



Water licensing fact sheet



Information for water retailers

The Essential Services Commission (**Commission**) is responsible for administering the licensing regime that applies to water entities, as established in the [Water Industry Act 2012 \(Act\)](#). It is responsible for issuing, varying or transferring licences to participants in the water supply industry where those participants engage in the retailing of water.

Do I need a water retail licence??

Since 1 January 2013, any person or entity providing “water retail services” to South Australian customers has been required to be licensed by the Commission. The Act defines a “water retail service” as:

- ▶ sale and supply of water to a person for use where the water is to be conveyed by a reticulated system, or
- ▶ the sale and supply of sewerage services (the collection, storage, treatment or conveyance of sewage through a reticulated system) for the removal of sewage, even if the service is not actually used.

A retail service includes, but is not limited to, the following activities:

- ▶ Drinking water services
- ▶ Sewerage services
- ▶ Recycled water/Stormwater services
- ▶ Other non-drinking water services, and
- ▶ Other miscellaneous water and sewerage services.

If you currently provide any of these services, you are likely to need to apply to the Commission for the issue of a licence pursuant to Part 4 of the Act.

How to apply for a licence

Those wishing to apply for a South Australian water retail licence should read *Water Advisory Bulletin – Licensing Arrangement for the water retail industry*, which outlines the procedure for the issuing of licences. An [application form](#) is available on the Commission’s website.¹

Consultation with other regulators

The Commission seeks advice from the Technical Regulator, Department for Environment and Water, Department of Health and the Environment Protection Authority when considering an application for a water retail licence. Applicants must demonstrate the capacity to comply with the requirements of those regulators prior to the issue of a water retail licence.

Assessment

In assessing a water licensing application, the Commission considers the relevant licensing provisions set out in the [Water Industry Act 2012](#). It also has regard to its primary objective under the [Essential Services Commission Act 2002](#), being the protection of the long-term interests of South Australian consumers with respect to the price, quality and reliability of essential services, as well as other relevant statutory factors that apply to the Commission’s role as an economic regulator of the South Australian water industry.

¹ Available at:
<https://www.escosa.sa.gov.au/industry/water/licensing/licence-applications>

The Commission may only issue a licence if it is satisfied the applicant is a suitable person to hold the licence. In making its assessment the Commission considers (among other things):

- ▶ the standard of honesty and integrity shown by the applicant and its directors and major shareholders in previous commercial and regulatory dealings
- ▶ the financial, technical and human resources available to the applicant, and
- ▶ the water infrastructure or the sewerage infrastructure (or both) to be used in connection with the relevant service is appropriate for the purposes for which it will be used.

Application process

Following receipt of a complete application and payment of the application fee (as applicable), the Commission will conduct public consultation for a minimum of four weeks. The Commission will consider submissions received and, where appropriate, may seek further information from the applicant to inform its assessment of the application. Applicants should allow a minimum of 16 weeks for a completed licence application to be assessed.

Please note that, if an incomplete application is submitted or if further substantiating information is required, the Commission will seek further information from the applicant. The 16 week assessment process will only commence once all relevant information has been provided. Applicants are therefore encouraged to contact the Commission at an early stage to understand information requirements.

Licence fees

The Treasurer sets fees, in accordance with section 24 of the [Water Industry Act 2012](#). For current licence application fees and annual licence fees, see the Commission's [website](#).²

A licence may only be issued following the payment of the annual licence fee, or the first instalment of the annual licence fee (as the case may require).

Exemptions

In exceptional circumstances, the Commission can, with the approval of the Minister, issue an exemption from the requirement to be licensed or from certain licence conditions. The Commission will only grant exemptions in exceptional circumstances, having regard to the terms and provisions of the applicable legislative regime. The onus is on an applicant to demonstrate to the Commission why it should not be licensed (or why it should be exempt from various licence conditions).

Further information

E-mail: licensing@escosa.sa.gov.au

Web: www.escosa.sa.gov.au

Telephone: (08) 8463 4444

Freecall: 1800 633 592 (SA and mobiles only)

The Essential Services Commission is an independent statutory authority with functions in a range of essential services including water, sewerage, electricity, gas, rail and maritime services, and also has a general advisory function on economic matters. For more information, visit www.escosa.sa.gov.au.

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² Available at:

<https://www.escosa.sa.gov.au/industry/water/licensing/licence-fees>