



**NEW SOUTH WALES
GOVERNMENT**

*WATER INDUSTRY COMPETITION ACT 2006
(NSW)*

RETAIL SUPPLIER'S LICENCE

Solo Water Pty Ltd

(ACN 160 013 614)



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**

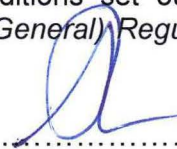
I, The Hon. Niall Blair MLC, Minister for Lands and Water, have considered the advice and recommendations made by the Independent Pricing and Regulatory Tribunal (**IPART**) in its report to me on the application by Solo Water Pty Ltd (ACN 160 013 614) (**Applicant**) for a retail supplier's licence 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**).


.....

Minister for Lands and Water

Dated this 22nd day of September 2016



New South Wales

Water Industry Competition Act 2006 (NSW)

Grant of retail supplier's licence Licence no. 15_036R

I, The Hon. Niall Blair MLC, Minister for Lands and Water, under section 10 of the *Water Industry Competition Act 2006 (NSW)*, grant a retail supplier's licence to:

Solo Water Pty Ltd (ACN160 013 614)

to supply water and provide sewerage services by means of water industry infrastructure, subject to:

- i) the conditions imposed by the *Water Industry Competition Act 2006 (NSW)*;
- ii) the conditions imposed by Clause 13 and set out in Parts 1, 2 and 3 of Schedule 2 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 Solo Water Pty Ltd's retail supplier's licence; and
- iv) the conditions imposed by the Minister in the attached Schedule B, being standard Ministerially imposed licence conditions for all licensed retail suppliers.

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

SCHEDULE A - SPECIAL MINISTERIALLY-IMPOSED LICENCE CONDITIONS FOR Solo Water 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 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 on the Licensee by the Act or the Regulation.

A1 Activities authorised - non-potable water

A1.1 This Licence authorises the Licensee and any authorised persons specified in Table 1.1:

- a) to supply water by means of the water industry infrastructure specified in Table 1.2;
 - b) for one or more of the authorised purposes specified in Table 1.3;
 - c) to the persons or classes of persons specified in Table 1.4;
 - d) 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

The Northern SEQ Distributor-Retailer Authority established under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*, trading as Unitywater.

Table 1.2 Water industry infrastructure

- 1) A treatment plant for non-potable water and other water infrastructure used, or to be used, in connection with the treatment plant, where components of the treatment plant or the other water infrastructure may also be used for one or more of the following:
 - a) production of non-potable water;
 - b) treatment of non-potable water;
 - c) filtration of non-potable water;
 - d) storage of non-potable water; and
 - e) conveyance of non-potable water.
 - 2) A reticulation network for non-potable water and other water infrastructure used, or to be used, in connection with the reticulation network, where components of the reticulation network or the other water infrastructure may also be used for one or more of the following:
 - a) storage of non-potable water;
 - b) conveyance of non-potable water; and
 - c) treatment of non-potable water.
-

Table 1.3 Authorised purposes

Toilet flushing, laundry machine cold water connection, irrigation of private lots and footpaths, outdoor cleaning and washdown (including car and bin washing).

Table 1.4 Persons or classes of persons

Persons within the areas of operations specified in Table 1.5 of this Schedule A.

Table 1.5 Area of operations

Lot 100 DP1129872, Lot 101 DP1129872, Lot 106 DP1129872, Lot 1 DP1141989, Lot 1 DP1129299, Lot 103 DP1194707, Lot 101 DP1194707, Lot 102 DP1194707, Lot 213 DP883941, Lot 1 Section I DP163, Lot 1 Section K DP163, Flowers Drive Road Reserve, and Montefiore Street Road Reserve.

A2 Activities authorised – drinking water

A2.1 This Licence authorises the Licensee and any authorised persons specified in Table 2.1:

- a) to supply water by means of the water industry infrastructure specified in Table 2.2;
- b) for the authorised purposes specified in Table 2.3;
- c) to the persons or classes of persons specified in Table 2.4;
- d) 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

The Northern SEQ Distributor- Retailer Authority established under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*, trading as Unitywater.

Table 2.2 Water industry infrastructure

A reticulation network for drinking water and other water infrastructure used, or to be used, in connection with the reticulation network, where components of the reticulation network or the other water infrastructure may also be used for one or more of the following:

- a) storage of drinking water;
 - b) conveyance of drinking water; and
 - c) treatment of drinking water.
-

Table 2.3 Authorised purposes

Provision of drinking water and fire water

Table 2.4 Persons or classes of persons

Persons within the areas of operations specified in Table 2.5 of this Schedule A.

Table 2.5 Area of operations

The area of the transfer pump station on Lot 12 DP598580 and Lot 13 DP598580.

- (a) The area of the transfer pipeline on Lot 649 DP1027231, Lot 204 DP1164883, Lot 12 DP1180296, Lot 145 DP755266, Lot 105 DP1129872, Lot 100 DP1129872, Lot 101 DP1129872, Kanangra Drive, Pacific Highway Road Reserve, Montefiore Street Road Reserve
 - (b) Lot 100 DP1129872, Lot 101 DP1129872, Lot 106 DP1129872, Lot 1 DP1141989,
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Lot 1 DP1129299, Lot 103 DP1194707, Lot 101 DP1194707, Lot 102 DP1194707,
Lot 213 DP883941, Lot 1 Section I DP163, Lot 1 Section K DP163, Flowers Drive
Road Reserve, and Montefiore Street Road Reserve.

A3 Activities authorised – sewerage services

A3.1 This Licence authorises the Licensee and any authorised persons specified in Table 3.1:

- a) to provide sewerage services by means of the water industry infrastructure specified in Table 3.2;
- b) for the authorised purposes specified in Table 3.3;
- c) to the persons or classes of persons specified in Table 3.4;
- d) 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

The Northern SEQ Distributor-Retailer Authority established under the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*, trading as Unitywater.

Table 3.2 Water industry infrastructure

- 1) A treatment plant for sewage and other sewerage infrastructure used, or to be used, in connection with the treatment plant, where components of the treatment plant or the other sewerage infrastructure may also be used for one or more of the following:
 - a) production of treated non-potable water from sewage;
 - b) treatment of sewage;
 - c) filtration of sewage;
 - d) storage of sewage; and
 - e) conveyance of sewage.
 - 2) A reticulation network for sewage and other sewerage infrastructure used, or to be used, in connection with the reticulation network, where components of the reticulation network or the other sewerage infrastructure may also be used for one or more of the following:
 - a) storage of sewage; and
 - b) conveyance of sewage.
-

Table 3.3 Authorised purposes

Sewage collection, transport, treatment, effluent transfer to non-potable water system

Table 3.4 Persons or classes of persons

Persons within the areas of operations specified in Table 3.5 of this Schedule A.

Table 3.5 Area of operations

Lot 100 DP1129872, Lot 101 DP1129872, Lot 106 DP1129872, Lot 1 DP1141989,
Lot 1 DP1129299, Lot 103 DP1194707, Lot 101 DP1194707, Lot 102 DP1194707,
Lot 213 DP883941, Lot 1 Section I DP163, Lot 1 Section K DP 163, Flowers Drive Road
Reserve, and Montefiore Street Road Reserve.

A4 Special conditions

- A4.1 The licensee must provide to the Minister, within twelve weeks of the granting of the licence, an Agreement with Unitywater, which is satisfactory to the Minister, setting out the terms and conditions under which Unitywater will provide retail functions on behalf of the licensee.
- A4.2 If a party to an Agreement proposes to:
- a) terminate the Agreement;
 - b) novate the Agreement;
 - c) assign or transfer any of its rights or obligations under the Agreement to any other person; or
 - d) alter the Agreement in any way that materially reduces the Licensee's technical, financial or organisational capacity to carry out the activities authorised by this Licence,
- the Licensee must provide IPART with written notice as soon as practicable, but no later than 3 months, before the time when the proposed action is to occur. The written notice must include details of how the service provided under the Agreement will be provided subsequent to the proposed termination, novation, assignment, transfer or alteration.
- A4.3 As at the date of this Licence, the licensee must have an unconditional bank guarantee executed in its favour which is:
- a) for a value of \$100,000 (one hundred thousand dollars); and
 - b) for a term of at least five years from the day of the grant of this Licence (and such further term as directed in writing by the Minister),
- and provide a certified copy of the bank guarantee to the Minister or IPART on request.
- A4.4 As at the date of this Licence, the licensee must have a Deed of Financial Capacity and Guarantee executed in its favour which is:
- a) for a value of \$100,000 (one hundred thousand dollars); and
 - b) for a term of at least five years from the day of the grant of this Licence (and such further term as directed in writing by the Minister),
- and provide a certified copy of the deed to the Minister or IPART on request.

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;

- (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; and
- (viii) explanatory notes do not form part of this Licence, but in the case of uncertainty may be relied on for interpretation purposes.

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 <i>Water Industry Competition Act 2006</i> (NSW).
Agreement	means any agreement or deed provided to IPART or the Minister in connection with the Licensee's application for this Licence.
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 the Act.
Regulation	means the <i>Water Industry Competition (General) Regulation 2008</i> (NSW).

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 retail suppliers 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;
- a) provide a copy of each certificate of currency of the insurance obtained to IPART; and
- b) 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 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,
- in relation to the activities authorised under this Licence, the Licensee must provide a report to IPART in accordance with the Reporting Manual.

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:
- a) IPART has agreed to; and
 - b) 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 IPART with details, of the change in accordance with the Reporting Manual:
- a) any licensed network operator or public water utility from whose water industry infrastructure the Licensee supplies water to its customers;
 - b) any source from which the water handled by the water industry infrastructure referred to in paragraph (a) is derived;
 - c) whether or not any of the Licensee's customers are Small Retail Customers;

- d) any order under section 54 of the Act by which the Licensee is declared to be a retailer of last resort; and
- e) any licensed network operator or public water utility by means of whose sewerage infrastructure the Licensee provides sewerage services to its customers.
- f) *[Not applicable]*
- 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 (by a date specified by IPART) 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:
- a) the Licensee; and
 - b) each licensed network operator, licensed retail supplier and/or public water utility that:
 - i) supplies water or provides sewerage services by means of; or
 - ii) constructs, maintains or operates,any water industry infrastructure that is connected to the Specified Water Industry Infrastructure,
- by, at a minimum, providing for:
- c) who is responsible for repairing, replacing or maintaining any pipes, pumps, valves, storages or other infrastructure connecting the Specified Water Industry Infrastructure to the other water industry infrastructure;
 - d) who is responsible for water quality;
 - e) who is liable in the event of the unavailability of water;
 - f) who is liable in the event of failure of the Specified Water Industry Infrastructure;
 - g) the fees and charges payable in respect of the use of the Specified Water Industry Infrastructure; and
 - h) 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

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;

- (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; and
- (viii) explanatory notes do not form part of this Licence, but in the case of uncertainty may be relied on for interpretation purposes.

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> (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 Person	means the authorised persons specified in, as applicable: <ul style="list-style-type: none"> (i) Schedule A, clause A1, Table 1.1; (ii) Schedule A, clause A2, Table 2.1; and (iii) Schedule A, clause A3, Table 3.1.;
Authorised Purposes	means the authorised purposes specified in, as applicable: <ul style="list-style-type: none"> (i) Schedule A, clause A1, Table 1.3; (ii) Schedule A, clause A2, Table 2.3; and (iii) Schedule A, clause A3, Table 3.3.
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> 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 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> (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 the water industry infrastructure specified in, as applicable: <ul style="list-style-type: none"> (i) Schedule A, clause A1, Table 1.2; (ii) Schedule A, clause A2, Table 2.2; and (iii) Schedule A, clause A3, Table 3.2.