

Draft Hunter Water Regulation 2024

This document answers frequently asked questions about the new Hunter Water Regulation 2024.

What is the purpose of the *Hunter Water Regulation 2024*?

The *Hunter Water Regulation 2015* (the Regulation) is a crucial regulatory tool that Hunter Water Corporation (Hunter Water) uses to perform its functions under the *Hunter Water Act 1991* (the Act). Hunter Water's obligations are to provide drinking water, wastewater, recycled water and some stormwater services to a population of more than 630,000 people in homes and businesses across the Lower Hunter region of NSW. The Regulation supports Hunter Water in fulfilling its statutory objectives, to supply water, provide sewerage and drainage services and dispose of and treat wastewater in the Lower Hunter region. Without the Regulation, Hunter Water would not be able to effectively act to protect water quality in drinking water supplies, to issue directions or penalty infringement notices to those who damage its assets or perform substandard plumbing and drainage works, or to implement water restrictions to ensure water security in times of drought.

Why is the Hunter Water Regulation being remade?

The Hunter Water Regulation 2015 is due for repeal on 1 September 2024 unless it is remade, but the powers it contains are necessary for Hunter Water to continue to fulfil its statutory obligations. Therefore, the Regulation is being remade with minor changes to reflect current practices, simplify administration and provide more clarity to the region. This is considered the most effective means of achieving the greatest net benefit (or least net cost) to the community. Pending consultation and government approval, the proposed revised Regulation is expected to commence on or before 1 September 2024.

What are the changes to the Regulation?

The proposed amendments include minor administrative updates and additional minor changes intended to streamline regulation and clarify intent. Table 1 summarises the proposed key changes in the 2024 regulation.

Table 1. Summary of key differences between the 2015 and 2024 Hunter Water Regulation.

Part	2015 regulation	Proposed change in the 2024 regulation
Part 1 (Name of regulation, commencement, definitions)		<ul style="list-style-type: none"> Legislative references have been updated to be current, with references to repealed provisions removed. Definitions expanded to provide clarity regarding application.
Part 2 Special Areas	<ul style="list-style-type: none"> This part regulates activities within Special Areas that have potential to impact water. It prohibits intensive plant and stock agriculture, aquaculture, sewage disposal, pollution of waters, leaving of waste and entry of animals like livestock and leaving carcasses. In some areas, boating is restricted. The Regulation allows the Secretary to delegate approval and direction functions to Hunter Water and its staff, as authorised by the Act. It is an offence for persons and corporations to undertake certain activities in Special Areas that may affect drinking water quality without approval. 	<ul style="list-style-type: none"> Exemptions for the Williams River Catchment Area from catchment protection powers have been removed to achieve consistency across all Special Areas. However, this change is administrative only and has no practical impact. Rules and regulations for the Williams River Catchment Special Area already apply under the Dungog Local Environmental Plan 2014.
Part 3 Plumbing and drainage works	<ul style="list-style-type: none"> This part sets out requirements for performance of plumbing and drainage works, including the requirement for a permit to do plumbing or drainage work, conditions around the permits, exemptions, the remedying of defective work and the giving of certificates of compliance by persons who have completed plumbing or drainage work. It also allows Hunter Water to direct a person to remedy defective plumbing work within 2 years of the works being completed. 	<ul style="list-style-type: none"> The proposed Regulation is restructured to set out powers for Hunter Water to authorise connections to its assets (Part 3) and works for water supply, sewerage or drainage (Part 4). Changes are made to reflect current practice (such as online lodgement of documents), and better protect assets. For example, the proposed new Regulation allows Hunter Water to direct a person to repair or replace faulty work or fix work that is not done in line with the relevant standard/authorisation, provided the direction is issued no more than 6 years after the work has been completed (up from 2 years).

Part	2015 regulation	Proposed change in the 2024 regulation
<p>Part 4 Miscellaneous</p>	<ul style="list-style-type: none"> This part sets out the authorised persons to issue penalty notices, and powers for Hunter Water to enforce drought measures. It also includes a requirement to notify Hunter Water of damage to its works or property. 	<ul style="list-style-type: none"> This part remains largely unchanged from the current Regulation.
<p>Schedule 1 Penalty notice offences</p>	<ul style="list-style-type: none"> The existing Regulation includes offences for failing to give Hunter Water a certificate of compliance for plumbing and drainage work completed (clause 30) and failure to comply with a direction to remedy defective plumbing work (clause 29) or notify Hunter Water about damage to its works or property (Clause 32) as well as failure to comply with water restrictions (clause 33). 	<ul style="list-style-type: none"> Penalty amounts have been added for penalty offences under the Act, sections 30(1) and 69(1) and the Regulation, sections 27, 28, 29 and 30(4), for completeness. This would enable on the spot fines to be issued for all offences or breaches against the Act and Regulation where allowed. The penalty for contravening water restrictions has been increased to \$750 for a person or \$1,500 for a corporation, in line with the penalty amount for other offences of similar consequence. All other penalty amounts remain unchanged. The penalty for failing to notify Hunter Water about damage to its works or property has been removed.

How do the changes affect residents and businesses in Hunter Water's area of operations?

Hunter Water's area of operations is more than 6,600 km² and includes the local government areas of Newcastle, Lake Macquarie, Maitland, Cessnock, Port Stephens, Dungog and parts of Singleton.

Changes to the Regulation are minor and do not have material impacts for residents or businesses.

What are the changes to penalty notices in the Regulation?

Schedule 1 of the Regulation lists penalty notice offences. Penalty notice amounts for failing to comply with a Ministerial order imposing water restrictions during a drought or emergency are proposed to increase from \$220 for an individual to \$750 and from \$550 for a corporation to \$1,500. The maximum penalty for breaching water restrictions is proposed to increase from 5 penalty units (\$550) for an individual to 100 penalty units (\$11,000) and from 50 penalty units (\$5,500) to 200 penalty units (\$22,000) for corporations.

These changes seek to increase compliance with water use during drought and emergency situations by acting as a deterrent. Having the ability to issue on the spot fines is an important tool for Hunter Water in helping ensure adequate water supply. The changes to penalty amounts will establish consistency of fines for offences under the Regulation of a similar level of consequence in terms of Hunter Water's ability to supply water.

Penalty amounts are proposed to be added for penalty offences under the Act (sections 30(1) and 69(1)) and the Regulation (sections 27, 28, 29 and 30(4)). These would be new penalty notice offences enabling penalty infringement notices to be issued for all offences or breaches against the Act and Regulation where allowed.

The penalty for failing to notify Hunter Water about damage to its works or property is proposed to be removed.

What do the changes mean for local councils?

Restrictions on agriculture and sewage disposal within Special Areas previously did not apply to the Williams River Catchment Area under Part 2 of the Regulation. The exemption for the Williams River Catchment Area has been removed in the draft Regulation for consistency across all Special Areas under the regulation. This has no practical impact as the same controls apply to the Williams River Catchment Area due to the application of the Dungog Local Environmental Plan 2014, with Dungog Shire Council remaining as the consent authority. These changes streamline regulation by removing duplication with the Dungog Local Environmental Plan 2014.