

Decision on Amendments to Harvey Water's Operating Licence No.31 and Ord Irrigations Licence No.37

12 September 2007

Economic Regulation Authority



WESTERN AUSTRALIA

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DECISION

1. On 12 September 2007, the Economic Regulation Authority proposed to amend the licences of two Western Australian rural water service providers, South West Irrigation Management Co-operative Limited trading as Harvey Water (Harvey Water) and Ord Irrigation Co-operative Limited (Ord Irrigation), to implement annual performance reporting under the National Reporting Framework of the National Water Initiative Agreement.
2. The application for this licence amendment was made pursuant to section 31 of the *Water Services Licensing Act 1995 (Act)*.
3. Pursuant to section 31 (3) of the Act, the Authority provided notification to the licensees of the proposed amendment.
4. Pursuant to section 31 of the Act, the Authority approves the amendments to the Operating licences of Harvey Water and Ord Irrigation.

REASONS

1. On 25 June 2004, the Commonwealth, New South Wales, Victoria, Queensland, South Australia, the Australian Capital Territory and the Northern Territory signed the Intergovernmental Agreement on a National Water Initiative (NWI agreement). Tasmania and Western Australia became a signatory to the NWI Agreement (Deed) on 2 June 2005 and 2 April 2006 respectively.
2. Under the NWI Agreement, the signatories to the agreement agreed to report independently, publicly, and on an annual basis, on benchmarking of pricing and service quality for urban and rural water utilities.
3. In June 2006, the National Water Commission (Commission) formed the Rural Roundtable Group with the NWI parties to develop a national benchmarking framework.
4. The Rural Roundtable Group has subsequently finalised the National Performance Framework 2006 - 07 Rural Water Performance Reporting Indicators and Definitions handbook. This framework applies to Irrigators that extract or intake more than 4 gigalitres of water per annum. Harvey Water and Ord Irrigation are two Western Australian utilities that meet this criterion.
5. The Authority proposed the following subclause (c) amendment to Clause 14 of the existing licences to reflect the new reporting requirements.
 - (c) The licensee will provide the Authority with data required for performance monitoring purposes as set out in the National Performance Framework (Rural Performance Reporting Indicators and Definitions), as amended from time to time.
6. The proposed licence amendment will ensure that Harvey Water and Ord irrigation complies with the National Reporting Framework and that each licensee provides the Authority with a report detailing the information required.
7. The Authority provided a minimum of 28 days written notice to the licensee of the amendments under consideration by the Authority. The licensees have agreed to the amendments.
8. In its consideration of the application for licence amendment, the Authority considered the public interest as required by section 31(1a) of the Act. The Authority is satisfied that approval of the applicant's request for a licence amendment would not be contrary to the public interest.

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9. As required under section 31(4b) 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.

LYNDON ROWE
CHAIRMAN