

Decision on Amendment to Water Corporation's Operating Licence no.32

8 January 2008

Economic Regulation Authority

 WESTERN AUSTRALIA

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For further information, contact:

Economic Regulation Authority
Perth, Western Australia
Phone: (08) 9213 1900

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DECISION

1. On the 22nd October 2007 the Water Corporation applied to the Economic Regulation Authority for an amendment to its water services Operating Licence 32 to extend its Operating Areas for the Bridgetown Potable Water Supply, Bremer Bay Potable Water Supply, Denmark Sewerage Services, the West Pilbara Potable Water Supply Service and Karratha Sewerage Service.
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 of the Act, the Authority approves the amendment of the Water Corporation's licence.
4. The Authority designates the amended operating areas as non-exclusive.

REASONS

1. Following receipt of the application for licence amendment, a notice regarding receipt of the application was published on the Authority's web site on 12th November 2007 requesting comment from stakeholders and interested parties.
2. The Authority received one submission from the Department of Water concerning the proposed amendment of the applicant's licence. This submission raised objections on the grounds that the Water Corporation provided insufficient information and justification on the proposed extension to the Bridgetown Potable Water Supply, the Denmark Sewerage Services and the West Pilbara Potable Water Supply and Karratha Sewerage Services operating areas.
3. DoW indicated that it was unknown if appropriate stakeholder consultation had been conducted in the Bridgetown Potable Water Supply and the Denmark Sewerage Services operating areas. The Authority concludes that project developers are responsible for undertaking appropriate local consultations on the project and for acquiring all planning approvals prior to commencing construction.
4. DoW did not support the expansion of the Bridgetown, Denmark, West Pilbara and Karratha extensions as there were no specific plans on where new services would operate in these expanded areas. The Authority concludes that the Act does not require licensees to specify a particular water services works to be undertaken in an operating area as a precondition to having this operating area identified in its licence.
5. 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.
6. The Authority has therefore decided to amend the Water Corporation's Operating Licence 32 by extending:
 - the Bridgetown Donnybrook Potable Water Supply operating area to include the entire Shire of Donnybrook- Balingup area;
 - the Bremer Bay Potable Water Supply operating area to include the Bremer Bay Caravan Park;
 - the Denmark Sewerage Services operating area to include an area inclusive of the revised Denmark urban town planning boundary; and
 - the West Pilbara Potable Water Supply and Karratha Sewerage Services operating areas to include all of the West Pilbara Water Supply Controlled area and Karratha Controlled area respectively.

7. 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