

Proposed Water Management (General) Regulation 2025 and Water Management (Water Supply Authorities) Regulation 2025

Proposed general changes to modernise and improve processes, cut red tape and streamline and improve understanding and compliance

The Water Management (General) Regulation 2018 (the 2018 Regulation) will be automatically repealed (that is, stop operating) on 1 September 2025.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 following proposed general changes in the new regulations:

- rearranging, streamlining and clarifying the regulations to improve understanding and compliance
- enabling modernisation of processes to improve customer service, user experience and administration.

Rearranging, streamlining and clarifying

2018 Regulation split into two

The 2018 Regulation will be replaced with two separate regulations: the Water Management (General) Regulation 2025 and the Water Management (Water Supply Authorities) Regulation 2025. This will make it easier to understand, review, update and remake the regulations in the future.

The replacing of the 2018 Regulation by 2 separate regulations does not reflect a change in policy. The sections of the 2018 Regulation that relate to water supply authorities (WSAs) are simply being taken out of the main regulation and put into a separate regulation. This doesn't mean that the way WSAs are managed and regulated is changing. More information on the Water Management (Water Supply Authorities) Regulation 2025 can be found [here](#).

Language and referencing

The entire 2018 Regulation has been re-written to align with new legislation writing styles and trends, and to ensure the drafting of the new regulations is consistent throughout. The department has also simplified and modernised the drafting of the new regulations, clarified the intent of the provisions and made it legally robust. This resulted in changes in clause numbers, wording and moving or removing of provisions (provisions related to water supply authorities have been moved into a separate regulation).

These changes do not change the intent of the 2018 Regulation.

Applications in an approved form

The 2018 Regulation specifies what must be included in applications for water access licences, water use approvals, water management work approvals and activity approvals. Currently, applications must be in an approved form and specify other requirements, for instance, that the application must be signed or authenticated by each applicant.

The department proposes to remove the prescriptive requirements for applications from the Regulation and instead specify in the new regulation that the applications should be in an approved form. This will allow the department and WaterNSW to streamline their processes and tailor the requirements of applications for relevant licences and approvals and make things easier for customers. The change will provide more flexibility and lower the costs associated with application processes.

Carryover of water allocations during extreme events

Currently, unused water allocations can be carried over to the next water year if a water management plan is suspended due to a severe water shortage. It is proposed that the new regulation also enables unused water allocations to be carried over if a water management plan is suspended due to an extreme event in a Murray Darling Basin management area or part of the Murray Darling Basin water resources.

This means that licence holders' carryover is protected from any water management plan suspensions triggered by severe water shortages, which may be declared for any water management plan area in the state, and extreme events, which apply specifically to Murray-Darling Basin management areas. Licence holders can use any water allocations they have carried over when conditions have improved in accordance with the rules of the relevant water sharing plan. See the [NSW Extreme Events Policy](#) for information about how extreme events declared under the Act are managed in New South Wales.

Allowing licence holders to keep their carryover does not have negative impacts on other water users, critical needs or the environment during extreme events. It simply delays access to water allocations the licence holders are entitled to.

Dealings on default

The Act sets out the rules that apply when a security holder transfers a water access licence or a holding in a water access licence, where the holder failed to pay a debt or perform an obligation relating to a security interest held over the licence.

One of those rules is that the holder(s) of the licence and the Minister must be notified, in accordance with the regulations. Currently, the 2018 Regulation refers to the requirements for the service of documents within the *Conveyancing Act 1919* (Conveyancing Act).

The department proposes to apply the existing standard requirements for service of documents within section 394 of the Act instead. This change will not have an impact on the intent of the 2018 Regulation because section 394 is consistent with the requirements of the Conveyancing Act. In addition to ensuring greater consistency, it will remove duplication, because throughout all sections of the Water Management (General) Regulation 2025 the service of documents will have to meet the same requirements. Further, the requirements in the new Regulation will be less confusing and more consistent for customers and regulators.

Excluded works exemptions

The 2018 Regulation describes that certain types of dams (i.e. excluded works), don't need to hold (i.e. are exempt from) a water access licence, a water use approval and a water supply work

approval. The current drafting of these ‘excluded works’ exemptions has caused some uncertainty for stakeholders. The department proposes to clarify the wording of these exemptions to make it clearer to water users and the Natural Resources Access Regulator (NRAR) which works are exempt from the need to hold a licence and approval. The changes do not expand or reduce the range and type of excluded works.

Modernisation and digitalisation

Proposed changes include:

- enabling (electronic) signatures and security steps to create and log into accounts
- updating lodgement, service and notification requirements to include digital methods
- removing physical registers at offices for public inspection.

The proposed changes will reflect the modern realities of communication and correspondence, minimise transaction costs to applicants, licensees, regulators and service providers. The intention is not to eliminate communication options, but to provide additional (digital) options and improve processes.

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 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