

14 July 2016

Economic Regulation Authority
Level 4, Albert Facey House,
469 Wellington Street,
Perth WA 6000.

Attention: Mr Paul Kelly – Executive Director, Licensing

**RE: WATER SERVICES LICENCE APPLICATION
WATER WEST NORTH DANDALUP PTY LTD**

Dear Sir,

Water West Pty Ltd ("Water West") herewith submits an application to the Economic Regulation Authority ("Authority") for a water services licence for the provision of sewerage services and non-potable supply by Water West North Dandalup Pty Ltd. The proposed licensed operating area covers the majority of the urban expansion of the North Dandalup townsite in the Shire of Murray.

The application is submitted in electronic form.

Water West requests the Authority accepts the application and undertakes assessment in accordance with its standard procedures. Representatives of Water West would be pleased to discuss the application with the Authority as required.


Please do not hesitate to contact the undersigned should you have any queries.

Yours Sincerely

JEFF STRAHAN

Managing Director

Encl.

 Economic Regulation Authority Received 2 1 JUL 2016	
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Action Officer	

1 LICENCE APPLICATION FORM

Note: Sections C, D and E of the Authority's Licence Application Form (February 2015) do not apply to this application.

1.1 SECTION A: APPLICANT DETAILS

1.1.1 Applicant Details

Applicant Details	
Name	Water West North Dandalup Pty Ltd
Principal Place of Business	Level 34 Exchange Tower 2 The Esplanade Perth Western Australia 6000

1.1.2 Contact Details

Contact Details	
Primary contact name	Mr Jeffrey Stephen Strahan
Mail Address	PO Box Z5340 Perth WA 6831
Email	jstrahan@waterwest.com.au
Telephone	+61 (8) 6263 0861
Mobile	0412 498 501

1.1.3 Company Structure

Company Structure	
ACN	610 892 825
Legal structure of applicant	Propriety company limited by shares.
Place of incorporation	Australia
Company Directors or Principals	Jeffrey Stephen Strahan – Managing Director Richard Charles Baston – Chairman Murray Christopher Cook – Non-Executive Director
A description of the entity's core business	Delivery of sewerage and non-potable water services to the public through the design, construction and operation of municipal-scale treatment plants and reticulation schemes
Brief description of the applicant's business structure and key organisational relationships including associated and/or controlled entities	Refer section 3.2.4.3

1.2 SECTION B: NEW LICENCE

1.2.1 Licence Classification

Water Licence		
Type of licence application	<input type="checkbox"/> Water Supply (non-potable) <input type="checkbox"/> Sewerage services	
For all Water Licence Classifications	Water system length	To be confirmed once subdivision design complete
For all Water Licence Classifications	Number of standard terms and conditions customers	Approximately 2,500 connections
For all Water Licence Classifications	Number of non-standard terms and conditions customers	Nil

1.2.2 Areas Covered

Water Licence	
Water Services Operating Area(s) and/or address to be covered by this licence	<p>Operating area name: North Dandalup Townsite Expansion</p> <p>Address/location: Lots A24 and 101 Shanns Road/Lakes Road North Dandalup</p>

1.2.3 Summary description of licence activity

Services/service model	
Brief description of service(s) or service model intended	<p>Reticulated sewerage collection to the public for the future urban expansion area of North Dandalup – approximately 2,250 residential connections plus commercial and schools.</p> <p>Provision of non-potable water services (including recycled water from wastewater treatment) to residential customers and to public open space.</p>

Service/infrastructure/works	
Brief description of service infrastructure/works	<p>Wastewater treatment – undertaken initially by an interim treatment plant up to approximately 300 connections, with recycled water from the interim plant to be reticulated on a restricted-access basis on undeveloped land within the future townsite area then on a permanent basis by an MBR treatment plant for approximately 2,500 connections/ located on <1.5ha on the southern boundary of the future townsite.</p> <p>Operation of an in-street reticulated sewer network to convey the sewage from the residential and non-residential connections to the treatment plant.</p> <p>Recycled water from the permanent plant will be conveyed by a non-potable water reticulation network, operated by Water West North Dandalup Pty Ltd, to residential properties for irrigation and in-house uses and to public open space for irrigation.</p>

Other regulatory approvals	
Provide summary information on status of other regulatory approvals required	Refer section 3.1.4.

1.3 SECTION F: CERTIFICATION

Certification – Acknowledgement of commitment

I declare that the information provided in this application is correct to the best of my knowledge and I am aware of the requirements under the *Electricity Industry Act 2004*, *Energy Coordination Act 1994*, or *Water Services Act 2012* for the licence being applied for and that I have the authority to make this application on behalf of the above entity.

Signed by or on behalf of the applicant.

(If the applicant is a company, this certification must be signed by director(s) / company secretary (as applicable) unless a relevant authority to bind the applicant is provided with this application)

Name JEFFREY STEPHEN STRAHAN

Name MURRAY CHRISTOPHER COOK

Position MANAGING DIRECTOR

Position DIRECTOR

Director

Director / ~~Company Secretary~~

Signed

Signed

Date 14 / 7 / 16

Date 14 / 7 / 2016

3 APPLICATION INFORMATION

3.1 APPLICATION SUMMARY

The following information addresses Section 3.1 of the Authority's Water Licence Application Guidelines (February 2015).

3.1.1 Applicant's structure and key organisational relationships.

Water West North Dandalup is 100% owned by its parent company, Water West Pty Ltd (Water West).

Water West is a Western Australian based company established in 2013 to operate as a public utility delivering wastewater and potable water services under Licence from the Economic Regulation Authority. Water West focuses on local municipal-scale water servicing, providing a flexible and adaptable approach to delivering fit-for-purpose solutions to new property developments. Recycling wastewater into a useable source of non-potable water via advanced treatment technologies is a key part of Water West's business.

Water West is owned 49.53% by Brookfield Water Holdings Pty Ltd, 40.67% Azure Capital Nominees Pty Ltd, 1.55% by Azure Capital Investments Pty Ltd and 8.25% by management.

Brookfield Water Holdings Pty Ltd is a 100% subsidiary of Enwave Australia Pty Limited, in turn a 100% subsidiary of Brookfield Prime Infrastructure Holdings (BPIH) Pty Ltd, in turn a 100% subsidiary of Brookfield Infrastructure Partners L.P. (BIP) (and together Brookfield), a publicly listed infrastructure company (NYSE: BIP) with a market capitalisation of USD10 billion invested and operating USD11billion of infrastructure assets around the world. Refer section 3.2.4 for further detail.

3.1.2 Service(s) or service model intended.

Water West North Dandalup will undertake public sewerage services within the future North Dandalup townsite expansion (approximately 2,250 residential lots plus schools and commercial uses). This application does not contemplate provision of sewerage services to the existing developed residential and non-residential properties in the current North Dandalup townsite.

Recycled water from the wastewater treatment plant will ultimately be provided to residential customers for irrigation and for use within dwellings for toilet flushing and washing machine use. Recycled water will also be provided for irrigation of public open space.

3.1.3 Service infrastructure/works involved

3.1.3.1 Service Infrastructure

The following table provides a summary of the key service infrastructure for the scheme at North Dandalup.

Table 1 – Service Infrastructure

Scheme Characteristics	Interim Treatment Plant (up to 400 Lots)	Permanent Treatment Plant
Location	North Dandalup	
Networks		
Sewage Network	Low infiltration gravity sewer system or pressure sewer system.	
Treatment		
Location of the Plant	Lots 101 Shanns Road, North Dandalup	
Source of recycled water	Residential sewage from up to approximately the first 400 homes of the North Dandalup development	Residential sewage from the urban subdivision of Lots 101 and A24, with potential expansion of the scheme to incorporate servicing of the existing North Dandalup townsite (including “re-subdivision” of the existing townsite.

Scheme Characteristics	Interim Treatment Plant (up to 400 Lots)	Permanent Treatment Plant
Type of treatment system	Screening + Biological Treatment (SBR) + Filtration/Clarification + UV + Residual Chlorine Dosing + Irrigation Controls	Screening + Membrane Bio-Reactor + UV + Chlorine disinfection + RO
Control Systems	PLC / SCADA System with remote monitoring, alarms etc.	PLC / SCADA System with remote monitoring, alarms etc.
Risk exposure level	Designated as 'Low' in accordance with the "Guidelines for the Non-Potable Uses of recycled Water in Western Australia".	Designated as 'High' in accordance with the "Guidelines for the Non-Potable Uses of recycled Water in Western Australia".
Volumes of recycled water to be produced	Up to 160 kL/day	Approximately 950kL/day
Expected flows per day	Minimum 10kL/day (at commencement) 140kL (at 400 homes) Average 160kL/day (at 400 homes) Maximum 200kL/day (at 400 Homes) <i>NOTE - Flows to the interim plant will be dependent on the occupation rate of the development. The figures below represent the maximum anticipated flowrate for the first 400 homes (unless specifically stated otherwise).</i>	Minimum 200kL/day (at 400 homes) 720kL/day (at end state) Average 1,000kL/day (at end state) Maximum 1200kL/day (at end state)
Peak inflow of the plant	5 Litres per second	29 Litres per second
Estimated number of people that will benefit/use the recycled water scheme	Approximately 1,050 people subject to the staging of the development	Approximately 6,230 people subject to the ultimate design of the development
End Uses		
Proposed end uses of the recycled water	Restricted irrigation – Irrigation of undeveloped land with restricted access to the public. The irrigated land will be used to grow lucerne to assist in nutrient and water take up.	Dual Reticulation – Recycled water is made available to residents for internal (toilet flushing, washing machine) and external (garden) use. Unrestricted irrigation – POS areas such as parks, schools and community gardens are irrigated with recycled water. Restricted irrigation – Irrigation of undeveloped land with restricted access to the public
RW Storage	3 x Storage dams (11ML in total)	2 x 2ML storage Tanks
Percentage of recycled water used in each one of the proposed end uses	Restricted Irrigation (100%)	Irrigation – 38% Internal Use – 25 % Excess Recycled Water – 37%
Irrigation area (m2)	Approximately 100,000m2 (10Ha) in total which includes 20% contingency for area unsuitable for irrigation with the allocated area.	Approximately 430,000m2 (43 HA) at end state of development (includes POS and residential landscapes etc)

3.1.3.2 Works Involved

The following provides a brief summary of the required works involved for the project;

- Interim Treatment Plant Operation
 - Initial Stages sewage network design, construction and commissioning
 - Site access and enabling works
 - Treatment plant detailed design, construction, commissioning and validation
 - Temporary dams detailed design and construction

- Irrigation area preparation (includes fill addition, access restriction etc.), irrigation system detailed design, commissioning and validation.
- Permanent Treatment Plant Operation
 - Remaining stages sewage network design, construction and commissioning
 - RW network design, construction and commissioning
 - Additional site access and enabling works
 - POS and Residential areas fill addition and site preparation (Developer activity)
 - Treatment plant detailed design, construction, commissioning and validation
 - Storage detailed design and construction (if required)

3.1.4 Status of other essential regulatory approvals required

The following table provides a summary of the required Regulatory Approvals for the scheme

Table 2 – Required Regulatory Approvals

Approval	Party	Status	Supporting Information
Works Approvals	Department of Environment Regulation	Works Approval granted	Refer to Appendix 1B(i)
RWQMP Approval	Department of Health	Letter of Adequacy received.	Refer to Appendix 1B(ii)
Planning Approval	Shire of Murray	Development Application for ITP approved	Refer to Appendix 1B(iii)

Further information regarding these approvals is provided in section 3.4.4.

3.1.5 Overview of Public Consultation and Stakeholder Engagement Processes Undertaken

The proposed scheme has been discussed directly or been made available to stakeholders and the general as follows:

- Direct engagement with all landowners covered by the proposed Licensed Operating Area:
 - Silversun Corporation – owner of Lot 101 Shann's Road, North Dandalup
 - Fred and Faye Wells – owners of Lot A24 South Western Highway, North Dandalup
 - *Heads of Agreement:*
 - Water West has executed a Heads of Agreement with Silversun to undertake Design and Approvals for the scheme on both the Silversun land (Lot 101) and the Wells land (Lot A24).
 - *Binding Terms Sheet:*
 - Water West has executed a Terms Sheet with Silversun to provide wastewater services for Silversun's land (Lot 101) and to locate key treatment and initial disposal equipment on Silversun's land – refer to Appendix 1A(i). The Terms Sheet is the precursor to a comprehensive Servicing Agreement. The Servicing Agreement will be executed closer to procurement of equipment from the preferred supplier. Water West will also execute a Servicing Agreement with Wells.
- Direct engagement (meetings, correspondence and/or applications) with relevant regulators/agencies:
 - Department of Environment Regulation
 - Department of Health
 - Department of Water
 - Shire of Murray
- Public Advertising of related regulatory applications to landowners within the North Dandalup district:
 - Planning Approval by Shire of Murray – advertised 4th-25th November 2015. Refer Appendix 1B(iii) for a summary of submissions received during advertising.
 - Works Approval by Department of Environment Regulation – advertised 28th September-19th October 2015.

3.5 PUBLIC INTEREST INFORMATION

The following information addresses Section 3.5 of the Authority's Water Licence Application Guidelines (February 2015).

3.5.1 Statement and evidence about any information that might assist the Authority forming the view that the application is not contrary to the public interest

The following approvals/advises received from agencies demonstrates regulatory acceptance for the key technical areas of the proposed scheme, noting that both the Works Approval and the Planning Approval (covering environmental and public amenity considerations, respectively) were publicly advertised.

- DER Works Approval (Appendix 1B(i))
- Letter regarding Recycled Water Quality Management Plan from DoH (Appendix 1B(ii))
- Shire of Murray's Planning Approval (Appendix 1B(iii))

A significant element of the Water West North Dandalup scheme is the ultimate recycling - at a local municipal scale - of wastewater, thereby achieving State Government objectives of wastewater recycling as detailed in the State Water Recycling Strategy

3.6 LICENCE, SUPPLY AND OPERATING AREAS

The following information addresses Section 3.6 of the Authority's Water Licence Application Guidelines (February 2015).

3.6.1 Identify the proposed area within which the applicant intends to provide a licensed electricity, gas or water service (in the specified formats).

The North Dandalup development is located approximately 70km south of Perth adjacent to the Darling Scarp and forms part of an urban expansion of the existing township of North Dandalup. The developer, Silversun Corporation, proposes to develop Lot 101 Shann's Road North into 1,400 residential lots, a primary school and a commercial centre. Further to the Silversun development, the adjacent lots will also be developed yielding approximately 850 additional lots and an additional primary school.

The North Dandalup site (Lot 101) is located on rezoned rural land to the southwest of the existing town and is contained on Certificate of Title Volume 1710, Folio 643 as reflected on Deposited Plan 302335.

The GPS coordinates are Latitude 32°31'18.3"S, Longitude 115°57'31.6"E

The recycled water scheme treatment infrastructure will be located on the southern end of Lot 101 with a separate lot to be created during the subdivision of Lot 101.

Appendix 1B(iv) illustrates the proposed Operating Area for Water West North Dandalup. The proposed Operating Area has been presented on three documents to provide context – the approved Western Australian Planning Commission Structure Plan, the proposed Subdivision Plan and an Aerial.

Water West's licensed area will only cover the new urban expansion area (i.e. consistent with the urban expansion on the Structure Plan) – the existing non-serviced (unsewered) urban allotments within the existing North Dandalup townsite are not part of this application, however Water West will give consideration to extending its Operating Area (if granted) to cover the existing townsite, subject to detailed review of the technical/commercial requirements associated with an urban in-fill sewerage program.

APPENDIX 1B(IV)

WATER WEST NORTH DANDALUP PTY LTD – REGULATORY APPROVALS

PROPOSED LICENSED OPERATING AREA

Water West North Dandalup Pty Ltd – Proposed Operating Area



figure 7

North Dandalup Structure Plan

June 2010

Water West North Dandalup Pty Ltd – Proposed Operating Area



North Dandalup
Overall Concept Plan

Disclaimer

Developed by Water West North Dandalup Pty Ltd for discussion purposes only. All data is preliminary and subject to change. This document is not a contract and should not be relied upon for any legal or financial purposes.



■ Water West North Dandalup Pty Ltd –
Proposed Operating Area

