

Proposed Water Management (General) Regulation 2025

Proposed changes to water supply work approval exemptions

The Water Management (General) Regulation 2018 (the 2018 Regulation) will be automatically repealed (that is, stop operating) on 1 September 2025.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 supply work approval exemptions.

Overview of water supply work approvals

A water supply work approval authorises its holder to construct and use a water supply work at a specific location, for example to install and operate a pump, dam or bore. Each approval includes conditions to minimise negative impacts.

The purpose of a water supply work approval is to ensure that adequate arrangements are in force so that no more than minimal harm will be done to any water source or dependent ecosystems because of the construction or use of a proposed water supply work.

Exemptions from the requirement to hold a water supply work approval may be appropriate where for example:

- the risk of impacts arising from construction or use of a water supply work are managed via other processes
- the work or activity is of a kind that only result in limited or short-term impacts.

Proposed changes

The department proposes to make changes in the new regulation to provisions dealing with:

- maintenance or decommissioning of drought works
- using tankers for dust suppression
- pipes that partly cross sensitive land.

Drought work exemptions

Clause 39A of the 2018 Regulation currently allows relevant public authorities (for example, state owned corporations or council-owned local water utilities)¹ to apply to the Minister for an exemption from requiring a water supply work approval to construct and/or use a water supply work during a drought. The exemption aims to allow prompt construction and use of water supply works by a public authority to supply water for critical needs during drought. The exemption can only be granted if drought conditions are in place and the exemption is in the public interest.

Currently, there are no requirements to maintain or decommission works once the exemption ends. The absence of a water supply work approval can prevent a public authority regularly maintaining the works after the exemption ends, which may mean that it is unusable next time it is required (that is, for the next drought). Lack of maintenance or proper decommissioning of a water supply work can also pose risks to water sources and nearby areas. For example, bores that are not decommissioned can contaminate groundwater as they can channel surface water runoff into the source. If groundwater is contaminated, it could also contaminate the soil.

Proposed change

The proposed change in the new regulation will allow the Minister to require public authorities, after the exemption period ends to:

- test and maintain works that are intended to be used in future droughts

¹ Under the Water Management Act 2000, public authority means: a Minister of the Crown; or a Public Service agency; a statutory body representing the Crown; a statutory State owned corporation (or any of its subsidiaries) within the meaning of the [State Owned Corporations Act 1989](#) or a council or county council within the meaning of the [Local Government Act 1993](#).

- decommission works that are not intended to be used again.

Dust suppression

Clause 38 of the 2018 Regulation allows public authorities, such as a local council or a roads authority, to use a water tanker and any water pump that is part of the water tanker to take or transport water for dust suppression activities. The public authority must be satisfied that taking the water will not have a significant negative impact on basic landholder rights or sensitive land specified in the 2018 Regulation (found in 37(2)(a-j) of the 2018 Regulation). This means that local councils or roads authorities are exempt from the requirement to hold a water supply work approval for using a water supply work for dust suppression.

Tankers extracting water for dust suppression in unregulated water sources can sometimes cause issues, for example:

- during periods of low or no flows
- when pumping from remanent pools
- when pumping from water sources that are critical for town water supply (small villages and communities) particularly in drought
- when pumping large volumes of water for extensive road construction.

In these instances, the water source and dependent ecosystems, as well as town water supply and basic landholder rights can be negatively impacted by taking the water.

Proposed change

The department proposes to add to the new regulation a requirement that public authorities must be satisfied there is no significant adverse impact on water sources and dependent ecosystems before they use the dust suppression exemption.

The proposed change aims to protect the environment, town water supply and basic landholder rights in periods of low/no flows or when large volumes of water are pumped for extensive construction work. Any dust suppression work that threatens water sources and dependent ecosystems will require a water supply work approval.

Exemption for pipes not crossing sensitive lands

Clause 37 of the 2018 Regulation exempts a person from requiring a water supply work approval to construct a:

- water supply work used only for prospecting or fossicking under the mining legislation
- water pipe used solely for moving water from one place to another

- water reticulation work on land that has a water use approval.

However, this exemption does not apply if any part of the work is constructed on sensitive land (for example national parks, waterfront land, or Aboriginal places). Pipework for moving water often forms part of a larger system of water supply works, possibly hundreds of kilometres in length. Currently, if any section of a clause 37 work (that is, a conveyance pipe), crosses sensitive land, then the entire work needs to be assessed and approved under the water supply work approvals process. This includes portions of the work that are not on sensitive land and would otherwise fit the exemption criteria. This can unnecessarily lengthen and complicate the approvals process and increase costs to both applicants and the government agencies assessing applications (WaterNSW and the department).

Operational experience shows assessing the full work achieves little, if any, improved resource management outcomes.

Proposed change

The department proposes the new regulation to allow portions of clause 37 works to be assessed according to their risks, that is:

- portions of a work that cross sensitive land will continue to require a water supply work approval
- portions of a work that do not cross sensitive land (and so, would otherwise be exempt if considered as a standalone water supply work), will no longer require a water supply work approval.

The proposed change reduces unnecessary regulation and is not expected to increase risk or costs to the environment, water sources or community, as works on sensitive lands will continue to be subject to the water supply work approvals process.

For further information about the costs and benefits of this proposal, please refer to the [Regulatory Impact Statement](#).

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.