

***Water Industry Competition Act 2006***  
**Schedule 4, clause 10**  
**Notice of decision – Grant of operational approval**  
**Approval No. 25\_0420A**

The Independent Pricing and Regulatory Tribunal (**IPART**) grants the operational approval for the Shepherds Bay scheme under Schedule 4, clause 10(1) of the *Water Industry Competition Act 2006 (Act)*.

The operational approval takes effect on 1 March 2025.

In considering whether to grant the operational approval and what conditions to impose on the approval, IPART had regard to the objects in sections 2A and 5A of the Act.

The operational approval is attached.

23/01/2025

X



Signed by: [carmel.donnelly@ipart.nsw.gov.au](mailto:carmel.donnelly@ipart.nsw.gov.au)

**Carmel Donnelly PSM**  
**Chair**

On behalf of the Independent Pricing and Regulatory Tribunal



# Operational Approval

*Water Industry Competition Act 2006  
(NSW)*

Operational Approval no. 25\_042OA  
Shepherds Bay

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## Operational Approval

### APPROVAL AUTHORISATION TABLE

<b>Scheme name</b> (the Act, s 7F(2)(a))	Shepherds Bay
<b>Approval number</b>	25_0420A
<b>Related scheme approval</b> (the Act, s 7F(2)(a))	25_026SA
<b>Version history</b>	Current approval in force since: 1 March 2025.  Details about grant, variation, replacement, cancellation or surrender of this approval are set out in Schedule A.
<b>Regulated scheme (retailer required)</b>	Yes
<b>Staged scheme</b> (the Act, s 7F(2)(c))	No
<b>Authorised purposes for drinking water infrastructure</b> (the Act, s 7F(2)(b))	Conveyance of drinking water. Supply of drinking water to customers.
<b>Authorised purposes for sewerage infrastructure</b> (the Act, s 7F(2)(b))	Production of recycled water from sewage. Treatment of sewage. Filtration of sewage. Storage of sewage. Conveyance of sewage.
<b>Authorised purposes for recycled water infrastructure</b> (the Act, s 7F(2)(b))	Production of recycled water from sewage. Treatment of recycled water. Filtration of recycled water. Storage of recycled water. Conveyance of recycled water. Supply of recycled water to customers.

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# Approval Terms

## 1. Grant and authorisation

- 1.1 The Independent Pricing and Regulatory Tribunal grants this approval under the Act, Schedule 4, clause 10(1).

Note: This approval is deemed to be an approval granted under section 7B of the Act.

- 1.2 This approval authorises the registered operator to operate the authorised infrastructure for the authorised purposes in accordance with the specifications set out in this approval.

Note: This clause authorises the registered operator to carry out certain activities that would otherwise be prohibited under section 6A of the Act. This authorisation does not provide an exemption from obligations under other laws unless expressly provided by those laws.

## 2. Approval conditions

- 2.1 The authorisation in this approval is subject to the standard approval conditions specified in Schedule C, Item C2 and the special approval conditions specified in Schedule C, Item C3.

Note: The Act and Regulations contain additional conditions.

## 3. Interpretation

- 3.1 Expressions used in this approval that are defined in the Act or Regulations have the meanings set out in the Act or the Regulation unless the context otherwise requires.

- 3.2 In this approval, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa,
- (b) a reference to this approval includes any schedule to this approval,
- (c) a reference to a schedule is to a schedule to this approval, and
- (d) explanatory notes and headings do not form part of this approval, but in the case of uncertainty may be relied on for interpretation purposes.

- 3.3 In this approval:

**Act** means the *Water Industry Competition Act 2006*.

**authorised infrastructure** means the water industry infrastructure specified in the related scheme approval.

**authorised purposes** mean the purposes specified for the relevant infrastructure in the final column of the approval authorisation table.

**Regulations** means any regulations made under the Act.

**related scheme approval** means the scheme approval identified as such in the final column of the approval authorisation table.

## Schedule A Version History

<b>Current approval in force since</b>	1 March 2025
<b>Original grant date</b>	1 November 2017
<b>Transition date</b>	Transitioned approval, granted under the Act, Schedule 4, cl. 10(1):  1 March 2025
<b>Variation history</b>	Varied under the Act, s. 7K(6) on:  Not applicable  Approval of commercial operation of new infrastructure granted under the <i>Water Industry Competition (General) Regulation 2021</i> , Schedule 1, cl. 2 (now repealed):  1 November 2017
<b>Replacement history</b>	Not applicable
<b>Cancellation or surrender</b>	Not applicable

## Schedule B Staged scheme

### Item B1 Authorised Stage

Not applicable.

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## Schedule C Approval conditions

### Item C1 Interpretation

If any condition, or part of any condition, is unlawful, that condition, or part of the condition, is severable and does not affect the validity of the approval or the balance of the conditions or condition.

### Item C2 Standard approval conditions

#### C2.1 Limitations on which infrastructure may be operated

- 2.1.1 The registered operator must operate only that authorised infrastructure which is either:
- (a) existing infrastructure; or
  - (b) infrastructure that extends or expands existing infrastructure, but only if the infrastructure:
    - (i) involves the same technology as that used in connection with the existing infrastructure, and
    - (ii) is consistent with any applicable asset management plan or system, water quality management system, and sewage management plan or system for the existing infrastructure; and
    - (iii) is in the area of operations specified in Schedule H of the related scheme approval; and
    - (iv) is located in the location specified in Schedule I of the related scheme approval, unless the infrastructure is pipelines within the reticulation network.
- 2.1.2 In this condition C2.1, **existing infrastructure** means that authorised infrastructure which existed at 17 October 2017.

### Item C3 Special approval conditions

#### C3.1 Permitted end-uses for recycled water

- 3.1.1 The registered operator must ensure water industry infrastructure for the scheme supplies recycled water to customers for only the permitted end-uses specified in Table C3.1 below.



Table C3.1

1. Car washing
2. Clothes washing (cold water tap only)
3. Cooling tower top-up
4. Dust suppression
5. General wash-down
6. Irrigation
7. Ornamental water features
8. Process water at recycled water treatment plant
9. Street cleaning
10. Toilet flushing

3.1.2 In this condition C3.1, **ornamental water feature** means a water feature that:

- (a) is provided primarily for aesthetic or beautification purposes, and
- (b) does not, by its design or accessibility, encourage interaction with the water.

### C3.2 Environmental risk mitigation measures

3.2.1 The registered operator must implement environmental risk mitigation measures substantially consistent with the environmental risk mitigation measures identified in the REF where the registered operator carries out any activities authorised by this approval.

3.2.2 In this condition C3.2, **REF** means the documents titled:

- (a) "*REF for proposed sewage and recycled water reticulation systems. Shepherds Bay, New South Wales*", version 3, prepared by RPS Australia East Pty Ltd and dated 2 June 2017; and
- (b) "*Addendum REF for proposed sewage and recycled water reticulation systems – Shepherds Bay, New South Wales*", version 1, prepared by RPS Australia East Pty Ltd and dated 2 July 2019;
- (c) and does not include any modified version of those documents or any documents replacing them.

C3.3 [Not applicable]

C3.4 [Not applicable]