



OFFICE OF THE CHIEF EXECUTIVE OFFICER

Goulburn Mulwaree Council
Locked Bag 22
Goulburn NSW 2580
t (02) 4823 4444
e council@goulburn.nsw.gov.au
www.goulburn.nsw.gov.au

16 April 2024

Ms Carmel Donnelly
Chairperson
Independent Pricing & Regulatory Tribunal (IPART)
PO Box K35 Haymarket Post Shop
SYDNEY NSW 2580

ipart@ipart.nsw.gov.au

Dear Carmel,

Subject – Submission to IPART Regarding the Dam Safety NSW Levy Review

I am writing to you on behalf of Goulburn Mulwaree Council in response to the review of the Dam Safety NSW Levy being conducted by the Independent Pricing and Regulatory Tribunal (IPART). Our council wishes to express its strong opposition to the proposal of imposing a dam safety levy on owners of declared dams.

Goulburn Mulwaree Council is considered a large water utility with approximately 12,500 connections, providing essential Water and Sewer Services to the communities of Goulburn and Marulan. Our water supply is sourced from two declared dams, Pejar and Sooley Dams, which solely service the Goulburn area. Sooley Dam is classified with an Extreme consequence rating, while Pejar Dam holds a High A consequence rating.

Upon reviewing the issues paper, our council has several concerns that we wish to raise, which are detailed further in this letter.

It is important to note that dam safety regulation is an established function of the NSW Government, having been effectively managed since the enactment of *the Dams Safety Act 1978* and the subsequent establishment of Dam Safety NSW on 1 November 2019. This regulatory function has been financed by the state government for decades, thus distributing the financial burden of this essential service across all taxpayers in the state.

The current proposal suggests a shift in this funding model, which would disproportionately affect local governments, especially those like ours with smaller populations. For example, entities such as Water NSW and Sydney Water manage 56 declared dams, serving a vast number of users compared to our council's coverage. It seems inequitable for councils with fewer water service customers to bear a higher per-unit cost of dam safety management than those in larger cities like Sydney, Newcastle, the Blue Mountains, and Wollongong.

Furthermore, the proposed levy suggests cost shifting from the State to dam owners, particularly targeting local governments without introducing any enhancements in efficiency or dam safety functions. This shift does not provide a sustainable financial model and disregards the increasing operational costs local governments are currently

facing due to inflation, which affects all aspects of municipal operations including the essential maintenance required for dam safety compliance.

The issues paper suggests a potential reduction in levy amounts over time with increased compliance; however, regulatory trends typically grow stricter, not more lenient. Therefore, in our view, it is unrealistic to expect a decrease in costs over time under the proposed model.

Additionally, our council is in the process of applying for a Special Rate Variation due to the necessary increase in general rates. Implementing a new levy for dam safety under these circumstances would exacerbate the financial burden on our residents, making it even more challenging to maintain affordability of essential services.

In conclusion, Goulburn Mulwaree Council firmly believes that the responsibility for funding dam safety should remain with the NSW Government, akin to other regulatory services that do not specifically target local governments operating non-profit public utilities. We urge IPART to consider these points and the disproportionate impact of the proposed levy on smaller communities.

Thank you for considering our submission. We look forward to your decision, hoping for a resolution that maintains the fairness and effectiveness of dam safety regulation funding in New South Wales.

Yours sincerely



Aaron Johansson
Chief Executive Officer

Phone 
Mobile 
Email council@goulburn.nsw.gov.au