

Service providers—the regulator and administrator

The *Water Supply (Safety and Reliability) Act 2008* (the Act) requires certain owners of infrastructure for supplying water or sewerage services to be registered as service providers.

This fact sheet explains the role of the regulator and an administrator in relation to water and sewerage service providers.

Who is the regulator?

The regulator is the Director-General, Department of Environment and Resource Management (the department).

Functions of the regulator

Under the Act, the regulator has the following general functions in relation to water and sewerage service providers:

- to keep a register of registered service providers
- to review and make recommendations about standards and practices under Chapter 2 (Infrastructure and Service) of the Act
- to monitor compliance with Chapter 2 of the Act.

When carrying out the above functions, the regulator is required to:

- provide a regulatory framework for providing water and sewerage services in Queensland including functions and powers of service providers
- protect the interests of service provider customers.

Specific functions of the regulator

The Act also gives the regulator a number of specific functions, including:

- publishing a list of registered service providers in the Queensland Government Gazette each year
- tabling a list of service providers, who do not have a drought management plan (DMP) or an exemption, in the legislative assembly each year
- processing applications for service provider registration
- processing notices received from registered providers for various reasons (e.g. amending contact details)
- cancelling service provider registration
- receiving and deciding whether to approve or reject strategic asset management plans (SAMP) and system leakage management plans (SLMP)

- registering compliant DMPs
- arranging spot audits for SAMP and SLMP if required
- receiving periodic audit reports on SAMP and SLMP
- receiving customer service standards (CSS)
- enquiring into certain complaints about CSS
- receiving annual reports on SAMP, SLMP and CSS
- deciding whether exemptions should be granted, cancelled or amended for SAMP, SLMP, CSS, DMP or annual reporting on SAMP
- issuing guidelines.

The regulator may also prepare annual reports about its activities under section 14 of the Act.

Power to obtain information from service providers

Section 13 of the Act allows the regulator to request relevant information from a service provider in order to perform its functions. The service provider must comply with this request unless it has a reasonable excuse for not doing so.

If the service provider states the information supplied is commercially sensitive, the regulator and staff must not disclose that information to any person without the service provider's consent, except in certain circumstances.

The information cannot be disclosed if the regulator believes disclosure of the information:

- would be likely to damage the service provider's commercial activities
- would not be in the public interest.

Information will only be considered to be of a commercially sensitive nature if its release is expected to adversely affect the service provider's commercial activities.

Who is the administrator?

In certain situations, an administrator may be appointed to operate a service provider's infrastructure. The administrator is appointed by the Governor in Council, and may be the regulator or another person.

An authorisation by the Governor in Council for an administrator to act can only be given if the minister for NRW is satisfied that a service provider:

- has not conformed to a regulator's compliance notice issued under section 465 of the Act. A compliance notice requires the service provider to either stop contravening the Act, or to rectify a contravention; or
- is likely to stop supplying a registered service and there is no other entity willing to take over the operation of the service infrastructure. In this situation, a provider is required by section 26 of the Act to give notice to the regulator.

The appointment of the administrator takes effect from the day the notice is gazetted and continues until the day stated in the notice or until a withdrawal notice is published.

The role of administrator

Under section 532 of the Act:

- the administrator is taken to be the service provider for the affected infrastructure
- the previous service provider's registration is suspended.

Under section 531 of the Act:

- the administrator may appoint another person to operate the infrastructure
- the administrator and operator may do all things necessary or convenient to ensure the effective operation of the infrastructure
- a person in possession of premises where the infrastructure operates must give the administrator and the operator access to allow operation of the infrastructure
- a person in possession of premises must not prevent or hinder the administrator or operator from operating the infrastructure
- the service provider is liable for the administrator's reasonable costs of operating, repairing, replacing or improving the infrastructure
- the administrator must pay to the service provider any income received from operating the infrastructure, less any costs incurred from the above activities.

Further information

For more information about service provider issues you can email the Office of the Water Supply Regulator at <oswr.enquiries@derm.qld.gov.au>.

General information regarding Queensland's water industry regulator can be found on the department's website at <www.derm.qld.gov.au>.

The Act and related regulations can be obtained from the Queensland Office of Parliamentary Counsel website at <www.legislation.qld.gov.au>.

*April 2010
W105*

**For general enquiries contact the
Queensland Government call centre 13 13 04
or visit www.derm.qld.gov.au**