

Decision on the Draft Incident Reporting Manual for Electricity, Gas and Water Licensees and the Amendment of Water Services Operating Licences

15 May 2009

Economic Regulation Authority



WESTERN AUSTRALIA

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DECISION

1. On 6 February 2009, the Authority released the document titled “Draft Incident Reporting Manual for Electricity, Gas and Water Licensees” (Manual) for public comment.
2. The Authority, taking account of the public submissions received, has decided to withdraw the Manual.
3. Accordingly, the Authority approved the amendment of all water operating licences to remove the clause requiring the licensees to report incidents to the Authority. This amendment to Schedule 5 of the licences is in accordance with section 31 of the *Water Services Licensing Act 1995* (the Act).

REASONS

1. The purpose of the Draft Incident Reporting Manual for Electricity, Gas and Water Licensees was to provide a framework for licensees to report information to the Authority in relation to major incidents that have caused significant disruption, damage to property or endanger the health or safety of a person or the environment and other operational matters. Feedback on the Manual was generally not supportive.
2. Public submissions on the Manual, which were called on 6 February 2009, closed on 20 March 2009.
3. The Authority received 12 submissions on the Manual, which have been published on the Authority's web site.
4. In addition to the comments received through submissions, the Authority took account of:
 - the provision of an exposure draft of the Manual to key stakeholders prior to its release for public comment;
 - the concerns expressed by licensees regarding the potential cost involved in setting up operating business processes to monitor and report on incidents;
 - the legislative ability to require licensees to report on some of the incident categories in the manual; and
 - obligations on licensees to report non-compliance with licences to the Authority at least annually.

On the basis of these factors the Authority has decided not to proceed with the Manual.
5. The Authority therefore proposes to amend all water operating licences to remove the clause requiring licensees to report incidents to the Authority.
6. As required under section 31(4b) of the Act, the Authority will publish a notice of its approval of the amendments to water services operating licences in the *Government Gazette* as soon as is practicable.

LYNDON ROWE
CHAIRMAN