Submission to IPART

Review of prices for the Water Administration Ministerial Corporation from 1 October 2025 to 30 June 2028 Draft Report

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2 Introduction

Lachlan Valley Water (LVW) welcomes the release of the IPART Draft Report on the Review of prices for the Water Administration Ministerial Corporation from 1 October 2025 to 30 June 2028.

In our previous submission we outlined the challenges and implications of increasing irrigated water costs in New South Wales. The order of magnitude increase in activities and prices are making irrigation enterprises unviable. Our biggest concern is the increasing degree of inefficiencies that we have observed over the past decades.

The introduction of user charges and economic regulation resulted in a lift in service focus and improved systems. Recent determinations have seen an explosion in planning activities and costs being loaded onto the sector. It seems that the increase in value in water entitlements has been used as a reason to essentially ignore improvements in productivity over time.

While we welcome many of the draft decisions, in our submission we will focus on issues that we believe are critical for water management across NSW. These include:

- 1. The activities and level of expenditure on water management activities
- 2. The optimal level of compliance activities
- 3. The structure of Water Administration Ministerial Corporation (WAMC)
- 4. Pricing principles such as the Minimal Annual Charge (MAC)
- 5. Cost allocation and environmental management
- 6. Key issues of the fundamental review of water management.

We broadly support the positions outlined by IPART. However, we wish to emphasis that the activities and cost base need a fundamental review and encourage a "zero-cost base" based on benchmarking against other jurisdictions.

2.1 The Draft Report

In its draft report, IPART identify that since the 2021 WAMC has increased its water planning activities, it has been enhancing compliance regulation, as well as (continuing to) rolling out non-urban metering and floodplain harvesting programs.

It is our view that at a fundamental level the increase in efforts in water planning and compliance are not well justified.

It is critical that IPART does not allow its reviews to become a process that simply slows the move towards inefficient delivery of water management services. Using regulatory requirements as a rationale for increases should not be a 'leave pass' for price increases. The use of cost benefit assessments, business planning which robustly examines options, including, differing levels of activities should be clear and transparent to all.

We concur that a shorter determination period is justified in WAMC's very large, proposed increase in costs, our assessment is that only a part of the increase is sufficiently justified at this stage. Not only are much of the costs not justified, LVW believe that the many activities and associated costs achieve little to no benefit.

Recent examples include the wetlands policy, the extreme level of compliance costs, and the years of regional water strategy planning (or lack there of) which have achieved almost nothing other than revenue for WAMC.

We agree with the draft decision to constrain the increase in WAMC's water management component charges to a maximum of 5% per year (before inflation) to mitigate the extent of price increases for WAMC's customers.

LVW do not agree with the decision to constrain the increase charges for customers paying the Minimum Annual Charge (MAC) to a maximum of 2.5% per year. There is no principled reason for this price discrimination. There is no evidence that those on the MAC are facing financial circumstances that are more challenging than larger licence holders. In addition, if smaller entitlement holders are receiving no benefit from holding a licence this cost should be clear and a program to retire small licences may be warranted.

We support the decision to maintain Murray Darling Basin Authority (MDBA) charges in line with inflation only from 2024-25 to 2027-28. We note that IPART should ensure that any material changes between the draft and final are subject to comment. We are disappointed that in the WaterNSW review IPART has made significant changes to the entire approach outlined in the Information Paper, seemingly on the representation from the regulated utility with no input in the revised approach from customers.

We broadly support the revision of the structure of metering charges and update metering charges to reflect our assessment of efficient costs.

We also want to emphasis that:

- 1. Customer consultation around WAMC services are problematic Unlike urban utilities where customer consultation is focused on levels of service and local environmental issues, the rural water sector is complex and, in large part, almost abstract for many people. The consultation with the general community is potentially problematic. Incentives exist for water managers and regulators to find that the general community supports higher expenditures. Note the dual roles (infrastructure and water management under the Water Administration Ministerial Corporation, i.e. WAMC) is making consultation even more opaque and confusing.
- 2. Much of the proposed expenditure is stated as a regulatory requirement. We would like to focus on water planning. Planning also needs to be risk-based and the role of the Natural Resources Commission should include the examination of costs associated with the roll out of any of its advice on "improvements".
- 3. The level of NRAR costs is not justified. In 2016 Synergies Economic Consulting stated that the then 2% level of auditing has not been justified within a cost-benefit framework. There is still no

clear statement of risk tolerance or appetite in relation to their compliance functions. The justification provided is not transparent and the relationship between activities and the target level of compliance should be optimised. The incentives for the NRAR Board are clearly demonstrated by increasing costs over time which now represent 34% of NRR.

4. The WAMC proposal did not address customer affordability. It remains perplexing that WAMC had no focus on the issues of affordability given this is an explicit consideration under the economic regulatory framework under which it operates.

We have provided a summary response on IPART request for feedback. Further discussion on key issues is provided in following sections.

Questions		Response			
Re	Relevant Draft Decisions				
1.	Limiting the duration of the pricing determination to 3 years	Supported			
2.	Constrain the increase in water management component charges to a maximum of 5% per year	Supported			
3.	constrain the increase in water management component charges for customers paying the Minimum Annual Charge (MAC) to a maximum of 2.5% per year	Not supported			
4.	Maintain MDBA charges in line with inflation only	Supported			
5.	revise the structure of metering charges and update metering charges to reflect our assessment of efficient costs	Supported			
6.	We recommend there be a review of WAMC's cost allocation and pricing structures prior to the next pricing review.	Supported We believe that this review should be led by an independent group such as working with WAMC, the Department of Climate Change, Energy, the Environment and Water, IPART and Treasury.			
7.	Customer share – reduction in the customer share for one activity, W06-05 Regional planning and management strategies, from 60% to 0%.	We support this change and note it is overdue.			
8.	Standard rating	It seems incongruous that the proposal does not justify expenditure. We question the relevance of the IPART water regulation framework to WAMC services.			
Sp	ecific Questions asked by IPART				
9.	Do you agree with the draft decision to set a 3-year determination period?	Yes. This time should be used to conduct a wholesale review the delivery of rural bulk water.			
10	10. How reasonable is it to assume the forecast water NA take from floodplain harvesting will be 30% of the floodplain harvesting entitlements?				
11	Do the 2.5% and 5% caps on prices strike the right balance between cost recovery and impacts on customers?	Agreed. However, the critical issue is whether WAMC activities and expenditure are efficient. WAMC should have a plan to become more productive.			
12	. What are your views on a potential alternative cap of prices for water management services at 10%?	LVW view is that approach articulated to develop the draft prices provided in the determination should be applied. Any further change would not meet as the impacts of any changes have not been consulted on.			
13	. What are your views on our proposed performance metrics? Could these be improved?	Agreed.			
14	. What are your views on a potential price structure	Agreed for efficient safety costs (Section 3.2).			

Questions	Response
review?	
Other Issues	
Aboriginal licences - NSW Water Strategy and Aboriginal Water Strategy, which include providing greater ownership of, and access to, water for cultural and economic purposes should address the issue of costs (Section 2).	
Broader Issues - going forward	We strongly support the economic regulation of monopoly government services.
	It is our view that there has been a significant failing by WAMC in its long-term planning and approach to the provision of services. We provide conditional support the proposed <i>Review of the long-term</i> sustainability of rural bulk water services.
	We note that this should involve more than a review of the cost share framework.
Compliance costs	LVW would like to make specific comment on the high level of compliance costs.

3 Detailed Feedback on Specific Issues

3.1 The Determination Period

We support this draft approach. A shorter determination period will provide WAMC funding certainty, while providing it more time to develop more robust justification for proposed expenditure past the 3-year horizon.

We wish to emphasise that the three years should be used to conduct a thorough review of the approach that WAMC takes to planning and delivering water management and compliance services. If such a fundamental review isn't conducted, we will be back to the same situation as having costs imposed without due consideration of optimal levels of management. This remains true of bulk water costs also.

Response 1 LVW supports the draft length of the determination period.

3.2 WAMC proposal assessed as Standard

We note that IPART has assessed the proposal as standard. Given this is the first time that WAMC has been assessed and it is the basis of the draft determination we have no firm view on this rating. We would note that IPART does identify major failings in WAMCs proposal.

We would identify the failure to balance risk and the inclusion of activities which are not water management activities and also a lack of a *focus on efficient cost recovery* is a major issue. We would note that the proposed and draft position on the *MAC is not equitable*.

We believe that WAMC requires a strategy that aims to deliver outcomes with less activities and *demonstrating continuous improvements*, this is absent in any meaningful sense.

We would also highlight the failures around engagement. Failures include that lack of response to any feedback. Furthermore, consultation needs to be targeted on issues and key costs, not shallow presentations. The applicability and role of customer engagement obligations in a WAMC context and

3.3 Price Increases

In the IPART draft determination, price increases are limited to CPI. We broadly support this approach – however, IPART states –

Since the 2021 review of WAMC's prices, its water planning activities have increased, it has been enhancing compliance regulation, as well as rolling out non-urban metering and floodplain harvesting programs. (pg 9)

This statement distills the concerns across the sector that WAMC delivery entities do not adequately assess the costs and benefits of projects and initiatives, and no culture of cost consciousness exists.

IPART states that its proposed prices reflect efficient costs. The draft decision on efficient operating expenditure for water management services over the next 3 years is \$318 million. This is \$29 million per year (39%) higher than the average annual operating expenditure forecast used to set prices in the 2021 determination period.

The draft also uses a forecast of efficient capital expenditure relating to water management services over the next 3 years is \$83.3 million. This is \$6.5 million or 7% lower than WAMC's proposal. The investment in must be **tied to a reduction in operations** that is clearly identified in any business case for the investment to NSW Treasury. These investments must include commitments to gain actual efficiencies rather than the stated benefits that are often seen to be nothing more than works of fiction.

Based on the draft decisions on WAMC's efficient costs, the notional revenue requirement (NRR) for WAMC's water management services over the next 3 years will average \$42.5 million over the 2025 determination period; 49% higher per year than the notional revenue requirement over the 2021 determination period.

This is a step-change in costs with NO significant driver identified as the cause of the uplift.

We would also like to understand what the implications are of WAMC incurring costs, in addition to what IPART allows, over the next three years. **Previously WAMC and WaterNSW have incurred costs well above what IPART had approved with little visible oversight**.

Response 2 LVW welcomes the limit on price increases. However, it is imperative that the costs are assessed as not only efficient but also prudent in any review.

3.4 Expenditure

IPARTs draft decision for efficient operating expenditure is \$101 million or 24% lower than WAMC's proposal. We note that IPART has found the efficiency of the level of expenditure proposed by WAMC for the 2025 determination period has not been fully justified. We are proposing to:

- reduce the direct costs proposed by WAMC by \$32.2 million for scope adjustments
- reduce direct costs by a further \$48.6 million for efficiencies we identified that WAMC should be able to realise
- reduce by \$20.5 million the corporate overheads proposed by WAMC.

The WAMC budget is evidentially based on traditional budgeting, which adjusts prior period budgets incrementally.

We believe a zero-based budgeting approach is required to reset expectations. Zero-Based Budgeting is a budgeting approach that requires all expenses to be justified going forward - starting from a "zero base", with each unit/departments building their budgets from the ground up and expenses assessed for its relevance and cost-effectiveness.

The creep of incremental costs being added to the accepted base has resulted in an FTE build-up. In addition, the splitting of delivery between three groups has created a "hunger games" approach where each entity is proposing high costs hoping that another area will be reduced.

We are of the view that the base-trend-step approach has merit. However, the review should take the time to investigate significant drivers of costs. These activities include:

- W08–03 Compliance management
- W04–01 Surface water modelling
- W05–04 Water plan performance assessment and evaluation
- W06–06 Development of water planning and regulatory framework
- W02–01 Groundwater quantity monitoring.

3.5 Water Compliance (NRAR)

The cost of compliance in past determinations has represented approximately 20% of water management costs. The effort and associated costs are increasing each determination period. In 2024-25 NRAR's allowed opex was \$18.7 million, and it spent \$45.9 million.

The costs were assessed as a major concern in the Stantec expenditure review with a lower bound assessment of WAMC 2025-30 pricing proposal reducing cost by \$6.0 million per annum.

Under the IPART Draft Decision compliance costs are \$36.0 million a year or which is 34% of operating costs and 28% of total Notional Revenue Requirement (NRR).

The proposed resourcing includes an additional 22 FTEs, 184 in total. NRAR's proposal provides for a reduction of five FTEs in 2028/29 in anticipation efficiencies arising from spend to save initiative to expand functionality of its case management system. Any efficiency from past investments has not materialised.

IPART's draft determination has adopted the lower bound of Stantec's estimated range of efficient costs for most activity codes. However, it proposes to adopt the upper bound of the range of efficient expenditure estimated by Stantec for the direct costs of the Surface water modelling (W04–01), Groundwater modelling (W04–02), Water plan development (W06–01 and W06–02), Development of water planning and regulatory framework (W06–06) and Compliance management (W08–03) activity codes.

It is our view that expenditure for W08–03 activity should be set at the lower bound of the Stantec recommendation.

IPART should provide incentives to accelerate the development of industry-wide compliance, reducing future enforcement costs, and creating a more sustainable regulatory environment. It will have been 10 years since the establishment of NRAR by the end of the determination period. It is not in an establishment phase, it is in an empire building phase. It should move to a role that utilises targeted and risk-based approaches requiring fewer resources.

A fundamental change in the approach of NRAR is required. It requires strong leadership and governance to change to culture of continuous review and challenge, rather than budget protectionism. This may be made via changes in leadership, however, it is best achieved by a rigorous review of

appropriate strategies and level of overhead costs.

Response 3 It is our view that expenditure for W08–03 activity should be set at the lower bound of the Stantec recommendation.

Response 4 NRAR requires a fundamental reassessment to ensure activities are prudent and efficient and that the structure of the sector is efficient.

3.6 Minimum Annual Charge

The draft report constrains the increase in WAMC's water management component charges for customers paying the Minimum Annual Charge (MAC) to a maximum of 2.5% per year.

LVW do not agree with the decision to constrain the increase charges for customers paying the Minimum Annual Charge (MAC) to a maximum of 2.5% per year. There is no principled reason for this price discrimination. There is no evidence that those on the MAC are facing financial circumstances that are more challenging that licence holders.

We note that the feedback on the 2.5% cap for annual increases for the MAC was mixed. Some smaller users made submissions about paying minimum charges on entitlements that cannot be used, which have risen and will continue to rise (at 2.5% plus CPI under WAMC's price proposal). If smaller entitlement holders are receiving no benefit from holding a licence, these costs should be clear and a program to retire small licences may be warranted. WAMC should develop a process for the rapid and efficient cancellation of water access licences.

3.7 MDBA and BRC charges in line with inflation only from 2024-25 to 2027-28

We support that MDBA charges in line with inflation only from 2024-25 to 2027-28. We remain concerned that determination after determination WAMC does not provide evidence in its proposal that MDBA contributions delivered sufficient value for its customers.

This is solvable. In 2018 the Commonwealth Productivity Commission recommended in 2018 that the MDB States establish a joint process of review of these and bulk water charges. Nothing has been done which reveals the priorities and view that costs will be recovered whether the proposed MDBA charges promote the long-term interests of customers or not.

3.8 Cost Shares

We welcome the change in cost share relating to regional water strategies.

Whether current cost shares between customers and government are appropriate should be considered as part of the review of the long-term sustainability of water management services. This is a key element of the review, in particular the demands of the wider community.

The review should examine the impactor pays framework. There are two significant issues that require consideration

7. The river and water supply system has been fundamentally altered. In particular, the regulated systems in almost all cases will not be returned to a natural state as there are a range of users

including urban users and other states such as South Australia (although we must note that the Lachlan River does not flow into any southern systems except in times of extreme flooding) that require delivery of planned environmental water to achieve a range of outcomes. The desire for connectivity and water security drive water management to a large degree.

8. Regulatory changes identified include policy that is in the public interest are driven by operating licence changes, and additional regulatory obligations such as environmental measures that are driven by climate change. Water users are not the impactors of climate change as it is a global phenomenon.

3.9 Volumes

We would like to make the point that volumes going forward over a three-year determination are likely to be affected by water in storages, and in the Lachlan Valley current storage levels are around 80%.¹

Response 5 LVW questions where the proposed volumes were obtained from as they don't match the current Water Sharing Plans. We would like more information on this.

3.10 First Nations water rights are important

The NSW Water Strategy and Aboriginal Water Strategy, which include providing greater ownership of, and access to, water for cultural and economic purposes should address the issue of costs.

As ownership increases, we would argue that IPART should articulate a best-practice approach to these charges. If a subsidy is proposed to continue it is our view that Government should provide an explicit CSO for these charges.

IPART states that 'were the NSW Government to make a direction to WAMC and WaterNSW to waive licence fees for Aboriginal community development licences along with associated funding from Government, we consider our Determination should not serve as an impediment to that'. This is a feature of the existing regulatory regime. We support this statement as it reflects the desire to transparently address funding.

3.11 Performance metrics

IPART proposes to accept most of WAMC's proposed performance outcomes and objectives with amendments to some measures and targets. It is proposing amendments to some performance measures to provide a more holistic view of performance and better reflect WAMC's actions.

These performance metrics should be examined as part of developing a performance framework for the WAMC businesses by providing business cases for key spending initiatives to measure the efficiencies gained.

3.12 Planning for prudent and efficient programs

We believe that there is a fundamental disconnect between customers and the Government regarding the water sector. This is an unintended outcome of the corporatization of water management, where

¹ Lake Wyangala 79% and Carcoar Dam 92% as at 02 June 2025.

costs can be loaded onto customers by government departments (via regulations) and there is a lack of transparency on the cumulative impacts of these forced obligations.

The current model places an undue emphasis on IPART to focus on efficiency.

The WAMC budget has exploded due in many parts due to failed government reforms. Despite efforts of irrigators to comply with new rules, failed rollouts are ultimately being paid for by irrigators through increased charges. The fundamental problem here is not how pricing is structured, but the fact that WAMC revenue requirements are ballooning faster than the capacity of its customers to keep paying more, while IPART's impactor-pays principle shifts an ever-greater proportion of those ballooning costs onto rural water users; primarily farmers.

Response 6 The planning culture and focus of WAMC should be examined as part of the proposed review

3.13 Our draft decision for WAMC's tax allowance is \$5.6 million

The tax allowance in the determination is which is 1.4% of the total NRR.

LVW strongly protest the inclusion of a tax allowance in the WAMC review. We note that the tax allowance was introduced in as an adjustment to the pricing model in 2016. The allowance was IPART had included was \$0.26 million over the 2016 determination.

The tax allowance is included due to IPART's principle that a regulated entity's revenue should be as close as possible to that of a well-managed privately owned business that operates in a competitive market. This includes any taxes payable on the entities' taxable income.

We call on the NSW Treasury, to remove WAMC from the agencies and organisations that are subject to tax equivalent regimes under the NSW Commercial Policy Framework. WAMC is not conducting the activities of a private business, and we understand that other states such as Victoria exclude the costs/income of water management and compliance of the Government Departments that manage water in their state, from tax.

Response 7 No tax allowance should be included in WAMC NRR. If this is not removed for the determination, it should be reviewed over the next three years for equivalence with other MDB states.

3.14 Price structure

IPART's draft decision is to maintain price structures, including:

- maintaining water source-based pricing
- the entitlement and water take components in metered charges
- setting unmetered charges as the sum of the entitlement charge and water take charge set for metered charges in each water source (therefore assuming 100% take of the entitlement)
- retaining the minimum annual charge (MAC).

Response 8 LVW supoports the retention of the current price structure – noting MAC should be aligned with increases for all licence holders – subject to the review.

3.15 IPART's affordability analysis of WAMC's proposal

We welcome that the effort made by IPART to examine the impacts on gross margins. The impact of WAMC's proposal to 2029-30, before inflation, could mean that the WAMC portion of a farming business's water bill would increase by more than 70%. We also found that the gross margins of cotton and rice farms would be most impacted (up to a 1.5% reduction).

We would comment that gross margins are not a measure of profit and that the percentage impact on profit and ability to provide living costs for a family are impacted to a greater extent. Context is also important as we are in a period of high commodity prices (as evidenced by MDBAs review of the Basin Plan). The impact on farm business viability (as opposed to affordability) should be assessed via a suitable framework across NSW.

We would also note that cumulative impacts of WAMC and WaterNSW bulk water costs should be assessed for regulated rivers.

Response 9 An assessment of impacts on farm viability should be established to inform consideraitons as WAMC and WaterNSW have not been able to conduct this assessment commissioning poorly designed studies at the concluding stages of proposal development.

4 Future Review of the long-term sustainability of rural water services

4.1 Review

We note that IPART has recommended that there be a review of WAMC's pricing structures prior to their next pricing review. This review may be led by WAMC, DCCEEW, IPART or another organisation.

The review could consider:

- reviewing the cost reflectivity of existing activity codes
- the direct and indirect allocation of costs to activities
- the level of disaggregation of prices by location or water source
- the relative fixed and variable proportions of prices
- replacing the minimum annual charge (MAC) which currently applies to customers with relatively small water entitlements with an administrative charge that applies to all customers
- the structure of pricing for non-urban metering

The review could also incorporate broader considerations including:

- the long-term sustainability of the level of water charges in regional and rural NSW
- Community Service Obligations and cost shares alongside the 'impactor pays' model.

4.2 Focus

We support a close examination of longer-term issues to improve water management. We believe it is important that the Government is aware that the sector should provide direct and structured advice on the alternative scenarios put forward rural and regional bulk water pricing so the NSW Government can consider the approach to price setting.

NSW's water is managed for multiple purposes, including the health of the environment and wellbeing of communities. Increasingly, there is also an expectation water will be managed to improve the social, economic, cultural and spiritual wellbeing of First Nations.

However, rural water customers (primarily farmers) carry a substantial burden of these water management costs under the so-called 'impactor pays' principle. The storage system has been built across the state for regional development and the water system is highly managed.

Response 10 The planning culture and focus of WAMC should be examined as part of the Review

4.3 Developing a Process – A Role for Co-design

We would like to note that water users are a critical part of the future discussion.

We would encourage IPART to co-design its reform process and formally involve water users. Co-design is not an event but a participatory process. Co-design starts with aspirations and shared goals and solutions. It should include:

- 1. Understanding and clearly defining the issue.
- 2. Developing potential solutions and analysing these ideas.
- 3. Involving a process of staged decision making.

"Co-design" should mean that water users are treated as equal collaborators in the reform process.

Existing efficiency incentives for WAMC entities are weak, and poor outcomes and implementation has not been recognised as costs are simply transferred onto water users.

We are glad that IPART has taken the opportunity to act as a catalyst for innovative, long-term solutions to water pricing and management and are willing to work as a sector with the Government and IPART.

Response 11 We agree that IPART develop a more equitable, evidence-based, and transparent approach over the next three years to ensure sustainable and fair pricing for rural water users.

4.4 Implementation options

There are a range of implementation options for a significant review. We believe that the review should be well designed and include the following features:

- 1. Have clear terms of reference with periodic updates on progress.
- 2. Involve IPART, WAMC entities and NSW Treasury.
- 3. An independent process managed by a dedicated reform panel that is constituted for the length of the review.
- 4. Include structure processes for stakeholder inputs and feedback on issues papers.
- 5. Be serviced by an independent secretariat that commissions works/investigations that may be delivered by a third party, IPART or parts of the NSW Government.

5 Conclusion

Lachlan Valley Water supports the proposed bulk water prices and approach outlined in the IPART review.

We believe the recommended pricing balances a degree of cost recovery, a focus on sustainable infrastructure management and safety, and affordability for water users.

The next three years are critical for the future of the long-term viability of water delivery services in the Lachlan Valley and broader NSW.

We encourage IPART to proceed with working with the NSW Government and the sector to ensure the long-term sustainability of bulk water delivery for all stakeholders.



Glenn DaleyExecutive Officer



6 Appendix One

Lachlan Valley Water is an industry organisation representing surface water and groundwater licence holders in the Lachlan and Belubula valleys.

Membership of LVW is voluntary and our 450 members represent all categories of licences except for those held by environmental water managers. We are the collective advocacy and lobbying body representing Lachlan Valley irrigators. As the industry leaders in water advocacy, we are committed to supporting sustainable water management and ensuring fair access for all who rely on this vital resource. From water licensing to policy development, Lachlan Valley Water is a critical port of call for expert guidance and representation.

Irrigated agriculture may be last in line to access water, but it is first in delivering essential food and fibre that supports Australian households and industries.

We are dedicated to securing the future of water resources for the people who rely on them most. As an independent industry group, funded by water licence holders in the Lachlan catchment, Lachlan Valley Water are your voice at every level – working with government, community, and other stakeholders to ensure fair access to water for productive use.

While this submission is made on behalf of our members, individual members may also make their own submissions.

The Lachlan River is the lifeblood of one of New South Wales' most productive and diverse landscapes, spanning 90,000 square kilometres. Flowing from the Great Dividing Range to the Great Cumbung Swamp on the Riverine Plains, it nurtures the people, ecosystems, and industries that depend on its waters

Agriculture and irrigation thrive in the Lachlan Valley, with the river supplying water to sustain crops, livestock, and livelihoods. Its highly variable flows present challenges for water management, but through sustainable practices, this precious resource is used effectively to support the economic and social wellbeing of the region.

Collaboration with the Lachlan Environmental Water Advisory Group (EWAG) ensures that water is also allocated to maintain vital ecosystems. From black box woodlands and river red gum forests to the habitats that support native wildlife, the balance between productive use and environmental sustainability remains central to the river's management.