

Minister for Environment, Parks and Heritage

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20 MAY 2011
File No: 1954-10
Reg No: 11/1921

Mr G Appleyard
Chairman, Tasmanian Economic Regulator
GPO Box 770
HOBART TAS 7001

19 MAY 2011

Dear Mr Appleyard

Thank you for your letter of 15 April 2011 inviting comment on licence applications by Cradle Mountain Water, Southern Water and Ben Lomond Water for ownership and operation of water and sewerage infrastructure and the provision of water and sewerage services.

I understand that Section 35(2)(d) of the *Water and Sewerage Industry Act 2008* (the Industry Act) requires the Tasmanian Economic Regulator to invite submissions from the Minister administering the *Environmental Management and Pollution Control Act 1994* before making a determination on an application. Section 35(7) of the Industry Act also states that a licence must not be granted unless the Economic Regulator is satisfied that applicants meet a range of designated criteria. My comments are confined to Section 35(7)(c) – whether the applicant has the capacity to carry out those activities in a manner that appropriately manages the risk to public and environmental health – and are based on advice provided to me by the Director, Environment Protection Authority.

Ben Lomond Water, Cradle Mountain Water and Southern Water became responsible as interim licence holders for the control, ownership and operation of water supply and sewerage systems in Tasmania in July 2009. To help achieve improved environmental outcomes, the Environment Protection Authority (EPA) has been assisting the new corporations in management of environmental issues arising from the conveyance, treatment and discharge of wastewater. This includes providing input into planned wastewater infrastructure improvement works, developing an improved compliance reporting framework, updating of wastewater policies and guidelines, and updating older permits through inclusion of environmental conditions representative of contemporary best practice outcomes. Over this period the corporations have provided significant resources in these areas to mitigate environmental and public health risk.

I am advised by the EPA that while significant levels of non-compliance remain in the wastewater sector and much work remains to be done, it is adjudged that the requirements of 35(7)(c) are met by Cradle Mountain Water, Southern Water and Ben Lomond Water and there are no objections to the issue of these licenses.

Yours sincerely

Brian Wightman MP
MINISTER FOR ENVIRONMENT, PARKS AND HERITAGE