

**Private sector recycling licence will create jobs in Western Sydney and save precious drinking water**

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The NSW Government has granted approval to a new player in Sydney's recycled water market that will attract \$100 million of private sector investment and create 64 construction jobs while saving billions of litres of water each year.

Premier Nathan Rees today announced that Veolia Water has been issued with the first licence under the *Water Industry Competition Act 2006*.

The licence permits Veolia Water to construct, maintain and operate a new recycled water plant at Fairfield as part of the Rosehill Recycling Scheme that will initially provide 4.3 billion litres of recycled water a year to industrial and irrigation customers in Western Sydney.

A second licence has also been issued to Aquanet Sydney, a division of Jemena, to allow the high-quality recycled water to be transported to users through a network of retrofitted gas pipes.

Mr Rees said the first stage of the recycling network would service seven, large industrial customers in Rosehill and Smithfield.

"This is a clever, new recycled water network for industrial users in Western Sydney that will save drinking water and create construction jobs," he said.

"Among the foundation customers are Marubeni Australia Power Services, the Sydney Turf Club which owns Rosehill Racecourse and the Shell refinery at Clyde.

"The Government has delivered on its promise to support the private sector to become involved in water services to increase the volume of water recycling in Sydney."

Mr Rees said the new Veolia recycling plant is scheduled to be operational by 2011, paving the way for increased distribution via the retrofitted gas pipes.

"The first stage of this project uses around 20 kilometres of pipes to service Rosehill and Smithfield," he said.

"There is potential for a future expansion of this concept into other Western Sydney suburbs including Parramatta, Westmead, Wetherill Park and Liverpool.

"Water recycling is a major component of the Government's plan to manage Sydney's water supply. It complements our dams and the soon to be completed desalination plant."

Water Minister Phil Costa said the Government would impose stringent regulations on all private water and sewerage operators to protect consumers, water quality and the environment.

“Sydneyiders enjoy among the highest standard of water services in the world, and we want to maintain that,” Mr Costa said.

“Any new proposals will need to meet Australian standards and recycled water will need to be treated to a level that makes it fit for purpose, for example, for use in industrial processes or for irrigation.”

Construction of the recycling plant is expected to commence later this year, following planning approvals.