

Overview of key issues – WaterNSW Operating Licence Review 2022-24

8 August 2023

The Issues Paper discusses emerging issues

We are undertaking an end-of-term review of the current 2022-2024 WaterNSW Operating Licence (Review). The conclusions of the Review will inform our recommendations to the Minister for Water for a new operating licence, expected to commence on 1 July 2024.

We have published an Issues Paper on our website seeking feedback on specific matters and discussing our preliminary positions on how the current operating licence could be improved. We will use your feedback to develop draft recommendations.

We have summarised our preliminary positions for key areas of the operating licence below. Please refer to the Issues Paper for our analysis and focus questions to inform your submission.

We also seek your feedback on our proposed approach to the Cost-Benefit Analysis (CBA) which also informs our recommendations for the operating licence. We have published a CBA Approach Paper on our website for further background.

Catchment management (chapter 2 of the Issues Paper)

One of WaterNSW's principal objectives is to ensure that declared catchment areas are managed and protected to promote water quality, the protection of public health and public safety, and the protection of the environment.

We seek to explore whether WaterNSW's community education and research program obligations should be extended to non-declared catchments. Where relevant, this will include incorporating findings of the Chief Scientist's independent review into the Menindee mass fish kill, and the development of a water quality roadmap under the Greater Sydney Water Strategy.

Climate risk readiness (chapter 4)

Climate change impacts are a significant risk to WaterNSW's core functions and can critically impact the communities and environment of NSW. We seek to understand what climate-related risk management obligations, if any, should be imposed on WaterNSW through the operating licence.

Our preliminary view is that there could be benefit in requiring WaterNSW to:

- develop and maintain a climate-related risk management program consistent with the NSW Climate Risk Ready Guide (Guide)
- publish its progress towards Net Zero.

Water quality (chapter 6)

The current Licence places obligations on WaterNSW to protect water sources through catchment management and managing water under its control, whether or not it has a final end use as drinking water. WaterNSW must do this by maintaining and implementing a water quality management system (WQMS) for both the declared and the non-declared catchments.

We are considering adding a condition to the Licence requiring monitoring of performance against water quality performance targets. These may be developed in consultation with NSW Health and relevant stakeholders as appropriate.

We will also consider if the conditions relating to Fish River Water Supply Scheme (FRWSS) remain relevant and if there is merit in separating the conditions relating to FRWSS from the broader WaterNSW obligations.

In addition to exploring improvements in information sharing with local water utilities (LWUs) regarding water quality, we will consider if any of the findings from the Review of Monitoring Requirements for LWUs (2019) should be implemented through the operating licence.

Other themes

A range of other aspects of the licence will also be reviewed, including water planning and management (chapter 3), performance standards (chapter 5), WaterNSW's obligations to its customers (chapter 7), access to information and data (Chapter 8), fostering collaboration with other agencies (Chapter 9), and management systems (Chapter 10).

How you can submit feedback

We look forward to receiving your submission on the Issues Paper. You are welcome to include your response to the CBA Approach Paper together with your submission on the Issues Paper.

Please see [here](#) for more information on how to make a submission and our submission policy.

Have your say

Your input is valuable to our review process.

[Make a submission >>](#)

You can get involved by making a submission in response to this Issues Paper.