



The Hon Kevin Humphries MP

Minister for Natural Resources, Lands and Water
Minister for Western New South Wales

→ Matt

MF14/4152

Your ref: 13/14-1 (D13309)

Mr Hugo Harmstorf
Chief Executive Officer
Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB Post Office NSW 2000



IPART	
Doc No	214/25356
File No	13/14

Dear Mr Harmstorf

Thank you for your invitation of 5 May 2014 to the Hon Katrina Hodgkinson MP, Minister for Primary Industries, to make a submission on the application by Green Square Water Pty Ltd for a network operator's licence under the *Water Industry Competition Act 2006* (WICA). As this matter now falls within my portfolio responsibilities, as Minister for Natural Resources, Lands and Water, your letter was referred to me for my consideration.

I understand that the WICA licence application is for construction, maintenance and operation of water industry infrastructure to provide non-potable water services for the Green Square Town Centre development precinct, which is located in the City of Sydney Council local government area.

The application indicates that a wastewater recycling facility will be constructed to provide recycled water for toilet flushing, washing machines, cooling tower top up, water features and irrigation. The wastewater will be sourced from the new Shea's Creek stormwater culvert, to be developed by Sydney Water and the Council by early 2018, that will run through the Green Square Town Centre development.

The Green Square Town Centre development precinct is located within the boundaries of the *Water Sharing Plan for the Greater Metropolitan Region Unregulated River Water Sources 2011*. 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 water from a stormwater culvert can, under some circumstances, constitute an extraction from a water source that requires a water access licence, if the stormwater culvert falls within the definition of "river" under the WMA. That definition of "river" includes a watercourse comprising "a natural channel artificially improved".

In previous correspondence with the Council regarding the Green Square Town Centre project, the NSW Office of Water advised that it does not currently require proponents of projects that extract water from urban stormwater drains operated by Sydney Water to obtain a water access licence or water supply work approval. The Office of Water also indicated that it is developing an Urban Stormwater Harvesting Policy that may involve changes to existing arrangements for access to urban stormwater resources, and encouraged Council to keep in contact with the Office of Water as its development proposal progresses.

I have asked that Mark Harris, Manager Rural Water Policy, Office of Water, Parramatta office, be available to discuss this matter further with you. Mr Harris may be contacted on 02 8838 7823.

Yours sincerely

Kevin Humphries MP
Minister for Natural Resources, Lands and Water
Minister for Western NSW

21 JUL 2014