

# Regulatory Impact Statement

Disallowable Instrument DI2010-279

## Identification of the Problem

An amendment is sought to the *Utilities (Water Restrictions) Regulation 2006* to update the scheme of water conservation measures. This scheme includes an additional six categories compared with its preceding scheme.

The additions include clarification on the requirements of commercial nurseries, private and public ponds and fountains, private and public swimming pools and filling of tanks, dams and lakes. These categories are all included in the current temporary water restrictions (TWR) scheme. Government, commercial and industry users are expected to continue water efficient practices that have already been adopted under restrictions. This means that any economic impact on these sectors will be negligible.

Requirements for some industries under revised PWCM include the development and implementation of water efficiency management plans. Following detailed consultation, some plans already in place and it is ACTEW's intention to work closely with those customers affected to introduce plans that are not onerous but will deliver required water savings. Consultation with affected industry groups indicated no significant issues or costs associated with complying with the requirements under PWCM.

Whilst ACTEW still has the ability to enforce permanent water conservation measures (PWCM), its focus will remain on education and working with the community to encourage the continuation of water wise behaviour. ACTEW will not impose pecuniary penalties on businesses that are unable to implement water management plans (due to capital investment requirements) during the next twelve months.

A comprehensive review and consultation program will also be conducted in 2011, including a thorough economic analysis to verify the implications of implementing expanded management plans with the non-residential customer sector.

## Objectives of government regulation

ACTEW has advised that the reason for seeking the amendment is to extend the successful and generally accepted water wise practices already in place under TWR to continue under PWCM.

## Options

Non-residential customers who are unable to comply with the requirements of the revised PWCM will be provided the opportunity to apply for exemptions in order to continue business operations.

## **Conclusions**

The revised water conservation measures scheme has incorporated several measures already in place under temporary water restrictions and is designed to gain maximum efficiency with minimal social and economic impact.

ACTEW's focus will shift from enforcement to education to ensure that the community and in particular, the non-residential sector continues to strive towards best practice water use behaviour. Where customers can demonstrate serious detriment from the application of PWCM, applications can be made for exemption. A comprehensive review and consultation of PWCM and TWR will be conducted shortly and will investigate the feasibility of expanding permanent measures to include the non-residential customer segment.