



# Water Act 2014

## 2014 CHAPTER 21

### PART 1

#### WATER INDUSTRY

### CHAPTER 1

#### WATER SUPPLY LICENCES AND SEWERAGE LICENCES

#### *Expansion of water supply licensing*

### **1 Types of water supply licence and arrangements with water undertakers**

(1) For section 17A of the Water Industry Act 1991 there is substituted—

#### **“17A Water supply licences**

- (1) The Authority may grant to a person a licence in respect of the use of the supply system of a water undertaker (a “water supply licence”).
- (2) A water supply licence may give the holder of the licence one or more of the following authorisations and combination of authorisations—
  - (a) a retail authorisation;
  - (b) a wholesale authorisation;
  - (c) a restricted retail authorisation;
  - (d) a restricted retail authorisation and a supplementary authorisation.
- (3) Schedule 2A makes provision as to the authorisations (including their operation in England and Wales).
- (4) In the case of each of the authorisations, an authorisation to do a thing is an authorisation to do it in accordance with Chapter 2A of Part 3.

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*Status: This is the original version (as it was originally enacted).*

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- (5) The Authority may exercise the power to grant a water supply licence only in accordance with a general authorisation given by the Secretary of State.
- (6) Before giving a general authorisation as regards the Authority, the Secretary of State must consult the Welsh Ministers.
- (7) References in this Act to a water supply licensee are references to a person that is the holder for the time being of a water supply licence.

#### **17AA Water supply licences: restrictions on grants**

- (1) Before the Authority grants a water supply licence giving a wholesale authorisation, it must consult—
  - (a) the Secretary of State;
  - (b) the Chief Inspector of Drinking Water;
  - (c) the Environment Agency;
  - (d) the NRBW.
- (2) Before the Authority grants a water supply licence giving a supplementary authorisation, it must consult—
  - (a) the Secretary of State;
  - (b) the Chief Inspector of Drinking Water;
  - (c) the Environment Agency;
  - (d) the Welsh Ministers;
  - (e) the Chief Inspector of Drinking Water for Wales if there is one;
  - (f) the NRBW.
- (3) A water supply licence may not be granted to a water undertaker.
- (4) A water supply licence may not be granted to a person unless that person is a limited company.
- (5) The restriction in subsection (4) does not apply if the water supply licence gives only—
  - (a) a retail authorisation,
  - (b) a restricted retail authorisation, or
  - (c) a retail authorisation and a restricted retail authorisation.”
- (2) After Schedule 2 to the Water Industry Act 1991 there is inserted the Schedule set out in Schedule 1.
- (3) Schedule 2 (which amends Chapter 2A of Part 3 of the Water Industry Act 1991 which relates to water undertakers’ duties to enable operations of water supply licensees) has effect.