

Water Industry Competition Act 2006

Schedule 4, clause 10

Notice of decision – Grant of scheme approval

Approval No. 25_026SA

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

The scheme approval takes effect on 1 March 2025.

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

The scheme approval is attached.

23/01/2025

X



Signed by: carmel.donnelly@ipart.nsw.gov.au

Carmel Donnelly PSM
Chair

On behalf of the Independent Pricing and Regulatory Tribunal



Scheme Approval

*Water Industry Competition Act
2006 (NSW)*

Scheme Approval no. 25_026SA
Shepherds Bay

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Scheme Approval

Approval Authorisation Table

Scheme name	Shepherds Bay
Approval number	25_026SA
Version history	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.
Regulated scheme (retailer required)	Yes
Staged scheme (the Act, s 7F(1)(f))	No
Area of operations (the Act, s 7F(1)(a))	The area specified in Schedule H. (The map in Schedule B shows a simple illustration of the area of operations. Refer to Schedule H for the precise area of operations.)
Authorised location of infrastructure, other than pipelines within the reticulation network connected to the infrastructure (the Act, s 7F(1)(b))	The locations specified in Schedule I. (The map in Schedule B shows a simple illustration of the locations of infrastructure. Refer to Schedule I for the precise location.)
Authorised classes (the Act, s 7F(1)(c))	<input type="checkbox"/> Infrastructure for the purpose of the production or supply of drinking water <input checked="" type="checkbox"/> Infrastructure for the purpose of the supply of drinking water <input type="checkbox"/> Infrastructure for the purpose of the collection and treatment of sewage for disposal and the disposal of the treated sewage <input checked="" type="checkbox"/> Infrastructure for the purpose of the collection and treatment of sewage for the production, supply and use of recycled water

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- Infrastructure for the purpose of the capture and treatment of stormwater for the production, supply and use of recycled water
 - Infrastructure for the purpose of the collection and further treatment of recycled water for the supply and use of the further treated recycled water
 - Infrastructure for the purpose of the collection and treatment of groundwater for the production, supply and use of water
 - Infrastructure for the purpose of the collection and treatment of wastewater, other than sewage, stormwater or recycled water, for the production, supply and use of water

Authorised drinking water infrastructure

(the Act, s 7F(1)(d) and (e))

Infrastructure for the purpose of the supply of drinking water that:

- a. is specified in Schedule C, Item C1,
- b. has a design capacity of no more than 500 kilolitres of drinking water supply capacity per day, and

is to be operated for the purposes specified in Schedule C, Item C2

Authorised sewerage infrastructure

(the Act, s 7F(1)(d) and (e))

Infrastructure for the purpose of the collection and treatment of sewage for the production, supply and use of recycled water that:

- a. is specified in Schedule D, Item D1,
- b. has a design capacity of no more than 600 kilolitres of sewage processing capacity per day, and
- c. is to be operated for the purposes specified in Schedule D, Item D2.

Authorised recycled water infrastructure

(the Act, s 7F(d) and (e))

Infrastructure for the purpose of the collection and treatment of sewage for the production, supply and use of recycled water that:

- a. is specified in Schedule E, Item E1,
 - b. has a design capacity of no more than 600 kilolitres of sewage processing capacity per day, and
 - c. is to be operated for the purposes specified in Schedule E, Item E2.
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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 construct the authorised infrastructure for the authorised purposes in the area of operations 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 6 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 G, Item G2 and the special approval conditions specified in Schedule G, Item G3.

Note: The Act and Regulation 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*.

area of operations means the area specified in the approval authorisation table.

authorised infrastructure means the water industry infrastructure specified in the approval authorisation table, including (as specified):

- a. authorised drinking water infrastructure,
- b. authorised sewage disposal infrastructure, and
- c. authorised recycled water infrastructure.

Regulations means any regulations made under the Act.

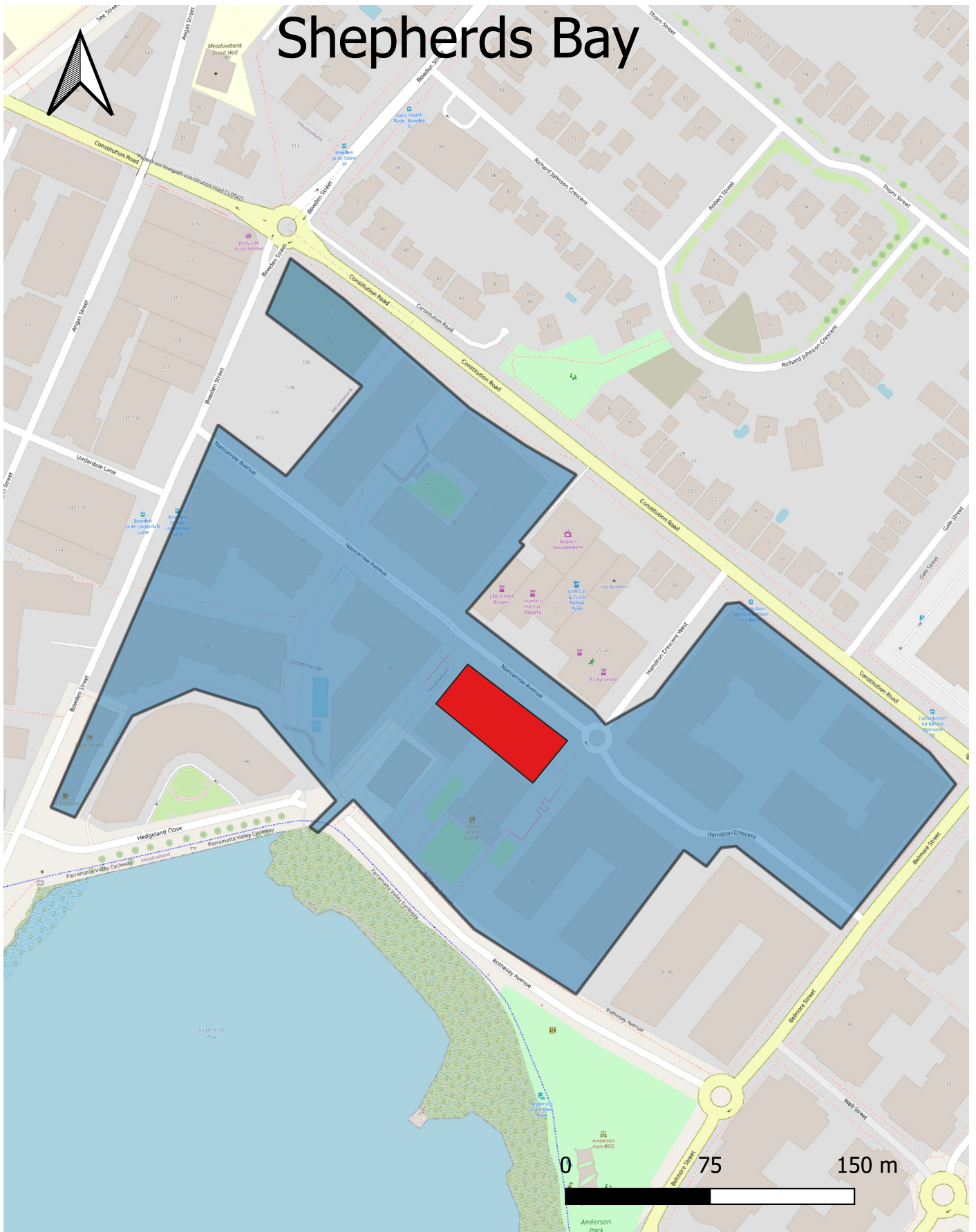
Schedule A Version History



Current approval in force since	1 March 2025
Original grant date	13 October 2017
Transition date	Transitioned approval granted under the Act, Schedule 4, cl 10(1) on: 1 March 2025
Variation history	Varied under the Act, s. 7K(6) on: Not applicable Varied under the Act, s. 10 or s. 15 (now repealed) on: <ul style="list-style-type: none">• 17 June 2020• 26 July 2021
Replacement history	Not applicable
Cancellation or surrender	Not applicable

Schedule B Illustrative map

The area of operations and authorised location of infrastructure are set out in Schedule H and Schedule I using GIS coordinates. The map in this schedule is included for illustrative purposes only. If there is an inconsistency between the map and the GIS coordinates in Schedule H or Schedule I, the GIS coordinates prevail unless they contain an obvious error or misdescription. If there is an obvious error or misdescription, this map may be used as an interpretative tool to assist to identify the boundary.

Shepherds Bay



-  the location that the water industry infrastructure, other than pipelines within the reticulation network connected to the infrastructure, is authorised to be constructed
-  the area (the area of operations) within which the water industry infrastructure, including a reticulation network connected to the infrastructure, is authorised to be constructed

Schedule C Authorised drinking water infrastructure

Specified infrastructure

The following water infrastructure used, or to be used, for or in connection with the supply only of drinking water:

- (a) infrastructure for connection to Sydney Water drinking water infrastructure,
- (b) reticulation network, including pipelines and pumping stations.

Item C2 Authorised purposes

The authorised purposes for which the drinking water infrastructure specified in Item C1 is intended to be operated are the:

- (a) conveyance of drinking water, and
- (b) supply of drinking water to customers.

Schedule D Authorised sewerage infrastructure

Item D1 Specified infrastructure

The following sewerage infrastructure used, or to be used, for or in connection with the collection and treatment of sewage for the production, supply and use of recycled water:

- (a) sewage reticulation network and pumping stations,
- (b) storage tanks, and
- (c) treatment plant and ancillary infrastructure.

Item D2 Authorised purposes

The authorised purposes for which the sewerage infrastructure specified in Item D1 is intended to be operated are the:

- (a) production of recycled water from sewage,
- (b) treatment of sewage,
- (c) filtration of sewage,
- (d) storage of sewage,
- (e) conveyance of sewage.

Schedule E Authorised recycled water infrastructure

Item E1 Specified infrastructure

The following water infrastructure used, or to be used, for or in connection with the collection and treatment of sewage for the production, supply and use of recycled water:

- (a) treatment plant and ancillary infrastructure,
- (b) water reticulation network and pumping stations,
- (c) water storage tanks, and
- (d) infrastructure for the further chlorination of recycled water.

Item E2 Authorised purposes

The authorised purposes for which the recycled water infrastructure specified in Item E1 is intended to be operated are the:

- (a) production of recycled water from sewage,
- (b) treatment of recycled water,
- (c) filtration of recycled water,
- (d) storage of recycled water, and
- (e) conveyance of recycled water, and
- (f) supply of recycled water to customers.

Schedule F Staged scheme

Not applicable.

Schedule G Approval conditions

Item G1 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 G2 Standard approval conditions

G2.1 Maintaining appropriate insurance – design phase

2.1.1 The registered operator must hold, or ensure that any person it engages to design water industry infrastructure for the scheme holds, professional indemnity insurance in relation to the scheme during the design phase and for a minimum of 6 years from the date of the completion of the design phase.

2.1.2 In this condition G2.1, **design phase** means the period during which any design works are carried out in relation to the water industry infrastructure for the scheme.

Item G3 Special approval conditions

G3.1 Infrastructure designed and constructed to be fit for end-uses

3.1.1 The registered operator must ensure the water industry infrastructure for the scheme is designed and constructed to enable the supply of recycled water that is fit for the end-uses specified in Table G3.1 below.

Table G3.1

- | |
|--|
| 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 G3.1, **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.

G3.2 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 G3.2, **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;

and does not include any modified version of those documents or any documents replacing them.

G3.3 Construction Environmental Management Plan

3.3.1 The registered operator must ensure that the construction of any authorised infrastructure is carried out in accordance with the construction environmental management plan.

3.3.2 In this condition G3.3:

- (a) **construction environmental management plan** means a site or project specific plan which:
 - (i) complies with the basic structure detailed in the environmental management plan guidelines; and
 - (ii) identifies how the licensee will implement the environmental risk mitigation measures identified in the REF to the extent they relate to construction.
- (b) **environmental management plan guidelines** means the document titled *Guideline for the Preparation of Environmental Management Plans, 2004*, published by the Department of Infrastructure, Planning and Natural Resources that provides guidance to stakeholders preparing environmental management plans for environmental impact assessments and approvals under the *Environmental Planning and Assessment Act 1979*.

G3.4 [Not applicable]

G3.5 [Not applicable]

G3.6 [Not applicable]

Schedule H Area of operations

The area of operations is the area bounded by the GIS coordinates listed in Item H1.

Item H1 GIS coordinates for outer bounds of area of operations

Note: Coordinate reference system is MGA 56

No.	Eastings	Northings	No.	Eastings	Northings
1	323643.859	6256124.864	19	323617.84	6256409.849
2	323590.768	6256158.718	20	323644.019	6256394.711
3	323528.169	6256225.857	21	323614.557	6256359.877
4	323509.673	6256208.727	22	323616.828	6256358.155
5	323505.56	6256211.745	23	323586.836	6256323.465
6	323519.092	6256225.282	24	323652.848	6256272.244
7	323478.59	6256273.247	25	323659.102	6256264.96
8	323445.648	6256283.391	26	323684.042	6256279.062
9	323413.206	6256269.341	27	323721.803	6256327.67
10	323383.443	6256216.685	28	323728.933	6256328.47
11	323370.965	6256221.878	29	323827.467	6256250.584
12	323457.856	6256420.652	30	323841.211	6256233.98
13	323493.143	6256394.099	31	323781.487	6256158.835
14	323532.538	6256440.763	32	323726.88	6256201.759
15	323482.954	6256478.361	33	323719.132	6256200.898
16	323495.468	6256507.164	34	323711.571	6256191.221
17	323523.511	6256485.798	35	323699.868	6256199.691
18	323588.534	6256429.409			

Schedule I Location of infrastructure

The location of the following water industry infrastructure is to be within the area bounded by the GIS coordinates listed in Item I1:

- (a) Schedule C (drinking water infrastructure), Item C1(a),
- (b) Schedule D (sewerage infrastructure), Item D1(b) and Item D1(c)
- (c) Schedule E (recycled water infrastructure), Item E1(a), Item E1(c) and Item E1(d).

Item I1 GIS coordinates for location of water industry infrastructure

Note: Coordinate reference system is MGA 56

No.	Eastings	Northings
1	323587.556	6256296.260
2	323639.371	6256256.644
3	323621.399	6256234.606
4	323571.027	6256275.796