

Statutory review of Water NSW Act 2014 – response to Issues Paper

Summary

Thank you for the opportunity to provide input to the statutory review of the *Water NSW Act 2014*.

Overall, Sydney Water has no major issues of concern with the Act or its operation. We have provided comments on some questions raised in the Issues Paper below.

Responses to questions in Issues Paper

Objectives and functions of Water NSW

2. Do the legislated principal and other objectives of WaterNSW need to be updated, amended or expanded to include any other matters?

3. Do the functions of WaterNSW need to be updated, amended or expanded to include other matters?

4. Are the legislative functions of WaterNSW adequately specified in the Act to enable WaterNSW to deliver its objectives, i.e. is a greater level of flexibility required?

We do not have any concerns with the objectives or functions of the Act in relation to bulk water supply or water quality management. They appear adequate to enable WaterNSW to deliver its bulk water supply and water quality management functions.

Operations

5. Does the Act need to be more or less prescriptive about WaterNSW's operations?

We are comfortable with the current level of prescription in the Act regarding WaterNSW's operations. Further prescription regarding particular activities, responsibilities or obligations can be applied via the Operating Licence, if required.

6. Does the Act clearly enable coordination between WaterNSW and Government departments or other agencies?

In order to deliver the best outcomes for the community, it is important for there to be a high level of coordination and collaboration between water agencies servicing greater Sydney and relevant Government agencies. In our view, this does not need to be stipulated by the

Act. For example, obligations regarding Water NSW's role and contribution to metropolitan water planning can be included in its Operating Licence, if required.

WNSW as a Stated Owned Corporation

8. Should there be more consistency in the approach to setting performance standards between the major NSW water authorities?

Given the different types of water authorities and different water industry structures within NSW, the approach to setting performance standards should be tailored to the functions of the water authority. It is appropriate that a fit-for-purpose approach to setting standards be adopted by the relevant regulator.

WNSW as a bulk water supplier

12. Does the Act provide sufficient protections and rights for WaterNSW customers including Sydney Water, irrigators, regional local water utilities,

There is potential duplication and an opportunity for inconsistency in the Act regarding standards that apply to water supplied to Sydney Water, as standards for water quality and water delivery (or continuity of supply) are stipulated to be included in both the WNSW Operating Licence (clause 2(a)(ii)) and the Raw Water Supply Agreement (RWSA) (clause 25). Sydney Water's preference is that standards in the RWSA take precedence for water supplied to Sydney Water.