



Our Ref: N93213

Contact Officer: Shane Chisholm Contact Number: (02) 6243 1252

15 November 2007

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Dear Mr Walker,

Third line forcing notification N93213 - DLL Wilton Pty Ltd

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 5 November 2007. The notification has been placed on the ACCC's public register.

DLL Wilton is offering services associated with the development of Bingara Gorge in Wilton NSW, on condition that purchasers of residential lots obtain the sewerage and recycled water services of Stream Essential Services Pty Ltd (the STP Operator).

You have advised that the STP Operator is a wholly owned subsidiary of DLL Wilton. As you are aware, recent amendments to section 47(6) of the *Trade Practices Act 1974* (the Act) provide that forces of the goods or services of a related body corporate are not generally subject to the prohibition in section 47(6). Section 93 of the Act provides that a corporation that engages, or proposes to engage, in conduct of a kind set out in section 47(2) to 47(9) may give notice. As discussed, noting the related body corporate status of DLL Wilton and the STP Operator, some doubt as to whether the conduct described is conduct of a kind referred to in section 47(6) of the Act. You have, however, raised the prospect that the current related body corporate status may not persist. I note that any protection afforded by the notification is likely to be contingent on DLL Wilton engaging in conduct of a kind set out in section 47(6) of the Act.

The notification will come into force on 19 November 2007. On the basis of the information that you have provided, it is not intended that further action will be taken in relation to this matter at this stage.

As with any notification, please note that the ACCC may act to remove the protection afforded by the notification at a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

A copy of this letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Shane Chisholm on (02) 6243 1252.

Yours sincerely

Scott Gregson General Manager

Adjudication Branch