Water Industry Act 1994

STATEMENT OF OBLIGATIONS

I, John Thwaites, Minister for Water, Environment and Climate Change, as Minister administering the **Water Industry Act 1994**, pursuant to section 4I of the **Water Industry Act 1994,** make and issue the attached Statement of Obligations to Lower Murray Urban and Rural Water Authority

JOHN THWAITES MP

Minister for Water, Environment and Climate Change

Water Industry Act 1994

STATEMENT OF OBLIGATIONS

LOWER MURRAY URBAN AND RURAL WATER AUTHORITY

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STATEMENT OF OBLIGATIONS

PART 1 – PRELIMINARY	
1	**Commencement And Term**
	This *Statement* of Obligations commences on 1 July 2007 and operates until it is revoked.
2	**Authorising Provision**
	This *Statement* of Obligations is issued by the *Minister* for Water under section 4I of the **Water Industry Act 1994**.
3	**Purpose**
	The purpose of this *Statement* is to impose obligations on the *Authority* in relation to the performance of its functions and exercise of its powers.
4	**Interpretation**
4.1	The definitions of the terms contained in Schedule A to this *Statement* apply in this *Statement*.[1]
4.2	The following rules also apply in interpreting this *Statement*, except where the content makes it clear that a rule is not intended to apply. (a) Terms defined in the **Water Act 1989** and **Water Industry Act 1994** have the same meaning in this *Statement*. (b) Whenever this *Statement* requires the *Authority* to make something "available to the public", the *Authority* must: (i) publish that thing on the *Authority*'s website; and (ii) make a copy of the thing available for inspection at each of the *Authority*'s offices; and (iii) provide a copy on request at no charge, or where providing the copy involves a significant cost to the *Authority*, for a charge that covers the fair and reasonable costs of making the copy available. (c) Whenever this *Statement* requires an *Authority* to "develop" something, the *Authority* must be taken to have complied with that obligation if it has already developed the thing before this *Statement* commenced.
5	**Availability of Statement**
	The *Authority* must make this *Statement* available to the public.

[1] Terms used in this *Statement* that are defined in Schedule A have been italicised.

PART 2 – GENERAL	
6	**Guiding Principles**
	In performing its functions and providing its services the *Authority* must: (a) manage water resources in a sustainable manner; and (b) effectively integrate economic, environmental and social objectives into its business operations; and (c) minimise the impacts of its activities on the environment; and (d) manage risk to protect public safety, quality and security of supply; and (e) operate as efficiently as possible consistent with sound commercial practice; and (f) manage its business operations to maintain the long-term financial viability of the *Authority*; and (g) undertake continuous review, innovation and improvement; and (h) collaborate with other public authorities and government agencies to take account of regional needs**.**
PART 3 – THE WATER PLAN	
7	**Preparation and Delivery of a Water Plan**
7.1	The *Authority* must develop a *Water Plan* that complies with the requirements of this *Statement* for the purpose of enabling the *Commission* to make a decision with respect to *Price*s for *Prescribed Services* in respect of the *Regulatory Period*.
7.2	The *Authority* must deliver the *Water Plan* to the *Commission* by 8 October 2007.
7.3	The *Authority* must include in the *Water Plan*: (a) outcomes to be delivered in the *Regulatory Period* with respect to *Standards and Conditions of Service and Supply*, meeting future demands on the *Authority*'s services and complying with any obligations specified in this *Statement*, a *Regulatory Obligation* and other obligations imposed by or under legislation; and (b) how the *Authority* proposes to deliver those outcomes; and (c) the *Authority*'s revenue requirements in the *Regulatory Period*; and (d) the proposed *Price*s to be charged for each of the *Authority*'s *Prescribed Services*.
8	**Procedural Requirements**
8.1	In developing the *Water Plan* the *Authority* must undertake effective consultation with: (a) its customers on matters of concern to its customers; and (b) its customer committees on matters of concern to its rural customers, that are to be included in the *Authority*'s *Water Plan*.

8.2	The *Authority* must consult: (a) each *Regulatory Agency* on outcomes to be included in the *Water Plan* that relate to a *Regulatory Obligation*; and (b) the *Commission* on *Standards and Conditions of Service and Supply* to be included in the *Water Plan*.
8.3	In developing the *Water Plan* the *Authority* must consult with the *Department* on matters to be included in the *Water Plan* and that relate to the performance of the *Authority*'s functions and the obligations included in this *Statement*.
8.4	To facilitate consultation on the *Water Plan*, by 31 July 2007 the *Authority* must: (a) make a draft of the *Water Plan* available to the public; and (b) submit a draft of the *Water Plan* to the *Minister*, the Treasurer and each *Regulatory Agency*.
8.5	The *Authority* must make any variation to the *Water Plan*: (a) requested by the *Minister*, after consultation with the Treasurer, in writing, at least one month before the *Submission Date*; and (b) relating to the performance of the *Authority*'s functions and the obligations included in this *Statement*.
8.6	The *Authority* must have regard to any comments relating to a *Regulatory Obligation* that are provided by a *Regulatory Agency*, in writing, at least one month before the *Submission Date*.
PART 4 – GOVERNANCE AND RISK MANAGEMENT	
9	**Board Performance**
	The *Authority* must annually review and report to the *Minister* and the Treasurer on the performance of the Board of the *Authority*.
10	**Customer and Community Engagement**
10.1	The *Authority* must develop and implement open and transparent processes to engage its customers and the community in its planning processes to ensure, among other matters, that the services it provides reflect the needs and expectations of customers.
10.2	In relation to the provision of rural water services, the *Authority* must establish and support the operation of customer committees, having regard to any principles endorsed by the *Minister* for that purpose.

10.3	The *Authority* must: (a) make available to the public, information about the water supply, sewerage and recycled water services it provides; and (b) make available on request, information about the efficient and responsible use of water in respect of rural water systems; and (c) make available to the public, information about water conservation and the efficient and responsible use of water in respect of urban water systems; and (d) make available on request to schools in its area, educational material about: (i) the efficient and responsible use of water in respect of rural water systems; and (ii) water conservation and the efficient and responsible use of water at no charge or, for educational material that involves a significant cost to the *Authority*, in respect of urban water systems, at a charge that covers the fair and reasonable costs of making the material available.
11	**Managing Risks**
	The *Authority* must develop and implement plans, systems and processes, having regard to the Australian/New Zealand Standard AS/NZS 4360 – Risk Management to ensure that risks to the *Authority*'s assets or services are identified, assessed, prioritised and managed.
12	**Responding To Incidents And Emergencies**
12.1	The *Authority* must include in any plan, system or process to manage its risks, measures to deal with emergencies and incidents, including measures to deal with: (a) the disruption of services; and (b) incidents resulting in waste discharges to the environment; and (c) a dam failure; and (d) potential security risks, including but not limited to terrorist attacks.
12.2	The *Authority* must undertake such periodic training and exercises as may be necessary to ensure that an emergency management plan can be implemented effectively.
13	**Managing Assets**
13.1	The *Authority* must develop and implement plans, systems and processes to manage its assets in ways which: (a) allow the *Authority* to supply its services sustainably; and (b) maintain the levels and standards of service: (i) specified by the *Commission* in a Code issued under section 4F of the **Water Industry Act**; or (ii) included in a *Water Plan* and approved by the *Commission*; and (c) minimise the overall whole of life costs of assets; and (d) minimise detrimental social, economic or environmental effects of managing its assets.
13.2	The *Authority* must develop and maintain a comprehensive database of all relevant asset information, including the condition and performance of its assets.

14	**Dam Safety**
14.1	The *Authority* must develop and implement processes to identify, assess, manage, prioritise improvements to, and periodically review the safety of, dams operated by the *Authority*.
14.2	In developing processes under sub-clause 14.1, the *Authority* must have regard to the *ANCOLD Guidelines* and have particular regard to: (a) prioritising risks posed by the *Authority*'s dams over all dams, components of dams and the types of failure; and (b) giving priority to reducing risks to life above other risks; and (c) basing the urgency of reducing the risk posed by a dam on the relativity of risks to the tolerability limits as defined in the *ANCOLD Guidelines*; and (d) basing programs for reducing risk on the concept "As Low As Reasonably Practicable" as defined in the *ANCOLD Guidelines*; and (e) where feasible, progressively implementing risk reduction measures to achieve the best outcomes for the available resources.
14.3	The *Authority* must develop and implement a dam safety monitoring and surveillance program for each dam operated by the *Authority*, consistent with the *ANCOLD Guidelines*.
14.4	The *Authority* must develop and maintain a comprehensive database of all relevant dam safety information.
14.5	The *Authority* must prepare and give to the *Secretary* by 30 June each year a report that contains: (a) a prioritised list of proposed dam safety works identified under clause 14.1 and the dates by which the *Authority* proposes to complete each of those works; and (b) a summary of the risk profile of: (i) each dam operated by the *Authority*, at the date of the report; and (ii) each dam on which the *Authority* proposes to undertake safety works, after those works are complete; and (c) a summary of the overall risk reduction profile of the *Authority*'s dams.
14.6	If for any reason the *Authority* is unable to undertake any proposed dam safety works identified under sub-clause 14.1 within the time advised, it must promptly prepare and give to the *Minister* a report which explains why the *Authority* is unable to undertake those works and includes any other information requested by the *Secretary*.
PART 5 – PLANNING AND SERVICE DELIVERY	
15	**Conserving And Recycling Water**
15.1	To implement sustainable water resource management the *Authority* must develop and implement programs for: (a) assessing and monitoring available water supplies; (b) assessing and monitoring future demands on urban water systems; (c) the efficient and effective management of demand on urban water systems; (d) reducing leakage and minimising other losses of water from urban water systems to an economically sustainable level;

	(e) identifying opportunities to substitute, and if appropriate substituting, potable supplies, surface water supplies and ground water supplies with water from alternative sources that are fit for purpose; and (f) the sustainable use of recycled water from its wastewater treatment plants.
15.2	Programs developed by the *Authority* under sub-clause 15.1 must specify objectives to be achieved and measures for monitoring performance in accordance with any written directions issued by the *Minister* for that purpose.
15.3	The *Authority* must participate with those of its urban customers, that have been identified by the *Authority* as being large non-residential water users, to improve water management outcomes, including water conservation, recycling and waste minimisation.
16	**Water Supply-Demand Strategy**
16.1	By 31 March 2007, and within each five years thereafter, the *Authority* must develop a water supply demand strategy to identify the best mix of demand measures and supply options for its urban supply systems.
16.2	The water supply demand strategy referred to in sub-clause 16.1 must: (a) include water conservation targets; and (b) be developed in accordance with any written guidelines issued by the *Department*, after consultation with the Department of Treasury and Finance, for that purpose.
17	**Efficiency Of Rural Distribution Systems**
17.1	The *Authority*, in consultation with the *Department*, must: (a) develop and implement programs to assess the efficiency of the *Authority*'s rural distribution systems; (b) develop interim targets for reducing losses from the *Authority*'s rural distribution systems having regard to the Government's objective of reducing the total losses from rural distribution systems by 25% by 2020; and (c) develop programs to reduce losses from the *Authority*'s rural distribution systems that: (i) identify costs and funding options; and (ii) establish priorities for implementation.
17.2	The *Authority* must obtain the approval of the *Secretary* to arrangements for assessing and monitoring the efficiency of components of its rural distribution systems.
17.3	The *Authority* must report to the *Secretary*, as requested by the *Secretary*, on: (a) the efficiency of its rural distribution systems; and (b) progress in implementing the targets developed under sub-clause 17.1.
18	**Metering**
18.1	The *Authority* must meter all new urban water supply services.
19	**Responding To Drought**

19.1	In respect of each urban water supply system operated by the *Authority*, the *Authority* must: (a) develop and implement an effective drought response plan; and (b) make its drought response plans available to the public.
19.2	In respect of the *Authority*'s rural water supply systems, the *Authority* must have a drought response strategy to ensure: (a) it meets its obligations to supply in accordance with security of supply and restriction policies specified in a bulk entitlement held by the *Authority*; and (b) that the holders of water entitlements covered by bulk entitlement held by the *Authority* receive timely advice and information regarding the status of, and outlook for, their entitlements; and (c) regular communication with customers regarding how available water will be restricted and shared between entitlement holders during periods of water shortage.
19.3	The *Authority* must review, and if necessary amend: (a) a drought response plan and a drought response strategy at intervals of no more than five years; and (b) a drought response plan, within twelve months of either: (i) the lifting of any period of restriction imposed under the *Authority*'s drought response plan; or (ii) any major change occurring to works or arrangements for conserving water for, or supplying water to, any water supply system operated by the *Authority*. (c) a drought response strategy, within twelve months of any major change occurring to works or arrangements for conserving water for, or supplying water to, any rural water supply system operated by the *Authority*.
19.4	In times of actual or anticipated shortage, the *Authority* must provide information requested by the *Secretary* regarding the implementation of drought response plans and drought response strategy in the form and manner requested.
20	**Sewerage Services to Unsewered Urban Areas**
20.1	The *Authority* must participate with municipal councils in the development of *domestic wastewater management plans*.
20.2	If reticulated sewerage services: (a) have been identified in a *domestic wastewater management plan* as the preferred option for improved domestic wastewater management; or (b) have been nominated by the *Minister* in any Government program, the *Authority* must develop a sewerage management plan in conjunction with the Environment Protection Authority and relevant municipal council, and in consultation with the local community that: (i) identifies the preferred types and levels of sewerage services to be provided together with costs and funding options; (ii) identifies priorities and possible timelines for the provision of services; (iii) identifies how the wastewater collected, including biosolids, will be sustainably managed; and (iv) provides for a regular review of the plan and priority areas for sewering.

20.3	Subject to the *requirement for capital projects*, the *Authority* must implement any program of works for the provision of sewerage services identified in the sewerage management plan prepared under sub-clause 20.2 that has been: (a) included in a *Water Plan* for which the *Commission* has approved or specified *Price*s; or (b) included in a corporate plan adopted by the *Authority*; or (c) approved by the *Minister***,** after consultation with the Treasurer.
20.4	If a program approved by the *Minister* referred to in sub-clause 20.3 includes a contribution from the owner of the property for the provision of sewerage services, the *Authority* cannot recover more than the amount of that contribution from the owner.
21	**Sewerage Connections to Properties**
21.1	The *Authority* must not require a serviced property to be connected to the *Authority*'s sewerage works unless the sewerage service has been: (a) included in a sewerage management plan developed in conjunction with the Environment Protection Authority and relevant municipal council, and in consultation with the local community; or (b) provided in the interests of health or the environment after consultation with, and written advice from, the Environment Protection Authority, a municipal council or the Chief General Manager within the meaning of the **Health Act 1958.**
21.2	The *Authority* must take all reasonable steps to ensure that a property provided with a sewerage service: (a) included in a sewerage management plan developed in conjunction with the Environment Protection Authority and relevant municipal council, and in consultation with the local community; or (b) provided in the interests of health or the environment after consultation with the Environment Protection Authority, a municipal council or the Chief General Manager within the meaning of the **Health Act 1958,** is connected to the *Authority*'s sewerage works, unless the owner of a property can demonstrate that wastewater can be sustainably reused on site in accordance with guidelines issued by the Environment Protection Authority.
22	**Trade Waste**
22.1	The *Authority* must develop policies and practices to manage trade waste: (a) to protect its sewerage systems, including treatment works and processes, and the health and safety of the public and of people working in or operating those systems; and (b) to minimise environmental impacts consistent with any licence issued under the **Environment Protection Act 1970**; and (c) to improve the quality of trade waste entering its sewerage systems in order to maximise opportunities for the reuse of wastewater and biosolids.
22.2	In developing trade waste management policies and practices, the *Authority* should be guided by the waste management hierarchy principle set out in section 1I of the **Environment Protection Act 1970.**
22.3	The *Authority* must develop and implement systems for managing compliance with trade waste agreements between the *Authority* and customers.

23	**Regional and Local Government Planning**
23.1	The *Authority* must participate in and support the development and implementation of any Regional Catchment Management Strategy or catchment sub-strategy or Regional River Health Strategy which may affect, or be affected by, the *Authority*'s activities.
23.2	The *Authority* must participate in and support the development and implementation of any municipal planning scheme, local planning policy framework or municipal strategic statement which may affect, or be affected by, the *Authority*'s activities.
23.3	A principal objective of the *Authority*'s participation will be to promote consistency of any strategy or any scheme with its planning and programs for sustainable water management.
24	**Research and Knowledge**
	The *Authority* must: (a) identify the *Authority*'s research needs; (b) prioritise the research needs identified; (c) identify how the *Authority* proposes to meet its research needs.
25	**Sustainable Management**
25.1	The *Authority* must: (a) in performing its functions, exercising its powers and carrying out its duties, apply the *Sustainable Management Principles*; and (b) demonstrate in its *Water Plan* how the *Authority* proposes to apply those principles.
25.2	In applying the *Sustainable Management Principles* the *Authority* must develop and implement programs for assessing, monitoring and continuously improving the *Authority's* sustainability performance, including: (a) responding to climate change; (b) maintaining and restoring natural assets; (c) using resources more efficiently; and (d) managing everyday environmental impacts, and must include those programs in its *Water Plan.*
PART 6 – ENVIRONMENTAL MANAGEMENT	
26	**Environmental Management System**
	The *Authority* must develop and implement an Environmental Management System which: (a) must be in accordance with the following standards from the Standards Australia AS/NZS ISO 14000 Series of Environmental Management Systems Standards: (i) AS/NZS ISO 14001: – Environmental Management Systems – Requirements with Guidance for Use; and (ii) AS/NZS ISO 14004: – Environmental Management Systems – General Guidelines on Principles, Systems and Support Techniques; but (b) need not be accredited under those standards.

27	**Blue-Green Algal Blooms**
27.1	The *Authority* must report any blue-green algal blooms impacting on water supply services to: (a) the Department of Human Services; and (b) the relevant *Convening Agency*.
27.2	If the *Authority* is a *Convening Agency*, the *Authority* must: (a) develop and maintain on an annual basis a contingency plan for regional blue-green algal blooms; and (b) undertake its duties as a *Convening Agency* in accordance with that contingency plan.
28	**River and Aquifer Health**
28.1	The *Authority* must manage the impact of its activities on any waterway, aquifer or wetland to minimise environmental impacts on and risks to the aquatic ecosystem.
28.2	When the *Authority* renews or carries out major works on a dam or existing structure on a waterway, or constructs a new structure on a waterway, the *Authority* must ensure that (a) it is renewed or constructed so that: (i) the dam or structure does not pose a barrier to native fish movement; and (ii) environmental risks from water releases through variations of temperature, dissolved oxygen, sediment, nutrients or other substances are minimised; and (iii) adequate offtakes are provided for environmental flows, or (b) if it is not practicable to comply with paragraph (a), it is renewed or constructed in accordance with a plan of works approved by the *Secretary*.
28.3	The *Authority* must liaise with Catchment Management Authorities to ensure that environmental flow regimes are managed to maximise ecological benefits.
28.4	Where waterways and wetlands form part of an *Authority*'s system for the supply and distribution of water, the *Authority* must develop and implement plans or programs to manage the environmental impacts of its activities on the system, and in doing so: (a) have regard to the environmental values of the waterways and wetlands dependent on the hydrological regime; and (b) where practical, maximise ecological benefits; and (c) incorporate any environmental management obligations to the *Authority* through plans, strategies and/or multi-agency programs agreed by the Authority to protect, restore or improve the environmental values of waterways and wetlands within the *Authority*'s system; and (d) must consult with relevant agencies; and (e) obtain the approval of the *Secretary* for the plans or programs.
29	**Monitoring River Health**
29.1	The *Authority* must monitor the impact of its activities on waterways and wetlands, including the impact of dams on the thermal regime of waterways.

29.2	The *Authority* must make available to the public: (a) water quality and flow data compiled by the *Authority* relating to waterways; or (b) if the data is available from a central data agency, relevant contact details for that agency.
PART 7 – PAYMENT SCHEMES AND CONTRIBUTIONS	
30	**Capital Contributions by Property Owners**
30.1	In this clause, the owner of a property does not include the owner of a property being subdivided, developed or used for commercial purposes.
30.2	The *Authority* must offer the owner of any property who is required to make a contribution to the present day cost of works for the provision of reticulated sewerage services under section 268(1) of the **Water Act 1989** the option of paying that contribution in equal instalments over 20 years as an annuity calculated by reference to the 20-year market annuity rate, as determined by the Treasury Corporation of Victoria, prevailing at the time the contribution is calculated.
31	**Providing Concessions And Rebates**
	The *Authority* must administer the following Government-funded programs, as applicable, in accordance with their respective requirements: (a) Utilities Relief Grants Scheme; (b) Concessions for water service and usage charges and sewerage service and sewage disposal charges; (c) Water concession on Life Support Machines – Haemodialysis; (d) Hardship Relief Grant Scheme (Sewerage Connection Scheme); and (e) Water and Sewerage Rebate Scheme.
32	**Smart Water Fund**
	The *Authority* must participate in the *Smart Water* Fund. In this clause, participate does not include a requirement to make financial contributions to the Fund.
PART 8 – COMPLIANCE	
33	**Complying With Obligations**
33.1	The *Authority* must monitor compliance with its obligations under Parts 4 to 7 inclusive of this *Statement*.
33.2	If the *Authority* becomes aware of a material failure to comply with its obligation under Parts 4 to 7 of this *Statement*, the *Authority* must give the *Minister* a written report, within 30 days after becoming aware of the failure, that includes: (a) the nature of and reason for the failure; and (b) a proposed plan of action to prevent the failure re-occurring.
33.3	The *Authority* must make any variation to the plan of action referred to in sub-clause 33.2 requested in writing by the *Minister*.

33.4	The *Authority* must: (a) implement the plan of action referred to in sub-clause 33.2, as varied by the *Minister*; and (b) report its progress in implementing the plan, whenever the *Minister* requests in writing; and (c) summarise the contents of any report made under sub-clause 33.2 and its progress in implementing the plan in its annual report.
34	**Compliance Audits**
34.1	The *Authority* must, when requested by the *Commission*, at intervals of not more than once in twelve months, arrange for an audit of its compliance with: (a) clause 13 of this *Statement*; and (b) such other obligation under Parts 4 to 7 of this *Statement* that the *Commission* has been requested by the *Minister* to audit.
34.2	The *Authority* must ensure that any audit under sub-clause 34.1 is: (a) conducted by an independent auditor nominated by the *Authority* and approved by the *Commission*; and (b) conducted in accordance with any guidelines issued by the *Commission*.
34.3	The *Authority* must ensure that a copy of the auditor's final report is provided to both the *Commission* and the *Minister*.
34.4	The *Minister* may, at any time, require the *Authority* to report to the *Minister* in writing on action taken by the *Authority* on any matter: (a) contained in an auditor's report; and (b) specified by the *Minister* in writing.
35	**Other Audits and Reviews**
	The *Authority* must, when requested by the *Minister*, after consultation with the Treasurer, arrange for an audit or review of any matter specified by the *Minister* in relation to the performance of its functions and the exercise of its powers.

SCHEDULE A

DEFINITIONS

The following definitions apply:

Consequential variation reflecting the deletion of Part 3 of this Statement.

"ANCOLD Guidelines" means the Guidelines issued by the Australian National Committee on Large Dams Inc.

"Authority" means Lower Murray Urban and Rural Water Authority.

"Commission" means the Essential Services Commission.

"Convening Agency" means an Authority listed as a Convening Agency in Circular No. 287 Blue-Green Algae – Co-ordination Arrangements for 2002-2003 and Related Matters as issued by the *Department*.

"Department" means the Department of Sustainability and Environment.

"Domestic wastewater management plan" means a plan developed by a municipal council for the purposes of clause 32(2)(e) of State environment protection policy No S-13 (Waters of Victoria) 1988.

"Minister" means the Minister administering the **Water Industry Act 1994**.

"Prescribed Services" means the services specified in the *Water Industry Regulatory Order*, as Prescribed Services in respect of which the *Commission* has the power to regulate *Prices*.

"Price" includes the manner in which such Prices are to be calculated or otherwise determined.

"Regulatory Agency" means the Environment Protection Authority, the Secretary to the Department of Human Services, and the *Commission*;

"Regulatory Obligation" means

(i) in relation to the Environment Protection Authority, an obligation imposed by or under the **Environment Protection Act 1970***;*

(ii) in relation to the *Commission*, an obligation imposed by or under a Code made under section 4F of the **Water Industry Act 1994**;

(iii) in relation to the Secretary to the Department of Human Services, an obligation imposed by or under the **Safe Drinking Water Act 2003**, the **Food Act 1984** or the **Health (Fluoridation) Act 1973**.

"Regulatory Period" means the five-year period commencing on 1 July 2008.

"Requirement for capital projects" means the requirement for the evaluation and approval of capital expenditure projects greater than $5 million outlined in the *Minister's* and Treasurer's letter to the Authority of 5 March 2005.

"Secretary" means the person occupying or acting in the position of Secretary of the *Department*.

"Smart Water Fund" means the fund established to encourage environmentally sustainable water projects in the greater metropolitan area of Melbourne and the regional urban areas of Victoria.

"Standards and Conditions of Service and Supply" means Standards and Conditions of Service and Supply for services specified in the *Water Industry Regulatory Order* as declared services.

"Statement" means this Statement of Obligations.

"Submission Date" means the date specified in sub-clause 7.2.

"Sustainable Management Principles" are:

- the need to ensure that water resources are conserved and properly managed for sustainable use and for the benefit of present and future generations, and
- the need to encourage and facilitate community involvement in the making and implementation of arrangements relating to the use, conservation and management of water resources; and
- the need to integrate both long-term and short-term economic, environmental, social and equitable considerations; and
- the need for the conservation of biological diversity and ecological integrity to be a fundamental consideration; and
- If there are threats of serious or irreversible environmental damage, lack of full scientific certainty as to measures to address the threat should not be used as a reason for postponing such measures.

"Water Conservation Program" means any program, plan or strategy that gives effect to improved water management outcomes including but not limited to, conservation, demand reduction, recycling and waste minimization.

"Water Supply Demand Strategy" means a strategy that identifies measures to maintain a balance between demand for water and available supply over the next fifty years.

"Water Plan" means the Water Plan required by this *Statement* to be delivered to the *Commission*.

"Water Industry Regulatory Order" means the Water Industry Regulatory Order 2003.