



Department of Human Services

Incorporating: Health, Community Services, Mental Health, Senior Victorians and Housing

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OUR REF: ADD/09/8348

YOUR REF:

Mr Sean Crees
Direct Regulation- Water
Essential Services Commission
Level 2 35 Spring Street
MELBOURNE VIC 3000

Dear Mr Crees

Thank you for the opportunity to provide comment on the Commission's issues paper concerning an access regime for water and sewerage infrastructure services. The Department of Human Services would like to comment specifically on third party access issues related to drinking water supplies.

The *Safe Drinking Water Act 2003* (the Act) defines two distinct entities in relation to supply of drinking water: water storage managers and water suppliers. As per section 3 of the Act, water storages managers and water suppliers are defined as:

water storage manager means—

- (a) the Melbourne Water Corporation constituted under the *Water Act 1989*;
- (b) any of the following that supplies water to a water supplier—
 - (i) the holder of a water licence issued under Division 1 of Part 2 of the *Water Industry Act 1994*;
 - (ii) an authority within the meaning of the *Water Act 1989*;
- (c) any other person or body declared by the regulations to be a storage manager for the purposes of this Act;

water supplier means any of the following that supplies drinking water or regulated water to the public—

- (a) the holder of a water licence issued under Division 1 of Part 2 of the *Water Industry Act 1994*;
- (b) an authority within the meaning of the *Water Act 1989*;

- (c) Parks Victoria established under the *Parks Victoria Act 1998*;
- (d) an Alpine Resort Management Board established under the *Alpine Resorts (Management) Act 1997*;
- (e) any other person or body declared by the regulations to be a water supplier for the purposes of this Act;

As detailed in the definitions, three of the mechanisms by which entities become either water storage managers or water suppliers are that they are a holder of a water licence under the relevant section of the *Water Industry Act 1994*, they are an authority within the meaning of the *Water Act 1989*, or they are declared as such by the Safe Drinking Water Regulations 2005 (the regulations). Currently, no person or body has been declared under the regulations as a water storage manager or water supplier.

Any successful access seeker should be a water storage manager or water supplier for the purposes of the Safe Drinking Water Act. The department's preferred mechanism to achieve this, in terms of wider governance and accountability requirements, would be for the access seeker to be made an authority within the meaning of the Water Act, or licensed under the Water Industry Act. If this was not possible, the access seeker would be declared as a water supplier or water storage manager in the Safe Drinking Water Regulations 2005.

Provided that successful access seekers are water suppliers or water storage managers for the purposes of the Safe Drinking Water Act as discussed above, the Safe Drinking Water Act's current regulatory requirements are considered sufficient to protect public health.

The department would welcome the opportunity to contribute to discussion on issues arising during the course of the inquiry. If you require further information, please contact David Sheehan, Manager Water Regulation, on 9096 5647.

Yours sincerely



Jan Bowman
Assistant Director
Environmental Health

cc: Mr Marcus Crudden, Manager Water, Essential Services Commission
Mr Alan McPherson, Executive Director, Water Industry, Department of Sustainability and Environment