



**NEW SOUTH WALES
GOVERNMENT**

*WATER INDUSTRY COMPETITION ACT 2006
(NSW)*

NETWORK OPERATOR'S LICENCE

Wyee Water Pty Ltd

(ACN 160 953 775)



New South Wales

Water Industry Competition Act 2006 (NSW)


**Grant of network operator's licence
Licence no. 14/026**

I, Kevin Humphries, Minister for Natural Resources, Lands and Water, under section 10 of the *Water Industry Competition Act 2006 (NSW)*, grant a network operator's licence to:

Wye Water Pty Ltd (ACN 160 953 775)

to construct, maintain and operate water industry infrastructure, subject to:

- (i) the conditions imposed by the *Water Industry Competition Act 2006 (NSW)*;
- (ii) the conditions imposed by reg 9 and set out in Parts 1, 2 and 3 of Schedule 1 to the *Water Industry Competition (General) Regulation 2008 (NSW)*;
- (iii) the conditions imposed by the Minister in the attached Schedule A, being special Ministerially-imposed licence conditions for Wye Water Pty Ltd's network operator's licence; and
- (iv) the conditions imposed by the Minister in the attached Schedule B, being standard Ministerially-imposed licence conditions for all licensed network operators.


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Minister for Natural Resources, Lands and Water

Dated this 18th day of June 2014



New South Wales

Water Industry Competition Act 2006

Section 10(5)

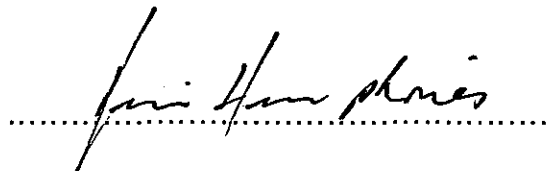
Notice of Decision

Variation of retail supplier's licence No. 13_001R

I, Kevin Humphries MP, Minister for Natural Resources, Lands and Water, under section 15 of the *Water Industry Competition Act 2006*, make the following variation to the licence conditions of the retail supplier's licence No 13_001R granted to:

Flow Systems Pty Ltd (ABN 28 136 272 298)

- a) Delete Schedule C and replace with new Schedule C (attached to this notice).


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Minister for Natural Resources, Lands and Water

Dated this 20th day of Oct. 2014

SCHEDULE A - SPECIAL MINISTERIALLY-IMPOSED LICENCE CONDITIONS FOR FLOW SYSTEMS PTY LTD'S 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 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 on the Licensee by the Act or the Regulation.

A1 Activities authorised – non-potable water supply

- A1.1 This Licence authorises the Licensee and any authorised persons specified in Table 1.1 to supply non-potable water:
- (i) by means of the water industry infrastructure specified in Table 1.2;
 - (ii) for the authorised purposes as specified in Table 1.3;
 - (iii) to the persons or classes of persons specified in Table 1.4;
 - (iv) within the area of operations specified in Table 1.5,
- subject to the conditions imposed by or under the Act, the Regulation and this Licence.

Table 1.1 Authorised persons

Not applicable

Table 1.2 Water industry infrastructure

The water industry infrastructure detailed in Schedule C, Table C.1.

Table 1.3 Authorised purposes

The authorised purposes detailed in Schedule C, Table C.1.

Table 1.4 Persons or classes of persons

Persons within the areas of operations detailed in Schedule C, Table C.1.

Table 1.5 Area of operations

The area of operations detailed in Schedule C, Table C.1.

A2 Activities authorised – drinking water supply

- A2.1 This Licence authorises the Licensee and any authorised persons specified in Table 2.1 to supply drinking water:
- (i) by means of the water industry infrastructure specified in Table 2.2;
 - (ii) for the authorised purposes as specified in Table 2.3;
 - (iii) to the persons or classes of persons specified in Table 2.4;
 - (iv) within the area of operations specified in Table 2.5, subject to the conditions imposed by or under the Act, the Regulation and this Licence.

Table 2.1 Authorised persons

Not applicable

Table 2.2 Water industry infrastructure

The water industry infrastructure detailed in Schedule C, Table C.2.

Table 2.3 Authorised purposes

The authorised purposes detailed in Schedule C, Table C.2.

Table 2.4 Persons or classes of persons

Persons within the areas of operations detailed in Schedule C, Table C.2.

Table 2.5 Area of operations

The area of operations detailed in Schedule C, Table C.2.

A3 Activities authorised – sewerage services

- A3.1 This Licence authorises the Licensee and any authorised persons specified in Table 3.1 to provide sewerage services:
- (i) by means of the water industry infrastructure specified in Table 3.2;
 - (ii) for the authorised purposes as specified in Table 3.3;
 - (iii) to the persons or classes of persons specified in Table 3.4;
 - (iv) within the area of operations specified in Table 3.5, subject to the conditions imposed by or under the Act, the Regulation and this Licence.

Table 3.1 Authorised persons

Not applicable

Table 3.2 Water industry infrastructure

The water industry infrastructure detailed in Schedule C, Table C.3.

Table 3.3 Authorised purposes

The authorised purposes detailed in Schedule C, Table C.3.

Table 3.4 Persons or classes of persons

Persons within the areas of operations detailed in Schedule C, Table C.3.

Table 3.5 Area of operations

The area of operations detailed in Schedule C, Table C.3.

A4 Retail arrangements

A4.1 If requested by IPART, the Licensee must prepare and provide IPART with:

- a) a report, to IPART's satisfaction outlining:
 - (i) evidence of discussions with intended customer(s) or formal agreement(s) with customer(s); and
 - (ii) the Curriculum Vitae of the key personnel involved in the operation and management of the activities authorised by this Licence, and
- b) a statement:
 - (i) identifying any third party providing customer services under this Licence, and
 - (ii) outlining the enforceable controls the Licensee has in place to enable it to effectively respond to any suspected breaches of these Licence conditions.

A4.2 The Licensee must notify IPART if it may be commencing to operate, or operating, in an area:

- (i) for which there are no other suppliers to provide competition in the part of the market concerned, and
- (ii) for which there is no contestable market by potential suppliers in the short term in that part of the market.

INTERPRETATION AND DEFINITIONS

Interpretation

In this Schedule A, unless the context requires otherwise:

- (i) the singular includes the plural and vice versa;
- (ii) headings are used for convenience only and do not affect the interpretation of this Schedule A;
- (iii) a reference to a document includes the document as modified from time to time and any document replacing it;
- (iv) a reference to a "person" includes a natural person and any body or entity whether incorporated or not;
- (v) a reference to a clause is to a clause in this Schedule A;
- (vi) a reference to a schedule is to a schedule to this Licence; and
- (vii) 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.

Definitions

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

In this Schedule A:

- Act** means the *Water Industry Competition Act 2006*;
- Licence** means this retail supplier's licence granted under section 10 of the Act;
- Licensee** means the person to whom this Licence is granted under section 10 of the Act;
- Minister** means the Minister responsible for Part 2 of the Act; and
- Regulation** means the *Water Industry Competition (General) Regulation 2008*.

SCHEDULE B - STANDARD MINISTERIALLY-IMPOSED LICENCE CONDITIONS FOR ALL LICENSED RETAIL SUPPLIERS

This schedule sets out the standard conditions which the Minister imposes on the Licensee and all 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. obtain 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 obtained 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 obtained 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 Whenever there is a change in the type, or level of insurance held by the Licensee in relation to the activities authorised under this Licence, the Licensee must

provide a copy of the certificate of currency to IPART within 10 days of the change being made.

- B3.4** From time to time when requested in writing by IPART, the Licensee must provide a report to IPART, in the manner, form and time specified by IPART, from an Insurance Expert certifying 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 this Licence.

[Note: The situations in which IPART may request a report under clause B3.4 include (but are not limited to) the following:

- *when IPART has reason to believe that there may be a change in the type or level of insurance held by the Licensee in relation to activities authorised under this Licence;*
- *where there is a change in the type or extent of activities authorised under this Licence; or*
- *when IPART or an approved auditor has reason to believe that the type or level of insurance held by the Licensee may not be appropriate for the size and nature of the activities authorised under this Licence.]*

B4 Complying with NSW Health requirements

- B4.1** The Licensee must carry out the activities authorised by this Licence in compliance with any requirements of NSW Health that:

- (i) IPART has agreed to; and
- (ii) are notified from time to time to the Licensee by IPART in writing.

B5 Complying with Audit Guidelines from IPART

- B5.1** The Licensee must comply with any audit guidelines issued by IPART.

B6 Reporting in accordance with the Reporting Manual

- B6.1** The Licensee must prepare and submit reports in accordance with the Reporting Manual.

B7 Reporting information in relation to the Register of Licences

- B7.1** Within 14 days of any change in relation to the following, the Licensee must notify IPART, and provide details, of the change in accordance with the Reporting Manual:

- (i) any licensed network operator or public water utility from whose water industry infrastructure the Licensee supplies water to its customers;
- (ii) any source from which the water handled by the water industry infrastructure referred to in paragraph (i) is derived;
- (iii) whether or not any of the Licensee's customers are small retail customers;
- (iv) any order under section 54 of the Act by which the Licensee is declared to be a retailer of last resort;
- (v) any licensed network operator or public water utility by means of whose sewerage infrastructure the Licensee provides sewerage services to its customers;
- (vi) *[Not Applicable];*
- (vii) *[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 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 constructs, maintains or operates any other water industry infrastructure in the Specified Area of Operations,

by, at a minimum, providing for:

- (i) if the Specified Water Industry Infrastructure is connected to any other water industry infrastructure, who is responsible for repairing, replacing or maintaining the 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 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.

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.

B11 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

Interpretation

In this Schedule B, unless the context requires otherwise:

- (i) the singular includes the plural and vice versa;
- (ii) headings are used for convenience only and do not affect the interpretation of this Schedule B;
- (iii) a reference to a document includes the document as modified from time to time and any document replacing it;
- (iv) a reference to a "person" includes a natural person and any body or entity whether incorporated or not;
- (v) a reference to a clause is to a clause in this Schedule B;
- (vi) a reference to a schedule is to a schedule to this Licence; and
- (vii) 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.

Definitions

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

In this Schedule B:

Act	means the <i>Water Industry Competition Act 2006</i> ;
Audit Guidelines	means the document entitled "Audit Guideline – Water Industry Competition Act 2006" which is produced 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 Person	means the relevant authorised persons specified for each authorised activity in Schedule A, Table 1.1; Table 2.1 and/or 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 (Cth)</i> (Corporations Act) that authorises the broker to provide financial product advice for, and deal in, contracts of insurance within the meaning of Chapter 7 of the Corporations 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> ;
Licence	means this retail supplier's licence granted under section 10 of the Act;
Licensee	means the person to whom this Licence is granted under section 10 of the Act;
Licensee's Code of Conduct	has the meaning given in 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> ;
Reporting Manual	means the document entitled "Retail Supplier's Reporting Manual," which is produced by IPART and is available on IPART's website at www.ipart.nsw.gov.au ;
Specified Area of Operations	means the relevant area of operations specified for each authorised activity in Schedule A, Table 1.5; Table 2.5 and/or Table 3.5; and
Specified Water Industry Infrastructure	means the relevant water industry infrastructure specified for each authorised activity in Schedule A, Table 1.2, Table 2.2 and/or Table 3.2.

SCHEDULE C –RELEVANT NETWORK OPERATORS’ LICENCES

Network Operators’ Licences

Table C.1 Non-Potable water supply

Network Operator’s Licence	Water industry infrastructure	Authorised purposes	Area of operations
Central Park Network Operator’s Licence	The water industry infrastructure specified in Schedule A, Table 2.2 of the Central Park Network Operator’s Licence.	The authorised purposes specified in Schedule A, Table 2.3 of the Central Park Network Operator’s Licence.	The area of operations specified in Schedule A, Table 2.4 of the Central Park Network Operator’s Licence.
Pitt Town Network Operator’s Licence	The water industry infrastructure specified in Schedule A, Table 1.2 of the Pitt Town Network Operator’s Licence.	The authorised purposes specified in Schedule A, Table 1.3 of the Pitt Town Network Operator’s Licence.	The area of operations specified in Schedule A, Table 1.4 of the Pitt Town Network Operator’s Licence.
Discovery Point Network Operator’s Licence	The water industry infrastructure specified in Schedule A, Table 1.2 of the Discovery Point Network Operator’s Licence.	The authorised purposes specified in Schedule A, Table 1.3 of the Discovery Point Network Operator’s Licence.	The area of operations specified in Schedule A, Table 1.4 of the Discovery Point Network Operator’s Licence.
Wye Network Operator’s Licence	The water industry infrastructure specified in Schedule A, Table 1.2 of the Wye Network Operator’s Licence.	The authorised purposes specified in Schedule A, Table 1.3 of the Wye Network Operator’s Licence.	The area of operations specified in Schedule A, Table 1.4 of the Wye Network Operator’s Licence.

Table C.2 Drinking water supply

Network Operator’s Licence	Water industry infrastructure	Authorised purposes	Area of operations
Central Park Network Operator’s Licence	The water industry infrastructure specified in Schedule A, Table 3.2 of the Central Park Network Operator’s Licence.	The authorised purposes specified in Schedule A, Table 3.3 of the Central Park Network Operator’s Licence.	The area of operations specified in Schedule A, Table 3.4 of the Central Park Network Operator’s Licence.
Discovery Point Network Operator’s Licence	The water industry infrastructure specified in Schedule A, Table 2.2 of the Discovery Point Network Operator’s Licence.	The authorised purposes specified in Schedule A, Table 2.3 of the Discovery Point Network Operator’s Licence.	The area of operations specified in Schedule A, Table 2.4 of the Discovery Point Network Operator’s Licence.
Wye Network Operator’s Licence	The water industry infrastructure specified in Schedule A, Table 2.2 of the Wye Network Operator’s Licence.	The authorised purposes specified in Schedule A, Table 2.3 of the Wye Network Operator’s Licence.	The area of operations specified in Schedule A, Table 2.4 of the Wye Network Operator’s Licence.

Table C.3 Provision of sewerage services

Network Operator's Licence	Water industry infrastructure	Authorised purposes	Area of operations
Central Park Network Operator's Licence	The water industry infrastructure specified in Schedule A, Table 1.2 of the Central Park Network Operator's Licence.	The authorised purposes specified in Schedule A, Table 1.3 of the Central Park Network Operator's Licence.	The area of operations specified in Schedule A, Table 1.4 of the Central Park Network Operator's Licence.
Pitt Town Network Operator's Licence	The water industry infrastructure specified in Schedule A, Table 2.2 of the Pitt Town Network Operator's Licence.	The authorised purposes specified in Schedule A, Table 2.3 of the Pitt Town Network Operator's Licence.	The area of operations specified in Schedule A, Table 2.4 of the Pitt Town Network Operator's Licence.
Discovery Point Network Operator's Licence	The water industry infrastructure specified in Schedule A, Table 2.2 of the Discovery Point Network Operator's Licence.	The authorised purposes specified in Schedule A, Table 2.3 of the Discovery Point Network Operator's Licence.	The area of operations specified in Schedule A, Table 2.4 of the Discovery Point Network Operator's Licence.
Wye Network Operator's Licence	The water industry infrastructure specified in Schedule A, Table 3.2 of the Wye Network Operator's Licence.	The authorised purposes specified in Schedule A, Table 3.3 of the Wye Network Operator's Licence.	The area of operations specified in Schedule A, Table 3.4 of the Wye Network Operator's Licence.

Definitions

In this Schedule C:

- Central Park Network Operator's Licence means Network Operator's licence 12_022 granted Central Park Water Factory Pty Ltd (ACN 151 072 838) (as varied by the Minister from time to time); and
- Pitt Town Network Operator's Licence means Network Operator's licence 10_014 granted to Pitt Town Water Factory Pty Ltd (ACN 141 705 660) (as varied by the Minister from time to time); and
- Discovery Point Network Operator's Licence means Network Operators licence 13_025 granted to Discovery Point Water Pty Ltd (ACN 142 392 541) (as varied by the Minister from time to time); and
- Wye Water Network Operator's Licence Means Network Operators licence 14_026 granted to Wye Water Pty Ltd (ACN 160 953 775) (as varied by the Minister from time to time).