# Water Licence Review 2019

Final decision

20 April 2020

# Economic Regulation Authority

WESTERN AUSTRALIA

D211697

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## 1. Decision

The Economic Regulation Authority:

- 1. Approves the licence amendments in the water licence template attached to this final decision (Appendix 1).
- 2. Approves the administrative amendments to individual licences in Appendix 3.
- 3. In accordance with section 17 of the *Water Services Act 2012*, will issue new licences by substitution to all existing water licensees, which will incorporate the amendments in the licence template relevant to the licensee and the administrative amendments in Appendix 3.

## 2. Background

- 4. The Act governs the operation of the water licensing regime in Western Australia and defines the ERA's functions and powers with regard to administering licences and monitoring and enforcing compliance.
- 5. The ERA currently administers 22 water licences.<sup>1</sup>
- 6. The ERA aims to review the water licence template regularly to ensure it remains effective. This is the second review of water licences since the Act came into effect in November 2013. The first review took place in 2016.
- 7. The ERA commenced the Water Licence Review 2019 in November 2018.
- 8. The scope of the Review was to examine:
  - the format of the template water licence
  - the terms and conditions applicable to the template water licence.
- 9. The ERA did not examine:
  - water legislation, including subsidiary legislation
  - processes and procedures contained in the ERA's guidelines<sup>2</sup>
  - licence amendment proposals that are specific to an individual licensee
  - licence exemptions.
- 10. The objectives of the Review were to ensure that water licences:
  - are consistent with applicable legislation<sup>3</sup>
  - minimise licensees' regulatory burden and compliance costs
  - have clear and consistent terms and conditions
  - are consistent with electricity and gas licences where possible.
- 11. The new licences will commence on 1 May 2020.

<sup>&</sup>lt;sup>1</sup> A list of current water licensees can be found on the <u>ERA website</u>.

<sup>&</sup>lt;sup>2</sup> The ERA's guidelines can be found on the <u>ERA website</u>.

<sup>&</sup>lt;sup>3</sup> Applicable legislation includes the Act and its codes and regulations.

## 3. Reasons

## Issues paper

- 12. The ERA released an <u>issues paper</u> in April 2019 seeking public comment on proposed amendments to the water licence template.
- 13. The issues paper proposed many minor, administrative amendments and two material amendments. The two material amendments were to remove the provisions for water contracts and performance standards from the water licence template.
- 14. The ERA received six <u>submissions</u> in response to the issues paper.

## Draft decision

- 15. In October 2019, the ERA published the <u>draft decision</u> for public consultation.
- 16. The draft decision summarised the ERA's proposed changes to the water licence template, after consideration of the submissions received in response to the issues paper.
- 17. <u>Submissions</u> in response to the draft decision were received from:
  - Shire of Gnowangerup
  - Rio Tinto
  - Department of Water and Environmental Regulation (DWER)
  - Anonymous stakeholder (Stakeholder A)<sup>4</sup>
  - Water Corporation
  - Bunbury Water Corporation (trading as Aqwest).
- 18. Aqwest supported the amendments in the draft decision.
- 19. Water Corporation and DWER suggested additional amendments to the licence template.
- 20. The Shire of Gnowangerup, Rio Tinto and Stakeholder A opposed some of the proposed amendments in the draft decision.

## Submission from the Shire of Gnowangerup

- 21. The Shire opposed the proposal to require licensees that provide sewerage services to enter into a Memorandum of Understanding (MoU) with the Department of Health.<sup>5</sup>
- 22. The department's submission, in response to the issues paper, proposed that licensees that provide sewerage services should enter into an MoU with the department. Currently,

<sup>&</sup>lt;sup>4</sup> The stakeholder was a member of the public who requested that their name be withheld for privacy reasons.

<sup>&</sup>lt;sup>5</sup> Paragraphs 22 to 32 of the <u>draft decision</u>.

the licence requires only providers of potable water services to enter into a MoU with the department.

- 23. The department stated that the obligation would assist the department in managing public health risks associated with the operation of sewerage services. The department was of the view that, as the number of licences for sewerage services has increased, there was a need for a more standard approach to manage and regulate sewerage schemes.
- 24. In the draft decision, the ERA proposed to amend the water licence template as suggested by the department.
- 25. The Shire opposed the proposed amendment because "there are already an onerous number of requirements for small licensees such as the Shire of Gnowangerup and an MOU would appear to add to the existing bureaucratic red tape".<sup>6</sup>
- 26. The submission also raised the subject of cost of preparing the MoU and registration requirements.

#### Submission from Rio Tinto

- 27. Rio Tinto also opposed the proposal to require licensees that provide sewerage services to enter into an MoU with the department.
- 28. Rio Tinto expressed the view that there is adequate regulation already in place for sewerage services. The collection, treatment and disposal of sewage as well as the provisions of ancillary services is appropriately regulated through a suite of environmental, health, water industry and safety legislation and approvals.<sup>7, 8, 9, 10</sup>
- 29. Rio Tinto's submission stated, "imposing additional approvals in an already multifaced approval regime is unnecessary and imposes an excessive burden on sewerage service providers." <sup>11</sup>
- 30. Rio Tinto commented that the reasons for including such a requirement in the draft decision were very brief and did not demonstrate any real issues with the existing regulatory regime.
- 31. The department acknowledged that "smaller sewerage service licensees" will have their MoU for sewerage services requirement deferred. Rio Tinto observed that there is no definition of a "smaller sewerage service licensee".
- 32. Rio Tinto also considered that detailed industry consultation with other industry and government stakeholders on the proposal is called for.

<sup>&</sup>lt;sup>6</sup> Shire of Gnowangerup, 2019, <u>Submission to *Draft Decision – Water Licence Review 2019*</u>, p. 1.

<sup>&</sup>lt;sup>7</sup> For example (environmental): Environmental Protection Act 1986, Environmental Protection Regulations 1987 and Environmental Protection (Unauthorised Discharges) Regulations 2004.

<sup>&</sup>lt;sup>8</sup> For example (health): *Health (Treatment of Sewage and Disposal of Effluent and Liquid Waste) Regulations* 1974.

<sup>&</sup>lt;sup>9</sup> For example (water industry): Water Services Act 2012 and Country Areas Water Supply Act 1974.

<sup>&</sup>lt;sup>10</sup> For example (safety legislation and approvals): *Medicines and Poisons Act 2014* and *Dangerous Goods Safety Act 2004.* 

<sup>&</sup>lt;sup>11</sup> Rio Tinto, 2019, Submission to <u>*Draft Decision – Water Licence Review 2019*</u>, p. 2.

## Department of Health's response to Rio Tinto and the Shire's submissions

33. The ERA sought feedback from the department on Rio Tinto and the Shire's submissions.

#### Smaller sewerage service licensees

- 34. The department confirmed that it already has an MoU for wastewater services and groundwater replenishment with the Water Corporation. This agreement formalised the regulatory and governance framework of the Water Corporation's wastewater products.
- 35. The department confirmed that sewerage providers with 400 or more connections will be required to enter into a MoU with the department. Currently, this would only apply to Hamersley Iron Pty Ltd (2,576 connections), Rottnest Island Authority (409 connections) and the City of Kalgoorlie-Boulder (12,803 connections).<sup>12, 13</sup>
- 36. Licensees that have less than 400 connections will not be required to enter into a MoU with the department for the supply of sewerage services. In their licence, clause 7.1.2 will be amended to 'Not Used'.
- 37. If the department changes the 400-connection threshold in the future, the ERA may amend the licences through an ERA initiated licence amendment, which gives the licensee the right to make submissions on the amendment.
- 38. The requirement to have an MoU in place is anticipated to commence in 2020.

#### Costs associated with MoU

- 39. The ERA is responsible for informing licensees, through the licence, of the requirement that they enter into an MoU with the department.
- 40. It is the responsibility of the department to determine the costs and benefits associated with requiring sewerage service licensees to have an MoU.
- 41. The department already regulates the health aspects associated with the provision of sewerage services. The MoU will formalise the department's current regulatory and governance framework for sewerage services by providing "a uniform method for documenting existing processes and procedures" and by "establishing clear roles, responsibilities and accountabilities for both parties to the MoU".
- 42. The ERA is amending the licence template to require licensees that provide sewerage services to enter into an MoU with the department, as set out in paragraph 99.

#### Submission from DWER

- 43. DWER proposed to include the definition of 'public drinking water source area' in the licence template.
- 44. DWER proposed to define the term as:

<sup>&</sup>lt;sup>12</sup> Hamersley Iron is a subsidiary of Rio Tinto.

<sup>&</sup>lt;sup>13</sup> This was the number of connections, at 30 June 2019, that each licensee report to the ERA.

Catchment areas, water reserves or underground water pollution control areas constituted under the Metropolitan Water Supply, Sewerage, and Drainage Act 1909 or the Country Areas Water Supply Act 1947.

- 45. According to DWER, the inclusion of the defined term in the licence will achieve the following:
  - Support the ERA's assessment of an application that includes a potable water service or change in class to a potable water service to be in the public interest.
  - Support the application process to define the area consistent with section 10(2)(b)(i) of the Act (section 10(2)(b)(i) of the Act provides that an applicant for a licence must inform the ERA of "the area or areas of the State in which it is proposed to provide the service").
  - Support the ERA in its deliberation under section 11(2) of the Act (section 11(2) of the Act states that "for each class of water service authorised by a licence, the licence authorises the provision of the service — (a) in the operating area or areas of the licence specified for the service; (b) outside of the operating area or areas, unless the licence provides otherwise").
  - Allow a licence applicant to identify the area where 'potable water' is supplied from, in terms of a 'potable water supply service', and if it is within a 'public drinking water source area' or not.
- 46. The ERA will not include the definition in the licence. Instead, the ERA will address DWER's proposal through the licence application framework.
- 47. The ERA will request that each potable water licence application provides information on the source of the water and if it is, or will be, covered by a drinking water source protection plan.<sup>14</sup> This information would be disclosed in the applicant's licence application summary, which the ERA publishes on its website for public consultation.
- 48. The ERA also considers that there is no purpose in including a definition of an unused term in the licence.
- 49. In October 2019, the ERA informed DWER of its proposal, which DWER accepted.

## Submission from Stakeholder A

- 50. Stakeholder A raised concerns about the accessibility of water meters, and proposed that third parties or a separate entity should be able to issue infringement notices or to fine licensees if they fail to enforce regulations governing access to meters.
- 51. The *Water Services Regulations 2013* require the owner or occupier of land to maintain a clear space around a water meter and to ensure easy and safe access to the meter at all times.<sup>15</sup>

<sup>&</sup>lt;sup>14</sup> For each public drinking water source area around the state, DWER develops drinking water source protection reports including assessments, plans and reviews, or land use and water management strategies prepared in conjunction with the Western Australian Planning Commission.

<sup>&</sup>lt;sup>15</sup> Regulation 24(1) provides: The owner or occupier of land must —

- 52. If a licensee is satisfied that a person has failed to comply with this requirement, the licensee may give a compliance notice to the person.<sup>16</sup>
- 53. Regulation 24(4) specifies what information must be included in the notice.<sup>17</sup>
- 54. The regulations give a discretionary power to licensees to issue a compliance notice to persons who have failed to maintain a clear space around the meter or failed to ensure easy and safe access to the meter.
- 55. The ERA will not amend the licence template to require licensees to enforce compliance with the regulations governing access to meters, or to give a third party the ability to issues fines or infringement notices, because the regulations stipulate that enforcement is at the discretion of the licensee. License conditions cannot contradict or override the Water Services Regulations 2013.
- 56. The ERA monitors a licensee's compliance with regulation 24(4) through operational audits. Obligation 66 of the *Water Compliance Reporting Manual* requires auditors to assess compliance with regulation 24(4) and recommend corrective action if non-compliance is identified.<sup>18</sup>

## Submission from the Water Corporation

57. Water Corporation supported the amendments proposed in the draft decision and suggested two additional amendments.

#### Definition of "Australian Drinking Water Guidelines"

- 58. The Department of Health's submission, in response to the issues paper, recommended that the term "Australian Drinking Water Guidelines" (ADWG), used in the definition of "potable water", is cited in a footnote.
- 59. The ERA supported the department's recommendation but proposed to define the term rather than cite it in a footnote.<sup>19</sup>
- 60. In the draft decision, the ERA proposed the following definition:

The licensee must specify in the notice ----

- (a) that the licensee is satisfied that the person given the notice has failed to comply with subregulation (1) or (2); and
- (b) what the person given the notice must do to remedy the failure to comply; and
- (c) the time within which the person given the notice must comply with the notice (which must be at least 7 days).

<sup>(</sup>a) maintain a clear space, of at least 300 mm horizontally and 1 200 mm vertically, around any meter on or associated with the land that is connected to water service works of a licensee; and

<sup>(</sup>b) ensure easy and safe access to the meter at all times.

<sup>&</sup>lt;sup>16</sup> Regulation 24(3) provides:

If a licensee is satisfied that a person has failed to comply with subregulation (1) or (2) in relation to a meter connected to the water service works of the licensee, the licensee may give a compliance notice to the person.

<sup>&</sup>lt;sup>17</sup> Regulation 24(4) provides:

<sup>&</sup>lt;sup>18</sup> The Manual is available on the ERA <u>website</u>.

<sup>&</sup>lt;sup>19</sup> Paragraphs 72 to 74 of the <u>draft decision</u>.

**Australian Drinking Water Guidelines** means the Australian Drinking Water Guidelines Paper 6 National Water Quality Management Strategy (version 3.5) published by the National Health and Medical Research Council, as amended or replaced from time to time.

- 61. Water Corporation proposed an alternative definition, because the Water Corporation complies with the version of the ADWG that has been agreed with the department through the MoU. The MoU outlines how the department and the Water Corporation interpret the ADWG in the context of Western Australia.
- 62. Water Corporation proposed the following alternative definition of ADWG:

Australian Drinking Water Guidelines means the Australian Drinking Water Guidelines Paper of the National Water Quality Management Strategy 6 National Water Quality Management Strategy (version 3.5) published by the National Health and Medical Research Council, as is outlined in the Memorandum of Understanding between the Department of Health and the Licensee for Drinking Water Quality. as amended or replaced from time to time.

63. The ERA is amending the definition as follows:

#### Australian Drinking Water Guidelines means:

- a) <u>the Australian Drinking Water Guidelines Paper 6 National Water Quality Management</u> <u>Strategy (version 3.5) published by the National Health and Medical Research Council,</u> as amended or replaced from time to time; or
- b) if the *licensee* has an *MoU* for Drinking Water Quality with the *Department of Health*, the Australian Drinking Water Guidelines Paper of the National Water Quality <u>Management Strategy</u> 6 National Water Quality Management Strategy (version 3.5) published by the National Health and Medical Research Council.
- 64. There are licensees that supply potable water but do not yet have an MoU with the department, because they have not commenced supplying water services. Part a) of the definition will cover licensees that do not have an MoU with the department, and part b) will cover those licensees, such as the Water Corporation, that have an MoU with the department.

#### Amendment of Schedule 2 of the licence

- 65. Water Corporation also recommended that the ERA replace the term 'premises' with 'property' in Schedule 2, clause 1.2.1(b) of the licence, to provide consistency in the terms used in the licence.
- 66. 'Property' is used in the preceding clause (Schedule 2, clause 1.2.1(a)) and it is also used in Australian design standards.
- 67. Water Corporation's proposed amendment to Schedule 2, clause 1.2:
  - 1.2.1 The *licensee* must notify:
    - (a) new *customers* upon purchase of the affected property as soon as practicable; and
    - (b) existing *customers* at least annually

if the that pressure and flow of the water supplied to the customer's property premises falls outside of the standard pressure and flow range set out in section clause 1.1 of this Schedule.

1.2.2 The notification set out in section 1.2.2 clause 1.2.1 must advise the customer whether the pressure and flow of water supplied to the customer's property premises will be lower or higher than the pressure and flow range set out in clause 1.1 of the Schedule. include:

(a) the pressure and flow range; and

(b) further information about how to manage the exempt pressure and flow.

68. The ERA is replacing 'premises' with 'property' in Schedule 2, clause 1.2.1(b).

## Consultation with licensees on final amended licence

- 69. Under the terms and conditions of the licence, the ERA is required to give licensees 15 business days to comment on licence amendments initiated by the ERA before they are made.
- 70. On 21 January 2020, licensees were provided with their amended licence for comment. The amended licences incorporated the changes made to the water licence template, after consideration of the submissions received in response to the draft decision.
- 71. The ERA received four submissions from:
  - Aqwest
  - Water Corporation
  - Harvey Water
  - Peel Water
- 72. Aqwest and Water Corporation supported the amendments.
- 73. Harvey Water and Peel Water proposed additional amendments.

## Submission from Harvey Water

- 74. Harvey Water raised two issues:
  - Irrigation quality standard for Wellington Dam
  - Supply of potable water in Kemerton.

#### Irrigation quality standard for Wellington Dam

75. In the draft decision, the ERA proposed to amend Harvey Water's irrigation quality standard in Schedule 2, clause 5.1.3.<sup>20</sup> Harvey Water is unable to meet the irrigation quality standard for water sources from Wellington Dam. Over the past three years, the Total Dissolved Solids (TDS) level of the irrigation water sourced from Wellington Dam has consistently been above the level prescribed in the licence (1,200 milligrams per litre) due to high salinity.

<sup>&</sup>lt;sup>20</sup> Paragraphs 137 to 144 of the <u>draft decision</u>.

- 76. Harvey Water has little control over the quality of the water supplied from the Wellington Dam.<sup>21</sup> The ERA proposed to amend Schedule 2, clause 5.1.3 by requiring the quality of irrigation water sourced from Wellington Dam to have less than 1,400 milligrams per litre TDS, and less than 1,200 milligrams per litre TDS for water sourced elsewhere.
- 77. Harvey Water proposed increasing the TDS threshold to 1,500 milligrams per litre.
- 78. The ERA is amending Schedule 2, clause 5.1.3 of Harvey Water's licence and setting an irrigation water quality standard of less than 1,500 milligrams per litre TDS for irrigation water sourced from the Wellington Dam.
- 79. The ERA is satisfied that the proposed amendment would not be contrary to the public interest, because Harvey Water has confirmed that water supplied at up to 1,500 milligrams per litre TDS is not likely to result in impairment to crops and stock's ability to consume the water.

#### Supply of potable water in Kemerton

- 80. Harvey Water requested that the proposed supply of potable water in Kemerton be included in the licence.
- 81. The supply of potable water will be dealt with after the proposed licence amendment application to supply potable water in Kemerton has been received from Harvey Water.

#### Submission from Peel Water

- 82. Peel Water raised several issues, most of which were dealt with in the draft decision and the ERA considers that no further consideration of the issues is called for.
- 83. Two issues raised by Peel Water have resulted in a change to the licence template and Peel Water's licence.

#### Change to the licence template

- 84. The term "dwelling" is used in the definition of "residential customer" but it is not itself a defined term.
- 85. Peel Water recommended that "dwelling" is defined in the licence, because the definition of "dwelling" in the Act is broader than the ordinary and natural meaning of the word.
- 86. The ERA is including the definition in the licence template, as it will help to clarify the definition of "residential customer".
- 87. The term will be defined as follows:

dwelling has the meaning given to that term in section 3 of the Act.

#### Change to Peel Water's licence

88. Clause 5.1.2 requires the licensee to notify the ERA of its asset management system within five business days from commencement date of the licence or on completion of

<sup>&</sup>lt;sup>21</sup> The amount of TDS in the water is partially a function of the amount of rain that has fallen in the area. At the end of winter, the water may meet the standard as the dam water would have been diluted with rainwater runoff into the Wellington Dam. At the end of summer, the salinity of the water will be high due to evaporation and limited rainfall.

construction of the water service works. If the ERA has been notified, then the clause is amended to 'not used'.

- 89. Peel Water does not have any customers and has not constructed any water service works. Peel Water can, under its licence, construct water service works, and may do so over the term of the licence. Therefore, this clause is required to be included in Peel Water's licence.
- 90. In the amended licence sent to Peel Water for comment, clause 5.1.2 was marked 'Not Used'. As Peel Water has not notified the ERA of its asset management system, the ERA will replace 'Not Used' with clause 5.1.2 from the licence template:
  - 5.1.2 The *licensee* must notify the *ERA* of the details of the *asset management system* within five *business days* from the later of:
    - (a) Not used; or
    - (b) the completion of construction of the *licensee's water service works*.
- 91. The ERA may remove clause 5.1.2 and replace it with 'Not Used' following notification of the asset management system by the licensee.

## **Public interest**

#### Water Services Act 2012

- 92. Section 17(1) of the Act states that the ERA may, on its own initiative, amend a licence, if it is satisfied that it would not be contrary to the public interest to do so.
- 93. Section 46 of the Water Act specifies what matters must be taken into account when determining whether or not something would be contrary to the public interest:
  - a) environmental considerations, including the value of ecologically sustainable development;
  - b) public health considerations relating to the provision of reliable water services.

#### Economic Regulation Authority Act 2003

- 94. The ERA must also have regard to the matters set out in section 26(2) of the *Economic Regulation Authority Act 2003* (ERA Act):<sup>22</sup>
  - a) the need to promote regulatory outcomes that are in the public interest.
  - b) the long-term interests of consumers in relation to the price, quality and reliability of goods and services provided in relevant markets.
  - c) the need to encourage investment in relevant markets.
  - d) the legitimate business interests of investors and service providers in relevant markets.

<sup>&</sup>lt;sup>22</sup> The ERA has a discretion as to the weight it gives to each of the matters listed in section 26(2) of the ERA Act in making its decision on the amendment of the water licences.

- e) the need to promote competitive and fair market conduct.
- f) the need to prevent abuse of monopoly or market power.
- g) the need to promote transparent decision-making processes that involve public consultation.

#### Assessment of public interest

The ERA has considered section 17(1) of the Act, the matters set out in section 46 of the Act, section 26(2) of the ERA Act and the public submissions received and is satisfied that the amendment of the water licences would not be contrary to the public interest.

The water services licence sets performance and service standards for the delivery of water services customers. The ERA is satisfied that the amendment of the licences will promote regulatory outcomes in the long-term interests of consumers, consistent with section 46 of the Act and sections 26(2)(a), (b), (e) and (g) of the ERA Act.

The ERA considers it is in the public interest that licensees are required to have, and comply with, an MoU for sewerage services, as it allows the ERA to enforce compliance with the MoU. Currently, there is no mechanism to enforce compliance with the public health obligations prescribed by the State's health regulator, the Department of Health.

## 4. List of amendments

95. This section outlines all the changes to the licence template and individual licences.

## Administrative licence amendments

- 96. The ERA is making administrative amendments to the licence template. A list of administrative amendments is in Appendix 2 of this final decision.
- 97. The ERA is also making administrative amendments to individual licences. The amendments include rectifying incorrect licence expiry dates and the inclusion of defined terms that were missing from the licence. These amendments are listed in Appendix 3.

## Licence amendments – draft decision

- 98. The draft decision proposed amendments to the licence template and individual licences.
- 99. The ERA is making the following amendments to the licence template to include the licence amendments proposed in the draft decision:
  - Amend clause 6.1 [now 7.1] as follows:

## 67 PUBLIC HEALTH

### 6.17.1 Memorandum of understanding

- 6.1.17.1.1 Where the *licensee* is, or intends to, provides *potable water*, the *licensee* must enter into an *MoU* as described in this clause 7.1 with the *Department of Health* as soon as practicable after the *commencement date* or as otherwise agreed with the *Department of Health*.
- 7.1.2 Where the *licensee* provides *sewerage services*, the *licensee* must enter into an *MoU* as described in this clause 7.1 with the *Department* of *Health* as soon as practicable after the *commencement date* or as otherwise agreed with the *Department* of *Health*.
- 7.1.3For the avoidance of doubt, if the licensee provides both potable water<br/>and sewerage services, the licensee must enter into a separate MoU<br/>with the Department of Health in respect of each of the potable water<br/>and the sewerage service.

#### 6.1.27.1.4 The<u>An</u> MoU must:

- (a) specify that the *MoU* is a legally binding document between the *licensee* and *Department of Health*; and
- (b) requiring require an audit by the Department of Health on compliance by the *licensee* with its obligations under the *MoU* at least once every three years, or other such time as notified by the Department of Health, and the provision of the *audit report* to the *ERA*.
- 6.1.<u>37.1.5</u> The *licensee* must comply with the terms of the <u>an</u> *MoU*.
- 6.1.47.1.6 The *licensee* must *publish*, in a form agreed with the *Department* of *Health*, the an\_MoU and any amendments to the *MoU* on the *licensee's*

website within one month of entering into the *MoU* or of making amendments to the *MoU*.

6.1.57.1.7 The *licensee* must *publish* the *audit report* on the *licensee*'s website within one month of the completion of the report.

6.1.67.1.8 The licensee must publish, in a form agreed with the Department of <u>Health</u>, any other reports required by the Department of Health or set out in the required by an MoU on the licensee's website, quarterly or at a reporting frequency specified by the Department of Health.

• Amend clause 7.1.1 [now 1.1.1] as follows:

**audit report** means a signed, written document that presents the purpose, scope and results of the audit by the *Department of Health* on compliance by the *licensee* of its obligations under the an *MoU*, pursuant to clause 7.1.4 of this *licence*.

**MoU** means the <u>a</u> memorandum of understanding referred to in clause 6.17.1 as amended or replaced from time to time.

• Amend Schedule 3, clause 1.1 as follows:

### 1.1 Requirement for approved financial hardship policy

1.1.1 Where the licensee intends to supply water services to customers other than non-residential customers or members of the licensee, the licensee must notify the ERA and must have an approved financial hardship policy in accordance with clause 26 of the Code of Conduct prior to any such supply.

If the licensee at any time during the term of the licence:

- (a) intends to supply water supply services (but only in respect of the supply of drinking water) or sewerage services to residential customers; and
- (b) does not have a financial hardship policy approved by the ERA,

the licensee must submit a draft financial hardship policy to the ERA for approval.

1.1.2 The *licensee* must not commence the supply of *water supply* services (but in respect of the supply of drinking water only) or *irrigation services* to *residential customers* unless the *ERA* has approved the *licensee's* draft *financial hardship policy*.

1.1.2 For the purposes of clause 1.1, a water service does not include non-potable water supply services, except where the non-potable water supply service is supplied on the basis that the customer is responsible for treating the water to make it fit for humans to drink.

<u>1.1.3 For the purposes of clause 1.1 of this Schedule, 'drinking water'</u> has the meaning given to that term in clause 4(1) of the Code of <u>Conduct.</u>

• Include the following definition in clause 7.1.1 [now 1.1.1]:

#### Australian Drinking Water Guidelines means:

a) the Australian Drinking Water Guidelines Paper 6 National Water Quality Management Strategy (version 3.5) published by the National Health and Medical Research Council, as amended or replaced from time to time; or

- b) if the *licensee* has an *MoU* for Drinking Water Quality with the *Department of Health*, the Australian Drinking Water Guidelines Paper of the National Water Quality Management Strategy 6-National Water Quality Management Strategy (version 3.5) published by the National Health and Medical Research Council.
- Delete the definition for "Department of Water" from clause 7.1.1 [now 1.1.1].
- Delete clause 5.3.
- Delete the definition of "amendment date" from clause 7.1.1 [now 1.1.1].
- Delete clause 5.1.
- Delete the definitions of "customer contract" and "Customer Contract Guidelines" from clause 7.1.1 [now 1.1.1].
- Amend clause 5.2 [now 6.1] as follows:

## 5.2 6.1 Standard terms and conditions of service

[Section 71 of the Act]

5.2.1 Subject to:

(a) the Act; and

(b) the terms of a customer contract (if any) that apply to the water service.

the terms and conditions of service in this licence that apply to the water service are set out in Schedule 4.

5.2.2 The terms in Schedule 4 may be supplemented by terms published from time to time by the licensee on the licensee's website or as otherwise prescribed.

6.1.1 If, during the term of the *licence*, the *ERA* considers that one or more of a *licensee's standard terms and conditions of service* is no longer in the public interest, the *ERA* may direct the *licensee*:

(a) to amend:

(i) the standard term or condition of service; or

(ii) the standard term or condition of service in accordance with a term proposed by the ERA; and

(b) to do so within a specified period.

6.1.2 The *licensee* must comply with a direction given to the *licensee* under this clause.

• Include the following definition in clause 7.1.1 [now 1.1.1]:

standard terms and conditions of service has the meaning given to that term in section 71(1) of the *Act*.

• Amend Schedule 2, clause 5.1.3 of Harvey Water's licence as follows:

Table 4: Irrigation service standards

Water source	Irrigation water quality	Percentage of customers given 5 days' notice of a planned interruption
All water sources other than Wellington Dam	<1,200 mg/L TDS	>90
Wellington Dam	<1,500 mg/L TDS	<u>&gt;90</u>

• Amend Schedule 2, clause 4.1.2 of the licence template as follows:

### 4.1 Drainage service standards

4.1.2 Urban drainage scheme infrastructure provided by the licensee for the purpose of protection against flooding shall be designed, constructed, operated and maintained such that the peak flows of stormwater runoff from rainfall events can be accepted into and will not overflow from the system in accordance with the following standard.

#### Drainage service standard

	How is it measured	Performance indicator / targets
Drainage – Design of new urban infrastructure.	Desk audit of scheme to test if dDesign of new urban drainage scheme infrastructure protects against flooding from peak flows of stormwater runoff from rainfall events with intensities up to –	100% of schemes audited comply with the standard.
	Residential – 5 year average recurrence interval	
	Commercial – 10 year average recurrence interval.	

• Amend Schedule 2, clause 6.1 of the Water Corporation's licence as follows:

#### 6. Farmland Areas Water System Standards

6.1 In cases where services are provided by agreement to farms the licensee must provide annual notifications to customers of the conditions under which the service is supplied as detailed in the following table.

Service standard	How is it measured	Performance indicator / targets	
Annual notification of conditions of service.	Audit of sample areas for Farmlands water services where services are provided by agreement and customers are notified of the conditions under which services supplied.	In the preceding every twelve month period 95% of customers receiving these services were notified of the conditions under which water was supplied.	

- Delete clause 3.3.1(a) [now 4.3.1(a)] from all water licences other than the licences of the three water corporations.
- Delete clause 5.4.
- Delete the definition of "Financial Hardship Policy Guidelines" from clause 7.1.1 [now 1.1.1].
- Amend Schedule 2, clause 1.2 as follows:
  - 1.2.1 The *licensee* must notify:
    - (a) new *customers* upon purchase of the affected property as soon as practicable; and
    - (b) existing *customers* at least annually

if the that pressure and flow of the water supplied to the customer's property premises falls outside of the standard pressure and flow range set out in section clause 1.1 of this Schedule.

1.2.2 The notification set out in section 1.2.2 clause 1.2.1 must advise the customer whether the pressure and flow of water supplied to the customer's property premises will be lower or higher than the pressure and flow range set out in clause 1.1 of the Schedule. include:

(a) the pressure and flow range; and

(b) further information about how to manage the exempt pressure and flow.

### Licence amendments – licensee consultation on amended licences

- 100. The ERA is making the following amendments in response to consultation on the draft licences with the licensees:
  - Include the following definition in clause 7.1.1 [now 1.1.1] of the licence template:

*dwelling* has the meaning given to that term in section 3 of the Act.

- Amend clause 5.1.2 of Peel Water's licence as follows:
  - 5.1.2 Not Used

The licensee must notify the ERA of the details of the asset management system within five business days from the later of:

(a) Not used; or

(b) the completion of construction of the *licensee's water service works*.

## Appendix 1 – Water licence template

# Appendix 2 – Administrative amendments

Clause	Amendment	Reason
- (page i)	Include on page i: Operating area The area set out in the plan referred to in clause 2.5.	<ul> <li>Licence clauses in the template electricity, gas and water licences should, where possible, use consistent language and formatting.</li> <li>The proposed amendment is consistent with the template electricity licence.<sup>23</sup></li> </ul>
- (page i)	Signed by [a delegate; <u>/ a</u> member; or <u>/</u> <u>T</u> the Chair] of the Economic Regulation Authority <date amendment="" of=""></date>	To clarify who has signed the licence.
1.2 [now 2.2.1]	<u>The commencement date of this</u> <u>licence is</u> <original date="" grant="" of="">.</original>	Supporting text added.
<b>1.3</b> [now 2.3.1]	<u>The expiry date of this licence is</u> <date expiry="" of="">.</date>	Supporting text added.
1.4.1 [now 2.4.1]	<ul> <li>This <i>licence</i> commences on the <i>commencement date</i> and continues until the earlier of:</li> <li>(a) the cancellation of the <i>licence</i> pursuant to clause 2.5 3.5 of this <i>licence</i>;</li> <li>(b) the surrender cancellation of the <i>licence</i> on application of the <i>licensee</i>, pursuant to clause 2.6 3.6 of this <i>licence</i>; or</li> <li>(c) the expiry date.</li> </ul>	The amended wording is consistent with the wording in the Act.
2.1 [now 3.1]	Amendment of licence <u>on application of</u> the licensee by the licensee	The amendment clarifies that the licence cannot be amended by the licensee; only the ERA. The wording is also consistent with the wording in the Act.
2.1.1 [now 3.1.1]	The <i>licensee</i> may <del>, at any time,</del> apply to the <i>ERA</i> to amend the <i>licence</i> in accordance with the <i>Act</i> .	This amendment is consistent with the template electricity licence.
2.2.1 [now 3.2.1]	The <i>ERA</i> may <del>, at any time,</del> amend the <i>licence</i> on its own initiative in accordance with the <i>Act</i> and the procedure specified in clause $\frac{2.2.2}{3.2.2}$ .	The amendment is consistent with the removal of 'at any time' from clause 2.1.1 [now 3.1.1] of the template water licence.
2.2.2 [now 3.2.2]	Before amending the <i>licence</i> under clause <del>2.2.1</del> <u>3.2.1</u> , the <i>ERA</i> must:	'Written' is removed from the clause because clause 2.7.1 [now 3.7.1] of the template water licence already provides

<sup>&</sup>lt;sup>23</sup> The template electricity licence uses the term 'licence area' as this is the term used in the *Electricity Industry Act 2004.* The *Water Services Act 2012* uses the term 'operating area'.

Clause	Amendment	Reason	
	<ul> <li>(a) provide the <i>licensee</i> with written notice of the proposed amendments under consideration by the <i>ERA</i>;</li> <li>(b) allow 15 <i>business days</i> for the <i>licensee</i> to make submissions on the proposed amendments; and</li> <li>(c) take into consideration those submissions.</li> </ul>	that all notices, unless otherwise specified, must be in writing.	
2.2.5	For avoidance of doubt, the <i>licensee</i> will not have to pay an associated application fee or <i>licence</i> fee for the purpose of clause 2.2.1.	This clause is not necessary as the <i>Economic Regulation Authority (Licensing Funding) Regulations 2014</i> (WA) do not require a charge to be paid when the ERA amends a licence on its own initiative.	
2.5.1 [now 3.5.1]	This <i>licence</i> may be cancelled <del>for</del> serious default-in accordance with the <i>Act</i> .	The amendment clarifies that the licence may be cancelled for other reasons under section 34, not just for serious default.	
2.6 [now 3.6]	Cancellation of licence <u>on application of</u> the licensee by the licensee	The amendment clarifies that the licence cannot be cancelled by the licensee; only the ERA. The wording is also consistent with the wording in the Act.	
2.6.1 [now 3.6.1]	The <i>licensee</i> may apply to the <i>ERA</i> to request cancellation of the <i>licence</i> at any time by written notice to the <i>ERA</i> .	<ul> <li>The removal of 'at any time' is consistent with the removal of 'at any time' from clause 2.2.1 [now 3.2.1] of the template water licence.</li> <li>'Written' is removed from the clause because clause 2.7.1 [now 3.7.1] of the template water licence already provides that all notices, unless otherwise specified, must be in writing.</li> </ul>	
2.7.2(e) [now 3.7.2(e)]	A <i>notice</i> will be regarded as having been sent and received [] if sent by <u>electronic means</u> email when, according to the sender's electronic record, the <i>notice</i> has been successfully sent to the <u>addressee</u> . addressee's water licensing email address.	The amendment is consistent with the template electricity licence.	
2.8.1 [now 3.8.1]	The <i>ERA</i> may direct the <i>licensee</i> to <i>publish</i> , within a specified timeframe, any information within a specified timeframe it considers relevant in connection with the <i>licensee</i> or the performance by the <i>licensee</i> of its obligations under this <i>licence</i> .	The amendment is consistent with the template electricity licence.	
2.9.2	For the avoidance of doubt, this clause does not apply to a decision of the <i>ERA</i> pursuant to the <i>Act</i> , nor does it restrict	This clause is not necessary because it is clear from clause 2.9.1 [now 3.9.1] and the definition of 'reviewable decision' that	

Clause	Amendment	Reason		
	the <i>licensee's</i> right to have a decision of the <i>ERA</i> reviewed in accordance with the <i>Act</i> .	a review only applies to decisions made by the ERA made under the licence.		
3.1.2 [now 4.1.2]	<ul> <li>Subject to the provisions of any applicable legislation, the ERA may give direct the licensee a notice directing it in writing to do any measure necessary to:</li> <li>(a) correct the breach of any applicable legislation; or</li> <li>(b) prevent the breach of any applicable legislation occurring again, and specify a time limit by which such action must be taken.</li> <li>and specify a time limit by which such action must be taken.</li> </ul>	<ul> <li>The words "and specify a time limit by which such action must be taken" have been moved to a separate line to clarify that they apply to subclauses (a) and (b).</li> <li>The words "in writing" have been removed to be consistent with similar changes in other clauses.</li> </ul>		
3.3.1 [now 4.3.1]	<ul> <li>The <i>licensee</i> must provide the water service set out in clause 1.1:</li> <li>(a) provide the <i>water service</i> set out in clause 2.1 to persons entitled to the <i>water service</i> under the <i>Act</i>, except to the extent otherwise provided for by the <i>Act</i>, and</li> <li>(b) if requested, offer to provide the <i>water service</i> set out in clause 2.1 to any other person within the <i>operating area</i> on reasonable terms, unless the provision of the <i>water service</i> is not financially viable or is otherwise not practicable.</li> </ul>	The amendment is consistent with the wording in the Act. Clause (a) only applies to the three water corporations. For other licensees, clause (a) will be 'not used'.		
3.6.1 [now 4.6.1]	The <i>licensee</i> and any <i>related body</i> <i>corporate</i> must maintain accounting records that comply with <u>standards</u> <u>issued by</u> the Australian Accounting Standards Board <del>Standards</del> or equivalent International Accounting Standards.	The amendment is consistent with the template electricity licence.		
3.7.1(a) [now 4.7.1(a)]	The <i>licensee</i> must report to the ERA: (a) if the <i>licensee</i> is under external administration as defined by the <i>Corporations Act 2001</i> (Cwth) within <i>two business days</i> of such external administration occurring; or	The amendment is consistent with the template electricity licence.		
3.7.1(b) [now 4.7.1(b)]	The <i>licensee</i> must report to the <i>ERA</i> : (b) if the <i>licensee</i> : (i) <u>the <i>licensee</i></u> experiences a <u>material</u> change in the <u>licensee's its</u> -corporate, financial	<ul> <li>Deletion of the word 'material' in paragraph (i) is consistent with the template electricity licence.</li> <li>The words "the licensee" have been moved to paragraph (i), and "which"</li> </ul>		

Clause	Amendment	Reason		
	or technical circumstances upon which this <i>licence</i> was granted; and (ii) which the change may materially affect the <i>licensee's</i> ability to meet its obligations under this <i>licence</i> , within 10 <i>business days</i> of the change occurring; or	replaced with "the change", to improve the readability of the clause.		
3.7.1 (c)(iv) [now 4.7.1(c)(iv)]	The licensee must report to the <i>ERA</i> [] if the description of works holding arrangement for the water service works, changes, within 10 business days of the change occurring.	The amendment clarifies that the reporting requirements relate to changes in the holding arrangements for water service works.		
3.1 [now 4.1]	Compliance with applicable legislation <u>and licence conditions</u> [Sections 26, 27, 29 and 31 of the Act]	The amendment clarifies the licensee's obligation to comply with the licence conditions.		
4.1.3	The licensee must comply with the terms and conditions of this licence.	See reasoning for 3 [now 4] above.		
3.8.2	The <i>licensee</i> must comply with any information reporting requirements prescribed by the <i>ERA</i> , including but not limited to the provisions of the <i>Water Compliance Reporting Manual</i> , which apply to the <i>licensee</i> .	The template electricity licence does not include an equivalent clause for the Electricity Compliance Reporting Manual.		
3.8.3(a) [now 4.8.2(a)]	Footnote: <u>See www.erawa.com.au</u> -> Water <u>Licensing -&gt; Regulatory Guidelines The</u> <u>Handbook can be found on the ERA</u> <u>website.</u>	For clarification.		
4.1.1 [now 5.1.1]	The <i>licensee</i> must provide for <del>, and</del> notify the <i>ERA</i> of, an asset management system in respect of the <i>licensee's water service works.</i> within two business days from the commencement date unless otherwise notified in writing by the <i>ERA.</i>	The amendment is consistent with the template electricity licence.		
5.1.2 [marked-up licence]	The licensee must notify the ERA of the details of the asset management system within five business days from the later of:(a) the commencement date; or (b) the completion of construction of the licensee's water service works.	<ul> <li>The insertion of the new clause is consistent with the template electricity licence.</li> <li>The ERA may remove clause 5.1.2 and replace it with 'Not Used' following notification of the asset management system by the licensee.</li> </ul>		

Clause	Amendment	Reason
4.1.3 [now 5.1.4]	<ul> <li>The licensee must, unless otherwise notified in writing by the ERA<sub>1</sub>÷</li> <li>(a) conduct an asset management system review; and</li> <li>(b) provide the ERA with a report on as to the effectiveness of the asset management system review,</li> <li>within 24 months after the commencement date and every 24 months thereafter.</li> </ul>	<ul> <li>Subclause (a) is deleted as it is inconsistent with clause 4.1.4 [now 5.1.5] which provides that an asset management system review must be conducted by an independent expert appointed by the ERA.</li> <li>The insertion of the words "as to the effectiveness of" is consistent with the template electricity licence.</li> </ul>
4.1.4 [now 5.1.5]	The asset management system review must be conducted by an independent expert <u>engaged</u> appointed by the <i>ERA</i> in its sole discretion. The ERA will determine the terms of the appointment of the independent expert.	<ul> <li>The amendment clarifies that the ERA will consult with the licensee before engaging an independent expert (the auditor).</li> <li>However, the ERA is responsible for the engagement of the auditor. The ERA does not require the licensee's consent to appoint the auditor. Nor does the licensee have the right to amend the proposed terms and conditions for the engagement or appointment of the auditor.</li> <li>The word "appointed" replaced with "engaged" to be consistent with wording used in s 24 of the Act.</li> </ul>
4.1.6 [now 5.1.7]	The <i>licensee</i> must cooperate with the independent expert and comply with the <i>ERA's</i> <u>audit and review guidelines</u> standard guidelines dealing with the asset management system review.	The amendment reflects the current title of the ERA's guidelines for audits and reviews: <i>Audit and Review Guidelines –</i> <i>Water Licences</i> .
4.1.6 [now 5.1.7]	Footnote: The guidelines can be found on the ERA website.	For clarification.
4.3.2 [now 5.3.2]	The operational audit must be conducted by an independent expert appointed by the <i>ERA</i> in its sole discretion. The ERA will determine the terms of the appointment of the independent expert.	See reasoning for 4.1.4 [now 5.1.4] above.
4.3.4 [now 5.3.4]	The <i>licensee</i> must cooperate with the independent expert and comply with the <i>ERA</i> 's standard audit guidelines audit and review guidelines dealing with the operational audit.	The amendment reflects the current title of the ERA's guidelines for audits and reviews: <i>Audit and Review Guidelines</i> – <i>Water Licences</i> .
4.3.4 [now 5.3.4]	Footnote: <u>See www.erawa.com.au</u> -> Water <u>Licensing -&gt; Regulatory Guidelines The</u> <u>guidelines can be found on the ERA</u> <u>website.</u>	For clarification.

Clause	Amendment	Reason	
5.5.1 [now 6.2.1]	<ul> <li>The licensee must not supply water services to customers unless the licensee is:</li> <li>(a) is a member of the water services ombudsman scheme; and</li> <li>(b) is bound by the water services ombudsman scheme; and</li> <li>(c) bound by, and will be compliant with, any decision or direction of the water services ombudsman under the water services ombudsman scheme.</li> </ul>	The amendment is consistent with the wording in the Act.	
5.6.1 [now 6.3.1]	<ul> <li>If the <i>licensee</i> is appointed the <i>supplier</i> of <i>last resort</i> for a designated area in relation to the provision of a particular water service under the <i>Act</i>, the <i>licensee</i> must:</li> <li>(a) perform the functions of the <i>supplier of last resort</i> for the designated area and the class of <i>water service</i>;</li> <li>(b) comply with the duties imposed in relation to those functions under the <i>Act</i>; and</li> <li>(c) carry out its operations under or for the purposes of the <i>last resort supply plan</i> in accordance with the <i>Act</i>.</li> </ul>	<ul> <li>The amendment clarifies what is meant by the 'class of water service'. This amendment is also consistent with the wording in the Act.</li> <li>The clause has also been restructured to make it easier to read.</li> </ul>	
7.1 [now 1.1]	Clause 71.1 – Definitions [Move clause 7.1 to the start of the licence (clause 1.1)]	The amendment is consistent with the template electricity licence.	
7.1.1 [now 1.1.1]	asset management system means the measures that are taken by the <i>licensee</i> for the proper maintenance, expansion or reduction of the <i>water</i> sorvice works. has the same meaning as section 24(2) of the Act.	The amendment is consistent with the wording in the Act.	
7.1.1 [now 1.1.1]	audit and review guidelines means the guidelines prepared by the ERA setting out the ERA's requirements for the conduct of operational audits and asset management system reviews, as published by the ERA on its website and as amended from time to time.	The definition is added to replace the term 'standard audit guidelines' and 'standard guidelines' which are not defined terms in the current water licence template.	
7.1.1 [now 1.1.1]	<b>Code of Conduct</b> means the Water Services Code of Conduct (Customer Service Standards) <del>2013</del> <u>2018</u> as amended or replaced from time to time.	The Water Code was amended in 2018.	

Clause	Amendment	Reason
7.1.1 [now 1.1.1]	<i>commencement date</i> means the date specified in clause <del>1.1</del> <u>2.2</u> .	Correction of a typographical error (the commencement date is specified in subclause 2).
7.1.1 [now 1.1.1]	electronic means means:(a) the internet;(b) email, being:(i) in relation to the ERA, the ERA's email address as notified to the licensee; and(ii) in relation to the licensee, the email address specified in the licence application or other such email address as notified in writing to the ERA; or 	Amended clause 2.7.2(e) [now 3.7.2(e)] includes the term 'electronic means'. The definition is consistent with the definition of 'electronic means' in the template electricity licence.
7.1.1 [now 1.1.1]	<i>financial hardship policy</i> means a policy referred to in clause $\frac{26}{29}$ of the Code of Conduct.	The Water Code was amended in 2018. Clause 26 was renumbered as clause 29.
7.1.1 [now 1.1.1]	National Performance Framework: urban performance reporting indicators and definitions handbook means the handbook initially produced by the National Water Commission of the same name published by the Bureau of Meteorology as amended or replaced from time to time.	The National Water Commission was abolished on 16 June 2015. The Bureau of Meteorology now publishes the handbook.
7.1.1 [now 1.1.1]	residential customer means a customer to which water services are sold or supplied in respect of the place used solely or primarily as the customer's dwelling. has the same meaning as in clause 3 of the Code of <u>Conduct.</u>	The Water Code contains a stand-alone definition for residential customer: <b>residential customer</b> means a customer who uses the place in respect of which a water service is provided solely or primarily as the customer's dwelling;
7.1.1 [now 1.1.1]	<pre>reviewable decision means a decision by the ERA pursuant to: (a) clause 2.8.3 3.8.1; and (b) clause 4.1.6; (c) clause 4.2.2 5.2.2; and (d) clause 4.3.4; of this licence.</pre>	<ul> <li>The reference to clause 2.8.3 [now 3.8.3] has been replaced with a reference to [now] clause 3.8.1. Clause 2.8.3 [now 3.8.3] did not provide for the ERA making a decision. The reference to clause 2.8.3 was therefore incorrect. The ERA does make a decision under clause 2.8.1 [now 3.8.1]. The ERA will include a reference to clause 3.8.1 in the definition of 'reviewable decision'.</li> <li>Clauses 4.1.6 [now 5.1.7] and 4.3.4 [now 5.3.4] do not provide for the ERA making a decision. As there is</li> </ul>

Clause	Amendment	Reason
		no decision to be reviewed, the ERA will delete reference to clauses 4.1.6 [now 5.1.7] and 4.3.4 [now 5.3.4] from the definition of 'reviewable decision'. The ERA's 2019 Audit and Review Guidelines: Water Licences require the licensee to comply with the guidelines.
7.1.1 [now 1.1.1]	Water Compliance Reporting Manual means the reporting manual issued by the ERA, as amended or replaced from time to time.	Consequential amendment following the removal of clause 3.8.2.
7.1.1 [now 1.1.1]	<ul> <li>water licensing email address means:</li> <li>(a) in relation to the ERA, the addressee's authorised ERA email address or other such email address as notified in writing to the licensee; and</li> <li>(b) in relation to the licensee, the email address specified in the licence application or other such email address as notified in writing to the ERA.</li> </ul>	Consequential amendment following the proposed changes to clause 2.7.2(e) [now 3.7.2(e)].
7.2 [now 1.2]	Clause 71.2 – Interpretation [Move clause 7.2 to the start of the licence (clause 1.2)]	The amendment is consistent with the template electricity licence.
7.2.1 [now 1.2.1]	A reference in this licence to any <i>applicable legislation</i> includes, unless the context otherwise requires, any statutory modification, amendment, <u>replacement</u> or re-enactment of that <i>applicable legislation</i> .	The amendment is consistent with the template electricity licence.
Schedule 2, clause 5.1.3	The <i>licensee</i> must comply with the standards and principles as set out below.	The table included in Schedule 2, clause 5.1.3 only sets out standards.

## Appendix 3 – Administrative amendments to individual licences

Licensee	Clause	Amendment	Reasons
Bunbury Water Corporation (trading as Aqwest)	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Aqwest's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of Aqwest's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-potable water supply services" removed.	This definition is not used in Aqwest's licence.
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
		Definition of "sewerage services" added.	This definition was not included in the previous version of Aqwest's licence. The definition was added as the term is used in the definition of "water service".
	Clause 2.3.1	The expiry date has been changed from 17 January 2022 to 16 January 2022. Note: Licence granted on 17 January 1997.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Busselton Water Corporation	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Busselton Water's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of Busselton Water's licence. The definition was added as the term is used in the definition of "water service".

Licensee	Clause	Amendment	Reasons
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 1 October 2021 to 30 September 2021. Note: Licence granted on 1 October 1996.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
City of Kalgoorlie-Boulder	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of CKB's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of CKB's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 29 April 2021 to 28 April 2021. Note: Licence granted on 29 April 1996.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Rottnest Island Authority	Clause 1.1.1	Definition of "irrigation services" added.	This definition was not included in the previous version of RIA's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 14 December 2023 to 13 December 2023. Note: Licence granted on 14 December 1998.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.

Licensee	Clause	Amendment	Reasons
Shire of Gnowangerup	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of the Shire's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of the Shire's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 29 April 2021 to 28 April 2021. Note: Licence granted on 29 April 1996.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Shire of Dumbleyung	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of the Shire's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of the Shire's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 29 April 2021 to 28 April 2021. Note: Licence granted on 29 April 1996.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Shire of Lake Grace	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of the Shire's licence. The definition was added as the term is used in the definition of "water service".

Licensee	Clause	Amendment	Reasons
		Definition of "irrigation services" added.	This definition was not included in the previous version of the Shire's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 29 April 2021 to 28 April 2021. Note: Licence granted on 29 April 1996.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Harvey Water	Clause 1.1.1	Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 9 October 2021 to 8 October 2021. Note: Licence granted on 9 October 1996.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Water Corporation	Clause 1.1.1	Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 28 June 2021 to 27 June 2021. Note: Licence granted on 28 June 1996.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Hamersley Iron Pty Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Hamersley Iron's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of Hamersley Iron's licence. The definition was added as the term is used in the definition of "water service".

Licensee	Clause	Amendment	Reasons
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 2.3.1	The expiry date has been changed from 1 June 2026 to 28 June 2026. Note: Licence granted on 29 June 2001.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Ord Irrigation Cooperative Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Ord's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
		Definition of "sewerage services" added.	This definition was not included in the previous version of Ord's licence. The definition was added as the term is used in the definition of "water service".
	Clause 2.3.1	The expiry date has been changed from 30 July 2027 to 28 November 2027. Note: Licence granted on 29 November 2002.	The amendment is consistent with s14 of the <i>Water Services Act 2012</i> , which provides that a licence cannot be granted for more than 25 years.
Gascoyne Water Cooperative Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Gascoyne's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
		Definition of "sewerage services" added.	This definition was not included in the previous version of Gascoyne's licence. The definition was added as the term is used in the definition of "water service".

Licensee	Clause	Amendment	Reasons
Peel Water Pty Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Peel Water's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of Peel Water's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
	Clause 5.1.2	<ul> <li>"Not Used" in clause 5.1.2 has been replaced with:</li> <li>The licensee must notify the ERA of the details of the asset management system within five business days from the later of:</li> <li>(a) Not used; or</li> <li>(b) the completion of construction of the licensee's water service works.</li> </ul>	Clause 5.1.2 requires the licensee to notify the ERA of its asset management system within five business days from commencement date of the licence or on completion of construction of the water service works. If the ERA has been notified, then the clause is amended to 'not used'. Peel Water does not have any assets or customers. Therefore, notification required under clause 5.1.2 has not been provided to the ERA.
Aquasol Pty Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Aquasol's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of Aquasol's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
WA Sewage Pty Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of WA Sewage's licence. The definition was added as the term is used in the definition of "water service".

Licensee	Clause	Amendment	Reasons
		Definition of "irrigation services" added.	This definition was not included in the previous version of WA Sewage's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
Robe River Mining Co Pty Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Robe River's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of Robe River's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
Water West North Dandalup Pty Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Water West's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of Water West's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
Lancelin South Pty Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Lancelin South's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "irrigation services" added.	This definition was not included in the previous version of Lancelin South's licence. The definition was added as the term is used in the definition of "water service".

Licensee	Clause	Amendment	Reasons
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
Moore River Water Services Pty Ltd	Clause 1.1.1	Definition of "drainage services" added.	This definition was not included in the previous version of Moore River's licence. The definition was added as the term is used in the definition of "water service".
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
Athena Water Solutions	Clause 1.1.1	Definition of "non-potable water supply services" removed.	This definition is not used in Athena's licence.
		Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.
TMC Witchcliffe Pty Ltd	Clause 1.1.1	Definition of "non-residential customer" removed.	This definition is no longer used in the licence. It will also be removed from the licence template.