Our ref: OWP 297

Enquiries: John Hannan, Ph 6364 7145

Mr M Geaney Assistant Director Licensing Level 6 Governor Stirling Tower 197 St Georges Terrace Perth WA 6000

Dear Mr Geaney

PROPOSED AMENDMENT TO OPERATING LICENCE No. 32 (BRIDGETOWN POTABLE WATER SUPPLY; BREMER BAY POTABLE WATER SUPPLY; DENMARK SEWERAGE SERVICES AND KARRATHA POTABLE WATER SUPPLY AND SEWERAGE SERVICES)

The Department of Water (DoW) is pleased to provide the comments below in response to the Authority's notice of the Water Corporation's application to amend its Water Services Operating Licence.

BRIDGETOWN POTABLE WATER SUPPLY

The requested amendment proposes to rename this Operating Area to the Bridgetown Donnybrook Potable Water Supply Operating Area and extend the area to the local government boundaries of three shires (Boyup Brook, Bridgetown-Greenbushes and Donnybrook-Balingup). Other than the Corporation's statement that it has "taken the opportunity to extend the Bridgetown Regional Operating Area (OWR-OA-105F) to entirely cover this Donnybrook-Balingup Shire ..." insufficient information has been offered to justify such an extensive operating area amendment.

There is no evidence of plans to actually service these areas, the maps provided do not indicate where the proposed development lots are situated outside of the current operating area (or within the requested amended area), and it is unknown if, or the extent to which, the Corporation has consulted with stakeholders. Further, several issues subject to planning and/or regulatory requirements that were previously raised by the DoW in its submission regarding an earlier extension to the Bridgetown operating area (21 June 2007) remain unresolved and are therefore thought to remain relevant to the current amendment request.

If the operating area is approved, the DoW would expect that, the Corporation gives consideration to Native title holders WAD6274_98 Gnaala Karla Booja; WAD6286_98 Wagyl Kaip; WAD6134_98 Southern Noongar; WAD253_06 South West Boojara#2.

Denmark Sewerage Services the Water Corporation

The Water Corporation has indicated that there are opportunities for properties to connect to the Denmark sewerage services which are within "the planning boundary". It is unclear what planning boundary is being referred to.

There is no indication as to whether the services are required by the land owners whose properties will be included in the extension of the operating area. It is not known whether

customers have been consulted to assess the need and justification for the service expansion. It is not clear to the DoW that the stakeholder consultation process is complete. The maps showing the extended area appear to contradict mapping information in regard to road or street names therefore, making it difficult to assess the extent of the operating area and number of customers who will be impacted. The DoW also understands that a single property appears to encompass the entire area of the proposed extension.

If the operating area is approved, the DoW would expect that, the Corporation gives consideration to Native title holders WAD6286_98 Wagyl Kaip; WAD6134_98 Southern Noongar.

Bremer Bay Potable Water Supply

No comment

Karratha Potable Water Supply and Sewerage Services

The Corporation's amendment does not provide the location of the mining workers accommodation camps for which services have been requested nor dies it provide any evidence of the need to extend the existing operating area to the controlled area boundary.

If the extended operating area is approved, the DoW would expect that:-

- Native title claimants are given consideration at all levels of water services planning and delivery.
- The Corporation gives early consideration to the long standing requirements for the provision of water services to some eleven Indigenous communities within the extended operating area.
- The same response extended to mining camps by the Water Corporation be extended to others upon request within the operating area.
- The Corporation gives consideration to Native title holders WAD 6256_98 Wonggoo-tt-oo; WAD61074_96 Ngarluma Yindi Jibarndi and the associated communities including Weymul, Migullatharndo, Nguruwaana and Cheeditha.

Conclusion

Whilst noting that the Authority has, on a case by case basis, granted similar licence amendments on a non-exclusive basis, we are unaware of any explicit, published statements by the Authority that clearly enunciate the conditions/criteria by which non-exclusivity (or for that matter, sole provider status) is determined and/or may be subsequently varied by the Authority. Unless and until such statements are made, there will remain a lack of certainty and security for existing water service providers, new/aspiring service providers and consumers.

The DoW holds a minimum expectation that the proposed amendments to the Water Corporation's licence, if granted, will be on a non-exclusive basis and that the matters raised above will be given due consideration. Notwithstanding this expectation, the DoW is unable to support the proposed extensions to the Bridgetown, and Karratha operating areas. In both cases insufficient information or justification has been provided by the Water Corporation to accept that the extensions are reasonable.

Yours sincerely

Don Crawford Branch Manager Industry Support Branch 3 December 2007