



# Notice

31 May 2021

## Shire of Lake Grace

### Decision to renew water services licence WL22

The Economic Regulation Authority has renewed the Shire of Lake Grace's water services licence WL22.<sup>1</sup>

WL22 authorises the Shire to provide non-potable water supply and sewerage services to customers in Lake Grace. As at 30 June 2020, the Shire provided sewerage services to 318 connected properties.

The ERA has decided to renew WL22 from 1 June 2021 for two years. This is less than the 25-year maximum period permitted under section 14 of the Act.

Under section 13(2)(a) of the Act, the ERA can only renew a licence if it is satisfied that the applicant has, and is likely to retain, the technical ability to provide the service. The ERA has concerns about the Shire's technical ability to provide the service on an ongoing basis.

The past three reviews of how the Shire manages its water assets found material deficiencies. The report on the next review of the Shire's asset management system is due to the ERA by 28 February 2022. This review will provide the ERA with an independent assessment of the actions the Shire has taken to address the recommendations from the 2019 report review and the effectiveness of the Shire's asset management system. The findings of the review will be used to inform the ERA's decision if the Shire applies for its licence to be renewed in 2023.

The [ERA's decision](#) and [WL22](#) are available on the ERA website.

#### Further information

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<sup>1</sup> The Shire applied to the ERA on 3 February 2021 to renew WL22, which was due to expire on 28 April 2021. Section 13(4) of the Water Services Act 2012 states that where a licensee applies to renew their licence, and the licence expires before the ERA makes a decision, the licence continues to remain in force.