



Water Services Licence

Water Corporation

WL32, Version 15, 19 July 2016

Economic Regulation Authority

WESTERN AUSTRALIA

WATER SERVICES ACT 2012

Licensee Name: Water Corporation
ABN 28 003 434 917

Licence Number: WL32

Commencement Date: 28 June 1996

Version Number: 15

Version Date: 19 July 2016

Expiry Date: 28 June 2021

Signed by a delegate; member; or

The Chair of the Economic Regulation Authority

19 July 2016

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1. LICENCE AUTHORISATION

1.1 Activities authorised under this licence

1.1.1 The *licensee* is granted a *licence* for the *operating area(s)* to provide the following *water services* in accordance with the *terms and conditions* of this *licence*:

- (a) *water supply services*:
 - (i) *potable water supply services*
 - (ii) *non-potable water supply services*
- (b) *sewerage services*
- (c) *drainage services*
- (d) *irrigation services*

1.2 Commencement date

1.2.1 28 June 1996

1.3 Expiry date

1.3.1 28 June 2021

1.4 Term [Section 14 of the Act]

1.4.1 This *licence* commences on the *commencement date* and continues until the earlier of:

- (a) the cancellation of the *licence* pursuant to clause 2.5 of this *licence*;
- (b) the surrender of the *licence* pursuant to clause 2.6 of this *licence*; or
- (c) the *expiry date*.

1.5 Operating area

1.5.1 The *operating area* is set out in plan(s):

OWR-OA-309, OWR-OA-175(E); OWR-OA-175-1(B)

1.5.2 The operating area plan(s) is provided in Schedule 1.

2. LICENCE ADMINISTRATION

2.1 Amendment of licence by the licensee [Section 18 of the Act]

2.1.1 The *licensee* may, at any time, apply to the *ERA* to amend the *licence* in accordance with the *Act*.

2.2 Amendment of licence by the ERA [Section 17 of the Act]

2.2.1 The *ERA* may, at any time, amend the *licence* on its own initiative in accordance with the *Act* and the procedure specified in clause 2.2.2.

2.2.2 Before amending the *licence* under clause 2.2.1, the *ERA* must:

- (a) provide the *licensee* with written *notice* of the proposed amendments under consideration by the *ERA*;
- (b) allow 15 *business days* for the *licensee* to make submissions on the proposed amendments; and
- (c) take into consideration those submissions.

2.2.3 Any amendments made to the *licence* will come into effect in accordance with the *Act* unless a longer period is specified by the *ERA* or a shorter period is agreed to by the *ERA* and the *licensee*.

2.2.4 This clause also applies to the substitution of the existing *licence*.

2.2.5 For avoidance of doubt, the *licensee* will not have to pay an associated application fee or *licence* fee for the purpose of clause 2.2.1.

2.3 Transfer of licence [Section 15 of the Act]

2.3.1 This *licence* may be transferred only in accordance with the *Act*.

2.4 Renewal of licence [Section 13 of the Act]

2.4.1 This *licence* may be renewed only in accordance with the *Act*.

2.5 Cancellation of licence for serious default [Section 34 of the Act]

2.5.1 This *licence* may be cancelled for serious default in accordance with the *Act*.

2.6 Cancellation of licence by the licensee [Section 18 of the Act]

2.6.1 The *licensee* may apply to the *ERA* to request cancellation of the *licence* at any time by written *notice* to the *ERA*.

2.6.2 The *ERA* may cancel the *licence* in accordance with the *Act*.

2.6.3 The *licensee* will not be entitled to a refund of any fees by the *ERA*.

2.7 Notices

2.7.1 Unless otherwise specified, all *notices* must be in writing.

2.7.2 A *notice* will be regarded as having been sent and received:

- (a) when delivered in person to the addressee; or
- (b) three *business days* after the date of posting if the *notice* is posted in Western Australia; or
- (c) five *business days* after the date of posting if the *notice* is posted outside Western Australia; or
- (d) if sent by facsimile when, according to the sender's transmission report, the *notice* has been successfully received by the addressee; or
- (e) if sent by email when, according to the sender's electronic record, the *notice* has been successfully sent to the addressee's *water licensing email address*.

2.8 Publishing information

- 2.8.1 The *ERA* may direct the *licensee* to *publish* any information within a specified timeframe it considers relevant in connection with the *licensee* or the performance by the *licensee* of its obligations under this *licence*.
- 2.8.2 Subject to clause 2.8.3, the *licensee* must *publish* the information referred to in clause 2.8.1.
- 2.8.3 If the *licensee* considers that the information is confidential it must:
- (a) immediately notify the *ERA*; and
 - (b) seek a review of the *ERA*'s decision in accordance with clause 2.9.
- 2.8.4 Once it has reviewed the decision, the *ERA* will direct the *licensee* in accordance with the review to:
- (a) *publish* the information;
 - (b) *publish* the information with the confidential information removed or modified; or
 - (c) not *publish* the information.

2.9 Review of the ERA's decisions

- 2.9.1 The *licensee* may seek a review of a *reviewable decision* by the *ERA* pursuant to this *licence* in accordance with the following procedure:
- (a) the *licensee* must make a submission on the subject of the *reviewable decision* within 10 *business days* (or other period as approved by the *ERA*) of the decision; and
 - (b) the *ERA* will consider the submission and provide the *licensee* with a written response within 20 *business days*.
- 2.9.2 For the avoidance of doubt, this clause does not apply to a decision of the *ERA* pursuant to the *Act*, nor does it restrict the *licensee*'s right to have a decision of the *ERA* reviewed in accordance with the *Act*.

3. GENERAL LICENCE OBLIGATIONS

3.1 Compliance with applicable legislation [Section 26, 27, 29 and 31 of the Act]

- 3.1.1 Subject to any modifications or exemptions granted pursuant to the *Act* and this *licence*, the *licensee* must comply with any *applicable legislation*.
- 3.1.2 Subject to the provisions of any *applicable legislation*, the *ERA* may direct the *licensee* in writing to do any measure necessary to:
- (a) correct the breach of any *applicable legislation*; or
 - (b) prevent the breach of any *applicable legislation* occurring again, and specify a time limit by which such action must be taken.

3.2 Fees

- 3.2.1 The *licensee* must pay the applicable fees and charges in accordance with the *Economic Regulation Authority (Licensing Funding) Regulations 2014*.

3.3 Provision of water services [Section 21 of the Act]

3.3.1 The licensee must provide the water service set out in clause 1.1:

- (a) to persons entitled to the *water service* under the *Act*, except to the extent otherwise provided for by the *Act*; and
- (b) if requested, to any other person within the *operating area* on reasonable terms, unless the provision of the *water service* is not financially viable or is otherwise not practicable.

3.4 Provision of water services outside operating area [Section 22 of the Act]

3.4.1 If the *licensee* provides a *water service* outside of the *operating area* specified for that *water service*, the *licensee* must:

- (a) notify the *ERA* as soon as is practicable before commencing to provide the *water service*; and
- (b) apply to amend the *licence* in accordance with clause 2.1 unless otherwise notified by the *ERA*.

3.5 Works holding arrangements [Section 23 of the Act]

3.5.1 The *licensee* must hold, or otherwise be subject to a *works holding arrangement* in respect of, all *water service works* used for the provision of a *water service*.

3.6 Accounting records

3.6.1 The *licensee* and any *related body corporate* must maintain accounting records that comply with the Australian Accounting Standards Board Standards or equivalent International Accounting Standards.

3.7 Reporting a change in circumstances

3.7.1 The *licensee* must report to the *ERA*:

(a) if the *licensee* is under external administration as defined by the *Corporations Act 2001 (Cwth)* within two *business days*; or

(b) if the *licensee*:

- (i) experiences a material change in the *licensee's* corporate, financial or technical circumstances upon which this *licence* was granted; and
- (ii) which may materially affect the *licensee's* ability to meet its obligations under this *licence*,

within 10 *business days* of the change occurring; or

(c) if:

- (i) the *licensee's* name;
- (ii) the *licensee's* ABN;
- (iii) the *licensee's* address;
- (iv) the description of the *water service works*,

changes, within 10 *business days* of the change occurring.

3.8 Provision of information

- 3.8.1 The *licensee* must provide to the *ERA* in the manner and form specified by the *ERA*, specified information on any matter relevant to the operation or enforcement of the *licence*, the operation of the licensing scheme provided for in Part 2 of the *Act*, or the performance of the *ERA*'s function under that Part.
- 3.8.2 The *licensee* must comply with any information reporting requirements prescribed by the *ERA*, including but not limited to the provisions of the *Water Compliance Reporting Manual*¹, which apply to the *licensee*.
- 3.8.3 Without limiting clause 3.8.1, the *licensee* must provide the *ERA* with the data required for performance reporting purposes that is specified in:
- (a) the *Water, Sewerage and Irrigation Licence Performance Reporting Handbook*²; and
 - (b) the *National Performance Framework: urban performance reporting indicators and definitions handbook*.

4. AUDITS AND PERFORMANCE REPORTING OBLIGATIONS

4.1 Asset management system [Section 24 of the Act]

- 4.1.1 The *licensee* must provide for, and notify the *ERA* of, an *asset management system* in respect of the *licensee*'s *water service works* within two *business days* from the *commencement date* unless otherwise notified in writing by the *ERA*.
- 4.1.2 The *licensee* must notify the *ERA* of any material change to the *asset management system* within 10 *business days* of such change.
- 4.1.3 The *licensee* must, unless otherwise notified in writing by the *ERA*:
- (a) conduct an *asset management system review*; and
 - (b) provide the *ERA* with a report on the *asset management system review*, within 24 months after the *commencement date* and every 24 months thereafter.
- 4.1.4 The *asset management system review* must be conducted by an independent expert appointed by the *ERA* in its sole discretion. The *ERA* will determine the terms of the appointment of the independent expert.
- 4.1.5 Before appointing an independent expert the *ERA* will:
- (a) consult with the *licensee* in a manner and form determined by the *ERA*; and
 - (b) take into account any relevant matters raised by the *licensee* from that consultation.

¹ See www.erawa.com.au -> Water Licensing -> Regulatory Guidelines.

² See www.erawa.com.au -> Water Licensing -> Regulatory Guidelines.

4.1.6 The *licensee* must cooperate with the independent expert and comply with the *ERA's* standard guidelines dealing with the *asset management system review*.

4.2 Individual performance standards

4.2.1 The *licensee* must comply with the *individual performance standards* as set out in Schedule 2.

4.2.2 The *ERA* may prescribe *individual performance standards* in relation to the *licensee* of its obligations under this *licence* or the *applicable legislation*.

4.2.3 Before approving any *individual performance standards* under this clause, the *ERA* will:

- (a) provide the *licensee* with a copy of the proposed *individual performance standards*;
- (b) allow 15 *business days* for the *licensee* to make submissions on the proposed *individual performance standards*; and
- (c) take into consideration those submissions.

4.2.4 Once approved by the *ERA*, the *individual performance standards* are included as additional *terms and conditions* to this *licence* as set out in Schedule 2.

4.3 Operational audit [Section 25 of the Act]

4.3.1 The *licensee* must, unless otherwise notified in writing by the *ERA*, provide the *ERA* with an *operational audit* within 24 months after the *commencement date*, and every 24 months thereafter.

4.3.2 The *operational audit* must be conducted by an independent expert appointed by the *ERA* in its sole discretion. The *ERA* will determine the terms of the appointment of the independent expert.

4.3.3 Before appointing an independent expert the *ERA* will:

- (a) consult with the *licensee* in a manner and form determined by the *ERA*; and
- (b) take into account any relevant matters raised by the *licensee* from that consultation.

4.3.4 The *licensee* must cooperate with the independent expert and comply with the *ERA's* standard audit guidelines dealing with the *operational audit*.³

5. CUSTOMERS

5.1 Customer contract

5.1.1 The *licensee* must, if directed by the *ERA*, submit a draft *customer contract* for approval by the *ERA*.

5.1.2 The *licensee* must comply with any *Customer Contract Guidelines*⁴, which apply to the *licensee*.

³ See www.erawa.com.au -> Water Licensing -> Regulatory Guidelines.

⁴ See www.erawa.com.au -> Water Licensing -> Regulatory Guidelines.

5.1.3 The licensee may only amend the customer contract by submitting to the *ERA*:

- (a) a proposed amendment to the *customer contract*; or
- (b) a proposed substituted *customer contract*.

5.1.4 The *ERA* may:

- (a) approve the amendment to the *customer contract* or substituted *customer contract*; or
- (b) specify the amendments the *licensee* must make to the amended or substituted *customer contract* before the *ERA* will amend the *customer contract*,

and notify the *licensee* of its decision within 10 *business days* of making the decision.

5.1.5 The *ERA* may, at any time, by *notice* in writing, direct the *licensee* to amend the *customer contract* by specifying:

- (a) the amendments to be made to the *customer contract*; and
- (b) the latest date at which the amendments will come into force.

5.2 Standard terms and conditions of service [Section 71 of the Act]

Not used.

5.3 Non standard terms and conditions of service

5.3.1 Subject to compliance with this clause, the *licensee* may enter into an agreement with a *customer* to provide *water services* that exclude, modify or restrict:

- (a) the terms and conditions of this licence; or
- (b) the requirements of the *Code of Conduct*.

5.3.2 Subject to clause 5.3.3, an agreement referred to in clause 5.3.1:

- (a) must be approved by the *ERA* prior to its commencement; and
- (b) must not be amended without the prior approval of the *ERA*.

5.3.3 The *licensee* does not need the approval of the *ERA* if:

- (a) the terms that exclude, modify or restrict the *terms and conditions* of this licence or the requirements of the *Code of Conduct* have previously been approved by the *ERA* in another agreement that applies to the same class of *customer*; or
- (b) the terms that exclude, modify or restrict the *terms and conditions* of this licence were in force before the *amendment date*.

5.3.4 If a *licensee* enters into an agreement with a *customer* that excludes, modifies or restricts the terms and conditions of this licence, or the *Code of Conduct*, the *licensee* must publish a report annually that includes the following information:

- (a) the total number of agreements entered into by the *licensee*, categorised by location and the type of exclusion, modification or restriction;

- (b) the number of agreements entered into by the *licensee* during the reporting period, categorised by location and the type of exclusion, modification or restriction;
- (c) the total number of agreements entered into by the *licensee*, categorised by location and by land use; and
- (d) the number of agreements entered into by the *licensee* during the reporting period, categorised by location and by land use.

5.4 Hardship policy

5.4.1 Clause 26 of the *Code of Conduct* requires applicable *licensees* to have a *financial hardship policy*. Notwithstanding clause 26(1) of the *Code of Conduct*, the *licensee* is not required to have a financial hardship policy where the *licensee* supplies water services solely to:

- (a) *non-residential customers*; or
- (b) members of the *licensee*.

5.4.2 The *ERA* may produce *Financial Hardship Policy Guidelines* from time to time.

5.4.3 The *licensee* must comply with any *Financial Hardship Policy Guidelines*, which apply to the *licensee*.

5.5 Water Services Ombudsman Scheme [Section 70 of the Act]

5.5.1 The *licensee* must not supply *water services* to *customers* unless the *licensee* is:

- (a) a member of the *water services ombudsman scheme*; and
- (b) bound by, and compliant with, any decision or direction of the water services ombudsman under the *water services ombudsman scheme*.

5.6 Supplier of last resort [Section 60 of the Act]

5.6.1 If the *licensee* is appointed the *supplier of last resort* for a designated area under the *Act*, the *licensee* must perform the functions of the *supplier of last resort* for the designated area and the class of *water service*, comply with the duties imposed in relation to those functions under the *Act* and carry out its operations under or for the purposes of the *last resort supply plan* in accordance with the *Act*.

6. HEALTH

6.1 Memorandum of understanding

6.1.1 Where the *licensee* is, or intends to, provide *potable water*, the *licensee* must enter into a *MoU* with the *Department of Health* as soon as practicable after the *commencement date* or as otherwise agreed with the *Department of Health*.

6.1.2 The *MoU* must:

- (a) specify that the *MoU* is a legally binding document between the *licensee* and *Department of Health*;
- (b) requiring 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*.

6.1.3 The *licensee* must comply with the terms of the *MoU*.

6.1.4 The *licensee* must publish, in a form agreed with the *Department of Health*, the *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*.

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

6.1.6 The *licensee* must *publish* any other reports required by the *Department of Health* or set out in the *MoU* on the *licensee's* website quarterly or at a reporting frequency specified by the *Department of Health*.

7. DEFINITIONS AND INTERPRETATION

7.1 Definitions

7.1.1 In this *licence*, the following definitions apply unless the context otherwise requires:

Act means the *Water Services Act 2012* (WA).

amendment date means **Error! Reference source not found.**

applicable legislation includes:

- (a) the *Act*;
- (b) any relevant subsidiary legislation including:
 - (i) regulations made under the *Act*; and
 - (ii) the *Economic Regulation Authority (Licensing Funding) Regulations 2014*; and
- (c) any code in force from time to time made pursuant to the *Act*.

asset management system means the measures that are to be taken by the *licensee* for the proper maintenance, expansion or reduction of the *water service works*.

asset management system review means an assessment of the matters set out in section 24(2) of the *Act*.

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 *MoU*.

business day means a day which is not a Saturday, Sunday or a public holiday in Western Australia.

Code of Conduct means the *Water Services Code of Conduct (Customer Service Standards) 2013* as amended or replaced from time to time.

commencement date means the date specified in clause 1.2.

complaint means an expression of dissatisfaction made to or about an organisation, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required.

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

customer contract means a "standard customer contract" referred to paragraph (a) of the definition of "standard terms and conditions of service" in section 71(1) of the *Act*.

Customer Contract Guidelines means the guidelines relating to the content of the *licensee's customer contract* issued by the *ERA*, as amended or replaced from time to time.

Department of Health means the Department of Health or its successors in Western Australia.

Department of Water means the Department of Water or its successors in Western Australia.

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

ERA means the Economic Regulation Authority.

expiry date means the date specified in clause 1.3.

financial hardship policy means a policy referred to in clause 26 of the Code of Conduct.

Financial Hardship Policy Guidelines means the guidelines relating to financial hardship policies for water services issued by the *ERA*, as amended or replaced from time to time.

individual performance standards mean any individual performance standards approved by the *ERA* pursuant to clause 4.2 and specified in Schedule 2 of the *licence*.

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

last resort supply plan has the meaning given to that term in section 50 of the *Act*.

licence means:

- (a) this document (excluding the pages prior to clause 1, the header and footer of this document, and the amendment record sheet);
- (b) any *Schedules* to this document; and
- (c) any *individual performance standards* approved by the *ERA* pursuant to clause 4.2.

licensee means Water Corporation, ABN 28 003 434 917.

MoU means the memorandum of understanding referred to in clause 6.1 as amended or replaced from time to time.

National Performance Framework: urban performance reporting indicators and definitions handbook means the handbook initially produced by the National Water Commission of the same name as amended or replaced from time to time.

non-potable water supply services means the collection, treatment, transfer or delivery of water supplied from *water services works* not designed and operated to provide *potable water*.

non-residential customer means a *customer* who is not a *residential customer*.

notice means a written notice, agreement, consent, direction, representation, advice, statement or other communication required or given pursuant to, or in connection with, this *licence*.

operating area(s) has the meaning given to that term in section 3 of the *Act* and is the area specified in clause 1.5.

operational audit means an assessment of the matters set out in section 25(2) of the *Act*.

potable water means drinking water in accordance with the Australian Drinking Water Guidelines or as otherwise defined in the *MoU* between the *licensee* and the *Department of Health*.

potable water supply services means the collection, treatment, transfer or delivery of water supplied from *water service works* designed and operated to provide *potable water*.

publish in relation to a report or information means either:

- (a) posting the report or information on the *licensee's* website; or
- (b) sending the report or information to the *ERA* to be published on the *ERA's* website.

related body corporate has the meaning given to that term in section 50 of the *Corporations Act 2001* (Cwth).

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.

reviewable decision means a decision by the *ERA* pursuant to:

- (a) clause 2.8.3;
- (b) clause 4.1.6;
- (c) clause 4.2.2; and
- (d) clause 4.3.4;

of this *licence*.

Schedule means the schedule or schedules which are appended to, and which form part of, this *licence*.

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

supplier of last resort has the meaning given to that term in section 50 of the *Act*.

terms and conditions means the terms and conditions in this *licence* including any terms and conditions contained in the *Schedules*.

Water Compliance Reporting Manual means the reporting manual issued by the *ERA*, as amended or replaced from time to time.

water licensing email address means:

- (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
- (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*.

water service means the service or services that the *licensee* is authorised to provide by this *licence* being a *drainage service*, *irrigation service*, *sewerage service* and/or *water supply service* as more particularly described in clause 1.

water service works has the meaning given to that term in section 3 of the *Act*.

water services ombudsman scheme means a scheme approved under section 65 of the *Act*.

Water, Sewerage and Irrigation Licence Performance Reporting Handbook means the handbook produced by the *ERA* of the same name as amended or replaced from time to time.

water supply service has the meaning given to that term in section 3 of the *Act*.

works holding arrangement means an arrangement as set out in section 23 of the *Act*.

7.2 Interpretation

- 7.2.1 A reference in this *licence* to any *applicable legislation* includes, unless the context otherwise requires, any statutory modification, amendment or re-enactment of that *applicable legislation*.

Schedule 1 – Operating area

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Schedule 2 – Performance standards

The *licensee* must comply with the standards, principles and reporting requirements as set out below.

1. POTABLE WATER

1.1 Potable water system – pressure and flow standards

1.1.1 The *water service works* provided by the *licensee*, for the purpose of *water supply services*, shall be designed, constructed, operated and maintained to provide continuity of pressure and flow for services in accordance with the following standards.

Pressure and flow standards

Area	Minimum Static Pressure (metres of water)	Maximum Static Pressure (metres of water)	Minimum Flow (litres per minute)
Water Corporation Perth Metropolitan	15	100	20
Water Corporation Country Urban Areas	13	100	20

1.2 Potable water system – pressure and flow exemptions

1.2.1 The licensee must notify:

- (a) new customers upon purchase of the affected property as soon as practicably; and
- (b) existing customers at least annually,

that pressure and flow of the water supplied falls outside of standard pressure and flow set out in section 1.1 this Schedule.

1.2.2 The notification set out in section 1.2.2 must include:

- (a) the pressure and flow range; and
- (b) further information about how to manage the exempt pressure and flow.

1.3 Water restrictions

1.3.1 The *licensee* must notify the *ERA* annually of any restrictions applied in accordance with the *Water Services Regulations 2013* to a *potable water* supply, detailing restrictions by scheme, type (severity), duration, start date and number of services affected.

2. NON-POTABLE WATER

Not used.

3. SEWERAGE

3.1 Sewerage service standards

Not used.

4. DRAINAGE

4.1 Drainage service standards

4.1.1 The *licensee* must operate, manage, maintain, plan and construct its drains and drainage schemes as set out below, and shall consult in relation to such activities as required by this Schedule.

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 design of new urban drainage scheme infrastructure protects against flooding from peak flows of stormwater runoff from rainfall events with intensities up to – Residential – 5 year average recurrence interval Commercial – 10 year average recurrence interval.	100% of schemes audited comply with the standard.

4.1.3 In the above table the meaning of the term “average recurrence interval” shall be consistent with the discussion on probability concepts for flood estimation and rainfall intensity – frequency – duration estimation, as contained in Books 1 & 2 respectively of the Institution of Engineers Australia publication, Australian Rainfall and Runoff (1987).

4.1.4 In planning and designing urban infrastructure, the *licensee* must have due regard to the principles, concepts and recommendations of Australian Rainfall and Runoff (1987).

4.1.5 If, prior to 1 January 1996, the *licensee* constructed drainage infrastructure to levels of service standards which were less than those specified in this Schedule then there will be no obligation under this *licence* for the *licensee* to upgrade any infrastructure existing as at 1 January 1996, to meet the above standards where there have been no instances of flooding confirmed to be due to the under capacity of the infrastructure to meet those standards. Where there have been instances of flooding confirmed to be due to under capacity of infrastructure to meet the standards of this Schedule, the *licensee* must upgrade the infrastructure to those standards or must take such action as agreed with affected *customers*.

4.1.6 The drainage system will accept drainage water from Local Government works, but will not be required under this *licence* to be upgraded to accept any additional drainage water.

4.1.7 Notwithstanding that the *licensee's* urban drainage infrastructure shall itself be designed to the capacity standards listed in this Schedule, in planning and designing such infrastructure the *licensee* must have due regard to the major/minor concept of drainage design discussed in Book 8, 1.5.1 of Australian Rainfall and Runoff (1987). Such due regard will be adequately demonstrated:

- (a) in the case of it undertaking, commissioning or accepting a design for new drainage infrastructure, by the *licensee* ensuring that the local authorities involved have been made aware of the predicted response of the combined major/minor system to major storm events, for the information of those authorities in relation to their responsibilities for the establishment and management of the major (as described in Australian Rainfall and Runoff (1987)) elements of the major/minor system infrastructure; and
- (b) in the case of it undertaking a capacity review of an existing *licensee* drainage scheme, by the *licensee* causing a broad assessment to be made of the behaviour of the combined major/minor system under major event conditions, and conveying the conclusions of such assessment to the local authorities involved, for the information of those authorities in relation to their responsibilities for management of the major (as described in Australian Rainfall and Runoff (1987)) elements of the major/minor system infrastructure.

4.1.8 The *licensee* will ensure all new rural drainage infrastructure complies with the Rural Drainage Manual of Standards 1977. The *licensee* shall endeavour to operate and maintain its rural drainage infrastructure so that the period of inundation to land abutting a drain that forms part of the system shall be a maximum of 72 hours. If the period of inundation should exceed 72 hours the *licensee* must carry out an investigation of the adequacy of those operations and maintenance procedures. An exception is those low lying land areas where the contours make this impossible or where detention basins have been constructed for the retention of water for longer periods. Low lying areas include those areas within lots which abut the drain, which would normally not readily drain to the drain. However, land that would normally drain to the drain, but where this is prevented by high flow levels in the drain, will be subject to the maximum 72 hour inundation period. This inundation period shall apply provided multiple storm events do not increase flow levels in the drains above the rural drainage infrastructure discharge points. The drainage system serves the general drainage requirements of rural properties in the Drainage Services Control Areas and there will be no obligation under this *licence* for the *licensee* to extend the service to other properties, "or serve urban drainage development within the rural areas."

4.1.9 The following flood protection works will be operated and maintained to cater for the peak flows of stormwater runoff from individual rainfall events set out below.

Flood protection works	Location	Level of protection (average recurrence interval)
Preston River levees	Bunbury – Leschenault Inlet to Picton Bridge	1 in 100 year
Vasse River Diversion	Busselton	1 in 20 year

5. IRRIGATION

5.1 Irrigation service standards

- 5.1.1 The *licensee* must supply water that is suitable for irrigation purposes.
- 5.1.2 The *licensee* must provide at least 5 *business days*' notice to a *customer* of any planned service interruption.
- 5.1.3 The licensee must comply with the standards and principles as set out below.

Irrigation service standards

Irrigation Water Quality	Percentage of customers given 5 days notice of a planned interruption
<1,200mg/L TDS	>90

FARMLANDS

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 twelve month period 95% of customers receiving these services were notified of the conditions under which water was supplied.

- 6.2 Subject to customers complying with *licensee* requirements the *licensee* must ensure that customers connected to its Farmlands Water Systems shall have, at the outlet of the water meter to their property, a water pressure and flow as detailed in the following tables.

Area	Minimum Static Pressure (metres of water)	Maximum Static Pressure (metres of water)	Minimum Flow
Farmland services supplied from the Goldfields and Agriculture Water Supply, the Great Southern Town Water Supply Scheme and Mid West Region	Not applicable	200	3kL/day per service
Rural Water Supply Schemes	Not applicable	200	1.8kL/day per service

Service Standard	How Is It Measured	Performance Indicator / Targets
Farmlands area water systems – pressure and flows are kept within the acceptable range	<p>From complaints received, the number of services with confirmed water pressure/flow faults divided by total number of water service connections expressed as a % and then subtracted from 100.</p> <p>The flow rate and dynamic pressure is measured at the meter over a period, so as to confirm the available flow meets the minimum standard.</p> <p>Maximum pressure is measured as a static pressure (no flow) at the same point.</p> <p>Does not include poor pressure due to bursts or planned activities.</p>	In the preceding 12 month period 99.8% of farmlands water systems customers have, at the outlet of the water meter to their property, a water pressure and flow as listed above.

Schedule 3 – Customer provisions

- 1. ADDITIONAL CUSTOMER PROVISIONS**
- 1.1 Not used**

Amendment record sheet

Version No ⁵ .	Version Date	Description of Amendment
1	6 August 2008	Water Licence Review 2008
2	3 February 2009	Amendment to Clause 5.1 Schedule 4 – Remove “on a quarterly basis”.
3	3 March 2009	Extension of Mandurah/Pinjarra Sewerage Services Operating Area.
4	15 May 2009	Remove requirement to report incidents and to report at regional level.
5	21 August 2009	Remove 3 month timeframe from sub-clause 9.1.
6	27 August 2009	Extension of Waroona Sewerage Services Operating Area.
7	18 February 2010	Extension of Bindoon Chittering Water Supply Operating Area.
8	11 March 2010	Extension of Busselton Sewerage Services Operating Area and Extension of Yarloop-Wagerup and Geraldton Region Potable Water Supply Services Operating Areas.
9	24 January 2011	Expansion of operating areas for potable and non-potable water supply and sewerage services to match the State’s Controlled Areas.
10	18 September 2013	Amendment to pressure and flow standards for farmlands.
11	18 November 2013	Amendment by substitution – Water Services Act 2012.
12	29 January 2014	Amendment to remove controlled areas and expand operating areas to match the boundary of the Contiguous Zone off the Western Australian coast. Drainage operating area boundary expanded to match Western Australian State Boundary, which replaced maps OWR-OA-179(C), OWR-OA-180(C) and OWR-OA-181(C) with new map OWR-OA-182. Correct formatting error in table in Schedule 3, clause 1.1. Remove clause 1 of Schedule 2 (Customer Complaints).
13	13 February 2014	Amendment to allocate new plan number to the operating area map for drainage services.
14	Error! Reference source not found.	Amendment by substitution Water Services Review 2016 and a minor amendment to consolidate operating area maps (OWR-OA-301 and OWR-OA-302 and OWR-OA-306 replaced with OWR-OA-309).
15	19 July 2016	Amendment to Irrigation Service Standards table in Schedule 2, clause 5.1.3. Reinstatement of Schedule 2, clause 6 - Farmland Areas Water System Standards.

⁵ Amendment Record Sheet added to licence August 2008.