



15 September 2016

Mr Rob O'Neill  
General Manager, Licensing & Compliance  
Independent Pricing and Regulatory Tribunal  
PO BOX K35  
HAYMARKET POST SHOP NSW 1240

Dear Mr O'Neill

**INVITATION TO MAKE SUBMISSION IN REGARD TO LICENCE APPLICATION UNDER  
THE WATER INDUSTRY COMPETITION ACT 2006 (NSW)  
Assessment No: 853419 Lot 13 DP 1126998 H25 Research Road NARARA**

Reference is made to your letter dated 3 August 2016 inviting Central Coast Council to provide comment on the network operator's licence and retail supplier's application submitted to IPART under the *Water Industry Competition Act 2006 (NSW)* for the Narara Eco Village at 25 Research Road, Narara.

Council provides the following response to your questions.

**Question 1: Is our understanding of the approvals that have been obtained under the EP&A Act correct (as outlined in Attachment A) for the activities the licence would authorise, if granted? If not, what approvals are required to be obtained?**

No. The applicant has obtained development consent from Council for community title subdivision (39 lots).

In support of the subdivision development application, an overall concept masterplan was submitted for information and other general information but this was not approved by Council and did not form part of the subdivision consent.

The *State Environmental Planning Policy (Infrastructure) 2007* allows the infrastructure outlined in Attachment A to be constructed without consent in prescribed zones. However, the zoning of the Narara Eco Village is not a prescribed zone and accordingly separate development consent is required for the infrastructure.

In addition, it will be necessary for the applicant to submit applications to Council under Section 68 of the *Local Government Act 1993* and the *Local Government (General) Regulation 2005* to install and operate a system of sewage management.



**Question 2: Does Central Coast Council consider that the proposed activities to be licensed (if granted) pose any unacceptable risks to the environment? If so, what are these risks?**

Council is not currently in a position to provide further comment on whether the proposed activities will pose any unacceptable risks to the environment.

Council has written to the applicant advising them of the requirement to submit a section 68 application; however it has not as yet been lodged with Council. Accordingly, Council's Environmental Health Team has not undertaken a detailed assessment of the proposed wastewater treatment system and effluent reuse and disposal at this time.

Please also note that it was Council's understanding that the applicant was advised by IPART to undertake a preliminary risk assessment and facilitate a meeting with all relevant stakeholders including the NSW Ministry of Health, the EPA, and Council, as part of the approval process for the WICA licence. Council has not been involved in any consultation with the applicants thus far.

In order to comply with the *Local Government Act 1993* a detailed risk assessment of health and environmental impacts will need to be provided by the applicant in accordance with the NSW Department of Water & Energy (2008) *Interim NSW Guidelines for Management of Private Recycled Water Schemes*. This application will require detailed design reports to be submitted for assessment, including:

- Treatment plant process design report
- Detailed system health and environmental risk assessment
- Hydraulic design for the proposed sewerage system, irrigation and third pipe design
- Detailed land capability assessment for on lot and orchard reuse of treated effluent
- Verification and validation monitoring
- Operation, monitoring and maintenance plan.

Noise and odour reports will also be need to be submitted in support of the development application.

Once the development application for the infrastructure and section 68 application has been received, Council will be in a position to provide further comment on whether the proposed activities will pose any unacceptable risks to the environment.

**Question 3. If granted, should the network operator's licence contain any specific conditions in relation to protection of the environment? If so, what should these conditions be?**

Once the documentation outlined in response to question 2 has been submitted and reviewed, Council will be able to provide specific conditions in relation to the protection of the environment.

Please note, Council will impose conditions to protect public health and the environment on the Approval to Install and Approval to Operate the sewage management facility under section 68 of the *Local Government Act 1993*.

Furthermore, conditions will also be applied to any development consent for the sewage management facility in relation to the protection of the environment.

The following comments are also provided from Council's perspective as the public water utility to assist you in the determination of the application. The applicant's site is connected to Council's water reticulation system however it is outside Council's defined sewer service area. As a consequence of rezoning, the applicant was advised that further development of the site would require augmentation of both the water supply and sewerage reticulation systems, in addition to internal water and sewer infrastructure, in order to cope with additional loading from the development. The applicant advised Council at preliminary development meetings that there was no intention to connect the development to Council's water supply or sewerage reticulation systems and that these services would be provided by the applicant. The applicant was advised that they may retain the existing water service as a temporary service connection (interim supply) for construction and servicing of the first development stage, subject to entering into a Deed of Agreement with Council.

It is unclear what works the applicant is referring to when stating a cost of \$20 million for headworks in Section 4.14 Item 3 of the application. There are costs associated with providing reticulation infrastructure (such as gravity mains, pumps and transfer lines) that will be necessary whether the applicant chooses to operate their own systems or use Council's. Council has identified a number of specific downstream works that would require augmentation should the applicant wish each lot within the development be connected to Council's sewer and water reticulation systems, however such costs would be expected to be a small percentage of the \$20 million quoted in the application. Additional costs to construct a sewer pump station to Council's standard and sewer rising main would also be expected to represent a small portion of the \$20 million.

I trust this information will assist you in determining the application, however should you require any additional information please contact me between 9.00am and 10.30am weekdays on [REDACTED].

Yours faithfully

[REDACTED]

Claire Kennedy

**Environmental Health Officer  
Development & Compliance**

CK:bt  
I/R No: 23287780

