

Proposed Water Management (General) Regulation 2025

Proposed changes to water use 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The Water Management (General) Regulation 2018 (the 2018 Regulation) will be automatically repealed (that is, stop operating) on 1 September 2025.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 access licence (WAL) exemptions.

Overview of water use approvals

A water use approval allows its holder to use water for a particular purpose at a particular location, for example irrigation.

The Act requires that water use approvals be obtained. An approval will not be granted unless the Minister is satisfied that adequate arrangements are in place to ensure no more than minimal harm will be done to any water source, or its dependent ecosystems, because of the proposed use of water on the land. Each approval includes conditions to minimise negative impacts. Clause 35 of the 2018 Regulation lists activities which are exempt from the requirement to obtain a water use approval under the Act.

Proposed changes

The department proposes to expand the list of activities which are exempt from needing a water use approval for activities that do not apply water to land. Specifically, in the new regulation the following uses will be allowed without a water use approval:

- the use of water for power generation by a major utility if development consent is in place under the *Environmental Planning and Assessment Act 1979* (EP&A Act)
- supply of water to towns and communities for domestic consumption and commercial activities.

Reasons for the changes

The changes will reduce costs for applicants, the department and other agencies by removing unnecessary regulation.

The changes will not increase direct risks to the environment or water sources, because the uses that will be exempt do not directly apply water to land. A water use approval is aimed at minimising impacts to land to which water is applied. Where water is not directly applied to land by the approval holder, a water use approval adds no value to water management outcomes. Furthermore, the activities will still be assessed and managed through the EP&A Act, water access licences and water supply work approvals as relevant.

For further information about the costs and benefits of the proposed changes, 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.

You can make an online submission at 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.