



MF14/5363

**The Hon Kevin Humphries MP**

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



Mr Matthew Edgerton  
Director, Water  
Independent Pricing and Regulatory Tribunal  
PO Box Q290  
QVB POST OFFICE NSW 2000



Dear Mr Edgerton

Thank you for your invitation of 27 June 2014 (your ref 14/151-3; D14/21860) to make a submission on the application by Huntlee Water for a network operator's licence under the *Water Industry Competition Act 2006* (WICA) and your letter on the same topic to the Hon Andrew Stoner Deputy Premier of 30 June 2014 (your ref 14/151-3; D14/17207). Your letter has been referred to me as the issue raised falls within my area of responsibility.

It is understood that the WICA licence application is for the construction, maintenance and operation of water industry infrastructure to provide potable and non-potable water services for the new Huntlee development. The Huntlee development is located in Branxton, Hunter Valley and is comprised of the following areas: residential, commercial, public and conservation.

The application indicates that potable water will be sourced from Hunter Water's bulk water supply under a utility to utility supply agreement. The application also indicates that all recycled water will be sourced from waste water produced within the development area. The Huntlee development precinct is located within the boundaries of the *Water Sharing Plan for the Hunter Unregulated and Alluvial Water Sources 2009*. Taking of water from a public water utility or private network operator falls outside the definition of the State's water rights and therefore does not require a water access licence and approval under the *Water Management Act 2000* (WMA 2000).

However, stormwater captured by the temporary detention basins proposed as flood mitigation measures may require a water access licence and water supply work approval under the WMA 2000, depending on the volume of water captured and the size of the area from which the water is collected. It is also noted that three permanent water bodies are proposed, one of which is proposed to be used for water quality control purposes. These ponds may potentially exceed current harvestable rights limits and therefore may also require a water access licence and water supply work approval. It is recommended that Huntlee Water contact Jeremy Corke, Manager Water Regulation, at (02) 8838 7565, for further information regarding water access licences and approvals.

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

Yours sincerely

25 JUL 2014

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