



10 April 2017

Dr Peter Boxall, AO  
Chair  
Independent Pricing and Regulatory Tribunal NSW  
PO Box K35  
Haymarket Post Shop, NSW 1240

Lodged online

**Re: Submission by Gwydir Valley Irrigators Association Inc on *WaterNSW Draft Operating Licence 2017-2022***

Dear Dr Boxall

We thank the Independent Pricing and Regulatory Tribunal NSW for the opportunity to provide feedback on *WaterNSW's Draft Operating Licence 2017-2022*. We provide this letter on behalf of our members as a formal submission for consideration by IPART NSW. This document represents the concerns and views of GVIA's members. However, each member reserves the right to express their own opinion and is entitled to make their own submission. The GVIA and its members are members of the NSW Irrigators Council and we endorse their submission.

We with others, consider that there are extenuating circumstances such as the regulatory and organisation reforms being undertaken by WaterNSW, to delay a decision on the operating licence until a more thorough understanding of WaterNSW's operating conditions are realised. A delay will also provide further opportunity to undertake consultation and reviews on the proposed operating changes.

The GVIA is concerned that by enabling a single operating licence for WaterNSW's urban and rural supply operations, rural customers will be disadvantaged, as the draft licence will substantially amend current operations and WaterNSW will be required to adopt onerous and unnecessary regulatory requirements.

We are particularly concerned that some changes to the operating licence have questionable benefit for rural customers and will incur significant cost. For example, the additional requirements outlined within:

- Section 2.1.2 for a water quality management system for non-declared catchments<sup>1</sup> which is over and above that of the previous licence conditions and should be revised;
- Section 2.7.1-7 the need for an economic level of water conservation<sup>2</sup> that requires further definition and discussion prior to implementation, as it risks resulting in substandard operations if the process is too onerous;
- Section 2.8.1 that outlines the need for research in catchments *generally*<sup>3</sup> and should be amended to refer to only declared catchments, such research is already undertaken by other bodies<sup>4</sup> in rural regions; and
- Section 6.11.1 education programs<sup>5</sup> which should be specifically matched back to *Listed Functions*<sup>6</sup> and any costs reimbursed by the NSW Government as a community service obligation, not customers who would not benefit from such programs.

We recommend that a section detailed “Planned Environmental Water Delivery” is included in Section 2 Water Source Protection and Conservation, to report on the quantity of water delivered as well as the time, effort and cost of delivering planned environmental water to improve transparency and accountability around environmental services provided by WaterNSW to the community.

We also suggest amendments are made to Section 6.5.3 Customer Advisory Group membership to remove the provision for *(vi) environmental users or groups*<sup>7</sup> as this would create a duplication with the above provision for *(v) environmental water holders* noting that there is no provision for irrigator water users or groups. Furthermore, we question the requirement for *(xi) Indigenous Australians*<sup>8</sup> and recommend that this be amended to be *(xi) Aboriginal water holders*, to again maintain consistency.

We request as part of the changes to the former Customer Service Committees (now Customer Advisory Groups) that the content of these meetings remains relevant and operationally specific for customers. These *Groups* must also remain valley specific as matched to those operations.

We request details of the role and purpose of the requirement to implement a Memorandum of Understanding with Local Land Services in Section 6.15<sup>9</sup> and if this has an essential benefit to rural customers.

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<sup>1</sup> IPART NSW, *WaterNSW Draft Operating Licence 2017-2022*, 2017 – Page 5.

<sup>2</sup> IPART NSW, *WaterNSW Draft Operating Licence 2017-2022*, 2017 - Page 8.

<sup>3</sup> IPART NSW, *WaterNSW Draft Operating Licence 2017-2022*, 2017 – Page 9.

<sup>4</sup> Such as, the respective Local Land Services organisation, Department of Primary Industries and the Office of Environment and Heritage.

<sup>5</sup> IPART NSW, *WaterNSW Draft Operating Licence 2017-2022*, 2017 – Page 21.

<sup>6</sup> IPART NSW, *WaterNSW Draft Operating Licence 2017-2022*, 2017 – Page 2.

<sup>7</sup> IPART NSW, *WaterNSW Draft Operating Licence 2017-2022*, 2017 – Page 18.

<sup>8</sup> IPART NSW, *WaterNSW Draft Operating Licence 2017-2022*, 2017 – Page 19.

<sup>9</sup> IPART NSW, *WaterNSW Draft Operating Licence 2017-2022*, 2017 – Page 23.

We thank you for this opportunity to provide input and feedback into your regulation of WaterNSW. Our industry exists, in part to the services provided by WaterNSW and it is of interest that the standard of service is maintained while costs are efficient, prudent and commercially responsible but importantly, that they are recovered from the appropriate beneficiary of those services.

We therefore, would be interested in further discussions with IPART NSW regarding the proposed operating licence.

Please do not hesitate to contact me for further information.

Kind Regards



Zara Lowien  
Executive Officer  
Gwydir Valley Irrigators Association

cc: Jessica Hanna, [compliance@ipart.nsw.gov.au](mailto:compliance@ipart.nsw.gov.au)