10 Council's Role, Operations and Operating Context

- Central Coast Council is the third largest water utility in NSW, providing services to over 345,000 connected residents. It is uniquely the only statutory water supply authority embedded in a local Council business environment.
- The primary purpose of Council's water business is to provide quality drinking water services and environmentally and socially responsible sewer and stormwater services within the legislative and compliance framework.
- Council is primarily regulated by the Independent Pricing and Regulatory Tribunal (IPART) Act 1992, Local Government Act 1993 and Water Management Act 2000.

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1 Council's role and operations

Central Coast Council (Council) is a Water Supply Authority located within the Central Coast Local Government Area (LGA). Council provides direct services to a population of approximately 345,000, out of a regional population of 355,000, delivering water, sewage and stormwater drainage services to more than 139,000 homes and businesses, via a holistic model from catchment to tap. Council's Water and Sewer Directorate's primary focus is to provide quality and reliable water, sewage and stormwater drainage services, as well as trade waste services to the Central Coast.

1.1 Role

Council provides quality drinking water, sewerage and stormwater drainage services to the Central Coast local government area that extends north through Summerland Point, south to Mooney Mooney, east to the Tasman Sea and west to the border of Wisemans Ferry.

Legislatively, Council is a Water Supply Authority under s285 of the *Water Management Act 2000* in respect of the following functions:

- Harvest, collection, treatment and delivery of drinking water in accordance with the *Public Health Act 2010*, and Guidelines set by the National Health and Medical Research Council
- Collection, transport, treatment, recycling or discharging of effluent in accordance with the Environmental Protection Licences (EPL) issued by the NSW Environment Protection Authority (EPA) in accordance with the *Protection of the Environment Operations Act 1997*
- Management, transport, treatment, and discharge of stormwater in accordance with the NSW Floodplain Risk Management Manual and Australian Rainfall and Runoff Guidelines

Five basic business products of Council's water, sewage and stormwater drainage functions are:

- Harvesting raw water - catchment, storage, treatment
- Providing drinking water - treating water delivered to customers
- Collecting sewage - transport, treatment and discharge
- Recycling treated water – advanced sewage treatment and reuse
- Managing stormwater – flood mitigation, stormwater conveyance and water quality

Figure 1 shows a snapshot of the integrated water and sewage treatment systems in the Central Coast LGA. Council's water delivery process includes managing its catchments, water

treatment plants, bulk delivery and reticulation systems. The sewerage network transfers sewerage to inland treatment plants and subsequently treated effluent to ocean outfalls or to recycling schemes.

Figure 1: Water and Sewer System Map of Central Coast LGA

1.2 Operations

Council's water, sewer and stormwater drainage network is managed within an LGA of an estimated 1,680 square kilometres, and directly services a population of approximately 345,000, out of a regional population of 355,000.

On average, Council's water network supplies 80 million litres (megalitres or ML) of drinking water each day to residential, commercial and industrial customers. From the catchment to the tap, water passes through a series of processes to ensure the standard of delivery to the customer is high-quality. Water follows a life cycle from capture to disposal, changing from raw water to filtered to treated water to sewage, then finally treated effluent water.

Raw water enters the catchments as rainfall and flows to waterways, or percolates through the soil to recharge the groundwater aquifers. Water from the waterways either flows directly to the dams or is pumped there. Groundwater can be pumped from bores constructed to access the aquifer only during drought conditions. The collected raw water is transferred to water treatment plants (WTP) for chemical treatment, filtration and disinfection, and finally passed to the clear water tank (CWT) for storage. The treated water is then dispersed to reservoirs by trunk mains, on to reticulation mains and finally to homes and businesses.

Once water is used in homes and businesses, sewage is transferred through sewer reticulation mains to trunk mains, and then on to one of eight sewage treatment plants (STPs) in the Council area. Council also discharges sewage from the Mooney and Cheero Point catchments to Sydney Water Corporation's Brooklyn STP.

Sewage is treated to a quality standard specified by the EPA and transferred to an outfall for discharge to the ocean at Norah Head, Wonga Point or Winnie Bay.

Some STPs have the capacity to further treat effluent to be reused for onsite processes, or offsite for irrigation of sporting surfaces, in preference to ocean disposal.

There are four steps to the sewage treatment process:

- Preliminary treatment (removal of coarse solids)
- Primary treatment (removal of settleable solids)
- Secondary treatment (biological removal of organics and some nutrients, the standard set by the EPA for disposal to the ocean outfalls)
- Tertiary treatment (filtration and disinfection, to produce water quality suitable for recycled water use)

Council, as a Water Supply Authority, also mitigates flooding impacts, controls stormwater runoff and improves waterway health through the management of a stormwater drainage network of built infrastructure and waterway systems.

To deliver these services, field staff officers work night and day, in all weather conditions to ensure Council can deliver these services to the community. Council also provides 24-hour monitoring of failures on all critical assets to ensure its services to the community are safe and reliable.

In the provision of these services (water, sewer and stormwater drainage), Council has a large asset base with a written down value of $3.7 billion and a replacement value of $6.0 billion as at 30 June 2021[1]. These prices are based on the regulated asset base (RAB) with an expected value of $1.4 billion ($nominal) as of 2022.

1.3 Council services, unique geography and customer base

Central Coast Council was formed in 2016 following the amalgamation of Wyong Shire Council and Gosford City Council. The Council Local Government Area (LGA) is located between Sydney and Newcastle. Most of the population is located around two major estuarine environments, Tuggerah Lakes and Brisbane Water. The water supply schematic maps (Figure 2) show the water network servicing residents of Council.

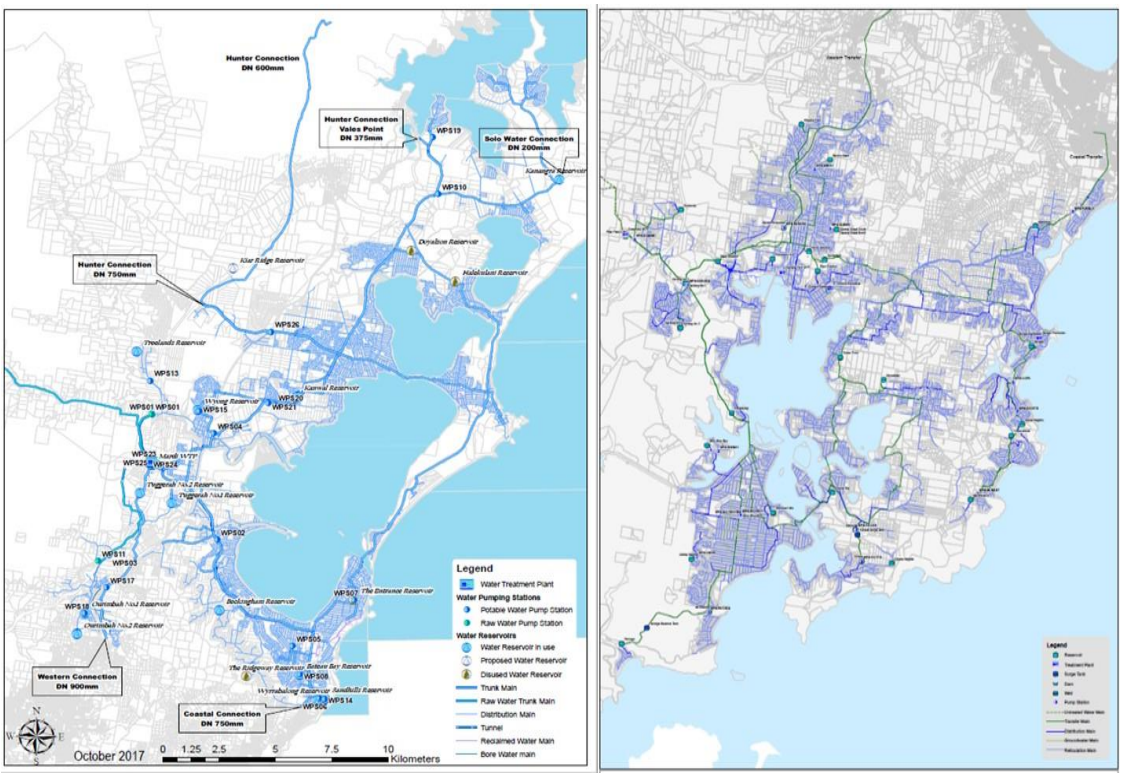

Figure 2: Central Coast Council water supply schematic maps

This network is relatively long due to the geography of the region, and the physical barriers created by the lakes, estuaries, and lagoons. It therefore must be configured to avoid impacts of tidal and storm-related flooding and exposure to acid sulphate soils.

[1] The replacement value of $6.0 billion includes the asset revaluation of drainage assets as at 30 June 2021 and does not include the asset revaluation of water and sewer assets which is a work in progress at the time the submission is being developed. The 30 June 2021 asset values are the draft unaudited figures.

1.3.1 Water services

Council's drinking water system consists of:

- Raw water extraction from the catchments
- Raw water storage
- Treating the raw water to produce drinking water
- Distribution to customers

Raw water extraction and storages

Bulk raw water for the Central Coast is harvested from Wyong River, Ourimbah Creek, Mooney Mooney Creek, Mangrove Creek and several groundwater aquifers. Mangrove Creek Dam is the major raw water storage with a capacity of 190,000 ML. This storage is supplemented by Mooney Mooney and Mardi Dams, with capacities of 4,600 ML and 7,400 ML respectively.

Water treatment

Council owns and operates two water treatment plants located at Mardi and Somersby, and a groundwater treatment plant at Woy Woy. Figure 3 shows the schematic of water treatment processes for Somersby WTP.

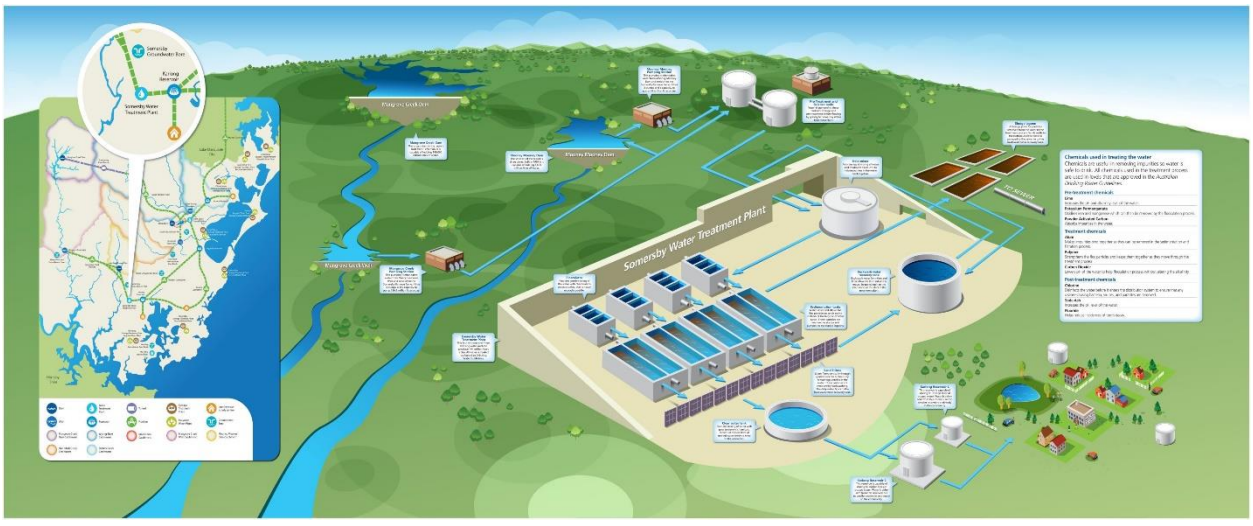

Figure 3: Schematic of Somersby Water Treatment Plant

Water supply network

The water supply network consists of more than 2,300 km of water mains, three water treatment plants, 71 reservoir structures and 50 water pump stations (including potable and raw). Raw water denotes water that has been taken from the source and has not been treated. A summary of Council's water assets is provided in Table 1.

Table 1: Central Coast Council major water assets

Water Assets	Amount
Reticulation Water Mains	1,927 km
Recycled Water Mains	28 km
Trunk Water Mains	275 km
Raw Water Mains	58 km
Bore Water Mains	14 km
Reservoir Structures	71
Water Treatment Plants	3
Dams	4
River Intakes	3
Groundwater Systems	5
Water Boreholes	34
Raw Water Pump Stations	8
Potable Water Pump Stations	42
Tunnels	12 km

Major bulk water storages, treatment facilities, pumping stations, reservoirs and associated transfer systems were part of a joint agreement between the former Councils. After the amalgamation, no significant operational changes have been necessary to ensure continued effective management of the catchment and headworks components of the water supply.

Three water treatment plants provide filtered drinking water treated to water quality standards specified in the Australian Drinking Water Guidelines. Somersby and Mardi Water Treatment Plants (WTPs) are conventional media filtration-based water treatment plants, and Woy Woy WTP is a membrane-based filtration plant tailored to its groundwater source.

Somersby and Mardi WTPs have similar capacities (140ML and 160ML per day respectively), whilst Woy Woy WTP, with a capacity of 5ML per day, is only recommissioned during drought conditions.

An agreement is in place with Sydney Water to supply approximately 67ML of potable water per annum to residents in the Mooney Mooney and Cheero Point area network. This area is not connected to the other Central Coast Council water networks.

An agreement also exists with Hunter Water Corporation, to enable the transfer of treated water (in either direction) between Council and Hunter Water's reticulation systems. The inter-connection is known as the Hunter Connection. Day-to-day transfer rates are dependent on relative storage levels in each system, and operational needs. The pipeline provides yields to both parties with the current agreement expiring in 2026.

1.3.2 Sewerage services

The former Wyong and Gosford LGA sewerage systems were developed as stand-alone systems, with no linkages to each other or to the Hunter region. The exception is at Mooney Mooney and Cheero Point, where untreated sewage is collected by Council and pumped to the Sydney Water-owned Brooklyn Sewage Treatment Plant.

Sewage is collected through 2,660 km of sewage mains and 324 pumping stations. Treatment is undertaken at one of eight sewage treatment plants. The bulk of sewage undergoes secondary treatment and is discharged into the ocean via outfalls at Winnie Bay, Norah Head, and Wonga Point. An overview of Council's sewerage assets is shown in Table 2.

Table 2: Central Coast major sewerage assets

Sewer Assets	Amount
Gravity Sewerage Mains	2,272 km
Sewerage Rising Mains	253 km
Effluent Disposal Mains	62 km
Low Pressure Mains	24 km
Vacuum Mains	43 km
Sewerage Pump Stations	324
Vacuum Systems	6
Sewage Treatment Plants	8
Ocean Outfalls	3
Tunnels	6 km

This process starts when the treated water used by customers is discharged as sewage from kitchen, bathroom, toilets, commercial and industrial sites and other wastewater disposal sites. Sewage flows to the sewer reticulations mains and is then pumped to sewage treatment plants (STPs) where it enters the head-of-works. At this point, sewage passes through coarse and fine screens to remove non-biodegradable material such as plastics, cotton tips and sanitary products.

Figure 4 shows the sewage treatment plant at Kincumber. Council has eight STPs and three ocean outfall sites (Table 3 and Figure 5).

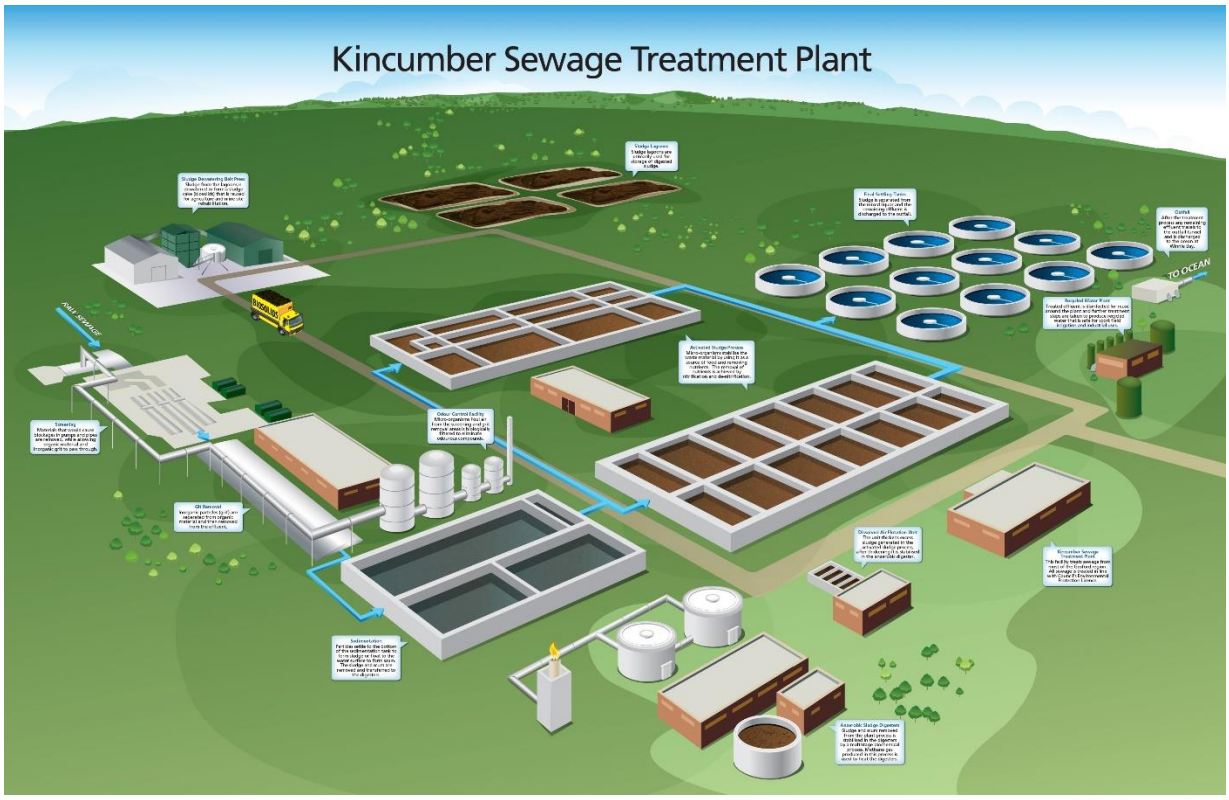

Figure 4: Kincumber Sewage Treatment Plant

Table 3: Central Coast major sewerage assets

Treatment Plant	Capacity in EP	Treated effluent ocean outfall
Bateau Bay STP	76,800	Wonga Point (EPL 1942)
Charmhaven STP	40,000	Norah Head (EPL 2647)
Gwandalan STP	12,000	
Mannering Park STP	12,000	
Toukley STP	41,500	
Wyong South STP	60,000	
Kincumber STP	180,000	Winney Bay (EPL 1802)
Woy Woy STP	50,000	

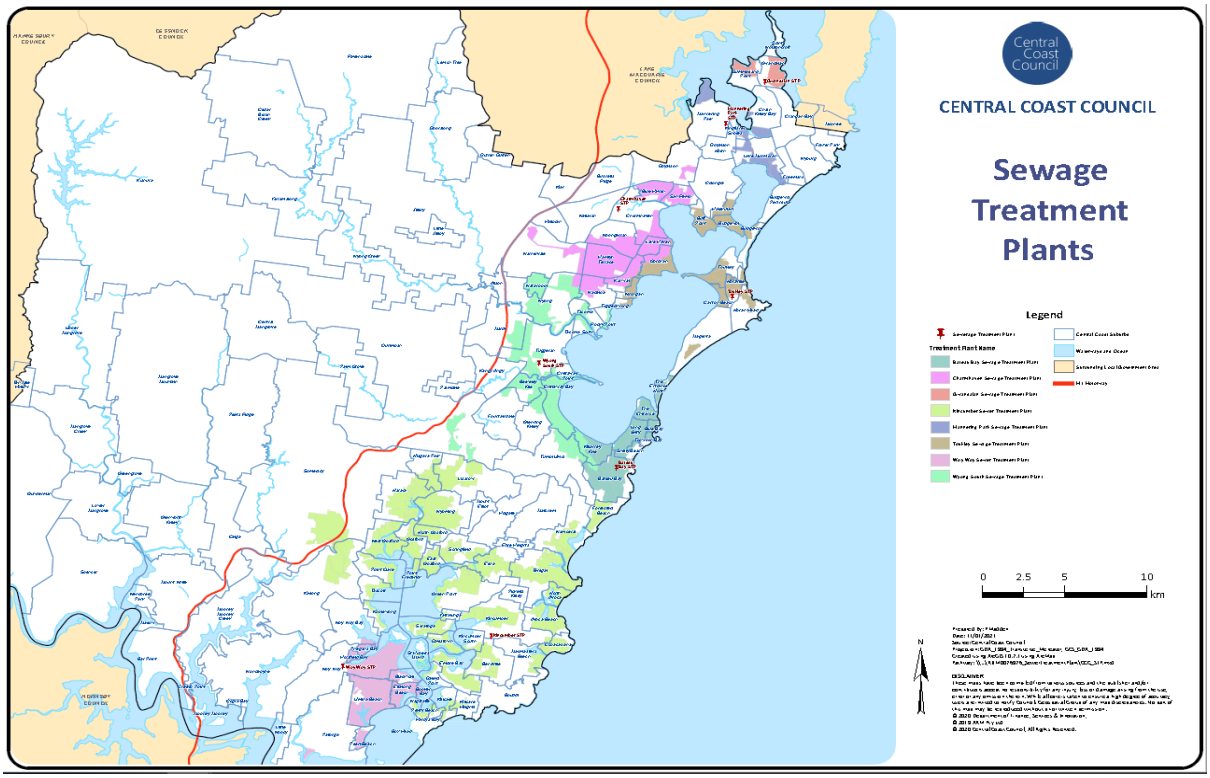

Figure 5: Sewerage system catchments in Central Coast LGA

Monitoring for recurrent operational and regulatory quality purposes occurs throughout the water and sewage networks. Data collected informs the physical, chemical, gaseous and microbiological composition of water and sewage reticulated, treated and discharged by Council.

In addition to the recurrent operational and regulatory sampling and monitoring programs, non-routine samples are taken at various times during network maintenance, water quality and environmental incidents, customer complaint management, process improvement investigations and proactive and responsive investigations. Council also undertakes routine operational programs such as contamination testing at Ourimbah Creek, adjacent to the Mangrove Mountain Waste Management Facility.

Analytical testing of samples for the quality monitoring program is undertaken by:

- Council, at its Kincumber and Charmhaven laboratories, and *in situ*
- Contracted accredited laboratories (e.g., Sydney Water Laboratories)
- NSW Health Forensic and Analytical Science Service

Treatment and disposal of sewage at the eight treatment plants is regulated by three Environmental Protection Licences (EPLs) issued by NSW Environment Protection Authority (EPA):

- EPL 2647 Norah Head
- EPL 1942 Wonga Point
- EPL 1802 Winney Bay

EPLs specify the quantity of waste managed by a licence holder as well as the quality of effluent, permitted to be discharged to prevent pollution of the environment. Performance against EPL conditions must be reported to the EPA annually, and each EPL is reviewed by Council and the EPA every five years.

Performance related targets for EPLs regarding the treatment of effluent for quality and quantity (concentrations, and volume and mass limits of discharge of pollutants) are outlined in Table 4. Each EPL specifies the monitoring location, frequency and location to demonstrate performance against these limits.

Table 4: EPA licence conditions for three sewerage systems

Parameter		EPL 1802	EPL 2647	EPL 1942
Daily flow to outfall limits				
Volume (ML)		150	40	36
Concentration Limits				
pH		6.5 – 8.5	6.5 – 8.5	6.5 – 8.5
BOD (mg/L)	90th %ile	30	-	-
Oil & Grease (mg/L)	50th %ile	5	5	5
	90th %ile	10	10	10
	3DGM	15	15	15
Total Suspended Solids (mg/L)	50th %ile	35	35	35
	90th %ile	50	50	50
	3DGM	60	60	60
Annual Load Limits				
Total Nitrogen (kg)		227,682	175,750	75,745
Oil and Grease (kg)		8,791	40,036	10,862
Total Suspended Solids (kg)		243,683	150,450	17,788
Cadmium (kg)		41.08	14	-
Chromium (kg)		63.84	14	-
Copper (kg)		113.26	160	-
Lead (kg)		4.43	14	-
Mercury (kg)		0.41	2	-
Selenium (kg)		101.69	14	-
Zinc (kg)		561.67	280	-
Pesticides and PCBs (kg)		1.77	3	-

Sampling is performed at an array of locations at each treatment plant. Location, frequency and parameters can be modified depending on the operational requirements of the treatment plants. In addition to routine sampling and monitoring, non-routine samples are taken during network maintenance, environmental incidents, customer complaint management, process improvement investigations, and proactive and responsive investigations. The monitoring sites associated with sewage treatment include:

- Rising mains and pump stations
- Raw influent entering the plant head of works
- Sedimentation tanks – sludge sampling
- Digester tanks – sludge
- Reactors/aerators
- Clarifier tanks
- Final holding tanks
- Bypass to sand dunes (Toukley)
- Tunnels
- Lagoon (supernatant)
- Recycled water
- Surf zone testing at adjacent beach sites
- Dewatered sludge cake (heavy metals and pesticides, total solids)

1.3.3 Pollution incident management and reporting

Council is obliged to both the EPA, other regulators and the local community. It must attend to, contain, repair, remediate and report any incident that has the potential to cause significant environmental harm, public health risk, or incur a cost of more than $10,000 to rectify. Such incidents may include:

- Spill of raw sewage or treated effluent
- Chemical spills
- Odour
- Biogas leak
- Chlorinated water discharge causing property damage or entering waterbodies
- Dam contamination

Following an incident reported to the EPA by telephone, Council has seven days to submit a written report to the EPA. The report must detail the cause of the event, actions undertaken to identify and mitigate the environmental impacts, and suggest improvements to reduce the risk of reoccurrence.

Council has developed an extensive incident management framework, action plan and other protocols to:

- Minimise any potential harm to community, animals and the environment
- Inform relevant authorities and public
- Return to normal as soon as practicable

1.3.4 Stormwater drainage services

Council is unique in that it is both a Local Government and Water Supply Authority in one. Unlike other Water Supply Authorities, the Council is entirely responsible for stormwater management within its declared Drainage Areas (see Figure 6).

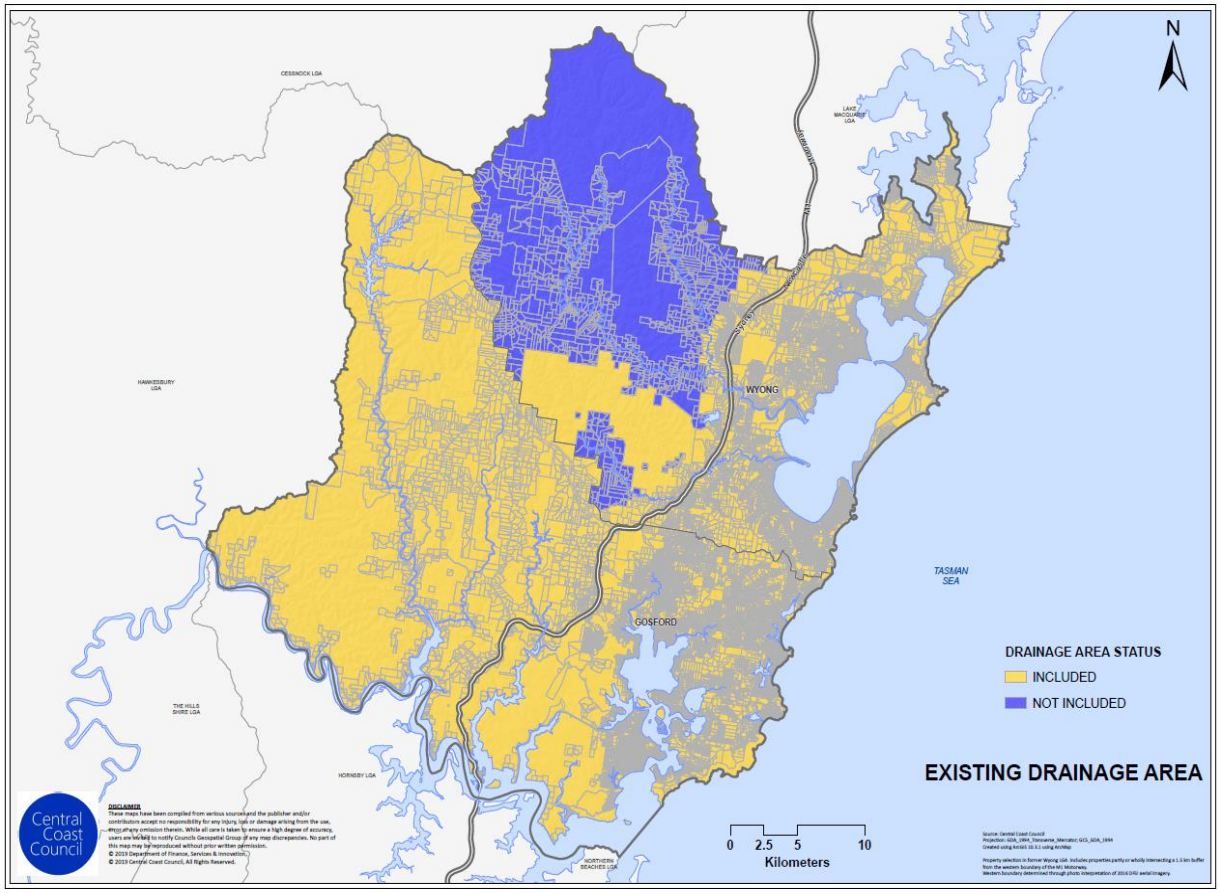

Figure 6: Declared Stormwater Drainage Areas

As a Water Supply Authority, Council mitigates flooding impacts, controls stormwater runoff and improves waterway health through the management of a stormwater drainage network of built infrastructure and natural waterways. This includes the maintenance, renewal and upgrade of existing stormwater drainage assets, construction of new assets to support growth, and managing the impacts of stormwater quality on waterway health.

Council's existing stormwater drainage network spans more than 1,200 km of built stormwater drainage infrastructure. Management of this system also includes the maintenance of approximately 2,200 km of roadside table drains. An overview of Council's stormwater drainage assets is provided in Table 5.

Table 5: Stormwater drainage assets

Stormwater Drainage Assets	Amount
Stormwater Drainage Pipes	1,054 km
Box Culverts	52 km
Open Channels	115 km
Pits	39,497
Headwalls	10,270
Gross Pollutant Traps	456
Flood Gates	73
Basins	143
Levees	12
Hydrometric Stations	26
Roadside Table Drains	Approx. 2,200km

The stormwater drainage network can be broken down into 42 catchment areas (see Figure 7), used when developing new floodplain risk management studies and plans. Most of the urban area is managed by traditional stormwater drainage infrastructure i.e. pits and pipes, culverts and open channels, headwalls, levees, gross pollutant traps and basins. In the rural areas, the stormwater drainage network is typified by roadside earth table drains with pipe or culvert road crossings and natural creek systems.

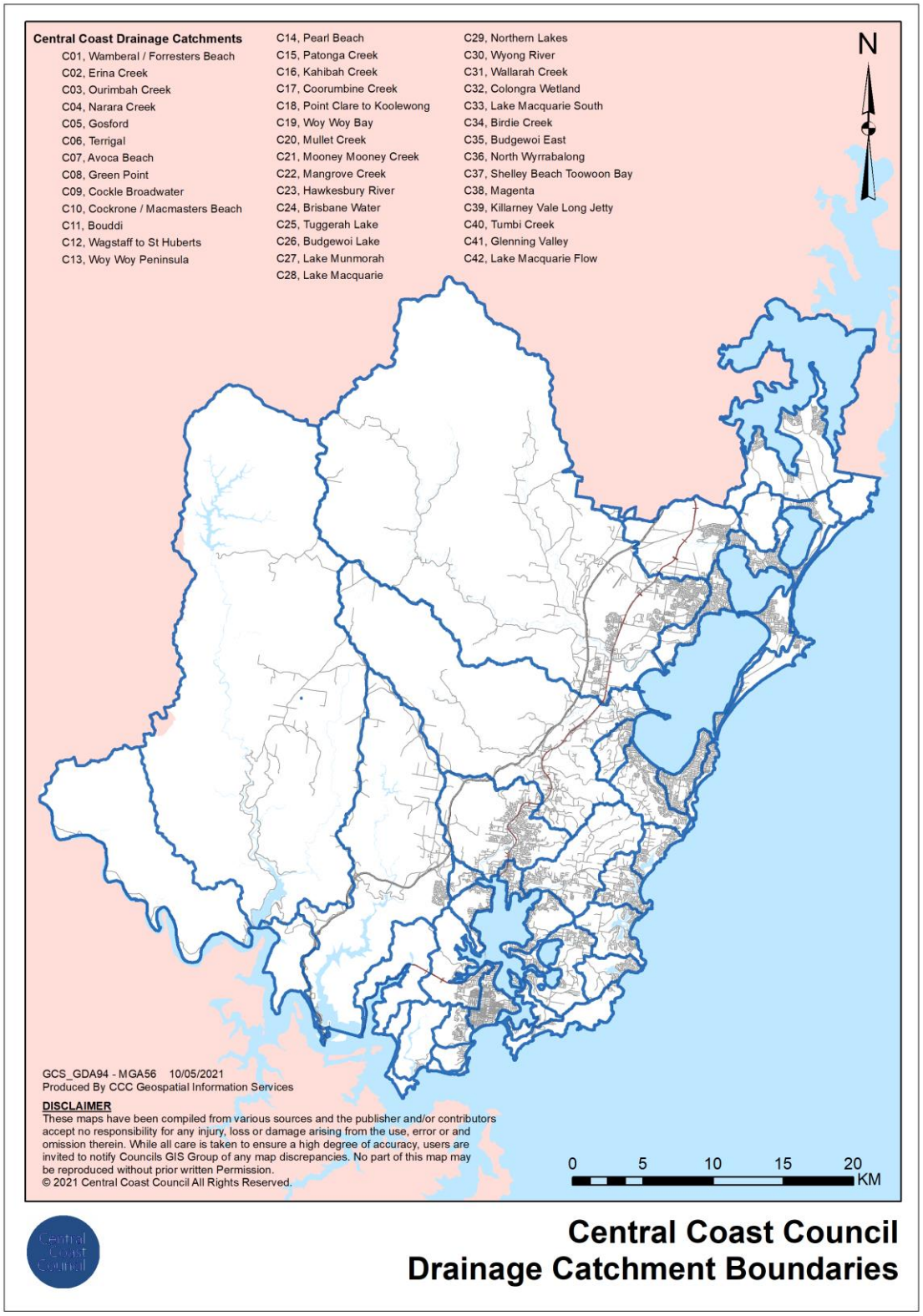

Figure 7: Stormwater catchment boundaries

Council acknowledges IPART concerns regarding the different way in which it delivers stormwater management when compared to other Water Supply Authorities. In line with recommendations from the 2019 Determination, Council has investigated a range of options to achieve stronger industry alignment. This has included:

- High level benchmarking against other Water Supply Authorities and Councils.
- Modelled various stormwater drainage definitions to analyse the impact of transitioning to a 'trunk drainage' approach.
- Investigated alternate funding sources.
- Revised its capital works planning approach to show stronger alignment with IPART drivers and industry approach.

Given Council's financial position and the risks, administrative complexities and potential to confuse its customers – Council does not consider it the right time to pursue a major structural change in the way it charges its customers for stormwater drainage.

While no changes are proposed within the 2022 IPART Determination period, Council will pursue resolution of the above matters to coincide with commencement of the following IPART Determination. This will mitigate any impact on service levels, support stable revenue forecasting and financial planning, and ensure Council can continue to provide a consistent, stable and prudent stormwater drainage service to customers.

1.3.5 Management systems

Council maintains a Water and Sewer Quality Management System (QMS) to develop, hold, review and manage relevant documents associated with water operations to deliver a safe and consistent service. QMS is designed to assure conformance to specified responsibilities, processes, and resources and encourages continuous improvement that will also benefit customer satisfaction.

The implementation of a well-structured QMS will facilitate Council to:

- Fulfil Council's commitment to delivery of high-quality drinking water and provide safe environment for all residents
- Ensure public health and protect environment
- Meet legislative, regulatory and operational requirements
- Reduce and manage risks through trend analysis, anomaly alerts
- Enable consistent delivery of services
- Carry out proactive and responsive monitoring and investigations
- Maintain reputation with customers, visitors, regulators and other stakeholders
- Enable strategic planning
- Maintain a QMS according to industry best practice

Council's Water and Sewer QMS consists of a set of policies, processes and procedures required for planning and executing its Water and Sewer operations. Key purposes are:

- To ensure compliance with a standard or regulatory body
- To enable identification of non-conformances and the implementation of continual improvement

Council is finalising the process of merging resources from the former Gosford City and Wyong Shire Councils relating to water source management, water treatment and supply, water networks, sewage collection, sewage conveyance, sewage treatment, water recycling, sewage effluent disposal and biosolids, to refine best practices for the Council going forward.

2 Legislative and regulatory framework

2.1 Regulatory framework

Council's water, sewer and stormwater drainage operations are regulated through a range of legislative and other controls.

The current regulatory framework can be grouped into the categories presented in Figure 8. Some legislation is relevant to more than one category and is presented in its dominant category.

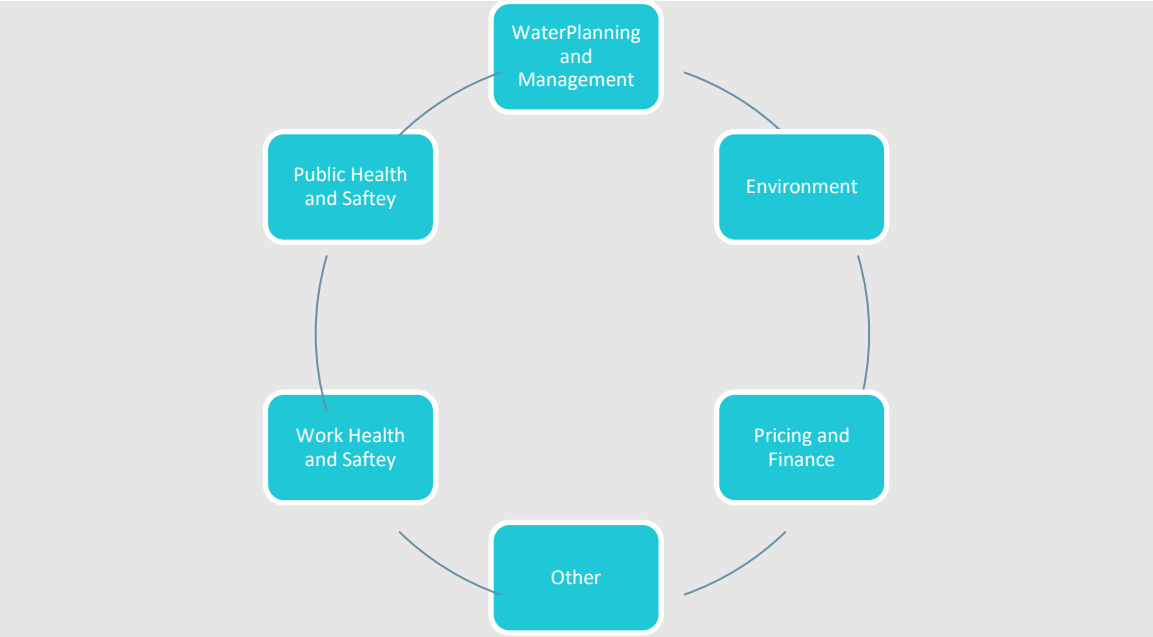

Figure 8: Regulatory categories for a water utility

The regulatory frameworks for Council's water, sewer and drainage businesses include the following:

- Australian Drinking Water Guidelines 2018 (Industry Guideline)
- Biosecurity Act 2015
- Biosecurity Regulation 2017
- Biodiversity Conservation Act 2016
- Biodiversity Conservation Regulation 2017
- Coastal Management Act 2016
- Competition and Consumer Act 2010 (Cth)
- Contaminated Land Management Act 1997
- Contaminated Land Management Regulation 2013
- Crown Land Management Act 2016
- Crown Land Management Regulation 2018

- Dams Safety Act 2015
- Dams Safety Regulation 2019
- Dangerous Goods (Road and Rail Transport) Act 2008
- Dangerous Goods (Road and Rail Transport) Regulation 2014
- Environment Protection and Biodiversity Conservation Act 1999 (Cth)
- Environment Protection and Biodiversity Conservation Regulations 2000 (Cth)
- Environmentally Hazardous Chemicals Act 1985
- Environmentally Hazardous Chemicals Regulation 2000
- Environmental Planning and Assessment Act 1979
- Environmental Planning and Assessment Regulation 2000
- Fluoridation of Public Water Supplies Act 1957
- Fluoridation of Public Water Supplies Regulation 2017
- Fisheries Management Act 1994
- Fisheries Management (General) Regulation 2019
- Gosford Development Control Plan 2013
- Gosford Local Environmental Plan 2014
- Heritage Act 1977
- Heritage Regulation 2012
- Independent Pricing and Regulatory Tribunal Act 1992
- Local Government Act 1993
- Local Government (General) Regulation 2005
- Local Land Services Act 2013
- Local Land Services Regulation 2014
- Marine Estate Management Act 2014
- Marine Estate Management Regulation 2017
- National Parks and Wildlife Act 1974
- National Parks and Wildlife Regulation 2019
- NSW Government "Best Practice" Guidelines for Water Utilities (Industry Guideline)
- New South Wales Code of Practice for the Fluoridation of Public Water Supplies 2018
- Pesticides Act 1999
- Pesticides Regulation 2017
- Protection of the Environment Operations Act 1997
- Protection of the Environment Operations (Clean Air) Regulation 2010
- Protection of the Environment Operations (General) Regulation 2009
- Protection of the Environment Operations (Noise Control) Regulation 2017
- Protection of the Environment Operations (Underground Petroleum Storage Systems) Regulation 2019
- Protection of the Environment Operations (Waste) Regulation 2014
- Public Finance and Audit Act 1983
- Public Health Act 2010
- Public Health Regulation 2012
- Roads Act 1993
- Roads Regulation 2018
- Security of Critical Infrastructure Act 2018 (Cth)
- State Environmental Planning Policy (Vegetation in Non-Rural Areas) 2017
- State Environmental Planning Policy (Exempt and Complying Development Codes) 2008

- State Environmental Planning Policy (Infrastructure) 2007
- State Environmental Planning Policy (Koala Habitat Protection) 2021
- State Environmental Planning Policy (Mining, Petroleum, Production and Extractive Industries) 2007
- State Environmental Planning Policy (State and Regional Development) 2011
- State Environmental Planning Policy (State Significant Precincts) 2005
- State Environmental Planning Policy (Coastal Wetlands) 2018
- State Environmental Planning Policy No 19- Bushland in Urban Areas
- State Environmental Planning Policy 33- Hazardous and Offensive Development
- State Environmental Planning Policy 36- Manufactures Home Estates
- State Environmental Planning Policy 52- Farm Dams and Other works in Land and Water Management Plan Areas
- State Environmental Planning Policy No 55- Remediation of Land
- State Environmental Planning Policy No 62- Sustainable Aquaculture
- Sydney Regional Environmental Plan No 8 (Central Coast Plateau Areas)
- Water Act 1912
- Water Act 2007 (Cth)
- Water (Part 2- General) Regulation 1997
- Water (Part 5- Bore Licences) Regulation 1995
- Water (Part 5- Drillers' Licenses) Regulation 1995
- Water Management Act 2000
- Water Management (General) Regulation 2018
- Water Sharing Plan for the Central Coast Unregulated Water Sources 2009
- Water Sharing Plan for the Central Coast Unregulated and Alluvial Water Sources 2021
- Wilderness Act 1987
- Work Health and Safety Act 2011
- Wyong Development Control Plan 2013
- Wyong Local Environmental Plan 2013

Critical aspects of the regulatory framework for Council's water, sewer and stormwater businesses are described in Table 6:

Table 6: Summary of Council's regulatory framework

Category	Description
Water Planning and Management	***Water Management Act 2000*** The former Gosford City and Wyong Shire Councils are designated as Water Supply Authorities in Schedule 3 of the Water Management Act. This designation continued after formation of Central Coast Council and provides authorisation to perform these functions and to levy service charges. As a local water utility (without an operating licence), Council must comply with the Best Practice Guidelines for Water and Sewerage, and

Category	Description
	annually report performance to the NSW Department of Planning, Industry and Environment. *Administered by NSW Department of Planning, Industry and Environment – Water under the Minister for Water, Property and Housing.* ***Water Act 2007 (Cth)*** Council is required to provide water resources, usage and management data to the Bureau of Meteorology (BoM) in accordance with the prescribed timeframes and formats. *Administered by Bureau of Meteorology under the Minister for the Environment* ***Security of Critical Infrastructure Act 2018 (Cth)*** Council is required to manage the national security risks of sabotage, espionage and coercion posed by foreign involvement in Australia's critical infrastructure. *Administered by the Critical Infrastructure Centre under the Minister for Home Affairs*
Environment	***Protection of the Environment Operations Act 1997*** Council is broadly required to take all practicable measures to prevent harm to the environment. An Environment Protection Licence (EPL) is required to manage several waste treatment functions, including operation of a sewerage system. *Administered by Environment Protection Authority under the Minister for the Environment.* ***Environmental Planning and Assessment Act 1979*** Council is required to assess the environmental impacts of its activities and mitigate these appropriately. Development consent may be required for some works depending on their nature and location. *Administered by Department of Planning, Industry and Environment under the Minister for Planning and Public Spaces.*
Pricing and Finance	***Independent Pricing and Regulatory Tribunal Act 1992*** Council pricing for water, sewerage and stormwater drainage services is statutorily determined by IPART.

Category	Description
	Council cannot charge any more than the price determined by IPART or charge a price less than that determined by IPART without the approval of the Treasurer. *Administered by Independent Pricing and Regulatory Tribunal (IPART).* ***Public Finance and Audit Act 1993*** The Audit Office conducts financial and performance audits, principally under the *Public Finance and Audit Act 1983* and the *Corporations Act 2001* and examines allegations of serious and substantial waste of public money under the *Public Interest Disclosures Act 1994*. ***Local Government Act 1993*** Council is required to prepare and maintain accounting records in accordance with Australian Standards and requirements of the Acts. *Administered by NSW Audit Office under the Treasurer.*
Public Health and Safety	***Public Health Act 2010*** Council is obliged to follow advice issued by the Chief Health Officer regarding drinking water safety, including the requirement to develop and maintain a Drinking Water Management System. *Administered by NSW Health under the Minister for Health.* ***Fluoridation of Public Water Supplies Act 1957*** Council adds fluoride to the drinking water supply in accordance with the Act and Regulation, and the Fluoridation Code of Practice. *Administered by NSW Health under the Minister for Health.* ***Roads Act 1993*** Council is a Road Authority under the Roads Act for delivering road and drainage works and regulating these activities by others. ***Dams Safety Act 2015*** Council is required to ensure the safety of its dams. ***Dams Safety Regulation 2019*** Council is required to comply with the Dam Safety Regulations in relation to the management of its stormwater and water supply dams. *Administered by Dams Safety NSW under the Minister for Water, Property and Housing.*

Category	Description
Work Health and Safety	***Work Health and Safety Regulation 2017*** Council is required to secure and promote the health, safety and wellbeing of staff. *Administered by SafeWork NSW under Minister for Innovation and Better Regulation.*
Other	***Competition and Consumer Act 2010*** The Council must not engage in any misleading or deceptive conduct. *Administered by Australian Competition and Consumer Commission under the Treasurer*
Australian Accounting Standard	***Australian Accounting Standard AASB116*** AASB 116 Property, Plant and Equipment prescribes the accounting treatment for property, plant and equipment (PPE) including their recognition, and the determination of their carrying amounts, depreciation and impairment losses.

3 Pricing

3.1 Setting prices for services

IPART is responsible for setting the maximum prices for monopoly services supplied by Council's water, sewerage and stormwater drainage services. This role is enabled through:

- Sections 11 and 12 of the Independent Pricing and Regulatory Act 1992 (IPART Act) and the listing of water supply authorities as per the Water Management Act 2000
- Schedule 3 Part 2 which defines the previous Gosford City Council and Wyong Council as statutory bodies

> ***Declaration of government monopoly services (IPART, 1999)***
> *The following services supplied by Sydney Water Corporation Limited, Hunter Water Corporation Limited, Gosford City, Council and Wyong Shire Council are declared to be government monopoly services:*
> *(a) water supply services*
> *(b) sewerage services.*
>
> *Published in Gazette No 18 of 14 February 1997, page 558 Page 1 1997 No 54 Clause 3 independent Pricing and Regulatory Tribunal Act 1992—Order stormwater drainage services (being, in the case of a Council, stormwater drainage services supplied by the Council in its capacity as a Water Supply Authority), trade waste services, services supplied in connection with the provision or upgrading of water supply and sewerage facilities for new developments and, if required, drainage facilities for such developments, ancillary and miscellaneous customer services for which no alternative supply exists and which relate to the supply of services of a kind referred to in paragraphs (a)-(e) of this Order, other water supply, sewerage and drainage services for which no alternative supply exists.*

The services for which IPART sets prices are detailed in the Independent Pricing and Regulatory Tribunal (Water Services and Drainage Services) Order 1997. Table 7 is a summary of regulated pricing for the 2022 IPART price determination.

Table 7: IPART regulated prices for water, sewer and stormwater drainage services (year)

Detail	How IPART regulates prices	In this submission?
Water supply services		
Drinking water supply	Price determination	✓
Voluntary reclaimed water schemes	As per Commercial Agreements as IPART encourages unregulated pricing agreements. IPART has deferred determining prices for each scheme until they receive a request for a scheme-specific review	X
Sewerage services		
Sewerage services	Price determination	✓
Backlog sewerage schemes	Price determination	✓
Stormwater drainage services		
Stormwater drainage services	Price determination	✓
Trade waste services		
Trade waste services	Price determination	✓
Services supplied in connection with the provision of upgrading of water and sewerage facilities for new developments		
Development Assessment for Water and Sewerage (forms part of the ancillary and miscellaneous customer service charges)	Price determination	✓
Ancillary and miscellaneous customer services		
IPART set a range of charges for miscellaneous services that are not used by all customers. These services are generally paid upfront and cover a wide range such as certification, property site plans, water connections, standpipe hire, special meter reads, etc. These charges are only incurred by customers who require these services.	Price determination	✓

3.2 Implementation of the 2019 determination

Council has implemented the IPART 2019 Price Determination for water, sewer, stormwater and associated services since it came into effect 1 July 2019. Each year Council updates prices for inflation in accordance with the CPI index as notified by IPART, following the March quarter release of the Consumer Price Index by the Australian Bureau of Statistics. Council also provides annual updates to IPART in the Annual Information Return to IPART.

It is unlawful to charge more than the price determined by IPART for a service, or a price calculated in accordance with a methodology determined by IPART. Council may only charge less than the IPART determined price, with the approval from the NSW Treasurer.

3.3 Public health and safety

3.3.1 Water quality

The NSW Department of Health provides advice to the NSW Government on drinking water standards and reclaimed water quality, to ensure Council supplies water that is safe to use for the purposes for which it is provided. Council is bound by legislation such as the *Public Health Act 2010* and the Public Health Regulation 2012 to protect the health of users of its supplied water.

3.3.2 Dam safety

Council operates and manages its dams in accordance with the *Dam Safety Act 2015*. This Act exists to protect the safety, welfare and interests of the community from dam failure by ensuring the risks from the prescribed dams are tolerable, and the security of the dams and stored water is protected.

Dams Safety NSW requires safety reviews of dams periodically, or whenever the dam is in question.

3.4 Environmental protection

3.4.1 Licenced activities

The *Protection of the Environment Operations Act 1997* (POEO Act) aims to minimise the environmental impact of Council operations. The POEO Act is enabled via the POEO (General) Regulation 2009 and administered by the NSW Environment Protection Authority (EPA).

Some Council activities prescribed in the POEO Act require an Environment Protection Licence (EPL). Each EPL has pollution prevention and monitoring guidelines for undertaking waste management activities.

Water and Sewer operates several premises in accordance with the following EPLs:

- 12633 Mooney Mooney and Cheero Point Sewage Scheme
- 12170 Waters of Mangrove Creek Dam and Mooney Dam (Application of algaecides)

- 2647 Toukley Sewerage System
- 1942 Bateau Bay Sewerage System
- 1802 Kincumber and Woy Woy Sewerage System.

Activities undertaken under the conditions of the EPLs must be reported annually to the EPA.

3.4.2 Access to water sources

Until 1975, Gosford and Wyong Councils had separate water supply schemes. The Gosford scheme was based on Mangrove Creek Weir and Mooney Dam, located on the upper reaches of Mooney Mooney Creek. Water could be transferred from Mangrove Creek Weir or Mooney Dam to the Somersby Water Treatment Plant (WTP), before distribution through the Kariong Reservoirs to the Gosford community.

The Wyong water supply scheme was based on a weir and pumping station on the lower Wyong River, that transferred water to Mardi Dam for off-river storage. Mardi Dam provided the balancing storage and drought security where water was treated (disinfected) and distributed to the Wyong community.

In 1975, Gosford and Wyong Councils resolved to integrate and augment their water supply schemes. The joint scheme was designed to harvest water from Wyong River and Mangrove, Mooney Mooney and Ourimbah Creeks with the key element, a major new water storage dam (190,000 ML) on Mangrove Creek. Mangrove Creek Dam was commissioned in 1980.

Council's access to water sources is regulated by its Water Access Licences (WAL) that specify the volumetric entitlements of the licence holder. Council holds WALs for extracting water from several locations (Table 8).

Table 8: Freshwater sources accessible to Central Coast Council and their use

Location	Use
Ourimbah Creek	Town water
Wyong River	Town water and farming
Tuggerah Lakes	Recreational
Sydney Basin-North Coast Groundwater	Town water and recreational
Hawkesbury to Hunter Coastal Sands	Recreational
Mangrove Creek	Town water
Mooney Mooney Creek	Town water
Hunter Groundwater	Town water and recreation
Kulnura Mangrove Mountain Groundwater	Town water and recreation

4 Abbreviations

BoM	Bureau of Meteorology
CWT	Clear Water Tank
EPA	Environment Protection Authority
EPL	Environment Protection License
IPART	Independent Pricing and Regulatory Tribunal
LGA	Local Government Area
ML	Megalitre
POEO	Protection of the Environment Operations
QMS	Quality Management System
RAB	Regulated Asset Base
STP	Sewage Treatment Plant
WAL	Water Access Licence
WTP	Water Treatment Plant

5 References

- Australian Accounting Standard AASB116
- Australian Drinking Water Guidelines 2011
- Australia Rainfall and Runoff Guideline
- Competition and Consumer Act 2010
- Dams Safety Act 2015
- Dams Safety Regulation 2019
- Environmental Planning and Assessment Act 1979
- Fluoridation of Public Water Supplies Act 1957
- Fluoridation of Public Water Supplies Regulation 2017
- Hunter Water Corporation Gosford City Council Wyong Shire Council Sydney Catchment Authority, Issues Paper, Discussion Paper DP-37, October 1999
- Independent Pricing and Regulatory Tribunal Act (IPART) Act 1992
- IPART Review of Central Coast Council's water, sewerage and stormwater prices to apply from 1 July 2019, May 2019
- Local Government Act 1993
- New South Wales Code of Practice for the Fluoridation of Public Water Supplies 2018
- NSW Floodplain Risk Management Manual
- NSW Government "Best Practice" Guidelines for Water Utilities (Industry Guideline)
- Protection of the Environment Administration Act 1991
- Protection of the Environment Operations Act 1997
- Protection of the Environment Operations (General) Regulation 2002
- Public Finance and Audit Act 1983
- Public Health Act 2010
- Public Health Regulation 2012

- Roads Act 1993
- Security of Critical Infrastructure Act 2018 (Cth)
- Water Management Act 2000
- Water Act 2007 (Cth)
- Water Management (General) Regulation 2018
- Work Health and Safety Act 2011
- Work Health and Safety Regulation 2017