



Independent Pricing and Regulatory Tribunal  
(IPART)

Our ref: DOC21/289067

Online submission  
<https://www.IPART.nsw.gov.au/>

16 April 2020

To whom it may concern

**Subject:** WaterNSW rural bulk water and WAMC prices from 1 July 2021

Thank you for the opportunity to respond to your draft reports.

### **Background**

The Department of Planning, Industry and Environment - Environment, Energy and Science (DPIE EES) manages water that is allocated to the environment to improve the health of rivers, wetlands and floodplains in partnership with local communities and other government agencies. All environmental water is delivered to meet the objectives of the *Water Management Act 2000* (WMA), the Commonwealth *Water Act 2007* (Cwth WA), the *Basin Plan 2012* and other relevant water reform objectives.

DPIE-EES has responsibilities for the management of environmental water in NSW in 3 key areas:

- water provided for the environment under the WMA (planned environmental water)
- management of the NSW environmental water holdings (licensed water)
- collaboration with the Commonwealth Environmental Water Office on the delivery of Commonwealth environmental water within NSW, and with the Murray Darling Basin Authority on the delivery of water held under the intergovernmental Living Murray initiative.

### **Definition of impactor**

DPIE-EES supports IPART's view that 'impactor pays' is the appropriate method for achieving efficient costs over the long term, and that the definition of the starting point as a 'world without consumptive use' is the most appropriate for identifying impactors. DPIE-EES considers that under this definition, environmental water holders are not impactors. We are also not beneficiaries; the potential beneficiaries are consumptive water users and/or the broader community.

### **Environmental gauging station charge**

DPIE-EES does not support the proposed continuation of the 'environmental gauging station' charge and considers it should be removed, noting that the charge has never been levied.

DPIE-Water have advised that water left instream does not constitute 'take' under the Non-urban Metering policy. The metering Regulation does not require the application of any meter conditions related to a licence that is to be used instream under the National framework for Non-urban Metering. This means the environmental gauging station charge can never be levied and retaining it creates confusion.



### **Level of cost recovery for water users**

EES is not seeking to comment on the separate issue of the level of cost recovery from water users.

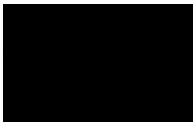
### **Water NSW's capital expenditure**

EES notes that IPART has reduced the funding for Fishways by 80% of the proposed cost based on a lack of confidence in the work going ahead in the coming determination period. We consider that such a large reduction in funding presents a significant risk to environmental outcomes and will lessen the chances of WaterNSW meeting its regulatory requirements for fishways. Would IPART consider building in a trigger point which would release more funding during the determination period, such as the completion of business cases or other demonstrated targets?

### **Further consultation**

We can provide more specific examples on the different circumstances we might place an order to a specific location and request a consultation meeting with IPART to help us understand the application of the NWI principles relating to the gauging station charge and other forms of metering. My contact details are [REDACTED]

Yours sincerely,



**DEREK RUTHERFORD**

**Director, Water for the Environment**

**Biodiversity and Conservation Division**

**Environment, Energy and Science**