



The Hon Niall Blair MLC

Minister for Primary Industries
Minister for Lands and Water

IM16/20351

Your ref: D16/17008

Mr Hugo Harmstorf
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Dear Mr Harmstorf

Thank you for your invitation of 20 July 2016 to make a submission on the application by Flow System Operations Pty Ltd for a network operator's licence and the application by Flow Systems Pty Ltd to vary an existing retail supplier's licence under the *Water Industry Competition Act 2006* (WICA).

It is understood that the WICA licence applications are proposed for the construction, maintenance and operation of water industry infrastructure and to supply water and sewerage services to the 'Jacaranda Ponds' development northwest of Sydney.

Non-potable water will be sourced predominantly from waste water generated by the development but may be supplemented by stormwater collected in stormwater detention ponds on the development, or drinking water. This water will be collected and treated to a suitable standard to be used for appropriate domestic uses and to irrigate open spaces.

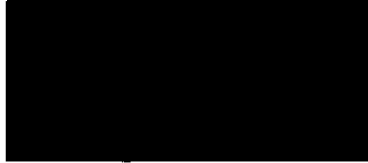
Under the *Water Management Act 2000* (WMA), water extractions from a water source must be covered by an appropriate water access licence and approval, a basic landholder right, or a licence and approval exemption. The taking of treated effluent (waste water from households) falls outside the definition of State's water rights in the WMA and therefore does not require a water access licence or approval under the WMA.

The application does suggest that stormwater will be used to augment the non-potable water supply if required. Depending on the volume of stormwater captured and the size of the area from which it is captured, the collection of stormwater from the stormwater detention ponds may require a water access licence or approval under the WMA. It is recommended that the applicant contact Mr John Galea, Water Regulation Officer, (02) 8838 7520 for further information regarding water access licence and approvals.

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If you have any further enquiries please contact Mr Mark Harris, Manager Water Policy on [REDACTED]

Yours sincerely

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19 AUG 2016