



Media Release

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AquaNet to build water recycling system for Western Sydney

AquaNet Sydney Pty Ltd (**AquaNet**), a joint venture between Singapore Power International Pte Ltd and Babcock & Brown (**Joint Venture**), together with Veolia Water Australia have been announced as Preferred Tenderer by Sydney Water Corporation to design, build and operate Australia's first privately owned recycled water system (**The Project**).

The Project was acquired by the Joint Venture under the Alinta takeover completed in August this year and will initially deliver 4.3 billion litres per year of safe, high quality recycled water to industrial and commercial customers in Rosehill and Smithfield by early 2011. The recycled water system has been designed to allow for future expansion to supply an additional 3 billion litres per year to industrial and commercial customers in Westmead, Parramatta, Wetherill Park, Fairfield and Liverpool.

The 20km of innovative network design utilises a portion of Alinta's isolated (no longer used) gas main network (which was acquired by Singapore Power International Pte Ltd's subsidiary) minimising construction impact and providing significant economic and environmental benefits to the community. Spokesmen for the Joint Venture, Yap Chee Keong of Singapore Power International Pte Ltd and Peter Hofbauer of Babcock & Brown said the Joint Venture owners are extremely excited about The Project and the recycled water market.

"Today is an important and exciting day for AquaNet and we congratulate the Alinta team on the work they have done in securing this Project. Together with partners Veolia Water Australia, we are proud that Sydney Water Corporation has given AquaNet the opportunity to use its innovative, cost effective and environmentally sensitive gas and electricity infrastructure solution experience to deliver a similar outcome to meet Sydney's growing need for a cost effective, reliable and quality water supply," Mr Yap and Mr Hofbauer said.

"AquaNet believes strongly in recycled water as one of the most environmentally effective solutions to the ongoing water supply shortage in Australia.

"AquaNet has a number of significant advantages in building future markets including a proven implementation methodology for projects of this type, a world class established team with an enviable track record of delivering new utility service offerings that gain high levels of market penetration in competitive markets and established support of local councils and businesses in and around The Project," said Mr Yap and Mr Hofbauer.

Chief Executive Officer of Veolia Water Australia, Mr Peter McVean, said today's announcement confirms the company's contribution to sustainable water management.

"Our expertise in water recycling is reducing the pressure on our natural waterways and securing a regular water source for future demands," he said.

AquaNet is confident that agreements with Sydney Water Corporation can be finalised by early 2008 with approvals in place to begin construction by late 2008.

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