



Application Form

Retail Supplier

Water Industry Competition Act 2006

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Application Form – Retail Supplier

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

Who should complete this form?

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

What do you need to complete this form?

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

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

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

In general, IPART would also encourage you to discuss your licence application form and obtain assistance from the Utility Licensing team *prior* to formally submitting your application. Once we receive your application, we will assign you a Contact Officer, who will manage your application and remain in contact with you throughout the process.

Is there an application fee?

Yes, there is a fee of \$2,500 per licence application. If you are applying for both a Network Operator's Licence and Retail Supplier's Licence, the fee will be \$5,000.

How do you submit the application?

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

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

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The application should include:

- ▼ one hard copy and one electronic copy of the completed application form and supporting documentation, and
- ▼ the appropriate licence application fee either by cheque made payable to the Independent Pricing and Regulatory Tribunal of NSW or by electronic transfer to:

Westpac Banking Corporation

BSB: 032-001

Account No: 205717

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

Confidential information

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

Where confidentiality is agreed with IPART, applicants should provide separate confidential and public copies of their application. In particular, applicants should provide:

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

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

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

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

Part 1: Introduction

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

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

1(a) What type of retail supplier's licence are you applying for?

Tick the applicable box(es) below.

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

1(b) Who is the applicant?

Corporation Name	AquaNet Sydney Pty Limited (AquaNet)
ABN	11 131 235 124
Place of Incorporation	Mount Waverley VIC 3149
Address of Applicant's Registered Office	321 Ferntree Gully Road Mount Waverley VIC 3149
Address of Principal Place of Business (if different from Registered Office)	Level 14 1 O'Connell Street Sydney NSW 2000

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The context of this application is described in the Introduction attached as Appendix 1.

1(c) Who manages the applicant corporation?

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

Full name	Paul John ADAMS
Title	Director of SPI (Australia) Assets Pty Ltd (SPIAA) and Managing Director of Jemena Limited (Jemena) Director of the Applicant
Date of birth	25 April 1964
Residential address	10 Stornoway Road, Camberwell VIC 3124

Full name	LIM Howe Run
Title	Director of SPIAA and Deputy Managing Director of Jemena Director of the Applicant
Date of birth	14 September 1965
Residential address	42 Tidcombe Crescent, Doncaster East VIC 3109

Full name	LIM Lay Hong
Title	Director of Jemena and the Applicant Alternate director of SPIAA (alternate for YAP Chee Keong)
Date of birth	25 April 1957
Residential address	15 Taman Permata, Singapore 575138, Singapore

Details of the Directors of SPIAA and Jemena are provided in Appendix 2 as additional information.

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

Contact Person	Linda Gyzen
Title	General Manager AquaNet and SPI Rosehill Network Pty Limited (SPIRN)
Role	General Manager
Postal Address	Locked Bag 5001 Royal Exchange
State / Postcode	NSW 1225
Business Telephone Number	02 9270 4527
Mobile Telephone Number	0402 060 560
Fax Number	02 9270 4501
Email Address	linda.gyzen@jemena.com.au

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

On administrative matters relating to the application please contact:

Warwick Tudehope
Manager Network Regulation and Compliance
Jemena
Locked Bag 5001
Royal Exchange NSW 1225
Phone: 02 9270 4551
Email: warwick.tudehope@jemena.com.au

1(e) Are any third parties providing services in relation to the activities to be authorised under the licence?

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

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Name of third party	Address	Contact person	Describe the services provided by the third party	Describe the arrangements with the third party
Sydney Water Corporation (Sydney Water)	1 Smith St Parramatta, 2150	Ian Hammerton 02 8849 6124	Sydney Water will supply effluent as feedstock to the recycled water plant and purchase recycled water on behalf of seven foundation customers.	Project Agreement under which Sydney Water will supply effluent as feedstock to the recycled water plant and purchase recycled water for supply to seven foundation customers.
Jemena	Level 14, 1 O'Connell Street, Sydney, 2000	Linda Gyzen 02 9270 4527	Provision of financial, data management, customer management and marketing services as required by the Applicant.	Finance, legal, regulatory and market support teams within Jemena are set up to support all the business areas within the Jemena Group including the Applicant.
SPIRN	Level 14, 1 O'Connell Street, Sydney, 2000	Linda Gyzen 02 9270 4527	Construction, ownership and operation of the recycled water network	Pipelines Agreement under which the Applicant will pay SRIRN to deliver water to the 7 Foundation Customers and the Applicant's customers. SPIRN has been granted a Network Operator's Licence (No 09-002) authorising it to undertake the activities in this agreement.
Veolia Water Australia Pty Limited (Veolia)	Level 4, Bay Centre, 65 Pirrama Rd, Pyrmont NSW 2009	Phil Narezzi 02 8571 0222	Construction, ownership and operation of the recycled water treatment plant	Plant Agreement under which the Applicant will purchase recycled water from Veolia. Veolia has been granted a Network Operator's licence (No 09-001) authorising it to undertake the activities under this agreement.

The initial operating term of the Pipelines and Plant Agreements is 20 years. However, the technical and economic lives of the plant and network will be longer than 20 years and AquaNet expects that operations will continue beyond 20 years.

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1(f) What retail activity is to be licensed?

Describe the nature of the activity to be licensed	The applicant seeks a Retail Supplier's licence to supply high quality recycled water to industrial, commercial and residential customers for non potable use by way of the Rosehill Recycled Water Scheme (Rosehill Scheme).
Briefly describe the type of infrastructure that will be supplying the water and/or providing the sewerage services, including: <ul style="list-style-type: none"> ■ purpose for which the infrastructure will be used ■ expected capacity of infrastructure 	<p>In the Rosehill Scheme, recycled water will be produced by Veolia in a plant to be built at Fairfield. The plant will use micro filtration and reverse osmosis processes to treat secondary treated effluent extracted from the Liverpool to Ashfield Pipeline (LAP) owned and operated by Sydney Water. The recycled water will then be distributed from the plant to customers via a pipe network to be constructed, owned and operated by SPIRN.</p> <p>In the Rosehill Scheme, the infrastructure will be used to produce and supply high quality recycled water to customers. The Plant is designed for an initial treated water output of 20ML per day and can be expanded to deliver 25ML per day as demand is confirmed.</p> <p>The network has been designed to deliver 28ML per day and will be extended beyond the foundation network to other customers as demand is confirmed.</p>
When is supply/service expected to commence?	Supply to customers is scheduled to commence in mid 2011. Supply to customers on the expanded areas of the network is expected to commence progressively from late 2011 to approximately 2013.

1(g) Where will the activity be located and who are the customers?

Describe where the activity to be licensed will be located	In the Local Government Areas (LGA) of Auburn, Bankstown, Fairfield, Holroyd, Liverpool and Parramatta
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i. Provide details on customers/end users in the table below

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Type of customers (eg, commercial, industrial, agricultural, residential)	For each type of customer/end user describe how the water will be used	Location of customers	Number of Customers	Expected Demand (KL/day)
Industrial and manufacturing	Product manufacture, cooling towers make-up, fire fighting	Auburn, Bankstown, Fairfield, Holroyd, Liverpool and Parramatta	20-40	17000
Irrigation	Irrigation	Auburn, Bankstown, Fairfield, Holroyd, Liverpool and Parramatta	5-20	1000
Residential Housing Developers	Garden irrigation, fire fighting, toilet flushing, clothes washing, car washing, external wash down	Auburn, Bankstown, Fairfield, Holroyd, Liverpool and Parramatta	2000-4000	2000

The Project Agreement with Sydney Water provides for recycled water to be delivered to the premises of seven foundation customers with capacity to meet their peak demand requirements for up to three consecutive peak days. The seven foundation customers include six major industrial/manufacturing customers and an irrigation customer. The first priority of the network is to meet the contracted levels of service to the foundation customers.

AquaNet will also supply non-foundation customers along the route of the initial 20km network and in the planned expansion areas of Parramatta/Westmead, Wetherill Park/Bonnyrigg and Liverpool on an interruptible basis.

The foundation customers and identified prospective customers in the three planned expansion phases for the Rosehill Scheme are located within the Bankstown, Fairfield, Holroyd, Liverpool, and Parramatta LGAs. The foundation network will also run very close to the Auburn LGA and, while current plans do not include an extension to Auburn, there are potential customers in that LGA. Accordingly, the Applicant seeks a licence area defined as the Auburn, Bankstown, Fairfield, Holroyd, Liverpool, and Parramatta Local Government Areas.

AquaNet intends to focus on supplying industrial, commercial and irrigation customers as well as new developments (including new residential developments) that are dual piped for recycled water use from the expanded network.

Please provide documentary evidence or outline any discussions or agreements you have or intend to have with intended customers/end users for the supply of water or sewerage services in an Appendix.

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Details of discussions with customers are included in Appendix 3.

Provide a map of the area of operation

Attach a map of the area of operations for the activities to be licensed in an Appendix. The map should identify the infrastructure being used to supply water or sewerage services and the location of customers or end user(s).

A map of the area of operations is provided in Appendix 4

ii. Supply to small retail customers

<p>Are any of your customers “small retail customers” within the meaning of clause 5 of the General Regulation? If yes, please provide details.</p>	<p>Yes. All customers involved in the initial stages of the Rosehill Scheme are medium to large commercial and industrial users of water. AquaNet expects to supply small residential customers in areas such as Bonnyrigg and Parramatta as the Rosehill Scheme is expanded.</p>
<p>Describe the arrangements you have made, or will make, to join an approved ombudsman scheme</p>	<p>Jemena is a member of Energy & Water Ombudsman NSW (EWON) for gas supply and AquaNet expects to join as a water supplier at the appropriate time. Jemena has an existing procedure for prompt complaint resolution through EWON. The procedure will be modified to include a water complaint procedure that is consistent with ombudsman requirements, recycled water supply agreements and regulatory requirements.</p>

1(h) Contestable or Monopoly supply

<p>Will the supply of water and/ or sewerage services to customers be contestable or subject to monopoly supply?</p>	<p>Recycled water supply through the Rosehill Scheme competes with other potable, stormwater and recycling solutions including site specific recycling and stormwater options.</p>
<p>If you are a monopoly supplier, specify the water supply or sewerage service, the area, and class of customers.</p>	<p>In residential situations, if the developer chooses the Rosehill Scheme as the most effective supply option in meeting the water savings obligations under BASIX, residential properties will be dual piped for recycled water use for toilet flushing, irrigation and laundry use. Whether AquaNet is a monopoly supplier in any particular circumstance will depend on the particular characteristics of the retail arrangements.</p>

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

<p>Provide a list of each licensed network operator or public water utility from whose water or sewerage infrastructure the applicant will supply water or sewerage services to its customers</p>	<p>The Rosehill Scheme will supply recycled water produced by Veolia and delivered through infrastructure owned and operated by SPIRN. Veolia and SPIRN both hold Network Operator's Licences.</p> <p>The recycled water will be produced from secondary treated effluent drawn from Sydney Water's LAP. Back-up potable water will also be provided by Sydney Water.</p>
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Please provide documentary evidence or outline of any agreements that you have obtained or intend to obtain to access water or sewerage services infrastructure to meet your anticipated customer needs in an Appendix.

An outline of the agreements is included in Appendix 5.

1(j) Quantity and Quality of Water or Sewage

<p>If applicable, what amount of the water is from a public water utility, and what amount is from other source(s)?</p>	<p>Under normal operations, all of the recycled water supplied from the Rosehill Scheme will be derived from private sector processing of secondary treated effluent extracted from the LAP. There is provision in the Project Agreement for Sydney Water to supply potable water to the network (referred to as top-up water) at times of peak demand and in emergencies.</p> <p>AquaNet will supply recycled water to Sydney Water for onward supply to foundation customers. Those customers will account for 60% of the initial infrastructure capacity.</p> <p>AquaNet will supply non-foundation customers utilising the remaining 40% of system capacity on an interruptible basis. Some customers will be interrupted in times of peak demand to maintain supply to foundation customers. When customers are interrupted they will revert to their existing potable water source.</p> <p>AquaNet expects to be able to supply all non-foundation customer demand more than 90 per cent of the time. This will be confirmed after a period of operation and patterns of water usage are established.</p>
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Describe each source from which the water or sewage is derived.	Source1: High quality recycled water from the Rosehill Scheme Source 2: Potable water supplied by Sydney Water
For each source of water identified above, describe the quality of water and whether the end use of the water is appropriate.	Source 1: The recycled water specification forms part of Appendix 6 Acceptable uses as recommended by “The Australian Water Recycling Guidelines: Managing Health and Environmental Risks (2006)”are: -residential garden watering, car washing, toilet flushing and clothes washing and general washing down; - irrigation for urban recreational and open space, and agriculture and horticulture; - fire protection and fire fighting systems; - industrial uses, including cooling water and boiler feed; Source 2: Sydney Water potable water quality as published regularly by Sydney Water
If the capacity of the water or sewage source(s) is known, what is the capacity of the source(s) as total daily volumetric flow rate (KL per day) and as average and peak demand flow rate?	The LAP has the capacity to transport 150ML/day of secondary treated effluent. The initial stage of the Rosehill Scheme requires 32ML/day of secondary treated effluent which is well within the capacity available in the LAP.
What is the expected extraction rate from the source(s) (KL/day)?	The extraction rate of effluent is 32ML/day. Due to the diurnal variation of the flows in the LAP, a 3ML effluent storage tank is included in the plant design to ensure that the plant can continue to operate at times of low flow.
How, and for how long, has access to the water or sewage source(s) been secured? (ML=Mega Litres or 1000KL)	By clause 16 of the Project Agreement between Sydney Water and AquaNet, on completion of the construction phase, AquaNet is entitled to extract up to 32 ML per 24 hour period of secondary treated effluent from the LAP for the purposes of producing and supplying recycled water to foundation customers and additional customers. This arrangement provides sufficient effluent to produce 20 ML per day of recycled water and has a term of 20 years. Beyond the 20 year term, while AquaNet is still utilising the effluent, extraction entitlements will remain through clause 3.3 of Sydney Water’s Sewer Mining Policy which states that, unless extraction is discontinued for a continuous period of 2 years, ‘when advising future applicants on the availability of sewage in a particular sewerage system, Sydney Water will acknowledge and honour its existing commitments, including other sewer mining operations.’ AquaNet has discussed with Sydney Water the potential

requirement for additional effluent as the recycled water market develops and it becomes viable to expand the Plant output capacity to 25 ML per day and will approach Sydney Water about securing access to the additional effluent in the planning stage of any expansion of the plant capacity.

Please provide documentary evidence or outline any discussions or agreements that you have had or made with the party supplying the water or sewage source, in an Appendix.

An extract of the recycled water quality component of the Project Agreement between AquaNet and Sydney Water is included in Appendix 6.

1(k) Public Interest Considerations

- i. How does your proposed activity meet the following principles (if applicable), as set out in section 7 of the WIC Act?**

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

AquaNet recognises that protection of public health, the environment, public safety and consumers are critical to the maintenance of public and consumer:

- confidence in utility services of the type that AquaNet proposes to provide; and
- acceptance of AquaNet as a provider of those services.

Public health

The principal risk to public health from the Rosehill Scheme is the possibility of misuse of or exposure to the water to be supplied by AquaNet. This risk will be managed as follows:

- The water to be reticulated is of very high quality and poses a very low health risk. The quality specification agreed between AquaNet and Sydney Water has been set to meet the demanding requirements of the foundation customers to be served by the Rosehill Scheme.
- Water supply agreements will include agreement by the customers to use recycled water supplied by AquaNet only for specified "Permitted Uses".
- Through the design and operation of the plant and the network, AquaNet has a multi barrier approach to ensuring that water that does not meet the recycled water quality specification will not be supplied to customers.

The Environment

The Rosehill Scheme has been approved under Part 3A of the Environmental Protection and Assessment Act 1979 and will be implemented in accordance with the conditions that are imposed with that approval. The Applicant's current assessment is that no licence will be required under the *Protection of the Environment Operations Act 1997* as we are not disposing of the water directly into the environment.

Public Safety

The retail supplier activities undertaken by AquaNet are unlikely to pose a risk to public safety except in the area of public health, which is addressed above.

Consumers

AquaNet will operate under Operating Protocols that will be agreed with Sydney Water and with non-foundation customers and will form part of the recycled water supply agreements. The operating protocols will include communication relating to supply issues, site access and

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	data exchange arrangements.
The encouragement of competition in the supply of water and the provision of sewerage services	Recycled Water from the Rosehill Scheme will increase competition by providing a cost competitive alternative to potable water, and a reliable, quality alternative to on-site recycled water and stormwater projects.
The ensuring of sustainability of water resources	<p>The water to be distributed via the Rosehill Scheme will:</p> <ul style="list-style-type: none"> • for the most part⁵, be derived from treated sewage that would otherwise be discharged to the ocean and • in most instances⁶, be used in direct substitution for potable water that would otherwise be supplied by Sydney Water. <p>Treated sewage is a sustainable resource. By reducing consumption of potable water, the Scheme will result in additional supplies of potable water being available from conventional sources for consumption or for environmental flows</p>
The promotion of production and use of recycled water	The Rosehill Scheme is a water recycling scheme. Importantly, the scheme involves large scale centralised production of recycled water and delivery via a distribution network that can be extended to new areas and expanded to meet demand growth as opportunities arise. Once established, a network can connect consumers on its route that would not otherwise have access to recycled water. It is AquaNet's intention to expand and extend the network over time where it is economic to do so.

⁵ The Project Agreement provides for a back-up supply of potable water (from Sydney Water) for foundation customers to cover shortfalls in the supply of recycled water. There is also provision for Sydney Water to supply potable water as a top-up supply at the two reservoirs on the network. It is AquaNet's intention to minimise or avoid use of this top up supply because of the cost penalty involved.

⁶ With respect to irrigation, recycled water may substitute for water from other sources or may contribute to an increase in total water consumption.

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

If so, discuss these other considerations in relation to the activity	The Rosehill Scheme will replace up to 7 billion litres of potable water per annum and forms part of the NSW Government's 2006 Metropolitan Water Plan.
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1(m) Stakeholder Considerations

Describe the stakeholder	In developing the Rosehill Scheme, AquaNet has consulted with Sydney Water, potential recycled water users, local
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consultation processes you have undertaken (if any) and any future public and government consultation that will be undertaken

councils, IPART, the NSW Department of Planning and the NSW Department of Water and Energy.

More recently, AquaNet has consulted widely with the local community, local businesses and Government agencies to investigate any issues that could arise during construction of the Rosehill Scheme and to work to minimise those impacts. Community consultation will continue throughout the construction phase and will include regular community newsletters, a 24 hour community contact line, a translation and interpreter service and a dedicated web site providing up to date information about the scheme's progress.

<http://www.rosehillrecycledwaterscheme.com.au>

AquaNet continues to develop and maintain relationships with potential recycled water users and is looking to finalise recycled water sales agreements with these non-foundation customers during the construction phase of the Rosehill Scheme. AquaNet has established a web site to provide information on the Scheme for potential customers.

www.aquanetsydney.com.au

AquaNet is also promoting the Rosehill Scheme within the water industry through conference papers and articles.

1(n) Additional information (optional)

Is there any additional information you believe is relevant to your licence application that you have not already provided in response to any other question in this application form?

If so, please provide this information here

A general description of the Rosehill Scheme and the context of this application are provided in Appendix 1.

Part 2: Technical Capacity

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

You must attach any additional information or supporting documentation in response to a question in the Application Form in an Appendix referenced Appendix A, B, C etc, with a title corresponding to the question. For example, your response to question 2(a) would be titled "Appendix X - Do you have prior experience in the water industry/utility retailing?".

2(a) Do you have prior experience in the water industry /utility retailing?

Describe your corporation's water industry/ utility retailing experience, both in Australia and overseas

The Applicant is part of the Jemena Group which is an established and experienced owner, manager and operator of infrastructure in the gas and electricity industries. The Jemena Group owns manages and operates or provides asset management and operational services to electricity distribution networks in Victoria; gas transmission pipelines in Victoria, NSW and Queensland; and gas distribution networks in NSW the ACT and Victoria. Further information is provided in Appendix 7.

In providing these asset management and operational services, Jemena has in place systems and processes for meter reading, billing and customer response for a market of over 2 million gas and electricity consumers.

Also the Jemena Group has had considerable success and extensive experience in marketing a discretionary energy product (natural gas). AquaNet will utilise this expertise to develop the recycled water market.

Utilising this capability, AquaNet has already spent three years gaining support for the Rosehill Scheme from major developers, councils and businesses in the network area and has secured funding from DECC (pursuant to terms that are currently being finalised) on behalf of 22 recycled water customers for the internal capital works that they will need to undertake to utilise recycled water.

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Describe the knowledge, expertise, qualifications and experience of key personnel involved in the operation and management of a utility retailing business

Linda Gyzen – General Manager

Linda is a Chemical Engineer with 25 years experience in commercial asset management roles (revenue management, growth investment and transportation agreements) for energy infrastructure assets.

Linda's utility retailing experience in the gas industry includes 3 years in industrial sales, responsibility for securing and maintaining natural gas supply agreements with 500 large industrial users, establishment and operation of gas appliance retail stores, and management of new homes, residential and industrial and commercial sales teams.

Linda has spent the last four years developing the Rosehill Scheme, including coordination of the bids to Sydney Water, commercial negotiations and taking responsibility for all stakeholders.

Colin Thompson – Business Manager

Colin is an Industrial Chemist with 28 years experience selling explosives to mining and construction companies as well as various types of research. He has run businesses in PNG and was general manager for the first Joint Venture in the Chinese explosive industry. This joint venture was established in the Chinese, Taiwan, Korean and Japanese markets from a zero base and is a major supplier to the Australian Mining industry.

Further information is included in Appendix 7.

2(b) Management systems

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

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<p>Describe your corporation's customer service policy, protocols and/or how you will ensure an appropriate standard of customer service</p>	<p>The Jemena Group has a long history of providing gas and electricity to millions of gas and electricity consumers and dealing with any complaints that supply generates.</p> <p>AquaNet will develop operating protocols with its recycled water customers to ensure that there is proactive notification of outages, quality events and maintenance where the customer is affected.</p> <p>AquaNet will also utilise the existing Jemena 24 hour call centre and emergency response facilities to respond to customer issues.</p>
<p>Outline your process for establishing and maintaining customer accounts</p>	<p>Jemena is responsible for collecting and maintaining energy usage information and site details for more than 2 million gas and electricity consumers.</p> <p>This capability will be utilised for establishing and maintaining accounts for the Applicant's recycled water customers.</p>
<p>Briefly describe your billing and collections process and systems</p>	<p>Recycled water meters will be read to assess water usage over a month or quarterly period, depending on the size of the customer. Invoicing will then be triggered and payment will be due in 30 days.</p> <p>Delinquent accounts will be followed up monthly, with interest charged on overdue amounts.</p>
<p>Describe the arrangements you have made or propose to make in relation to complaint and debt recovery procedures</p>	<p>Interest will be charged on outstanding debts. Delinquent accounts will be pursued for payment and if necessary, recycled water supply will be restricted to a level that will allow basic hygiene to be maintained eg for toilet flushing.</p> <p>Jemena has existing processes for dealing with customer complaints and debt recovery. The processes have been designed to be consistent with existing energy supply arrangements and requirements and will be modified to take into account AquaNet's recycled water supply agreements and the requirements of the Water Industry Competition (General) Regulation 2008.</p>
<p>Describe the arrangements you have made or propose to make in relation to any marketing activities</p>	<p>Marketing activities will primarily be by direct communication with potential customers. AquaNet will also work with developers of dual piped developments to supply recycled water where appropriate. Other planned activities include AquaNet's website, customer events, press releases and conference papers.</p>
<p>Describe the arrangements you have made or propose to make for meter reading</p>	<p>For larger industrial and commercial users, smart meters will be used. These monitor water usage continuously, collate the data into 15 minute averages and are read automatically every 24 hours. Smart meters will allow AquaNet to track water usage against the customer agreement and (in the case of non-foundation customers) curtail or interrupt supply to give priority to foundation customers. The customer agreements will allow AquaNet to access meters for</p>

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	<p>maintenance if required. Meters can be read manually if required.</p> <p>For smaller users, standard residential meters and quarterly meter reading arrangements will be utilised.</p>
<p>Describe any quality assurance systems, processes and certifications that you have implemented or obtained. Copies of Quality Assurance Certification should be provided where applicable</p>	<p>The Jemena Asset Management Quality Policy is included in Appendix 8.</p> <p>Key areas for quality assurance for the Rosehill Scheme include recycled water quality, quality of monitoring equipment and metering accuracy.</p> <p>Recycled water quality will be assured using a multi barrier approach:</p> <ul style="list-style-type: none"> • Effluent into the plant will be continuously monitored in the LAP to ensure that it meets the specification that the Plant has been designed to treat. Supply of effluent will be stopped if it is out of specification. • The recycled water produced at the Plant will be continuously monitored in the Plant against an established specification for quality, before being pumped to the onsite storage reservoir. • Recycled water quality will again be monitored before being pumped from that reservoir into the distribution network and again at the outlets of remote storage reservoirs. <p>All data will be logged in the Jemena SCADA system, which will be programmed to shut down the distribution system if the water doesn't meet the required quality specification. SCADA is also used for reporting historical quality performance. Water samples will be sent to an external NATA approved laboratory for evaluation to confirm quality and onsite monitoring accuracy.</p> <p>All instrumentation will be calibrated against the manufacturers' recommendation. Records will be kept of the frequency of calibration and the performance of instrumentation tested.</p> <p>Customer recycled water meters will be calibrated and maintained according to the relevant standard.</p>

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

<p>What procedures have you implemented (or will you implement) to manage communication with other service providers?</p>	<p>The service providers that will be involved in delivering the Rosehill Scheme are Sydney Water, AquaNet, SPIRN and Veolia. The relationships between them are governed by the Project Agreement, the Plant Agreement and the Pipelines Agreement described in the response to Question 1(e). Those agreements include detailed provisions for managing the interface between the parties, for the delivery of notices, and the management of claims and settlement of disputes. For example, the Project Agreement provides for the establishment of a Project Control Group. The Project Control Group is made up of representatives from Sydney Water, Veolia, SPIRN, AquaNet and an Independent Verifier, and will meet monthly until commissioning and quarterly thereafter. The purpose of the Group is to monitor and review the progress of the Rosehill Scheme, including to:</p> <ul style="list-style-type: none"> • assist in the resolution of any special matters referred to the Group by a Party; • monitor the progress of AquaNet's work; • monitor the operational performance of AquaNet and review issues associated with compliance with operational protocols; and • review all progress reports provided in accordance with the agreements, the service delivery outcome specification and the management plans. <p>AquaNet has also established an AquaNet Project Control Group comprising representatives from AquaNet, Veolia and SPIRN to oversee HS&E, construction and operating performance, progress against the construction timeline and manage interface issues.</p> <p>Communication Protocols are being written to ensure that communications between the parties and with customers are well co-ordinated and clearly understood.</p>
<p>Describe your dispute management protocol or proposed arrangements with other service providers</p>	<p>The Project Agreement spells out the processes to be followed in the case of a dispute.</p> <p>If agreement cannot be reached between the parties, then the negotiation can be escalated to be resolved between the CEOs of Sydney Water and the Applicant.</p> <p>An independent verifier has also been appointed to ensure that the Rosehill Scheme is being delivered in accordance with the agreements between the parties.</p>

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

iii. What business systems are in place (or will be implemented) to ensure you and any third party contractor can comply with the Retail Supplier's Licence obligations?

Outline in a Compliance Plan the procedures and business systems that are in place (or will be implemented) to manage compliance with regulatory requirements under your licence

Jemena has an overarching policy on Compliance with the Law which opens with the following statement:

“SPI (Australia) Assets Pty Ltd (Jemena) operates within an environment of demanding and sometimes complex, legal and regulatory obligations. Jemena is committed to conducting all its business operations and dealings in full compliance with the law and to ensuring that all Jemena personnel understand its compliance requirements. To deliver on this commitment we will:

- establish and maintain governance structures and compliance management systems that are commensurate with the nature of the obligations and associated compliance risks; and
- foster and maintain a culture that values and supports compliance through strong leadership, participation, training and development.”

The complete policy is reproduced in Appendix 8.

As part of Jemena, the AquaNet supports and is bound by this policy.

Jemena already owns manages and operates or provides asset management and operational services to a number of infrastructure operations in Victoria, NSW, Queensland, the ACT. All of these operations are conducted under licence or authorisation and all are subject to extensive industry-specific legislation and regulation. Taken together, the industry-specific obligations that apply to Jemena's operations number in the thousands.

Jemena has established compliance management systems that can be readily adapted and scaled to manage the additional obligations that will attach to a Retail Supplier's licence under the WIC Act and to the activities authorised by the licence. In general terms these systems have been developed with reference to AS3806 and involve:

- monitoring the regulatory environment and recording applicable obligations in a register¹
- assigning responsibility for managing compliance with each obligation to the relevant manager(s) in the operating divisions of the business
- monitoring compliance performance including requiring periodic assurances as to compliance from responsible managers
- managing periodic audits and reviews of compliance and compliance systems. In some cases reviews may

¹ Jemena has recently invested in the SAI Global Toolkit application to support compliance management

be initiated externally by a regulator, or required by regulation (such as audits of safety and operating plans)

- coordinating the preparation of internal and external reports
- receiving, investigating and responding to complaints and reports of compliance incidents (including suspected breaches).

Two groups are involved in the administration of compliance with industry-specific regulation:

- The Technical Compliance group is responsible for administering systems for compliance with technical, safety and environmental obligations that relate directly to the assets owned and/or managed by Jemena. This encompasses obligations related to asset operation and maintenance, asset safety, public safety, and incident management. A large part of the Technical Compliance group's work involves overseeing the preparation and implementation of safety and operating plans. The Technical Compliance group also manages asset-related environmental requirements such as the preparation and implementation of environmental management plans.
- The Regulatory Compliance group is responsible for administering systems for compliance with obligations relating to the economic regulation of assets and service quality, and obligations that define the relationships between infrastructure operators and energy markets, market participants and consumers.

In addition, the two compliance groups:

- provide advice and support to operating divisions in:
- understanding obligations
- developing and delivering training and
- implementing processes to ensure compliance
- maintain relationships with stakeholders including asset owners and regulators
- participate in consultation processes on regulatory change.

Jemena's Health Safety Environment and Quality Department coordinates compliance with Occupational Health and Safety legislation as it applies to employees and contractors engaged by Jemena, and certain aspects of Environmental legislation such as greenhouse and emissions reduction legislation and schemes.

2(c) Contingency arrangements for supply of water or provision of sewerage services

<p>List the events and circumstances that could adversely affect your ability to supply water or provide sewerage services</p>	<p>Recycled water supply could be adversely affected by plant outage due to unavailable/off specification feed, Plant performance upsets and force majeure events such as protracted power outages or third party hits to the network.</p>
<p>What is the probability of the occurrence of any such event or circumstance?</p>	<p>The probability of events and circumstances affecting the applicant's ability to supply water is low.</p> <p>With the mitigation measures that are incorporated into the design and operation of the Rosehill Scheme, supply interruptions are expected to be rare for foundation customers. AquaNet expects to be able to supply all non-foundation customer demand at least 90% of the time</p> <p>Arrangements with Sydney Water for potable water back-up will ensure that interruption of recycled water supply will not adversely affect customers.</p>
<p>What measures are to be implemented to prevent the occurrence or minimise the effect of any such event or circumstance?</p>	<p>The Plant design includes a 3ML on-site influent storage tank and 9ML of recycled water storage to minimise the effect of Plant outages.</p> <p>The Plant consists of known technology. The detailed design of the Plant will take into account results obtained from the operation of a pilot plant. Plant performance will be constantly monitored. The process requires multiple component units and can operate with some units isolated for maintenance or replacement. The plant will also undergo regular automatic cleaning to maintain performance.</p> <p>Power supply has been highly reliable (Government data suggests 99.9%). The network holds 12 hours supply of water and top-up potable water can be provided to ensure reliability of supply in the 0.1% of situations where power is not available. There will be provision for back up power to be provided at the plant and network pumping stations in the event of a protracted outage.</p> <p>The network will be registered as part of the Dial Before You Dig program to minimise the occurrence of third party damage.</p> <p>Jemena will address the 12 elements of the framework detailed in the Australian Guidelines for Water Recycling to ensure that the appropriate risk management approach for the Rosehill Scheme is implemented. In the meantime, a preliminary risk assessment and HACCP analysis are attached in Appendix 9.</p>
<p>What arrangements are to be</p>	<p>There will be 6.5ML of storage within the network which,</p>

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implemented to secure alternative water supplies or sewerage services in response to any such event or circumstance?

together with customers' on-site storage and/or potable water supplies will cover periods of supply interruption from the Plant.

Customers will also maintain their existing potable water supply arrangements with Sydney Water.

For supply to residential areas, the Applicant will arrange potable water back-up with Sydney Water at the entry point to the area rather than to each individual property.

Part 3: Organisational Structure and Capacity

You must attach any additional information or supporting documentation in response to a question in the Application Form in an Appendix referenced Appendix A, B, C etc, with a title corresponding to the question. For example, your response to question 3(b) would be titled "Appendix X - What is the structure of the applicant corporation?".

3(a) Are you a disqualified corporation?

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

If no, please complete the statutory declarations at Part 5 of this application form stating that the applicant corporation is not a disqualified corporation and that no director or person concerned in the management of the applicant corporation is or would be a disqualified individual within the meaning of the WIC Act. Unless agreed otherwise with IPART, the statutory declarations should be made by the Chief Executive Officer and a director of the applicant corporation (or where this is not possible, one statutory declaration can be provided by the sole director and Chief Executive Officer).

The answer "No" above is qualified as follows: The Applicant has not been declared by the Minister under section 16(1)(e) of the WIC Act to be a disqualified corporation and does not have any director or manager who is a disqualified individual under that Act. Furthermore, none of SPIAA or its subsidiaries, to which the applicants are related entities have been declared by the Minister under section 16(1)(e) of the WIC Act to be disqualified corporations or have any director or senior manager who is, pursuant to the Corporations Act 2001 of the Commonwealth, prohibited by ASIC from managing a corporation or who has, pursuant to a declaration under section 16(1)(f) of the WIC Act, been disqualified under the WIC Act.

Signed statutory declarations and accompanying letters are included in Appendix 10.

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

List the corporations that own the applicant corporation, or hold an interest in it	Corporation Name	ACN
	Applicant is owned by SPIAA.	126 327 624

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What other related entities, which are relevant to the activity, does the applicant own or hold an interest in?	Corporation Name	ACN
	Nil	

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

An organisational diagram is included as Appendix 11.

Part 4: Financial Capacity

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

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

Does your corporation have a financial history? If not, explain why	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No The Applicant is a newly formed corporation registered on 22 May 2008. It does not have a trading or financial history. The Applicant is 100% owned by SPIAA.
Summarise the performance of your corporation over the past 3 years	The Applicant's financial year end is 31 Mar. As the Applicant is a newly formed corporation it does not have any relevant trading or financial history. A copy of the most recent (31 Mar 09) audited accounts of SPIAA is provided in Appendix 12 to demonstrate financial viability.
If applicable, what is your corporation's credit rating?	SPIAA is rated A-, investment grade, by Standard and Poor's. Standard and Poor's credit rating report for SPIAA dated 10 February 2009 is included in Appendix 13.
Provide details of your debt/equity finance and any debt covenants on existing borrowings	A copy of the SPIAA 31 Mar 09 audited financial statements is attached in Appendix 12 which shows the debt/equity arrangement of the SPIAA group. A summary of the pro-forma equity to the audited accounts is detailed in Appendix 12.

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

- ▼ Financial statements for the last three (3) years. It is preferable that these financial statements are audited. It is recognised that not all corporations are required to have their annual financial statements audited. However, where you are required to lodge audited financial statements with the Australian Securities and Investments Commission (ASIC), provide copies of these statements. (Note: consolidated accounts for the parent organisation or group to which the applicant corporation belongs would not be considered acceptable).
- ▼ Where the latest annual financial statements are more than three (3) months old, the latest available management reports showing:
 - a trading statement;
 - a profit and loss statement; and
 - a trial balance.

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- ▼ Copies of tax returns for the last three (3) years.
- ▼ Credit rating memorandum (e.g., Standard & Poor's, Moody's or Fitch), if available.

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

<p>Summarise the projected cash flows (net EBITDA), including key financial modelling assumptions, such as capex, for the first 5 years of operation at a minimum. If necessary, a longer period may be provided to demonstrate financial viability of the project</p>	<p>For the initial stage of the Rosehill Scheme, projected cash flows of the Applicant are summarised in a financial model that forms part of the Project Agreement between AquaNet and Sydney Water and is included as part of the licence application.</p> <p>AquaNet will secure commitment from non-foundation customers before investing in any geographic expansion of the Rosehill Scheme. A separate financial model will be developed for each expansion area for Jemena approval to proceed. The financial models will include lifecycle cost and revenue estimates.</p> <p>The nature of the Project Agreement with Sydney Water is such that expansion can be justified on an incremental basis.</p>
--	--

Please attach the following documents in an Appendix:

- ▼ **Projected cash flows for a minimum of the next five (5) years of operation (including projected closing balance sheets and profit and loss statements), taking into account the licensing agreement, with details of all key financial modelling assumptions.**

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

<p>Describe the mechanisms by which your activity is financed, or is to be financed</p>	<p>AquaNet's retail activities will be financed by the Applicant's internally generated cash flows from the sale of recycled water.</p>
<p>Please provide details of any financial guarantees or commitment of financial support</p>	<p>AquaNet has sufficient capacity to carry out the obligations of a retailer under the WIC Act.</p>

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

- ▼ the nature of finance (eg, bridging, long term, corporate debt, government funding)
- ▼ type and limit of the facility

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- ▼ type and limit of any guarantee, and
- ▼ terms and conditions.

Where the applicant is a new corporation, supported by one or more parent entities, also provide:

- ▼ a copy of guarantee or cross deed of indemnity provided by the parent entity, and
- ▼ financial statements for the parent entity for the last three (3) years.

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

- ▼ letter from 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 providing the financial viability of the guarantor).

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

What types of insurance do you have or intend to obtain?	Type of Insurance	Level and extent of Cover
Indicate the level (i.e. amount) of insurance you are covered or intend to be covered by for each type Provide details of itemised inclusions and exclusions for each type of insurance you hold	<input checked="" type="checkbox"/> Professional Indemnity Insurance <input checked="" type="checkbox"/> Public Liability Insurance <input checked="" type="checkbox"/> Workers' Compensation <input type="checkbox"/> Products Liability Insurance <input checked="" type="checkbox"/> Works	As required by law Not required
Explain how the level of cover provided or proposed by your insurer is sufficient for the size and nature of your proposed activity	Insurances have been or will be arranged in accordance with relevant provisions of the Project Agreement in consultation with Marsh Insurance Brokers.	
Have you ever applied for insurance, and had your application refused? If so, provide details of the activity and the reasons why insurance was refused	SPIAA has not had insurance declined or refused.	
Is the insurance company appropriate to insure this project?	All insurers are registered with APRA or other Australian Government approved agencies.	

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

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

<p>Does your corporation have an accountant?</p> <p>If yes, what are your accountant's contact details?</p>	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>Ian Wells Chief Financial Officer 321 Ferntree Gully Road, Mount Waverley Melbourne 3149 Phone 03 8544 9454</p>
<p>Does your corporation have an external auditor?</p> <p>If yes, what are your external auditor's contact details?</p>	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>KPMG Michael Bray, Lead Partner Melbourne Phone 03 9288 5720</p>
<p>If required, may we contact your accountant and/or external auditor to clarify any information provided?</p>	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>Please contact the Applicant prior to making contact with our accountant and/or external auditor so that the Applicant is aware that such queries are being made.</p>

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

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

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

Government or other investigation of the corporation or related entities

Any significant change in the financial position of the applicant corporation since the financial statements provided with this application

Contract terminated

Factors which might impact on your corporation such as significant litigation, business commitments, contingent liabilities, collections by debt collection agencies on behalf of creditors or liquidation proceedings

Any outstanding tax liabilities

Any other particulars which are likely to adversely affect your corporation's capacity to undertake the services under the licence (if granted)

No adverse information on the applicant corporation

The Applicant is a special purpose vehicle recently established to develop the Rosehill Scheme described in this Application. As a result, there are no events in respect of the Applicant that are likely to materially affect its future financial capacity. Furthermore, there are no events currently affecting SPIAA and its subsidiaries (which include the Applicant) that are likely to have a material adverse effect on the ability of the Applicant to maintain sufficient financial capacity to safely operate as a supplier of recycled water.

Part 5: Statutory Declaration & Acknowledgement

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

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

Provide a statutory declaration from:

- (a) the Chief Executive Officer and a director of the applicant corporation, or
- (b) the sole director and Chief Executive Officer of the applicant corporation, or
- (c) such other person that IPART agrees may provide the statutory declaration/s, to the effect that the information provided in the application is true and correct. For the purposes of Part 3 of this application form, the statutory declaration should also state that the applicant corporation is not a disqualified corporation and that no director or person concerned in the management of the applicant corporation is or would be a disqualified individual within the meaning of the WIC Act.

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I, do solemnly and sincerely declare that:

- (a) I am a director / the Chief Executive Officer / the sole director and Chief Executive Officer [delete as applicable] of the applicant (named in the application form accompanying this declaration);
- (b) the information provided in this application is true and correct to the best of my knowledge information or belief;
- (c) I am aware of the requirements under the *Water Industry Competition Act 2006* (NSW) (WIC Act) for the licence being applied for;
- (d) as far as I am aware, the applicant corporation is not a disqualified corporation within the meaning of the WIC Act;
- (e) as far as I am aware, 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;
- (f) 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:

Title of person making the application:

Signature of person making the declaration:

Declared at *[place]*:

On *[date]*:

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

Signature of witness:

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Title of witness:

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

Form of statutory declaration has been amended and agreed with IPART

5(b) Acknowledgement

An acknowledgement should be provided by:

- (a) company secretary and a director; or
- (b) 2 directors; or
- (c) in the case of a sole director, the sole director; or
- (d) such other person that IPART agrees may provide the acknowledgement.

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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:

1. the Minister administering the *Water Industry Competition Act 2006* (except Part 3);
2. the Minister administering the *Public Health Act 1991 (NSW)*;
3. the Minister administering Chapter 2 of the *Water Management Act 2000 (NSW)*;
4. the Minister administering the *Environmental Planning and Assessment Act 1979 (NSW)*; and
5. 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* 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.

1. 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.
2. ~~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:

Title of person making the acknowledgement:

[Director / Company Secretary]

On *[date]*:

Signature of person making the acknowledgement:

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Name of person making the acknowledgement:

Title of person making the acknowledgement:

[Director / Company Secretary]

On *[date]*:

Signature of person making the acknowledgement:

A signed acknowledgement is included in Appendix 13.

Pre-Lodgement CheckList

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

Item	Completed / Included?	Confirm Complete [Office Use Only]
Part One: Introduction		
Has the application fee been included with the application?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Have parts 1 (a) to 1 (n) of the Application Form been completed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Has a map of the area of operations been attached in an Appendix?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Have you provided documentary evidence or an outline any discussions or agreements you have had or made with intended customers/end users for the services?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Have you provided documentary evidence or an outline of any discussions or agreements that you have had or made with the party supplying the source of water or sewage and access to relevant infrastructure?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Part Two: Technical Capacity		
Have parts 2 (a) to 2 (c) of the Application Form been completed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Have the following supporting documents (where available) been labelled and attached in an Appendix?		

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Item	Completed / Included?	Confirm Complete [Office Use Only]
■ Quality Assurance Certification	<input type="checkbox"/>	<input type="checkbox"/>
■ Dispute Management Protocol	<input checked="" type="checkbox"/>	<input type="checkbox"/>
■ Compliance Plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
■ Additional information that explains the events or circumstances that could adversely affect your ability to supply water or provide sewerage services	<input type="checkbox"/>	<input type="checkbox"/>
Part Three: Organisational Structure and Capacity		
Have parts 3 (a) and 3 (b) of the Application Form been completed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Have the relevant statutory declarations for part 3(a) been attached in an Appendix (refer to Part 5 below)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Has the Organisational Diagram of your corporation, including the corporations that own your corporation, and the corporations that your corporation owns or holds an interest in been attached in an Appendix?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Part Four: Financial Capacity		
Have parts 4 (a) to 4(f) of the Application Form been completed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Have the following documents been labelled and attached in an Appendix?		
■ Financial statements for past 3 years (preferably audited)	<input type="checkbox"/>	<input type="checkbox"/>
■ Where annual financial statements are more than 3 months old, the latest available management reports showing: a trading statement, a profit and loss statement and a trial balance.	<input type="checkbox"/>	<input type="checkbox"/>
■ Copies of tax returns for the last 3 years	<input type="checkbox"/>	<input type="checkbox"/>
■ Credit rating memorandum (Standard & Poor's, Moody's, Fitch), if available	<input checked="" type="checkbox"/>	<input type="checkbox"/>
■ Projected cash flows for the next 5 years of operation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
■ A letter from a financial institution confirming indicative financing of your activity	<input type="checkbox"/>	<input type="checkbox"/>
■ A certificate of currency for each type of insurance obtained	<input checked="" type="checkbox"/>	<input type="checkbox"/>
■ Details of itemised inclusions and exclusions for each type of insurance you hold	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If you are a new corporation, supported by 1 or more parent entities, have the following documents been labelled and attached in an Appendix?		
■ copy of guarantee or cross deed of indemnity provided	<input type="checkbox"/>	<input type="checkbox"/>

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

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Appendix 15 Do you have appropriate insurance arrangements in place? (Question 4(d)).....	Error!
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Appendix 16 Is the information you have provided true and correct? (Question 5(a))	lix

Appendix 1 Introduction

AquaNet Sydney Pty Limited (AquaNet) is the proponent of the Rosehill Recycled Water Scheme (Rosehill Scheme) and the Applicant for the Retail Supplier's Licence.

The Rosehill Scheme initially involves the construction of a treatment plant and distribution network to supply high quality recycled water to large industrial customers in the Rosehill-Camellia-Smithfield areas of Sydney.

Sydney Water initiated a competitive tender process for the Scheme in late 2005 and, following three rounds of bidding, selected AquaNet as the successful tenderer with Veolia Water Australia Pty Limited (Veolia). Concurrently, acting on the recommendations from an investigation undertaken by IPART, the NSW Government developed and enacted the Water Industry Competition Act 2006 (**WIC Act**). The WIC Act provides for the first time for direct private sector participation in the NSW water industry.

In August 2008 AquaNet entered into formal agreements with Sydney Water to implement the Rosehill Scheme. AquaNet, with its associated entities, will design, construct, operate and maintain facilities including a treatment plant and distribution network. The Rosehill Scheme will deliver high quality recycled water to Sydney Water at the premises of seven foundation customers in the Rosehill-Camellia-Smithfield area of Sydney. The Rosehill Scheme will also make recycled water available to additional customers on or close to the route of the network, and to other customers as the network is extended and expanded over time.

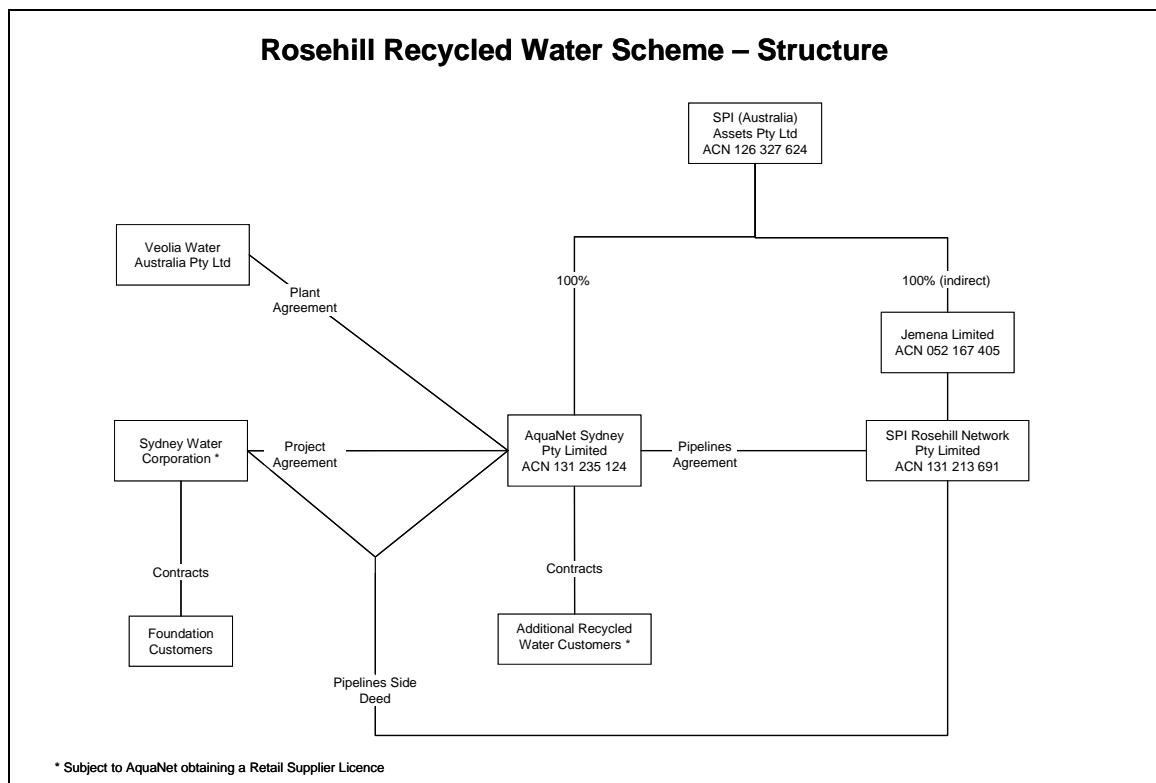
The agreements provide for:

- *Water treatment plant* – Veolia will construct, maintain and operate an advanced technology water treatment plant at Fairfield to produce up to 20 ML per day of reverse osmosis quality recycled water pursuant to a Plant Agreement between it and AquaNet. Feed for the plant will be secondary treated effluent sourced from Sydney Water's LAP.
- *Recycled water network* – SPI Rosehill Network Pty Limited (SPIRN) will finance, plan, design, construct and commission, and then own, operate, maintain and repair the 20 km recycled water network and associated facilities to deliver recycled water from the treatment plant to the premises of seven foundation customers pursuant to a Pipelines Agreement between it and AquaNet. The network will be laid through isolated gas mains where feasible². Together, the foundation customers are expected to use an average of 12 ML per day of recycled water, displacing potable water presently supplied by Sydney Water. First deliveries are planned for mid 2011.
- *Extension and expansion of the foundation network* – AquaNet currently intends to extend and expand the foundation network over time to serve adjacent areas including Parramatta, Westmead, Fairfield, Wetherill Park and Liverpool.

SPIAA owns 100% of the Applicant.

The relationships described above are depicted in the following diagram:

² Jemena Gas Networks (NSW) Ltd, the owner and operator of the principal gas network in NSW and an associate of AquaNet, owns gas mains that are isolated from and no longer form part of its "live" gas network. These isolated gas mains are available to be used as conduits for recycled water reticulation.



SPIRN and Veolia were both granted Network Operator’s Licences earlier in 2009. AquaNet now makes application for a Retail Supplier’s licence.

Appendix 2 Who manages the applicant corporation? (Question 1(c))

We have provided details of the Directors and CEO of the Applicant corporation in responding to Question 1(c).

Details of the directors of Jemena and SPIAA are also provided below.

Directors of SPIAA:

Name	Position	Address	Date of Birth
QUEK Poh Huat	Director	18 Kingsmead Road, Singapore 267969, Singapore	7 August 1946
CHIA Chee Ming Timothy	Director	7 Nassim Road, #01-01, Singapore 258374, Singapore	5 January 1950
Dilhan Pillay SANDRASEGARA	Director	18 Ford Avenue, Singapore 268697, Singapore	10 June 1963
YAP Chee Keong	Director	11 Countryside Grove, Singapore 789966, Singapore	29 June 1960
Paul John ADAMS	Director	10 Stornoway Road, Camberwell VIC 3124	25 April 1964
LIM Howe Run	Director	42 Tidcombe Crescent, Doncaster East VIC 3109	14 September 1965
LIM Lay Hong	Alternate Director for YAP Chee Keong	15 Taman Permata, Singapore 575138, Singapore	25 April 1957

Directors of Jemena Limited:

Name	Position	Address	Date of Birth
LIM Lay Hong	Director	15 Taman Permata, Singapore 575138, Singapore	25 April 1957
LIM Howe Run	Deputy Managing Director	42 Tidcombe Crescent, Doncaster East VIC 3109	14 September 1965
Paul John ADAMS	Managing Director	10 Stornoway Road, Camberwell VIC 3124	25 April 1964

Appendix 3 Documentary evidence or outline of any discussions or agreements that you have had or made with intended customers/end users for the retail services to be provided (Question 1(g))

Initially the Rosehill Scheme will deliver recycled water to the premises of seven foundation customers who will be supplied by Sydney Water.

Sydney Water has contractual commitments from five of the seven foundation customers to take recycled water from the Rosehill Scheme and continues to work towards securing the remaining customers commitments. All foundation customer agreements will be novated to AquaNet if a 'transition' is agreed between AquaNet and Sydney Water after three years of operation of the Rosehill Scheme.

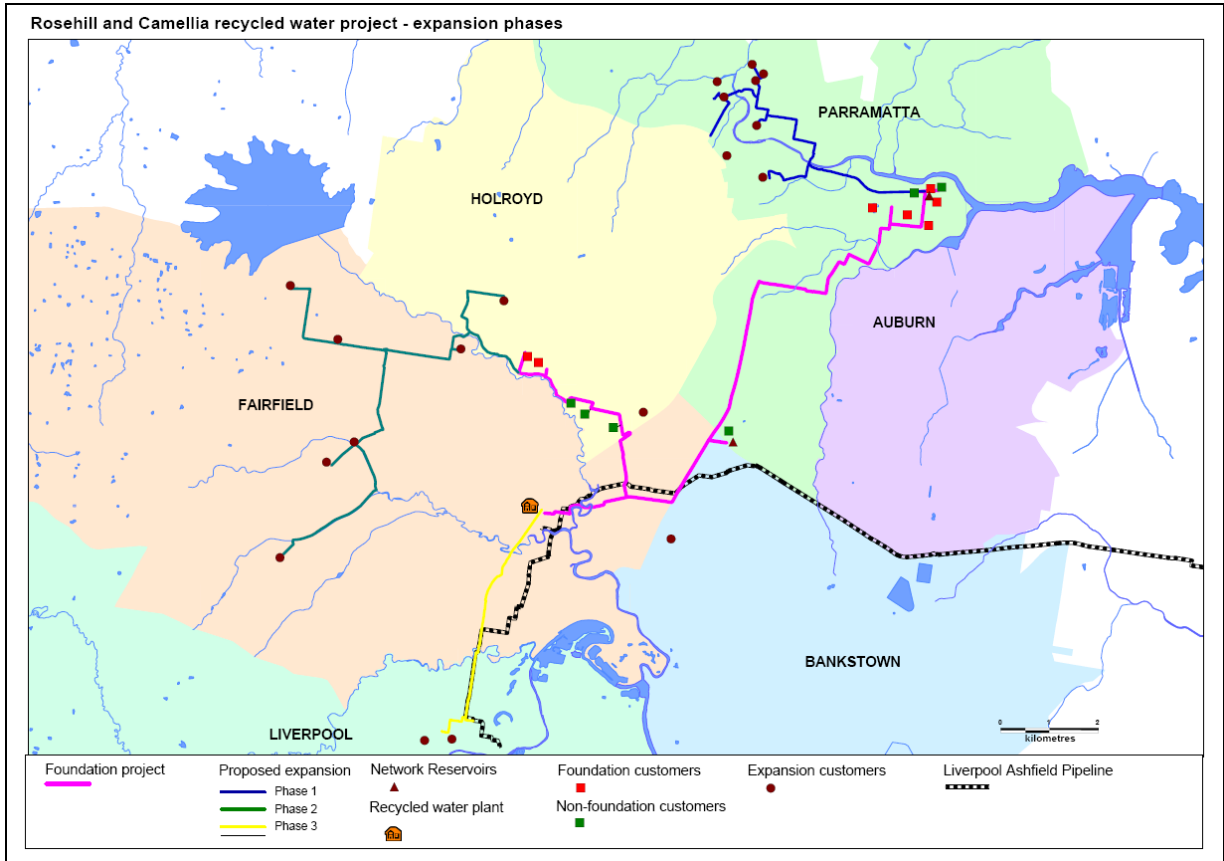
AquaNet has established contact with a number of prospective customers beyond the foundation customers, and has entered into term sheet and MOU arrangements with 17 of them confirming their interest in the supply of recycled water. AquaNet has also secured funding from DECC (pursuant to terms that are currently being finalised) on behalf of 22 recycled water customers to go towards the capital works that they must undertake to utilise recycled water.

AquaNet continues to maintain a relationship with customers that have already been identified and is promoting the Rosehill Scheme to potential new customers. AquaNet is now looking to put in place recycled water sales agreements with all non foundation customers during the construction phase to confirm their commitment to the Rosehill Scheme.

AquaNet is also in discussion with developers consortium regarding recycled water supply to new housing developments. Agreements for supply of recycled water to the individual residential customers will be developed in accordance with the Water Industry Competition (General) Regulation 2008 guidelines.

Appendix 4 What is the area within which you are seeking to carry out the activities to be licensed? (Question 1(j))

The recycled water treatment plant and the network that will serve the foundation customers and identified prospective customers in the three planned expansion phases for the Rosehill Scheme are located within the Bankstown, Fairfield, Holroyd, Liverpool, and Parramatta Local Government Areas as depicted in the following drawing:



Appendix 5 Summary of agreements that AquaNet has with public water utilities or other network operators (Question 1(i))

1. Rosehill and Camellia Recycled Water Project – Project Agreement

Under this agreement signed 11 August 2008 between Sydney Water and AquaNet and amended and restated on 11 June 2009, Sydney Water will supply effluent as feedstock to the recycled water plant and purchase recycled water for supply to seven foundation customers. The agreement has an operating term of 20 years.

AquaNet will build a treatment plant at Fairfield on land purchased from Sydney Water and a water distribution network from the plant to the customers including storage reservoirs and a waste water pipeline from the plant to a suitable sewer.

The recycled water is to come from treatment of secondary treated effluent drawn from the LAP (LAP) at Fairfield. AquaNet is permitted to extract up to 32ML of water from the LAP and to process it into high quality recycled water that meets the requirements of foundation customers. AquaNet is responsible for all relevant approvals, licences and agreements.

The agreement covers recycled water pricing, dispute resolution, effluent and recycled water quality, insurance, force majeure, construction, commissioning, operation and liabilities.

2. Rosehill and Camellia Recycled Water Project – Plant Agreement.

Under this agreement signed 8 August 2008 between AquaNet and Veolia and amended and restated on 11 June 2009, Veolia will build, own and operate the recycled water plant and sell the water to AquaNet for a period of 20 years, at which time the plant ownership may, at the option of AquaNet, transfer to AquaNet. AquaNet will pay Veolia a fee per kilolitre for the service.

The terms of Plant Agreement are aligned back to back with the Project Agreement in all relevant respects.

3. Rosehill and Camellia Recycled Water Project – Pipelines Agreement.

Under this agreement signed 11 August 2008 between AquaNet and SPIRN and amended and restated on 11 June 2009, SPIRN will build, own and operate the supply network and supply the recycled water to the customers for a period of 20 years, AquaNet will pay SPIRN a fee per kilo litre for the service.

The terms of the Pipelines Agreement are aligned back to back with the Project Agreement in all relevant respects.

SPIRN has appointed Jemena Asset Management Pty Ltd as its agent to deliver the design and construction work required under the terms of the Pipelines Agreement.

Appendix 6 Quantity and Quality of Water 1(j)

Recycled water specification

The following is an extract from the exhibits to the Project Agreement

Exhibit M –Service Delivery Outcome Specification

AquaNet will design and operate a Recycled Water System to provide all the agreed quantity and quality needs of the Foundation Customers including peak hourly demand requirements of the individual Foundation Customers. AquaNet shall optimise treatment, pipeline and storage sizing and potable water top-up by considering average and peak flows. It has been assumed that the Foundation Customers do not have on-site storage except for the irrigation Foundation Customer.

1. Recycled Water Quality, Quantity and Pressure

AquaNet will produce recycled water and supply this recycled water to Foundation Customers and additional customers. The recycled water will meet the quality limits detailed in Table 1. Additional recycled water quality parameters are detailed in Table 2.

1.1 Recycled Water Quality and Out Of Specification

Table 1 specifies the target and maximum levels for the recycled water quality that will be monitored continuously by AquaNet. If at any time one of the maximum limits is exceeded at the Plant, the recycled water will be considered “out of specification” and the Plant will cease supply of recycled water to Sydney Water. Under these circumstances, if recycled water within the network is still within specification, AquaNet can continue to supply recycled water to Foundation Customers from the network storages, whilst sufficient volume is available.

If “out of specification” recycled water occurs, AquaNet will advise Sydney Water and the Foundation Customers, as detailed in the Operational Protocols. The supply of recycled water will not recommence until the recycled water system has achieved a minimum of 15 minutes of production within the specified limits.

Table 1– Recycled Water Quality – Continuously Monitored

Parameter	Units	Target	Limit to Trigger Product Failure
Total Dissolved Solids	mg/L	<50	≥ 60
pH	pH units	6.5 to 8.5	<6.0, >9.0
Chlorine Residual *	mg/L	1	<0.7, >5.0
Turbidity	NTU	<0.5	≥ 2

Notes:

The specified chlorine residual is required after one hour detention in a chlorine contact tank. The chlorine dosing equipment will be capable of dosing up to 5 mg/L. The chlorine residual may be provided by the presence of chloramines as opposed to “free chlorine” provided the bacteriological and virus limits detailed in Table 1 are met.

1.2 Recycled Water Output Quality

Additional recycled water quality output parameters required are detailed in Table 2. Table 2 specifies the 95%ile levels of parameters in the recycled water that cannot be reliably measured continuously (on-line) and as confirmation also measures the parameters included in Table 1. The table includes the frequency that each of these parameters will be analysed by AquaNet. Additional analysis will be undertaken by an independent third party NATA accredited laboratory to verify the AquaNet test results. This will be fully detailed in the Operational Protocols. If, at any time, AquaNet becomes aware of an exceedance in any of these parameters AquaNet will immediately notify SWC and initiate actions as detailed in the Operational Protocols to attempt to return the parameter to below the 95%ile level. Additional sampling will be undertaken by AquaNet until the parameter returns to normal levels. Depending on the parameter and the potential impact of it upon certain customers the Operational Protocols may require the recycled water supply to be suspended (to one or more customers or the entire system) until that parameter returns to a normal level.

Table 2 – Recycled Water Quality – Additional Monitoring

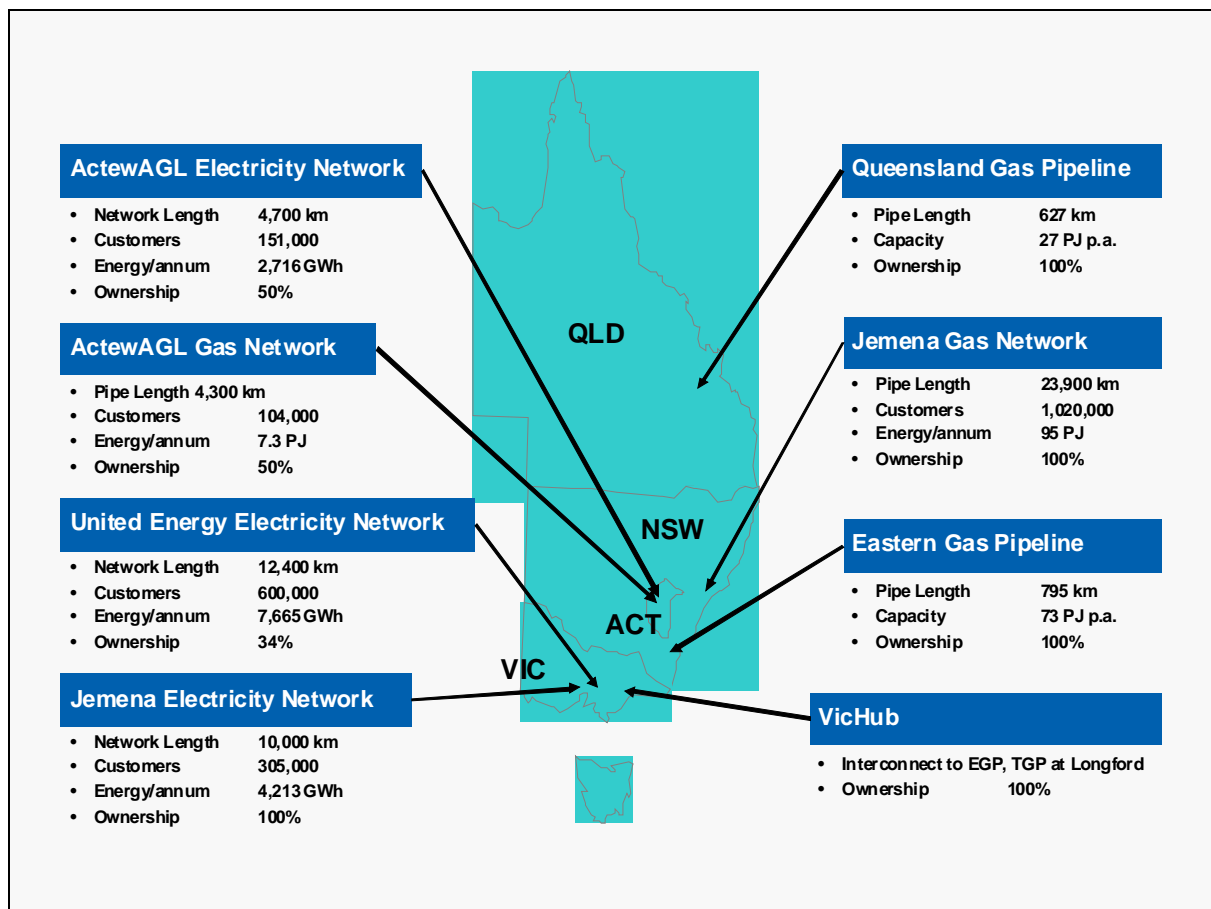
Parameter	Units	Monitoring Frequency	Recycled Industrial Water Quality(95%ile)
Alkalinity	mg/L (as CaCO ₃)	Weekly	<20
Aluminium	mg/L	Weekly	<0.1
Ammonia	mg/L	Weekly	<1
Iron (soluble)	mg/L	Weekly	<0.05
Manganese	mg/L	Weekly	<0.05
Zinc	mg/L	Weekly	<0.1
Biochemical Oxygen Demand	mg/L	Weekly	<2
TDS	mg/L	On-line	<55
pH	pH units	On-line	6.5 to 8.5
Chlorine residual	mg/L	On-line	3
Turbidity	NTU	On-line	1
Total Nitrogen	mg/L	Weekly	<10
Total Phosphorous	mg/L	Weekly	<2
E.coli Coliforms	CFU per 100mL	Weekly	<1 in 100ml
Total Coliforms	CFU per 100mL	Weekly	<10 in 100ml
Virus	Organisms per 50L	Monthly	<1 in 50L
Parasites	Organisms per 50L	Monthly	<1 in 50L
TOC	ppm	On-line	< 5
Silica	mg/L	Weekly	< 2
Total Iron	Mg/L	Weekly	< 0.5

**Appendix 7 Do you have prior experience in the water industry / utility business?
(Question 2(a))**

Relevant industry experience

The Jemena Group is an established and experienced owner, manager and operator of infrastructure in the gas and electricity industries. It owns manages and operates or provides asset management and operational services to electricity distribution networks in Victoria; gas transmission pipelines in Victoria, NSW and Queensland; and gas distribution networks in NSW the ACT and Victoria.

The locations and basic statistics on the infrastructure assets in which Jemena has an ownership interest are shown on the following diagram:



The Jemena Group provides asset management and operational services through Jemena Asset Management Pty Ltd, to all of the above assets except the ActewAGL Electricity Network. Services are also provided to the Central Ranges Pipeline in NSW, the Multinet Gas Network in Victoria (640,000 customers) and the Tasmanian Gas Pipeline which runs between Victoria and Tasmania.

The Jemena Group has over 2,500 employees who manage infrastructure assets for both internal (100% owned) and external infrastructure clients. The group manages annual capital expenditures of over \$500m and incurs annual operating and maintenance expenses of over \$700m in relation to the assets under management.

Qualifications and experience of key personnel:

Linda Gyzen, General Manager, AquaNet

Linda has worked for the Jemena (formerly Alinta and before that, AGL) Group of Companies for 25 years in various management roles involving responsibility for commercial management and market development. Relevant roles include:

- 2008 – present: General Manager, AquaNet
- 2005-07: Manager Business Development (Agility/Alinta/Jemena)
- 1997-05: Manager Commercial Asset Management (Agility)
- 1993-97: Manager Contract Market, Manufacturing (AGL)
- 1989-93: Sales Manager Southern/Western Region (AGL)

Education and Affiliations:

- Bachelor of Chemical Engineering (First Class Honours), University of Sydney 1985
- Business Management Certificate, Australian Institute of Management 1989
- Diploma of Corporate Management, Institute of Chartered Secretaries and Administrators 1996
- Member, Australian Water Association
- Member, Australian Institute of Energy
- Member, Infrastructure Partnerships Australia

Colin Thompson, Business Manager- AquaNet

Colin is an Industrial Chemist with 28 years experience with Orica in various management rolls involving responsibility for establishing a new business, business management, customer service, invoicing processes, and market development. Relevant roles include:

- GM for the first joint venture in the Chinese explosive industry.
- Commercial Manager covering the areas of customer service, invoicing processes, pricing, advertising and trade practices compliance.
- Product manager and planning for the major raw materials and product groups
- Country Manager for the PNG business
- Territory Sales Manager for a rapidly growing business based in Kalgoorlie WA including a team of twenty people covering sales, production, warehousing and distribution

Qualifications and experience of the chief executive officer, chief operating officer and chief financial officer.

The qualifications and experience of specific key personnel in the Jemena Group are detailed below. Note that the positions of Executive General Manager Asset Strategy and Executive General Manager Infrastructure Services together are equivalent to the chief operating officer.

Name	Position	Qualifications and Experience
Paul ADAMS	Managing Director of Jemena, and Director of the Applicant	<p>Paul was appointed Managing Director of Jemena in November 2008. Paul has a breadth of experience in the Australian energy sector, having worked across the gas and electricity industries for the past 25 years. He began his career at the State Electricity Commission of Victoria, where he worked in electricity generation, transmission, distribution and retail. He moved into the gas industry in the mid 1990s, working on generation and distribution network opportunities for the development of the Eastern Gas Pipeline. Since then, Paul has held various senior roles managing and operating gas and electricity networks. He was Group Manager Networks at TXU and, most recently, Group Manager Network Services Group at SP AusNet. He has worked in Australia, the United States and the United Kingdom. Paul holds qualifications in engineering, finance and management.</p>
LIM Howe Run	Deputy Managing Director of Jemena and Director of the Applicant	<p>Howe Run is Managing Director, Strategic Investments for Singapore Power Limited and Deputy Managing Director of Jemena. He is responsible for the management of Singapore Power group's overseas investments.</p> <p>Prior to his appointment as Managing Director, Strategic Investments for Singapore Power Limited, he has held various positions in risk management, asset management and business development within the Singapore Power group.</p> <p>Mr Lim holds a Bachelor of Engineering (Mechanical) degree from the National University of Singapore. He is also an alumni of the Harvard Business School, USA.</p>

Name	Position	Qualifications and Experience
Tony BEACH	Executive General Manager Asset Strategy	<p>Tony Beach was appointed Executive General Manager Asset Strategy in May 2009. Tony comes to Jemena with extensive experience in engineering related management positions, having spent 3 years as General Manager Agility Asset Services from 2001, 26 years with the former Hydro-Electric Commission Tasmania as well as other senior roles with Powercor, AGL, Pacific National Rail and Asciano.</p> <p>Tony is also a Director of Aurora Energy and South East Water. He has a Bachelor of Engineering and is a member of Australian Institute of Company Directors and also the Institution of Engineers, Australia.</p>
Patrick PATTERSON	Executive General Manager Infrastructure Services	<p>Patrick was appointed Executive General Manager Infrastructure Services in June 2009. Patrick comes to Jemena with significant management experience in electricity and gas distribution, water and waste water and related industries. His most recent corporate role was as CEO of Tenix Alliance Pty Ltd, a contracting services business that provides services to electricity, gas and water networks. Prior to this Patrick has held senior management roles nationally and internationally in both the private and public sectors including Western Mining, Kvaerner and the W.A. Government.</p> <p>He has degrees in Engineering and Commerce as well as a post graduate degree in Engineering. He is a fellow of the Australian Institute of Company Directors.</p>

Name	Position	Qualifications and Experience
Ian WELLS	Chief Financial Officer	<p>Prior to his appointment as Chief Financial Officer of Jemena, Ian was the Group Manager Planning and Investment Analysis of the former Alinta Limited (Alinta). In this role he was intimately involved in assessing Alinta's growth opportunities and executing and implementing the company's corporate transactions.</p> <p>Before joining the Alinta in 2004, Ian was Chief Operating Officer at healthcare provider IPN Ltd. and a Senior Finance Manager at Mayne NickLess Ltd.</p> <p>Ian has extensive financial experience including financial and management accounting and mergers and acquisitions. He holds a Bachelor of Business in Accounting and is a CPA.</p>

Appendix 8 What processes and systems are in place (or will be implemented) for managing your interface with customers? (Question 2(b))

The following documents are attached:

- Jemena Asset Management Quality Policy
- Jemena Compliance Policy

Appendix 9 Contingency arrangements for supply of water or provision of sewerage services. (Question 2(c))

The following documents are attached:

- Rosehill Recycled Water Scheme Preliminary Risk Assessment Register
- Rosehill Recycled Water Scheme Preliminary HACCP Analysis

Appendix 10 Are you a disqualified organisation? (Question 3(a))

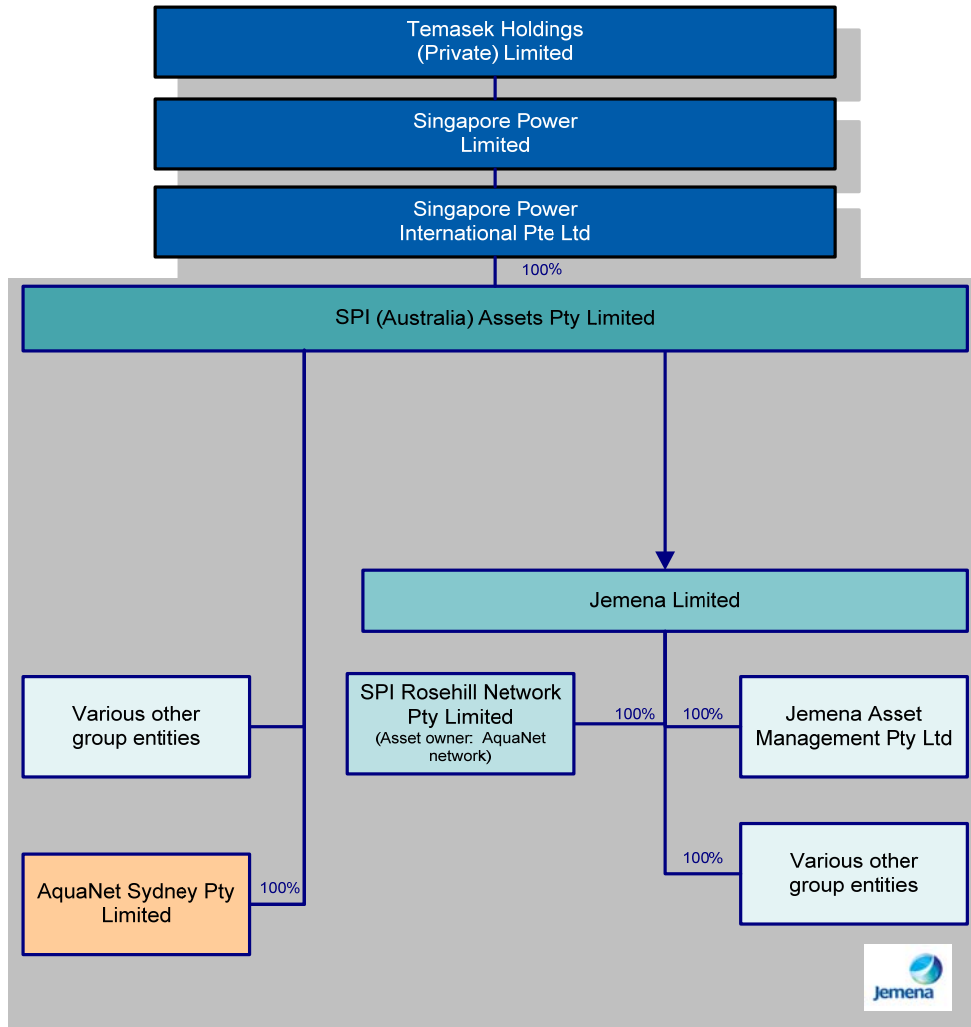
The following documents are attached:

- A signed Statutory Declaration by Paul Adams
- A signed Statutory Declaration by Lim Howe Run
- An accompanying letter from Paul Adams
- An accompanying letter from Lim Howe Run

Appendix 11 What is the structure of the applicant corporation? (Question 3(b))

The following structure diagram shows: the corporations that own the Applicant, or hold an interest in it and other related entities that are relevant to the activities to be licensed.

The Applicant does not own or have an ownership interest in any corporation.



Appendix 12 What is the applicant corporation's financial history? (Question 4(a))

The following documents are attached:

- Standard and Poor's Ratings Direct Credit Rating report for SPIAA dated 10 February 2009
- SPIAA Financial Statements for the year ended 31 March 2009

Appendix 13 Is the information you have provided true and correct? (Question 5(a))

A signed acknowledgement and consent is attached.