



DOC20/850999

Independent Pricing and Regulatory Tribunal
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23 October 2020

Dear Mr Singh

I refer to IPART Chief Executive Officer, Liz Livingstone's letter (IPART ref. D20/24406) to the Minister for Energy and Environment, the Hon Matt Kean MP, inviting submissions on Aquacell Pty Ltd application for a network operator's licence (NOL) and variation to the retail supplier's licences (RSL) under the *Water Industry Competition Act 2006* (WIC Act). Ms Livingstone's letter was referred to the Environment Protection Authority (EPA) and I have been asked to reply.

The EPA has reviewed Aquacell's application for a NOL and the variation to its RSL under the WIC Act. In response to the specific questions posed in your letter regarding the network operators licence:

1. The EPA is not aware of any breaches of the *Protection of Environment Operations Act 1997* (POEO Act) or of any unacceptable environmental risk posed by the activities to be licenced. The EPA recommends that IPART also consults with the Hawkesbury City Council as is it the appropriate regulatory authority for these schemes under the POEO Act.
2. Clause 36 of Schedule 1 states that an environment protection licence (EPL) is required for sewage treatment that has a processing capacity that exceeds 2,500 persons equivalent or 750 kilolitres per day, whichever is the greater where there is the discharge or likely discharge of wastes or by-products to land or waters. It is the EPA's understanding that the application does not propose waste disposal methods to include discharge to waters or lands, therefore the situation remains unchanged and EPLs are not required.
3. The EPA considers that it is the role of the approval authority to assess whether the risk to the environment and human health are adequately addressed by the proposal. As a guide however, the *DEC Environmental Guidelines: Use of Effluent by Irrigation* (2004) recognises sub-surface irrigation as a typical irrigation method for effluent reuse and considers that the environmental impacts of sub-surface irrigation compared to surface irrigation are similar. As for any effluent irrigation scheme, the proponent should demonstrate that the mass balance for water and nutrients is appropriate and that the disposal sites are adequate to ensure that pollution does not occur.
4. IPART has asked whether the NOL should contain any specific conditions in relation to protection of the environment. The EPA has not recommended conditions relating to the environment that should be included in the NOL. It is the opinion of the EPA that it is the responsibility of the proponent to ensure that all relevant environmental legislation is complied

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with and that the licensing implemented by IPART should not duplicate legislated environmental requirements.

If you have any further questions about the EPA's comments, please contact Ms Aleesha Rodgers, Regional Operations Officer, Metro South, EPA on [REDACTED].

Yours sincerely

[REDACTED]

BENN TREHARNE
A/Unit Head
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