Dear Tribunal Members,

From:

Subject:

Date:

To:

Please accept my late submission for the determination of the Flow Systems Wica Licence variation to the Box Hill North Water Factory.

The reason my submission is late is I was only made aware of the application to vary the licence in late December by the Water Ministers office.

I request that the application to vary the licence to increase the area of service is rejected on the following grounds.

- 1. Flow Systems are refusing to supply sewer and recycled water services to landholders currently on their licence.
- 2. The attached letter from the Minister outlines they are in breach of their current licence.
- 3. The attached letter from Hills Shire Council also has similar concerns as set out above.

Regards,

John Cappello Mobile:



Ref: MDPE19/594

Mr William Cappello

Dear Mr Cappello

Thank you for your letters to the Premier dated 4 February 2019 and to the Minister dated 15 May 2019 regarding the Box Hill North scheme licensed to Flow Systems Operations Pty Ltd (Flow) under the *Water Industry Competition Act 2006* (WIC Act). The Minister has asked me to respond on her behalf and to apologise for the delay in replying.

The Department has investigated the matters you have raised and provided the Minister with advice. Based on the information before her, the Minister is of the view that if Flow is refusing to service the lots owned by your family, being lots 421 – 425 in DP 1183810 (the Cappello lots), it is contravening Network Operator's Licence No 16_037 granted to Flow on 12 May 2016.

Flow has been advised of the Minister's view in writing and asked to service the Cappello lots and advise of the terms of service - or to explain to the Minister why the failure to service the Cappello lots does not constitute a breach of its network operator's licence. Flow has been asked to respond by 15 July 2019 and following that I will advise you of Flow's response and any further action in this matter.

If you have any queries regarding this matter, please contact Prue Gusmerini, Director Water and Utilities, at the Department on

Yours sincerely

Dr Liz Develin Deputy Secretary Metropolitan and Regional Water

18.6.2019

 Department of Planning and Environment

 320 Pitt Street Sydney 2000 | GPO Box 39 Sydney 2001 | planning.nsw.gov.au



THE HILLS SHIRE COUNCIL 3 Columbia Court, Norwest NSW 2153 PO Box 7064, Norwest 2153 ABN 25 034 494 656 | DX 9966 Norwest

28 November 2019

Principal Analyst Jamie Luke Level 15, 2-24 Rawson Place SYDNEY NSW 2000

Our Ref: FP213

Dear Mr Luke

Box Hill North Network Variation 2019 - Flow Systems Operations Pty Ltd

Thank you for the opportunity to comment Flow Systems Operations Pty Ltd and Flow Systems Pty Ltd applications for *Water Industry Competition Act 2006 (WIC)* licence variations at Box Hill North.

The following matters are raised for your consideration:

a. Orderly Development

As part of Council's assessment of the planning proposal to permit Flow Systems' water management facility in Box Hill North, the proponent was required to demonstrate that the facility would have capacity to accommodate the anticipated demand by all future development within the Precinct, including land not controlled by the major developer, Celestino. However, it is noted that the existing RSL does not apply to a number of properties along Red Gables Road / Janpieter Road (circled red in the figure below). It is unlikely that these properties would be able to provide services to their developments through other providers as the cost of providing the necessary infrastructure to service their individual developments would be prohibitive. Accordingly, they have limited options other than engaging with Flow Systems to provide the required services.

Council is currently assessing a number of subdivision applications relating to these properties where Flow Systems has been reluctant to provide any commitment with regard to supply and timing of water related infrastructure required to facilitate redevelopment. This has created significant uncertainty and delay in the development assessment process and concern that Flow Systems is failing to honour its commitment to provide services to all properties within the Box Hill North Precinct. Prior to Flow Systems extending services to additional customers outside of the Precinct, it should first provide certainty to the owners of existing urban land within the Precinct, in line with previous commitments and the premise upon which the rezoning of the water management facility was supported. Accordingly, it is recommended that Flow Systems be required to include these additional properties within the RSL area (for both recycled water and sewer services) to reflect Flow Systems' commitment to reasonably service these properties within a timely manner.



Figure 1: Properties not within Flow Systems' Service Agreement

b. Consideration of Future Growth

The proposal from Flow Systems appears to be a short term solution to removing excess treated water from the overall system. It does not take into account potential future growth in the area and lots that may require services should they be released in the future. The proposed inclusion of an additional 38 lots would remove the need for Flow Systems dispose of this excess water through other means (potentially through gaining a license to dispose water into the creek adjacent to the Local Water Centre) without these additional lots gaining the benefit of a sewerage treatment system.

Land identified in Figure 2 is currently zoned RU6 Transition and adjoins the Box Hill North Precinct. Some of this area may be suitable to accommodate future urban development, subject to detailed strategic investigations and the planning proposal process. Flow Systems has based their expansion on current land use zoning only, without consideration of the potential future release of this land. It is recommended that any infrastructure extension of the RSL be considered in light of these potential future residences that may require access to both water and sewerage in the future.



Figure 2: Land zoned RU6 Transition adjacent to the Box Hill North Precinct

c. Mapping Clarity

The map provided by IPART as part of this exhibition appears to contain inaccuracies. Specifically, properties outside of the Box Hill North Precinct south of Old Pitt Town Road have erroneously been identified as within the 'existing' licence area.

Should you require any further information please contact Laura Moran, Town Planner on

Yours faithfully

Nicholas Carlton

MANAGER – FORWARD PLANNING