

# **Network Operator and Retail Supplier Licence Application Form**

*Water Industry Competition Act 2006*

# PUBLIC VERSION

**Green Square Water — Network Operator's Licence  
Application form**

2 April 2014

**PUBLIC VERSION**

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# PUBLIC VERSION

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## 1 Instructions

The *Water Industry Competition Act 2006* (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](http://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 (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.<sup>1</sup>

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<sup>1</sup> 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
- ▼ the encouragement of competition in the supply of water and the provision of sewerage services
- ▼ the ensuring of sustainability of water resources, and
- ▼ the promotion of production and use of recycled water.

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 regulations, 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 Independent Pricing and Regulatory Tribunal Level 8 1 Market Street Sydney NSW 2000	Attention: Water Licensing Independent Pricing and Regulatory Tribunal <a href="mailto:compliance@ipart.nsw.gov.au">compliance@ipart.nsw.gov.au</a>	Attention: Water Licensing Independent Pricing and Regulatory Tribunal PO Box Q290 QVB Post Office Sydney 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](mailto: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* and *Water Industry Competition (General) Regulation 2008*, 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>.

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## 2 Contact Information

To be completed by all applicants

2.1 Contact Details	
<p>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.</p>	
<b>PRIMARY CONTACT</b>	
Full name	
Steve Hall	
Position title	Email address
Executive Manager Project Delivery	shall@flowsystems.com.au
Business telephone number	Mobile telephone number
02 8016 1015	0408 483 028
Postal address for correspondence	
ADDRESS	
PO Box R455, Royal Exchange, Sydney	
STATE	POST CODE
NSW	1225
<b>SECONDARY CONTACT</b>	
<input checked="" type="checkbox"/> Please check if the secondary contact should be copied into all correspondence.	
Full name	
Stephen McKewen	
Position title	Email address
Chief Operating Officer	smckewen@flowsystems.com.au
Business telephone number	Mobile telephone number
02 8016 1003	0404 486 939
Postal address for correspondence	
ADDRESS	
PO Box R455, Royal Exchange, Sydney	
STATE	POST CODE
NSW	1225

### 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)).
<p><i>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.</i></p> <p><i>* 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))</i></p>	
Corporation name	
Green Square Water Pty Ltd ("GSW")	
ABN/ARBN	ACN
57 163 432 906	163 432 906
Corporation's registered office	
ADDRESS	
Level 2, 1 Alfred Street	
Sydney	
STATE	POST CODE
NSW	2000
Corporation's principal place of business	
ADDRESS	
Level 2, 1 Alfred Street	
Sydney	
STATE	POST CODE
NSW	2000
3.1.2	Please provide the following information for the Chief Executive Officer and ALL Directors of the applicant corporation
<p><i>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)).</i></p>	
PERSON ONE	
Full name	Terence James Leckie
Position title	Managing Director/Chief Executive Officer
Date of birth	

Residential Address	
STATE	POST CODE
PERSON TWO	
Full name	Stephen John McKewen
Position title	Director, Chief Operating Officer
Date of birth	
Residential address	
ADDRESS	
STATE	POST CODE
<b>3.2 Activities for which a licence is sought</b>	
Please check ALL the applicable boxes for which you are seeking a licence	
<i>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)).</i>	
3.2.1	<b>NETWORK OPERATOR</b> (to construct, maintain and operate water industry infrastructure)
	<input type="checkbox"/> Water infrastructure - drinking water
	<input checked="" type="checkbox"/> Water infrastructure – non potable water (including recycled water)
	<input type="checkbox"/> Sewerage infrastructure
3.2.2	<b>RETAIL SUPPLIERS</b> (to supply water or provide sewerage services)
	<input type="checkbox"/> Supply of drinking water
	<input type="checkbox"/> Supply of non-potable water
	<input type="checkbox"/> 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.	
	<input type="checkbox"/> Yes please go to 3.2.4 <input checked="" type="checkbox"/> 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.
<i>Your response to the following question will be used to determine whether transitional arrangements apply to the project.</i>	

N/A	
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.
<i>Your response to the following question will be used as background information for the project.</i>	
<p>Green Square Water ("GSW") has been engaged to establish and operate a recycled water scheme for new commercial and residential development in Green Square Town Centre, Sydney, NSW (the "Scheme"). Sydney Water and The Council of the City of Sydney are jointly developing a new stormwater culvert running through the Green Square Town Centre which will carry the source water for this scheme. Due to the delays in developing that new stormwater culvert, the Scheme infrastructure is proposed to be implemented according to the following phases:</p> <p>Phase 1a – Construction and Commissioning:</p> <ul style="list-style-type: none"> <li>• Drinking water offtake from Sydney Water network</li> <li>• Recycled water storage tanks and pump station</li> <li>• Recycled water distribution network</li> </ul> <p>Phase 1a is expected to commence construction by June 2014, with drinking water supplied through the recycled water reticulation network to be delivered to the first buildings in the development area by December 2015.</p> <p>Phase 1b – Construction and Commissioning:</p> <ul style="list-style-type: none"> <li>• Source water supply take-off and collection ("Offtake")</li> <li>• Pre-treatment and delivery of source water for processing ("GPT")</li> <li>• Treatment of source water and delivery to storage ("Plant and Equipment")</li> </ul> <p>The Water Recycling Facility (WRF) will be accommodated at the Green Infrastructure Centre (GIC) which will occupy the former Administration Building of the Royal South Sydney Hospital (No.3, Joynton Avenue, Zetland) after redesign and renovation. The renovation works of the GIC Building is being carried out by The Council of the City of Sydney and as such, does not form part of this licence application.</p> <p>Construction of the recycled water network reticulation infrastructure will be undertaken by GSW in a staged sequence as per the roll-out of the development sites throughout the Green Square Town Centre.</p> <p>Phase 2 – Operation and Maintenance - The Scheme will commence operation in December 2015 with drinking water supplied through the recycled water reticulation network to service the first development sites. Once the new stormwater culvert is commissioned, and the recycled water treatment facility is commissioned and validated, recycled water will be supplied through the recycled water reticulation network. Based on initial advice for the new stormwater culvert construction program from Sydney Water and The Council of the City of Sydney, this is likely to be the first quarter of 2018.</p> <p>Refer to Appendix 3.2.5 Green Square Town Centre Plan (revised)</p>	
<b>3.3 Insurance Details</b>	
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. <b>Attach copies of all relevant insurance certificates in Appendix 3.3.1.</b>
Types of insurance may include but are not limited to professional indemnity insurance, public liability insurance, workers' compensation and product liability insurance.	
<i>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)).</i>	
<b>Type</b>	<b>Amount</b>
Workers Compensation	Full amount of the employer's liability under the <i>Workers Compensation Act 1987</i>
Public & Products Liability	\$50,000,000
Professional Indemnity	\$10,000,000
Plant and Equipment	\$4,400,000
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
<p>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 <i>Corporations Act 2001 (Cth)</i> for the provision of insurance broking services ("Insurance Expert"), that:</p> <ul style="list-style-type: none"> <li>(a) identifies the key risks of undertaking the activities to be authorised under the licence (if granted)</li> <li>(b) sets out the types and levels of insurance obtained by you in relation to the activities being undertaken</li> <li>(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</li> <li>(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</li> <li>(e) if any risks arising from undertaking the activities remain uninsured, provides reasons as to why.</li> </ul>	
<i>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)).</i>	
<p>The Protectors Insurance Brokers Pty Ltd has reviewed all insurances required by Flow Systems in connection with its business and has arranged the above insurance cover to match the business requirements. Flow Systems reviews its insurances annually with The Protectors Insurance Brokers Pty Ltd to ensure that its insurance arrangements are adequate for its requirements.</p> <p>Also, a comprehensive whole-of-business and project-specific insurance risk assessment for the Scheme will be conducted as part of this licensing process by an insurance expert in satisfaction of IPART's standard licensing condition in that regard.</p>	
<b>3.4 Third parties undertaking activities</b>	
3.4.1	If you intend on using third parties to undertake any <b>significant</b> 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.
<p>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.</p>		
<p><i>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.</i></p>		
Corporation name:		
<b>Flow Systems Pty Ltd</b> [formerly named Water Factory Company Pty Ltd ('WFC') prior to 25 June 2013]		
ABN/ARBN		ACN
28 136 272 298		136 272 298
Corporation's registered office		
ADDRESS		
Suite 201, Level 2, 1 Alfred Street		
STATE		POST CODE
NSW		2000
Please provide a detailed description of the activities that the third party, named above, will undertake on the applicant corporation's behalf.		
<p>Flow Systems (<a href="http://www.flowsystems.com.au">www.flowsystems.com.au</a>) is the parent company of GSW which is a special purpose utility wholly-owned by Flow Systems and established especially for the GSW project. Full business support (including all technical, financial, organizational, administrative, and retail supplier management services) is provided by Flow Systems to all of its water utility subsidiaries, including GSW, under standard group corporate services arrangements.</p> <p>Refer to Appendix 3.4.1(a) Certificate of Registration on Change of Name</p>		
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).		
Commerical in confidence		
Corporation name:		
<b>The Council of the City of Sydney</b>		
ABN/ARBN		ACN
22 636 550 790		636 550 790
Corporation's registered office		
ADDRESS		
STATE		POST CODE
Please provide a detailed description of the activities that the third party, named above, will undertake on the applicant corporation's behalf.		
<p>The Council of the City of Sydney has undertaken the environmental planning approvals for the Scheme, will provide the GIC Building to accommodate the WRF plant and equipment, and will provide access to all other areas within the Green Square Town Centre containing the ancillary Scheme infrastructure.</p>		

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).	
The activities described above are enabling activities by The Council of the City of Sydney for the Scheme to be developed by the intended licence holder (GSW). None of these activities are licence activities. The contractual arrangements between the parties are commercial in confidence.	
GSW has engaged consultants to assist in the design of the various components of the Scheme, and intends to go to market for tenders in relation to detailed design, supply and installation of the mechanical and electrical plant and equipment for the WRF, and construction of the ancillary components of the Scheme. In accordance with Flow Systems Group policy, GSW will award these contracts to suitably experienced suppliers.	
<b>3.5 Other regulatory approvals</b>	
3.5.1	<p>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 <i>Environmental Planning and Assessment Act 1979</i>, section 68 approval under the <i>Local Government Act 1993</i>, an Environment Protection Licence under the <i>Protection of the Environment Operations Act 1997</i>. <b>Provide a copy of any other regulatory approvals and/or licences in Appendix 3.5.1.</b></p> <p><i>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.</i></p> <p>Approval for construction of the recycled water network reticulation infrastructure and the infrastructure associated with the source water offtake (offtake structure, gross pollutant trap, source water pump station and rising main) was obtained via Development Application D/2012/1175 and D/2012/1175A (Section 96 Modification of Application) supported by Statement of Environmental Effects - Green Square Town Centre Essential Infrastructure prepared by The Council of the City of Sydney.</p> <p>In addition, The Council of the City of Sydney as the “determining authority” for the Review of Environmental Factors (REF) under Part 5 of the NSW Environmental Planning &amp; Assessment Act 1979, approved the REF report which assesses the environmental impacts of the WRF and associated infrastructure (storage tanks and recycled water pump station). The REF report includes consideration of other regulatory approvals.</p> <p>Refer to Appendix 3.5.1(a) Development Application D/2012/1175 and D/2012/1175A (Section 96 Modification of Application) Square Town Centre Essential Infrastructure and related Notice of Determination.</p> <p>Refer to Appendix 3.5.1(b) Statement of Environmental Effects - Green Square Town Centre Essential Infrastructure.</p> <p>Refer to Appendix 3.5.1(c) Water Recycling Facility REF.</p> <p>Refer to Appendix 3.5.1(d) Water Recycling Facility REF_Recommendation for approval memo.</p> <p>Refer to Appendix 3.5.1(e) City of Sydney correspondence clarifying scope of planning approvals</p>



### 3.6 Monopoly supply

3.6.1	<p>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:</p> <ul style="list-style-type: none"> <li>▼ a specified water supply or sewerage service, and</li> <li>▼ a specified area, and</li> <li>▼ a specified class of customers.</li> </ul>
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*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.*

Not applicable on the basis that the Scheme does not include the supply of drinking water and/or sewage services.

### 3.7 Licensing principles

3.7.1	<p>How does your proposed activity address the following principles (if applicable):</p> <ul style="list-style-type: none"> <li>▼ The protection of public health, the environment, public safety and consumers</li> <li>▼ The encouragement of competition in the supply of water and the provision of sewerage services</li> <li>▼ The ensuring of sustainability of water resources</li> <li>▼ The promotion of production and use of recycled water?</li> </ul>
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*Your response to this question will be used in consideration of the licensing principles, in accordance with section 7 of the WIC Act.*

#### **Protection of public health, the environment, public safety and consumers**

Public health, the environment, public safety and consumers will be protected through the following:

- GSW will only supply recycled water that is treated in full compliance with all relevant Australian standards.
- GSW will ensure that our infrastructure operations and maintenance arrangements are structured where relevant so that public health, public safety and consumers are protected (including incident/emergency response plans, business continuity and disaster recovery plans).
- GSW will ensure that all infrastructure is constructed in accordance with all relevant laws and regulations (eg. Plumbing Code of Australia).
- Signage will be posted advising of the use of recycled water in public open space areas in accordance with the relevant guidelines and industry best practice.
- The selection and identification of an appropriately experienced retail supplier to ensure the education of end user customers regarding the use of recycled water.

#### **Encouragement of competition**

Currently each incumbent public water utility provider has a monopoly in their respective catchment areas on water services in the state of NSW. The license will enable private sector to compete in the provision of requisite infrastructure and delivery of resulting services to owners of properties within the Development Area.

Hence, competition is promoted within the incumbent's usual area of operation.

**Sustainability of water resources**

The licensed activities will reduce unnecessary usage of drinking water for non-potable uses (eg. toilet flushing, irrigation of lawns and gardens) by providing a reliable and sustainable supply of non-potable water from harvested stormwater that would otherwise contribute to diffuse source pollution of local waterways.

**Promotion of production and use of recycled water**

The license will enable GSW to provide sustainable recycled water within the Scheme area. This will facilitate delivery of Government policy and further cements recycled water as an integral part of the whole-of-water lifecycle.

PUBLIC VERSION

## 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 <u>water infrastructure for the supply of drinking water</u> .	
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. <b>Provide a detailed process flow diagram of the proposed infrastructure from source to end use in Appendix 4.1.1.</b>
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.	
<i>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)).</i>	
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 <b>identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.1.1.</b>
<i>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).</i>	
N/A	

4.1.3	<p>Describe the <u>location</u> of the proposed infrastructure. For example include:</p> <ul style="list-style-type: none"> <li>▼ the identification of specific lot descriptors (e.g. lot and DP numbers) for the production, treatment, filtration and/or storage infrastructure.</li> <li>▼ 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.</li> </ul> <p><b>Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.1.3.</b></p>
<p>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.</p>	
<p><i>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).</i></p>	
N/A	
4.1.4	<p>Describe any interconnections between the proposed drinking water infrastructure and other infrastructure not part of this scheme (e.g. 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. <b>Identify all interconnections with other infrastructure on the process flow diagram in Appendix 4.1.1 and the map in Appendix 4.1.3.</b></p>
<p><i>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.</i></p>	
N/A	
4.1.5	<p>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. <b>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.</b></p>
<p><i>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.</i></p>	
N/A	
4.1.6	<p>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. <b>Where relevant, provide a copy of any agreements and/or licences to access the source water in Appendix 4.1.6.</b></p>
<p><i>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)).</i></p>	
N/A	

4.1.7	What volume of water will be treated by the scheme? Please provide the average and peak daily flow rates <u>treated by</u> the scheme.
<i>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.</i>	
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.
<i>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.</i>	
N/A	
4.1.9	<p><b>Provide your preliminary risk assessment for the scheme from source to end use in Appendix 4.1.9.</b> 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.</p> <p>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.</p>
<p>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).</p>	
<p><i>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)).</i></p>	
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. <b>Provide evidence of the applicant corporation's capacity to implement the 12 elements of the framework in the ADWG in Appendix 4.1.10.</b>
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.	
<i>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)).</i>	
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?
<i>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)).</i>	
N/A	
4.1.12	Describe the systems and processes that the applicant corporation will have in place to manage the water infrastructure. <b>Provide evidence of the applicant corporation's capacity to develop and implement an infrastructure operating plan in Appendix 4.1.12.</b>
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.	
<i>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)).</i>	
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, 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? <b>Provide a copy of any environmental study and/or risk assessment in Appendix 4.1.13.</b>
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.	
<i>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.</i>	
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?
<i>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)).</i>	
N/A	

PUBLIC VERSION

## 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 (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 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. <b>Provide a detailed process flow diagram of the proposed infrastructure from source to end use in Appendix 4.2.1.</b>
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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 Shea's Creek stormwater culvert that runs through the Green Square Town Centre development precinct will provide the source of the water to feed the WRF. Recycled water will be provided as a final product of the WRF to end uses such as toilet flushing, washing machines, cooling tower top up, water features and irrigation.

Key components of the proposed non-potable infrastructure are as follows:

**Offtake** – The offtake is the first component of the Scheme. It will allow source water to be harvested from the new Shea's Creek stormwater culvert to meet the Scheme demands.

**Gross Pollutant Trap (GPT)** – The GPT component provides pre-treatment to capture bulk contaminants and allow for a manageable supply of water to be transferred to the WRF. It will be able to capture and retain gross pollutants, litter, grit, sediments, and oils that might interfere with downstream treatment processes and final water quality.

**Transfer Pumping Station and Rising Main** – These will transfer the source water from the offtake and GPT to the WRF, and will be capable of delivering a flow rate of 20 litres per second.

**Raw Water Quality Monitoring** – The water quality and flow monitoring equipment is essential to ensure contaminants unable to be processed by the proposed treatment plant do not enter the WRF as the system is alerted and quarantined (shut off) accordingly.

**Ultrafiltration Membranes** – Ultrafiltration (UF) membranes will form the core treatment process for the WRF and will provide tertiary filtration to remove the remaining suspended solids and act as the first disinfection barrier. The UF membranes will be continuously monitored and controlled using a Programmable Logic Controller (PLC) plus Supervisory Control Data Acquisition (SCADA) System designed to ensure safe operation of the WRF including in the event of an incident. The control system will raise an alarm and/or automatically shut down if high turbidity or loss of membrane integrity is detected. The membrane rejection will be disposed of via the nearest stormwater and/or sewer main according to their disposal requirements.

**Reverse Osmosis** – The WRF includes a Reverse Osmosis (RO) process which is a mechanical method of reversing the natural osmosis process. RO will be used to remove dissolved minerals, salts, organic



molecules, and other contaminants.

**Chemical storage and dosing** – A variety of chemicals including Sodium Hypochlorite and Citric Acid will be used for treatment process purposes, disinfection and membrane cleaning.

**Recycled water storage tanks** – Treated recycled water will be stored in recycled water storage tanks of approximately 1ML total volume in order to provide no less than 24 hours supply during peak demands. The storage systems will include continuous online monitoring of the water PH, total dissolved solids, flow and turbidity alarms; potable water top up through connection to Sydney Water's water supply network for back-up in the event of failure or maintenance-based shutdown of the WRF. The storage tanks will be compliant to potable water standards to mitigate the risk of treated water being contaminated during storage.

**Recycled water network reticulation infrastructure** – Recycled water will be supplied to end use customers through a pressurised distribution network. A pressure pump set will boost recycled water from the recycled water storage tanks to the distribution network to achieve a minimum pressure of 15 metres static head at each property boundary measured for a continuous 30 minute period during normal system operation.

**Control System** – The control and operation of the overall Scheme is based on a PLC/SCADA system which will be designed to ensure safe and correct functional operation of the WRF and associated ancillary components.

The PLC follows specific steps to automatically control valves, pumps, etc. during the operating states for the Scheme and provides automated control of the equipment. All the programming for the control of the Scheme is stored in the PLC.

The SCADA system software allows the full and complete interaction between the Scheme operators and the Scheme. It supplies all the data from field transmitters and displays the values and statuses by the animation of graphic objects and colours in the required number of graphic pages.

Refer to Appendix 4.2.1 Process Flow Diagram

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 <b>identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.2.1.</b>
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*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).*

All Scheme infrastructure under this licence application is to be constructed.

4.2.3	Describe the <u>location</u> of the proposed infrastructure. For example include: <ul style="list-style-type: none"> <li>▼ the identification of specific lot descriptors (e.g. lot and DP numbers) for the production, treatment, filtration and/or storage infrastructure.</li> <li>▼ 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.</li> </ul> <b>Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.2.3.</b>
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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 infrastructure described in 4.2.1 above is contained within the Green Square Town Centre

development precinct.

The source water offtake, GPT and transfer pumping station are proposed be located adjacent to the northern boundary of the future proposed Drying Green Park in the vicinity of the future proposed Zetland Avenue.

The WRF will be located in the GIC Building to be located in the former Royal South Sydney Hospital Administration Building to be redeveloped by The Council of the City of Sydney (Site 13B).

The recycled water storage tanks and distribution pumps will be located in the future proposed Matron Ruby Grant Park alongside the southern boundary of the WRF (Site 13B).

The recycled water distribution network will be located throughout the Green Square Town Centre development precinct, generally to be laid within existing and future road reserves.

4.2.4 Describe any interconnections between the proposed non-potable water infrastructure and other infrastructure not part of this scheme (e.g. 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.*

As described in the Process Flow Diagram (PFD), The Council of the City of Sydney will own a source water connection to the new Shea's Creek stormwater culvert (to be owned by either Sydney Water or Council of the City of Sydney at the proposed connection point). This offtake will be integral to the new stormwater culvert and therefore constructed as part of that new culvert.

GSW will have either or both a stormwater and/or sewer interconnections between the WRF and Council of the City of Sydney's stormwater drain in Joynton Avenue and/or Sydney Water's sewer in Joynton Avenue for discharge of waste streams (see section 4.2.15).

The scheme will also require a potable water main connection for the supply of potable water to the recycled water network until stormwater is available from the new stormwater culvert. Application is being made by GSW for a connection to Sydney Water's network in Joynton Avenue.

GSW will be responsible for construction of these stormwater, water and sewer interconnections.

The new stormwater culvert through the Green Square Town Centre development is being jointly designed and constructed by Sydney Water and Council of The City of Sydney. Those parties have not yet determined the long-term ownership of that structure. The offtake structure will be integral to the new stormwater culvert. The scheme's GPT, offtake pump station and rising main will be owned by The Council of the City of Sydney and operated and maintained by GSW for the initial five plus five years of the Scheme operation.

With regards to the potable water backup supply, Sydney Water will own, operate and maintain the connection main from Sydney Water's main in Joynton Avenue up to and including a bulk water meter just inside the South Sydney Hospital property. Council of the City of Sydney will own all potable water infrastructure downstream of this point. GSW will operate and maintain all potable water infrastructure owned by Council of the City of Sydney for the initial five plus five years of the Scheme operation.

Council of the City of Sydney will own all sewer and stormwater discharge infrastructure associated with the scheme. GSW will operate and maintain all of the scheme's stormwater discharge infrastructure within the South Sydney Hospital site and up to the site boundary for the initial five plus five years of the Scheme.

NSW Office of Water provided advice that an extraction licence or similar is not required for extraction of stormwater from the concrete channel that drains to Alexandra Canal. This is assumed to also apply to the new culvert as it similarly will be a concrete channel draining to Alexandra Canal and serving the same catchment as the existing culvert. This is being confirmed by GSW with NSW Office of Water.

GSW is responsible for all negotiations for access and discharge arrangements with the relevant authorities at interconnection points. All of these negotiations are ongoing.

4.2.5	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. <b>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.</b>
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*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.*

GSW is responsible for the design, construction, operation and maintenance of all recycled water infrastructure for the initial five plus five years of the Scheme operation.

The detailed design and construction of the recycled water infrastructure from the source water offtake up to and including the recycled water meter at the boundary of each development lot will be undertaken by GSW. The GIC Building which will accommodate the WRF will be constructed by The Council of the City of Sydney.

Each end user/customer (eg. building owner/body corporate, Council Parks & Reserves etc.) will be responsible for the construction, operation and maintenance of the recycled water infrastructure downstream of the recycled water meter (connection point). These development sites have a mixture of residential, commercial and retail uses.

Refer to Appendix 4.2.1 Process Flow Diagram.

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. <b>Where relevant, provide a copy of any agreements and/or licences to access the source water in Appendix 4.2.6.</b>
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*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)).*

There are two sources for the recycled water, namely:

- 1) **Stormwater** – Based on a design capacity to supply 20 development sites (containing residential, commercial and retail end users) across the Green Square Town Centre precinct, the Scheme is proposing to extract stormwater from the source at a rate of no less than 900kL/day (equivalent to approx. 10L/sec).
- 2) **Drinking water supply** – Where recycled water demand exceeds the available supply of stormwater, drinking water will be used to supplement the recycled water supply. GSW will work with The Council of the City of Sydney to facilitate the interconnection of the Sydney Water drinking water system with the recycled water distribution network such that drinking water may be used for top-up of recycled water storages and/or supply.

4.2.7	What volume of water will be treated by the scheme? Please provide the average and peak daily flow rates <u>treated by</u> the scheme.
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*This information will be used to determine the fee category for the scheme, if a licence is granted. The*

<i>response to this question may be used to draft a proposed licence, if a licence is granted.</i>	
The Scheme will have the capacity to treat average daily flows of approx. 620kL/day and peak daily flows of approx. 900kL/day.	
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.
<i>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.</i>	
The volume of recycled water produced will be 620kL/day (average) and 900kL/day (peak), however average volume of recycled water supplied to end users will vary with time of year due to irrigation and cooling tower demands.  As outlined in section 4.2.6, drinking water top-up will be used should recycled water demand temporarily exceed recycled water production.	
4.2.9	List all the intended end uses for the non-potable water generated by the scheme.
<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), Reg cl.8(1)).</i>	
The intended end uses for the recycled water will include: <ul style="list-style-type: none"> <li>• Toilet flushing</li> <li>• Washing machines</li> <li>• Cooling tower top up</li> <li>• Irrigation for parks in the precinct including Drying Green, Green Square, Neilson Square, Matron Ruby Grant Park</li> <li>• Water features</li> </ul>	
4.2.10	<p><b>Provide your preliminary risk assessment for the scheme from source to end use in Appendix 4.1.10.</b> 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.</p> <p>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.</p>
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).	
<i>The response to this question is a requirement for any network operator's licence for water</i>	

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)).

The preliminary risk assessment is a commercial in confidence document.

The preparation of the preliminary risk assessment was undertaken in accordance with the following sections of the "Australian Guidelines for Water Recycling: Managing Health and Environmental Risks (Phase 1) 2006":

- Section 2.2.4 – Hazard identification and risk assessment
- Section 2.3 – Preventative measures for recycled water management
- Section 2.3.1 – Preventative measures and multiples barriers
- Section 2.3.2 – Critical control points

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.*

GSW will address each of the 12 elements associated with recycled water in the Water Quality Plan – Recycled Water. GSW's parent company Flow Systems and its various subsidiaries (eg. Pitt Town Water), have demonstrated previously that it has the capacity to implement and maintain the 12 element approach.

Pitt Town Water and GSW are sister companies and both are wholly owned subsidiaries of Flow Systems. Flow Systems will assist GSW to develop and implement the Water Quality Plan – Recycled Water documentation that embodies the 12 element approach.

The systems and processes for the recycled water infrastructure are similar to those prepared for Pitt Town Water Recycling Facility. Flow Systems' capacity to develop and implement a Water Quality Plan – Recycled Water is evidenced by independent audit (Water Futures 30 May 2012) confirming that the requirements of the WIC Act have been met for Pitt Town Water.

Evidence is also provided by Ministerial approval to commence commercial operation for Pitt Town Water Recycling Facility (1 June 2012).

Refer to Appendix 4.2.11 (b) WIC Act NOL Audit Report Pitt Town

Refer to Appendix 4.2.11 (c) Notice of Approval for Commercial Operation (Pitt Town)

The following table provides further information on how GSW will address, implement and maintain each of the 12 elements of the AGWR.

Element	Comments
1	<b>Commitment to responsible use and management of recycled water</b> <i>Address</i>

	<p>Key stakeholders (ie. management, construction, operation, end users and regulators) were identified and have been involved in the development of the proposed recycled water scheme at Green Square Town Centre. Commitment has been sought, and received, from these stakeholders in relation to the responsible use and management of recycled water at Green Square Town Centre.</p> <p><i>Implement</i></p> <p>Regular communication will be maintained with the stakeholders during the design, construction and operation of the recycled water scheme to ensure it continues to be responsible/ sustainable. Specialist consultants will be engaged as required to ensure the project team has the necessary expertise.</p> <p><i>Maintain</i></p> <p>Stakeholder engagement and end user education will be a continuous process during the operation of the scheme to ensure the responsible use and management of recycled water.</p>
2	<p><b>Assessment of the recycled water system</b></p> <p><i>Address</i></p> <p>Representatives from each of the key stakeholders have been engaged to assess the recycled water system for compliance with project objectives, integration with the Development, regulatory requirements and risks (technical/commercial). The assessment includes:</p> <ul style="list-style-type: none"> <li>▪ Intended uses and sources of recycled water</li> <li>▪ Recycled water system analysis</li> <li>▪ Assessment of water quality data</li> <li>▪ Hazard identification and risk assessment</li> </ul> <p><i>Implement</i></p> <p>Design workshops and commercial/technical risk registers will be used to capture the assessment of the recycled water system. Specialist consultants will be engaged as required to ensure the project team has the necessary expertise.</p> <p><i>Maintain</i></p> <p>The registers will be updated as required as the project moves through construction, commissioning and operation.</p>
3	<p><b>Preventive measures for recycled water management</b></p> <p><i>Address</i></p> <p>For each identified risk, preventive measures will be developed to eliminate or mitigate the likelihood or consequence of the impact. Where appropriate, a multiple barrier approach will be adopted.</p> <p><i>Implement</i></p> <p>During the development of the risk registers, the risk will be assessed with and without preventive measures. Greater focus will be placed on events where the residual risk is still rated High to Very High. Critical Control Points will be developed and implemented to ensure recycled water quality is always safe for the intended end uses.</p> <p><i>Maintain</i></p> <p>The risk register will be a live document over the life of the scheme. In addition to regular audits it will be reviewed/updated when:</p> <ul style="list-style-type: none"> <li>▪ There is a significant change in the project or stakeholders</li> <li>▪ There is a change in regulation</li> </ul>



	<ul style="list-style-type: none"> <li>There is an incident on this or a similar scheme</li> </ul> <p>The accuracy of critical control points will be confirmed via verification testing.</p>
4	<p><b>Operational procedures and process control</b></p> <p><i>Address</i></p> <p>Operational procedures will be developed for all processes and activities associated with the recycled water system from source to end use. A comprehensive SCADA based control and monitoring system will provide continuous feedback/monitoring on system performance and Critical Control Points.</p> <p><i>Implement</i></p> <p>Operational procedures will be developed in the later stages of the project construction phase and will be included in the management plan. The process control system will be based on the agreed functional description for the system including the Critical Control Points.</p> <p><i>Maintain</i></p> <p>The operational procedures will be live documents over the life of the scheme. In addition to regular audits they will be reviewed/updated when:</p> <ul style="list-style-type: none"> <li>There is a significant change in the project or stakeholders</li> <li>There is a change in regulation</li> <li>There is an incident on this or a similar scheme</li> </ul> <p>Process control systems will be checked regularly for accuracy and to ensure logic around Critical Control Points remains valid.</p>
5	<p><b>Verification of recycled water quality and environmental performance</b></p> <p><i>Address</i></p> <p>Verification of the recycled water quality will involve monitoring and analysis of key parameters to confirm the Critical Control Points remain valid. Environmental performance will be confirmed by monitoring discharges for compliance and the sustainability of irrigation.</p> <p><i>Implement</i></p> <p>The ongoing sampling and monitoring program detailed in the management plan will include a list of key parameters, the location of the monitoring point and monitoring frequency. The incident and emergency response plan will include protocols for recording and reacting to any environmental issues.</p> <p><i>Maintain</i></p> <p>The monitoring program will be a live document over the life of the scheme. In addition to regular audits it will be reviewed/updated when:</p> <ul style="list-style-type: none"> <li>There is a significant change in the project or stakeholders</li> <li>There is a change in regulation</li> <li>There is an incident on this or a similar scheme</li> </ul>
6	<p><b>Management of incidents and emergencies</b></p> <p><i>Address</i></p> <p>To ensure efficient/effective communication, protocols will be developed detailing how incidents are recorded, actioned and followed up. These protocols will also include contact details for key operational personnel, stakeholders and regulators.</p> <p><i>Implement</i></p> <p>The incident and emergency response protocols will be included in the management</p>

	<p>plan. To test the adequacy of these protocols a number of incidents will be simulated during commissioning. The protocols will be integrated with the communication plan.</p> <p><i>Maintain</i></p> <p>The incident and emergency management plan will be a live document over the life of the scheme. In addition to regular audits it will be reviewed/updated when:</p> <ul style="list-style-type: none"> <li>▪ There is a significant change in the project or stakeholders</li> <li>▪ There is a change in regulation</li> <li>▪ There is an incident on this or a similar scheme</li> </ul> <p>Employee training and regular incident simulations will be used to confirm system effectiveness and efficiency.</p>
7	<p><b>Operator, contractor and end user awareness and training</b></p> <p><i>Address</i></p> <p>Awareness and training requirements will be developed for operators, managers, contractors and end users. These requirements will be clearly detailed in the management plan. Internal and external training programs will be used to ensure the required skills and knowledge is sufficient and current. Inductions will be used for Contractors, visitors and new employees.</p> <p><i>Implement</i></p> <p>Awareness and training requirements will be included in the management plan together with records of any training or inductions that are carried out. End users will be updated and educated through regular communication via newsletters and the GSW website.</p> <p><i>Maintain</i></p> <p>The awareness and training requirements will be a live document over the life of the project. In addition to regular audits it will be checked / updated when:</p> <ul style="list-style-type: none"> <li>▪ There is a significant change in the project or stakeholders</li> <li>▪ There is a change in regulation</li> <li>▪ There is an incident on this or a similar scheme</li> </ul> <p>End users will be consulted on a regular basis regarding their knowledge of recycled water and the restrictions on end use. Awareness programs will be updated accordingly.</p>
8	<p><b>Community involvement</b></p> <p><i>Address</i></p> <p>A comprehensive community consultation strategy will be developed which takes into account the nature of the project and the specific requirements of end users and the broader community.</p> <p><i>Implement</i></p> <p>The community consultation strategy will be incorporated into the management plan as part of the communications plan. The GSW website will be used as the primary interface for customer engagement. Records will be maintained of any incoming or outgoing communication with end users and the broader community.</p> <p><i>Maintain</i></p> <p>The community consultation strategy will be a live document over the life of the scheme. In addition to regular audits it will be reviewed/updated when:</p> <ul style="list-style-type: none"> <li>▪ There is a significant change in the project or stakeholders</li> <li>▪ There is a change in regulation</li> </ul>



	<ul style="list-style-type: none"> <li>There is an incident on this project or a similar scheme</li> </ul>	
9	<p><b>Validation, research and development</b></p> <p><i>Address</i></p> <p>Key focus areas in relation to the ongoing validation, research and development needs of the project will be captured in the management plan.</p> <p><i>Implement</i></p> <p>All new equipment critical to recycled water quality will be validated in accordance with regulatory requirements and industry best practice. Research and development areas will be identified during the first year of operation and prioritised.</p> <p><i>Maintain</i></p> <p>Project performance will be benchmarked against similar facilities to ensure the recycled water scheme incorporates industry best practice. Technology developments will be monitored for the relevance to and impact on the scheme.</p>	
10	<p><b>Documentation and reporting</b></p> <p><i>Address</i></p> <p>Documentation, data and reporting will be managed and secured through the management plan and control system. Internal and external reports will transmit important information to project stakeholders.</p> <p><i>Implement</i></p> <p>A hard copy of the management plan will be kept on site in the WRF control room adjacent to the SCADA. Electronic copies of the management plan will be available to all key operational personnel. The SCADA will be configured to enable remote access and collection of data. Reports on system performance will be distributed to internal and external stakeholders on an agreed frequency. Incident reports will be distributed to internal and stakeholders in accordance with agreed protocols.</p> <p><i>Maintain</i></p> <p>As noted previously all documentation will be considered 'live' and will be reviewed and updated (as required) on a regular basis. Document control procedures will be utilised to ensure the current version is in use. All important data will be securely backed up off-site.</p>	
11	<p><b>Evaluation and audit</b></p> <p><i>Address</i></p> <p>The design of the control system will enable the efficient capture and management of system data which will subsequently be used to evaluate long term performance. Internal and external audits will be used to verify the adequacy of the management systems.</p> <p><i>Implement</i></p> <p>Evaluation will commence during the first year of operating following validation and in parallel with verification. Audits will be conducted before and after commissioning and then in accordance with internal/external requirements.</p> <p><i>Maintain</i></p> <p>Regular checks will be made of the data collection system for accuracy and completeness. All system data will be securely backed up off-site. Recommendations of internal and external audits will be reviewed and implemented where appropriate.</p>	
12	<p><b>Review and continual improvement</b></p> <p><i>Address</i></p>	

	<p>Senior management of GSW will be provided with regular reports on system performance and copies of incident reports as required by protocols.</p> <p><i>Implement</i></p> <p>Key areas for improvement will be identified during formal review meetings and progressed as agreed. Industry benchmarking and audits will be used to continuously improve system documentation, operation and control.</p> <p><i>Maintain</i></p> <p>Training will be provided for senior managers to ensure they can actively take part in the review process.</p>	
4.2.12	<p>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?</p> <p><i>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)).</i></p> <p>Continuity of recycled water supply will be achieved through:</p> <ul style="list-style-type: none"> <li>GSW will have a commercial agreement with Sydney Water that will include drinking water availability as top up for recycled water.</li> <li>Significant redundancy is provided by the recycled water storage tanks, which will provide up to 24 hours supply at peak demand.</li> <li>Recycled water distribution pumps will be installed in duty/standby arrangement.</li> </ul> <p>GSW will develop detailed contingency plans in the event of infrastructure failure. These contingency plans will be a component of the Infrastructure Operating Plan and will include:</p> <ul style="list-style-type: none"> <li>Minimisation of demand through customer notifications.</li> <li>Rapid response to infrastructure failure.</li> </ul>	
4.2.13	<p>Describe the systems and processes that the applicant corporation will have in place to manage the non-potable water infrastructure. <b>Provide evidence of the applicant corporation's capacity to develop and implement an infrastructure operating plan in Appendix 4.2.13.</b></p> <p>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.</p> <p><i>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)).</i></p> <p>The systems and processes for the recycled water infrastructure are similar to those prepared by Pitt Town Water.</p> <p>Pitt Town Water and GSW are sister companies and both are wholly owned subsidiaries of Flow Systems. Flow Systems will assist GSW to develop and implement both a Water Quality Plan – Recycled Water (as outlined in section 4.2.11) and an Infrastructure Operating Plan.</p> <p>Flow Systems' capacity to develop and implement appropriate Water Quality Plans and Infrastructure</p>	

Operating Plans is evidenced by independent audit (Water Futures 30 May 2012) confirming that the requirements of the WIC Act have been met for Pitt Town Water Recycling Facility.

Evidence is also provided by Ministerial approval to commence commercial operation for Pitt Town Water (1 June 2012).

Refer to Appendix 4.2.11 (b) WIC Act NOL Audit Report Pitt Town

Refer to Appendix 4.2.11 (c) Notice of Approval for Commercial Operation (Pitt Town)

4.2.14	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? <b>Provide a copy of any environmental study and/or risk assessment in Appendix 4.2.14.</b>
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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).*

The Council of the City of Sydney has prepared (as applicant) and approved (as consent authority) the Review of Environmental Factors (REF) report for the WRF and associated infrastructure (storage tanks and recycled water pump station) under Part 5 of the NSW Environmental Planning & Assessment Act 1979.

Refer to Appendix 3.5.1(c) Water Recycling Facility REF

Refer to Appendix 3.5.1(d) Water Recycling Facility REF\_Recommendation of approval memo

As outlined in section 3.5.1, all regulatory approvals for the recycled network reticulation infrastructure and the infrastructure associated with the source water offtake (offtake structure, gross pollutant trap, source water pump station and rising main) have been obtained by The Council of the City of Sydney through the Development Application D/2012/1175 and D/2012/1175A (Section 96 Modification of Application) supported by Statement of Environmental Effects - Green Square Town Centre Essential Infrastructure prepared by The Council of the City of Sydney.

Refer to Appendix 3.5.1(a) Essential Infrastructure Development Application Approval

Refer to Appendix 3.5.1(b) Statement of Environmental Effects - Green Square Town Centre Essential Infrastructure.

Refer to Appendix 3.5.1(e) City of Sydney correspondence clarifying the scope of approvals

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?
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*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 WRF as described in the Process Flow Diagram (PFD), namely:

- **Strainer Reject** – The strainer will “protect” the membranes from oversized material. The reject from the strainers will be diverted back to the stormwater system subject to meeting quality requirements. If quality requirements cannot be achieved then the strainer reject will be sent to the Sydney Water sewer system under a trade waste agreement.
- **Ultrafiltration Reject** – The reject from the ultrafiltration membranes will be diverted back to the stormwater system subject to meeting quality requirements. If quality requirements cannot be achieved then the reject from the ultrafiltration membranes will be sent to the Sydney Water sewer system under a trade waste agreement.
- **Neutralised Membrane Cleaning Waste** – Neutralised membrane cleaning waste will be diverted back to the stormwater system subject to meeting quality requirements. If quality requirements cannot be achieved then the waste will be appropriately disposed of via Sydney Water’s sewer main in compliance with their trade waste requirements.
- **Reverse Osmosis Reject** – The reject from the reverse osmosis membranes will be diverted back to the stormwater system subject to meeting quality requirements. If quality requirements cannot be achieved then the reject from the reverse osmosis membranes will be sent to the Sydney Water sewer system under a trade waste agreement.
- **Excess recycled water** – Due to the nature of the source water (ie. stormwater baseflow harvesting), recycled water production will be balanced with the end user demand to ensure that surplus water is not unnecessarily extracted and treated.
- **Off-specification water** – Offtake water will be tested for key quality parameters. If these parameters exceed the quality criteria for the treatment train then water will bypass the WRF and be discharged directly to the stormwater system.

If trade waste agreements are required with The Council of the City of Sydney and/or Sydney Water, then GSW will maintain these. Should any of these waste streams need to be discharged to sewer under a Sydney Water trade waste agreement, Sydney Water will need to confirm that the reject water can meet Sydney Water’s acceptance standards. GSW’s sister company Central Park Water has a trade waste agreement with Sydney Water for discharge of similar waste streams.

### 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. <b>Provide a detailed process flow diagram of the proposed infrastructure from collection to disposal or reuse in Appendix 4.3.1.</b>
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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 <b>identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.3.1.</b>
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*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 <u>location</u> of the proposed infrastructure. For example include: <ul style="list-style-type: none"> <li>▼ the identification of specific lot descriptors (eg, lot and DP numbers) for the collection, treatment, filtration and/or storage infrastructure</li> <li>▼ 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.</li> </ul> <b>Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.3.3</b>
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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. <b>Identify all interconnections with other infrastructure on the process flow diagram in Appendix 4.3.1 and the map in Appendix 4.3.3.</b>
<i>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.</i>	
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 <u>treated by</u> the scheme.
<i>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.</i>	
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 <u>disposed from</u> the scheme.
<i>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.</i>	
N/A	
4.3.7	How will the treated effluent be disposed of from the scheme?
<i>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).</i>	
N/A	
4.3.8	What wastewater and/or catchment characterisation studies have been undertaken? <b>Provide a summary report of any wastewater characterisation or catchment studies including results in Appendix 4.3.8.</b>
<i>This information will be used as a context to the potential health and environmental risks posed by the scheme.</i>	
N/A	
4.3.9	<b>Provide your preliminary risk assessment for the scheme from collection to disposal in Appendix 4.3.8.</b> 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.	
<i>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)).</i>	
N/A	
4.3.10	Describe the systems and processes that the applicant corporation will have in place to manage the sewerage infrastructure. <b>Provide evidence of the applicant corporation's capacity to develop and implement an infrastructure operating plan in Appendix 4.3.10.</b>
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.	
<i>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)).</i>	
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?
<i>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)).</i>	
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? <b>Provide a copy of any environmental study and/or risk assessment in Appendix 4.3.12.</b>



<p>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.</p>	
<p><i>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).</i></p>	
<p>N/A</p>	
<p>4.3.13 Where relevant, what land capability assessments have been undertaken on the proposed land disposal area? <b>Provide a copy of any soil capability assessment in Appendix 4.3.13.</b></p>	
<p><i>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).</i></p>	
<p>N/A</p>	
4.1.14	<p>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?</p>
<p><i>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)).</i></p>	
<p>N/A</p>	



## 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 <u>supply of water</u> by means of any water industry infrastructure.	
5.1.1	Describe the water industry infrastructure that the applicant corporation will access to supply water.
<i>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)).</i>	
N/A	
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. <b>Where relevant, provide a copy of any agreements and/or licences to access the source water in Appendix 5.1.2.</b>
<i>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)).</i>	
N/A	
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.	
<i>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)).</i>	
N/A	
5.1.4	Will you be supplying small retail customers with water (i.e. 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.	
<i>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.</i>	

N/A	
5.1.5	<p><b>Provide your preliminary risk assessment for the retail activities related to the scheme in Appendix 5.1.5.</b> 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.</p>
<p>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).</p>	
<p><i>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)).</i></p>	
N/A	
5.1.6	<p>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?</p>
<p>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.</p>	
<p><i>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)).</i></p>	
N/A	
5.1.7	<p>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. <b>Provide evidence of the applicant corporation's capacity to develop and implement a retail supply management plan in Appendix 5.1.7.</b></p>
<p>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.</p>	
<p><i>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)).</i></p>	
N/A	

## 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?
<p><i>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)).</i></p>	
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. <b>Provide evidence of the applicant corporation's capacity to develop and implement a retail supply management plan in Appendix 5.1.4.</b>
<p>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.</p>	
<p><i>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)).</i></p>	
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)).

6.1 Network operator	
Only provide a response to the questions in the following section if the applicant corporation is seeking a <u>network operator's licence</u>	
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. <b>Provide an organisational diagram in an Appendix 6.1.1.</b> The diagram should clearly show all entities that have an ownership interest in the applicant corporation.
<p><i>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)).</i></p> <p>GSW does not have any direct employees and will rely upon employees from its parent company, Flow Systems Pty Ltd, pursuant to the Corporate Services Agreement. Further, Flow Systems has the benefit of significant additional resourcing and support from its parent, Brookfield Infrastructure Group.</p> <p>Refer to Appendix 6.1.1(a) Green Square Water Ownership Structure_PUBLIC</p>	
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.
<p><i>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)).</i></p> <p>GSW is a wholly-owned subsidiary of Flow Systems.</p> <p>GSW's experience is based on the collective experience of Flow Systems' Directors and other key personnel who are integral members of the GSW project delivery and operations team. This experience includes finance, equity, insurance, procurement, legal, equipment supply, design, construction, operation and maintenance.</p> <p>Three of Flow Systems' other wholly-owned subsidiaries (Pitt Town Water Pty Ltd, Central Park Water Pty Ltd, and Discovery Point Water Pty Ltd) hold network operator's licenses.</p> <p>Flow Systems has delivered a fully commissioned, validated and verified recycled water facility at its Pitt Town project and has received Ministerial consent to commence commercial operations. Flow Systems is currently constructing its Central Park and Discovery Point recycled water facilities and has a current licence application with IPART for its Wyee project (to be conducted through another wholly-owned subsidiary, Wyee Water Pty Ltd).</p>	
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. <b>Provide a position description for each of the key personnel positions in Appendix 6.1.3.</b>

<p>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.</p>	
<p><i>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)).</i></p>	
<p>Terry Leckie – Flow Systems Managing Director/Chief Executive Officer, GSW Director  Stephen McKewen – Flow Systems Chief Operating Officer, GSW Director  Steve Hall – Flow Systems Executive Manager Project Delivery (responsible for construction of the Scheme)  Andrew Horton – Flow Systems Executive Manager Operations (responsible for operation and maintenance of the Scheme)  Refer to Appendix 6.1.3(a) Position Descriptions (Key Personnel)</p>	
6.1.4	<p>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.</p>
<p>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.</p>	
<p><i>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)).</i></p>	
<p>Three of GSW's sister companies hold WICA network operator's licences including Central Park Water Pty Ltd (drinking water, recycled water and sewerage), Pitt Town Water Pty Ltd (recycled water and sewerage), Discovery Point Water Pty Ltd (recycled water and sewerage).  In addition, Flow Systems is of the understanding that IPART has recommended the granting of a network operator's licence for drinking water, recycled water and sewerage for Wyee Water Pty Ltd, another wholly-owned subsidiary of Flow Systems.  Flow Systems has delivered a fully commissioned and validated recycled water facility at Pitt Town and has received Ministerial consent to commence commercial operations for recycled water and sewerage. Flow Systems has also been granted Ministerial approval to commence commercial operation of drinking water and sewerage at Central Park.</p>	
6.1.5	<p>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?</p>
<p>Business systems may include but not be limited to quality assurance, asset management and environmental management systems.</p>	
<p><i>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)).</i></p>	
<p>GSW will have in place the following risk management systems to address regulatory requirements:</p> <ol style="list-style-type: none"> <li>1. Compliance and Risk Management Framework – this covers all relevant laws and regulations, as well as ensuring compliance with all relevant contractual arrangements in relation to the WRF. Reporting under management plans forms part of the Flow Systems Group external reporting framework. Reporting includes: <ol style="list-style-type: none"> <li>a. WIC Act (licences)</li> <li>b. BASIX (Planning)</li> <li>c. General Corporate (ASIC, tax, WHS etc.)</li> </ol> </li> </ol>	

<p>Refer to Appendix 6.1.5 Compliance and Risk Management Framework</p> <ol style="list-style-type: none"> <li>Legal – retention arrangements with Sparke Helmore to advise of changes in legislative and regulatory environment directly impacting the WRF.</li> <li>Asset Management – GSW will be using the Asset Management system employed by the Flow Systems Group (currently NetSuite).</li> <li>Workplace Health and Safety (WHS) – monitoring and managing WHS performance and recording any workplace incidents to ensure application of safety processes, procedures, consultation and training of all our employees and contractors.</li> </ol>	
<h2>6.2 Retail supplier</h2>	
<p>Only provide a response to the questions in the following section if the applicant corporation is seeking a <u>retail supplier's licence</u></p>	
<h3>6.2.1</h3>	
6.2.1	<p>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. <b>Provide an organisational diagram in Appendix 6.2.1.</b> The diagram should clearly show all entities that have an ownership interest in the applicant corporation.</p>
<p><i>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)).</i></p>	
<p>N/A</p>	
<h3>6.2.2</h3>	
6.2.2	<p>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.</p>
<p><i>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)).</i></p>	
<p>N/A</p>	
<h3>6.2.3</h3>	
6.2.3	<p>List the key personnel involved in the retail activities and summarise their required skills, qualifications and experience. <b>Provide a position description for each of the key personnel positions in Appendix 6.2.3.</b></p>
<p>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.</p>	
<p><i>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)).</i></p>	
<p>N/A</p>	
<h3>6.2.4</h3>	
6.2.4	<p>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.</p>
<p>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.</p>	

<i>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)).</i>	
N/A	
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.	
<i>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)).</i>	
N/A	

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## 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
<b>Retail supply licence only</b>	✓	✓	✓			
<b>Network operator licence</b>						
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 <sup>a</sup>	✓	✓	✓	✓	✓	✓

<sup>a</sup> 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. <b>Provide evidence of any financial guarantees or commitment of financial support in Appendix 7.1.1.</b>
<p>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:</p> <ul style="list-style-type: none"> <li>▼ the nature of finance (eg, bridging, long term, corporate debt, government funding)</li> <li>▼ type and limit of the facility</li> <li>▼ type and limit of any guarantee, and</li> <li>▼ terms and conditions.</li> </ul>	
Commercial in confidence	

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.
<p>Events and circumstances may include but are not limited to:</p> <ul style="list-style-type: none"> <li>▼ Government or other investigation of the applicant corporation or related entities</li> <li>▼ Contract terminated</li> <li>▼ 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</li> <li>▼ Any outstanding tax liabilities</li> <li>▼ Any other particulars which are likely to adversely affect the applicant corporation's capacity to undertake the services under the licence (if granted).</li> </ul>	
Commercial in confidence	
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). <b>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.</b>
If necessary, a longer period may be provided to demonstrate financial viability of the project.	
Commercial in confidence	
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?
The Council of the City of Sydney will own all of the water infrastructure outlined in this application.	
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)).	
N/A	

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.
No. Although GSW was incorporated on 23/04/2013, the legal contracts giving rise to the project engagement were not signed until 30/07/2013. Accordingly, it was not operational as at the last financial year end (30/06/2013).	
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 <b>Appendix 7.4.2</b> .
Please include any parent entity with more than 20 per cent of equity in the applicant corporation.	
Commercial in confidence	
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 <b>Appendix 7.4.3</b> .
Commercial in confidence	
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 <b>Appendix 7.4.4(a)</b> . Provide financial statements for the last 3 years in <b>Appendix 7.4.4(b)</b> . Where the latest annual financial statements are more than 3 months old, provide the latest available management reports showing: <ul style="list-style-type: none"> <li>▼ a trading statement</li> <li>▼ a profit and loss statement, and</li> <li>▼ a trial balance.</li> </ul>
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)	
Not applicable (ie. the applicant is a new corporation having been incorporated on 23/04/2013 – Refer section 7.4.1).	
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 <b>Appendix 7.3.6</b> .
N/A	
7.4.6	Provide details of the applicant corporation's debt/equity finance and any debt covenants on existing borrowings.
Commercial in confidence	

<b>7.5    Contacts</b>	
7.5.1	Does the applicant corporation have an accountant? If yes, what are the accountant's contact details?
Yes Jeff Charge, Partner Charge Thoo & Co	
7.5.2	Does the applicant corporation have an external auditor? If yes, what are the external auditor's contact details?
No	
7.5.4	If required, may we contact the accountant and/or external auditor registered taxation agent to clarify any information provided?
Yes	
<b>7.6    Internal accounting records</b>	
7.6.1	Provide bank reconciliations, aged accounts receivable reports, and aged accounts payable reports in <b>Appendix 7.6.1</b> at the dates of: <ul style="list-style-type: none"> <li>▼ The latest management accounting reports (if applicable) and annual financial statements</li> <li>▼ 30 September (most recent)</li> <li>▼ 31 December (most recent)</li> <li>▼ 31 March (most recent), and</li> <li>▼ 30 June (most recent)</li> </ul> for the applicant corporation.
Commercial in confidence	
7.6.2	Provide an extract of the superannuation payable ledger in <b>Appendix 7.6.2</b> for: <ul style="list-style-type: none"> <li>▼ The 12 months ending on the date of the latest annual financial statements, and</li> <li>▼ 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)</li> </ul> for the applicant corporation
Commercial in confidence	
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 <b>Appendix 7.6.3</b> .
Commercial in confidence	

## 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; 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.

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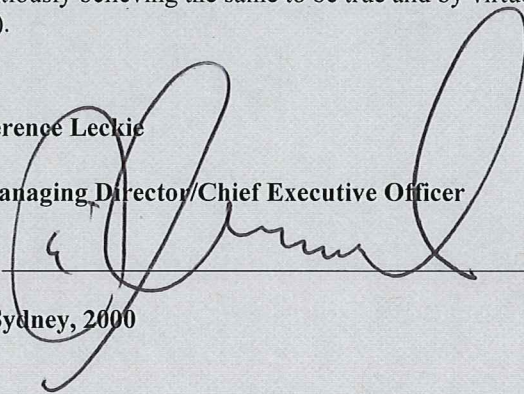
I, do solemnly and sincerely declare that:

1. I am Chief Executive Officer 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 person making the declaration: **Terence Leckie**

Title of person making the application: **Managing Director/Chief Executive Officer**

Signature of person making the declaration: 

Declared at: **Level 2, One Alfred Street, Sydney, 2000**

On: **2 April 2014**

In the presence of

**Jonathan Gunn**


Title of witness: **Solicitor of the Supreme Court of NSW**

NSW Law Society Number: **11246**

Address of witness: **Level 16, 321 Kent St, Sydney NSW 2000**

And as a witness, I certify the following matters concerning the person who made this declaration:

1. I saw the face of the person.
2. I have confirmed the person's identity using the following identification document:  
current driver's license.

Signature of witness: 



I, do solemnly and sincerely declare that:

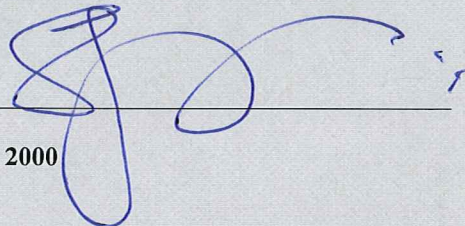
1. I am a Director of the applicant (named in the application form accompanying this declaration);
2. the information provided in this application is true and correct to the best of my knowledge;
3. I am aware of the requirements under the *Water Industry Competition Act 2006* (NSW) (WIC Act) for the 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 person making the declaration: **Stephen McKewen**

Title of person making the application: **Director**

Signature of person making the declaration: \_\_\_\_\_



Declared at: **Level 2, One Alfred Street, Sydney, 2000**

On: **2 April 2014**

In the presence of

**Jonathan Gunn**

Title of witness: **Solicitor of the Supreme Court of NSW**


**NSW Law Society Number: 11246**

Address of witness: **Level 16, 321 Kent St, Sydney NSW 2000**

**And as a witness, I certify the following matters concerning the person who made this declaration:**

1. I saw the face of the person.
2. I have confirmed the person's identity using the following identification document:  
current driver's license.

Signature of witness: \_\_\_\_\_



## 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.

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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: **Terence Leckie**

Title of person making the acknowledgement: **Managing Director/Chief Executive Officer**

On: **2 April 2014**

Signature of person making the acknowledgement: \_\_\_\_\_

Name of person making the acknowledgement: **Stephen J McKewen**

Title of person making the acknowledgement: **Director**

On: **2 April 2014**

Signature of person making the acknowledgement: \_\_\_\_\_