



Sydney Water

Operating Licence

2024-2028

Water >>

Acknowledgment of Country

IPART acknowledges the Traditional Custodians of the lands where we work and live. We pay respect to Elders both past and present.

We recognise the unique cultural and spiritual relationship and celebrate the contributions of First Nations peoples.

Tribunal Members

The Tribunal members for this review are:

Carmel Donnelly PSM, Chair
Jonathan Coppel
Mike Smart

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Part 1 Licence context

1 Objective of this licence

- (1) The objectives of this licence are to:
 - (a) authorise and require Sydney Water to provide, construct, operate, manage and maintain efficient, co-ordinated and commercially viable systems and services for:
 - (i) storing and supplying water that is fit for purpose,
 - (ii) providing wastewater services,
 - (iii) providing stormwater drainage systems, and
 - (iv) disposing of wastewater and supporting the treatment and reuse of wastewater,
 - (b) require Sydney Water to conduct these activities in a manner that:
 - (i) is efficient, resilient, reliable, sustainable and equitable,
 - (ii) supports the long-term interests of customers, consumers and the community,
 - (iii) protects the environment,
 - (iv) considers the impacts of climate change, and
 - (v) considers equity within and between generations, and
 - (c) set efficient and effective terms and conditions, including quality and performance standards, that Sydney Water must meet when supplying or providing services in a way that:
 - (i) supports its principal objectives under the *Sydney Water Act 1994 (Act)* and the *State Owned Corporations Act 1989*, and
 - (ii) does not prevent or hinder competition.

2 Definitions and interpretation

- (1) Part 11 (Miscellaneous) contains overarching rules and principles that apply to the obligations in this licence.
- (2) Part 12 (Interpretation and Dictionary) contains interpretation rules and a dictionary defining words used in this licence.

3 Area of operations

- (1) This licence applies to the area of operations specified in Schedule A.
- (2) Sydney Water must maintain a map of its area of operations on its website at all times.

4 Term of this licence

The term of this licence is 4 years from 1 July 2024.

5 Licence amendment or substitution

- (1) The Governor may, after following the procedural requirements in section 16(2) of the Act, amend or substitute this licence by notice in the Gazette.
- (2) The amendment or substitution will take effect on the date the notice is published in the Gazette, or on such later date specified in the notice.

Note: The Customer Contract may be varied by Sydney Water in accordance with section 59 of the Act and clause 2.6 of the Customer Contract. Such a variation is not an amendment to this licence for the purpose of section 16 of the Act.

6 Non-exclusive licence

This licence does not prohibit any other person from providing services in the area of operations that are the same as, or similar to, the services provided by Sydney Water.

7 Pricing

- (1) Sydney Water must fix, and impose, fees and charges payable for its services in accordance with:
 - (a) the terms of this licence,
 - (b) the Act, and
 - (c) maximum prices or methodologies for fixing maximum prices determined for its services under the *Independent Pricing and Regulatory Tribunal Act 1992 (IPART Act)*.
- (2) Sydney Water may fix, and impose, fees and charges for its services that are lower than the maximum prices determined under the IPART Act:
 - (a) with the approval of the Treasurer under section 18 of the IPART Act, or
 - (b) in accordance with concessions provided for by the Customer Contract.

Part 2 Licence authorisation

8 Licence authorisation

- (1) This licence authorises and requires Sydney Water to provide, construct, operate, manage and maintain in the area of operations:
 - (a) efficient, co-ordinated and commercially viable systems and services for:
 - (i) storing and supplying water,
 - (ii) providing wastewater services, and
 - (iii) disposing of wastewater,
 - (b) a stormwater drainage system as described in section 14(1)(b) of the Act, except to the extent that the Minister is satisfied under sections 14(4) and 14(5) of the Act that satisfactory arrangements have been made for the applicable service to be provided by another appropriate body.
- (2) This licence authorises (but does not require) Sydney Water to provide, construct, operate, manage and maintain efficient, co-ordinated and commercially viable systems and services:
 - (a) for treating wastewater and stormwater for reuse, including allowing third parties to access wastewater and stormwater for treatment and reuse.
 - (b) in excess of the stormwater drainage system referred to in clause 8(1)(b), including (for the avoidance of doubt) to:
 - (i) enhance, expand and add capacity to the stormwater drainage system described in section 14(1)(b) of the Act,
 - (ii) engage in stormwater quality management as necessary to manage impacts of stormwater on waterway health, and
 - (iii) engage in stormwater catchment management, including co-ordination with councils and other parties responsible for stormwater management in the area of operations.
- (3) This licence authorises Sydney Water to provide facilities or services that are necessary, ancillary or incidental to the matters referred to in clauses 8(1)-(2).

9 Obligation to make services available

- (1) Sydney Water must provide services for the supply of drinking water on request to:
 - (a) each property in the area of operations for which a connection is available to Sydney Water's water supply system, and
 - (b) WIC Act licensees that operate water industry infrastructure connected to, or for which a connection is available to, Sydney Water's water supply system.
- (2) Sydney Water must provide services for the disposal of wastewater on request to:

- (a) each property in the area of operations for which a connection is available to Sydney Water's wastewater system, and
 - (b) WIC Act licensees that operate water industry infrastructure connected to, or for which a connection is available to, Sydney Water's wastewater system.
- (3) In complying with the obligations under clause 9(1) and clause 9(2), Sydney Water may impose reasonable conditions to ensure the safe, reliable and commercially viable supply of water and disposal of wastewater.

Part 3 Water conservation and planning

10 Water conservation

10.1 Water conservation plan

- (1) Sydney Water must, from 1 December 2024, maintain a water conservation plan that:
 - (a) is consistent with the NSW Water Efficiency Framework (published by the NSW Government in August 2022),
 - (b) considers the strategic context provided by the Greater Sydney Water Strategy,
 - (c) demonstrates how Sydney Water contributes to the water conservation and efficiency goals set by the Greater Sydney Water Strategy,
 - (d) demonstrates how Sydney Water contributes to any subsequent monitoring, evaluation, reporting or annual reviews of the Greater Sydney Water Strategy,
 - (e) considers any guidance that the Minister provides to Sydney Water, and
 - (f) considers a range of options for water conservation including, at a minimum, water efficiency (including consumer behaviour programs), leakage reduction and recycled water, and identifies proposed programs and projects over the life of the water conservation plan
(the **water conservation plan**).
- (2) For the purposes of (1)(f), for each program and project, the water conservation plan must:
 - (a) assess the proposed program or project against the current economic method and identify:
 - (i) the expected water savings,
 - (ii) the expected costs,
 - (iii) whether it is currently economic and, if it is not, whether it may later become economic, and
 - (iv) if it is not economic, whether it contributes to wider policy objectives,
 - (b) explain whether it furthers the objectives set out in clause 1(1)(b),
 - (c) explain whether Sydney Water has implemented it or is proposing to implement it at a later date or in specific circumstances and how and when Sydney Water will implement it, and
 - (d) if Sydney Water is proposing not to implement it, explains the reasons for the decision.
- (3) Sydney Water must, by 30 November each year:
 - (a) review and update the water conservation plan to:
 - (i) identify activities carried out under the plan over the immediately preceding financial year (and, for the 2024 review, the activities carried out under its existing plan maintained under clause 10.1(5)), including information on any

- programs and projects researched, piloted, or developed (including expenditure on these activities),
 - (ii) assess its progress towards meeting the overall objectives of the plan,
 - (iii) ensure the plan is meeting its objectives, and, once applicable, the requirements of clause 10.1(1), and
 - (iv) update the forward-looking component of the plan to cover the upcoming 5 years,
 - (b) submit to the Department and IPART:
 - (i) the updated plan, and
 - (ii) a report outlining the outcomes of the annual review and the reasons for any changes to the plan, and
 - (c) make the updated plan and report following the annual review publicly available.
- (4) Sydney Water must implement and comply with the water conservation plan.
- (5) Until Sydney Water has developed the water conservation plan required by clause 10.1(1), it must maintain, implement and comply with its existing water conservation plan.

10.2 Current economic method

- (1) Sydney Water must make the following publicly available:
 - (a) the economic level of water conservation (as the value of water in dollars per kilolitre and as the quantity of savings in megalitres per day) determined in accordance with the current economic method,
 - (b) the current economic method, and
 - (c) a plain English summary of the current economic method.
- (2) Sydney Water must:
 - (a) update the economic level of water conservation using the current economic method annually by 30 September of each year,
 - (b) review and update the current economic method if requested to do so by the Minister, and
 - (c) in reviewing the current economic method, consider any matters specified by the Minister.
- (3) Sydney Water may review and update the current economic method at any time with the Minister's approval.

10.3 Climate-related planning and risk management

- (1) Sydney Water must engage in an ongoing climate risk assessment and management process that:
 - (a) is consistent with the NSW Government's Climate Risk Ready Guide (published March 2021) and addresses climate-related risks specifically, including priority risks, mitigation actions and adaptation actions,

- (b) furthers the objectives set out in clause 1(1)(b) of this licence, and
- (c) considers, where appropriate:
 - (i) principles of the NSW Government's Climate Change Adaptation Strategy (published June 2022), and
 - (ii) updated or replacement guidance material on climate risk assessment and management as it is released by the NSW Government and other bodies Sydney Water identifies as relevant.
- (2) Sydney Water must, on the enterprise scale, meet an embedded level of climate risk management maturity, as defined in the NSW Government's Climate Risk Ready Guide, by:
 - (a) 30 June 2027, or
 - (b) another date nominated by Sydney Water and approved by IPART.
- (3) Sydney Water must, on the enterprise scale, make reasonable progress towards meeting an advanced level of climate risk management maturity, as defined in the NSW Government's Climate Risk Ready Guide, by:
 - (a) 30 June 2028, or
 - (b) another date nominated by Sydney Water and approved by IPART.

11 Water planning

11.1 Greater Sydney Water Strategy

- (1) Sydney Water must engage in water planning for Greater Sydney that is consistent with the priorities in the Greater Sydney Water Strategy.
- (2) Sydney Water must cooperate with the Department in any review of the Greater Sydney Water Strategy.

11.2 Greater Sydney drought response plan

Sydney Water must:

- (a) cooperate with Water NSW to jointly review the Greater Sydney Drought Response Plan each calendar year, and consult with the Department on the review,
- (b) use its best endeavours to develop with the Department and Water NSW an agreed approach to the annual review (including timeline, roles and responsibilities),
- (c) jointly (with Water NSW) submit to the Minister an updated Greater Sydney Drought Response Plan and a report outlining the outcomes of the annual review and the reasons for any changes to the plan, by:
 - (i) 31 December each year, or
 - (ii) another date nominated by Sydney Water and approved by IPART, and
- (d) make a summary of the updated plan publicly available by:
 - (i) 31 January each year, or

- (ii) another date nominated by Sydney Water and approved by IPART.

11.3 Water supply augmentation planning

- (1) Sydney Water must engage in ongoing water supply augmentation planning that includes:
 - (a) assessment of the need for water supply augmentation,
 - (b) identification of water supply augmentation options, including capital and non-capital options,
 - (c) whole-of-system assessment of water supply augmentation options and prioritisation,
 - (d) concept development and feasibility studies for preferred water supply augmentation options, and
 - (e) costings of preferred water supply augmentation options.
- (2) Sydney Water must:
 - (a) maintain a memorandum of understanding or an agreement with Water NSW about water supply augmentation planning for Greater Sydney, and
 - (b) comply with that memorandum of understanding or agreement.
- (3) The memorandum of understanding or agreement referred to in clause 11.3(2) must include processes for:
 - (a) Water NSW to assist Sydney Water with water supply augmentation planning by providing Sydney Water with:
 - (i) data, information and knowledge, and
 - (ii) resourcing support, including access to Water NSW subject-matter experts,
 - (b) Water NSW to consult with Sydney Water on system yield calculations, and
 - (c) Sydney Water to consult with Water NSW on:
 - (i) projects that may impact system yield, and
 - (ii) water supply augmentation options that may have implications for Water NSW.
- (4) Sydney Water must notify Water NSW and the Minister as soon as reasonably possible:
 - (a) if Sydney Water considers that future demand for water may exceed the system yield, and
 - (b) when this exceedance might occur.
- (5) In this clause 11.3, **system yield** means the system yield determined by Water NSW under the current Water NSW operating licence.

11.4 Annual production requests to Sydney Desalination Plant

- (1) Sydney Water must make annual production requests consistent with the decision framework.
- (2) In this clause 11.4, **annual production requests** and **decision framework** have the meaning provided in the network operator's licence for the Sydney Desalination Plant Pty Limited

(ACN 125 935 177) granted under the WIC Act or, in the case of 'decision framework', any updated decision framework the Sydney Desalination Plant is required to comply with.

11.5 Long-term capital and operational plan

- (1) Sydney Water must maintain a long-term capital and operational plan that:
 - (a) identifies future water supply, wastewater and stormwater needs,
 - (b) identifies and assesses long-term investment options for meeting those needs and delivering the best long-term value to customers - this includes considering:
 - (i) the Greater Sydney Water Strategy,
 - (ii) integrated water cycle management, and
 - (iii) the management of ageing assets in a way that furthers the objectives set out in clause 1(1)(b) of this licence,
 - (c) considers any guidance the Minister provides to Sydney Water.
- (2) Sydney Water must review and update its long-term capital and operational plan and submit a copy of the updated plan, along with a report explaining the outcome of the review and any changes to the plan, to the Minister:
 - (a) at least once between 1 July 2024 and 30 June 2028, and
 - (b) on request by the Minister with any additional review to be completed within the timeframe requested by the Minister.
- (3) Sydney Water must in a review of its plan, consult with Water NSW and the Department and consider Water NSW's and the Department's input.
- (4) Sydney Water must cooperate with Water NSW in Water NSW's review of its own long-term capital and operational plan.

Part 4 Performance standards for water quality

12 Water quality management systems

- (1) Sydney Water must maintain a water quality management system for drinking water that is consistent with:
 - (a) any health-based requirements for drinking water specified by NSW Health, and
 - (b) subject to (a):
 - (i) the Australian Drinking Water Guidelines, or
 - (ii) an updated or replacement version of the Australian Drinking Water Guidelines nominated by Sydney Water and approved by IPART,

(drinking water quality management system).
- (2) Sydney Water must maintain a water quality management system for recycled water that is consistent with:
 - (a) any health-based requirements for recycled water specified by NSW Health, and
 - (b) subject to(a):
 - (i) the Australian Guidelines for Water Recycling, or
 - (ii) an updated or replacement version of the Australian Guidelines for Water Recycling nominated by Sydney Water and approved by IPART,

(recycled water quality management system).
- (3) Sydney Water must implement and comply with:
 - (a) the drinking water quality management system, and
 - (b) the recycled water quality management system,

(together water quality management systems).
- (4) Sydney Water must consult with NSW Health about any proposed significant changes to its water quality management systems and must notify NSW Health and IPART of any significant changes made in accordance with any requirements in the reporting manual.
- (5) Sydney Water must include in its water quality management systems processes for classifying and notifying water quality incidents to NSW Health.
- (6) Sydney Water must immediately notify NSW Health of water quality incidents in accordance with the relevant process in the water quality management systems.
- (7) Sydney Water must submit quarterly water quality monitoring reports to IPART and NSW Health in accordance with the reporting manual.
- (8) In this clause 12:

Australian Drinking Water Guidelines means the “*Australian Drinking Water Guidelines 2011*” published by the National Health and Medical Research Council and the Natural Resource Management Ministerial Council and updated in September 2022.

Australian Guidelines for Water Recycling means the “*Australian Guidelines for Water Recycling: Managing Health and Environmental Risks (Phases 1 and 2)*” published by the Environment Protection and Heritage Council, the Natural Resource Management Ministerial Council and the National Health and Medical Research Council or the Australian Health Ministers’ Conference.

13 Fluoridation Code

- (1) To the extent Sydney Water is authorised or directed to fluoridate drinking water under the *Fluoridation of Public Water Supplies Act 1957*, Sydney Water must, subject to that Act, comply with:
 - (a) any requirements for fluoridation specified by NSW Health, and
 - (b) subject to (a), the Fluoridation Code.
- (2) In this clause 13, **Fluoridation Code** has the meaning given in the *Fluoridation of Public Water Supplies Regulation 2022*.

Part 5 Performance standards for service interruptions

14 Water continuity standard

- (1) Sydney Water must ensure that, in each financial year, at least 98.00% of properties that Sydney Water supplies drinking water to are unaffected by an unplanned water interruption (the **water continuity standard**).
- (2) Subject to clause 14(3), a property is taken to have experienced an unplanned water interruption for the purposes of the water continuity standard if:
 - (a) the supply of drinking water at the first cold water tap of the property is interrupted,
 - (b) it takes more than 5 continuous hours for a normal supply of drinking water to be restored to the property, and
 - (c) the occupant of the property does not receive notice from Sydney Water of the proposed interruption at least:
 - (i) for an occupant of a residential property, 2 days prior to the interruption, or
 - (ii) for an occupant of a non-residential property, 7 days prior to the interruption.
- (3) A property is taken not to have experienced an unplanned water interruption for the purposes of the water continuity standard if the interruption is caused by:
 - (a) a third party, or
 - (b) a power failure.
- (4) For the purpose of the water continuity standard:
 - (a) each separately billed part of a multiple occupancy property is to be counted as a separate property, and
 - (b) each separate instance, in a financial year, of a single property experiencing an unplanned water interruption is to be counted as a separate property that has experienced an unplanned water interruption (but not as a separate property to which Sydney Water supplies drinking water).

15 Water pressure standard

- (1) Sydney Water must ensure that, in each financial year, at least 99.99% of properties that Sydney Water supplies drinking water to receive a drinking water supply service affected by fewer than 12 water pressure failures (the **water pressure standard**).
- (2) Subject to clause 15(3), a property is taken to have experienced a water pressure failure for the purposes of the water pressure standard if it experiences pressure of less than 15 metres head of pressure (measured at the point of connection of the property to Sydney Water's drinking water supply system) for a continuous period of one hour or more.
- (3) A property will not be taken to have experienced a water pressure failure for the purposes of this clause 15 if that water pressure failure is caused by:

- (a) an ongoing planned water interruption or unplanned water interruption,
 - (b) water usage in the case of a fire or other abnormal demand, or
 - (c) a short term or temporary operational problem (such as a main break), including where caused by a third party, that is remedied within 4 days of its commencement.
- (4) For the purposes of the water pressure standard:
- (a) where a property experiences multiple water pressure failures in a day, only one of those water pressure failures is to count as a water pressure failure experienced by the property,
 - (b) where a property experiences a water pressure failure that affects more than one day, each day affected is to be counted as a separate water pressure failure,
 - (c) each separately billed part of a multiple occupancy property is to be counted as a separate property,
 - (d) each property that is affected by 12 or more water pressure failures in a financial year is to be counted once only as a property that has been affected by 12 or more water pressure failures in that financial year, and
 - (e) a property in a property cluster is not to be counted if:
 - (i) the property was connected for the first time to Sydney Water's drinking water supply system on or after 1 July 2020, and
 - (ii) Sydney Water informed the owner before or at the time of connection of:
 - (A) the risk of recurring water pressure failures should the property be connected to that system, and
 - (B) options to reduce that risk.

16 Dry weather wastewater overflow standard

- (1) Sydney Water must ensure that, in each financial year, at least:
- (a) 99.28% of properties that Sydney Water supplies a wastewater service to (but excluding public properties) receive a wastewater service unaffected by an uncontrolled wastewater overflow, and
 - (b) 99.99% of properties that Sydney Water supplies a wastewater service to (but excluding public properties) receive a wastewater service affected by fewer than 3 uncontrolled wastewater overflows,
- (the dry weather wastewater overflow standard).**
- (2) For the purposes of the dry weather wastewater overflow standard:
- (a) each multiple occupancy property is to be counted as a single property,
 - (b) for the purposes of clause 16(1)(a), each separate instance, in a financial year, of a single property experiencing an uncontrolled wastewater overflow is to be counted as a separate property that has experienced an uncontrolled wastewater overflow (but not as a separate property that Sydney Water supplies a wastewater service to), and

- (c) for the purposes of clause 16(1)(b), each property that experiences 3 or more uncontrolled wastewater overflows in a financial year is to be counted only once as a property that has experienced 3 or more uncontrolled wastewater overflows.

17 Identifying system interruptions

- (1) Sydney Water must maintain monitoring systems and processes:
 - (a) to identify unplanned water interruptions, water pressure failures and uncontrolled wastewater overflows, and
 - (b) that use the best available information, including:
 - (i) information on incidents notified by customers or the community,
 - (ii) water pressure data, where available, and
 - (iii) data obtained through Sydney Water's data collection systems and hydraulic analysis,

(the **monitoring system**).
- (2) Sydney Water must implement the monitoring system maintained under this clause.

18 Interpretation of standards

In the case of any ambiguity in the interpretation or application of the water continuity standard (clause 14), the water pressure standard (clause 15) or the dry weather wastewater overflow standard (clause 16), Sydney Water must refer the issue to IPART for clarification.

19 Asset management

- (1) Sydney Water must maintain an asset management system for Sydney Water's assets that is consistent with:
 - (a) the Australian Standard *AS ISO 55001:2014 Asset management - Management systems - Requirements*, or
 - (b) another asset management standard nominated by Sydney Water and approved by IPART

(the **asset management system**).
- (2) Sydney Water must implement and comply with the asset management system.
- (3) Sydney Water must submit biennial asset management reports to IPART in accordance with the reporting manual.

Part 6 Customers and consumers

20 Customer Contract

- (1) The Customer Contract sets out the rights and obligations of customers and Sydney Water in relation to the services provided in accordance with this licence. The Customer Contract, as at 1 July 2024, is set out in Schedule B of this licence.
- (2) Sydney Water must make a copy of the Customer Contract publicly available.
- (3) If the Customer Contract is varied under section 59 of the Act, Sydney Water must make a copy of the varied Customer Contract publicly available from the date the variation takes effect.

21 Consumers

- (1) Sydney Water must, in its dealings with consumers, act in accordance with its obligations under the following clauses of the Customer Contract as though the consumers were parties to the Customer Contract:
 - (a) Clause 2.2 - Who is covered by this contract?
 - (b) Clause 2.4 - When does this Customer Contract commence?
 - (c) Clause 2.5 - When does this Customer Contract end?
 - (d) Clause 2.6 - Variation of this Customer Contract
 - (e) Clause 6 - What you can do if you are unable to pay your bill
 - (f) Clause 7.5 - Limitations on restriction or disconnection
 - (g) Clause 12.3 - Forms of redress
 - (h) Clause 12.4 - Claim for monetary compensation
 - (i) Clause 13 - What you can do if you are unhappy with our services
 - (j) Clause 14 - Who you should contact
 - (k) Clause 15 - Consultation, information and privacy.
- (2) Sydney Water must, from 30 November 2024, make information publicly available that is specifically targeted at tenants who are consumers and that:
 - (a) explains how Sydney Water will act in its dealings with tenants who are consumers, and
 - (b) includes an explanation of the matters dealt with by the Customer Contract referred to in clause 21(1) and their application to tenants with the explanation, at a minimum, to include an equivalent level of detail as relevantly provided in the Customer Contract.

22 Providing information to customers

- (1) Sydney Water must prepare one or more summaries that:
 - (a) provide a brief explanation of the Customer Contract, including the rights and protections available to customers,
 - (b) outline the types of relief available for customers experiencing payment difficulties,
 - (c) outline the rights of customers to claim a rebate and the conditions that apply to those rights,
 - (d) contain information about how to contact Sydney Water by telephone, email or post, including the contact centre, and
 - (e) explain that customers may enter into negotiated agreements with Sydney Water separate to the Customer Contract for the provision of services.
- (2) Sydney Water must:
 - (a) make the summaries publicly available, and
 - (b) notify all residential customers that the summaries are publicly available at least once each financial year using the method chosen by the customer to receive their bill.

23 Payment assistance options

- (1) Sydney Water must maintain a payment assistance policy that deals with customers and consumers experiencing payment difficulty.
- (2) Sydney Water must implement and comply with the payment assistance policy.
- (3) The payment assistance policy must, at a minimum, provide for:
 - (a) assistance to residential customers experiencing payment difficulty to better manage their current and future bills,
 - (b) procedures for residential customers to enter a payment plan where they are experiencing payment difficulties,
 - (c) procedures for identifying the circumstances under which Sydney Water may disconnect or restrict the supply of water to a customer's property, and
 - (d) processes for self-identification, identification by community welfare organisations and identification by Sydney Water of residential customers experiencing payment difficulties.
- (4) Sydney Water must:
 - (a) make the payment assistance policy publicly available,
 - (b) notify all residential customers that the payment assistance policy is publicly available at least once each financial year using the method chosen by the customer to receive their bill, and

- (c) provide the payment assistance policy to each residential customer that Sydney Water identifies is experiencing payment difficulty within one business day of the date that Sydney Water first identifies that the customer is experiencing payment difficulty.

24 Family violence policy

- (1) Sydney Water must maintain a family violence policy that deals with customers and consumers experiencing family violence.
- (2) Sydney Water must implement and comply with the family violence policy.
- (3) From 30 November 2024, the family violence policy must, at a minimum, provide for:
 - (a) the identification of customers and consumers experiencing family violence,
 - (b) the protection of private and confidential information,
 - (c) processes that minimise the reliance on individuals to disclose their family violence or to provide evidence of their family violence,
 - (d) processes for customers and consumers experiencing family violence to nominate their preferred method of communication and when they can be contacted,
 - (e) processes for referrals to local specialist support services, and
 - (f) in the case of customers and consumers who own or occupy a residential property, access to payment assistance options, including the option to miss payments without:
 - (i) fees for late or dishonoured payments being charged,
 - (ii) services being restricted, disconnected or legal action being taken, and
 - (iii) debts being sold to third parties.
- (4) Sydney Water must:
 - (a) make the family violence policy publicly available,
 - (b) notify all residential customers that the policy is publicly available at least once each financial year using the method chosen by the customer to receive their bill.

25 Engaging customers and consumers

- (1) Sydney Water must engage with customers, and consumers to:
 - (a) understand customer and consumer preferences and willingness to pay for service levels,
 - (b) understand how its systems and processes can support more effective and direct relationships with consumers including residential tenants,
 - (c) obtain insights on such other issues related to Sydney Water's functions under this licence that impact on customers, consumers and the community, and
 - (d) in the lead up to the end of term review referred to in clause 47, hear feedback and perspectives from customers and consumers on this licence, including the Customer Contract.

- (2) Sydney Water must establish and regularly consult with a customer and community reference group to support its engagement with customers and consumers.
- (3) Sydney Water may have more than one customer and community reference group.

26 Internal complaints handling

- (1) Sydney Water must, from 1 July 2025, maintain an internal complaints handling procedure for receiving, responding to and resolving complaints that is consistent with:
 - (a) Australian Standard AS 10002:2022 - Guidelines for complaint management in organizations, or
 - (b) another complaint management standard nominated by Sydney Water and approved by IPART,
(the **internal complaints handling procedure**).
- (2) Sydney Water must, from 1 July 2025, implement and comply with the internal complaints handling procedure.
- (3) Until Sydney Water has developed the internal complaints handling procedure required by clause 26(1), it must maintain, implement and comply with a procedure that is consistent with Australian Standard AS/NZS 10002:2014 - Guidelines for complaint management in organizations.
- (4) Sydney Water must:
 - (a) make a summary publicly available that explains the current procedure for handling internal complaints including how to make a complaint and how Sydney Water will receive, respond to and resolve complaints, and
 - (b) notify all residential customers that the summary is publicly available at least once each financial year using the method chosen by the customer to receive their bill.

27 External dispute resolution scheme

- (1) Sydney Water must be a member of EWON or an alternative external dispute resolution scheme to help Sydney Water and its customers and consumers resolve disputes.
- (2) Sydney Water must:
 - (a) make a summary publicly available that explains the right to have a complaint or dispute referred to the external dispute resolution scheme, lists the dispute resolution services provided by the scheme, and explains how to contact the scheme provider,
 - (b) notify all residential customers that the summary is publicly available at least once each financial year using the method chosen by the customer to receive their bill.
- (3) For the purposes of this clause 27, if IPART approves an alternative external dispute resolution scheme, Sydney Water must within 30 days publish the notice required under section 59(1) of the Act to make the relevant variations to the Customer Contract (noting that any variation of the Customer Contract is subject to approval by the Governor).

(4) In this clause 27:

alternative external dispute resolution scheme means a scheme nominated by Sydney Water and approved by IPART that satisfies the following:

- (a) approved by the Minister and published in the NSW Government Gazette,
- (b) provides an independent dispute resolution service,
- (c) free for customers and consumers, and
- (d) consistent with the Commonwealth *Benchmarks for Industry-based Customer Dispute Resolution* (published March 2015).

EWON means the Energy & Water Ombudsman NSW being the NSW industry complaints scheme for the water industry of that name and any successor to that scheme.

Part 7 Stakeholder cooperation

28 Memoranda of understanding with WAMC, NSW Health and EPA

- (1) Sydney Water must:
 - (a) maintain the memoranda of understanding entered into under section 35 of the Act with:
 - (i) the Water Administration Ministerial Corporation (**WAMC**),
 - (ii) the Secretary of the Ministry of Health (**NSW Health**), and
 - (iii) the Environment Protection Authority (**EPA**),
 - (b) make the memoranda of understanding publicly available, and
 - (c) comply with the memoranda of understanding.
- (2) The purpose of the memoranda of understanding referred to in clause 28(1) is to:
 - (a) form the basis for cooperative relationships between the parties,
 - (b) recognise the role of WAMC in regulating water access, use and management and Sydney Water's right to use water vested in WAMC,
 - (c) recognise the role of NSW Health in advising the NSW Government on drinking water quality standards and the supply of safe drinking water, and
 - (d) recognise the role of the EPA as the environment regulator of New South Wales.

Note: The Act, section 36 sets out procedures that must be followed if the memoranda of understanding are amended.

29 Memorandum of understanding with FRNSW

- (1) Sydney Water must:
 - (a) maintain a memorandum of understanding with FRNSW,
 - (b) make the memoranda of understanding publicly available, and
 - (c) comply with the memorandum of understanding.
- (2) The purpose of the memorandum of understanding with FRNSW is to:
 - (a) form the basis for cooperative relationships between the parties,
 - (b) set out the roles and responsibilities of the parties as they relate to each other,
 - (c) identify the needs and constraints of the parties as they relate to each other, and
 - (d) identify and develop strategies for efficient and effective provision of firefighting water consistent with the goals of each party.
- (3) The memorandum of understanding with FRNSW must establish and maintain a working group that:
 - (a) includes representatives from Sydney Water and FRNSW,

- (b) may include representatives from other organisations such as the NSW Rural Fire Service, and
- (c) considers, at a minimum:
 - (i) information sharing arrangements between Sydney Water and FRNSW,
 - (ii) agreed timelines and a format for Sydney Water to provide a report to FRNSW detailing the network performance with regard to availability of water for firefighting (taking into account the minimum available flow and pressure in localised areas of the network),
 - (iii) arrangements for Sydney Water to consult with FRNSW in the design of new assets and planning of system maintenance, where planning indicates that minimum available flow and pressure may unduly affect firefighting in the network section under consideration, and
 - (iv) other matters as agreed by both Sydney Water and FRNSW.

30 Information to be provided to FRNSW

- (1) Sydney Water must, in accordance with this clause 30, provide the following information to FRNSW about fire hydrants in its water supply network:
 - (a) hydrant ID,
 - (b) model name,
 - (c) water main size, date and type,
 - (d) water supply zone,
 - (e) land zoning, and
 - (f) fire flows (litres per second) at 95th percentile / 4 m head of pressure.
- (2) Sydney Water must update its hydraulic models to include the information about fire hydrants in clause 30(1) for:
 - (a) 30% of its hydraulic models by 30 June 2025 (or another date nominated by Sydney Water and approved by IPART),
 - (b) 65% of its hydraulic models by 30 June 2026 (or another date nominated by Sydney Water and approved by IPART),
 - (c) 85% of its hydraulic models by 30 June 2027 (or another date nominated by Sydney Water and approved by IPART),
 - (d) 100% of its hydraulic models by 30 June 2028 (or another date nominated by Sydney Water and approved by IPART).
- (3) Sydney Water must:
 - (a) use its best endeavours to agree with FRNSW on:
 - (i) a list of fire hydrants or hydraulic models that Sydney Water will prioritise when providing the information in clause 30(1), and

- (ii) the data type and format to provide the information,
- (b) prioritise providing the information in clause 30(1) for the fire hydrants or areas agreed with FRNSW, and
- (c) provide the information in the data type and format agreed with FRNSW.

31 Data sharing

- (1) Sydney Water must maintain a data sharing agreement with the Department that identifies:
 - (a) the roles and responsibilities of Sydney Water and the Department under the agreement,
 - (b) the types of data and information that are covered by the agreement,
 - (c) the purposes for the sharing of data and information,
 - (d) the technical and quality requirements that shared data and information must meet,
 - (e) agreed timelines and the format for sharing data and information,
 - (f) procedures for resolving matters of conflict in providing data and information, and
 - (g) other matters that Sydney Water and the Department agree are necessary to support effective collaboration on water planning and strategy.
- (2) Sydney Water must comply with the data sharing agreement.

Part 8 Information for competitors

32 Code of conduct with WIC Act licensees

- (1) Sydney Water must cooperate with any WIC Act licensee that seeks to establish with Sydney Water a code of conduct required by an approval or licence under the WIC Act.
- (2) Sydney Water must comply with a code of conduct established with a WIC Act licensee.

33 Negotiations with WIC Act licensees and potential competitors

- (1) Sydney Water must negotiate the provision of services to WIC Act licensees and potential competitors in good faith.
- (2) In this clause 33, **good faith** means acting:
 - (a) honestly (including not providing false information or concealing material facts),
 - (b) fairly and reasonably, having regard to the interests of the other party (but not to the extent of Sydney Water subordinating the interests, including long-term interests, of customers, consumers or the community), and
 - (c) consistently with the objectives of this licence, including the objective of providing services in a way that does not prevent or hinder competition.

34 Publication of servicing information

- (1) Subject to clause 34(5), Sydney Water must, for each major water system and wastewater system, make at least 10 years of servicing information publicly available.
- (2) The servicing information must include, at a minimum:
 - (a) current and projected demand, in equivalent tenements,
 - (b) current and projected capacity constraints,
 - (c) indicative costs of, and planned expenditure for, alleviating or deferring capacity constraints,
 - (d) locations where further investigation is needed, and
 - (e) key sources of information used to develop the servicing information, where those sources are publicly available.
- (3) Sydney Water must review and update the servicing information at least once before:
 - (a) 30 June 2028, or
 - (b) another date nominated by Sydney Water and approved by IPART.
- (4) Sydney Water must:
 - (a) by 30 June 2025:

- (i) consult with WIC Act licensees or potential competitors to identify what information, in addition to the information specified in clause 34(2), they need to make informed investment decisions,
 - (ii) make publicly available a report identifying the broad types of servicing information requested by WIC Act licensees or potential competitors, and classifying that information in the following categories:
 - (A) information that Sydney Water currently holds and Sydney Water's timeframe for publishing such information,
 - (B) information that Sydney Water can reasonably determine or derive from current information, and Sydney Water's timeframe for publishing such information, and
 - (C) information that is not readily available or cannot reasonably be derived from current information,
 - (b) publish the additional servicing information referred to in clause 34(4)(a)(ii)(A) and (B) by the dates in the report.
- (5) Sydney Water is not required to comply with this clause 34:
- (a) in relation to a particular major water system or wastewater system, if at least 10 years of servicing information of the type specified in clause 34(2) is included in a development servicing plan covering that system, or
 - (b) to the extent that to do so would not be consistent with its obligations under the *Security of Critical Infrastructure Act 2018* (Cth).
- (6) In this clause 34, **development servicing plan** means a development servicing plan registered by IPART under:
- (a) clause 2(e) of Schedule 4 to IPART's October 2018 determination of the maximum prices for connecting, or upgrading a connection, to a water supply, sewerage, or drainage system for Sydney Water, Hunter Water and Central Coast Council published in New South Wales, *Gazette*, No 126, 23 November 2018 or an equivalent provision in any replacement determination, or
 - (b) clause 2(e) of Schedule 3 to IPART's July 2019 determination of the maximum prices for connecting to a recycled water system for Sydney Water, Hunter Water and Central Coast Council published in New South Wales, *Gazette*, No 73, 12 July 2019 or an equivalent provision in any replacement determination.

Part 9 Critical infrastructure security

35 Cyber security management system

- (1) Subject to clause 38, Sydney Water must maintain a cyber security management system.
- (2) Sydney Water must implement and comply with the cyber security management system.
- (3) The cyber security management system must cover:
 - (a) information technology environments, hardware and systems, and
 - (b) operational technology environments, hardware and systems.

36 Critical infrastructure compliance manager

- (1) Subject to clause 38, Sydney Water must have a manager responsible for compliance with:
 - (a) Part 9 of the licence, and
 - (b) Sydney Water's obligations under the *Security of Critical Infrastructure Act 2018* (Cth).
- (2) The manager must be:
 - (a) an executive level employee,
Note: The reference to an executive level employee is a reference to a Level 3 employee or above under Sydney Water's structure on the date this licence commences.
 - (b) nominated by notice to:
 - (i) IPART, and
 - (ii) the Commonwealth Representative, and
 - (c) the contact person for the Commonwealth Representative.
- (3) In this clause 36, **Commonwealth Representative** means the First Assistant Secretary with responsibility for critical infrastructure security within the Commonwealth Department of Home Affairs.

37 National security clearances

- (1) Subject to clause 38, Sydney Water must ensure that national security clearances are held by the manager referred to in clause 36, 2 board members and the executive level employees responsible for each of the following matters:
 - (a) operational technology security (including cyber security strategy, managing remote access to assets and delivery of supervisory control and data acquisition capability),
 - (b) network operations security (including operation, maintenance and physical security of assets), and
 - (c) personnel security operations (including security of personnel and security risks posed by personnel).

- (2) In this clause 37, **national security clearance** means national security clearance of not less than Negative Vetting Level 1 (or equivalent) granted by the Assistant Secretary Vetting (ASV) or their delegate on advice from the Australian Government Security Vetting Agency.

38 Exemption from Part 9

Sydney Water is not required to comply with this Part 9 from:

- (a) 18 August 2024, or

Note: From 18 August 2024, Sydney Water will be required to implement all aspects of its critical infrastructure risk management program under the *Security of Critical Infrastructure Act 2018* (Cth) and the *Security of Critical Infrastructure (Critical infrastructure risk management program) Rules 2023* (Cth).

- (b) another date nominated by Sydney Water and approved by IPART.

Part 10 Performance monitoring and reporting

39 Operational audits

- (1) Sydney Water must cooperate with an audit undertaken by IPART, or an auditor engaged by IPART, of Sydney Water's compliance with this licence, including the Customer Contract and the reporting manual (the **operational audit**).
- (2) For the purpose of any operational audit or verifying a report on an operational audit, Sydney Water must:
 - (a) provide IPART or the auditor with any information in Sydney Water's possession or control that is:
 - (i) necessary to conduct the operational audit, and
 - (ii) reasonably requested by IPART or the auditor,
 - (b) subject to clause 39(3), permit IPART or the auditor to:
 - (i) access any works, premises or offices occupied by Sydney Water,
 - (ii) carry out inspections, measurements and tests on, or in relation to, any such works, premises or offices,
 - (iii) take on to any such premises or offices any person or equipment necessary for the purpose of performing the operational audit or verifying any report on an operational audit,
 - (iv) inspect and make copies of, and take extracts from, any documents, records and systems of Sydney Water that are maintained in relation to the performance of Sydney Water's obligations under this licence (including the Customer Contract and the reporting manual), and
 - (v) discuss matters relevant to the operational audit or any report on the operational audit with Sydney Water's personnel.
- (3) The activities in clause 39(2)(b) may be carried out remotely:
 - (a) with IPART's approval, or
 - (b) where state or federal government restrictions:
 - (i) prohibit access to any works, premises or offices occupied by Sydney Water, or
 - (ii) limit the movement of IPART staff, the auditor or Sydney Water's personnel.

40 Reporting

- (1) Sydney Water must comply with its reporting and auditing obligations set out in the reporting manual.
- (2) Sydney Water must ensure all reports required under the reporting manual are approved by Sydney Water's Managing Director and that its annual statement of compliance is approved by both Sydney Water's Managing Director and a board member.

- (3) Sydney Water must maintain sufficient record systems to enable it to report accurately in accordance with this licence, including the reporting manual.
- (4) In the case of any ambiguity in the interpretation or application of any requirements in the reporting manual, Sydney Water must refer the issue to IPART for clarification.

41 Provision of information for performance monitoring

- (1) Sydney Water must provide IPART or an auditor any information reasonably requested by IPART or an auditor to enable IPART to review or investigate Sydney Water's compliance with its obligations under this licence.
- (2) If Sydney Water engages any person (including a subsidiary) to undertake any activities on its behalf, it must take all reasonable steps to ensure that such persons:
 - (a) provide information to IPART or an auditor on request, and
 - (b) do the things specified in clauses 39 and 40 as if that person were Sydney Water.
- (3) If IPART or an auditor requests information from Sydney Water that is confidential, Sydney Water must provide that information, subject to entering reasonable confidentiality arrangements with IPART or an auditor directed at protecting confidential information.
- (4) Sydney Water must provide NSW Health with information relating to water quality in the manner and form specified by NSW Health.

Note: Under section 19 of the *Public Health Act 2010*, the Secretary of NSW Health may require Sydney Water to produce certain information.

42 Environmental performance indicators

Sydney Water must:

- (a) monitor and compile indicators of the direct impact on the environment of Sydney Water's activities, including, at a minimum, indicators consistent with the environmental performance indicators in the reporting manual (**the environmental performance indicators**), and

Note: The reporting manual identifies these with an indicator number starting with 'E'.

- (b) report on the environment performance indicators consistent with the reporting manual and in a way that allows a year-to-year comparison of the indicators,

43 Climate-related disclosures

- (1) Subject to clause 43(2), Sydney Water must make annual climate-related disclosures for the preceding financial year publicly available by 30 November each year (or another date nominated by Sydney Water and approved by IPART) that are consistent with:
 - (a) the International Financial Reporting Standard S2 Climate-related Disclosures issued in 2023 (**IFRS S2**), or
 - (b) another climate-related disclosures standard nominated by Sydney Water and approved by IPART.

- (2) Sydney Water is not required to make disclosures under clause 43(2) for:
- (a) the financial year commencing on 1 July 2024, and
 - (b) a financial year for which Sydney Water has made disclosures required by another law that are consistent with an Australian equivalent of IFRS S2, or that cover the matters required to be disclosed by IFRS S2, and has made those disclosures publicly available.

Part 11 Miscellaneous

44 Availability of licence

Sydney Water must make a copy of this licence publicly available.

45 Timeframe for Sydney Water to take action

- (1) If a clause of this licence requires Sydney Water to:
 - (a) publish on its website or make publicly available a map, plan, policy or other document or information, Sydney Water must, if it updates the relevant document or information, publish the updated document or information within 10 business days unless this licence specifies an alternative period of time, and
 - (b) take other action, but does not specify a period of time in which Sydney Water must act, Sydney Water must take the relevant action within a reasonable period.
- (2) If a clause of this licence requires Sydney Water to maintain or publish a management system, program, policy, procedure, summary or other system or document from a specified date, Sydney Water must have developed the relevant system or document by the end of the preceding day.

46 Approvals and notices

- (1) Any approval, notice, exemption, request, guidance or other communication given under this licence must be:
 - (a) in writing addressed to the intended recipient, and
 - (b) delivered or sent to the address (electronic or postal) last notified by the recipient or otherwise specified for the intended recipient in the reporting manual.
- (2) Any nomination by Sydney Water for an alternate date or standard under this licence must be made by Sydney Water's Managing Director.

47 End of term review

- (1) IPART intends to review this licence in its final year to investigate:
 - (a) whether this licence is fulfilling its objectives, and
 - (b) any issues that have arisen during the term of this licence that may impact its effectiveness.
- (2) Sydney Water must provide IPART with information reasonably requested by IPART as part of the review by the date specified by IPART.

48 IPART functions

(1) IPART has the following functions:

- (a) to determine Sydney Water's reporting and auditing obligations in relation to operational standards and other requirements imposed on Sydney Water under this licence and to publish those requirements in a reporting manual,
- (b) to determine audit scope for each annual operational audit, including the clauses of this licence to be audited,
- (c) to approve alternate dates and standards under this licence and to determine audit compliance with this licence by reference to those approved dates and standards,
- (d) to appoint auditors to conduct operational audits of Sydney Water,
- (e) to do any of the following (or appoint an auditor or other person to do any of the following) for the purposes of allowing IPART to monitor Sydney Water's compliance with this licence or in connection with an operational audit:
 - (i) access any works, premises or offices occupied by Sydney Water,
 - (ii) carry out inspections, measurements and tests on, or in relation to, any such works, premises or offices,
 - (iii) take on to any such premises or offices any person or equipment necessary for the purpose of performing the operational audit or verifying any report on an operational audit,
 - (iv) inspect and make copies of, and take extracts from, any documents, records or systems of Sydney Water that are maintained in relation to the performance of Sydney Water's obligations under this licence (including the Customer Contract and the reporting manual),
 - (v) discuss matters relevant to the operational audit or any report on the operational audit with Sydney Water's personnel, and
 - (vi) direct Sydney Water to:
 - (A) provide records or information to IPART,
 - (B) answer questions orally or in writing, and
 - (C) make relevant personnel available to answer questions.

(2) This clause 48 does not limit any of IPART's functions under the Act or any other legislation.

Part 12 Interpretation and dictionary

49 Interpretation

- (1) Subject to clauses 49(2) and 50, and unless the contrary intention otherwise appears:
- (a) the *Interpretation Act 1987*, part 2 and part 5 (except section 36(2)) apply to the interpretation of this licence, and
 - (b) words defined in the *Interpretation Act 1987*, schedule 4 have the meaning set out in that schedule.
- (2) In this licence, unless the contrary intention appears:
- (a) words defined in the Act have the meaning set out in the Act,
 - (b) headings and notes do not form part of this licence but may be used to assist with interpretation if there is an ambiguity,
 - (c) a reference to legislation (including the Act) includes regulations, statutory rules and instruments made under the law or legislation,
 - (d) a reference to a legislative provision that is varied or renumbered extends to the corresponding re-numbered provision,
 - (e) a reference to a clause in the Customer Contract that is varied or re-numbered extends to the corresponding varied or re-numbered clause, and
 - (f) the word ‘include’ is not used as a word of limitation.
- (3) A reference in this licence to any person or administrative unit will, in the event of that person or administrative unit ceasing to exist or being reconstituted, renamed or replaced or if its relevant functions are transferred to another person or unit, refer instead to that person or administrative unit.

50 Dictionary

In this licence, unless the contrary intention appears:

Act means the *Sydney Water Act 1994*.

area of operations means the area of operations to which this licence applies set out in Schedule A.

assets mean the land, structures, plant, equipment, corporate and business systems of Sydney Water that enable Sydney Water to undertake its functions, deliver its services and further its objectives.

bill means a bill sent by Sydney Water to a customer or consumer for the provision of the services.

business day means a day that is not a Saturday, Sunday or public holiday in New South Wales.

complaint means an expression of dissatisfaction made to or about Sydney Water related to its actions, products, services, staff or the complaints handling process itself, where a response or resolution is explicitly or implicitly expected or legally required.

consumer means any person who consumes or uses the services and includes a tenant or occupier.

contact centre means the call centre that Sydney Water’s customers and consumers may contact for assistance.

current economic method means:

(a) the economic level of water conservation method approved by IPART on 21 December 2016 contained within the document titled “Determining Sydney Water’s Economic Level of Water Conservation - Part A: The ELWC Methodology” and published by Sydney Water on its website, or

(b) an economic method updated in accordance with the procedure in clause 10.2.

customer means any person who:

(a) is taken (under section 55(1) of the Act) to have entered into a Customer Contract,

(b) is taken (under section 55(2) of the Act) to have entered into a Customer Contract with Sydney Water on terms and conditions relating to the imposition and payment of charges imposed under sections 64 or 65 of the Act,

(c) has entered into a contract or other arrangement with Sydney Water for the provision of services on terms and conditions specifically agreed to by the person and Sydney Water under section 57(1) of the Act, or

(d) owns a property within the Rouse Hill stormwater catchment area.

Customer Contract means the Customer Contract as set out in Schedule B of this Licence.

customer and community reference group means a group of persons appointed by Sydney Water to a customer council referred to in section 15 of the Act.

Department means the Department of the Public Service responsible to the Minister.

drinking water means water intended primarily for human consumption and other personal, domestic or household uses such as bathing and showering, whether or not the water is used for other purposes.

Environment Protection Authority or EPA means the Environment Protection Authority established under section 5 of the *Protection of the Environment Administration Act 1991*.

family violence means domestic abuse within the meaning of section 8 of the *Intervention Orders (Prevention of Abuse) Act 2009* (SA) as at 1 July 2024.

financial year means a period of 12 months commencing on 1 July.

FRNSW means Fire and Rescue NSW.

Gazette means the New South Wales Government Gazette.

Greater Sydney Water Strategy or GSWS means:

- (a) the “Greater Sydney Water Strategy” published by the Department of Planning and Environment in August 2022 and comprising a plan designed to ensure a sustainable and secure water supply for greater Sydney, and
- (b) any other plan generally for the development of urban water policy and planning for greater Sydney that is approved by the Minister.

licence means this operating licence granted under section 12 of the Act to Sydney Water or any renewal of it, as in force for the time being.

management system means a structured system to manage and document Sydney Water’s policies, processes, procedures and governance arrangements to enable it to undertake its functions, deliver its services and further its objectives.

Minister means the Minister responsible for administering Part 5 of the Act.

multiple occupancy property means real property comprising more than one individual dwelling or individual premises capable of being separately occupied, which may be used for any purpose.

NSW Health means the Ministry of Health.

operational audit has the meaning given in clause 39.

personnel includes Sydney Water’s board members, employees and contractors.

planned water interruption means an event that, in relation to a property:

- (a) commences when the supply of drinking water at the first cold water tap of the property is interrupted following prior receipt by the customer or consumer of a water interruption notice from Sydney Water at least 2 days (for an occupant of a residential property) or 7 days (for the occupant of a non-residential property) prior to the interruption, and
- (b) ceases when a normal supply of drinking water is restored to the property.

potential competitor means a person who informs Sydney Water that they intend to carry out activities that would require a licence or approval under the WIC Act.

property means any real property that is:

- (a) connected to, or for which a connection is available to Sydney Water’s water supply system or wastewater system,
- (b) within an area of land declared by an order of the Governor to be a stormwater drainage area under section 65 of the Act, or
- (c) within the Rouse Hill stormwater catchment area.

Note: For the purpose of the dry weather wastewater overflow standard, a multiple occupancy property may be counted as a single property.

property cluster means a group of properties in close proximity to each other that are affected by recurring water pressure failures, were identified by Sydney Water as having been affected by those recurring water pressure failures prior to 1 July 2020, and are located in one of the following areas:

- (a) Kurrajong,
- (b) North Richmond,

- (c) Horsley Park,
- (d) Bass Hill,
- (e) Buxton, and
- (f) Denham Court.

publicly available means available to any person, free of charge:

- (a) on Sydney Water's website, and
- (b) on request to the contact centre.

public property means real property vested in or under the control of a Minister of the Crown or public authority excluding so much of such real property as is leased, licensed or used for private purposes.

recycled water means water that, upon appropriate treatment, is suitable for its intended re-use application.

reporting manual means the reporting manual published by IPART under clause 48(1)(a).

residential customer means a customer that owns a residential property.

residential property means a property that is categorised as residential under the *Local Government Act 1993* or is used by the relevant occupant as the occupant's principal place of residence.

Rouse Hill stormwater catchment area means the area of land located in the Rouse Hill stormwater catchment as identified in any determination made by IPART of maximum prices that may be levied by Sydney Water for stormwater services.

services means the services authorised by clause 8.

stormwater drainage system includes any artificial channel by which surface water is carried off, land and natural and modified waterways for drainage, stormwater pipes, stormwater detention structures, stormwater quality improvement devices, equipment for stormwater harvesting and reuse systems, and green infrastructure assets that retain stormwater in the landscape and improve the water quality, for the provision of stormwater services.

Sydney Water means the Sydney Water Corporation constituted as a corporation by the Act.

third party means a person who is not employed, contracted by or working on behalf of Sydney Water.

uncontrolled wastewater overflow is a wastewater overflow occurring in dry weather that is not a wastewater overflow that is directed by Sydney Water via a designed structure to a predetermined location such as a stormwater drainage system or waterway in order to prevent overloaded or blocked sewers from discharging at sensitive locations, on private property or within buildings (thus endangering public health or causing a public nuisance).

unplanned water interruption has the meaning given in clause 14.

WAMC means the Water Administration Ministerial Corporation.

Note: WAMC is supported in the exercise of its functions by the Department, the Natural Resources Access Regulator and Water NSW.

wastewater means an effluent stream comprising elements such as sewage, trade waste discharges and grey water.

wastewater services means sewerage services and includes the collection, storage, treatment and reticulation of wastewater.

wastewater overflow is the discharge of untreated or partially treated sewage from:

- (a) any part of Sydney Water's wastewater system, or
- (b) any part of a customer's wastewater system where the cause of the discharge is a problem with Sydney Water's wastewater system.

Water NSW means the corporation constituted under the *Water NSW Act 2014*.

WIC Act means the *Water Industry Competition Act 2006*.

WIC Act licensee means a person that holds a licence under the WIC Act.

Schedules



A Area of operations

This licence applies to Sydney Water's entire area of operations under section 10 of the Act, as may be varied by any order by the Governor in accordance with section 10 of the Act.

Note: If the Governor makes an order expanding or reducing Sydney Water's area of operations under section 10 of the Act during the term of this licence, this licence will apply to Sydney Water's area of operations as varied.

B Customer Contract