

11 May 2015

Mr Tadas Bagdon
Executive Director, Policy and Innovation
Department of Water
PO BOX K822
Perth WA 6842
By email: Tadas.Bagdon@water.wa.gov.au

Dear Mr Bagdon

AWA WA submission regarding 'Amendment of the Water Services Regulations 2013 – Consultation paper on proposed amendments'

4500+

individual members across the whole water cycle

The Australian Water Association (**AWA**) thanks the Department of Water (**DoW**) for the opportunity to provide comments on the policy document entitled 'Amendment of the Water Services Regulations 2013 – Consultation paper on proposed amendments' dated March 2015 (**Proposed Amendments**).

We confirm that a copy was provided to the Minister for Water's Water Resource Reform Reference Group (**WRRRG**), by email dated 24 April 2015, for consideration at the WRRRG meeting held on Friday 1 May 2015.

600+

corporate members including utilities, large water users contractors, consulting firms, research and suppliers.

We look forward to continuing to collaborate with the DoW and key stakeholders on the WRRRG to assist the DoW to finalise the key policy positions underpinning water reform in WA, including with respect to the *Water Services Act 2012* (**Water Services Act**) and the *Water Services Regulations 2013* (**Regulations**).

Our high level comments, in relation to the Proposed Amendments, are set out below:

1. Introduction

100+

water utilities servicing 20+ million customers

The DoW has confirmed that the Proposed Amendments "...have been compiled following a review of the Regulations and consultation with key stakeholders" (p.1). Further, the DoW has confirmed that the paper was released electronically to a select group of stakeholders for a period of four weeks and published on the DoW's website (p.1).

50+

years servicing the water sector.

At the WRRRG meeting held on 1 May 2015, members were noted that only 7 submissions were received from 38 stakeholders listed. We understand that the Proposed Amendments would, in practice, primarily impact current water service providers licensed under the Water Services Act. However, in AWA's view, there is merit in undertaking a wider consultation process with other stakeholders. For example, stakeholders may include potential future water service providers who are yet to apply for a licence under the Water Services Act, third parties in the building industry who are involved in water service works or customers of water services.

AWA believes that wider consultation would foster private sector participation in the water services sector and enhance competition and innovation by removing restrictions/barriers to entry between the public and private sectors while ensuring safe and reliable water services to the community.

2. Proposed Amendments

2.1 Exempt Works

AWA notes the issue and the proposed amendment.

2.2 Fire services

AWA notes the issue and the proposed amendment.

2.3 Damage to meter attachments

AWA notes the issue and the proposed amendment.

2.4 Catchment and water services works

AWA supports, in principle, proposed amendments to the Regulations which are intended to protect public drinking water source areas that are presently at risk.

2.5 Form of infringement notice

AWA notes the issue and the proposed amendment.

2.6 Diagrams of drainage plumbing

AWA notes the issue and the proposed amendment.

We note that the DoW has consulted with the Master Plumbers and Gas Fitters Association and the Building Commission. Has the DoW consulted with other key stakeholders in the building industry, for example, HIA and UDIA, regarding the implications of this proposed amendment?

2.7 Water efficiency management plans

AWA notes the issue and the proposed amendment.

In particular, we note the proposed “minor amendments” including, for example:

- section 21(4): *“the reduction of days for a customer to submit an amended scheme water efficiency plan from 60 to 30 days”*. Has the DoW consulted with any customers who have prepared and submitted water efficiency management plans to test these proposed amendments?
- section 26: *“change this requirement to 90 days after a customer receives notice in writing from the scheme water supplier.”* Has the DoW consulted with water efficiency experts or any customers who have prepared and submitted water efficiency management plans to test the proposed amendment? It is unclear what the objective of the proposed change is or what assumed water efficiency benefit

would be derived by the change from 90 days before the end of the current approval to 90 days after a customer receives a notice; this is potentially as much as a 180 day change to the current provision.

2.8 Hamersley Iron

We understand that Hamersley Iron has requested that relevant provisions under Part 4 of the Regulations (which do not currently apply to Hamersley Iron) be made available to them as licensee.

* * *

In AWA's view, as stated above, to support a level playing field in the provision of water services, further consultation should be undertaken by DoW to consider whether *any other* water services providers or potential future water service providers would seek to rely on such provisions.

We look forward to continuing to work with the DoW in relation to the development and implementation of the Proposed Amendments.

If you have any questions, please don't hesitate to contact us.

Yours sincerely,



Daniela Tonon
Chair, Policy Group
AWA – WA Branch