



Independent Pricing and Regulatory Tribunal

Network Operator and Retail Supplier Licence Application Form

Water Industry Competition Act 2006

Water — Application form

26 November 2012

PUBLIC VERSION

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1 Instructions

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

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

- ▼ **Network Operator's Licence** for constructing, maintaining and operating water industry infrastructure.
- ▼ **Retail Supplier's Licence** to supply water or provide sewerage services, by means of water industry infrastructure.

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

1.1 Who should complete this form?

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

A copy of the WIC Act is available on the NSW Government's legislation website at www.legislation.nsw.gov.au.

1.2 Information on filling out and submitting this form

1.2.1 General instructions to applicants

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

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

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

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

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

- ▼ the protection of public health, the environment, public safety and consumers
- ▼ the encouragement of competition in the supply of water and the provision of sewerage services
- ▼ the ensuring of sustainability of water resources, and
- ▼ the promotion of production and use of recycled water.

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

1.2.2 Confidential information

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

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

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

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

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

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

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

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

1.2.3 Is there an application fee?

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

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

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

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

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

1.2.4 How do you submit the application?

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

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

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

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

1.3 If you require further information

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

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

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

1.4 Where to from here?

1.4.1 What will happen next?

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

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

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

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

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

1.4.2 Audits and ongoing compliance obligations

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

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

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

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

Fact sheets:

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

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

2 Contact Information

To be completed by all applicants

2.1 Contact Details	
<p>You need to nominate a primary contact person for all communication and correspondence between the corporation applying for a licence and IPART. This person must be a senior officer of the applicant corporation and not an external consultant. Ideally, this person's role within the corporation will be related to the project/activity to be licensed, and they must have the authority to speak on behalf of the applicant.</p>	
PRIMARY CONTACT	
Full name	
Stephen McKewen	
Position title	Email address
Executive Director	
Business telephone number	Mobile telephone number
02 8016 1003	
Postal address for correspondence	
ADDRESS	
PO Box R455, Royal Exchange	
Sydney	
STATE	POST CODE
NSW	1225
SECONDARY CONTACT	
<input checked="" type="checkbox"/> Please check if the secondary contact should be copied into all correspondence.	
Full name	
Terry Leckie	
Position title	Email address
Managing Director	
Business telephone number	Mobile telephone number
Postal address for correspondence	
ADDRESS	
PO Box R455, Royal Exchange	
Sydney	
STATE	POST CODE
NSW	1225

3 General Information

To be completed by all applicants

3.1 Applicant Details	
3.1.1	Please provide the following information for the corporation applying for the licence. Please note an application may only be made by or on behalf of a corporation (s8(1)).
<p><i>Your response to this question is used in ASIC, ITSA and CATSI searches* conducted as part of our assessment of your application. The information will also be used to specify the corporation that holds the licence (Act s.6(1)(a)), if a licence is granted.</i></p> <p><i>* These are searches of databases kept by the Australian Securities and Investments Commission (ASIC), Insolvency and Trustee Service Australia (ITSA), and Office of the Registrar of Indigenous Corporations (for corporations registered under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI))</i></p>	
Corporation name	
Discovery Point Water Factory Pty Ltd ('DPWF')	
ABN/ARBN	ACN
15 142 392 541	142 392 541
Corporation's registered office	
ADDRESS	
Level 3, 210 George Street	
Sydney	
STATE	POST CODE
NSW	2000
Corporation's principal place of business	
ADDRESS	
Level 3, 210 George Street	
Sydney	
STATE	POST CODE
NSW	2000
3.1.2	Please provide the following information for the Chief Executive Officer and ALL Directors of the applicant corporation
<p><i>Your response to this question is used in ASIC, ITSA and CATSI searches to determine that the named individual(s) are not disqualified individual(s) and that the applicant corporation is not a disqualified corporation (Act, s10(3)). The information will also be used to assess, among other things, the applicant corporation's organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i></p>	
PERSON ONE	
Full name	Terence James Leckie
Position title	Managing Director
Date of birth	
Residential Address	
ADDRESS	

STATE		POST CODE
PERSON TWO		
Full name	Stephen John McKewen	
Position title	Executive Director, Chief Operating Officer	
Date of birth		
Residential address		
ADDRESS		
STATE		POST CODE
PERSON THREE		
Full name		
Position title		
Date of birth		
Residential address		
STATE		POST CODE
PERSON FOUR		
Full name		
Position title		
Date of birth		
Residential address		
STATE		POST CODE
PERSON FIVE		
Full name		
Position title		
Date of birth		
Residential address		

STATE	POST CODE
3.2 Activities for which a licence is sought	
Please check ALL the applicable boxes for which you are seeking a licence	
<i>Your response to this question will be used to specify the activities that the applicant corporation will be authorised to undertake (Act s.6(1) and s.11(1)), if a licence is granted. The response to this question is a requirement for any network operator's licence application (Reg cl.6(1)(a) and 6(2)(a)).</i>	
3.2.1	NETWORK OPERATOR (to construct, maintain and operate water industry infrastructure)
	<input checked="" type="checkbox"/> Water infrastructure - drinking water
	<input checked="" type="checkbox"/> Water infrastructure – non potable water (including recycled water)
	<input checked="" type="checkbox"/> Sewerage infrastructure
3.2.2	RETAIL SUPPLIERS (to supply water or provide sewerage services)
3.2.3	Have you commenced any of the activities for which you are seeking a licence?
For example, you may have commenced construction, commercial operation and/or supply of services to customers.	
	<input type="checkbox"/> Yes please go to 3.2.4
	<input checked="" type="checkbox"/> No please go to 3.2.5
3.2.4	Please briefly describe the activities that you have commenced including the date(s) on which they commenced.
<i>Your response to the following question will be used to determine whether transitional arrangements apply to the project.</i>	
3.2.5	Please outline the approximate date you anticipate commencing the activities for which you are seeking a licence, if they have not yet commenced. For example, construction of the network infrastructure July 2014, construction of the water treatment plant December 2014, operation of the water treatment plant June 2015, supply to small retail customers August 2015.
<i>Your response to the following question will be used as background information for the project.</i>	

June 2013 – Access to Building basement levels for commencement of construction/installation of recycled water facility ('RWF')

August 2013 – Installation/P+E fit-out of RWF commences

January 2014 – Commissioning and validation of RWF commences

March 2014 – RWF operational

3.3 Insurance Details

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

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

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

- Workers Compensation/Accident Insurance - policy of insurance covers the full amount of the employer's liability under the Workers Compensation Act 1987
- Public Liability \$10,000,000
- Professional Indemnity \$10,000,000
- Plant & Equipment (Pitt Town) \$4,400,000

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

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

- (a) identifies the key risks of undertaking the activities to be authorised under the licence (if granted)
- (b) sets out the types and levels of insurance obtained by you in relation to the activities being undertaken
- (c) certifies whether, in the Insurance Expert's opinion, the type and level of insurance obtained by you is appropriate for the size and nature of the activities to be authorised under the licence
- (d) provides reasons as to why the types and levels of insurance are appropriate for the size and nature of the activities being undertaken, and
- (e) if any risks arising from undertaking the activities remain uninsured, provides reasons as to why.

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

David Michell Dip F.S.(Ins Broker) from The Protectors Insurance Brokers Pty Ltd has reviewed all insurances required by WFC in connection with its business (including all projects such as the DPWF's project at Discovery Point) and has arranged the above insurance cover to match the business' requirement.

David Michell contact (02) 9601 0105

Also, a comprehensive whole-of-business and project-specific insurance risk assessment for DPWF's Discovery Point project will be conducted as part of this licensing process by an independent insurance consultant in satisfaction of IPART's standard licensing condition in that regard. It is DPWF's intention that this assessment will be undertaken by the same leading Victorian-based insurance consultancy firm (InterRisk (John Mutton – Managing Principal)) which issued the independent expert's report in connection with DPWF's affiliate's Pitt Town project (Pitt Town Water Factory Pty Ltd), informing as to the adequacy of the overall insurance arrangements in that regard.

DPWF's parent, Water Factory Company Pty Ltd ("WFC"), reviews the WFC Group's insurances annually with The Protectors Insurance Brokers Pty Ltd to ensure that its insurance arrangements are adequate for its requirements.

3.4 Third parties undertaking activities

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

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

Discovery Point Pty Ltd ('Discovery Point P/L'), being the development vehicle owned by Australand Holdings Ltd (the Developer) in relation to its residential development at Discovery Point on the Cooks River, South West (the '**Development**')

Permeate Partners Pty Ltd

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

Corporation name:

Water Factory Company Pty Ltd ('WFC'), the parent of DPWF

ABN/ARBN

ACN

28 136 272 298

136 272 298

Corporation's registered office

ADDRESS

Level 3, 210 George Street, Sydney

STATE

POST CODE

NSW

2000

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

DPWF is a special purpose wholly-owned by WFC and established especially for the Discovery Point project. Full business support (including all technical, financial, organizational, administrative, and retail supplier management services) is provided by WFC to all of its water utility subsidiaries, including DPWF, under a standard group corporate services arrangements.

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

Corporate Service Agreement dated 1 May 2012 between WFC and DPWF.
Deed of Guarantee and Indemnity issued by WFC.

3.5 Other regulatory approvals

3.5.1 Please list any other regulatory approvals that have been obtained (or are being sought) for any of the activities for which the applicant corporation is seeking a licence. Include any regulatory approvals also related to the activities or the project. Such approvals may include development consents for a housing development under the *Environmental Planning and Assessment Act 1979*, section 68 approval under the *Local Government Act 1993*, an Environment Protection Licence under the *Protection of the Environment Operations Act 1997*. **Provide a copy of any other regulatory approvals and/or licences in Appendix 3.5.1.**

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

Project Approval was granted on 19 March 2012

3.6 Monopoly supply

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

- ▼ a specified water supply or sewerage service, and
- ▼ a specified area, and
- ▼ a specified class of customers.

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

No. The supply of recycled water and sewerage services by DPWF is not a monopoly. The licence area proposed by DPWF is already served by Sydney Water and its drinking water/sewerage infrastructure. All customer classes have the ability to choose who will provide their drinking water, recycled water and sewerage service.

3.7 Licensing principles

3.7.1 How does your proposed activity address the following principles (if applicable):

- ▼ The protection of public health, the environment, public safety and consumers
- ▼ The encouragement of competition in the supply of water and the provision of sewerage services
- ▼ The ensuring of sustainability of water resources

▼ The promotion of production and use of recycled water?

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

Protection of public health, public safety and consumers

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

- We will only supply drinking water and recycled water from the highest quality sources in full compliance with all relevant Australian standards
- We will ensure that our arrangements with the network operator ensures public health, public safety and consumers are protected.
- Signage will be posted advising of the use of recycled water for irrigation of public open space in accordance with the relevant guidelines and industry best practice.
- Consumers will be protected under our Customer Contract which outlines our commitment and policies in relation to Customer enquiries, complaints and payment assistance schemes.

Protection of the environment

Through the education of Customers regarding appropriate discharge into sewers and the use of recycled water we will promote the protection of the environment.

Encouragement of competition

Currently each incumbent public water utility provider has a monopoly in their respective catchment areas on water and sewerage services in the state of NSW. The license will enable private sector to compete in the provision of requisite infrastructure and delivery of resulting services to owners of properties within the development and in surrounding precincts, including the delivery of recycled water to Marrickville Council (for the purposes of irrigating its sportsfields and parks along the Cooks River).

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

Sustainability of water resources

The license will

- provide a sustainable and drought proof supply of irrigation water
- reduce the amount of drinking water use in the Discovery Point community and surrounding precincts
- provide a constant reliable source of water for non-drinking purposes

Promotion of production and use of recycled water

The license will enable DPWF to provide sustainable recycled water within the Discovery Point development and to surrounding areas (including Marrickville Council's parks and recreation areas for public use and enjoyment). . This will facilitate delivery of Government policy and further cements recycled water as an integral part of the whole-of-water life cycle.

4 Network Operator

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

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

Please complete only those sections that relate to your response in question 3.3.1 above.

4.1 Water infrastructure – drinking water

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

4.1.1	Describe the proposed drinking water infrastructure from the source of the drinking water through to the end use (i.e. catchment to tap). Please include in your description all of the infrastructure for which the applicant corporation is seeking a licence. This will include any infrastructure that is to be used for the production, treatment, filtration, storage, conveyance or reticulation of the drinking water. Please list all sources and end uses in the description. Identify the infrastructure for which the applicant corporation is seeking a licence. Provide a detailed process flow diagram of the proposed infrastructure from source to end use in Appendix 4.1.1.
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You must attach a process flow diagram in response to this question. The process flow diagram should only include the drinking water infrastructure where the scheme includes more than one type of infrastructure and must cover the process from source to end use. You may also include a piping and instrumentation diagram for additional information.

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

Not applicable

4.1.2	Describe whether the infrastructure is existing infrastructure or is to be constructed. If the infrastructure is existing, please describe its current condition and operability. If the infrastructure is a mixture of existing and to be constructed identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.1.1.
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The response to this question will be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).

Not applicable

4.1.3	Describe the <u>location</u> of the proposed infrastructure. For example include: <ul style="list-style-type: none"> ▼ the identification of specific lot descriptors (e.g. lot and DP numbers) for the production, treatment, filtration and/or storage infrastructure. ▼ the location of infrastructure for the conveyance and/or reticulation of drinking water by street name, local government area or other description as appropriate to the size of the scheme. Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.1.3.
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The map may include all water industry infrastructure (ie, drinking water, non-potable water and/or sewerage) where the scheme includes more than one type of infrastructure.

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

Not applicable

4.1.4	Describe any interconnections between the proposed drinking water infrastructure and other infrastructure not part of this scheme (e.g. interconnections with other licensed network operators or public utilities). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. Identify all interconnections with other infrastructure on the process flow diagram in Appendix 4.1.1 and the map in Appendix 4.1.3.
<i>The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme and to identify possible additional licence conditions relating to the inter-connected systems and responsibilities for risks.</i>	
Not applicable	
4.1.5	Where applicable, describe the connection point to customers or end users (e.g. the customer connection point may be a water meter). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. Identify all customer and/or end user connections on the process flow diagram in Appendix 4.1.1 and the map in Appendix 4.1.3.
<i>The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme.</i>	
Not applicable	
4.1.6	What volume of water is available from the proposed source? Where applicable, please provide the capacity of the source and the (allowable) average daily extraction rate from the source. If there is more than one source, please provide the requested information for each of the sources. Where relevant, provide a copy of any agreements and/or licences to access the source water in Appendix 4.1.6.
<i>The response will also be used as a context for the assessment of the technical, organisational and financial capacity of the applicant corporation (Act s.10(4)(a)).</i>	
Not applicable	
4.1.7	What volume of water will be treated by the scheme? Please provide the average and peak daily flow rates <u>treated by</u> the scheme.
<i>This information will be used to determine the fee category for the scheme, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.</i>	
Not applicable	
4.1.8	What volume of drinking water will be produced by the scheme? Please provide the average and peak daily volume supplied to end users or retail suppliers.
<i>This information will be used to assess the retail supplier's obligation not to over commit, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.</i>	
Not applicable	
4.1.9	Provide your preliminary risk assessment for the scheme from source to end use in Appendix 4.1.9. It is important that your preliminary risk assessment accurately identifies any hazards present in the source water or likely to result from the proposed treatment process. The risk assessment will also address the intended, inadvertent and unauthorised end uses (and therefore routes of exposure) to the water. The preliminary risk assessment will identify any reasonably foreseeable risk event with the potential to expose people or the environment to hazards. The preliminary risk assessment will outline the broad mitigation measures where the risk of exposure to a hazard is unacceptable to human health or the environment in order to reduce the risk of exposure.

	The risk assessment must also identify the events and circumstances that could adversely affect the applicant corporation's ability to carry out the activities for which the licence is sought (including any activities undertaken by a nominated third party), the probability of the occurrence of any such event or circumstance and the measures to be taken by the applicant corporation to prevent or minimise the likelihood of any such event or circumstance.
The preliminary risk assessment should demonstrate the application of a consistent methodology for identifying hazards and assessing potential impacts and risks to health and the environment. We strongly recommend that the applicant corporation utilises an established risk management system, such as outlined in AS/NZS ISO 31000:2009 (Risk management – Principles and guidelines), which is consistent with the approach outlined in the Australian Drinking Water Guidelines (element 2).	
<i>The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(b) and cl.6(1)(c)(ii)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Not applicable	
4.1.10	Describe how the 12 elements of the framework for the management of drinking water quality, as detailed in the Australian Drinking Water Guidelines (ADWG), have been addressed and will be implemented and maintained. Provide evidence of the applicant corporation's capacity to implement the 12 elements of the framework in the ADWG in Appendix 4.1.10.
The evidence should be in the form of management plans for either the proposed scheme or other similar schemes undertaken by the applicant corporation, or in a comprehensive statement detailing the process by which the management plan will be developed. For existing (brownfield) schemes you should provide the actual water quality plan for the site.	
<i>The response to this question is a requirement for any network operator licence for water infrastructure (Reg cl.6(1)(d)(i)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Not applicable	
4.1.11	How will the continuity of supply of the drinking water be ensured? What contingency plans are in place in the case of failure of the infrastructure? What alternative supplies of drinking water will be used when the infrastructure is inoperable?
<i>The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(c)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Not applicable	
4.1.12	Describe the systems and processes that the applicant corporation will have in place to manage the water infrastructure. Provide evidence of the applicant corporation's capacity to develop and implement an infrastructure operating plan in Appendix 4.1.12.
The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The processes and/or procedures should demonstrate good operational practice including life cycle planning, system redundancy, contingency planning, condition monitoring, management maintenance processes and processes of supporting skills needs. The examples should demonstrate links to a risk management process. For existing	

(brownfield) schemes you should provide the actual water quality plan for the site.	
<i>The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(c)). The response will be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Not applicable	
4.1.13	
4.1.13	Describe the studies that have been completed to investigate any environmental impacts (including but not limited to water quality, quantity, air, noise, sea level rise, biodiversity and Aboriginal cultural heritage) from the construction and operation of the infrastructure? Have the studies identified any significant environmental impacts from the scheme? If so, how are the environmental impacts proposed to be managed? Provide a copy of any environmental study and/or risk assessment in Appendix 4.1.13.
As a minimum, an application must be accompanied by a statement of environmental effects (SEE) (unless the development is designated development, Part 5 development or a major project, in which case either an environmental impact statement (EIS) or comprehensive environmental assessment is required). The SEE may be prepared by the applicant corporation or by a consultant acting on behalf of the applicant. The SEE must identify the environmental impacts of the proposed scheme, and the steps which will be taken to protect the environment or reduce the harm. Where the study is in the form of a comprehensive environmental assessment or EIS, please include only the executive summary.	
<i>The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7). The response to this question may be used to draft a proposed licence, if a licence is granted.</i>	
Not applicable	
4.1.14	
4.1.14	If a treatment process forms part of the infrastructure for which the applicant corporation is seeking a licence, what waste streams will be generated by the proposed treatment plant and how will the waste be disposed of or handled?
<i>The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7). The response will also be used as a context for our assessment of the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Not applicable	
4.2 Water infrastructure – non-potable water	
Only provide a response to the questions in the following section if the applicant corporation is seeking a licence for the construction, maintenance and operation of <u>water infrastructure for the supply of non-potable water</u> .	
4.2.1	
4.2.1	Describe the proposed non-potable water infrastructure from the source of the water through to the end use (i.e. catchment to tap). Please include in your description all of the infrastructure for which the applicant corporation is seeking a licence. This will include any infrastructure that is to be used for the production, treatment, filtration, storage, conveyance or reticulation of the non-potable water. Please list all sources and end uses in the description. Identify the infrastructure for which the applicant corporation is seeking a licence. Provide a detailed process flow diagram of the proposed infrastructure from source to end use in Appendix 4.2.1.
You must attach a process flow diagram in response to this question. The process flow diagram should only include the non-potable water infrastructure where the scheme includes more than one type of infrastructure and must cover the process from source to end use. You may also include a piping and	

instrumentation diagram for additional information.	
<i>The response to this question will be used to draft a proposed licence. The licence will specify the type of water industry infrastructure, if a licence is granted (Act s.6(1)(a)). The response will also be used to ensure you have applied for the correct licence(s) and as a context for our assessment of the applicant corporation's technical, organisational and financial capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
<p>The catchment is the area surrounding Wolli Creek Railway station. Wastewater is collected from residential apartments and retail premises within the Discovery Point development and made available to the RWF at the Flow Balance Tank.</p> <p>Rainwater drainage water from within the Discovery Point development basement carpark may be directed to the Flow Balance Tank if its quality is suitable and the recycled water is needed.</p> <p>The Flow Balance Tank delivers sewage via macerator pumps to the inlet screens. Screened wastewater passes through the bioreactor, UF membranes, UV disinfection and Chlorination to High TDS recycled water storage. Pumps deliver High TDS recycled water to irrigation within Discovery Point and for use by Marrickville Council on Cooks River sportsfields and parks.</p> <p>A portion of the wastewater passing through the bioreactor and UF membranes is passed through Reverse Osmosis RO, Calcite , UV and Chlorination to Low TDS recycled water storage. Pumps deliver Low TDS recycled water to each building for non-potable use in toilet flushing, clothes washing machines (cold tap only), carwashing, general washdown, water features and irrigation.</p> <p>Refer Appendix 4.2.1 for a detailed Process Flow Diagram of the proposed infrastructure from source to end use.</p>	
4.2.2	Describe whether the infrastructure is existing infrastructure or is to be constructed. If the infrastructure is existing, please describe its current condition and operability. If the infrastructure is a mixture of existing and to be constructed identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.2.1.
<i>The response to this question will be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).</i>	
<p>All infrastructure will be new infrastructure. An interconnection will be made with Sydney Water's existing sewer however this infrastructure remains Sydney Water's responsibility.</p> <p>Refer Appendix 4.2.1 for Process Flow Diagram showing infrastructure as existing or to be constructed.</p>	
4.2.3	Describe the <u>location</u> of the proposed infrastructure. For example include: <ul style="list-style-type: none"> ▼ the identification of specific lot descriptors (e.g. lot and DP numbers) for the production, treatment, filtration and/or storage infrastructure. ▼ the location of infrastructure for the conveyance and/or reticulation of non-potable water by street name, local government area or other description as appropriate to the size of the scheme. <p>Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.2.3.</p>
The map may include all water industry infrastructure (ie, drinking water, non-potable water and/or sewerage) where the scheme includes more than one type of infrastructure.	
<i>The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(a)). The response to this question will be used to specify the authorised area of operations (Act s.11(1)), if a licence is granted. The response will also be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).</i>	
The infrastructure described in 4.2.1 above is contained within the Discovery Point development and as	

shown in Appendix 4.2.3 Location of Proposed Infrastructure from Source to End

The production, treatment, filtration and storage (RWF) infrastructure is contained within lot and DP as follows:

1. As of the date of this Application , part of Lot 400 DP1161708
2. After the registration of the subdivision plan (due to be lodged by the Developer in the near term), part of lot 509 DP1172312
3. Once Building 1b/c is constructed the RWF lot will be the subject of a boundary adjustment so the lot/DP number will change again in 18 months' time.

The associated reticulation infrastructure will cross other lots within the development.

The locations of these are shown in Appendix 4.2.3 Location of Proposed Infrastructure from Source to End.

4.2.4	Describe any interconnections between the proposed non-potable water infrastructure and other infrastructure not part of this scheme (e.g. interconnections with other licensed network operators or public utilities such as sewers or water mains). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. Identify all interconnections with other infrastructure on the process flow diagram in Appendix 4.2.1 and the map in Appendix 4.2.3.
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Examples of interconnections may include potable water top up or trade waste disposal, as well as to other network operators.

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

The infrastructure will be connected to other infrastructure owned by Sydney Water (ie external to the RWF) at two points, namely:

1. **Trade waste discharge point:** A trade waste discharge pipe will connect with Sydney Water's existing gravity sewer within the existing carpark basement of the existing Verge and Greenbank buildings. The trade waste connection is required to manage the disposal of screenings, waste activated sludge, brine from RO reject, excess recycled water and domestic sewage. It also provides emergency overflow for building sewage in the event of power failure or when the RWF is offline. DPWF is responsible for the construction, operation and maintenance of all new infrastructure up to the existing Sydney Water sewer. Sydney Water is responsible for the operation and maintenance of the existing sewer.
2. **Drinking Water Top Up of Recycled Water Storages:** A drinking water supply connection will be made to Sydney Water's drinking water network within Discovery Point. Drinking Water will be used for drinking water purposes within the RWF and as top up of High and Low TDS RW Storages. Sydney Water is responsible for the construction, operation and maintenance of the drinking water infrastructure up to and including each bulk building water meter. DPWF is responsible for the construction, operation and maintenance of all new infrastructure between the meter and the inlet to each RW storage.

Commercial Agreement with Sydney Water. All interconnections, their operation and maintenance responsibilities are described within the commercial agreement. This includes the customer contract for the supply of drinking water and the trade waste arrangements.

4.2.5	<p>Where applicable, describe the connection point to customers or end users (e.g. the customer connection point may be a water meter). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. Identify all customer and/or end user connections on the process flow diagram in Appendix 4.2.1 and the map in Appendix 4.2.3.</p>
<p><i>The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme.</i></p>	
<p>DPWF will supply 4 types of end users as below. In each case the connection point to the Customer will be a recycled water meter.</p> <ul style="list-style-type: none"> (1) Residential Customers (apartment owners) (2) Owners Corporations (3) Retail Customers (4) Marrickville Council <p>For a map Identifying all customer and/or end user connections on the process refer to Appendix 4.2.3 Location of Proposed Infrastructure from Source to End.</p>	
4.2.6	<p>What volume of water is available from the proposed source? Where applicable, please provide the capacity of the source and the (allowable) average daily extraction rate from the source. If there is more than one source, please provide the requested information for each of the sources. Where relevant, provide a copy of any agreements and/or licences to access the source water in Appendix 4.2.6.</p>
<p><i>The response will also be used as a context for the assessment of the technical, organisational and financial capacity of the applicant corporation (Act s.10(4)(a)).</i></p>	
<p>There are 3 water sources.</p> <p>Source 1 – Drinking Water from Sydney Water network. Sydney Water has confirmed verbally that the network has sufficient capacity to serve the whole of the development without a recycled water source being available.</p> <p>Source 2 – Sewage from residential apartments, retail premises and common property facilities will grow in supply as the development grows. The supply of sewage is approximately 150% of the recycled water demand. Once fully developed the RWF will have approximately 550kL/day of sewage available.</p> <p>Source 3 – Rainwater carpark drainage water may be an available source however the quality and quantity are yet to be determined.</p>	
4.2.7	<p>What volume of water will be treated by the scheme? Please provide the average and peak daily flow rates <u>treated by</u> the scheme.</p>
<p><i>This information will be used to determine the fee category for the scheme, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.</i></p>	
<p>The average daily and peak flow rate will 550kL sewage from the Discovery Point development once fully developed.</p>	
4.2.8	<p>What volume of non-potable water will be produced by the scheme? Please provide the</p>

	average and peak daily volume supplied to end users or retail suppliers.
	<i>This information will be used to assess the retail supplier's obligation not to over commit, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.</i>
	Discovery Point Residential and Retail Customers: Average Water demand = 300kL/day Marrickville Council sports fields and recreation areas (and surrounds): Average Water demand =44M/L per annum. Maximum daily peak demand 300kL/d.
4.2.9	List all the intended end uses for the non-potable water generated by the scheme.
	<i>The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a), Reg cl.8(1)).</i>
	<ul style="list-style-type: none"> ▪ Clothes Washing ▪ Irrigation (unrestricted) ▪ Toilet flushing ▪ Car washing ▪ General wash down ▪ Water features
4.2.10	<p>Provide your preliminary risk assessment for the scheme from source to end use in Appendix 4.1.10. It is important that your preliminary risk assessment accurately identifies any hazards present in the source water or likely to result from the proposed treatment process. The risk assessment will also address the intended, inadvertent and unauthorised end uses (and therefore routes of exposure) to the non-potable water. The preliminary risk assessment will identify any reasonably foreseeable risk event with the potential to expose people or the environment to hazards. The preliminary risk assessment will outline the broad mitigation measures where the risk of exposure to a hazard is unacceptable to human health or the environment in order to reduce the risk of exposure.</p> <p>The risk assessment must also identify the events and circumstances that could adversely affect the applicant corporation's ability to carry out the activities for which the licence is sought (including any activities undertaken by a nominated third party), the probability of the occurrence of any such event or circumstance and the measures to be taken by the applicant corporation to prevent or minimise the likelihood of any such event or circumstance.</p>
	The preliminary risk assessment should demonstrate the application of a consistent methodology for identifying hazards and assessing potential impacts and risks to health and the environment. We strongly recommend that the applicant corporation utilises an established risk management system, such as outlined in AS/NZS ISO 31000:2009 (Risk management – Principles and guidelines), which is consistent with the approach outlined in the Australian Guidelines for Water Recycling (element 2).
	<i>The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(b) and cl.6(1)(c)(ii)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a), Reg. cl.8(1)). The response will also be used to assess the applicant corporation's technical capacity to undertake the</i>

<i>activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Refer to Appendix 4.2.10 Preliminary Risk Assessment	
4.2.11	
4.2.11	Describe how the 12 elements of the framework for the management of recycled water, as detailed in the Australian Guidelines for Water Recycling (AGWR), have been addressed and will be implemented and maintained. Provide evidence of the applicant corporation's capacity to implement the 12 elements of the framework in the AGWR in Appendix 4.2.11.
The evidence should be in the form of management plans for either the proposed scheme or other similar schemes undertaken by the applicant corporation, or in a comprehensive statement detailing the process by which the management plan will be developed. For existing (brownfield) schemes you should provide the actual water quality plan for the site.	
<i>The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(d)(i)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a), Reg. cl.8(2)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence.</i>	
Recycled Water System Management Plan	
4.2.12	
4.2.12	How will the continuity of supply of the non-potable water be ensured? What contingency plans are in place in the case of failure of the infrastructure? What alternative supplies of non-potable water will be used when the infrastructure is inoperable?
<i>The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(c)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
<p>Continuity Of Supply</p> <p>Drinking Water from Sydney Water's network provides an alternative water source to ensure continuity of water supply in the event of failure of the infrastructure. Sydney Water confirms that it has sufficient capacity within the existing network to provide all water demands within Discovery Point.</p> <p>Short term continuity of supply is provided automatically as top up water at the recycled water storage tanks.</p> <p>Should failure of the infrastructure be longer term then cross connection between the drinking water and recycled water distribution infrastructure is able to be implemented. This would require separate agreement with Sydney Water and approval of interconnection infrastructure.</p>	
4.2.13	
4.2.13	Describe the systems and processes that the applicant corporation will have in place to manage the non-potable water infrastructure. Provide evidence of the applicant corporation's capacity to develop and implement an infrastructure operating plan in Appendix 4.2.13.
The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The processes and/or procedures should demonstrate good operational practice including life cycle planning, system redundancy, contingency planning, condition monitoring, management maintenance processes and processes of supporting skills needs. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual water quality plan for the site.	
<i>The response to this question is a requirement for any network operator's licence for water infrastructure (Reg cl.6(1)(c)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	

The systems and processes for the non-potable water infrastructure are similar to those prepared by Pitt Town Water Factory. Pitt Town Water Factory and DPWF are wholly owned subsidiaries of Water Factory Company. Water Factory Company will assist DPWF to develop and implement an infrastructure operating plan.

Water Factory Company's capacity to develop and implement an infrastructure operating plan is evidenced by independent audit (Water Futures 30 May 2012) confirming that the requirements of the WIC Act have been met.

Evidence is also provided by Ministerial approval to commence commercial operational 1 June 2012.

Refer to Appendix 4.2.13 – **Audit Report prior to Commercial Operational Approval (Pitt Town)**

(http://pitttownwater.com.au/media/filecontent/WICA_Audit_Report_Pitt_Town_Final_May_2012.pdf)

Refer to Appendix 3.5.1 - **Notice of Approval for Commercial Operations (Pitt Town)**

(http://www.ipart.nsw.gov.au/Home/Industries/Water/Private_Sector_Licensing_WICA/WICA_-_Pitt_Town_Water_Factory_Pty_Ltd/04_Jun_2012_-_Notice_of_approval_to_bring_new_infrastructure_into_commercial_operation/Notice_of_approval_to_bring_new_infrastructure_into_commercial_operation_-_Pitt_Town_Water_Factory_Pty_Ltd_-_1_June_2012)

4.2.14	Describe the studies that have been completed to investigate any environmental impacts (including but not limited to water quality, quantity, air, noise, sea level rise, biodiversity and Aboriginal cultural heritage) from the construction and operation of the infrastructure? Have the studies identified any significant environmental impacts from the scheme? If so, how are the environmental impacts proposed to be managed? Provide a copy of any environmental study and/or risk assessment in Appendix 4.2.14.
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As a minimum an application must be accompanied by a statement of environmental effects (SEE) (unless the development is designated development, Part 5 development or a major project, in which case either an environmental impact statement (EIS) or comprehensive environmental assessment is required). The SEE may be prepared by the applicant corporation or by a consultant acting on behalf of the applicant. The SEE must identify the environmental impacts of the proposed scheme, and the steps which will be taken to protect the environment or reduce the harm. Where the study is in the form of a comprehensive environmental assessment or EIS, please include only the executive summary.

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

On 23 March 2010, in accordance with Section 75F of the EP&A Act, the Director-General of the Department of Planning issued the requirements for the preparation of an Environmental Assessment to accompany a Concept Plan, Stage 1 and Stage 2 Project Applications for the project. On 9 December 2010, the Director-General issued a revised set of requirements to accompany a Concept Plan, Stage 1 and Stage 6 Project Applications (with the requirements no longer applying to Stage 2) In response the following Environmental Assessment was prepared and submitted.

Refer to Appendix 4.2.14 – Environmental Assessment report
http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=3806

Refer to Appendix 4.2.10 – Preliminary Risk Assessment

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

Trade waste discharge. The RWF will generate the following waste streams. These will be collected in the Trade Waste sump and pumped to Sydney Water's sewer.

- Screenings from macerated incoming sewage
- Waste activated sludge from the membrane tank
- Brine from RO reject
- Excess sewage from the flow balance tank
- Excess recycled water

4.3 Sewerage infrastructure

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

4.3.1	Describe the proposed sewerage infrastructure from the collection to disposal or reuse. Include in your description all of the sewerage infrastructure for which the applicant corporation is seeking a licence. This will include any infrastructure that is to be used for the collection, treatment, filtration, storage, conveyance or disposal of the sewerage or treated effluent. Provide a detailed process flow diagram of the proposed infrastructure from collection to disposal or reuse in Appendix 4.3.1.
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You must attach a process flow diagram in response to this question. The process flow diagram should only include the sewerage infrastructure where the scheme includes more than one type of infrastructure and must cover the process from source to end use. You may also include a piping and instrumentation diagram for additional information.

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

The catchment is the area surrounding Wolli Creek Railway station. Wastewater is collected from Residential Apartments and Retail Premises within this catchment and made available to the Recycled Water Plant at the Flow Balance Tank.

Rainwater drainage water from within the Discovery Point basement carpark may be directed to the Flow Balance Tank if its quality is suitable and the recycled water is needed.

The Flow Balance Tank delivers sewage via macerator pumps to the inlet screens. Screened wastewater passes through the bioreactor, UF membranes, UV disinfection and Chlorination to High TDS recycled water storage. Pumps deliver High TDS recycled water to irrigation within Discovery Point and for use by Marrickville Council on Cooks River sportsfields and parks.

A portion of the wastewater passing through the bioreactor and UF membranes is passed through Reverse Osmosis RO, Calcite, UV and Chlorination to Low TDS recycled water storage. Pumps deliver Low TDS recycled water to each building for non potable use in toilet flushing, clothes washing machines (cold tap only), carwashing, general washdown, water features and irrigation.

Refer to Appendix 4.2.1 Process Flow Diagram for details of the proposed infrastructure from source to end use.

4.3.2	Describe whether the infrastructure is existing infrastructure or is to be constructed. If the infrastructure is existing, please describe its current condition and operability. If the infrastructure is a mixture of existing and to be constructed identify the infrastructure as existing or to be constructed on the process flow diagram in Appendix 4.3.1.
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The response to this question will be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).

All infrastructure will be new infrastructure.

Refer to Appendix 4.2.1 Process Flow Diagram showing details of the infrastructure as existing or to be

constructed.	
4.3.3	<p>Describe the <u>location</u> of the proposed infrastructure. For example include:</p> <ul style="list-style-type: none"> ▼ the identification of specific lot descriptors (eg, lot and DP numbers) for the collection, treatment, filtration and/or storage infrastructure ▼ the location of infrastructure for the conveyance and/or reticulation of sewage by street name, local government area or other description as appropriate to the size of the scheme. <p>Provide a map showing the location of the proposed infrastructure from source to end use in Appendix 4.2.3</p>
The map may include all water industry infrastructure (ie, drinking water, non-potable water and/or sewerage) where the scheme includes more than one type of infrastructure.	
<i>The response to this question is a requirement for any network operator's licence for sewerage infrastructure (Reg cl.6(2)(a)). The response to this question will be used to specify the authorised area of operations (Act s.11(1)), if a licence is granted. The response will also be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).</i>	
<p>The infrastructure described in 4.3.1 above is contained within the Discovery Point Development and as shown in Appendix 4.2.3 Location of Proposed Infrastructure from Source to End.</p> <p>The production, treatment, filtration and storage (RWF) infrastructure is contained within lot and DP details as follows:</p> <ol style="list-style-type: none"> 1. As of the date of this Application , part of Lot 400 DP1161708 2. After the registration of the subdivision plan (due to be lodged by the Developer in the near term), part of lot 509 DP1172312 3. Once Building 1b/c is constructed the RWF lot will be the subject of a boundary adjustment so the lot/DP number will change again in 18 months' time. <p>The associated reticulation infrastructure will cross other lots within the development. The location of these are shown in Appendix 4.2.3 Location of Proposed Infrastructure from Source to End</p>	
4.3.4	<p>Describe any interconnections between the proposed sewerage infrastructure and other infrastructure not part of this scheme (eg, interconnections with other licensed network operators or public utilities such as sewers). Identify in your description who is responsible for the construction, operation and maintenance of which infrastructure. Identify all interconnections with other infrastructure on the process flow diagram in Appendix 4.3.1 and the map in Appendix 4.3.3.</p>
<i>The response to this question will be used to ensure the correct area of operation is specified in the licence, if a licence is granted (Act s.11(1)). The response will also be used as a context for the assessment of risks from the proposed scheme and to identify possible additional licence conditions relating to the inter-connected systems and responsibilities for risks.</i>	
<p>The infrastructure will be connected to an existing gravity sewer owned by Sydney Water</p> <ol style="list-style-type: none"> 1. Emergency overflow for sewer: The gravity sewerage network within the development will be connected to Sydney Water's existing gravity sewer at the trade waste discharge point. A 'fail close' valve will operate in the event of power failure or on plant failure to allow gravity discharge of all sewage from the development. . DPWF is responsible for the construction, operation and maintenance of all new infrastructure up to the wall of the existing Sydney Water sewer. Sydney Water is responsible for the operation and maintenance of the existing sewer. <p>Commercial Agreement with Sydney Water. All interconnections, their operation and maintenance responsibilities are described within the commercial agreement.</p>	

Refer to Appendix 4.2.3 Location of Proposed Infrastructure from Source to End.	
4.3.5	What volume of sewage will be treated by the scheme? Please provide the average and peak daily (hydraulic and biological, where relevant) flow rates <u>treated by</u> the scheme.
<i>This information will be used to determine the fee category for the scheme, if a licence is granted. The response to this question may be used to draft a proposed licence, if a licence is granted.</i>	
Biological Capacity = 650kL/d, Hydraulic Capacity = 650kL/d	
4.3.6	What volume of treated effluent will be disposed of from the scheme? Please provide the average and peak daily disposal rates <u>disposed from</u> the scheme.
<i>The response will be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7). The response to this question may be used to draft a proposed licence, if a licence is granted.</i>	
All treated effluent will be processed into high TDS or low TDS recycled water for use within the Discovery Point development and Marrickville sportsfields and parks. Excess raw sewage will be discharged to Sydney Water sewer.	
4.3.7	How will the treated effluent be disposed of from the scheme?
<i>The response to this question may be used to draft a proposed licence, if a licence is granted. The response will also be used as a context for the assessment of environmental risks from the proposed scheme (Act s.10(4)(e), Reg cl.7).</i>	
The sewage treatment process results in the production of recycled water, which is supplied for non-drinking uses within the Discovery Point development and Marrickville sportsfields and parks. Excess raw sewage will be discharged to Sydney Water sewer.	
4.3.8	What wastewater and/or catchment characterisation studies have been undertaken? Provide a summary report of any wastewater characterisation or catchment studies including results in Appendix 4.3.8.
<i>This information will be used as a context to the potential health and environmental risks posed by the scheme.</i>	
The wastewater is collected from a controlled development consisting of residential and retail premises. The catchment is a closed catchment controlled by the applicant. Retail premises will have similar sewer pretreatment requirements to those specified by Sydney Water.	
4.3.9	Provide your preliminary risk assessment for the scheme from collection to disposal in Appendix 4.3.8. It is important that your preliminary risk assessment accurately identifies any hazards present in the sewage or likely to result from the proposed treatment process. The risk assessment should also address the intended method of disposal and any inadvertent releases (and therefore routes of exposure) to the treated effluent. The preliminary risk assessment will identify any reasonably foreseeable risk event with the potential to expose people or the environment to hazards. The preliminary risk assessment will outline the broad mitigation measures where the risk of exposure to a hazard is unacceptable to human health or the environment in order to reduce the risk of exposure. The risk assessment must also identify the events and circumstances that could adversely affect the applicant corporation's ability to carry out the activities for which the licence is

	sought (including any activities undertaken by a nominated third party), the probability of the occurrence of any such event or circumstance and the measures to be taken by the applicant corporation to prevent or minimise the likelihood of any such event or circumstance.
	The preliminary risk assessment should demonstrate the application of a consistent methodology for identifying hazards and assessing potential impacts and risks to health and the environment. We strongly recommend that the applicant corporation utilises an established risk management system, such as outlined in AS/NZS ISO 31000:2009 (Risk management – Principles and guidelines). Where relevant, the risk assessment should identify and include any environmental risks and/or management actions identified in the development approval.
	<i>The response to this question is a requirement for any network operator’s licence for sewerage infrastructure (Reg cl.6(2)(b), cl.6(2)(c)(ii), cl.6(2)(d)(i)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response to this question will also be used to draft a proposed licence. The licence will specify the purpose for which the infrastructure can be used, if a licence is granted (Act s.6(1)(a)). The response will also be used to assess the applicant corporation’s technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>
	Refer to Appendix 4.2.10 Preliminary Risk Assessment
4.3.10	Describe the systems and processes that the applicant corporation will have in place to manage the sewerage infrastructure. Provide evidence of the applicant corporation’s capacity to develop and implement an infrastructure operating plan in Appendix 4.3.10.
	The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The processes and/or procedures should demonstrate good operational practice including life cycle planning, system redundancy, contingency planning, condition monitoring, management maintenance processes and processes of supporting skills needs. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual water quality plan for the site.
	<i>The response to this question is a requirement for any network operator’s licence for sewerage infrastructure (Reg cl.6(2)(c)). The response will also be used to assess the applicant corporation’s technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>
	The processes for the sewerage infrastructure are similar to those prepared by Pitt Town Water Factory. Pitt Town Water Factory and DPWF are wholly owned subsidiaries of Water Factory Company. Water Factory Company will assist DPWF to develop and implement an infrastructure operating plan. Water Factory Company’s capacity to develop and implement an infrastructure operating plan is evidenced by independent audit (Water Futures 30 May 2012) confirming that the requirements of the WIC Act have been met. Evidence is also provided by Ministerial approval to commence commercial operational 1 June 2012. Appendix 3.5.1 Notice of Approval for Commercial Operations (Pitt Town)
4.3.11	How will the continuity of the provision of sewerage services be ensured? What contingency plans are in place in the case of failure of the infrastructure?
	<i>The response to this question is a requirement for any network operator’s licence for sewerage infrastructure (Reg cl.6(2)(c)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation’s technical capacity to undertake the activities for which you are seeking a licence (act s.10(4)(a)).</i>
	An emergency sewer overflow provision will ensure continuity of sewerage service: The gravity sewerage network within the development will be connected to Sydney Water’s existing gravity sewer at the trade waste discharge point. A ‘fail close’ valve will operate in the event of power failure or on plant failure to allow gravity discharge of all sewage from the development to Sydney Water’s sewerage system. Commercial Agreement with Sydney Water. All interconnections, their operation and maintenance responsibilities are described within the commercial agreement.

4.3.12	<p>Describe the studies that have been completed to investigate any environmental impacts (including but not limited to water quality, quantity, air, noise, sea level rise, biodiversity and Aboriginal cultural heritage) from the construction and operation of the infrastructure? Have the studies identified any significant environmental impacts from the scheme? If so, how are the environmental impacts proposed to be managed? Provide a copy of any environmental study and/or risk assessment in Appendix 4.3.12.</p> <p>As a minimum an application must be accompanied by a statement of environmental effects (SEE) (unless the development is designated development, Part 5 development or a major project, in which case either an environmental impact statement (EIS) or comprehensive environmental assessment is required). The SEE may be prepared by the applicant corporation or by a consultant acting on behalf of the applicant. The SEE must identify the environmental impacts of the proposed scheme, and the steps which will be taken to protect the environment or reduce the harm. Where the study is in the form of a comprehensive environmental assessment or EIS, please include only the executive summary.</p> <p><i>The response to this question may be used to draft a proposed licence, if a licence is granted. The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7).</i></p> <p>On 23 March 2010, in accordance with Section 75F of the EP&A Act, the Director-General of the Department of Planning issued the requirements for the preparation of an Environmental Assessment to accompany a Concept Plan, Stage 1 and Stage 2 Project Applications for the project. On 9 December 2010, the Director-General issued a revised set of requirements to accompany a Concept Plan, Stage 1 and Stage 6 Project Applications (with the requirements no longer applying to Stage 2) In response the following Environmental Assessment was prepared and submitted.</p> <p>Refer to Appendix 4.2.14 – Environmental Assessment report Refer to Appendix 4.2.10 Preliminary Risk Assessment</p>
4.3.13	<p>Where relevant, what land capability assessments have been undertaken on the proposed land disposal area? Provide a copy of any soil capability assessment in Appendix 4.3.13.</p> <p><i>The response to this question may be used to draft a proposed licence, if a licence is granted. The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7).</i></p> <p>Marrickville Council have carried out land capability assessments in association with its Sustainable Irrigation Strategy for the Cook River Parks. This included soil testing and assessment for long term irrigation of recycled water.</p>
4.3.14	<p>If a treatment process forms part of the infrastructure for which the applicant corporation is seeking a licence, what waste streams will be generated by the proposed treatment plant (such as screenings and biosolids but not including the treated effluent) and how will the waste be disposed of or handled?</p> <p><i>The response to this question will be used to determine whether the activities authorised by a licence (if granted) present a significant risk of harm to the environment (Reg cl.7). The response will also be used as a context for our assessment of the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i></p> <p>Trade waste discharge. The RWF will generate the following waste streams. These will be collected in the Trade Waste sump and pumped to Sydney Water's sewer.</p> <ul style="list-style-type: none"> • Screenings from macerated incoming sewage

- Waste activated sludge from the membrane tank
- Brine from RO reject
- Excess sewage from the flow balance tank

5 Retail Supplier

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

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

5.1 Supply of water	
Please provide a response to the questions in the following section if you are seeking a licence for the <u>supply of water</u> by means of any water industry infrastructure.	
5.1.1	Describe the water industry infrastructure that the applicant corporation will access to supply water.
<i>The response to this question is a requirement for any retail supplier's licence for water industry infrastructure (Reg cl.10(1)(a)). The response will also be used to ensure you have applied for the correct licence(s).</i>	
Not applicable	
5.1.2	What volume of water is available from the proposed source? Where applicable, please provide the capacity of the source and the (allowable) average daily extraction rate from the source. If there is more than one source, please provide the requested information for each of the sources. Where relevant, provide a copy of any agreements and/or licences to access the source water in Appendix 5.1.2.
<i>The response to this question will be used to determine whether sufficient quantities of the water supplied will have been obtained otherwise than from a public water utility (Act s.10(4)(d)).</i>	
Not applicable	
5.1.3	What customers or classes of customers does the applicant corporation propose to supply with water?
Classes of customers may include residential, industrial, commercial or agricultural.	
<i>The response to this question is a requirement for any retail supplier's licence (Act s.6(1)(b)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Not applicable	
5.1.4	Will you be supplying small retail customers with water (i.e. less than 15MI/year)?
A person is a small retail customer in relation to water supply if the maximum rate at which water is supplied, pursuant to one or more water supply contracts, to all premises that the person owns, leases or occupies is less than 15 megalitres per year.	
<i>The response will be used as context to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)). The response will also be used as a context for the assessment of risks from the proposed scheme and to identify possible</i>	

<i>additional licence conditions relating to the supply of water to small retail customers.</i>	
Not applicable	
5.1.5	Provide your preliminary risk assessment for the retail activities related to the scheme in Appendix 5.1.5. The risk assessment must identify the events and circumstances that could adversely affect the applicant corporation's ability to carry out the activities for which the licence is sought (including any activities undertaken by a nominated third party), the probability of the occurrence of any such event or circumstance and the measures to be taken by the applicant corporation to prevent or minimise the likelihood of any such event or circumstance.
The preliminary risk assessment should demonstrate the application of a consistent methodology for identifying hazards and assessing potential impacts and risks. We strongly recommend that the applicant corporation utilises an established risk management system such as outlined in AS/NZS 4360 (Risk Management).	
<i>The response to this question is a requirement for any retail supplier's licence (Reg cl.10(1)(b)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)).</i>	
Not applicable	
5.1.6	How will the continuity of the supply of water to customers be ensured? What contingency plans are in place in the case of failure of the infrastructure?
The continuity of supply may differ between customer classes. If this is the case for your project please define the different levels of service for each customer class and how the continuity of supply of water, relevant to that class of customer, will be maintained.	
<i>The response to this question is a requirement for any retail supplier's licence (Reg cl.10(1)(b)(iii)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Not applicable	
5.1.7	Describe the systems and processes that the applicant corporation will have in place to manage retail activities including billing systems, complaint and debt recovery procedures. Provide evidence of the applicant corporation's capacity to develop and implement a retail supply management plan in Appendix 5.1.7.
The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual systems and procedures.	
<i>The response to this question is a requirement for any retail supplier's licence (Reg cl.10(2)(b)(iv)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
Not applicable	

5.2 Provision of sewerage services

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

5.2.1	Describe the water industry infrastructure that the applicant corporation will access to provide sewerage services.
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The response to this question is a requirement for any retail supplier's licence for water industry infrastructure (Reg cl.10(2)(a)). The response will also be used to ensure you have applied for the correct licence(s).

Not applicable

5.2.2	What customers or classes of customers does the applicant corporation propose to provide with sewerage services?
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Classes of customers may include residential, industrial, commercial or agricultural. The licence may also specify whether the customers are small retail customers.

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

Not applicable

5.2.3	Will you be providing small retail customers with sewerage services (i.e. less than 10.5 ML/year)?
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A person is a small retail customer in relation to the provision of sewerage services if the maximum rate at which sewage is discharged, pursuant to one or more sewerage service contracts, from all premises that the person owns, leases or occupies is less than 10.5 megalitres per year, as determined in accordance with guidelines issued by IPART.

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

Not applicable

5.2.4	Provide your preliminary risk assessment for the retail activities related to the scheme in Appendix 5.2.4. The risk assessment must also identify the events and circumstances that could adversely affect the applicant corporation's ability to carry out the activities for which the licence is sought (including any activities undertaken by a nominated third party), the probability of the occurrence of any such event or circumstance and the measures to be taken by the applicant corporation to prevent or minimise the likelihood of any such event or circumstance.
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The preliminary risk assessment should demonstrate the application of a consistent methodology for identifying hazards and assessing potential impacts and risks. We strongly recommend that the applicant corporation utilises an established risk management system such as outlined in AS/NZS 4360 (Risk Management).

The response to this question is a requirement for any retail supplier's licence (Reg cl.10(2)(b)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)).

Not applicable

5.2.5	How will the continuity of the provision of sewerage services be ensured? What contingency plans are in place in the case of failure of the infrastructure?
<p><i>The response to this question is a requirement for any retail supplier's licence (Reg cl.10(2)(b)(iii)). The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i></p>	
Not applicable	
5.2.6	Describe the systems and processes that the applicant corporation will have in place to manage retail activities including billing systems, complaint and debt recovery procedures. Provide evidence of the applicant corporation's capacity to develop and implement a retail supply management plan in Appendix 5.1.4.
<p>The evidence may include examples of processes and procedures for either the proposed scheme or other similar schemes undertaken by the applicant corporation. The examples should demonstrate links to a risk management process. For existing (brownfield) schemes you should provide the actual systems and procedures.</p>	
<p><i>The response to this question is a requirement for any retail supplier's licence (Reg cl.10(2)(b)(iv)). The response will also be used to assess the applicant corporation's technical capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i></p>	
Not applicable	

6 Applicant experience and systems

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

6.1 Network operator

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

6.1.1	Describe the structure of the applicant corporation. Include in the description a list of the entities that have an ownership interest in the applicant corporation, whether legal or equitable. Provide an organisational diagram in an Appendix 6.1.1. The diagram should clearly show all entities that have an ownership interest in the applicant corporation,
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The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

DPWF does not have any direct employees and will rely upon employees from its parent company, WFC, pursuant to the Corporate Services Agreement.

Refer WFC "**About us**" (<http://pitttownwater.com.au/about-us/developers/about-us/>)

6.1.2	Describe the applicant corporation's (and, where relevant, the nominated third parties) current experience in the construction, maintenance and operation of water and/or other utility infrastructure such as gas, electricity or telecommunications.
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The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

DPWF is a subsidiary of WFC.

DPWF's experience is based on the collective experience of WFC's Directors and Key Personnel who are integral members of the DPWF project team. This experience includes finance, equity, insurance, procurement, legal, equipment supply, design, construction, operation and maintenance.

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

WFC has delivered a fully commissioned, validated and verified recycled water facility at its Pitt Town project and has received Ministerial Consent to Commence Commercial Operations.

6.1.3	List the key personnel involved in each of the significant activities (construction, maintenance and operation) and summarise their required skills, qualifications and experience. Provide a position description for each of the key personnel positions in Appendix 6.1.3.
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Clearly identify whether the key personnel are employees of the applicant corporation or, where relevant, the nominated third party. It is not necessary to list all the employees. Ensure that the key personnel include the person or persons responsible for managing the applicant corporation's compliance with their legislative responsibilities.

The response will be used to assess the applicant corporation's technical and organisational capacity

<i>to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i>	
<p>RWF Project Team:</p> <p>Terry Leckie - WFC MD, DPWF Director Stephen J McKewen – WFC Director, DPWF Director Andrew Horton – DPWF Project and Operations Manager Kurt Dahl– Permeate Partners - Technical</p> <p>RWF Utility:</p> <p>Candice Rea -WFC Executive Manager, Retail Services Tina Vella – WFC Business Manager</p>	
6.1.4	Please provide details of any other regulatory approvals or licences the applicant corporation or nominated third party holds in relation to the infrastructure activities for which you are seeking a licence.
<p>Include relevant approvals for similar projects interstate or overseas to demonstrate the experience of the applicant corporation. We may seek confirmation of your compliance history in relation to other regulatory approvals or licences as part of our assessment.</p> <p><i>The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i></p> <p>Please refer to section 3.5.1 for response – as above.</p>	
6.1.5	What business systems will the applicant corporation have in place to ensure they can comply with your regulatory requirements? Are any of the systems certified or will they be certified?
<p>Business systems may include but not be limited to quality assurance, asset management and environmental management systems.</p> <p><i>The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).</i></p> <p>The Applicant will have in place the following risk management systems to address regulatory requirements:</p> <ol style="list-style-type: none"> 1. Compliance Risk Management Framework. This covers all relevant laws and regulations, as well as ensuring compliance with all relevant contractual arrangements in relation to the RWF. Reporting under management plans forms part of a WFC Group wide external reporting framework. Reporting includes: <ol style="list-style-type: none"> a. WICA (Licences) b. Basix (Planning) c. General Corporate (ASIC, TAX, WHS etc) <p>This will cover all relevant laws and regulations, as well as ensuring compliance with all relevant contractual arrangements in relation to the RWF.</p> 2. Legal - retention arrangements with Sparke Helmore to advise of changes in legislative and regulatory environment directly impacting the RWF 3. Asset Management – WFC will be using an Asset Management system as part of our ERP system (Netsuite) delivering one platform for Asset Management and CRM. 	

4. Work Health & Safety System – monitoring and managing all health and safety performance and recording any workplace incidents to ensure safety processes, procedures, consultation and training of all our employees and contractors.

6.2 Retail supplier

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

6.2.1	Describe the structure of the applicant corporation. Include in the description a list of the entities that have an ownership interest in the applicant corporation, whether legal or equitable, and a list of the entities that the applicant corporation has an ownership interest in. Provide an organisational diagram in Appendix 6.2.1. The diagram should clearly show all entities that have an ownership interest in the applicant corporation.
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The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Not applicable

6.2.2	Describe the applicant corporation's (and, where relevant, the nominated third parties) current experience in the supply of water or the provision of sewerage services. Please also outline any previous experience in the retailing of other services such as gas, electricity or telecommunications.
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The response will be used to assess the applicant corporation's technical and organisational capacity to undertake the activities for which you are seeking a licence (Act s.10(4)(a)).

Not applicable

6.2.3	List the key personnel involved in the retail activities and summarise their required skills, qualifications and experience. Provide a position description for each of the key personnel positions in Appendix 6.2.3.
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Clearly identify whether the key personnel are employees of the applicant corporation or, where relevant, the nominated third party. Ensure that the key personnel include the person or persons responsible for managing the applicant corporation's compliance with their legislative responsibilities.

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

Not applicable

6.2.4	Please provide details of any other regulatory approvals or licences the applicant corporation or nominated third party holds in relation to the retail activities for which you are seeking a licence.
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Include relevant approvals for similar projects interstate or overseas to demonstrate the experience of the applicant corporation. We may seek confirmation of your compliance history in relation to other regulatory approvals or licences as part of our assessment.

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

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

7 Financial capacity

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

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

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

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

7.1 How will the applicant corporation finance the proposed activity?	
7.1.1	Describe the mechanisms by which the applicant corporation's activities are financed or to be financed. Provide evidence of any financial guarantees or commitment of financial support in Appendix 7.1.1.
<p>Evidence of financial support may include, but is not limited to; a letter from a financial institution (being a bank, credit union or the government) confirming indicative financing of the applicant corporation's activities, including:</p> <ul style="list-style-type: none"> ▼ the nature of finance (eg, bridging, long term, corporate debt, government funding) ▼ type and limit of the facility ▼ type and limit of any guarantee, and ▼ terms and conditions. 	

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

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

Events and circumstances may include but are not limited to:

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

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

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

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

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

DPWF will own the RWF (mechanical and electrical plant and equipment) and the recycled water bulk meters.

The developer (DPPL) and/or the relevant building owners corporations and/or the development co-operative body corporate will own all (i) the RWF Plant room, (ii) the Flow Balance Tank, (iii) the sewerage reticulation infrastructure (other than the sewer main owned by Sydney Water, unless transfer of ownership is negotiated from Sydney Water), and (ii) recycled water reticulation infrastructure. The RWF Plant room will be leased on a long-term basis to DPWF (peppercorn lease); the Flow Balance Tank, the sewerage infrastructure and the recycled water infrastructure will all be subject to requisite easements effectively conferring on DPWF all rights of use and access, together with maintenance, repairs and replacement obligations.

Sydney Water will own all potable water infrastructure in the development up to the point of and including bulk water metering in each building.

As per market norm, all sewerage, recycled water and potable water infrastructure within each building (in the case of water, past the point of bulk metering) will be owned by the relevant building owners corporation.

7.3.3	Where the applicant corporation is applying for a retail supplier's licence to supply water or provide sewerage service to residential households, provide an estimate of the cost per household per year to supply water and/or provide sewerage services (as is relevant). Who will pay the cost? What is the proposed price level and structure for the first five years of operation?
<i>The response to this question will be used to determine whether there are any issues of public interest arising from the proposed scheme (Act s.10(4)(f)).</i>	
Not applicable	
7.4 What is the applicant corporation's financial history?	
7.4.1	Does the applicant corporation have a financial history? If not, explain why.
Yes	
7.4.2	Where the applicant is a new corporation, supported by one or more parent entities, provide a copy of guarantee or cross deed of indemnity provided by the parent entity, and financial statements for the parent entity for the last 3 years in Appendix 7.4.2 .
Please include any parent entity with more than 20 per cent of equity in the applicant corporation.	
7.4.3	Where the applicant is a new corporation financed through alternative arrangements (eg, debt or equity), provide a letter from a financial institution (eg, bank, credit union or the government) certifying an existing or proposed line of credit or financial support, and a copy of guarantee or cross deed of indemnity provided by an entity such as a holding company or Director (provide financial statements demonstrating the financial viability of the guarantor) in Appendix 7.4.3 .
Financial support to be provided by WFC	
7.4.4	Where the applicant is not a new corporation, summarise the performance of the applicant corporation over the past 3 years below. Provide copies of tax returns for the corporation for the last 3 years in Appendix 7.4.4(a) . Provide financial statements for the last 3 years in Appendix 7.4.4(b) . Where the latest annual financial statements are more than 3 months old, provide the latest available management reports showing: <ul style="list-style-type: none"> ▼ a trading statement ▼ a profit and loss statement, and ▼ a trial balance.
It is preferable that these financial statements are audited. It is recognised that not all corporations are required to have their annual financial statements audited. However, where you are required to lodge audited financial statements with the Australian Securities and Investments Commission (ASIC), provide copies of these statements. (Note: consolidated accounts for the parent organisation or group to which the applicant corporation belongs would not be considered acceptable)	

7.4.5	If applicable, what is the applicant corporation's credit rating? Provide the applicant corporation's Credit rating memorandum (eg, Standard & Poor's, Moody's or Fitch), if available in Appendix 7.3.6 .
Not applicable	
7.4.6	Provide details of the applicant corporation's debt/equity finance and any debt covenants on existing borrowings.
7.5 Contacts	
7.5.1	Does the applicant corporation have an accountant? If yes, what are the accountant's contact details?
Yes	
Jeff Charge	
Partner	
Charge Thoo & Co	
7.5.2	Does the applicant corporation have an external auditor? If yes, what are the external auditor's contact details?
No	
7.5.4	If required, may we contact the accountant and/or external auditor registered taxation agent to clarify any information provided?
Yes	
7.6 Internal accounting records	
7.6.1	Provide bank reconciliations, aged accounts receivable reports, and aged accounts payable reports in Appendix 7.6.1 at the dates of: <ul style="list-style-type: none"> ▼ The latest management accounting reports (if applicable) and annual financial statements ▼ 30 September (most recent) ▼ 31 December (most recent) ▼ 31 March (most recent), and ▼ 30 June (most recent) for the applicant corporation.
7.6.2	Provide an extract of the superannuation payable ledger in Appendix 7.6.2 for: <ul style="list-style-type: none"> ▼ The 12 months ending on the date of the latest annual financial statements, and

	<ul style="list-style-type: none"> ▼ The period commencing on the date of the latest annual financial statements and ending on the date of the latest management accounting reports (if applicable) for the applicant corporation
7.6.3	Provide bank statements for the 3 months to the date of the latest management accounting reports (if applicable) or annual financial statements for the applicant corporation, whichever has been submitted with the application in Appendix 7.6.3 .

8 Statutory declaration and acknowledgement

To be completed by all applicants

8.1 Statutory declaration

Provide a statutory declaration from:

- (a) the Chief Executive Officer and a director of the applicant corporation; or
- (b) the sole director and Chief Executive Officer of the applicant corporation; or
- (c) such other person that IPART agrees may provide the statutory declaration/s;

to the effect that the information provided in the application is true and correct. For the purposes of Part 3 of this application form, the statutory declaration should also state that the applicant corporation is not a disqualified corporation and that no director or person concerned in the management of the applicant corporation is or would be a disqualified individual within the meaning of the WIC Act.

I, do solemnly and sincerely declare that:

1. I am Chief Executive Officer and Director of the applicant (named in the application form accompanying this declaration);
2. the information provided in this application is true and correct to the best of my knowledge;
3. I am aware of the requirements under the *Water Industry Competition Act 2006* (NSW) (WIC Act) for the licence being applied for;
4. the applicant corporation is not a disqualified corporation within the meaning of the WIC Act;
5. no director or person concerned in the management of the applicant corporation is, or would be, a disqualified individual within the meaning of the WIC Act;
6. I have the authority to make this application on behalf of the applicant (named in the application form accompanying this declaration);

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

Name of person making the declaration: Terence Leckie

Title of person making the application: Managing Director

Signature of person making the declaration: _____

Declared at *[place]*: Level 3, 210 George Street, Sydney

On *[date]*: 26 November 2012

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

Signature of witness: _____

Title of witness:

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

8.2 Acknowledgement

An acknowledgement should be provided by:

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

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

- the Minister administering the *Water Industry Competition Act 2006* (except Part 3)
- the Minister administering the *Public Health Act 1991* (NSW)
- the Minister administering Chapter 2 of the *Water Management Act 2000* (NSW)
- the Minister administering the *Environmental Planning and Assessment Act 1979* (NSW), and
- the Minister administering the *Protection of the Environment Operations Act 1997* (NSW),

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

In the interest of expediting the processing of your application, would you please indicate below whether you agree to a copy of your completed application form (including any confidential information contained in that application form) being provided on a confidential basis directly to relevant departmental staff with responsibility to advise the Ministers named above on issues relating to the provision of water and sewerage services.

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

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

Name of person making the acknowledgement: Terence Leckie

Title of person making the acknowledgement: Managing Director

On [date]: 26 November 2012

Signature of person making the acknowledgement: _____

Name of person making the acknowledgement: Stephen J McKewen

Title of person making the acknowledgement: Executive Director

On [date]: 26 November 2012

Signature of person making the acknowledgement: _____