

Decision on licence amendment (WL32)

Water Corporation

29 January 2014

Economic Regulation Authority

WESTERN AUSTRALIA

This document is available from the Economic Regulation Authority's website at www.erawa.com.au. For further information, contact:

Economic Regulation Authority
Perth, Western Australia
Phone: (08) 6557 7900

© Economic Regulation Authority 2014

The copying of this document in whole or part for non-commercial purposes is permitted provided that appropriate acknowledgment is made of the Economic Regulation Authority and the State of Western Australia. Any other copying of this document is not permitted without the express written consent of the Authority.

Disclaimer

This document has been compiled in good faith by the Economic Regulation Authority (Authority). The document contains information supplied to the Authority from third parties. The Authority makes no representation or warranty, express or implied, as to the accuracy, completeness, reasonableness or reliability of the information supplied by those third parties.

This document is not a substitute for legal or technical advice. No person or organisation should act on the basis of any matter contained in this document without obtaining appropriate professional advice. The Authority and its staff members make no representation or warranty, expressed or implied, as to the accuracy, completeness, reasonableness or reliability of the information contained in this document, and accept no liability, jointly or severally, for any loss or expense of any nature whatsoever (including consequential loss) arising directly or indirectly from any making available of this document, or the inclusion in it or omission from it of any material, or anything done or not done in reliance on it, including in all cases, without limitation, loss due in whole or part to the negligence of the Authority and its employees.

This notice has effect subject to the Competition & Consumer Act 2010 (Cwlth), the Fair Trading Act 1987 (WA) and the Fair Trading Act 2010 (WA), if applicable, and to the fullest extent permitted by law.

Any summaries of the legislation, regulations or licence provisions in this document do not contain all material terms of those laws or obligations. No attempt has been made in the summaries, definitions or other material to exhaustively identify and describe the rights, obligations and liabilities of any person under those laws or licence provisions.

Decision

1. In accordance with section 18 of the *Water Services Act 2012* (the **Act**), the Economic Regulation Authority (**Authority**) has approved an amendment to Water Corporation's water services operating licence 32 (**WL32**) to extend the operating area for water supply and sewerage services, to match the boundary of the Contiguous Zone off the coast of Western Australia. Additionally, the operating area for drainage services has been amended to match the Western Australian state boundary.
2. All operating area maps have also been amended to remove reference to controlled, sole provider and non-exclusive areas.
3. Accordingly, Schedule 1 of WL32 now includes the amended operating area maps (OWR-OA-301(B); OWR-OA-302(B); OWR-OA-182; OWR-OA-175(E); OWR-OA-175-1(B)).
4. The Authority has also made two administrative amendments. Schedule 3 of WL32 has been amended to correct a formatting error in the table titled 'Pressure and Flow Standards' in clause 1.1. Clause 1 of Schedule 2, which provided for transitional arrangements until the establishment of the Water Ombudsman, has been deleted.
5. As required under section 47(2)(a) of the Act, the Authority will publish a notice of its approval of the licence amendment in the Government Gazette as soon as is practicable.

REASONS

6. Water Corporation requested an amendment to WL32 to expand the operating area boundaries of its water supply and sewerage services to match the Contiguous Zone boundary. The *Seas and Submerged Lands Act 1973* sets a 24 nautical mile limit for Australia's Contiguous Zone boundary.
7. According to the Water Corporation, amending its operating area boundaries for water supply and sewerage services to match the Contiguous Zone will allow for services to be provided on structures or assets constructed from the mainland out to sea, such as on a jetty used in mining operations.
8. In consultation with the Authority, the Water Corporation further proposed the removal of references on all of its maps to controlled, sole provider or non-exclusive areas. The Act, which came into operation on 18 November 2013, no longer provides for such areas.
9. The licence amendment application was made in accordance with section 18 of the Act.
10. On 27 December 2013, the Authority called for public submissions on the proposed licence amendment by 17 January 2014. No submissions were received.

11. Section 18(2) of the Act states that the Authority may amend a licence in accordance with the application if the Authority is satisfied that it would not be contrary to the public interest to do so.
12. In its assessment of the application, the Authority considered the public interest as required by section 18(2) of the Act. This includes the matters set out in section 46 of the Act. The Authority is satisfied that approving the amendment to WL32 would not be contrary to the public interest.