



**NEW SOUTH WALES
GOVERNMENT**

WATER INDUSTRY COMPETITION ACT 2006

RETAIL SUPPLIER'S LICENCE
Licence no. 10_013R

**Veolia Water Solutions and
Technologies (Australia) Pty Ltd
(ACN 055 254 003)**



**New South Wales
Water Industry Competition Act 2006 (NSW)**

**Notice of Decision
Variation of Licence and Variation of Licence Conditions
Retail Supplier's Licence no. 10_013R**

I, The Hon. Don Harwin, MLC, Minister for Energy and Utilities and Minister administering the *Water Industry Competition Act 2006* (NSW) (**Act**), have considered and accepted the advice and recommendations made by the Independent Pricing and Regulatory Tribunal of New South Wales (**IPART**) in its report to me (**IPART's Report**), being a single report which is both:

- (a) a report under section 9(2) of the Act on the application of Veolia Water Solutions and Technologies (Australia) Pty Ltd (ACN 055 254 003) (**Applicant**) to vary its retail supplier's licence (no. 10_013R) (**Licence**); and
- (b) a report under section 85 of the Act on the five yearly review of the Licence.

I attach a copy of IPART's Report (**Attachment A**).

Based on my consideration of IPART's Report and my acceptance of the recommendations in IPART's Report:

- (a) I am satisfied that the Applicant is not a disqualified corporation for the purposes of section 10(3)(a) of the Act;
- (b) I am satisfied that the Applicant is not a corporation that is a related entity (within the meaning of the *Corporations Act 2001* (Cth)) of a disqualified corporation that would have a direct or indirect interest in, or influence on, the carrying out of the activities that the Licence would authorise (if granted), for the purposes of section 10(3)(b) of the Act, and
- (c) I am satisfied as to each of the criteria set out in section 10(4) of the Act.

I have also had regard to the licensing principles set out in section 7 of the Act in considering whether or not to grant the variation to the Licence and in considering the conditions to which the Licence should be subject. For the reasons set out above, I therefore vary the existing conditions of the Licence and impose new conditions under section 15 of the Act.

I hereby attach the Licence, as varied (**Attachment B**)

A handwritten signature in black ink, appearing to read 'Don Harwin', written over a dotted line.

The Hon. Don Harwin, MLC
Minister for Energy and Utilities

Dated this 11th day of July 2017

LICENCE SCOPE

ACTIVITIES AUTHORISED UNDER THE LICENCE AND AREA OF OPERATIONS

S1 Activities authorised – non-potable water supply

S1.1 This Licence authorises the Licensee and any authorised persons specified in Table 1.1 to supply non-potable water:

- a) to the persons or classes of persons specified in Table 1.2; and
- b) within the area of operations specified in Table 1.3, subject to the conditions imposed by or under the Act, the Regulation and Schedules A and B of this Licence.

S1.2 The non-potable water referred to in this section S1 may only be used for one or more of the following authorised purposes:

- a) toilet flushing;
- b) garden irrigation;
- c) laundry washing (cold tap only); and
- d) golf course irrigation.

Table 1.1 Authorised persons

Lendlease Communities (Wilton) Pty Ltd (ACN 110 022 976)

Table 1.2 Persons or classes of persons

Persons within the area of operations specified in Table 1.3.

Table 1.3 Area of operations

Land situated under the following folio identifiers DP 270536, DP 1104390, DP 280010, DP 280014 and DP 1108927 known as the Wilton Parklands – Bingara Gorge.
DP 1108927 and DP 1104390 known as the Recycled Water Treatment Plant and the Bingara Gorge Golf Course in addition to the corridor of property associated with the reticulation, conveyance and storage infrastructure between the two sites.

S2 Activities authorised – drinking water supply

[Not applicable]

Table 2.1 Authorised persons

[Not applicable]

Table 2.2 Persons or classes of persons

[Not applicable]

Table 2.3	Area of operations
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<i>[Not applicable]</i>

S3 Activities authorised – sewerage services

S3.1 This Licence authorises the Licensee and any authorised persons specified in Table 3.1 to provide sewerage services:

- a) to the persons or classes of persons specified in Table 3.2; and
- b) within the area of operations specified in Table 3.3, subject to the conditions imposed by or under the Act, the Regulation and Schedules A and B of this Licence.

Table 3.1	Authorised persons
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Lendlease Communities (Wilton) Pty Ltd (ACN 110 022 976)
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Table 3.2	Persons or classes of persons
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Persons within the area of operations specified in Table 3.3.

Table 3.3	Area of operations
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Land situated under the following folio identifiers:
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DP 270536, DP 1104390, DP 280010, DP 280014 and DP 1108927 known as the Wilton Parklands – Bingara Gorge.

The corner of Hornby and Broughton Street, running through Hornby Street, Hornby Street West and Condell Park Road to Lot 103, DP 1108927.
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**SCHEDULE A – SPECIAL MINISTERIALLY-IMPOSED LICENCE CONDITIONS
FOR VEOLIA WATER SOLUTIONS AND TECHNOLOGIES (AUSTRALIA) PTY
LTD RETAIL SUPPLIER'S LICENCE**

This schedule sets out the conditions which the Minister imposes pursuant to section 13(1)(b) of the Act. In addition to these special Ministerially-imposed conditions, the Licensee is subject to obligations imposed by the Act, the Regulation and the standard Ministerially-imposed licence conditions set out in Schedule B. The Minister may vary the conditions in this schedule or impose new conditions, provided there is no inconsistency with the conditions imposed by the Act or the Regulation.

No conditions apply to this Licence.

SCHEDULE B - STANDARD MINISTERIALLY-IMPOSED LICENCE CONDITIONS FOR LICENSED RETAIL SUPPLIERS UNDER THE ACT

This schedule sets out the standard conditions which the Minister imposes on the Licensee and other licensed network operators pursuant to section 13(1)(b) of the Act. In addition to these standard Ministerially-imposed conditions, the Licensee is subject to obligations imposed by the Act, the Regulation and the special Ministerially-imposed licence conditions set out in Schedule A. The Minister may vary the conditions in this schedule or impose new conditions, provided there is no inconsistency with the conditions imposed on the Licensee by the Act or the Regulation.

B1 Ongoing capacity to operate

- B1.1 The Licensee must have the technical, financial and organisational capacity to carry out the activities authorised by this Licence. If the Licensee ceases to have this capacity, it must report this to IPART immediately in accordance with the Reporting Manual.

B2 Obtaining appropriate insurance

- B2.1 *[Not applicable]*
- B2.2 *[Not applicable]*
- B2.3 *[Not applicable]*
- B2.4 *[Not applicable]*
- B2.5 Before commencing to supply water and provide sewerage services through the Specified Water Industry Infrastructure under this Licence, the Licensee must:
- a) hold insurance that is appropriate for the size and nature of the activities authorised under this Licence;
 - b) provide a copy of each certificate of currency of the insurance obtained to IPART; and
 - c) demonstrate that the insurance held is appropriate for the size and nature of the activities authorised under this Licence by providing a report to IPART from an Insurance Expert that:
 - i. certifies that in the Insurance Expert's opinion, the type and level of the insurance held by the Licensee is appropriate for the size and nature of the activities authorised under the Licence; and
 - ii. is in the form prescribed by the Reporting Manual.
- B2.6 *[Not applicable]*

B3 Maintaining appropriate insurance

- B3.1 The Licensee must maintain insurance that is appropriate for the size and nature of the activities authorised under this Licence.
- B3.2 The Licensee must provide a copy of each certificate of currency of the insurance maintained by the Licensee to IPART in accordance with the Reporting Manual.
- B3.3 If there is, or is to be, a change in:
- a) the insurer or underwriting panel in respect of an insurance policy held by the Licensee; or
 - b) the type, scope or limit on the amount of insurance held by the Licensee,

g) *[Not Applicable]*

B8 Provision of copy of Plan

B8.1 Whenever the Licensee makes a significant amendment to a Plan, the Licensee must provide a copy of the amended Plan to IPART at the same time that it provides a copy to the approved auditor engaged to prepare a report as to the adequacy of the amended Plan, as required under the Regulation.

B9 Delineating responsibilities

B9.1 If a code of conduct has not been established under clause 25 of the Regulation, the Licensee must establish a code of conduct (**Licensee's Code of Conduct**) in accordance with this clause B9.

B9.2 a) The Licensee's Code of Conduct must set out the respective responsibilities of:

- i) the Licensee; and
- ii) each licensed network operator, licensed retail supplier and/or public water utility that:
 - A) supplies water, provides sewerage services by means of; or
 - B) constructs, maintains or operates,
any Specified Water Industry Infrastructure.

b) The Licensee's Code of Conduct must set out the respective responsibilities of the entities specified in clause B9.2(a) by, at a minimum, providing for:

- i) who is responsible for repairing, replacing or maintaining any pipes, pumps, valves or storages or other infrastructure that is Specified Water Industry Infrastructure;
- ii) who is responsible for water quality;
- iii) who is liable in the event of the unavailability of water;
- iv) who is liable in the event of failure of the Specified Water Industry Infrastructure;
- v) the fees and charges payable in respect of the use of the Specified Water Industry Infrastructure; and
- vi) who is responsible for handling customer complaints.

B9.3 Before commencing to supply water or provide sewerage services through the Specified Water Industry Infrastructure under this Licence or by a later date specified by IPART (if any), the Licensee's Code of Conduct must be agreed in writing between the Licensee and the other licensed network operators, licensed retail suppliers and/or public water utilities referred to in clause B9.2.

B9.4 *[Not applicable]*

B9.5 The Licensee must not contravene the Licensee's Code of Conduct to the extent that it makes the Licensee responsible or liable for the matters set out in it.

B10 Notification of changes to Authorised Person

- B10.1 If an Authorised Person ceases, proposes to cease or receives notification to cease providing any of the services relating to the activities authorised by this Licence, the Licensee must provide IPART with written notice as soon as practicable but no later than 28 days before the date of cessation of the services. The written notice must include details of how the services previously undertaken by the Authorised Person will continue to be undertaken.

B11 Infrastructure to be used

- B11.1 The Licensee must only source and supply water by means of water industry infrastructure maintained and operated by a licensed network operator or public water utility.
- B11.2 The Licensee must only provide sewerage services by means of water industry infrastructure maintained and operated by a licensed network operator or public water utility.

B12 Notification of operation

- B12.1 This clause B12 applies each time the Licensee has commenced to supply water or provide sewerage services through any of the Specified Water Industry Infrastructure under this Licence.
- B12.2 The Licensee must:
- a) notify IPART in accordance with the Reporting Manual that it has commenced to supply water through the relevant Specified Water Industry Infrastructure; and
 - b) provide such notification within 10 days after such commencement.
- B12.3 The Licensee must:
- a) notify IPART in accordance with the Reporting Manual that it has commenced to provide sewerage services through the relevant Specified Water Industry Infrastructure; and
 - b) provide such notification within 10 days after such commencement.

INTERPRETATION AND DEFINITIONS

1. Interpretation

1.1 In this Licence, unless the context requires otherwise:

- a) the singular includes the plural and vice versa;
- b) headings are used for convenience only and do not affect the interpretation of this Licence;
- c) a reference to a document includes the document as modified from time to time and any document replacing it;
- d) a reference to a "person" includes a natural person and any body or entity whether incorporated or not;
- e) a reference to a clause is to a clause in this Licence;
- f) a reference to a schedule is to a schedule to this Licence;
- g) a reference to a law or statute includes regulations, rules, codes and other instruments under it, and consolidations, amendments, re-enactments or replacements of them; and
- h) explanatory notes do not form part of this Licence, but in the case of uncertainty may be relied on for interpretation purposes.

2. Definitions

2.1 Expressions used in this Licence that are defined in the Act or the Regulation have the meanings set out in the Act or the Regulation.

2.2 In this Licence:

Act	means the <i>Water Industry Competition Act 2006</i> (NSW).
Audit Guidelines	means the document entitled "Audit Guideline – Water Industry Competition Act 2006" which is prepared by IPART and is available on IPART's website at www.ipart.nsw.gov.au , and any other guidelines issued by IPART in relation to audits under the Act.
Authorised Persons	means the authorised persons specified in, as applicable: <ul style="list-style-type: none">a) clause S1, Table 1.1;b) clause S2, Table 2.1; andc) clause S3, Table 3.1.
Insurance Expert	means an insurance broker which holds an Australian financial services licence under Part 7.6 of the <i>Corporations Act 2001</i> (Cth) that authorises the broker to provide financial product advice for, and deal in, contracts of insurance within the meaning of Chapter 7 of that Act.
IPART	means the Independent Pricing and Regulatory Tribunal of New South Wales established under the <i>Independent Pricing and Regulatory Tribunal Act 1992</i> (NSW).
Licence	means this retail supplier's licence granted under section 10 of the Act.
Licensee	means Veolia Water Solutions and Technologies (Australia) Pty Ltd (ACN 055 254 003).

Licensee's Code of Conduct	has the meaning given in Schedule B, clause B9.1.
Minister	means the Minister responsible for Part 2 of the Act.
NSW Health	means the Water Unit of NSW Ministry of Health and any of the local health districts as defined by the NSW Ministry of Health.
Plan	means the retail supply management plan that the Licensee is required to prepare under the Regulation.
Regulation	means the <i>Water Industry Competition (General) Regulation 2008</i> (NSW).
Reporting Manual	means the document entitled "Retail Supplier's Reporting Manual," which is prepared by IPART and is available on IPART's website at www.ipart.nsw.gov.au .
Small Retail Customer	has the meaning given to that term in the Regulation.
Specified Water Industry Infrastructure	means water industry infrastructure through which the non-potable water, drinking water and/or sewerage services under this Licence is supplied.