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6 March 2020

Mr Greg Piper MP  
Chair  
Public Accounts Committee  
Parliament of New South Wales  
Macquarie Street  
SYDNEY NSW 2000

By email: [pac@parliament.nsw.gov.au](mailto:pac@parliament.nsw.gov.au)

Dear Mr Piper

Thank you for your correspondence relating to the Auditor-General's performance report the *Regulation of water pollution in drinking water catchments and illegal disposal of solid waste*.

I appreciate the opportunity to provide further information in relation to the actions undertaken by the EPA to address the recommendations of this report. Please find enclosed the response to your questions.

If you have any questions about this advice, please do not hesitate to contact [REDACTED]

Yours sincerely

A handwritten signature in blue ink, appearing to read 'R Bean', with a long horizontal line extending to the right.

**RICHARD BEAN**  
Interim Chief Executive Officer  
Environment Protection Authority

**AUDITOR GENERAL PERFORMANCE AUDIT REPORT - Regulation of water pollution in drinking water catchments and illegal disposal of solid waste**

**Question on Notice – Public Accounts Committee**

**Mr LEE EVANS:** I have a further question which is personal because Woronora, Cataract, Avon and Cordeaux dams are in my electorate. It has been reported—it was on Facebook so it must be true—that iron oxide levels are off the scale. That was prior to the recent rains, obviously. In the catchment areas to which I have referred there are coalmining activities. Would they have an impact on water quality?

**Response:**

WaterNSW is the regulator that monitors water quality in potable supply dams, including iron levels.

The EPA understands that there have been cases where changes in water quality in the catchment have been associated with subsidence. Mining subsidence is tightly regulated in NSW. Coal mining operations require development consent under the *Environmental Planning and Assessment Act 1979* and subsidence impact are assessed and managed via consent conditions. The Department of Planning, Industry and Environment is responsible for enforcement of development consent conditions. The NSW Resources Regulator is responsible for enforcing compliance with Extraction Plans where relevant under the *Mining Act 1992*.

**AUDITOR GENERAL PERFORMANCE AUDIT REPORT - Regulation of water pollution in drinking water catchments and illegal disposal of solid waste**

**Recommendation 4**

**Can you provide more detail about the review of licensed activities on water quality in the Lake Burragorang area and its findings?**

The review of licenced activities and the impact to water quality in the Lake Burragorang area was designed to provide information to target EPA regulatory activity where significant impact on Lake Burragorang might be anticipated.

The review considered all 81 premises within the Catchment area that had an environment protection licence, focusing on nutrient and salt load discharged from those premises.

The review found that the impact of licensed activity on the Lake is negligible. The contribution from licensed premises to Lake Burragorang nutrient and salt loads was calculated to be less than 0.6% of total nitrogen, 0.1% of total phosphorous and 0.1% of the total salt load. Nutrient loads to Lake Burragorang also reduce as water travels downstream as they are assimilated e.g. through plant growth. This dilution further reduces any potential impacts from EPA licensed discharges.

**Are all responsible agencies now working together to properly regulate activities impacting on water quality in the Sydney drinking water catchment?**

Yes

**What additional strategies have been undertaken to ensure that licence conditions safeguard water quality?**

The EPA has rigorous processes for assessing applications for new environment protection licences and reviewing existing licenses.

The EPA is committed to the management of any localised water quality impacts in sub-catchments through environmental improvement programs targeting mine water and sewage treatment plant discharges. The EPA continues to consider background water quality data to identify possible sources of salinity entering Lake Burragorang and contributions from licenced premises to further refine where regulatory effort can be focused.

The EPA also:

- undertakes additional reviews of licenses with a direct discharge to a waterway (particularly sewage treatment plants) to ensure conditions are appropriate for minimising pollution
- shares information and liaises with partner agencies, including WaterNSW, in managing catchment pollutant sources
- contributes to the planning process through the provision of advice and conditions for consideration and application in the development approval process.