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Dear Paul

# PROPOSED EXTENSION – BINDOON-CHITTERING OPERATING AREA. & CORRECTION TO REPORTING PERFORMANCE INDICATOR TARGET

### 1. Proposed Extension – Bindoon-Chittering Operating Area

For the past five years the town of Bindoon has been unable to expand effectively due to the unavailability of a suitable water resource.

Changes to the Department of Water's policy regarding water trading has moved Lennard Brook Farming Pty Ltd (LBF) to sign commercial contracts with the Water Corporation and the Shire of Chittering that will effectively result in the provision of a sufficient amount of a suitable water resource, so as to enable Bindoon town growth. However, this future growth and development will fall outside of the Water Corporation's Bindoon-Chittering Operating Area for Potable Water Supply Services.

The Corporation's current Water Allocation Licence is for 280ML. The trade has seen an additional 363 ML of groundwater in the Leederville Aquifer transferred to the Water Corporation from LBF.

The Shire of Chittering approved the water trade and subsequent scheme extension under Council Resolution 100209 in March 2009.

The Department of Planning and Infrastructure (DPI) and the Department of Water (DOW) have approved and support this solution. They view it as a cohesive planned town growth strategy, as opposed to a proliferation of larger lots scattered through the rural landscape that will eventually require retro-fit connection to a potable water scheme.

The Corporation is currently scoping expansion of its water treatment and delivery infrastructure under a pre-funded customer constructed works agreement to cater for the additional supply requirements. Engineering planning and design work will commence on ERA approval of the Operating Area extension as shown in the attached plan.

This plan shows one area that is both too high and rocky to service from the existing high level storage supply, and would not add value to the comprehensive water supply scheme.

Applications for a service in this area would be assessed under the provision of the Country Areas Water Supply Act 1947 Part V section 30(1)(2)

#### 30. Supply to land not rated

- (1) The owner or occupier of land within a country water area not being land referred to in section 28(1) may in writing request the Corporation to supply water.
- (2) On receiving a request made under subsection (1), the Corporation may
  - (a) comply with that request on and subject to such terms and conditions as may be mutually agreed; or
  - (b) refuse that request, and

#### The Operating Licence Schedule 6 (2.2).

'The licensee must ensure that its services are available for connection on request to any land situated in the Operating Areas, subject to the applicant meeting any conditions the licensee may determine to ensure safe, reliable and financially viable supply of services to land in the Operating Areas in accordance with this licence and any Water Acts. Satisfactory compliance with the conditions of connection is to be taken as forming an essential requirement of gaining approval for connection to the licensee's schemes.'

As the future growth will fall outside of the Corporation's Bindoon-Chittering Operating Area – Potable Water Supply Services (Plan N<sup>o</sup> OWR-OA-126 D), the Corporation requests the Authority's approval of the amended Bindoon-Chittering Operating Area – Potable Water Supply Services (Plan N<sup>o</sup> OWR-OA-126 E).

## 2. Correction to Schedule 4 Section 6.1 and 6.2 of the Operating Licence, Service & Performance Standards

During the transition to the new Operating Licence an oversight in the performance targets for Farmlands annual notification of conditions of service and Farmlands area water systems – pressure and flow occurred. The Water Corporation requests performance target is re-instated to the previous level of 95%.

Yours sincerely

Mandy Damant A/MANAGER RISK AND ASSURANCE



