

Enquiries
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22 December 2016

**DAVID FOWLER
DIRECTOR REGULATORY REFORM AND ADVICE
ENVIRONMENT PROTECTION AUTHORITY
59-61 Goulbourn St
Sydney South, NSW 1232, PO Box A290**

Dear Sir,

**Re: Muswellbrook Shire Council submission to Environment Protection
Authority – Review of the load-based licensing scheme**

Muswellbrook Shire Council welcomes the opportunity to make a submission on the Environment Protection Authority's (EPA) Review of the load-basing licensing (LBL) scheme.

Council makes the following recommendations:

1. The LBL scheme should be integrated with other water industry regulations to achieve a whole of government approach. The EPA and DPI Water should adopt a collaborative approach to regulation, as widely emphasized by industry in IPART studies into regulatory reform.
2. Development of an LBL portal is supported but this should be integrated with all other EPA and state government reporting requirements.
3. The LBL funds collected should be reinvested to create a Fund specifically purposed to make tangible environmental improvements e.g. supporting the development of Section 60 applications for re-use schemes.
4. The LBL scheme objective of a 'polluter pays principle' is not being achieved as the level of fees provides little present incentive to improve environmental practices. Realistic pricing needs to be applied as a market mechanism to drive change.
5. Remove load limits from scheduled activities such as sewage treatment plants subject to wet weather impacts. Sampling is mostly undertaken in dry weather conditions whereas the annual load conditions include wet weather flows as well. This leads to an overestimation of pollutant loads.
6. The LBL scheme should focus on highest priority pollutants, relevant to the environmental context.

7. In respect of critical zones the Hunter Valley Region, in proximity to Muswellbrook and Singleton, should be identified as a 'critical zone' in regards to air pollutants, in particular PM_{2.5} due to the impact of coal mining and general lack of effective rehabilitation.
8. Remove the reporting of pollutant loads for which there is no weighting and no fee.
9. Remove the fee rate threshold to simplify the calculation of fees.
10. Council supports the idea of green offset works but the process needs to be simplified. Evidence of the difficulty in getting approval for such a scheme is by the cited existence of only a single scheme in NSW i.e. Norske Skog Paper Mills. Additional evidence may assist persuasion.
11. Council would be greatly supported with its LBL reporting by the provision of clear simple documentation, training and well trained, knowledgeable EPA regional officers.
12. Council supports the principle of having a Technical Review Panel independent of EPA operations, important from a governance perspective.
13. Council supports reviewing and simplifying of the Load Calculation Protocol. Consider reviewing the adequacy of effluent reuse requirements and pollutant management factors and simplify the current effluent reuse requirements to make it simpler and easier for licensees to use effluent reuse to achieve a fee discount. For instance, clarifying requirements for the offsite transfer and management of treated recycle effluent would help.

I trust Council's recommendations will assist the EPA to develop a practical regulatory reform strategy and implementation plan, which will be supported and owned by the community and industry stakeholders alike.

Yours faithfully



PHIL REDAN
EXECUTIVE MANAGER: WATER & WASTE

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