

Proposed Water Management (Water Supply Authorities) Regulation 2025

Proposed changes to rules that apply to water supply authorities and their customers

The Water Management (General) Regulation 2018 (the 2018 Regulation) will be automatically repealed (that is, stop operating) on 1 September 2025. It is important to have regulations in place because they support the operation of the *Water Management Act 2000* (the Act) by specifying various procedural matters for access licences and approvals, including exemptions from licence and approval requirements.

The NSW Department of Climate Change, Energy, the Environment and Water (the department) is proposing to replace the 2018 Regulation with the:

- Water Management (General) Regulation 2025
- Water Management (Water Supply Authorities) 2025 Regulation.

The two regulations will commence by 1 September 2025.

Most of the content of the two regulations will be the same as the 2018 Regulation, but the department has proposed some changes to be included in the new regulations. Factsheets have been prepared to provide high-level summaries of the proposed changes in the Water Management (General) Regulation 2025. Detailed analysis and the rationale for the changes are outlined in the Regulatory Impact Statement.

This factsheet provides a summary of the proposed changes in the Water Management (General) Regulation 2025 to water access licence (WAL) exemptions.

This factsheet provides a summary of the proposed changes in the Water Management (Water Supply Authorities) Regulation 2025 to rules that apply to water supply authorities (WSAs) and their customers.

There are 4 WSAs declared under the Act:

- Fish River Water Supply Scheme (managed by WaterNSW)
- Cobar Water Board
- Sydney Olympic Park Authority

- Essential Energy (also known as Essential Water).

They provide essential water supply and sewerage services to regional communities, industry and businesses.

The proposed Water Management (Water Supply Authorities) Regulation 2025

Putting the sections that relate to WSAs into the new standalone Water Management (Water Supply Authorities) Regulation 2025 will make it easier to review, update and remake the regulations in the future.

The 2018 Regulation is large and complex (it has more than 260 sections) and has made the review and remake process very long and complex. It makes sense to take out the sections that apply to WSAs as they are specific to the management of those entities and can stand alone in a separate regulation without the need for complex cross-references to the main Water Management (General) Regulation 2025.

Replacing the 2018 Regulation with two separate regulations does not reflect a change in policy and does not mean the way WSAs are managed and regulated is changing. Proposed changes that apply to WSAs are discussed below. The aim of these changes is primarily to provide more consistency, remove duplication and clarify and simplify the rules so they are easier to understand and use.

Proposed changes

Clarifying how WSAs must record service charges

The 2018 Regulation states that a WSA must keep records of service charges in a manner approved by the Minister. However, the way in which these records must be kept is not clear. The department proposes the new regulation to:

- state that a WSA could keep records in written or electronic form instead of ‘in a manner approved by the Minister’
- specify the information that a WSA must record.

The proposed change clarifies and simplifies the requirements but does not change existing practices used by WSAs to record service charges.

WSAs to give reasons

Under the 2018 Regulation, a person liable to pay a service charge levied by a WSA may object to the levying of a service charge, an increase to a service charge, or a WSA's refusal to adjust a service charge.

The department proposes to add a requirement in the new regulation that the WSA must give the objector written reasons for its decision. This addition will clarify expectations of WSAs to not only give notice of decisions in writing, but also reasons for their decisions in that notice. This will not affect processes since most, if not all, WSAs are already providing reasons for their decisions when they advise objectors of their outcomes.

Advertising water restrictions in the NSW Government Gazette

The 2018 Regulation allows a WSA to implement water restrictions in times of drought or other emergencies by publishing a notice of restrictions in a newspaper circulating in its area of operations. The department proposes to add a requirement in the new regulation to publish a notice of restrictions in the NSW Government Gazette (the Gazette). This should increase transparency and consistency, because all notices are recorded in the Gazette. It also ensures certainty to the legality of the restrictions and that there is a permanent accessible record of the time the restrictions are in force, which makes it easier to verify when and where restrictions applied.

Statement of compliance for completed plumbing work

The 2018 Regulation requires that, in issuing a certificate of compliance to a WSA following the completion of plumbing work, a person must not provide false or misleading information. It is proposed to remove this offence from the new regulation because the general offence for providing false or misleading information already applies under the *Crimes Act 1900*. This change would remove duplication.

Essential Energy

Requiring consistency with the regulations

The 2018 Regulation allows Essential Energy to issue discharge approvals and plumbing permits with certain conditions. The department proposes a change in the new regulation to ensure that Essential Energy cannot alter these conditions if they are set by the proposed regulation or if the changes would conflict with it. This ensures that the conditions set by the proposed regulation cannot be overridden by Essential Energy, providing clarity for both Essential Energy and its customers.

Suspension or cancellation of discharge approvals and plumbing permits

The 2018 Regulation specifies the situations in which Essential Energy can suspend or cancel discharge approvals and plumbing permits, which are also known as authorisations. The new regulation would make it clear that Essential Energy can suspend or cancel a discharge approval or plumbing permit either unconditionally or with certain conditions. These conditions may include those that were on the approval right before it was suspended or cancelled. This change aims to provide more certainty for everyone involved by clearly stating what Essential Energy can and cannot do regarding suspension and cancellation.

Essential Energy may place conditions on exemptions

Under the 2018 Regulation, Essential Energy may grant exemptions to the requirements to hold a plumbing permit, complete a certificate of compliance for plumbing work and only use authorised plumbing fittings for plumbing work. The new regulation would clearly state that Essential Energy can place conditions on these exemptions. The change aims to make it clear for all stakeholders on what Essential Energy can do and allow regulation to be more targeted and effective.

How can I provide feedback?

The department is seeking your feedback on the proposed Water Management (General) Regulation 2025 and Water Management (Water Supply Authorities) Regulation 2025.

To have your say, you can make an online submission: water.nsw.gov.au/water-management-regulation-remake.

If you need assistance making a submission, please contact us at water.enquiries@dpie.nsw.gov.au.

Consultation will close at 11.59pm on Sunday, 6 April 2025.

Your submission may be published. If you do not want your personal details or responses published, please let us know.

A What We Heard report will be published after the public consultation period.

To find out more, visit the department's website: water.dpie.nsw.gov.au.