



## QUESTION TIME BRIEF

**Portfolio:** Climate Change, Environment, Energy and Water

### Murray Darling Basin (MDB) Water Reforms Within the ACT

#### Talking Points:

- The ACT entered into a new Federation Funding Agreement ‘Implementing Reforms in the Murray-Darling Basin 2024-25 – 2027-28’ with the Australian Government on 12 September 2024.
  - Contingent on meeting each milestone outlined within the schedule, the agreement provides the ACT with up to \$2,605,000 over four years to continue implementing Murray-Darling Basin reforms in the ACT.
  - Under the schedule, priority actions for the ACT will be:
    - Contributing to activities that will inform reviews of the Basin Plan (2026) and the *Water Act 2007* (2027);
    - Continuing to progress discussions on interstate water trade arrangements consistent with requirements under the Basin Plan;
    - Supporting implementation of Commonwealth initiatives to improve outcomes for First Nations in relation to holding water entitlements; and
    - Progressing long-term environmental watering plans for the ACT and improving the ACT’s water accounting framework.
- On 14 March 2024, the ACT Government entered into an agreement with the Australian Government to provide 6.36 Gigalitres (GL) of water entitlement to the Commonwealth for supporting environmental outcomes in the Murray Darling Basin.
  - The volume of water will meet the shared reduction amount (4.9 GL) and contribute an additional 1.46 GL towards other water recovery targets.
  - This agreement is made under the Commonwealth’s water purchase framework. The Australian Government provided the ACT Government \$58.83 million in June 2024 after it received a water access entitlement for 6.36 GL.
  - This finalises the ACT’s water recovery commitment under the Basin Plan.
- To recover water equivalent to 6.36 GL/year, the ACT Government provided \$2.425 million to progress the design of various initiatives under a new Water Efficiency Program through the 2024-25 Budget (see QTB 36).
  - This program will be funded through the one-off payment of \$58.830 million from the Commonwealth to the Territory in 2023-24.

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Cleared for public release by:	Executive Group Manager
Contact Officer name:	Hannah Evans
Lead Directorate:	Environment, Planning and Sustainable Development

- The program will strive to improve the ACT's drought and climate resilience and support the ACT's long-term water security.

## Key Information

- The entitlement for the Commonwealth is a new water access entitlement specifically for environmental purposes. It will not affect the ACT's urban water supply or existing water access entitlement holders. The water is available downstream of the ACT's urban areas.

## Background Information

### Previous Federation Funding Agreement

- During 2021-2024, the Australian Government provided approximately \$2.6 million to support the implementation of MDB water reforms within the ACT. Funding provided to the ACT for MDB reforms supported:
  - Long-term environmental water planning;
  - Basin Plan implementation monitoring, evaluation, and reporting;
  - Climate vulnerability and water security planning to build resilience in the environment and community of the ACT and surrounding region, and
  - Investigating options to deliver water for the environment by returning at least 4.9 GL to the basin.
- In 2023-23 and 2023-24, a portion of funding against the *Implementing Water Reform in the Murray–Darling Basin schedule (30 June 2024)* was withheld by the Commonwealth in relation to specific trade milestones that required coordination between the ACT and NSW governments.
  - Commonwealth Water had previously agreed to revised deliverables during implementation of the FFA schedule, however, in the absence of a formal variation, the evidence provided to receive payment was not accepted by Commonwealth Treasury.
  - The ACT has entered into a contract variation signed by Minister Plibersek which would provide the ACT with an opportunity to receive the \$67,800 payment in 2024-25.

Under the variation, the ACT and NSW Governments must establish two-way entitlement and allocation trade between the two jurisdictions, to ensure protection of future environmental water downstream from the ACT. Basin Plan Evaluation and Review

- The Basin Plan must be evaluated every 5 years. This includes evaluating the effectiveness of the implementation of the Plan, as well evaluating the outcomes of the Plan.

The next Basin Plan Evaluation will be completed in 2025 and will draw on multiple sources of evidence, including reporting conducted by Basin States and submitted in October 2024. The Evaluation will then inform the Review of the Basin Plan in 2026.

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Cleared for public release by: Executive Group Manager  
Contact Officer name: Hannah Evans  
Lead Directorate: Environment, Planning and Sustainable Development

**Portfolio:** Climate Change, Environment, Energy and Water

## Non-potable Water Pricing Review

### Talking Points:

- As the new Minister for Water, I am seeking a comprehensive briefing from officials to ensure this government can implement a practical, but economically and environmentally prudent, response to the Non-Potable Water Review.
- The timeframe to finalise a response to the Non-potable Water Review was protracted and this government will work to resolve the matter as effectively and efficiently as possible, ensuring our stakeholders remain front of mind.
- The Government notes that addressing issues with the Water Abstraction Charge will impact both potable and non-potable water pricing, and as such will carefully consider how to coordinate the Government's responses to resolving both issues.

### Key Information

- The Non-potable Water Review is restricted to non-potable water use only and will not affect potable water charges. For example, sportsgrounds that are irrigated 100% by treated drinking water are not affected.
- Proposed policy is intended to support a nuanced approach to the application of charges for water consumption that seeks to balance the trade-off between affordability and promoting water conservation, and provide equity on policy application.
- Examples of licensed non-potable irrigators that provide community services, and pay the full Water Abstraction Charge:
  - Private schools: St Edmunds College, Canberra Grammar School, Brindabella Christian College, Canberra Rudolph Steiner School, via groundwater
  - Vikings Park sportsground Erindale, via groundwater
  - Royal Botanic Gardens, Commonwealth Park and Floriade, via Lake Burley Griffin.
- Approximately 20 ACT agricultural irrigators receive a 98 per cent discount of the Water Abstraction Charge (Competition Equalisation Payment). This is in recognition of competition with other primary producers in NSW, for providing food and produce such as apples, lucerne and grapes.
- Ten golf clubs receive a 50 per cent discount to the Water Abstraction Charge to recognise competition with interstate clubs (Market Equity Scheme). Golf courses have expressed strong concern about any potential changes that may result in cost increases and are highly protective of maintaining the Market Equity Scheme.

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Cleared for public release by: Executive Group Manager  
Contact Officer name: Sara McIntyre  
Lead Directorate: Environment, Planning and Sustainable Development

## Background Information

### Non-potable Water Review

- The last ACT Government committed through the Parliamentary and Governing Agreement to ensure that clubs continue to support the community while reducing harm from gaming.
- A review by ACT Treasury into water costs for high-intensity club users of non-potable water was published on the YourSay Conversations website in December 2021. The aim of the review was to consider the impact of water costs on the operation of clubs while not requiring cross-subsidisation by other ACT water users.
- The Office of Water contacted almost 200 entities, including all non-potable water licensees and significant stakeholders such as Clubs ACT, Canberra Community Clubs, ACT-Monaro District Golf Association and ACT Rural Landholders Association.
- Stakeholder consultation on the policy options for the Government response to the Non-Potable Water Review occurred in June and July 2023.
- The Listening Report from public consultation was sent to stakeholders in December 2023 and was published on the YourSay Conversations website.

### National Water Reforms

- Micro economic reforms related to water pricing have been agreed by successive governments under the National Competition Policy, National Water Initiative (NWI, 2004), *Water Act 2007* (Cth) and the Murray-Darling Basin Plan (2012).
- The ACT is a signatory to inter-governmental agreements that give effect to these water reforms. Specifically, the ACT has agreed to implement water pricing and institutional arrangements that promote economically efficient and sustainable use of water resources, water infrastructure assets, and government resources devoted to the management of water.
- The NWI (and, if adopted, its replacement the National Water Agreement (NWA)) pricing principles promotes user-pays and pricing transparency, in respect of water supply systems and cost recovery for water planning and management.

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Cleared for public release by: Executive Group Manager  
Contact Officer name: Sara McIntyre  
Lead Directorate: Environment, Planning and Sustainable Development

**Portfolio:** Climate Change, Environment, Energy and Water**Belconnen oval wetland and other assets/projects****Talking Points**

- Healthy Waterways completed construction of the \$4.3m Belconnen Oval Wetland in May 2024. Construction fences remain up while the dryland grasses are established.
- The grasses did not grow as well as expected throughout 2024. As a result, the wetland will be open to the public between early April and Easter, once the grasses have become more established.

**Key information**

- The treatment train (sequence of stormwater treatments) for the Belconnen Oval wetland comprises:
  - A gross pollutant trap
  - A type of pond called a sediment forebay
  - A traditional wetland with two pools and intervening shallow zones featuring waterplants (e.g. reeds and rushes) growing out of the water.
  - A subsurface wetland element, with waterplants growing in a gravel substrate.
- The wetland will filter around a third of the nutrients that drive algal blooms (nitrogen and phosphorus) and suspended sediments (eroded soils) in the stormwater draining from the Emu Creek catchment. This is a significant reduction and will help reduce the likelihood of blue-green algae blooms.
- Subsurface wetlands are specialised for intercepting dissolved nutrients. They act like a big hydroponic garden, with the nutrients absorbed by the waterplant's roots as the stormwater flows through the gravel substrate.
- 50% of the total phosphorus in stormwater—which drives toxic blue-green algal blooms—exists in dissolved forms and is not easily treated with traditional constructed wetlands.
- This is Australia's first subsurface wetland built for cleaning stormwater, though similar technology is already used for tertiary treatment in sewage treatment works.
- Water quality monitoring points have been built into this asset at the outlet of the gross pollutant trap and inlet and outlet of the subsurface wetland. These monitoring points will gauge the performance of the wetland overall as well as the subsurface element.

**Background***Water quality assets that are still in the two-year plant establishment phase*

- \$3.7 million naturalisation of the Tuggeranong Creek drain near Calwell
- \$4.3 million Belconnen Oval wetland
- \$0.5 million Yerrabi floating wetland.

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Cleared for public release by: Executive Group Manager  
Contact Officer name: Ralph Ogden  
Lead Directorate: Environment, Planning and Sustainable Development

## *Another asset for construction*

- There are currently no water quality assets under construction. A final Stage 2 project to naturalise an old, isolated section of Tuggeranong Creek anabranch at the Tuggeranong Homestead may be progressed with leftover capital funding, depending on the release of contingency funds from the projects in establishment (above).

## *History of Healthy Waterways infrastructure*

- Healthy Waterways is a program to address water quality and quantity problems in Canberra and the ACT through planning and on-ground actions.
- Stage 1 of ACT Healthy Waterways began in 2014 as a \$94 million joint initiative of the Australian and ACT Governments. It was completed in June 2021.
- Most of the Stage 1 funding was used to design and build 19 large water quality assets—raingardens, ponds, wetlands, and channel restorations—according to Water Sensitive Urban Design (WSUD) principles.
- In 2020, the ACT Government invested a further \$1 million to build a floating wetland in Lake Tuggeranong, to begin planning for the next stage of works, and to extend the research program.
- From February 2021, a total of \$29.66 million in initiative funding was invested in 4 tranches. These ‘Stage 2’ ACT Government investments were provided to fulfil the Parliamentary and Governing Agreement for the 10<sup>th</sup> Legislative Assembly commitment to *Expand Healthy Waterways: \$30 million over 4 years*.
- Just over half the Stage 2 funding has been used to design and build six more constructed wetlands and other water quality assets, bringing the total number of assets built so far in Healthy Waterways to 27.
- There is enough funding to build one more wetland in the next 18 months.
- Water quality assets constructed by Healthy Waterways are primarily transferred to Transport Canberra and City Services (TCCS). However, depending on the land tenure, some assets are also handed over to the Parks and Conservation Service.
- Assets are handed over to asset owners in three tranches:
  - for civil works (at construction completion),
  - dryland plantings (after 6 months) and
  - water quality plantings (after two years).

## *Other ACT water quality infrastructure*

- There are hundreds of (mainly small) constructed ponds, wetlands and other water quality assets in the ACT.

**Portfolio:** Climate Change, Environment, Energy and Water

## **Election Commitment – Water Quality – Lake Tuggeranong**

### **Talking Points:**

- Over the past seven years, ACT Healthy Waterways within the Office of Water has conducted research, monitoring, modelling and other data analyses on understanding the water quality problems in Tuggeranong and solutions to them.
- This work led to a draft Healthy Waterways Plan for Lake Tuggeranong. The plan provides Government with costed options for mitigating the pollution and algal bloom problems in Lake Tuggeranong.

### **Background Information**

- Water quality in Lake Tuggeranong is poor, resulting in potentially toxic blue-green algal blooms for an average of around three months in summer and closing the lake to primary (e.g. swimming) and secondary (e.g. kayaking) contact due to health risks.
- Excessive levels of faecal coliforms sometimes also occur in the lake, leading to closures.
- The main finding for research is that contemporary pollution from the catchment is the primary driver of algal blooms in Lake Tuggeranong. In-lake interventions (e.g. bubblers) will have little impact until the catchment inputs of pollution can be curbed.
- Since 2018, Healthy Waterways has invested around \$40 million to build 11 constructed wetlands and other water quality assets in the Lake Tuggeranong catchment to clean polluted stormwater.
- According to water quality models, seven of the recently built assets are intercepting 13% of the pollution destined for Lake Tuggeranong. The modelling has demonstrated that water quality assets are necessary to intercept unavoidable pollution but are not sufficient to solve the pollution problem on their own.
- The most impactful and cost-effective options for mitigating pollution in catchments are ones that prevent the stormwater from getting polluted in the first place, e.g. increasing the frequency of street sweeping and community partnerships to prevent pollution.
- Over the past three years, Healthy Waterways has trialled community partnerships to prevent pollution from resident's blocks and road verges and have worked with the Transport Canberra and City Services directorate (TCCS) to improve the management of Government-owned green space.
- A second draft of the Lake Tuggeranong Healthy Waterways plan has been reviewed and is being revised. It is anticipated to be ready for community feedback in mid-2025.
- Since many catchment pollution mitigation options involve changes to the management of blue-green corridors, Healthy Waterways plans consider how options will also affect other objectives for blue-green space, e.g. flooding, Ngunnawal values, urban heat, biodiversity, amenity and travel, recreation etc.

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Contact Officer name: Ralph Ogden  
Lead Directorate: Environment, Planning and Sustainable Development

- The schedule for release of draft Healthy Waterways plans on the YourSay Conversations website is:
  - Lake Tuggeranong – late Q2 or Q3 2025
  - Yerrabi Pond – initial Q3 2025, full Q4 2026
  - Lake Burley Griffin – Q1 2026
  - Lake Ginninderra – Q1 2027
- The aim is for the Healthy Waterways plans, and similar plans to be living documents that are updated as new knowledge comes to hand.

## History

- Healthy Waterways is a program to address water quality and quantity problems in Canberra and the ACT through planning and on-ground actions.
- Stage 1 of ACT Healthy Waterways began in 2014 as a \$94 million joint initiative of the Australian and ACT Governments. It was completed in June 2021.
- In 2020, the ACT Government invested a further \$1 million to build a floating wetland in Lake Tuggeranong, to begin planning for the next stage of works, and to extend the research program.
- From February 2021, a total of \$29.66 million in ACT Government initiative funding was invested in 4 tranches. Most of the funding was for activities to June 2025, with recurrent annual funding from the 2025-26 FY for 7 FTE of staff and \$475,000 for waterway research and monitoring.
- Healthy Waterways funding has been used to:
  - Design and build 27 constructed wetlands and other water quality assets, with remaining capital funding to build one more asset.
  - Run pilot community partnership programs targeting leaves on verges and fertiliser use in residential gardens.
  - Work across Government to adopt water sensitive practices.
  - Build an evidence base—research, monitoring, data analysis and modelling—to underpin planning and on-ground actions.
  - Carry out planning and restoration activities in the rural Naas-Gudgenby River catchment.
  - Draft two of five Healthy Waterways plans for solving water quality problems in selected waterbodies. Then remaining plans will be produced over the next two years with existing funding.

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Contact Officer name: Ralph Ogden  
Lead Directorate: Environment, Planning and Sustainable Development

**Portfolio:** Climate Change, Environment, Energy and Water

## **ACT Water Strategy and Traditional Custodian engagement**

### **Talking Points:**

- The refreshed ACT Water Strategy and associated implementation plans will guide the next 20 years of water resource management.
- It will also provide an opportunity to reflect more contemporary information and emerging priorities.
- This Strategy is a critical opportunity to reestablish a shared vision for water that embodies the values and aspirations of Ngunnawal Traditional Custodians.
- The Government recognises the need to strengthen our approach to engagement with Traditional Custodians, and other Aboriginal people with a connection to the waters across our region. This means moving beyond consultation and towards deeper collaboration.
- With that in mind, the Office of Water has procured an Aboriginal consultant to support relationship building and collaboration across a range of water resource management matters.
- Although the consultation program is supporting the development or review of several programs and documents, the ACT Water Strategy has been identified as foundational water policy and is therefore considered a priority item to progress.

### **Key Information**

- Through the 2023-24 budget (*Safeguarding the Territory's water resources*), the ACT Office of Water has contracted engagement professional and facilitator, Paul Knight (*Dharawal / Yuin*) to develop and implement a consultation program with Ngunnawal Traditional Custodians and other Aboriginal people with connections to the lands and waters of the upper Murrumbidgee River.
- The consultation has been designed to help strengthen relationships between the ACT Government and First Nations communities, enhance the cultural safety and inclusiveness of water management decision-making in the ACT, and promote a greater understanding of First Nations perspectives on water issues.
- This consultation will involve working collaboratively with First Nations communities to identify their priorities, concerns, and desired levels of involvement in decision-making processes, as well as to develop a culturally safe and effective engagement strategy for the project.
- The consultation will inform and support collaboration with Ngunnawal Traditional Custodians in the development and operation of projects under the ACT Water Strategy Implementation Plan, to deliver outcomes for their communities.

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Contact Officer name: Hannah Evans  
Lead Directorate: Environment, Planning and Sustainable Development

- The consultation is being conducted in a phased approach. The pre-planning phase, which involved targeted discussions with government and Traditional Custodians to validate a consultation approach, is now complete. The next phase of consultation is exploring a range of important themes related to water management, such as cultural flows, water management governance, restorative cultural practices and knowledge sharing with community. The final phase will apply what has been heard to various programs and documents and validate outcomes with community.

## Background Information

- The *ACT Water Strategy 2014-44: Striking the Balance* (Strategy) is the ACT Government's central policy position guiding the direction of water policy within the Territory.
- In June 2022, the government agreed to establish the Office of Water to implement priority governance reforms, including refreshing the Strategy.
- Since 2023, the Office of Water has been progressing a project to refresh the Strategy and the associated Implementation Plan.
- Public consultation occurred between 15 May and 28 June 2024 and included a community information and feedback session, a targeted stakeholder session as well as a short and long form survey on YourSay.

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Contact Officer name: Hannah Evans  
Lead Directorate: Environment, Planning and Sustainable Development

**Portfolio:** Climate Change, Environment, Energy and Water

## National Water Agreement

### Talking Points:

- The ACT, and all other state and territory governments, have committed to work on revising the National Water Initiative (NWI) into the National Water Agreement (NWA).
- The ACT Government is continuing to work with the Australian Government and other jurisdictions to ensure that the ACT's views are appropriately captured and addressed prior to progressing the agreement.
- The Australian Government is aiming to seek approval from First Ministers to the Agreement in the first quarter of 2025.

### Key Information

- It is critical that threats to water security are prepared for and managed effectively to support prosperous communities, productivity, economic growth and environmental sustainability in the context of future conditions.
- The National Water Initiative (NWI) is the shared intergovernmental agreement that underpins the sustainable management of Australia's water resources. It was created in 2004 and agreed by all state and territory governments.
- Through the National Water Initiative (NWI) all jurisdictions have been able to provide a clear, public narrative to give certainty on water policy for stakeholders, industry, and communities.

### Proposed Changes to New Agreement

- The ACT Government's proposed changes to the National Water Initiative are:
  - Water management to encompass all water sources including stormwater and recycled water and groundwater. This would support Australia's commitment to implement its international obligations including the Sustainable Development Goals and United Nations Framework Convention on Climate Change.
  - Actively prioritise Aboriginal and Torres Strait Islander Peoples' involvement and influence in water planning and management decisions.
  - Support the delivery of Closing the Gap targets and support increased access to water for cultural, spiritual, social, environmental, and economic uses, in line with principles of the United Nations Declaration on the Rights of Indigenous People and Closing the Gap targets.
  - An increased focus on providing regional and remote communities, with reliable access to clean, safe, accessible and affordable water for drinking and sanitation,

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Cleared for public release by: Executive Group Manager  
Contact Officer name: Chris Hepplewhite  
Lead Directorate: Environment, Planning and Sustainable Development

including drinking water, stormwater, sewage treatment, reuse, recycling, and demand management.

## The case for change

- Since 2004 Australia's water management landscape has changed considerably. Current water planning, management and service delivery arrangements have critical gaps, and do not adequately accommodate a more demanding and drier future, or effectively account for the aspirations and needs of Aboriginal and Torres Strait Islander Peoples.
- We are experiencing the effects of climate change and more water variability across Australia. System stressors, including:
  - longer, hotter droughts and more intense floods and bushfires are damaging the health and cultural heritage of our waterways, and the wellbeing and livelihoods of communities.
  - increased demand, with growing urban and regional populations, expanding agricultural and the need to consider water's role as part of Australia's transition to net zero and climate adaptation strategies.

## Productivity Commission Inquiries into National Water Reform

- The Productivity Commission's 2017 and 2020 reports on national water reform found most jurisdictions have largely achieved their commitments under the 2004 agreement and reform has brought sizeable benefits to regional communities and irrigators, the environment, water sector and customers.
- The reports recommended renewing the 2004 agreement to ensure Australia's primary water management framework is fit for purpose and addresses current and emerging challenges.
- The Commission recommended the following areas as priorities for water reform:
  - planning and service provision in urban water;
  - recognition of the interests of Aboriginal and Torres Strait Islander peoples in water resource management, including economic interests;
  - planning principles based on best practice that account for a changing climate;
  - water accounting principles that provide confidence in water management; and
  - principles to address integrated catchment management and adaptive management.

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Contact Officer name: Chris Hepplewhite  
Lead Directorate: Environment, Planning and Sustainable Development

**Portfolio/s:** Climate Change, Environment, Energy and Water

## Water Efficiency Program

### Talking Points:

- The Water Efficiency Program (WEP) aims to save 6.36 gigalitres of water per year in the ACT. This amount is equal to that granted by the ACT to the Commonwealth Environmental Water Holder in June 2024.
- The objective of this program is to improve the ACT's drought and climate resilience and support the ACT's long term water security.
- This will be achieved by improving the water efficiency of ACT schools, businesses, households and government facilities.
- The WEP will also incorporate:
  - Water audits and irrigation upgrades for ACT sports grounds
  - A community water efficiency education program; and
  - Measures to improve the efficiency of non-potable as well as potable water use.

### Key Information

- The Water Efficiency Program was announced in the 2024-25 ACT Budget.
- The Environment, Planning and Sustainable Development Directorate is currently designing the program.

### Background Information

- The key objective of the WEP is to save an amount of water equal to the volume of entitlements granted to the Commonwealth Environmental Water Holder, 6.36 GL/year.
- The ACT Government received \$58.8 million for granting a 6.36 GL/year in water entitlement to the Commonwealth Environmental Water Holder. These funds were provisioned in the Budget to fund the WEP.

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Contact Officer name: Cameron Knight  
Lead Directorate: Environment, Planning and Sustainable Development

## Portfolio/s: Climate Change, Environment, Energy and Water

### Water Pricing – Water Abstraction Charge Review

#### Talking Points:

- The government is aware that revenue collected through the Water Abstraction Charge (WAC) is considerably higher than the expenditure on water planning and management activities.
- The government acknowledges this issue and is currently considering options to address it.
- This is a complex matter which requires a considered and informed approach underpinned by a thorough understanding and assessment of the WAC's methodology.
- Given the wide-reaching impacts associated with any changes to water pricing, the government will ensure that any changes are framed by an appropriate transition plan to ensure consumers are afforded additional stability.
- Previous stakeholder consultation on potential policy options for the government's response to the Non-potable Water Review included a review into non-potable water pricing.
- The government notes that addressing issues with the WAC will impact both potable and non-potable water pricing, and as such will carefully consider how to coordinate the government's responses to resolving both these issues

#### Key Information

- The *State of the Lake and Waterways Report (2022)*, prepared by the Office for the Commissioner for Sustainability and the Environment, recommended that the ACT Government publish an annual detailed breakdown of how WAC revenue is expended.
- The government's response agreed in-principle to this recommendation, noting its support for transparency in applying charges for cost recovery and relevant expenditure.
- The Australian Competition and Consumer Commission (ACCC) has an existing statutory role under the *Water Act 2007 (Cth)* to monitor and report annually on regulated water charges.
  - The report includes government expenditure and revenue for water planning and management activities within the Murray-Darling Basin.
- The ACT Government is required to collate and report its water management expenses to the ACCC each year.
- In 2022-23, the cost of water planning and management activities was \$13.4 million while revenue from the WAC was \$32.7 million.

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Contact Officer name: Chris Hepplewhite  
Lead Directorate: Environment, Planning and Sustainable Development

- The ACT's method for calculating water charges has not been updated since the Independent Competition and Regulatory Commission's (ICRC) 2003 review. The Territory has since agreed to a number of policy and legislative instruments, including the *Water Act 2007* (Cth), 2010 National Water Initiative (NWI) Pricing Principles and the Commonwealth Water Charge Rules (WCRs).

## Background Information

- The WAC is intended to recover water management costs not included in the provision of water supply, reflect the environmental costs from water abstraction, and the value of water as a natural resource.
- The WAC is separately determined for two categories of water abstracted under the *Water Resources (Fees) Determination 2024 (No 2)*, including:
  - Water taken for the purposes of urban water supply (i.e. potable/drinking water use) – \$0.71 per kilolitre in 2024-25; and
  - surface water or groundwater taken for non-potable use - \$0.344 per kilolitre in 2024-25.
- Revenue from the WAC is currently collected as consolidated revenue and is not hypothecated. Expenditure of consolidated revenue is set out in the ACT Budget.
- The WAC is set and collected by the ACT Government. The ICRC has no legislative responsibilities for setting or regulating the WAC.
- As the Minister for Climate Change, Environment, Energy and Water, you are responsible for determining fees and charges under section 110 of the *Water Resources Act 2007*, which includes the WAC.

## National Water Reforms

- Microeconomic reforms related to water pricing have been agreed by successive governments under the National Competition Policy, National Water Initiative (NWI, 2004), *Water Act 2007* (Cth) and the Murray-Darling Basin Plan (2012).
- The ACT is a signatory to inter-governmental agreements that give effect to these water reforms. Specifically, the ACT has agreed to implement water pricing and institutional arrangements that promote economically efficient and sustainable use of water resources, water infrastructure assets, and government resources devoted to the management of water.
- The NWI pricing principles promotes user-pays and pricing transparency, in respect of water supply systems and cost recovery for water planning and management.

## ACT Water Strategy 2014-44 Striking the Balance

- The ACT Water Strategy aims to achieve 'an integrated and efficient water supply system that provides for the optimal mix of supply options, encourages efficient use of water, is resilient to climate variability, and secures the social, economic and environmental needs of the ACT community'.

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Cleared for public release by: Executive Group Manager  
Contact Officer name: Chris Hepplewhite  
Lead Directorate: Environment, Planning and Sustainable Development

**Portfolio/s:** Climate Change, Environment, Energy and Water

## Restoring the Upper Murrumbidgee River

### Talking Points:

- The ACT community have long advocated for better protections in the upper Murrumbidgee River.
- This is a great opportunity to deliver tangible on-ground outcomes that will better protect the environmental, cultural, social and critical human water needs that our region relies on.
- In the ACT, the funding provided by the Australian Government is supporting an expansion of current river health science and monitoring programs, involvement in a review of the water management arrangements for Snowy Hydro, on ground river restoration activities and First Nations engagement in program delivery.
- This work has potential to benefit the river well beyond the 5-year timeframe of the program. Knowledge gained through research and monitoring of immediate works can help build a more effective, longer-term plan for the whole upper Murrumbidgee catchment.

### Key Information

#### About the upper Murrumbidgee River

- The upper Murrumbidgee River is the 320km stretch of the Murrumbidgee River (a major tributary of the Murray-Darling system) that lies between its headwaters in the Kosciuszko National Park and the Burrinjuck Dam.
- The river is home to several threatened native fish (including natural, self-sustaining populations of Macquarie Perch and Murray Cod). However, only 6 of the 9 native fish that were historically known to occur within the reach continue to be found in the river.
- The upper Murrumbidgee River supports a wide range of values including water supply (domestic, urban and agricultural), critical ecosystem functions (e.g. fish population connectivity, biodiversity, threatened species), and social and cultural (Aboriginal culture, swimming and recreation).
- Water quality is fundamental to maintaining these values, and this is dependent on maintaining adequate river flow and healthy catchments.

#### A note on Snowy Hydro

- The ACT understands that the Tantangara dam and in turn Snowy Hydro operations play a critical role in Australia meeting its 82 percent renewable energy target.

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Contact Officer name: Woo O'Reilly  
Lead Directorate: Environment, Planning and Sustainable Development

- While supportive of a renewable energy target, we are conscious that the achievement of this target should not come at a broader ecological cost. This is particularly important when the impacts of climate change are already being felt.

## About the Federation Funding Agreement

- The ACT entered into a Federation Funding Agreement schedule 'Restoring the Upper Murrumbidgee River 2024-25 – 2028-29' with the Australian Government on 12 September 2024.
- Contingent on meeting each milestone outlined within the schedule, the agreement provides the ACT with up to \$7,580,000 over 5 years to improve the health of the Upper Murrumbidgee River.
- The Restoring the upper Murrumbidgee River Program schedule was negotiated between the ACT Office of Water, the NSW Department of Climate Change, Energy, the Environment and Water and the Australian Government Department of Climate Change, Energy, the Environment and Water.
- In line with the guiding principles in the draft strategy of improving the health of the Upper Murrumbidgee, the ACT government will endeavour to maximise efficiencies by working closely with NSW to deliver of works and build on existing initiatives such as the ACT Water Strategy and the Upper Murrumbidgee Demonstration Reach Action Plan.

## **Background Information**

- In November 2023, the Australian Government committed more than \$50m to improve the health of the Upper Murrumbidgee River.
- This included:
  - \$15m over 3 years to address river health, water quality and habitat
  - \$5m over 5 years for new science and monitoring
  - \$5.3m over 5 years to support the review of the Snowy Water Deed
  - \$30m for additional river flows during extreme drought conditions
  - improved annual reporting to improve transparency in Snowy Hydro water management.