SCHEDULE 1

APPLICATION OF THE ACT AND RELATED PROVISIONS

Modification of project licences

5.—(1) The following has effect as if it were inserted after section 17I (modification of [Filicences] by agreement)—

"17IA Modification of project licences by agreement

- (1) Subject to the following provisions of this section, the Authority may modify the conditions of a project licence.
- (2) The Authority may not make any modifications under this section unless the licence holder has consented to the modifications.
 - (3) Before making modifications under this section, the Authority must give notice—
 - (a) stating that it proposes to make the modifications and setting out their effect,
 - (b) stating the reasons why it proposes to make the modifications, and
 - (c) specifying the period (not being less than twenty-eight days from the date of the publication of the notice) within which representations or objections with respect to the proposed modifications may be made,

and must consider any representations or objections which are duly made and not withdrawn.

- (4) A notice under subsection (3) must be given—
 - (a) by publishing the notice in such manner as the Authority considers appropriate for the purpose of bringing the notice to the attention of persons likely to be affected by the making of the modifications; and
 - (b) by serving a copy of the notice on—
 - (i) the licence holder;
 - (ii) the Secretary of State; and
 - (iii) the relevant quality regulator.
- (5) If, within the period specified in the notice under subsection (3), the Secretary of State directs the Authority not to make the modification, the Authority must comply with the direction."
- (2) Section 17K [F2(modification references to competition authority)] applies as if—
 F3(a)
 - (b) in subsection (1) (reference of a particular licence), in paragraph (a)(i), [F4after "a particular water supply or sewerage licence" there were inserted "or project licence granted under this Chapter"]; and
 - (c) in subsection (5)(b) (persons to be served with copy of reference or variation)—
 - (i) at the beginning of each of sub-paragraphs (ii)^{F5}...and (v), there were inserted "in a case relating to one or more water supply licences,"; and
 - (ii) after sub-paragraph (iii), there were inserted—
 - "(iiia) in a case relating to a project licence, the incumbent undertaker;
 - (iiib) in a case relating to a project licence, the relevant quality regulator;".

(3) Sections 17L (references under section 17K: time limits) and 17M (references under section 17K: powers of investigation) apply without modification.
(4) Section 17N (F6reports on modification references) applies as if—
F ⁷ (a) · · · · · · · · · · · · · · · · · · ·
(b) in subsection (10)(a) (persons to be served with report relating to a particular licence)—
(i) at the beginning of [F8sub-paragraph (ii)], there were inserted "if the report relates to a water supply licence,"; and
(ii) after sub-paragraph (ii), there were inserted—
"(iia) if the report relates to a project licence, the incumbent undertaker;
(iib) if the report relates to a project licence, the relevant quality regulator;"; and
(c) in subsection (12) (meaning of "relevant time")—
(i) in paragraph (a), after "Secretary of State", there were inserted " or, in the case of a report relating to one or more water supply licences, the Secretary of State "; and
(ii) in paragraph (b), after "copies", there were inserted " of a report relating to one or more water supply licences".
(5) Section 17O [F9(modification of licences following report)] applies as if—
F10(a)
(b) in subsection (5)(c) (persons to be served with copy of notice of Authority's proposed modifications)—
(i) at the beginning of each of sub-paragraphs (i) ^{F11} and (iv), there were inserted "if the notice relates to one or more water supply licences,"; and
(ii) after sub-paragraph (ii), there were inserted—
"(iia) if the notice relates to a project licence, the incumbent undertaker;
(iib) if the notice relates to a project licence, the relevant quality regulator;".
(6) Section 17P [F12(power of veto following report)] applies as if—
F13(a) · · · · · · · · · · · · · · · · · · ·
(b) in subsection (7)(b) (persons to be served with copy of notice of [F14CMA's] proposed modifications)—
(i) at the beginning of each of sub-paragraphs (iii) ^{F15} and (vi), there were inserted "if the notice relates to one or more water supply licences,"; and
(ii) after sub-paragraph (iv), there were inserted—
"(iva) if the notice relates to a project licence, the incumbent undertaker;
(ivb) if the notice relates to a project licence, the relevant quality regulator;".
(7) Section 17Q (section 17P: supplementary) applies without modification.
(8) Section 17R [F16(modification by order under other enactments)] applies as if—
F17(a) · · · · · · · · · · · · · · · · · · ·
(b) in subsections (1)(a) and (2)(a)(i) and (ii) and (b), for "or [F18] sewerage licence]", in each place it occurs, there were substituted ", [F18] sewerage licence] or project licence".
F1 Word in Sch. 1 para. 5(1) substituted (31.3.2017) by The Water Act 2014 (Consequential Amendments

etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(a)

- **F2** Words in Sch. 1 para. 5(2) substituted (31.3.2017) by The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(b)(i)
- F3 Sch. 1 para. 5(2)(a) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(b)(ii)
- **F4** Words in Sch. 1 para. 5(2)(b) substituted (31.3.2017) by The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(b)(iii)
- Word in Sch. 1 para. 5(2)(c)(i) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(b)(iv)
- **F6** Words in Sch. 1 para. 5(4) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(c)(i)
- F7 Sch. 1 para. 5(4)(a) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(c)(ii)
- **F8** Words in Sch. 1 para. 5(4)(b)(i) substituted (31.3.2017) by The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(c)(iii)
- **F9** Words in Sch. 1 para. 5(5) substituted (31.3.2017) by The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(d)(i)
- **F10** Sch. 1 para. 5(5)(a) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(d)(ii)
- F11 Words in Sch. 1 para. 5(5)(b)(i) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(d)(iii)
- **F12** Words in Sch. 1 para. 5(6) substituted (31.3.2017) by The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(e)(i)
- F13 Sch. 1 para. 5(6)(a) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(e)(ii)
- F14 Word in Sch. 1 para. 5(6) substituted (10.1.2015) by The Water Industry (Specified Infrastructure Projects) (English Undertakers) (Amendment) Regulations 2015 (S.I. 2015/22), regs. 1(1), 4(b)
- F15 Words in Sch. 1 para. 5(6)(b)(i) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(e)(iii)
- **F16** Words in Sch. 1 para. 5(8) substituted (31.3.2017) by The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(f)(i)
- F17 Sch. 1 para. 5(8)(a) omitted (31.3.2017) by virtue of The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(f)(ii)
- F18 Words in Sch. 1 para. 5(8)(b) substituted (31.3.2017) by The Water Act 2014 (Consequential Amendments etc.) Order 2017 (S.I. 2017/506), arts. 1(1), 30(8)(f)(iii)

Changes to legislation:
There are currently no known outstanding effects for the The Water Industry (Specified Infrastructure Projects) (English Undertakers) Regulations 2013, Paragraph 5.