

New South Wales

WATER INDUSTRY COMPETITION ACT 2006 (NSW)

Section 10(5)

Notice of Decision - Application for a retail supplier's licence by Solo Water Pty Ltd

I, The Hon. Niall Blair MLC, Minister for Lands and Water, have considered the advice and recommendations made by the Independent Pricing and Regulatory Tribunal (**IPART**) in its report to me on the application by Solo Water Pty Ltd (ACN 160 013 614) (**Applicant**) for a retail supplier's licence under the *Water Industry Competition Act 2006 (NSW)* (**the Act**). I have also considered further information provided by the applicant and the advice of my Department.

Based on my consideration of IPART's report and the further information and advice provided to me:

- (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 licence and what conditions should be imposed on any such licence granted.

Under section 10(5) of the Act, for the reasons set out above, I have decided to grant a retail supplier's licence to the Applicant, subject to the conditions set out in licence number 15_036R, the Act and the *Water Industry Competition (General) Regulation 2008 (NSW)*. I hereby attach the licence (**Attachment A**).

A handwritten signature in blue ink, appearing to be 'Niall Blair', written over a dotted line.

Minister for Lands and Water

Dated this 22nd day of September 2016

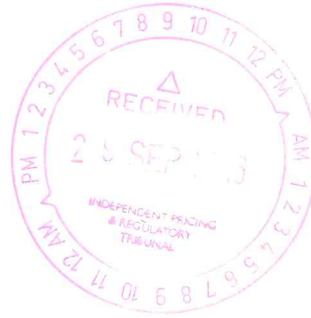


The Hon Niall Blair MLC

Minister for Primary Industries
Minister for Lands and Water

BN16/7049

IPART	
Doc No.	D16/28974
File No.	13/478-3



Dr Peter Boxall
Chairman
Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240

Dear Dr Boxall *Peter*

I write to advise you that I have today signed the notice of decision and granted a retail supplier's licence to Solo Water Pty Ltd to provide services at the Catherine Hill Bay development – see enclosed.

In addition to the special Ministerially imposed licence conditions proposed in the Tribunal's report to me, I have imposed additional licence conditions A4.1, A4.3 and A4.4 based on advice from my Department, as follows:

Licence Condition A4.1 – Agreement with Unitywater

Before granting a licence, I am required under section 10(4)(a) of the Water Industry Competition Act 2006 to be satisfied that the applicant has, and will continue to have, the capacity (including technical, financial and organisational capacity) to carry out the activities that the licence would authorise.

As Solo Water intends to contract Unitywater to undertake retail functions authorised by the licence on its behalf, the terms and conditions under which Unitywater will carry out those activities on behalf of Solo Water are relevant to the question of technical and organisational capacity.

Accordingly the licence requires the licensee to enter into, and provide to the Minister, within 12 weeks of the granting of the licence, a final agreement with Unitywater that is satisfactory to the Minister.

Licence Conditions A4.3 and A4.4 – Unconditional bank guarantee and Deed of Financial Capacity and Guarantee

Solo Water relies on the full support of its related entity, Rico Enterprises Pty Ltd, as trustee for the Rico Family Trust, to provide the required financial capacity to undertake the proposed licensed activities.

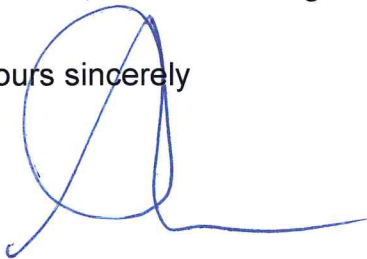
To enable me to be satisfied that Solo Water has, and will continue to have, the requisite financial capacity (as required by section 10(4)(a) of the Act), the Licence requires the licensee to have a Deed of Financial Capacity and Guarantee, supported by an unconditional bank guarantee in their favour to the value of

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\$100,000. The deed and the bank guarantee must remain in place for at least five years, and may be extended if required.

Should you have any queries in relation to the above, please contact Mrs Alison Kirk, Director, Water Planning and Policy, on telephone 02 9842 8480.

Yours sincerely

A handwritten signature in blue ink, consisting of a large, stylized initial 'N' followed by a horizontal line extending to the right.

The Hon Niall Blair MLC
Minister for Primary Industries
Minister for Lands and Water

22 SEP 2016