

5 November 2013

The Chief Executive officer IPART Level 8, 1 Market Street Sydney NSW 2000

By email:

Attention Ms Kaye Power

**Dear Ms Power** 

## **Catherine Hill Bay Water Utility Application - SOLO Water**

Further to the discussion with Coal & Allied's consultant Keith Dedden, today I would like to support an extended application by SOLO Water to become a water supply authority at Catherine Hill Bay to include the Coal & Allied residential development at Catherine Hill Bay (Middle Camp).

Catherine Hill Bay Land Pty Ltd, a wholly owned subsidiary of Coal & Allied, is the owner of Lots 1, 2, 4 and 5 DP 1180181 at Catherine Hill Bay. Lots 1 and 2 are zoned R2 for residential development (zoning map attached) and are the subject of a Concept Plan approved by the Planning Assessment Commission on 12 July 2012 for up to 223 dwelling units (CP 10-0089).

As Catherine Hill Bay is not connected to a water supply or sewerage system, the owners of the three remaining major developments on the Wallarah Peninsula, Coal & Allied, Rose Group and Stockland convened and entered into a Heads of Agreement (HoA) to prepare water supply and sewerage strategies for the Peninsula, which would also be sized to accommodate the existing villages of Catherine Hill Bay and Middle Camp. The strategies were submitted to and approved by the regional water supply authority, Hunter Water Corporation.

Subsequently, the detailed design phase of the strategies was curtailed and signatories to the HoA commenced investigation of alternative means of servicing.

It is understood that SOLO Water was engaged by Rose Group to become the service utility for its Catherine Hill Bay development of 540 dwelling units for which a network operator and retail supplier application has now been made by SOLO Water to IPART.

I understand that IPART is currently assessing the application and is yet to grant the licence. This submission seeks to ensure that any licence granted is done so in consideration of the broader servicing needs of the area and specifically contains provisions enabling the possible future servicing of the Coal & Allied development.

Coal & Allied Operations Pty Ltd ABN 16 000 023 656 Lemington Road, Ravensworth via Singleton NSW 2330 Australia PO Box 315, Singleton NSW 2330 Australia Telephone +61 2 6575 5912 Facsimile +61 2 6570 3601 It is understood that IPART is an independent regulator seeking to contribute to economic progress in NSW. Coal & Allied supports the SOLO Water initiative as an example of providing competition in the water industry but is concerned that the economic, orderly and efficient provision of services may not be achieved if the current application is confined to servicing only the Rose Group development on the Wallarah Peninsula.

Should each of the remaining three major developers on the Wallarah Peninsula make separate arrangements with different water supply authorities for the provision of water supply and sewerage services, it is likely to result in three separate water supply trunk mains and three separate sewerage trunk mains and possibly separate sewage treatment plants constructed to service each of the developments. Yet the developments are in close proximity to each other at Catherine Hill Bay. That situation would not lead to orderly, efficient or economic provision of services and the proliferation of service mains and systems was the outcome that the Hunter Water Corporation was seeking to avoid when it required the joint submission of a servicing strategy for the three remaining developers on the Peninsula.

As also discussed Coal & Allied has approached SOLO Water to consider inclusion of the Middle Camp development and SOLO Water has agreed to review its water supply rising main design to determine whether there is available capacity for the Coal & Allied development.

Your consideration of Coal & Allied's approved development in determining the SOLO Water application would be appreciated so that future servicing of that development by Solo Water may be achieved.

Yours faithfully

Geoffrey Rock Specialist Property Development

