EHB-01339

Brian Labza (9388 4979)

Assistant Director, Licensing Economic Regulation Authority P.O. Box 8469 PERTH BC WA 6849

Dear Sir/Madam,

PEEL WATER PTY LTD - LICENSE APPLICATION

Thank you for the opportunity to comment on the application by Peel Water Pty Ltd for a water services operating license to provide water supply and sewerage services to the Point Grey development site, located in the Shire of Murray. We understand that the licence application also includes the provision of a recycled water service.

In considering this licence application, the key question is the proponent's ability to demonstrate that it is able to, and commits to, capably operating and investing in the water supply, recycled water and sewerage systems for the duration of the license period, to a standard comparable to that required of other licensees and as required by Government policies relating to the protection of public health. This involves assessing considerably more information than is provided in the publicly accessible Appendices F and G of the proponent's submission, as published on the Authority's web site.

The proponent must be able to demonstrate this capability and commitment for the stand alone water supply, recycled water and sewerage system that it proposes to operate (i.e. systems that are not initially interconnected with those of the Water Corporation). In particular, the proponent's Local Water Management Strategy and Drinking Water Source Protection Plan must satisfy all requirements set by the Department of Planning and the Department of Water before consideration is given to granting a license.

In relation to potable water supply, we have indicated to the proponent that the Point Grey Development Drinking Water Quality Management Plan that they have supplied to us is adequate and meets our monitoring and reporting requirements. In relation to recycled water, we are awaiting the proponent's final Operational and Maintenance Manual and have set a number of conditions as part of the approval in principle of the recycled water service.

Any potable water supply licence that is granted needs to incorporate provisions requiring the licensee to enter a Memorandum of Understanding with the Department of Health, and that such provisions are consistent with the content of section 9 of the potable water supply licenses previously granted by the Authority.

Environmental Health

If the license is granted and these provisions apply, the Department of Health will expect the licensee to provide a drinking water supply service consistent with the risk management framework of the "Australian Drinking Water Guidelines" for the duration of the license period.

Should you need further information, please do not hesitate to contact Mr Richard Theobald, Manager Water Unit, on 9388 4967.

Yours sincerely

ป์im Dodds DIRECTOR

ENVIRONMENTAL HEALTH DIRECTORATE

16 February 2011

Cc. Department of Water

 $S:$EHD\Water\ Unit\DRINKING\Typing\General\ Correspondence\ERA_PointGrey_licence.doc$