

# Water Services Licensing Act 1995

## Operating Licence

The Economic Regulation Authority ('Authority'), established under the *Economic Regulation Authority Act 2003* hereby grants, by way of substitution, an Operating Licence ('Licence') to the South West Irrigation Management Co-operative Limited trading as Harvey Water ('Licensee') subject to, and in accordance with, the terms set out in the attachment hereto in place of the Operating Licence granted on 28 October 2003.

Dated this 12 day of September 2007.

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Signed by a Delegate;  
or Member;  
or Chairman of the Economic Regulation Authority

# **Attachment**

*Water Services Licensing Act 1995*

Operating Licence

(Irrigation Services)  
(Non-Potable Water Supply)

for the

**South West Irrigation Management  
Co-operative Limited  
trading as Harvey Water**

Economic Regulation Authority  
197 St Georges Terrace  
Perth WA 6000

Telephone: (08) 9213 1900  
Facsimile: (08) 9213 1999

# Attachment

## 1. Definitions

**Act** means the *Water Services Licensing Act 1995*.

**Assets** in relation to the Licensee means the structures, plant, equipment and excavations owned or operated by the Licensee which cause, allow or assist the collection, transfer, treatment or disposal of Irrigation or Non-Potable Water.

**Authority** means the Economic Regulation Authority referred to in section 4 of the *Water Services Licensing Act 1995* and includes a duly authorised delegate.

**Complaint** means an expression of dissatisfaction with a product or service offered or provided.

**Connection** means a point on an Irrigation scheme where a Customer can connect to use the service.

**Customer** means a person to whom a product or service is offered or provided.

**Irrigation Service** means the collection, treatment, transfer and delivery of water for the purpose of cultivation of any kind or of tillage or improvement of pasture.

**Licence** means this Licence.

**Licensee** means the South West Irrigation Management Co-operative Limited trading as Harvey Water.

**Minister** means the Minister responsible for the *Water Services Licensing Act 1995*.

**Non-Potable Water Supply Services** means the collection, treatment, transfer and delivery of water supplied from schemes not designed and operated to provide drinking water and includes the supply of effluent.

**Office** means the Office of Water Policy.

**Operating Area** means the controlled area or areas or parts thereof in respect of which this Licence has been issued as described in Schedule 1 of this Licence.

**Registered Co-operative Limited Auditor** means a person duly registered as an auditor under section 402 of the *Companies (Co-operative Limiteds) Act 1943-1979*.

**TDS** means total dissolved solids.

**Water Services** for the purposes of this Licence means Non-Potable Water Supply and Irrigation Services.

**Water Service Works** for the purposes of this Licence means –

- (a) Non-Potable Water Works and Irrigation Works;
- (b) excavations, structures, buildings, equipment and plant used or intended to be used for the provision of Non-Potable Water Supply and Irrigation Services; and
- (c) except where the context otherwise requires, the land upon which Non-Potable Water Supply and Irrigation Service Works are constructed or provided.

**2. Licence**

- (a) The Licence is granted to the Licensee under Part 3 of the Act and is subject to the provisions of the Act and its subsidiary legislation as amended from time to time.
- (b) The Licence permits the provision of Water Services within the Operating Areas described in Schedule 1 of this Licence subject to compliance with the requirements of the Licence.

**3. Term**

The Licence is valid up to and including 9 October 2021.

**4. General duty to provide services**

The Licensee is to —

- (a) provide the Water Services; and
- (b) undertake, maintain and operate any Water Services Works, specified in the Licence.

**5. Regulations prescribing standards of service**

The Licensee shall comply with Regulations prescribing standards of service made under section 61 of the Act.

**6. Asset Management System**

- (a) The Licensee is to —
  - (i) provide for an Asset Management System in respect of the Licensee's Water Service Assets;
  - (ii) notify details of the system and any changes to it to the Authority; and
  - (iii) not less than once in every period of 36 months (or such longer period as the Authority allows), provide the Authority with a report by an independent expert acceptable to the Authority as to the effectiveness of the system. The first report shall be provided by 9 October 1997.

- (b) The Asset Management System is to set out the measures to be taken by the Licensee for the proper maintenance of Assets used in the provision of Water Services and for the undertaking, maintenance and operation of Water Services Works.
- (c) The Licensee is to undertake, maintain and operate its Water Services Works in accordance with the processes set out in the Asset Management System.
- (d) The scope of the Asset Management System report under paragraph (a) (iii) will be set by the Authority.

## **7. Operational Audit**

- (a) The Licensee is to, not less than once in every period of 36 months (or such longer period as the Authority allows), provide the Authority with an Operational Audit conducted by an independent expert acceptable to the Authority. The first report shall be provided by 9 October 1997.
- (b) An Operational Audit is an audit of the effectiveness of measures taken by the Licensee to maintain any quality and performance standards referred to in the Licence and applied to the Licence including those standards prescribed under section 33 of the Act.
- (c) The scope for the Operational Audit will be set by the Authority.
- (d) In providing an Operational Audit the licensee shall provide the Authority and independent expert with data, performance reports, information on customer complaints and any other relevant information to assist in the conduct and accuracy of the Operational Audit.

## **8. Technical standards**

The Licensee is to comply with the technical standards for the provision of Water Services; and the undertaking, maintenance and operation of Water Services works; published by the Authority in the *Government Gazette*.

## **9. Industry codes**

No codes have been specified under this clause.

## **10. Accounting records**

- (a) The Licensee shall keep such accounting records as correctly record and explain its transactions and financial position and so keep its accounting records to ensure that:
  - (i) true and fair accounts of the Licensee can be prepared from time to time; and
  - (ii) its accounts can be conveniently and properly audited or reviewed.

- (b) The Directors shall, within four months of the end of the financial year:
  - (i) cause to be produced a profit and loss account that gives a true and fair view of the Licensee's profit or loss for that financial year; and
  - (ii) cause to be produced a balance sheet that gives a true and fair view of the Licensee's state of affairs as at the end of the financial year.
- (c) The Licensee's financial statements are to be in the form of a general purpose financial report as defined in Statement of Accounting Concepts 1.
- (d) The Directors shall take reasonable steps to ensure that the Licensee's financial statements are audited by a Registered Co-operative Limited Auditor and submitted to the Authority within four months of the end of the financial year.
- (e) Financial statements produced and submitted to the Authority under the requirements of this Licence shall, subject to the Authority's statutory duties, be treated confidentially. This paragraph shall not apply to aggregated or non-identifying information published by the Authority.

#### **11. Prices or charges**

- (a) On 1 June each year the Licensee will provide a written submission on its proposed prices or charges and the methodology for determining prices or charges to the Authority for approval.
- (b) Any proposed subsequent amendment to prices and charges must also be forwarded to the Authority for approval.

#### **12. Methods or principles to be applied in the provision of Water Services**

- (a) The Licensee may engage persons to provide water services which are the subject of the Licence.
- (b) Notwithstanding the engagement of any person or persons to provide Water Services on its behalf, the Licensee remains responsible to ensure those services comply with the terms and conditions of the Licence and with the relevant legislation.
- (c) The Licensee shall ensure that its Water Services are available for Connection on request to any land situated in the Operating Area, subject to the applicant meeting any reasonable conditions the Licensee may determine to ensure safe, reliable and financially viable supply of services to land in the Operating Area in accordance with this Licence and any relevant legislation. Satisfactory compliance with the conditions of Connection is an essential requirement of gaining approval to connect to the Licensee's schemes.
- (d) The Licensee shall ensure that its services are available between the specified hours to any customer meeting any conditions the Licensee may determine to ensure safe, reliable and financially viable supply of services.

- (e) The Licensee shall make water available to customers at any time for non-potable purposes (subject to the terms of this Licence) on terms and conditions agreed between those customers and the Licensee, subject to availability of supply.
- (f) The Licensee shall set out in writing its “conditions for connection” and make that information available to all applicants for connection and to people enquiring about connection.
- (g) The Licensee shall ensure that unallocated water is made available to land within its Operating Area under conditions and charges determined by the Licensee and approved by the Authority subject to the applicant complying with those conditions and charges. These conditions may include cessation of the service to a customer subject to terms and conditions governing non-payment of accounts.
- (h) The Licensee may, with the written agreement of the property owner, discontinue a service to a property where the servicing of the property is not commercially viable.
- (i) The Licensee shall give all customers within the Operating Area at least five days notice of the opening of each irrigation season, and shall give at least five days notice of the closure of each irrigation season. The decision on openings and closures shall be made by the Licensee, based on demand for water being at a level for efficient operation of the system and the availability of water for distribution.
- (j) The Licensee shall provide all affected customers at least 14 days written notice of planned disruptions to supply, outlining the reason for the disruption and the expected duration.
- (k) In the event of an emergency shutdown of supply, the Licensee shall contact affected customers within 6 hours of the shutdown and advise them of the reason for the shutdown and its expected duration and report on compliance with this requirement in accordance with Schedule 3.

**13. Amendment, revocation or surrender**

- (a) The Authority may determine that a Licence is to be amended.
- (b) The Authority shall:
  - (i) provide a minimum of 28 days written notice to the Licensee of any amendments under consideration by the Authority;
  - (ii) receive, within that 28 day period, or such longer period as the Authority agrees, the relevant submissions made by the Licensee; and
  - (iii) take into consideration those submissions,
 before making a final determination in relation to the Licence.
- (c) This clause also applies to the substitution of a new Licence for the existing Licence.

- (d) The Authority may revoke a Licence at the request of the Licensee.
- (e) The terms and conditions of the Licence may be reviewed by the Authority following each operational audit.

**14. Specified information to be provided**

- (a) The Licensee shall report the information set out in Schedule 3. The reports are due within 30 days of the end of each financial year.
- (b) Incident reports – the Licensee shall inform the Authority of the occurrence of major incidents having a significant impact on the delivery of water services within 5 days. A major incident is any unplanned event which results in an interruption to services longer than 24 hours. The Authority may require a detailed report on these events to be provided within 14 days of the event.
- (c) The licensee will provide the Authority with data required for performance monitoring purposes as set out in the National Performance Framework (Rural Performance Reporting Indicators and Definitions), as amended from time to time.

**15. Performance of functions by the Licensee**

- (a) The Licensee shall comply with the quality and performance standards set out in Schedule 2.
- (b) The Licensee shall provide annual notification to all Customers provided with Non-Potable Water that the water supplied is not suitable for drinking.
- (c) The Licensee shall implement an emergency telephone system so a Customer can report an emergency and receive advice within two hours of the action to be taken by the Licensee. An emergency is an event which causes, or threatens to cause, harm to people, the environment or property.

**16. Terms and conditions of Customer contracts**

- (a) The Licensee may enter into agreements with Customers to provide Water Services.
- (b) The Licensee may not enter into an agreement with a Customer that excludes, modifies or restricts the terms and conditions of the Licence without the prior written approval of the Authority.

**17. Consumer consultation**

- (a) The Licensee must establish ongoing Customer consultation processes which both inform Customers and proactively solicit Customer opinion on the Licensee's operations and delivery of services. Acceptable approaches to the satisfaction of this requirement are set out below.
- (b) On an annual basis (prior to the start of each irrigation season) and prior to making major changes to the operation of the Irrigation scheme the Licensee will hold a public meeting to obtain Customer views on the performance and operation of the scheme. The agenda for the annual meeting will include but not be limited to:

*South West Irrigation Management Co-operative Limited trading as Harvey Water Operating Licence, Licence Registration Number IL/31, Licence Version: 5*



- (i) season opening and closing conditions;
  - (ii) tariffs; and
  - (iii) scheme operation.
- (c) The Authority shall be consulted with respect to the type and extent of customer consultation to be adopted by the Licensee.
  - (d) In addition, the Licensee may, or at the request of the Authority, shall, establish other forums for consultation, to enable community involvement in issues relevant to the exercise of the Licensee's obligations under this Licence.
  - (e) Not more frequently than every 12 months the Authority may require the Licensee to commission an independent Customer survey which shall address and conform to the conditions and parameters set out in writing by the Authority.

## **18. Customer Service Charter**

- (a) The Licensee must set out in writing the principles, terms and conditions upon which it intends to provide the Water Services to its Customers ('the Customer Service Charter').
- (c) The Customer Service Charter:
  - (i) should be drafted in "plain English"; and
  - (ii) should address all of the service issues that are reasonably likely to be of concern to its Customers.
- (d) Different parts of the Customer Service Charter may be expressed to apply to different classes of Customers.
- (e) The Licensee shall review the Customer Service Charter not less than once in every period of 36 months.
- (f) Any proposed amendment to the Customer Service Charter or replacement thereof must also be forwarded to the Authority for approval prior to implementation.
- (g) The Licensee must make the Customer Service Charter available to its Customers in the following ways:
  - (i) by prominently displaying it in those parts of the Licensee's offices to which Customers regularly have access;
  - (ii) by providing a copy, upon request, and at no charge, to a Customer; and
  - (iii) by advising Customers of the availability of the Customer Service Charter on an annual basis.

- (h) It is a condition of the Licence that the Licensee provides services in a way that is materially consistent with its Customer Service Charter.

## **19. Dispute resolution**

- (a) The Licensee shall establish a system for recording, managing and resolving Complaints by Customers within 21 days regarding a provided or requested Water Service.
- (b) To ensure the effectiveness of such a process the licensee shall, as a minimum:
  - (i) establish a system for providing each aggrieved customer with a unique identifying complaint number;
  - (ii) provide an appropriate number of designated officers who are trained to deal with customer complaints and who are authorised to, or have ready access to officers who are authorised to make the necessary decisions to settle customer complaints or disputes, including where applicable, approving the payment of monetary compensation;
  - (iii) establish a complaint resolution protocol which is designed to resolve the customer complaints or disputes within 21 days of being notified of its existence; and
  - (iv) provide a system for accurately monitoring and recording the number, nature and outcome of complaints in order to fulfil the requirements to provide information set out in this Licence.
- (c) Where a dispute arises between a Customer and the Licensee regarding a provided or requested Water Service, the Customer may refer the dispute to the Office of Water Policy.
- (d) Where a dispute has not been resolved within 21 days the Licensee shall inform the Customer of the option of referring their Complaint to the Office of Water Policy.
- (e) The Office of Water Policy may:
  - (i) mediate the dispute; or
  - (ii) direct the Licensee and Customer to binding arbitration.
- (e) During the process of investigation and conciliation, the Licensee shall make every endeavour to promptly cooperate with the Office of Water Policy's (or its representative's) requests, which shall include the expeditious release of any information or documents requested by the Office of Water Policy and the availability of the relevant staff of the Licensee.
- (f) The Licensee shall, on request, provide the Office of Water Policy with details of Complaints made, names and addresses of Customers who have made Complaints, and the manner in which the Complaint was managed and resolved.

## **Schedule 1: Sole Provider Operating Areas**

The Licensee may provide the Water Services respectively indicated in this Schedule to, and within, those areas designated by reference to a plan number, which number refers to the plan of the relevant operating area, or location described below, approved by the Authority for the purposes of the provision of the indicated Water Service. The plans are available for inspection at the Economic Regulation Authority.

The Licensee is the only authorised provider of Irrigation services within the operating area(s). Alternative service providers wishing to provide Irrigation services within this area must seek an excision from the area(s) by the Authority.

The Licence does not prohibit another person providing Non-Potable Water Supply Services within the operating area(s).

### **Operating Areas (Irrigation and Non-Potable Water Supply Services)**

<b>Plan No.</b>	<b>Town/Region</b>
OWR-OA-178/3 (C)	South West Irrigation Operating Area

**Schedule 2: Performance Standards**

Standard	How Is It Measured	Performance Indicator / Targets
Supply water that is suitable for Irrigation purposes	Quarterly samples from each bulk water source	To supply water that is less than 1200 mg/L TDS except during the release by the Water Corporation of water during a major storm event or water from the Wellington Dam as part of the Water Corporation's salinity control program ("scouring").
Receipt of water up to 2 days before and 3 days after date requested.	Number of requests fulfilled within the scheduled supply time divided by the total number of requests expressed as a %.	In the preceding 12 month period 95% of all Customers received the service standard.
Advice on when water is scheduled for delivery.	Number of advices provided prior to the scheduled supply time divided by the total number of requests, expressed as a %.	In the preceding 12 month period 90% of all Customers received the service standard.
Issue of monthly water consumption accounts within 5 business days of the end of the month.	Number of accounts issued within the scheduled time divided by the number of accounts issued, expressed as a %.	In the preceding 12 month period 90% of all Customers received the service standard.
Replacement of faulty Customer water meter before the commencement of the next watering period.	Number of faulty meters replaced within the scheduled time divided by the number of faulty meters replaced, expressed as a %.	In the preceding 12 month period 90% of all Customers received the service standard.
14 days written notice of planned disruption	Number of times notices issued within 14 days divided by total number of disruptions, expressed as a %.	In the preceding 12 month period 90% of all Customers received the service standard.
Advice to affected Customers within 6 hours of shutdown.	Number of times Customers notified within 6 hours divided by total number of emergency shutdowns, expressed as a %.	In the preceding 12 month period 90% of all Customers received the service standard.

Standard	How Is It Measured	Performance Indicator / Targets
Complaints to be resolved within 21 days.	The number of written Complaints due for resolution in the previous 12 month period successfully resolved within 21 days divided by the total number of written Complaints due for resolution and expressed as a percentage.	90% of Customers received the service standard.
Repairs of reported faults within 2 business days	Number of times faults fixed within 2 working days divided by the total number of faults, expressed as a %.	In the preceding 12 month period 90% of all Customers received the service standard.
Respond to urgent Complaints or urgent repairs of faults within 2 hours	Number of times within two hours Customers urgent Complaints were responded to, or urgent repairs effected divided by the total number of such Complaints or faults, expressed as a %.	In the preceding 12 month period 90% of all Customers received the service standard.

**Schedule 3: Information to be provided to the Economic Regulation Authority within 30 days of the end of each financial year**

<b>No.</b>	<b>Description</b>	<b>Frequency of report</b>
	N/A	

Also attach a copy of the tariff structure and Customer charges for Irrigation and Non-Potable Water Services.

Licensee:

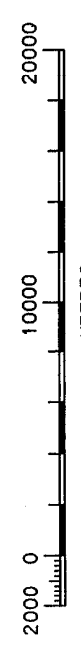
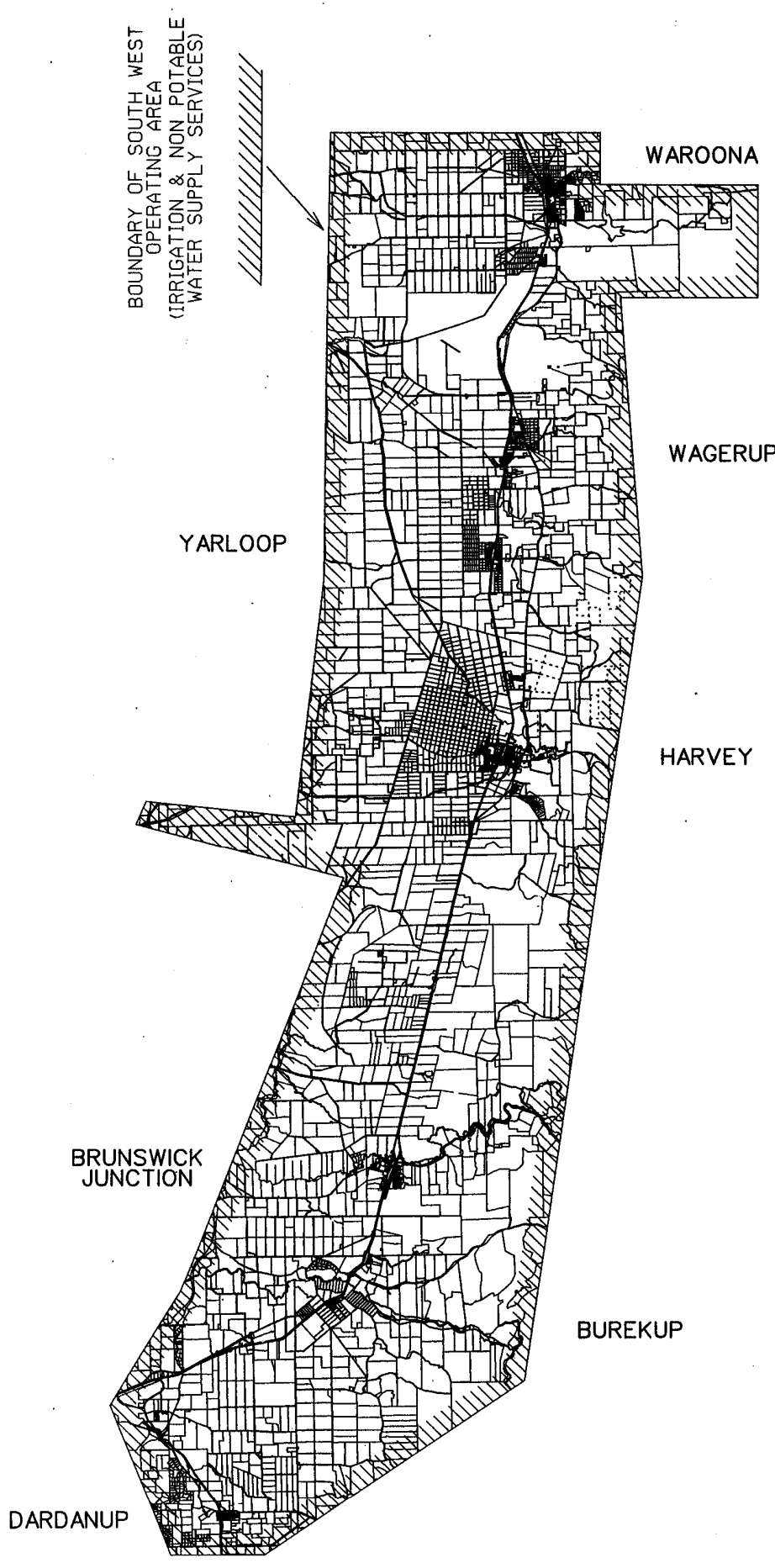
Date:

Provided by:

**Amendment Record Sheet:**

<b>Amendment Date</b>	<b>Description of amendment</b>
9 October 1996	Licence issued
7 August 2000	Licence amended
28 October 2003	Licence amended
19 October 2004	Licence amended
12 September 2007	Requirement to provide National Performance Framework data

**WATER SERVICES COORDINATION ACT 1995**  
**SOUTH WEST IRRIGATION OPERATING AREA**  
**(IRRIGATION & NON POTABLE WATER SUPPLY SERVICES)**



DATE	NO.	DESCRIPTION	DATE	CHECK	APP.
23-5-00	A	ORIGINAL ISSUE			
<p>APPROVED: <i>[Signature]</i>                  COORDINATOR OF WATER SERVICES                  DATE: 7 August 2000</p>					
<p>WATER SERVICES COORDINATION ACT 1995                  SOUTH WEST IRRIGATION OPERATING AREA                  (IRRIGATION &amp; NON POTABLE WATER SUPPLY SERVICES)                  LICENSEE: SOUTH WEST IRRIGATION MANAGEMENT COOPERATIVE LTD</p>					
DRAWN		CHECKED	SCALE	DATE	APPROVED
TITLES NO.		1:200 000	23 MAY 2000		
PLAN NO.		OWR-OA-178/3		ISSUE	ORIG. SIZE
				C	A3