

10 July 2025

Grant Fahey
Fulton Hogan Land Development Limited
Level 2, 15 Sir William Pickering Drive
Burnside
Christchurch 8053
New Zealand

Kia ora Grant,

Construction of Temporary Wastewater treatment plant in Upper Orewa to serve the Milldale development

1. Fulton Hogan Land Development Ltd (**FHLDL**) is undertaking a major development known as Milldale. The development is at the northern edge of Auckland consisting of approximately 4500 new homes with a mix of densities from standalone through to terraced and apartment buildings. It includes a new school, a retirement village, a town centre with a supermarket and medical centre as well as a range of recreational spaces. The development is approximately 50% complete with around 2000 lots remaining to be developed.
2. FHLD has submitted Fast Track application for Milldale Stages 4C and 10-13 (**Fast-Track Application**).
3. FHLD is seeking consent to construct and operate a temporary wastewater treatment plant (**WWTP**) to service the development proposed under the Fast Track Application. This is intended as an interim solution until the upgrades to the Army Bay Treatment Plant are completed and sufficient network capacity is available to support the Milldale development.
4. On 17 December 2024, Watercare Services Limited (**Watercare**) sent a letter to FHLDL setting out the basis upon which Watercare would support the establishment of the temporary WWTP by FHLDL.
5. As part of the proposed temporary WWTP, a reverse osmosis (**RO**) unit is expected to be installed to improve the quality of treated water meet the regulatory requirements of discharge to the receiving environment. This RO unit is in addition to the MBR plant.
6. FHLDL has advised Watercare that the RO process separates a portion of the flow, concentrating residual contaminants in a brine waste stream, while the remaining flow meets the required high-quality discharge standards. Watercare understands that FHLDL proposes to discharge the RO waste stream into the Watercare wastewater network while simultaneously extracting an equivalent volume of additional wastewater from the network for treatment within the proposed temporary WWTP in certain limited situations.
7. FHLDL has advised Watercare that this approach would result in no net change to the total flow into the Watercare wastewater network. Furthermore, the RO waste stream will be of higher quality than the existing flows within the network at the point of discharge.

8. The purpose of this letter is to clarify that Watercare agrees in principle to:
- a. the discharge of the RO waste stream from the temporary WWTP to the Watercare wastewater network in certain limited scenarios; and
 - b. the extraction of an equivalent volume of wastewater from the same transmission main (in addition to the wastewater that is extracted from the network for treatment for the proposed upstream development the WWTP will service) for treatment at the WWTP resulting in a neutral net flow impact.
9. Watercare's agreement in principle as set out above is subject to and conditional on:
- a. the parties reviewing and Watercare agreeing to flow volumes, rates and quality of the waste stream discharge; and
 - b. the waste stream from the RO unit being of a quality that is not detrimental to the operation, integrity or compliance of the Watercare network or the Army Bay WWTP.
10. Watercare wishes to take this opportunity to clarify that a formal agreement will be required to capture the overall arrangement — including all matters outlined in Watercare's letter dated 17 December 2024, as well as the additional elements set out in this letter. This agreement will define the technical, operational, and commercial responsibilities of each party, and will be subject to further review and approval by Watercare.
11. Please note that this letter is not legally binding and Watercare's agreement in principle remains subject to formal documentation and approvals. Any support indicated is conditional on the resolution (to Watercare's satisfaction at its sole discretion) of all outstanding matters, including (but not limited to) technical feasibility, network impact assessments, and final legal review.

Yours faithfully,



Anna Jennings
Manager Major Developments
Watercare Services Limited