director |
| Role | Applicant |
| Postal Address | PO Box R455, Royal Exchange, NSW 1225 |
| State / Postcode | NSW 2000 |
| Business Telephone Number | |
| Mobile Telephone Number | |
| Fax Number | |
| Email Address | |

This should be a senior officer who is authorised to speak on behalf of the applicant corporation.

1(e) Third party activities

- i. Are any third parties providing services in relation to the activities to be authorised under the licence?**

Provide details of any arrangements with third parties to provide services in relation to the activities authorised under the licence.

| Name of third party | Address | Contact person | Describe the services provided by the third party | Describe the arrangements with the third party |
|--|---|--|---|--|
| <p>Frasers Central Park Equity No 1 Pty Ltd</p> <p>SH Central Park Development East Pty Limited</p> <p>together, trading as CENTRAL PARK JV NO. 1 (Frasers)</p> | <p>L11,488 Kent St Sydney NSW 2000</p> | | <p>Provision of sewerage mains infrastructure (including connections) and water (drinking and recycled) reticulation infrastructure (including connections) between the all buildings in the development known as "Central Park" (www.centralparksydney.com.au) and the Applicant's sewage treatment and recycled water factory (the 'RWF') to be located in the basement levels of Building 2 in Central Park. Additionally, CPWF intends to take drinking water wholesale from Sydney Water at the boundary to the development community and distribute the same within the drinking water reticulation system to end users within the development community.</p> | <p>Commercial arrangements under which the sewage treatment and recycled supply services to be provided by CPWF will enable the Central Park (and all dwellings, buildings and common and recreational areas therein) to be provided with sewage treatment and recycled water supply services.</p> <p>Additionally, CPWF is in discussion with Sydney Water to take drinking water wholesale at the boundary to the development and distribute the same within the drinking water reticulation system to end users within the development community.</p> |
| <p>Water Factory Company Pty Ltd ('WFC'), the parent of CPWF</p> | <p>Suite 1, Level 3, 210 George Street, Sydney NSW 2000</p> | <p>Stephen J McKewen Executive Director</p> | <p>Provision of administrative, financial, commercial and customer retail</p> | <p>CPWF is a wholly owned subsidiary of WFC.</p> <p>Business support,</p> |

| | | | | |
|----------------------------------|--------------------------------------|--|---|--|
| | | | management services as required by CPWF | retail supplier management services and oversight are provided to all of WFC’s water utility subsidiaries. |
| Permeate Partners Pty Ltd | PO Box 6215 Kincumber NSW 2251 | | Design, procurement, technical and operational services in connection with the construction and operation of the proposed RWF | |

ii. Do you intend to perform all three functions of a network operator’s licence (i.e. construct, maintain and operate)?

Yes

If no, then name the other companies involved in performing these activities and your relationship to them in the table below.

| Name of third party | Address | Contact person | Describe the services provided by the third party | Describe the arrangements with the third party |
|---------------------|---------|----------------|---|--|
| Not applicable | | | | |

1(f) Overview of infrastructure

i. Provide details on the infrastructure in the table below

| | |
|--|--|
| <p>Briefly describe the type of infrastructure to be constructed, maintained and/or operated, including:</p> <ul style="list-style-type: none"> the type of technology to be used | <p>The technology in the proposed RWF can be summarised as follows:</p> <p>Membrane Bioreactor (MBR)</p> <p>A MBR will be used to:</p> <ul style="list-style-type: none"> Reduce BOD and Suspended Solids through biological treatment and membrane filtration. Reduce nitrogen through biological design. Reduce phosphorus through chemical precipitation. |
|--|--|

| | |
|---|--|
| <ul style="list-style-type: none"> key customer and supplier groups | <ul style="list-style-type: none"> Reduce pathogens through biological treatment and membrane filtration. <p>Reverse Osmosis (RO)</p> <p>RO will be used to:</p> <ul style="list-style-type: none"> Reduce TDS through membrane filtration <p>UV and Chlorine Disinfection</p> <p>UV and Chlorine disinfection will be used to:</p> <ul style="list-style-type: none"> Provide additional disinfection over and above that provided by membrane filtration. Provide a continuous disinfection residual in the recycled water storage tank and distribution system. <p>Key customer groups include:</p> <p>Frasers</p> <p>Developer that requires recycled water to reduce drinking water use and attain green star ratings in relation to the Central Park development.</p> <p>Central Park Broadway Community</p> <p>Sewage services and recycled water supply to residential dwellings, commercial /retail space, cooling towers and public open space.</p> <p>Mains (sewerage, recycled water and drinking water reticulation infrastructure)</p> <p>Frasers has engaged Watpac Constructions to construct the RWF’s storage tanks, RWF plant and control rooms, and all connections to both the RWF, buildings within the development and the Sydney Water infrastructure.</p> |
| <ul style="list-style-type: none"> the purpose for which the infrastructure will be used expected volumes of water or sewage to be extracted, treated, collected and/or distributed | <p>The infrastructure will be used to transport and process sewage, rainwater and groundwater into recycled water suitable for internal and external use. Additionally, drinking water infrastructure within Central Park will be used to deliver drinking water to all buildings within Central Park.</p> |
| <p>If relevant, describe the infrastructure that already exists in relation to the activity</p> | <p>Existing infrastructure includes:</p> <ul style="list-style-type: none"> Sydney Water sewerage system – it is proposed to use the existing system for the mining of sewage and disposal of screenings, waste activated sludge and RO- |

| | |
|---|---|
| | <p>brine.</p> <ul style="list-style-type: none"> Sydney Water drinking water system – it is proposed to purchase bulk water at the edge of the community and provide all drinking water services within the community. |
| Does infrastructure need to be constructed? If yes, what is needed and when is construction expected to commence? | <p>Yes:</p> <p>(i) Sewage, recycled water and drinking water reticulation infrastructure connecting buildings in the Central Park development area to the proposed (ii) sewer mining connections to the Sydney Water sewerage system, (iii) the RWF (including plant, equipment, tanks, pumps, compressors, blowers, etc). Fit out of the RWF is scheduled to commence May 2012</p> |
| When is supply/service expected to commence? | <p>Sewerage services are expected to commence in December 2012.</p> <p>Recycled Water Supply is expected to commence in April 2013.</p> <p>Drinking water supply distribution services are expected to commence no earlier than December 2012</p> |

ii. Will the applicant own the infrastructure? Tick the applicable box below.

Yes

No

If No, then explain who will own the infrastructure and the nature of your arrangements for accessing the infrastructure.

1(g) Where will the infrastructure be located and why have you chosen that location?

i. Provide details of the site(s) where the different components of the infrastructure will be located.

| Site Number | Site Name | Location | Type of Operation |
|--|-----------|----------|---|
| <p>The RWF is located over four (4) basement levels in Building 2, One Central Park within the Central Park development.</p> <p>It is connected via sewerage mains and water reticulation network running throughout the Central Park development to all buildings in Central Park, with connections to Sydney Water's sewer at the boundary of the development for the purposes of sewer mining and waste discharge For more information on locations please refer to</p> <p>Section J Drawings - Attachment J-1 – Location Plan and Attachment J-2 Map of activities to be Licensed</p> | | | |
| | | | Initially the RWF extracts raw sewage from Sydney Water sewer for commissioning and |

| | | | |
|--|--|--|--|
| | | | <p>early stage operation purposes, pending build-up of customer base through connections of new buildings in Central Park to RWF.</p> <p>Collection of sewage (and rain & ground water collected from within Central Park’s boundaries) is via gravity mains and pumps, running from each building’s basement to RWF.</p> |
| | | | <p>The RWF processes raw sewage (and associated rain & ground water collected from within Central Park’s boundaries) into high quality recycled water.</p> <p>The RWF includes a flow balance tank for collection of sewage flows prior to treatment through the MBR plant, delivering product recycled water into storage reservoirs prior to distribution to customers via the reticulation network (comprising pumps and ring mains).</p> |
| | | | <p>The return of by products from treatment in RWF back to Sydney Water sewer.</p> |

ii. Briefly describe why you chose this location for the infrastructure.

The RWF and all related infrastructure is development-specific. WFC/CPWF has agreed with the developer to deliver sewage treatment and recycled water services, necessitating the construction of its RWF and related infrastructure.

The developer was originally Frasers Property Group. Recently (July 2011), Sekisui House (a leading Japanese residential development and construction company) entered into a JV arrangement with Frasers Property, injecting \$1bn into the project. As a result, CPWF’s client is the new JV vehicle: Central Park JV No. 1, acting through each of the JV partners’ respective vehicles (Frasers Central Park Equity No 1 Pty Ltd and SH Central Park Development East Pty Limited).

Central Park is a major inner city development in Sydney’s centre and is positioned as the global leading-edge vertical urban village delivering the highest standards in sustainability.

Central Park is a \$2bn development based on 1,800 high spec apartments and over 100,000sqm of commercial/retail, set amidst high quality grounds and vertical gardens (all fed by recycled water).

1(h) Map of the activities to be licensed?

Please attach a map of the area of operations for the activities to be licensed in an Appendix. The map should provide a locational schematic of any pipe networks and identify points of

interconnection with any other infrastructure, the location of customers or end user(s), the surrounding land use(s) within 100m of the non-pipe network infrastructure and (where relevant) any application areas, and any sensitive receiving environment(s). Please clearly identify legal property boundaries and the location of your infrastructure.

For a map of the areas to be licensed please refer to **Section J – Attachment J-1 Location Map and Attachment J-2 Map of the activities to be Licensed.**

The area comprises the Local Government areas of Sydney, Randwick, Botany Bay, Marrickville, Rockdale and Canterbury, New South Wales

1(i) Interconnections to the infrastructure

| | |
|---|--|
| <p>Provide the identity of each licensed retail supplier or public water utility that has access to the infrastructure for the purpose of supplying water or sewerage services to its customers</p> | <p>Not applicable. No licensed retail supplier or public water utility has access to the infrastructure.</p> |
| <p>Describe any other water or sewerage infrastructure connected to the infrastructure, including information on the type and function of each interconnection and explicitly identify who owns/controls valves at the boundary</p> | <p>The infrastructure is connected to other infrastructure (ie external to the RWF) as follows:</p> <ol style="list-style-type: none"> 1. Sewage extraction point: Designs have been prepared for connection to Sydney Water’s sewer system adjacent to Central Park for the purposes of sewer mining. Trade waste discharge point: Designs have been prepared for connection to Sydney Water’s sewer system adjacent to Central Park for the purposes of trade waste discharge. A trade waste arrangement has been requested as part of the sewer mining licence application and discussions are underway to finalise the arrangement. 2. Drinking water: Drinking water will be supplied by Sydney Water for drinking water uses at the RWF, such as the safety shower, and for emergency top-up to the recycled water supply. Given the proximity to recycled water the drinking water reticulation system will included the necessary backflow protection and air breaks. Drinking water will also be supplied by Sydney Water up to the boundary of Central Park, at which point CPWF will take delivery of bulk water for distribution throughout Central Park to buildings for drinking water purposes. |

1(j) Agreements with public water utilities or other network operators

| | |
|--|--|
| Provide a list of each licensed network operator or public water utility from whose water or sewerage infrastructure the applicant will supply water or sewerage services to its customers | Sydney Water Corporation : Sewer Mining, Trade Waste, Drinking Water |
|--|--|

Please provide documentary evidence or outline of any agreements that you have obtained or intend to obtain to access water or sewerage services infrastructure to meet your anticipated customer needs in an Appendix.

1(k) Who are the customers/end users?

i. Provide details on customers/end users in the table below.

| Type of customers/end users (eg, commercial, industrial, agricultural, residential) | For each type of customer/end user describe how the water will be used | Location of customers/ end users | Number of customers/ end users | Expected water demand or sewage discharge (kL/day) |
|--|--|---|---|--|
| Residential/Commercial Customers Residential: Owners' Corporations (each building) Commercial: Retail/Commercial Lessees Council for Community parks and facilities | <ul style="list-style-type: none"> ▪ Clothes Washing ▪ Irrigation (unrestricted) ▪ Toilet flushing ▪ Car washing ▪ General washdown ▪ Cooling ▪ Fire fighting ▪ Water features | Central Park and other customers within the licence area as capacities permit | Approx 2000 apartments in Central Park Approx 100,000spm commercial/retail | |

Please also provide documentary evidence or outline any discussions or agreements you have or intend to have with intended customers/end users for the services to be provided by the infrastructure in an Appendix.

ii. Commencement of retail services

| | |
|--|---|
| When are retail services expected to commence? If the introduction of retail services is in stages, then describe each stage and its timing. | Sewage service is expected to commence December 2012. Recycled water supply is expected to commence April 2013. Drinking water supply is expected to commence no earlier than December 2012 |
|--|---|

iii. Supply to small retail customers

| | |
|---|---|
| <p>Are any of your customers “small retail customers” within the meaning of clause 5 of the General Regulation? If yes, please provide details.</p> | <p>Yes. CPWF will be supplying sewage, recycled water and drinking water services to individual customers that receive less than 15ML per annum and discharge less than 10.5ML of sewage per annum.</p> |
| <p>Describe the arrangements you have made, or will make, to join an approved ombudsman scheme</p> | <p>WFC the parent company to CPWF is a member of the EWON ombudsman scheme and will provide all retail supplier functions as an authorised 3rd party supplier to CPWF</p> |

1(l) Contestable or monopoly supply

| | |
|--|---|
| <p>Will the supply of water and/ or sewage services to customers be contestable or subject to monopoly supply?</p> | <p>Sewage services and the supply of recycled and drinking water are contestable. Sydney Water already supplies these services in the City of Sydney.</p> |
| <p>If you are a monopoly supplier, specify the water supply or sewerage service, the area, and class of customers.</p> | <p>N/A</p> |

1(m) Quantity of Water or Sewage

i. Does your activity promote the production and use of recycled water?

| | |
|----------------------------|---|
| <p>If yes, explain how</p> | <p>Yes.</p> <p>The RWF will produce approx 400ML of recycled water per annum when the project is fully developed.</p> <p>Currently Central Park does not have a supplier of recycled water supply.</p> <p>The proposed RWF will create the opportunity to provide recycled water to surrounding areas as the need arises.</p> |
|----------------------------|---|

ii. What is the volume of water or sewage available or to be managed?

| | |
|--|---|
| <p>For each source from which the water or sewage handled by the infrastructure is drawn:</p> <ul style="list-style-type: none"> describe the quantity and type of water or sewage that will be taken ensure you identify where the water or sewage is being sourced from a public water utility | <p>Sewage from an adjacent existing Sydney Water sewer</p> <p>All sewage from the Central Park development will be directed to the recycled water factory.</p> <p>Drinking Water from Sydney Water is available for the full development assuming it does not have a recycled water supply. Rainwater harvesting is collected from all building roofs</p> <p>Groundwater pumped from the lowest point in each basement carpark is available at unknown quality or quantity at this stage. It will be made available as source water if suitable.</p> |
| <p>If the capacity of the water or sewage source(s) is known, what is the capacity of the source(s) as total daily volumetric flow rate (kL per day) and as average and peak demand flow rate?</p> | |
| <p>What is the expected extraction rate from the source(s) (kL/day)?</p> | |
| <p>How, and for how long, has access to the water or sewage source(s) been secured?</p> | <p>Access has not been secured at time of application.</p> <p>CPWF is seeking access to the Sydney Water sewer and drinking water for an open period in accordance with Sydney Water’s standard sewer mining policies and commercial customer agreements.</p> |
| <p>How have you addressed any ‘time of use’ mismatch, such as ensuring you have the physical capacity to store and/or treat, if required, and distribute the water?</p> | <p>The RWF incorporates the following key features:</p> <p>Sewage storage</p> <p>Sewage from new buildings will be collected via a gravity (& pump) system) and delivered to the flow balance tank (‘FBT’) in the RWF. The FBT has a float switch which monitors the level of sewage in the FBT. Once it hits a certain level, then sewage will be pumped from the FBT directly into the Sydney Water sewer, if it cannot be processed by the RWF.</p> <p>Recycled water storage</p> <p>The RWF includes 2x 400kL (approx.) recycled water storage tanks (one for high TDS recycled water, the other for low TDS recycled water). This quantity of storage buffers peak recycled water demand and enables continuity of supply should there be short term stoppages in the RWF or sewage supply. Additionally, in the event there is insufficient recycled water (either high TDS or low TDS), CPWF will use top-up drinking water from Sydney Water.</p> |

Please provide documentary evidence or outline any agreements, authorisations, contracts or licences that you have obtained or intend to obtain to access water or sewage source(s) and relevant infrastructure to meet your anticipated customer needs in an Appendix.

1(n) Public Interest Considerations. How does your proposed activity address the following principles (if applicable), as set out in section 7 of the WIC Act?

| | |
|---|--|
| <p>The protection of public health, the environment, public safety and consumers</p> | <p>Protection of public health, public safety and consumers</p> <p>Public health, public safety and consumers are / is protected through the following:</p> <ul style="list-style-type: none"> ▪ Recycled water quality and end use is in accordance with National recycled water guidelines. ▪ The RWF will include multiple barrier disinfection (ie membranes + UV + Chlorine) to ensure recycled water quality is maintained at all times, as well as RO treatment to enable the delivery of Low TDS recycled water for cooling tower purposes. ▪ The RWF will incorporate continuous monitoring of critical control parameters to ensure recycled water quality is maintained at all times. ▪ Staff and other stakeholders will be educated and advised on the use of recycled water ▪ Signage will be posted advising of the use of recycled water for irrigation of public open space in accordance with the relevant guidelines and industry best practice. ▪ Consumers will be protected under our Customer Contract which outlines our commitment and policies in relation to Customer enquiries and complaints, payment assistance schemes and concessions. <p>Protection of the environment</p> <p>The environment is protected through the following:</p> <ul style="list-style-type: none"> ▪ Irrigation will be managed to ensure no run-off occurs to surrounding areas. ▪ Nutrients in the recycled water will be managed to ensure beneficial reuse in turf and plant cultivation. |
| <p>The encouragement of competition in the supply of water and the provision of sewerage services</p> | <p>Currently Sydney Water has a monopoly on water and sewerage services in the Sydney Metropolitan area. The RWF will enable a new entity to provide sewage, recycled water and drinking water services in a new community within Sydney Water’s usual area of operation, hence creating competition.</p> |
| <p>The ensuring of sustainability of water resources</p> | <p>The RWF will</p> <ul style="list-style-type: none"> • provide a sustainable and drought proof supply of irrigation water • reduce the amount of drinking water use in new communities • provide a constant reliable source of water for non drinking purposes <p>This development will provide a sustainable benchmark for other</p> |

| | |
|---|---|
| | developers in the industry to follow. |
| The promotion of production and use of recycled water | Central Park is a leading-edge vertical urban village development, creating a global sustainability benchmark through its adoption of energy and water saving features, including RWF. It is the first sustainable growth centre initiative for urban infill in Sydney and will assist other growth centres, such as Green Square and Barangaroo, to use recycled water also. Additionally, Central Park features the world’s highest vertical ‘green’ wall, which is irrigated by the RWF’s recycled water supply. |

ii. Have you identified and addressed any other public interest considerations in developing your proposed activity?

| | |
|---|--|
| If so, discuss these other considerations in relation to the activity | |
|---|--|

1(o) Stakeholder Considerations

| | |
|--|---|
| Describe the stakeholder consultation processes you have undertaken, and any future public and government consultation that will be undertaken | <p>Frasers Property has undertaken considerable community related consultations leading to well publicised community initiatives such as Frasers Studio and the various community art projects.</p> <p>CPWF will involve stakeholders in the development of management plans, identification of risks and appropriate mitigation initiatives.</p> |
|--|---|

1(p) Additional information (optional)

| | |
|--|---|
| <p>Is there any additional information you believe is relevant to your licence application that you have not already provided in response to any other question in this application form?</p> <p>If so, please provide this information here</p> | <p>Cost to Consumers: CPWF Fees and Charges will be published on our website and will be charged on the following basis:</p> <ul style="list-style-type: none"> • Fixed service charges • Variable usage charges <p>Below are the most common charges:</p> <ul style="list-style-type: none"> • Wastewater service charge – fixed rate • Recycled water service charge – fixed rate • Recycled water usage charge– variable (dollar/kL) • Drinking water service charge - – fixed rate • Drinking water usage charge — variable (dollar/kL) <p>CPWF Fees and Charges are matched to the rates published by Sydney Water. These will continue to match Sydney Water’s rates for as long as their pricing structure remains as it is</p> |
|--|---|

| | |
|--|--|
| | <p>currently.</p> <p>Full description of Central Park’s sustainable features and initiatives is available on their website at: www.centralparksydney.com.au.</p> |
|--|--|

Part 2: Technical Capacity

You are required to demonstrate that you have, and will continue to have the technical capacity to carry out the activities to be licensed, in accordance with section 10(4) of the WIC Act.

You must attach any additional information or supporting documentation in response to a question in the Application Form in an Appendix referenced Appendix A, B, C etc, with a title corresponding to the question. For example, your response to question 2(a) would be titled “Appendix X - Experience as a Network Operator and Retail Supplier”.

2(a) Experience as a Network Operator and Retail Supplier

i. Do you have prior experience in the construction, maintenance and operation of water infrastructure or a utility business?

Describe your corporation’s current experience in the construction, maintenance and operation of water and/or other utility services, such as gas, electricity, and telecoms?

CPWF is a subsidiary of WFC.

CPWF’s experience is based on the collective experience of WFC’s Directors and Key Personnel who are integral members of the CPWF project team.

This experience includes finance, equity, insurance, procurement, legal, equipment supply, design, construction, operation and maintenance.

WFC’s subsidiary (Pitt Town Water Factory Pty Ltd) holds a Network Operator’s Licence and a Retail Supplier’s Licence in connection with its water utility project at Pitt Town (a new land release development project).

WFC’s and Permeate Partner’s respective Managing Directors, Terry Leckie and Kurt Dahl, have delivered MBR recycled water facilities in NSW at Menangle, Darling Island, Pennant Hills, Parramatta and Mascot.

WFC’s Andrew Horton has delivered and operated the Sydney Olympic Park WRAMS since 2000 and commissioned Sydney’s replacement flow facility at St Marys in 2010.

Does the CEO or do any of the Directors hold relevant professional qualifications or industry experience, particularly in the water industry?

Please provide details including responsibilities, key outputs/achievements and evidence suitable for assessment of currency of that experience

Terry Leckie – Managing Director

BE (University of Canterbury)

28 years in Water Industry.

Past Director and MD of Australian consulting and construction company within water sector

Promoter of decentralised water systems in NSW since 2003.

Stephen J McKewen – Executive Director

LLB / BCom(1st Hons) (University of Otago)

26 years in legal and finance markets.

Past executive director of major mortgage funding business (Bluestone Group), Managing Director in Zurich Capital Markets, and General Counsel/Managing Director at Credit Suisse.

Ronald Langley - Non Executive Director

Currently Non Executive Chairman of Pico Holdings Inc. Ronald has been with the company since 1995.

Pico Holdings subsidiary Vidler Water Company is a significant water resources development business operating in the US.

Please provide details and evidence of the relevant skills, qualifications and experience of key personnel involved in the activities to be licensed

The Key Personnel involved in the design, construction, maintenance and operation of the activity to be licensed include:

RWF Project Team:

Terry Leckie - WFC MD, CPWF Director

Stephen J McKewen – WFC Director, CPWF Director

Andrew Horton – CPWF Project and Operations Manager

RWF Utility:

Candice Rea - WFC Executive Manager, Retail Services

Tina Vella – WFC Business Manager

ii. Do you have prior experience in the water industry /utility retailing?

| | |
|---|--|
| <p>Describe your corporation’s water industry/ utility retailing experience, both in Australia and overseas</p> | <p>WFC/CPWF’s current experience is based on the collective experience of its Directors and Key Personnel. (Refer response below).</p> <p>WFC has sought to bring the combined experience and lessons learnt from other industries such as energy and telecommunications to the water industry. This is to ensure that the lessons learnt through the introduction of competition into those industries are applied to the newly created competitive water industry.</p> <p>Water Factory Company has spent the past 18 months developing policies, procedures, customer support systems and customer interfacing for its Pitt Town community. These systems are currently being reviewed by IPART and retail operation will commence within the next few months.</p> <p>Water Factory Company is a member of EWON and our team has completed its induction programme.</p> |
| <p>Describe the knowledge, expertise, qualifications and experience of key personnel involved in the operation and management of a utility retailing business</p> | <p>Terry Leckie has 28 years’ experience working in a consulting role for public water utilities in Australia and New Zealand. This experience includes customer service where water services have been supplied to existing communities.</p> <p>Candice Rea has 11 years’ experience in utility retailing in the water, energy, telecommunications and health industries. She has extensive experience in Australia, New Zealand and Ireland.</p> <p>Tina Vella has extensive experience in logistics management that improves customer service and has over 10 years in customer service management roles within the wholesale distribution and retail industries within Australia.</p> |

2(b) what is the design of the infrastructure?

| | |
|---|--|
| <p>Describe the process to be used to extract and/or treat water or sewage.</p> | <p>See Section B for response to Question 2 (b).</p> |
| <p>Describe, in bullet point form, the design of the infrastructure, including details of the life-span and system redundancy built into the infrastructure or system</p> | <p>See Section B for response to Question 2 (b).</p> |
| <p>Is the process common industry practice? If not, please outline:</p> <ul style="list-style-type: none"> what aspects of the design or | <p>See Section B for response to Question 2 (b).</p> |

| | |
|---|--|
| <p>proposed operation are “innovative” by current industry standards;</p> <ul style="list-style-type: none"> the research and development that has been undertaken in designing the process; and the validation and/or testing of the process in live operation, including the applicability to the particular quality characteristics of the water/sewage inputs and outputs of your activities. | |
|---|--|

Please provide a process flow diagram of the scheme (from source to end use), and identify the Critical Control Points in the process, specifications of key units and design, and a copy of any independent validation of process or value engineering assessment of the design and/or its suitability for use in the proposed activity to be licensed (if available) in an Appendix.

2(c) If applicable, what arrangements have been or will be made in relation to the construction of the infrastructure?

| | |
|--|--|
| <p>Outline the timeframe and key milestones for the construction of the infrastructure.</p> | <p>Timeframes and key milestones for the construction of the infrastructure are as follows:</p> <p>31.10.12 RWF installation completed</p> <p>28.02.13 RWF commissioned & recycled water validated</p> |
| <p>Are any aspects of the proposed project contingent on future events? If so, please explain.</p> | <p>WICA licences being granted</p> |

Please provide a risk assessment of construction issues in an Appendix.

2(d) Risk analysis and management

i. How have you addressed your whole of business risk in relation to the activities to be licensed?

| | |
|---------------------|---|
| <p>Explain how.</p> | <p>A project specific ‘whole of business’ risk assessment has been performed by our consultants and an independent ‘whole of business’ insurance expert report will be undertaken as part of licensing conditions satisfaction process by InteRisk.</p> |
|---------------------|---|

| | |
|--|---|
| | The insurance expert report will be prepared as per WFC’s Pitt Town project, a copy of which will be made available upon request. |
|--|---|

ii. What events or circumstances could adversely affect your ability to carry out the activity?

Note: You are *not* required to provide the information requested in 2(d)(ii) if your application is in relation to sewerage infrastructure and that infrastructure is the subject of a licence under the *Protection of the Environment Operations Act 1997*.

| | |
|--|---|
| List the events and circumstances that could adversely affect your ability to carry out the activities for which you are seeking the licence | <p>Project specific risk assessments will be performed at different stages of the project including detailed design, preconstruction, construction, and pre-commissioning.</p> <p>These will be done in accordance with AS4360 Risk Management and using other techniques (where appropriate) including HAZOP, CHAZOP, CHAIR, AWRG framework etc.</p> <p>The risk register will be developed, maintained and updated throughout the different phases of the project</p> |
| What is the probability of the occurrence of any such event or circumstance? | Refer above |
| What measures are to be implemented to prevent or minimise the likelihood of any such event or circumstance? | Refer above |

iii. What processes have been or will be implemented to ensure continuity of supply/service and secure alternative water supplies or sewerage services?

| | |
|---|---|
| What arrangements have been or will be implemented to ensure continuity of supply/service delivery? | <p>The RWF incorporates the following key design features to ensure continuity of supply / service delivery:</p> <p>Sufficient sewage capacity</p> <p>Sydney Water have confirmed in writing that they have sufficient capacity in their existing sewerage system to take sewage for the entire development an emergency event.</p> <p>Recycled water capacity</p> <p>In the event there is insufficient recycled water, back-up top-up drinking water will be used (sourced from Sydney Water) to ensure continuity of supply for non-drinking purposes</p> <p>Equipment redundancy</p> <p>Critical equipment items (ie pumps, blowers, etc) will have inbuilt redundancy / standby with automatic switching. This approach maximises plant availability.</p> |
|---|---|

| | |
|---|--|
| | <p>Equipment quality</p> <p>The RWF incorporates quality equipment from local reputable suppliers. This approach minimises the likelihood of equipment failure and ensures that equipment can be repaired quickly if required.</p> <p>Comprehensive instrumentation and SCADA</p> <p>All critical process parameters, such as flow, level, pH, turbidity, etc, will be continuously monitored and recorded via the site SCADA. This approach enables most issues that would affect continuity of supply to be identified and rectified before the supply is impacted.</p> <p>Remote monitoring</p> <p>Remote monitoring enables the early identification and subsequent rectification of the majority of issues which could affect continuity of supply. For example, errors can be reset or process adjustments made.</p> <p>Training of Facility staff</p> <p>Facility staff will be trained to recognise and rectify the majority of issues that could affect continuity of supply. Furthermore, they will have the ability to instigate alternate supplies (ie drinking water) and minimise irrigation demand.</p> |
| <p>What arrangements have been or will be made to secure alternative water supplies or sewerage services when the infrastructure is inoperable?</p> | <p>The RWF incorporates the following key design features to secure alternate supplies should recycled water or raw sewage be unavailable:</p> <p>Minimise irrigation demand</p> <p>If a situation develops where recycled water is unavailable the irrigation demand can be minimised without any long term detrimental effect on the turf. This approach will enable limited irrigation to continue whilst supply issues are rectified.</p> <p>Emergency drinking supply</p> <p>Drinking water will be used to maintain continuity of supply to dwellings if the recycled water is exhausted. The use of drinking water will be in accordance with Sydney Water requirements.</p> |

Please provide your risk management policy and risk management plan (including risk register) and documentary evidence of any agreements or discussions with other service providers to secure alternative water supplies or sewerage services in an Appendix.

2(e) How will the infrastructure be maintained and operated?

| | |
|---|--|
| <p>Describe the arrangements made for the maintenance, monitoring and</p> | <p>See Section C for the response to Question 2 (e).</p> |
|---|--|

| | |
|---|--|
| reporting of standards of service for the infrastructure | |
| Describe arrangements for the continued safe and reliable performance of the infrastructure, including the arrangements for the renewal of the infrastructure | |

Please attach a copy of your infrastructure operating plan (if available) to support your answers to the questions above in an Appendix.

2(f) How will you protect public health, water quality and the environment?

| | |
|---|---|
| If the water to be supplied is drinking water, how will the 12 elements of the framework for the management of drinking water quality, as detailed in the Australian Drinking Water Guidelines, be addressed, implemented and maintained? | See Section D for the response to Question 2 (f). |
| If the water to be supplied is non-drinking water, how will the 12 elements of the framework for the management of recycled water quality and use, as detailed in the Australian Guidelines for Water Recycling, be addressed, implemented and maintained? | See Section D for the response to Question 2 (f). |
| If the water to be supplied is non-drinking water, what purposes will the water be used for and what purposes will the water not be used for (as determined in accordance with the 12 elements of the framework for the management of recycled water quality and use in the Australian Guidelines for Water Recycling)? | See Section D for the response to Question 2 (f). |
| If the infrastructure involves treatment infrastructure or results in discharge of waste (including due to potential infrastructure failure), what arrangements have been made or will be made for the disposal of waste from the infrastructure? | See Section D for the response to Question 2 (f). |
| If the infrastructure conveys, treats or disposes of sewage, in what manner will health and ecological assessments be undertaken and how will any | See Section D for the response to Question 2 (f). |

| | |
|--|------|
| concerns arising from such assessments be addressed? | |
| Please identify any potential environmental impacts of the activities to be licensed and provide details of how these activities would be conducted in a manner that would not present a significant risk of harm to the environment | None |

Please attach a copy of your Preliminary Risk Assessment and, if available, your drinking water management plan, recycled water management plan or sewerage management plan in an Appendix. This documentation will be provided to NSW Health for review and assessment.

2(g) Management systems

i. What processes and systems are in place (or will be implemented) for managing your interface with other service providers?

| | |
|--|--|
| What procedures have you implemented (or will you implement) to manage communication with other service providers? | Sydney Water has assigned a Business Customer Representative for all communications between Water Factory Company and Sydney Water. We have been working with Sydney Water on interconnection issues at Central Park Water Factory for the past 12 months. |
| Describe your dispute management protocol or proposed arrangements with other service providers | <ol style="list-style-type: none"> 1. Sewer mining and trade waste agreements with Sydney Water will establish dispute management protocols for sewage management once executed. 2. The customer contracts with Sydney Water, the Energy Utility and the Strata Management agreement will establish dispute management protocols for drinking water supply, power supply and building services once executed |

Please attach a copy of your Dispute Management Protocol (if developed) in an Appendix.

ii. What processes and systems are in place (or will be implemented) for managing your interface with customers?

| | |
|---|--|
| Describe your corporation’s customer service policy, protocols and/or how you will ensure an appropriate standard of customer service | Customer service will be outlined in WFC’s Customer Contract |
| Outline your process for establishing and maintaining customer accounts | |
| Briefly describe your billing and | Billing will be sent and received electronically and payment |

| | |
|---|---|
| collections process and systems | <p>automated through direct payment arrangements.</p> <p>One off fees and charges may be paid on line through our website.</p> |
| Describe the arrangements you have made or propose to make in relation to complaint and debt recovery procedures | <p>Arrangements are outlined in WFC's Customer Contract, Customer Complaints Policy and Missed Payments and Recovery Policy.</p> |
| Describe the arrangements you have made or propose to make in relation to any marketing activities | <p>CPWF's customers will have their homes plumbed for delivery of our sewerage and recycled water services. Frasers is required to ensure this is the case for all homeowners and owners of commercial and retail property in Central Park.</p> |
| Describe the arrangements you have made or propose to make for meter reading | <p>Continuous meter readings will be available electronically for drinking water for each customer and both drinking water and recycled water for each building. This will be achieved through direct data link to our SCADA.</p> <p>Accuracy audits will be conducted physically on a regular basis.</p> |
| Describe any quality assurance systems, processes and certifications that you have implemented or obtained. Copies of Quality Assurance Certification should be provided where applicable | <p>As part of WFC's policy, the WFC group, including CPWF, will create a quality assured organisation that follows the principles of ISO 9001.</p> <p>Key suppliers will be assessed on the principles of ISO 9001.</p> |

Please attach a copy of your customer service charter, statement or policies in an Appendix.

:

iii. What approvals have you obtained to ensure you can comply with NSW regulations?

| | |
|---|--|
| <p>Is development consent necessary for the activity?</p> <p>If no, please provide details indicating why not</p> <p>If yes, and development consent has not been granted, please indicate when development consent is likely to be sought or obtained and who is the consent authority</p> | <p>No</p> <p>Project Applications under part 3A of the EP&A Act have been approved for the detailed design and construction of this development including the recycled water factory</p> |
| <p>Briefly describe any other approvals that you have obtained or will obtain for the activity</p> | |

Please attach copies of any relevant approvals you have obtained in an Appendix.

iv. What business systems have you implemented (or will be implemented) to ensure you can comply with a Network Operator’s and Retail Supplier’s Licences, the WIC Act and regulations, and other regulatory requirements?

| | |
|--|--|
| <p>What business systems are in place (or will be implemented) to manage compliance with your regulatory requirements?</p> | <p>The Applicant will have in place the following risk management systems to address regulatory requirements:</p> <ol style="list-style-type: none">1. Compliance Risk Management Policies & Procedures manual – currently under production in conjunction with WFC’s Pitt Town project. This will cover all relevant laws and regulations, as well as ensuring compliance with all relevant contractual arrangements in relation to the RWF.2. Legal - retention arrangements with a legal adviser to advise of changes in legislative and regulatory environment directly impacting the RWF3. Audit risk |
|--|--|

Please attach a copy of your Compliance or Regulatory Management Strategy and documentary evidence of a performance management framework in an Appendix.

Part 3: Organisational Structure and Capacity

You must attach any additional information or supporting documentation in response to a question in the Application Form in an Appendix referenced Appendix A, B, C etc, with a title corresponding to the question. For example, your response to question 3(c) would be titled “Appendix X - How have you allocated resources for the construction, commissioning, management and operation of the facility?”.

3(a) Are you a disqualified corporation?

| | |
|---|--|
| Under section 10(3) of the WIC Act, a licence may not be granted to a disqualified corporation. Are you a disqualified corporation? | Yes |
| | <input checked="" type="checkbox"/> No |

If no, please complete and attach in an Appendix the statutory declarations at Part 5 of this Application Form stating 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. Unless agreed otherwise with IPART, the statutory declarations should be made by the Chief Executive Officer and a director of the applicant corporation (or where this is not possible, one statutory declaration can be provided by the sole director and Chief Executive Officer).

3(b) What is the structure of the applicant corporation?

| List the corporations that own the applicant corporation, or hold an interest in it | Corporation Name | ACN |
|---|-------------------------------|-------------|
| | Water Factory Company Pty Ltd | 136 272 298 |
| | | |
| | | |

| What other related entities, which are relevant to the activities, does the applicant own or hold an interest in? | Corporation Name | ACN |
|---|------------------|-----|
| | None | |
| | | |
| | | |

Please attach an organisational diagram in an Appendix. The diagram should clearly show all corporations that own your corporation, and all corporations that your corporation owns or holds an interest in.

3(c) How have you allocated resources for the construction, commissioning, management and operation of the facility? (Network Operator licence only)

| | |
|---|--|
| <p>Outline your Resourcing Plan for the activity to be licensed</p> | <p>The RWF project essentially comprises two stages: (1) design, construct, install, commission, and RW validation, followed by (2) manage and operate the plant and utility scheme for Central Park customers thereafter.</p> <p>WFC established CPWF as its project-specific subsidiary to undertake delivery of stage (1) above, and subsequently to operate the scheme as a utility per stage (2) above.</p> <p>As regards stage (1), the project is being delivered primarily through the engagement and management of suitably qualified 3rd party expert consultants and suppliers with appropriate engagement procedures.</p> <p>As regards stage (2), the RWF is highly automated (through sophisticated SCADA), enabling WFC/CPWF to manage and operate the Scheme remotely, coupled with frequent scheduled on-site visits to ensure high-level checks are effected (noise, odour, security). Further, as regards stage (2), WFC/CPWF will be undertaking rigorous continuous monitoring, testing and optimisation measures in accordance with preset operational guidelines and protocols.</p> <p>Resourcing: in addition to WFC personnel, DPWF has engaged consultants for the following:</p> <ol style="list-style-type: none"> 1. Design, Construction & Installation: 2. Commissioning & Validation 3. Management and Operation <p>WFC will provide all requisite resourcing to CPWF, including personnel, to ensure prudent management and operation of the RWF Andrew Horton will be responsible for the overall operation and management of the recycled water factory and network. Additionally, a consultant will provide operational oversight and technical services in connection with the operation of the RWF.</p> |
|---|--|

Please attach the detailed Resourcing Plan for this activity in an Appendix.

Part 4: Financial Capacity

You must attach any additional information or supporting documentation in response to a question in the Application Form in an Appendix referenced Appendix A, B, C etc, with a title corresponding to the question. For example, your response to question 4(a) would be titled “Appendix X - What is the applicant corporation’s financial history?”.

4(a) What is the applicant corporation’s financial history?

| | |
|--|---|
| <p>Does your corporation have a financial history? If not, explain why</p> | <p>Yes</p> <p><input checked="" type="checkbox"/> No The Applicant is a special purpose wholly-owned subsidiary of WFC, established specifically in connection with the RWF at Central Park</p> |
| <p>Summarise the performance of your corporation over the past 3 years</p> | <p>Not applicable.</p> |
| <p>If applicable, what is your corporation’s credit rating?</p> | <p>Not applicable.</p> |
| <p>Provide details of your debt/equity finance and any debt covenants on existing borrowings</p> | <p>1.</p> |

Where the applicant is an existing corporation, please provide the following documents in an Appendix:

- ▼ Financial statements for the last three (3) years. 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);
- ▼ Where the latest annual financial statements are more than three (3) months old, the latest available management reports showing:
 - a trading statement;
 - a profit and loss statement; and
 - a trial balance.
- ▼ Copies of tax returns for the last three (3) years;
- ▼ Credit rating memorandum (eg, Standard & Poor’s, Moody’s or Fitch), if available.

4(b) What is the projected financial performance of the proposed activities?

| | |
|--|--|
| <p>Summarise the projected cash flows (net EBITDA), including key financial modelling assumptions, such as capex, for the first 5 years of operation (at minimum). If necessary, a longer period may be provided to demonstrate financial viability of the project</p> | |
|--|--|

Please attach the following documents in an Appendix:

- ▼ 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.

4(c) How will the applicant corporation finance the proposed activity?

| | |
|---|--|
| Describe the mechanisms by which your activities are financed or to be financed | |
| Please provide details of any financial guarantees or commitment of financial support | |

Please provide, in an Appendix, a letter from a financial institution (being a bank, credit union or the government) confirming indicative financing of your 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.

Where the applicant is a new corporation, supported by one or more parent entities, also 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 three (3) years.

Where the applicant is a new corporation financed through alternative arrangements (e.g. debt or equity), also provide:

- ▼ letter from financial institution (e.g. 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 providing the financial viability of the guarantor).

4(d) Do you have appropriate insurance arrangements in place?

| What types of insurance do you have or intend to obtain? | Type of Insurance | Level and extent of Cover |
|---|-------------------|---------------------------|
| Indicate the level (i.e. amount) of insurance you are covered or intend to be covered by for each type Provide details of itemised inclusions and exclusions for each type of insurance you hold | | |

| | |
|--|------------|
| <p>Explain how the level of cover provided or proposed by your insurer is sufficient for the size and nature of your proposed activities</p> | |
| <p>Have you ever applied for insurance, and had your application refused? If so, provide details of the activity and the reasons why insurance was refused</p> | <p>No</p> |
| <p>Is the insurance company appropriate to insure this project?</p> | <p>Yes</p> |

Please attach a certificate of currency for each type of insurance you hold in an Appendix. If this is not provided at the time of application, it will need to be provided prior to commercial operation.

4(e) Do you have an accountant and external auditor?

| | |
|--|---|
| <p>Does your corporation have an accountant? If yes, what are your accountant’s contact details?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Charge Thoo & Co, Suite 211, 283 Alfred Street, North Sydney NSW 2060</p> |
| <p>Does your corporation have an external auditor? If yes, what are your external auditor’s contact details?</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>If required, may we contact your accountant and/or external auditor to clarify any information provided?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |

4(f) Are there any events that could affect your future financial capacity?

Are there any events that could affect your corporation's future financial capacity?

Please tick the appropriate boxes and, if applicable, provide details of all such events relevant to your corporation for the last three (3) years from the date of this application. You must tick at least one box.

- Government or other investigation of the corporation or related entities
- Any significant change in the financial position of the applicant corporation since the financial statements provided with this application
- Contract terminated
- Factors which might impact on your 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 your corporation's capacity to undertake the services under the licence (if granted)

No adverse information on the applicant corporation

Part 5: Statutory Declaration & Acknowledgment

You must attach any additional information or supporting documentation in response to a question in the Application Form in an Appendix referenced Appendix A, B, C etc, with a title corresponding to the question. For example, your response to question 5(a) would be titled “Appendix X - Is the information that you have provided true and correct?”.

5(a) Is the information that you have provided above true and correct?

Provide a statutory declaration from:

- (a) the Chief Executive Officer and a director of the applicant corporation; 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.

I, do solemnly and sincerely declare that:

1. I am CEO and Director 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 persons making the declaration: Terence J Leckie and Stephen J McKewen

Title of persons making the application: Director

Signature of persons making the declaration: ____

Refer Signed originals in front cover of application hard
copy _____

Declared at : _____

On 2 February 2012:

In the presence of *[name of witness]*: _____

Signature of witness: _____

Title of witness: _____

[Justice of the peace, Solicitor, other (specify)]

5(b) 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* (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: Refer signed copies of hard copies in front cover of application

Title of persons making the acknowledgement:

Director

On 2 February 2012:

Signature of persons making the acknowledgement:

Stephen J McKewen / Terence J Leckie

Director

Director

Pre-Lodgement Checklist

Use the following checklist to check that your Application Form has been completed correctly.

| Item | Completed / Included? | Confirm Complete [Office Use Only] |
|---|----------------------------|------------------------------------|
| Part One: Introduction | | |
| Has the application fee been included with the application? | ✓ | <input type="checkbox"/> |
| Have parts 1 (a) to 1 (p) of the Application Form been completed? | ✓ | <input type="checkbox"/> |
| Have the following supporting documents been labelled and attached in an Appendix? | | |
| <ul style="list-style-type: none"> ■ Map of the area of operations for the activities to be licensed | ✓ | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Documentary evidence of any agreements or discussions with other service providers to secure alternative water supplies or sewerage services | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Documentary evidence or outline any discussions or agreements you have made or intend to make with intended customers/end users for the services to be provided by the infrastructure (where these exist at the time of application) | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Documentary evidence or outline of any agreements, authorisations, contracts or licences that you have obtained or intend to obtain to access water or sewage source(s) and relevant infrastructure to meet your anticipated customer needs | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| Part Two: Technical Capacity | | |
| Have parts 2 (a) to 2 (g) of the Application Form been completed? | ✓ | <input type="checkbox"/> |
| Have the following supporting documents been labelled and attached in an Appendix? | | |
| <ul style="list-style-type: none"> ■ Process flow diagram of the scheme (from source to end use) | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Independent validation of process or value engineering assessment of design (if available) | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Construction risk assessment | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Risk management policy and risk management plan (including risk register) | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Infrastructure operating plan (if available) | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Preliminary Risk Assessment (to be provided to NSW Health) | ✓ <input type="checkbox"/> | <input type="checkbox"/> |
| <ul style="list-style-type: none"> ■ Drinking water management plan, recycled water management plan or sewerage management plan, as | ✓ <input type="checkbox"/> | <input type="checkbox"/> |

| Item | Completed / Included? | Confirm Complete [Office Use Only] |
|---|--|--|
| relevant to your proposed activity (if available) <ul style="list-style-type: none"> ■ Dispute Management Protocol (if available) ■ Customer service charter, statement or policies ■ Copies of any relevant environmental, planning or other approvals ■ Compliance or Regulatory Management Strategy, including documentary evidence of a performance monitoring framework | ✓ <input type="checkbox"/> ✓ <input type="checkbox"/> × <input type="checkbox"/> ✓ <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| Part Three: Organisational Structure and Capacity | | |
| Have parts 3 (a) to 3 (c) of the Application Form been completed | ✓ | <input type="checkbox"/> |
| Have the following supporting documents been labelled and attached in an Appendix? <ul style="list-style-type: none"> ■ Statutory Declarations (refer to Part 5 below) that your corporation is not a disqualified corporation and no director or persons concerned in the management of your corporation is or would be a disqualified individual ■ Organisational Diagram of your corporation, including the corporations that own your corporation, and the corporations that your corporation owns or holds an interest in ■ Detailed Resourcing Plan | ✓ <input type="checkbox"/> ✓ <input type="checkbox"/> ✓ <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
| Part Four: Financial Capacity | | |
| Have parts 4 (a) to 4(f) of the Application Form been completed? | ✓ | <input type="checkbox"/> |
| Have the following documents been labelled and attached in an Appendix? <ul style="list-style-type: none"> ■ Financial statements for past 3 years (preferably audited) ■ Where annual financial statements are more than 3 months old, the latest available management reports showing: a trading statement, a profit and loss statement and a trial balance. ■ Copies of tax returns for the last 3 years ■ Credit rating memorandum (Standard & Poor's, Moody's, Fitch), if available ■ Projected cash flows for the next 5 years of operation ■ A letter from a financial institution confirming indicative financing of your activity ■ A certificate of currency for each type of insurance obtained ■ Details of itemised inclusions and exclusions for each type of | × <input type="checkbox"/> × <input type="checkbox"/> × <input type="checkbox"/> × <input type="checkbox"/> ✓ <input type="checkbox"/> ✓ <input type="checkbox"/> ✓ <input type="checkbox"/> ✓ <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |

| Item | Completed / Included? | Confirm Complete [Office Use Only] |
|---|---|---|
| <p>insurance you hold</p> <p>If you are a new corporation, supported by 1 or more parent entities, have the following documents been labelled and attached in an Appendix?</p> <ul style="list-style-type: none"> ■ copy of guarantee or cross deed of indemnity provided from the parent entity ■ financial statements for the parent entity for the last 3 years (Forecasts Only) <p>Where you are a new corporation financed through alternative arrangements, have the following documents been labelled and attached in an Appendix?</p> <ul style="list-style-type: none"> ■ a letter from a financial institution certifying an existing or proposed line of credit ■ copy of guarantee or cross deed of indemnity provided by an entity such as a holding company or a Director (including financial statements of the guarantor) | <p>✓ <input type="checkbox"/></p> <p>✓ <input type="checkbox"/></p> <p>✓ <input type="checkbox"/></p> <p>× <input type="checkbox"/></p> | <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> |
| Part Five: Statutory Declaration & Acknowledgement | | |
| <p>Have the following supporting documents been labelled and attached in an Appendix?</p> <ul style="list-style-type: none"> ■ Statutory Declarations (refer to Part 3 above) ■ Acknowledgements | <p>✓ <input type="checkbox"/></p> <p>✓ <input type="checkbox"/></p> | <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> |