



Doc16/361063-02

Mr Rob O'Neill
General Manager, Licensing and Compliance
IPART
PO Box K35,
HAYMARKET POST SHOP NSW 1240

Attention: Mr Robert Aposhian

Dear Mr O'Neill

Flow Systems Operations Pty Ltd licence application under the Water Industry Competition Act 2006

I refer to your letter dated 20 July 2016 inviting comment from the Environment Protection Authority (EPA) in relation to Flow System Operations Pty Ltd's licence application under the *Water Industry Competition Act 2006* (WICA Act) for a proposal at Glossodia.

The EPA has considered your request and offers the following comments:

1. *Has FSO, its parent company Flow Systems Pty Ltd, or Celestino Developments Pty Ltd been subject to any of the following enforcement actions under the EP&A Act; negotiated outcome, warning letter, enforceable undertaking, an order from the Minister, court order or successful prosecution? If so, please provide details of the enforcement action(s).*

The *Environmental Planning and Assessment Act 1979* (EP&A Act) is not administered by the EPA. I suggest you approach the Department of Planning and Environment regarding Flow System Operations Pty Ltd's compliance with that Act.

2. *Is our understanding of the approvals that have been or are required to be obtained under the POEO Act correct (as outlined below) for the activities the licence would authorise, if granted? If not, what approvals are required to be obtained?*

Approvals obtained: None.

Approvals required: None.

Yes, no approvals have been obtained or are required under the *Protection of the Environment Operations Act 1997* (POEO Act).

An Environment Protection Licence (EPL) from the EPA is required for sewage treatment if the activity has a processing capacity that exceeds 2,500 equivalent persons or 750 kilolitres per day. Given the proposed system is below these thresholds, Hawkesbury City Council (HCC) becomes the appropriate regulatory authority for environmental issues. As such, the EPA recommends that you contact HCC with regard to its assessment role for the development.

3. *Will the EPA become a determining authority under the EP&A Act if an application for an Environmental (sic) Protection Licence is made?*

No, the EPA will not be the determining authority under the EP&A Act nor will the EPA issue an Environment Protection Licence under the POEO Act as the proposed system is below the thresholds outlined above.

4. *Are you aware of any unacceptable risks to the environment posed by the activities to be licensed? If so, what are these risks? Is an Environment Protection Licence required for the works described in the application?*

Any risks to the environment from the proposed development need to be managed appropriately. The EPA recommends that you contact HCC to discuss its assessment of the risks and local planning requirements, particularly with respect to the proposed irrigation of effluent. The EPA's Environmental Guidelines: Use of Effluent by Irrigation (2004) provides some guidance. These guidelines can be found here: <http://www.epa.nsw.gov.au/resources/epa/effguide.pdf>

The operators will need to ensure by careful and ongoing monitoring of treated water that chemical impurities (for example, salt and by-products of disinfection) in the treated water do not over time exceed relevant recycled water guidelines or cause incremental accumulation of pollutants in soils or waters.

The EPA's experience has shown that in similar water recycling facilities, hydrogen sulphide odour emissions (H₂S) can be problematic unless appropriate odour controls are designed, installed and operated.

5. *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?*

If the WICA licence is granted, the EPA recommends that the licence include:

- a. monitoring and reporting conditions in relation to appropriate soil moisture testing;
- b. appropriate rainfall triggers to prevent irrigation during high rainfall periods;
- c. annual soil monitoring reports to ensure the sustainability of the irrigation application area;
- d. monitoring of volume and quality at the discharge point to the irrigation area and establishment of water quality and volumetric limits;
- e. water quality monitoring of any nearby waterways considered at high risk to impacts from the irrigation application area to ensure that impacts are not occurring;
- f. a definition of the extent and size of the appropriate irrigation application area;
- g. surface and groundwater quality monitoring up gradient and down gradient from the irrigation application area to monitor status of surface and groundwater to ensure that irrigation of waste water is not polluting waters; and
- h. conditions to ensure that runoff to waters does not occur from the irrigation areas such as limitations on ponding to prevent any offsite migration of irrigated waste waters.

If you have any further questions with regards to this issue please contact Ben Harris, Regional Operations Officer, on [REDACTED]

Yours sincerely

[REDACTED]
17/8/16
SARAH THOMSON
Unit Head
Metropolitan Infrastructure

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