



**Environment,  
Climate Change  
& Water**

Your reference: 10/98-3  
Our reference: DOC10/38182  
Contact: Ms Giselle Howard, 9995 6800

Mr James Cox  
Acting Chairman and Chief Executive Officer  
Independent Pricing and Regulatory Tribunal NSW  
PO Box Q290  
QVB Post Office NSW 1230

- 1 SEP 2010

Dear Mr Cox

I refer to your letter of 10 May 2010 to the Minister for Climate Change and the Environment, the Hon Frank Sartor MP, regarding an application by Water Factory Company for a network operator and retailer supplier licence in relation to the Pitt Town residential development. The Minister has asked me to respond on his behalf.

I note that the Department of Environment, Climate Change and Water (DECCW) provided an initial submission on this application in a letter dated 15 July 2010, and that IPART provided DECCW with additional information on 20 August 2010 for consideration and further advice.

Based on its current design capacity, the water treatment plant will not require an Environment Protection Licence for sewage treatment systems under the *Protection of the Environment Operations Act 1997*. However, the proponent has advised that it is yet to determine whether the water treatment plant will discharge to waters, as in the Hawkesbury River. If the plant is required to discharge to water, water pollution as defined by the Act is likely to occur, in which case a water pollution licence will be required.

In relation to the additional information provided in relation to the ecological impacts raised in DECCW's previous submission, I understand that attempts have been made to reduce the overall impacts of the project. This includes measures such as expanding the conservation zone, reducing the project's footprint and employing a number of mitigation measures. DECCW also supports your proposal to include a condition in the licence requiring the proponent to implement all of the undertakings outlined in the 'Response to the DECCW submission to IPART regarding the Pitt Town water factory' (Parsons Brinckerhoff, 2010).

I trust this further advice assists you in finalising your decision. Should you have any further queries on this matter, please contact DECCW's Director Metropolitan Branch, Ms Giselle Howard, on 9995 6800.

Yours sincerely

**LISA CORBYN**  
**Director General**