

Mr Hugo Harmstorf  
Chief Executive Officer  
IPART  
PO Box K35  
Haymarket Post Shop NSW 1240

Attention: [REDACTED]

Dear Mr Harmstorf

**Your Ref: D18/35914 WUA MidCo Pty Ltd for a Network Operator's Licence and a Retail Supplier's Licence Application**

I refer to your letter to the Hon Anthony Roberts MP, Minister for Planning dated 5 December 2018, regarding an application by WUA MidCo Pty Ltd (WUA) for a network operator's licence and a retail supplier's licence for the existing Kooragang Industrial Water Scheme (KIWS) in the Newcastle local government area, under the *Water Industry Competition Act 2006* (NSW).

I understand KIWS is currently owned by Kooragang Water Pty Ltd, the subsidiary of WUA, and operated under contract by SUEZ Water & Treatment Solutions (SUEZ). Ownership and operation of KIWS was handed over from Hunter Water Corporation (HWC) to Kooragang Water Pty Ltd on 28 November 2017.

The license being sought is for KIWS which comprises a section of pipeline that receives treated effluent from Shortland wastewater treatment plant, the Mayfield West Advanced Water Treatment Plant and a pipeline that supplies the treated recycled water to Orica Kooragang Island production facility. In addition, the scheme also operates and maintains two sections of pipeline to divert trade waste (brine & dirty filter backwash water) to HWC's sewer network. It is unclear from the information provided, where the source of this trade waste originates. However, we assume that this does not form part of the application(s).

To address the questions in your letter:

1. *Has WUA MidCo Pty Ltd or Kooragang Water Pty Ltd been subject to any of the following enforcement actions under the EP&A Act: negotiated outcome, warning letter, enforceable undertaking, order from the Minister, court order or successful prosecution? If so, please provide details of the enforcement action(s).*

*A review of records by the compliance team did not find any enforcement action(s) being undertaken or carried out against WUA MidCo Pty Ltd or Kooragang Water Pty Ltd.*

2. *It is our understanding that the existing infrastructure was self-assessed by Hunter Water in accordance with Part 5 of the EP&A Act. We understand that the KIWS will continue to*

*be development without consent for the activities the WIC Act licence would authorise, if granted. Can you please confirm whether our understanding is correct? If not, what approvals are required to be obtained?*

As identified by IPART, the existing infrastructure was self-assessed by Hunter Water in accordance with Part 5 of the *Environmental Planning and Assessment Act 1979*. The Department notes that it is permissible that the KIWS will continue to be development without consent under the *State Environmental Planning Policy (Infrastructure) 2007*, for the activities the WIC Act licence would authorise if granted.

3. *Are you aware of any unacceptable risks to the environment posed by the activities to be licensed? If so, what are these risks?*

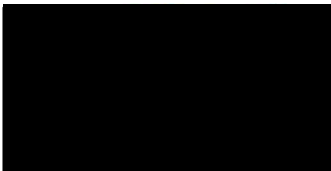
Based on the information provided, the Department is unaware of any unacceptable risks.

4. *If granted, should the network operator's licence contain any specific conditions in relation to protection of the environment? If so, what conditions do you recommend?*

The Department does not recommend any conditions.

Should you have any questions in relation to the matters raised in this letter, please contact Dominic Crinnion, Team Leader, at the Department on [REDACTED]

Yours sincerely



30/01/2019

Karen Harragon

**Director**

**Social and Other Infrastructure Assessments**