

5-year review of AquaNet Sydney Pty Ltd's retail supplier's licence (10_01R)

Prepared under the
Water Industry Competition Act 2006 (NSW)

Water — Report to the Minister
December 2015



Independent Pricing and Regulatory Tribunal

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1 Summary

The Independent Pricing and Regulatory Tribunal of NSW (IPART) has conducted a 5-year review of AquaNet Sydney Pty Ltd's (AquaNet) licence under the *Water Industry Competition Act 2006* (WIC Act).

We recommend that the Minister varies the AquaNet's retail supplier's licence (10_01R), presented in **Appendix A**, to bring it into line with the IPART standard licence template.

2 Background

AquaNet's retail supplier's licence was granted by the Minister on 10 March 2010.¹

In accordance with the WIC Act, IPART is to review each licence at intervals of not more than five years, with the first review commencing on the fifth anniversary of the granting of the licence². Following the review, IPART is to prepare a report for the Minister, which may include recommendations as to the variation or revocation of existing licence conditions or the imposition of new licence conditions.³ This report meets that obligation and summarises our analysis, stakeholder submissions and recommendation to vary the licences. It also contains the proposed licences.

The Minister must consider, but is not bound to accept, any advice or recommendation in this report in determining the variation of the licences. The Minister may, if circumstances so require, seek further advice from us in relation to the licence review.

2.1 The review of the WIC Act and the new licensing regime

The primary purpose of the 5-yearly WIC Act licence review is for IPART to consider the appropriateness of existing licence conditions in our efficient regulation of licensees. In line with good regulatory practice, the licence conditions should direct the licensees to achieve the desired outcomes without imposing unnecessary compliance and administrative costs.

¹ AquaNet Sydney Pty Ltd, Grant of Network Operator's Licence No. 10_01R, 10 March 2010.

² WIC Act, section 85(2).

³ WIC Act, section 85(3).

However, we note that the *Water Industry Competition Amendment (Review) Act 2014* will result in significant changes to the WIC Act licensing framework and conditions.⁴ All existing licences will transition to the amended legislation, which we understand from the Metropolitan Water Directorate, will come into force in mid-2016.⁵

Given the impending changes to the WIC Act and the licensing regime, we are recommending relatively minor changes that would make AquaNet's licence consistent with the current standard licence conditions. The standard licence conditions have been developed and implemented since AquaNet's licence was issued, and are used as the base template for all new WIC Act licences and variations to licences.

Applying the standard licence template will address gaps in the licences and provide clarification for the licensee. It will also improve the efficiency of administering the licences in this transitional period before the licensing regime is changed under the amended WIC Act.

2.2 The standard licence template for WIC Act licences

In 2013, IPART decided to apply the standard licence template for all new WIC Act licences. Since then, the template has been used for all new licence applications and variations. From time to time the template conditions are changed to reflect outcomes of assessments and, where broadly applicable, changes to licences made by the Minister.

IPART has decided that as part of the 5-yearly review process, the standard IPART template will be applied to licences.

⁴ *Water Industry Competition Amendment (Review) Act 2014*, Schedule 4, Part 4, sections 9 and 10.

⁵ IPART, *Update – Changes to WICA*, at http://www.ipart.nsw.gov.au/Home/Industries/Water/Private_Sector_Licensing_WICA/Changes_to_WICA

3 Review of licence – retail supplier’s licence

This section of the report contains an outline of the analysis conducted during our review of AquaNet’s retail supplier’s licence (licence number 10_01R) and our recommendations.

3.1 Stakeholder consultation and submissions

Where the outcome of an IPART 5-year review of a licence under the WIC Act, is to recommend a variation to the licence, we are required under section 17(1) of the WIC Act to consult with the licensee and other persons prescribed by the *Water Industry Competition (General) Regulation 2008 (the Regulation)*. At this time, there are no other persons prescribed in the Regulation that must be consulted for a licence condition variation.

We invited submissions from AquaNet and the Metropolitan Water Directorate. We have used the submissions to inform our review.

AquaNet confirmed that they did not have any comments or concerns regarding our proposed changes to the retail supplier’s licence.⁶

The Metropolitan Water Directorate made a number of comments on the proposed changes to the AquaNet retail supplier’s licence.⁷ These are explained in further detail below.

3.2 Variations to retail supplier’s licence conditions

AquaNet’s retail supplier’s licence (licence number 10_01R) was granted on 10 March 2010 and is not aligned to our standard licence template. The differences relate to insurance, compliance with audit guidelines, establishing a Code of Conduct for the delineation of responsibilities for interconnections, notification of changes to authorised persons, and obligations relating to the infrastructure to be used.

Our review of AquaNet’s retail supplier’s licence considered the differences between the current licence and the standard licence template. The outcomes of our review are detailed below.

⁶ Email to IPART, Alex McPherson, Manager Asset Regulation and Strategy, Jemena, 17 September 2015.

⁷ Email to IPART, Cathy Cole, Acting Director, Metropolitan Water Directorate, 28 September 2015.

Insurance

Relevant insurance licence conditions are prescribed in schedule B, conditions B2 and B3 of the amended AquaNet retail supplier's licence.

The standard licence template includes additional insurance requirements to the existing AquaNet retail supplier's licence. The insurance conditions of the licence are intended to reduce risks to the licensee, customers and government. These include requirements for the licensee to:

- ▼ obtain insurance appropriate for the nature of the Water Industry Infrastructure, and have that insurance cover assessed by an Insurance Expert to verify that it is appropriate, prior to commencement of supply
- ▼ provide certificates of currency for insurance to IPART, and
- ▼ provide a report in accordance with the Retail Supplier's Reporting Manual⁸ if there is, or is to be a change in the insurer or underwriting panel, or a change to the type, scope or limit of insurance held by the Licensee.

Separate to this licence review we are amending the Retail Supplier's Reporting Manual to incorporate the same reporting table as the Network Operator's Reporting Manual which came into effect on 1 September 2015. The table outlines the notification periods for provision of insurance materials to IPART with respect to various changes to insurance. It also includes the information to be included in a report to IPART providing the appropriate level of clarity sought by licensees regarding the required timing for reporting changes or proposed changes to insurance arrangements.

We note the Metropolitan Water Directorate suggested clarifications to conditions pertaining to timing of certain insurance requirements.⁹ IPART accepts that clarification would better enable licensees to achieve compliance and, accordingly will ensure this is clarified in future revisions of the Retail Supplier's Reporting Manual. IPART is also undertaking a broader review of the licence template and conditions as part of our transition to the amended WIC Act in 2016 and we are currently considering alternative structures for licences under the WIC Act. For consistency with the template, wording of the standard licence template has been retained.

We consider it appropriate that licensees should be subject to the additional licence conditions in relation to appropriate arrangements for insurance.

⁸ Independent Pricing and Regulatory Tribunal's Network Operator's Reporting Manual under the *Water Industry Competition Act 2006* (NSW), Water – Reporting Manual, August 2015. Note, separate to this review we are amending the Retail Supplier's Reporting Manual to incorporate the same reporting table as the Network Operator's Reporting Manual.

⁹ Email to IPART, Ms Cathy Cole, Metropolitan Water Directorate, 28 September 2015, p 1.

Compliance with audit guideline

Compliance with the audit guidelines are prescribed in Schedule B, condition B5 of the amended AquaNet retail supplier's licence

The standard licence template includes a condition which requires the licensee to comply with any audit guidelines issued by IPART, which is not in the existing AquaNet's retail supplier's licence.

We consider that AquaNet should be subject to the additional standard licence condition in relation to compliance with the audit guidelines.

Reporting in relation to the Register of Licences

Notifications relating to Register of Licences are prescribed in schedule B, clause B7 of the amended AquaNet retail supplier's licence. Licence conditions differ between licences depending on the licensed activities.

The AquaNet scheme is a non-potable water scheme.

The standard licence template has conditions that require licensees to notify IPART of certain changes within 14 days of the change. The conditions allow IPART to be informed of matters relating to licensees activities.

We note that the Metropolitan Water Directorate made comments regarding this condition, suggesting that sections of it were inconsistent with the approach of certain other reporting clauses such as B11 or the authorisation of the licence outlined in Table A1.2.¹⁰ IPART considers the intention of condition B7 to be notification only and, therefore, is consistent with other obligations. However, IPART accepts that clarification would better enable licensees to achieve compliance and, accordingly will ensure this is clarified in the Retail Supplier's Reporting Manual.

We consider that AquaNet should be subject to the licence condition for the reporting of information in relation to the Register of Licences.

¹⁰ Email to IPART, Ms Cathy Cole, Metropolitan Water Directorate, 28 September 2015, p 1.

Provision of Plans

Provision of Plans licence conditions are prescribed in schedule B, clause B8 of the amended AquaNet retail supplier's licence.

The existing AquaNet retail supplier's licence requires that the licensee must provide IPART with a copy of its amended Plan¹¹ if it makes **any** change. The standard licence template requires that when a licensee makes a **significant** amendment to a Plan it provides a copy of the amended Plan to IPART. This condition manages the risk related to the operation of a scheme, but is a less onerous condition for the licensee.

This condition incorporates the obligation from the Retail Supplier's Reporting Manual which is currently under review and mirrors the relevant obligation from the Network Operator's Reporting Manual which came into effect on 1 September 2015.

We consider it appropriate that AquaNet should be subject to the standard licence template condition for the provision of Plans.

Delineating responsibilities – interconnections

Requirements of Codes of Conduct and delineation of responsibilities are prescribed in schedule B, clause B9 of the amended AquaNet's retail supplier's licence.

The existing AquaNet retail supplier's licence requires that the licensee must establish a Code of Conduct between relevant licensed network operators, licensed retail suppliers and/or public water utilities. The standard licence template includes additional requirements to provide surety to each of these stakeholders that are not in the existing AquaNet retail supplier's licence.

The Metropolitan Water Directorate suggested clarifications regarding the implementation and reporting of Codes of Conduct.¹² IPART has made a minor adjustment to the wording of our standard licence template to address these comments to make it clear that a Code of Conduct is required.

We consider it appropriate that licensees should be subject to the additional licence conditions in relation to appropriate arrangements for Codes of Conduct.

¹¹ For the AquaNet retail supplier's licence the relevant Plan is the Retail Supply Management Plan.

¹² Email to IPART, Ms Cathy Cole, Metropolitan Water Directorate, 28 September 2015, p 3.

Infrastructure to be used

Conditions relating to infrastructure supplying water are prescribed in schedule B, clause B11 of the amended AquaNet's retail supplier's licence.

The standard licence template has conditions regarding what infrastructure is permitted to supply water, being a licensed network operator or public water utility only. There are no similar conditions in the existing AquaNet retail supplier's licence. This additional condition reduces the risk that a licensee will source water from infrastructure that is not appropriately regulated.

We consider it appropriate that AquaNet should be subject to the standard licence template condition for supply from licensed network operator or public water utility.

Consistent licence terminology, language and structure

We consider that the AquaNet retail supplier's licence should be varied to align it with the terminology, language and structure (including numbering of conditions) used in the standard licence template. This change will improve consistency across licences.

We note that the Metropolitan Water Directorate provided a number of alternative wordings or structure of licence conditions A1.1, B2.1, B9 and B11. Where appropriate we have included minor updates to wording to give clarity to licensees. However, for consistency of the template, wording of the standard licence template has been largely retained. IPART is undertaking a broader review of the licence template and conditions as part of our transition to the amended WIC Act in 2016 and we are considering alternative structures for licences under the WIC Act.

4 Recommendations

We recommend that the Minister:

- ▼ **Varies the AquaNet retail supplier's licence (licence number 10_01R) and conditions imposed on that licence, as set out in the attached amended licence (Appendix A).**



Appendices

A AquaNet’s proposed varied and amended retail supplier’s licence (10_01R)



**NEW SOUTH WALES
GOVERNMENT**

***WATER INDUSTRY COMPETITION ACT 2006
(NSW)***

RETAIL SUPPLIER'S LICENCE

AquaNet Sydney Pty Ltd

(ACN 131 235 124)

SCHEDULE A - SPECIAL MINISTERIALLY-IMPOSED LICENCE CONDITIONS FOR AQUANET SYDNEY 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

None

Table 1.2 Water industry infrastructure

Water industry infrastructure specified in Schedule A, Clause A.1 of network operator's licence 09_002, as varied from time to time.

Table 1.3 Authorised purposes

[Not applicable]

Table 1.4 Persons or classes of persons

Owners and occupiers of sites and premises within the specified areas of operations set out in Table 1.5 of this licence.

Table 1.5 Area of operations

Area of operations specified in Schedule A, Clause A.1 of network operator's licence 09_002, as varied from time to time.

A2 Activities authorised – drinking water

[Not applicable]

Table 2.1 Authorised persons

[Not applicable]

Table 2.2 Water industry infrastructure

[Not applicable]

Table 2.3 Authorised purposes

[Not applicable]

Table 2.4 Area of operations

[Not applicable]

A3 Activities authorised – sewerage services

[Not applicable]

Table 3.1 Authorised persons

[Not applicable]

Table 3.2 Water industry infrastructure

[Not applicable]

Table 3.3 Authorised purposes

[Not applicable]

Table 3.4 Area of operations

[Not applicable]

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). |
| 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). |

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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 Before commencing to supply water 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.

B2.2 *[Not applicable]*

B2.3 *[Not applicable]*

B2.4 *[Not applicable]*

B2.5 *[Not applicable]*

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,

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 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; or

- d) any order under section 54 of the Act by which the Licensee is declared to be a retailer of last resort.
- e) *[Not applicable]*
- 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 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, provides sewerage services or
 - ii) constructs, maintains or operates any other water industry infrastructure in the Specified Area of Operations, by, at a minimum, providing for:
- c) 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;
- 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 *[Not applicable]*

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.

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.

B12.2 *[Not applicable]*

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. |
| 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:

- (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.

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**B Notice of Variation and Notice of Decision –
AquaNet’s retail supplier’s licence (10_01R)**



New South Wales

Water Industry Competition Act 2006 Section 15

Notice of Decision Variation of Licence Conditions Licence No. 10_01R

I, The Hon. Niall Blair MLC, Minister for Lands and Water, under section 15 of the *Water Industry Competition Act 2006*, have considered and accept the recommendations made by the Independent Pricing and Regulatory Tribunal of New South Wales (IPART) in its report to me on the 5-year review of the retail supplier's licence granted to AquaNet Sydney Pty Ltd (ACN 131 235 124) (licence no. 10_01R), to vary the existing conditions of the licence and impose new conditions on the licence. I attach a copy of IPART's report (**Attachment A**).

I have had regard to the licensing principles set out in section 7 of the Act in considering whether to vary the existing conditions of the licence or impose new conditions on the licence.

For the reasons set out above, I have therefore determined to vary the conditions of and impose new conditions on the retail supplier's licence no. 10_01R as follows:

- (i) Delete Schedule A and replace with new Schedule A (attached to this notice).
- (ii) Delete Schedule B and replace with new Schedule B (attached to this notice).

I hereby attach a copy of the licence, as varied (**Attachment B**).

.....
The Hon. Niall Blair, MLC
Minister for Lands and Water

Dated this day of 20