

Notice

4 March 2025

TMC Witchcliffe Pty Ltd

Compliance enforcement action – Water services licence WL50

The Economic Regulation Authority has closed the compliance enforcement (rectification) notice served on TMC Witchcliffe in July 2024 for breaching its licence conditions and served a new-rectification notice on TMC Witchcliffe.

TMC Witchcliffe holds water services licence WL50 to provide non-potable water supply and sewerage services to the Witchcliffe Ecovillage, approximately 10 kilometres south of Margaret River. As of 6 February 2025, TMC Witchcliffe was servicing approximately 160 properties. TMC Witchcliffe is developing the ecovillage in a staged manner and, when completed, it will provide sewerage services to approximately 414 residential and commercial lots. The recycled wastewater from the onsite wastewater treatment plant irrigates nine hectares of communal gardens in the village.

The ERA's decision

Based on the information provided by TMC Witchcliffe, the ERA considers that it did not implement all the auditor's recommendations from the <u>2023 performance audit and asset management system review report</u> and therefore did not comply with the July 2024 rectification notice, which required it to complete the recommendations by 31 January 2025.

The new rectification notice requires TMC Witchcliffe to complete the outstanding recommendations by 31 March 2025.

Compliance rectification notice

Under section 31 of the *Water Services Act 2012*, the ERA may give a rectification notice to a licensee requiring the licensee to rectify a non-compliance within a specified period.

As part of TMC Witchcliffe's 2023 audit and review, the auditor found that TMC Witchcliffe had 21 non-compliances with its licence, including having an ineffective asset management system. The auditor made 15 recommendations to address the non-compliances.

On 29 July 2024, the ERA served a rectification notice on TMC Witchcliffe requiring it to implement the auditor's recommendations by 31 January 2025.

The ERA's assessment of TMC Witchcliffe's performance

The ERA considers that TMC Witchcliffe did not comply with the July 2024 rectification notice, because:

- Nine of the recommendations were implemented by the due date.
- Four of the recommendations were implemented after the due date.
- Two of the recommendations were partially resolved but not completed.

The six recommendations that were either completed late or partially resolved were to address deficiencies in the asset management system, which represents one of the 21 non-compliances found in the 2023 audit. This means TMC Witchcliffe resolved 20 of the 21 non-compliances by the due date.

The ERA has decided to take no action in respect of the non-compliance with the July 2024 rectification notice, because TMC Witchcliffe has completed most of the auditor's recommendations and proactively attempted to resolve the two outstanding recommendations.

Further information

General enquiries Media enquiries

Alex Kroon