

SUBMISSION:

Prices for Water Administration Ministerial Corporation from 1 October 2025

Introduction

Hunter Valley Water Users Association (HVWUA) thanks Independent Pricing and Regulatory Tribunal (The Tribunal) for the opportunity to provide feedback on the Water Administration Ministerial Corporation (WAMC) Draft Report. In our submission we provide feedback on the questions supplied by IPART and raise issues of concern for our membership. HVWUA supports the NSW Irrigators' Council (NSWIC) submission.

HVWUA also wishes to highlight the impact of the recent floods throughout the Mid-North Coast and Hunter Valley. Due to these circumstances, farmers within our region have reduced capacity to absorb increases in government fees. Many have lost livestock, irrigation equipment, fencing and land due to flooding and must prioritise other costs. We request the Tribunal consider this during the next phase of the WAMC pricing review.

Questions from IPART

HVWUA has provided responses to IPART questions 1, 3, 4 and 6.

1. What are your views on the proposed three-year determination length?

HVWUA are concerned by the uncertainty that a three-year determination period presents. WAMC pricing determinations typically result in increased water bill prices. It seems unlikely that the WAMC pricing proposal in 2027-28 will be less costly than IPART's current draft decision of a 5% cap plus inflation increase. For that reason, we consider that a longer determination at 5% plus inflation each year could provide more certainty to water users.

We note that IPART is considering completing a structure review of WAMC. If this three-year determination permits IPART to perform a structural review of WAMC's operating model, budget and performance with implementation of recommendations within this timeframe, we consider that this may benefit water users.

3. Do 2.5% and 5% caps on prices strike the right balance between cost recovery and impacts on customers?

HVWUA does not support a 5% plus inflation cap and believe this percentage should be lower. IPART's draft decision is an improvement on WAMC's pricing proposal, but the balance between cost recovery and customer impact has not been achieved. Current cost recovery from agricultural customers is negatively impacting water users' capacity to pay and extends beyond the baseline water delivery services that water users access.

Water users should only pay for baseline service delivery. Farmers question why they pay higher charges when they do not benefit from the programs and policies receiving funding. While bills increase, unregulated meter gauges are still poorly maintained, processing times for admin forms have not improved, access to in-person

water agency staff is in decline, water sharing plans complicate processes such as water trading, and the metering reform continues to be a burden with barriers beyond water user control.

4. What are your views on a potential alternative cap of prices for water management services at 10%?

HVWUA does not support an alternative 10% cap. This would worsen customer impacts and further reduce farmers capacity to pay, while threatening the viability of businesses requiring irrigated agriculture in the Hunter.

6. What are your views on a potential structure review?

HVWUA supports NSW Irrigators' Council recommendations. The review should be overseen by shareholding Ministers, led by an independent consultant, and include consultation with WaterNSW and WAMC customers.

Other Issues

Metering reform charges

HVWUA believe that metering-related charges should not be paid for by water users due to ongoing unresolved compliance barriers beyond the control of water users. The persistence of these issues suggest that water agencies have been inefficient in the use of water user funds to implement the metering reform and resolve compliance barriers in past pricing determination periods.

Some Hunter region water users have installed compliant metering equipment. They report limited benefits such as slight improvements in the accuracy of water take. However, we regularly hear of the unsuitability of the metering equipment on the ground and the cost of maintaining their functionality. For example:

- Following wet (flooding) or dry (cease to pump) events during which irrigators do not pump, metering equipment is non-functional due to regular wear and tear associated with being outdoors.
- Semi-regular coastal flooding results in faulty metering equipment after repeat exposures to flooding, and during major floods metering equipment may be washed away.
- Poor connectivity within the region means that the benefits of telemetry are not fully achieved.

Repairing faulty meters and/or replacing metering equipment is a burden on water user resources due to the lack of DQPs, time required to complete repair and replacement works and lack of affordable compliant meters.

With revised metering rules introduced in March 2025, HVWUA have requested water agencies provide metering education to coastal communities in alignment with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) metering review recommendations implementation plan which outlines that by mid-2025, water agencies will "Engage with coastal water users to ensure that they understand their obligations well ahead of the proposed compliance date¹".

We observe DCCEEW, NRAR and WaterNSW educating water users through Ag Field Days stalls, websites, webinars, radio ads and printed materials. These efforts are a step forward, however we are concerned that education does not reach all coastal water users (i.e., only those who visit a stall or listen to radio). We also question how cost-effective water agency education plans are. Water agencies collaborate well during webinars, however each agency approaches in-person engagements differently. During the metering reform rollout in

¹ [NSW Non-urban metering review Recommendations report](#), page 29.

inland NSW, an in-person education roadshow was established, streamlining WAMC resources. NSWIC Coastal Forum have requested a roadshow for the NSW coast, but water agencies have not committed to this mode of in-person engagement.

In the WAMC Draft Report, IPART questions whether metering-related charges should be passed onto customers. As IPART has observed, we agree that there is systemic dissatisfaction with the NSW non-urban metering framework and its associated costs. HVWUA recommends that metering-related costs should not be passed onto customers until it is evident that all barriers to compliance have been resolved and benefits can be demonstrated for water users, including on the NSW coast. This would mean the NSW government covers the cost of metering-related charges until such time that:

- Coastal compliance metering reform deadlines have passed;
- The mandatory metering conditions is applied to water supply works approvals in NSW;
- The Independent Telemetry Review is completed and recommendations are implemented; and
- Metering review recommendations are implemented.

Consent transaction charges:

HVWUA supports IPARTs decision to not increase the cost of consent transaction charges. However, we believe charges are currently too high, are cost-prohibitive, and therefore should be reduced further. From the IPART Draft Report, we have particular concerns about:

- Application to inactivate a Water Supply Work Approval and/or water use approval - \$1,013.37
- Application to surrender a new Water Supply Work Approval and/or water use approval - \$954.12
- WAL - Surrender (non-complex) - \$384.61
- WAL dealings - Administrative - \$582.40
- Application to inactivate/activate a work/works on a Water Supply Work Approval - \$108.26.

HVWUA recommends adopting a no-cost approach to updating the WaterNSW database, such as to mark a work approval as inactive. A fee of \$108.26 is illogical when water users try to comply with the Metering Policy by changing the status of their work to inactive.

Furthermore, HVWUA seeks a reduction in the cost to surrender a works approval or water access licence. These fees are exorbitant and cost-prohibitive when water users are seeking to surrender these assets. The inefficiency of WaterNSW processing and record-keeping should not burden water users who seek to complete simple administrative tasks.

Yours sincerely,

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About Hunter Valley Water Users Association

Hunter Valley Water Users Association (HVWUA) represents over six hundred water users who access groundwater, regulated and unregulated water sources across the Greater Hunter region. Industries represented include the thoroughbred industry, dairy, viticulture, horticulture, beef and cropping.

Founded in 1994, HVWUA seeks to ensure the future of water use and industry in the Greater Hunter region by supporting the sustainable and productive use of water resources. We engage in advocacy to promote secure water rights for water users, advocate for best practice water policy, and encourage industry profitability and sustainability.

HVWUA is a NSW Irrigators' Council member, and partner with the NSWIC Coastal Valley Forum to develop locally relevant state and national policies and strive to provide advice to stakeholders and decision-makers.