Our Ref Your Ref

Enquiries to:

: OL6





30th May 2007

Mr L Rowe Chairman Economic Regulation Authority GPO Box 8496 Perth Business Centre WA 6849

Dear Lyndon,

The Busselton Water Board seeks to extend its water supply operating areas within the Busselton Shire boundary to facilitate long term water supply planning for this fast developing region.

Discussions between the Busselton Water Board and the Water Corporation on bulk water opportunities are well advanced, and it is now proposed we proceed with rationalising operating areas to align with Shire boundaries as shown on the attached coloured map of the Shire of Busselton.

Approval of the attached amended Busselton Operating Area Potable Water Supply Services drawing BW 2-1, is requested, please.

This request is consistent with advice provided to the then Minister assisting the Minister for Water Resources, The Hon John Kobelke, by the Water Corporation, the Busselton Water Board and Aqwest, on the optimum arrangements for water service provision in the South West. This advice was provided on 15th December 2005 following a request from the Minister Assisting which included a request to address the issue of unallocated Greenfield areas.

In relation to our obligations to provide water services within newly expanded operating areas it is our understanding that new services will continue to be available to customers as extensions to the existing schemes, but only where these are economically viable to provide.

In order to avoid any delay to what we anticipate as successful bulk water negotiations which will achieve beneficial outcomes for the State, we seek your consideration of our requested operating area extensions.

Yours faithfully,

Keith White CHIEF EXECUTIVE OFFICER enc

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