

## NSW Health Department comments on the Mid-term reviews of SWC's and SCA's Operating Licences

### Sydney Catchment Authority

#### 2.3 Should the obligations of the MOU be incorporated into the licence?

The appropriate role of the MOUs is to define the cooperative and regulatory relationships as well as placing performance obligations on each party. The Department's view is that the MOU between SCA and NSW Health adequately defines the roles and responsibilities of each agency as well as defining common areas of interest eg research outcomes. It is also of the view that the most important obligations on the SCA with respect to NSW Health are already incorporated into the Operating Licence. These requirements are for monitoring, reporting and incident management. It does not believe that any further obligations under the MOU need to be incorporated in the Operating Licence.

The Department's experience to date is that the SCA views its obligations under the MOU seriously and diligently.

#### 2.4 Water quality obligations

The Department's view is that it is unnecessary to include further health related water quality obligations in the SCA's Operating Licence.

The Department would like to reiterate its previous comments regarding its concern over the separation of a monitoring program for treated drinking water to *two* agencies. The health related guidelines specified in the *Australian Drinking Water Guidelines (ADWG)* define good quality drinking water as sampled at the consumer's tap ie after treatment. As such health related guideline levels are not intended to be applied as standards to bulk water supplies. No other health authority regulates raw bulk water in this manner.

As expressed previously, the Department suggests that the focus on routine health related water quality monitoring should lie with the water supplier, in this case SWC, and that the raw water supplier be focussed on conducting investigative and operational monitoring.

#### 2.5 Review of the Risk Management Plan (RMP)

The Department is of the opinion that the RMP provides a different focus to the intent of the Regional Environment Plan (REP). While the intent of the REP is to minimise health and environmental risk to the catchment which will go some way to addressing some of the issues in the RMP, there are also internal activities and operations of the SCA which have the potential to pose risks. These are better represented in the RMP. The Department is also cognisant that the REP is some way from finalisation.

#### Other comments on SCA Licence

1. The SCA maintains a number of water supplies directly to picnic areas near its storages. At present these are treated as drinking water under the general provisions of the Operating Licence. All the supplies provide a small supply of water to a limited number of people using recreational areas.

The Department recommends a variation of the Operating Licence to allow the SCA to implement Chapter 7 of the *Australian Drinking Water Guidelines 1996*, Small Water Supplies, for the picnic areas. Key issues to be addressed will be maintenance of chlorine

residual and monitoring of blue-green algae. Monitoring by water quality testing and manual chlorine dosing will be implemented to comply with public water supply guidelines.

2. For accuracy, reference to “*Drinking Water Guidelines*” should read “*Australian Drinking Water Guidelines ADWG*” eg sec 6.4.

## **Sydney Water Corporation**

### Sec 3.3 Compliance with aesthetic drinking water guidelines

There appears to be some confusion in this section of the Issues Paper. SWC’s Operating Licence requires SWC to meet aesthetic guidelines specified by the Minister for Health, whereas the Issues Paper indicates that NSW Health *may* require SWC to comply with aesthetic guidelines. The NSW Health Department has previously advised IPART that it sees limited value in regulating aesthetic parameters, as they are not deemed to be directly health related. On inclusion of the requirement in the Operating Licence for the Minister for Health to specify aesthetic guideline values to be complied with, the following parameters were chosen: aluminium, ammonia, iron, zinc and turbidity. The Issues Paper has incorrectly nominated taste, temperature, total dissolved solids and true colour. As such, taste, is not an aesthetic value requiring compliance, however the discussion in the Issues Paper under this section focuses on taste as an issue as influenced by the use of disinfectants, namely chlorine and monochloramine.

It should be noted that for some parameters such as chlorine and monochloramine, the aesthetic guidelines (0.6 mg/L and 0.5 mg/L respectively) are lower than the health related guideline values (5 mg/L and 3 mg/L respectively). Where this occurs, it is necessary to determine which level takes precedence for regulatory purposes. In this instance the Department argues that it is preferable to exceed the aesthetic criteria and ensure that chlorine residual is maintained in the supply, rather than run the risk of a low level and ineffective disinfectant residual being maintained for the sake of complying with the aesthetic criteria. Where there are potential health risks, the health guideline should take precedence.

On a general note, the Department would be concerned if Sydney Water was driven to significant expenditure to comply with parameters which are not directly health related eg iron, tin, zinc, and where expenditure could have more public health or environmental gain elsewhere.

### 3.4 Annual Water Quality Improvement Plan

The NSW Health Department is of the view that for its regulatory purposes, the Five-Year Plan is sufficient to ensure that strategies to improve water quality are forecast and outlined. **As** such, it is of the view that there is not a continued need for the Annual Water Quality Improvement Plan. If the requirement for the Annual Water Quality Improvement Plans were removed, it would be useful for each Five Year Plan to also report on actions taken in accordance with specifications outlined in the previous Five Year Plan, in addition to forecasting future works.

### 3.5 Minimum standards for non-drinking water

The Department is strongly of the view that the standards and guidelines for other water should not be prescribed in the Operating Licence. The reason for this is that prescription of guidelines (which is the original intent of the documents), as standards in a legally binding document such as the Operating Licence, does not allow for flexibility on the part of the regulatory agencies when new guidelines are introduced. It also does not allow for the

regulatory agencies to choose the most appropriate guidelines to suit the application at hand. For example, the NHMRC/ARMCANZ/ANZECC guidelines *Use of Reclaimed Water* are not as stringent as the *NSW Guidelines for Urban and Residential Use of Reclaimed Water*, for the use of reclaimed water in an urban residential setting. Despite this, the Department intends to continue using the NSW guidelines for this type of reuse application. In addition, there are other applications for the reuse of water which might not be specified in any guideline.

### 3.6 Water conservation targets

The Department would like to reiterate that while it supports water conservation measures and setting realistic targets, it would be concerned if the only way to meet these targets were through potable reuse of sewage, as had been discussed in the past.

### Other comments

#### *Five Year Drinking Water Quality Management Plan*

The Operating Licence specifies that the plan must be prepared to the satisfaction of the NSW Health Department, which arises from its original specification in the MOU between the Department and SWC. However the Operating Licence also requires that the plan's aims are to "reduce risk to public health and meet any aesthetic guideline values.. ..... It must also include an audit program for potable water backflow prevention devices".

The Department is concerned that the Plan (which was originally for the Department's purposes) now requires consideration of the requirement to meet aesthetic guidelines, which it was not previously intended to address. It is also to include an audit program for backflow prevention devices. The Department does not have a role in regulating backflow prevention devices, and in general relies on advice provided by the *Committee on the Uniformity of Plumbing & Drainage Regulation (CUPDR)* and the *NSW Code of Practice: Plumbing & Drainage*, which are administered through the Department of Land & Water Conservation (DLWC).

The Department therefore suggests that IPART consider inclusion in the Operating Licence of a reference to the appropriate authority to review information in the plan relating to aesthetic parameters and backflow prevention devices.