



Mr Phil D'Costa
Assistant Director, Licensing
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Dear Mr D'Costa

Amendment to Harvey Water's Water Services Licence

The Department of Water (DoW) has reviewed Harvey Water's application to expand its operating area to include a new operating area in the Upper Collie Basin and is pleased to provide the following comment.

There are a number of conditions that a potential applicant or existing licensee has to demonstrate in the provision of a water service under the *Water Services Licensing Act 1995 (Act)*.

Under section 23(a) of the Act, Harvey Water has to demonstrate that it has the financial and technical ability to deliver a water service in the new operating area and in particular, it has to show evidence of asset ownership or access to the necessary assets to deliver a water service. Our current understanding is that Harvey Water would need to make arrangements for water service assets to enable an extension of its current water services.

Further, operating areas under the Act are designated areas of service for a water service provider within a controlled area. As a condition of its water services licence, Harvey Water has an obligation to provide water services or the intention to provide a service in the new operating area within a reasonable timeframe.

The DoW has no objection to Harvey Water's proposed amendment to its water services licence provided that these two conditions are demonstrated.

The Water Resource Use Division of DoW is currently liaising with Harvey Water on water allocation and licensing issues in the proposed service area. I note that Harvey Water's application states the "location of water source" is Wellington Reservoir and implies Harvey Water is permitted to take water from the Collie River at the base of Wellington Dam. Wellington reservoir is the water source on

- which the licence is dependent. However, the location of the authorised activity of “taking water” is specified as the South West Irrigation Operating Area – Plan OWR-OA-178/3 (C). This authorises Harvey Water to take water from watercourses within the specified area; the upstream point being Burekup Weir on the Collie River, approximately 12 km downstream of Wellington Dam. The DoW will be seeking to clarify this matter with Harvey Water, as a separate issue under the *Rights in Water and Irrigation Act 1914*.

Yours sincerely

John Loney
Director, Strategic Policy and Water Services
18 August 2010