



**DEPUTY DIRECTOR-GENERAL BRIEF**

Objective Reference: 25/417411

**To:** Deputy Director-General, City and Environment

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**From:** Executive Branch Manager, Office of Water

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**Date:** 25/09/2025

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**Subject:** Annual reporting on water planning and management expenditure to the Australian Competition and Consumer Commission

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**Critical Date:** 09/10/2025

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**Critical Reason:** The report is required to be submitted to the Australian Competition and Consumer Commission by 10 October 2025.

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**Purpose**

To meet the ACT Government’s reporting obligation to the Australian Competition and Consumer Commission (ACCC) on regulated water charges and expenditure for water planning and management activities.

**Recommendations**

That you:

1. **Agree** to the Office of Water lodging the consolidated response on water charges and water planning and management activities to the ACCC (Attachment A); and

**Agreed**

2. **Sign** the Statement of Executive Responsibility (table 3 – exec responsibility) at Attachment A.

**Signed**

Sam Engle, Deputy Director-General 09/10/25

Deputy Director-General’s Office Feedback

## Background

1. The Australian Competition and Consumer Commission (ACCC) annually requests water monitoring data from Murray-Darling Basin governments on the revenue raised from water fees and charges, and expenditure on water planning management activities. These requests for information are authorised under the *Water Act 2007* (Cth) (Water Act).
2. The ACCC Water Monitoring Report is an annual publication that presents this data to improve transparency in the water sector. The report provides insights into regulated water charges, water trading activity, and compliance with water market and charge rules.
  - a. The ACT Minister for Water holds portfolio responsibility for water charges under Section 107 of the *Water Resources Act 2007* (ACT). Accordingly, the City and Environment Directorate (Office of Water) has responsibility for coordinating the ACT Government's response to the ACCC.
3. In 2023-24, the ACT reported \$36.379 million of revenue collected from water charges and \$22.204 million of expenditure, with a \$14.174 million difference.

## Issues

4. The ACT consolidated response is provided at [Attachment A](#) for your agreement. It includes: Table 1 – *Regulated Water Planning and Management Charges*; Table 2 – *Water Expenditure Related to Planning and Management Activities*; and Table 3 – *Executive Responsibility*), which contains a verification statement requiring your signature.
5. In 2024-25, the ACT collected \$39.474 million in water charges, while reported expenditure on water management activities was \$20.382 million – a difference of \$19.092 million.
  - a. Since your first review, street sweeping has been added as a new WPM activity, with a corresponding cost of \$2,477,880.79.
6. The Water Abstraction Charge (WAC) makes up over 99% of the reported water charges.
7. The WAC is determined using a methodology comprising three components: water planning and management costs; environmental externalities and scarcity value.
  - a. These components are not separately calculated each year. Rather, in line with a 2016-17 Budget Review decision, the Water Abstraction Charge is indexed by 3 per cent per annum.
8. You should note that the ACCC only requires reporting on water planning and management costs, not the other two components of the WAC. However, given the current indexation approach to increasing the WAC, the ACT's response includes the full amount collected through the WAC. For this reason a full reconciliation of revenue and expenditure in the report is not possible.
9. The reported expenditure reflects eligible costs for water planning and management activities conducted within the ACT.
  - a. The costs are guided by the criteria outlined in [Attachment B](#), which align with the National Water Pricing Principles and Water Charge Rules under the Water Act.

## Internal Audit

10. In 2024, the EPSDD Audit and Assurance team initiated an independent audit of the annual expenditure reporting to the ACCC. The purpose of the audit was to provide assurance in

the method that the Directorate uses to determine eligible expenditure, and to validate the costs reported for the 2022-23 financial year.

11. The audit found that the Directorate's eligibility criteria for reported expenditure aligns with the National Water Initiative Pricing Principles. There were no unreported expenses identified through the audit.
12. The recommendations from the audit have been implemented for the 2024-25 reporting period:
  - a. A broader range of directorates/agencies were engaged to ensure completeness of the ACT report.
  - b. A Standard Operating Procedure (SOP) was circulated to improve understanding of the reporting requirement and scope of information requested.

### **Financial Implications**

13. There are no direct financial impacts to the City and Environment Directorate or the ACT Government resulting from the submission of the response to the ACCC.

### **Consultation**

#### Internal

14. City and Environment Directorate (CED) Strategic Finance (EPSDD and TCCS Streams) and Access Canberra provided the information relevant for CED in the financial report.

#### Cross Directorate

15. Thirteen directorates/agencies were invited to contribute to the ACT response. Three directorates/agencies – Infrastructure Canberra, Health and Community Services and Suburban Land Agency - reported relevant expenditure. All responses were reviewed and cleared by the respective Chief Financial Officers of each Directorate/agency to ensure financial assurance.

#### External

16. Nil.

### **Benefits/Sensitivities**

17. The ACCC annual reporting continues to highlight a significant variance between revenue collected and expenditure on water planning and management activities across successive years.
18. While the ACCC provides commentary on its analysis of water management expenditure and revenue raised by the Murray-Darling Basin governments, it does not have any regulatory powers to act on these findings.
19. There is growing demand for greater transparency in how revenue from the WAC is spent. The Greens policy initiative (2024) drew attention to the discrepancy between revenue and reported expenditure, and the State of the Lakes and Waterways report (Office of the Commissioner for Sustainability and the Environment, 2022) recommended improvements in the transparency in eligible expenditure reporting.

20. The Government has been separately briefed on sensitivities related to the setting of the WAC and associated risks (23/39763, 23/84129). Treasury has advised that a business case will be prepared for the 2026-2027 Budget for reviewing water fees and charges, and will collaborate with the Office of Water as required.
- a. This current response to the ACCC is consistent with previous years' reporting in terms of the scope of water planning and management activities identified. Development of the business case will use this most recent reporting as the basis of advice on water planning and management costs in considering any changes to the WAC. However, a further discovery process will be undertaken with Treasury to engage with parts of Government that may undertake additional eligible activities, for consideration in development of the business case.

**Media Implications**

21. The ACCC will publicly release its consolidated report in 2026. Basin governments have previously been given the opportunity to review the report prior to publication. Historically, this report has attracted minimal media attention.

David Clapham  
Executive Branch Manager, Office of Water

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26/9/2025

Action Officer: Sara McIntyre

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**Attachments**

<b>Attachment</b>	<b>Title</b>
Attachment A	Consolidated response on water charges and water planning and management activities to the ACCC
Attachment B	Eligible Water Planning and Management Activities

**2024-25 ACCC WPM Information Request**  
**ACT Environment, Planning and Sustainable Development Directorate**

**Table 1 - Regulated water planning and management charges**

Please note all cells shaded green have been pre-populated by the ACCC  
Please confirm the information in ALL green cells. Please provide answers in all cells shaded purple.  
Please include any new regulated WPM charges for 2024-25 in the section at the end of this table  
If you need to amend / correct any information in the green cells, please add a comment explaining the change made.

1.1	1.1 a. Charge title	2023-24 (\$)	2024-25 (\$)	1.1 d. Unit of charge	Percentage change	1.1 e. Please provide information to explain any changes in the amount or application of existing WPM charges between 2023-24 to 2024-25	1.1 f. Number of units charged	1.1 g. Revenue from charge (\$)	Please provide explanation if the total revenue from charge does not match the charge amount * units charged.	1.1 h. When and where was information regarding your regulated WPM charges for 2024-25 published?	
										Gazette or website	Notices published in newspapers. including the name of each newspaper
<b>WAE fees (per ML)</b>											
	s.20 Grant of a WAE where use is not restricted to a particular , in all cases except those specifically identified - per megalitre	\$902.40	\$937.14	per megalitre	3.8%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	0.00	\$ -		Website	
	s.25 Change of condition of a WAE from one that is restricted in location to one that is not restricted for use at a particular location	\$902.40	\$937.14	per megalitre	3.8%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	0.00	\$ -		Website	
<b>Application fees</b>											
	s.29 Application fee for a licence to take water	\$199.55	\$207.23	per application	3.8%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	9.00	\$ 1,865.07		Website	
	s.43 Application fee for a waterway work licence	\$199.55	\$207.23	per application	3.8%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	12.00	\$ 2,486.76		Website	
	s.38 Application fee for a bore work licence	\$199.55	\$207.23	per application	3.8%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	1.00	\$ 207.23		Website	
	s.34 Three year driller licence application fee where the applicant does hold an equivalent licence in a state in Australia	\$199.55	\$207.23	per application	3.8%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	1.00	\$ 207.23		Website	
	s.48 Application for a Recharge Licence	\$199.55	\$207.23	per application	3.8%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	0.00	\$ -		Website	
	s.26 Application fee for the transfer of a water access entitlement either permanently or for a period of time	\$199.55	\$207.23	per application	3.8%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	6.00	\$ 1,243.38		Website	
<b>Annual administration fees</b>											

s.30 Licence to take water - administration fee for each licence year relating to a licenced volume of up to 1000 ML per year, except where a licensee has entered into a data collection and sharing agreement with the EPA	\$516.55	\$536.44	per year	3.9%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	177.00	\$	94,949.88		Website
s.30 Licence to take water - administration fee for each licence relating to a licenced volume of more than 1000ML per year	\$10,029.35	\$10,415.48	per year	3.9%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	1.00	\$	10,415.48		Website
s.50 Recharge licence - yearly administration fee	\$516.55	\$536.44	per year	3.9%	The increase, as explained in the Water Resources (Fees) Determination 2024 explanatory statement, reflects indexation of the fee by the change in the wage price index (WPI), plus an additional 0.35% as per the decision in the 2023-24 budget.	1.00	\$	536.44		Website
<b>Water Abstraction fees</b>										
s.30 Licence to take water abstraction fee for water taken for the purposes of urban water supply and calculated on the basis of the water abstracted – per kilolitre.	\$0.69	\$0.71	per kilolitre	2.9%	The increase reflects a decision made by the ACT Government, as part of the 2016-17 Budget Review process, to index the Water Abstraction Charge by 3 per cent per annum from 1 July 2017 (see page 44) <a href="https://www.treasury.act.gov.au/_data/assets/pdf_file/0009/1031688/2016-17-Budget-Review_.pdf">https://www.treasury.act.gov.au/_data/assets/pdf_file/0009/1031688/2016-17-Budget-Review_.pdf</a> .	54055980.00	\$	38,379,745.80		Website
s.30 Licence to take water – abstraction fee for all water from surface water or groundwater except for that supplied through a water supply network – per kilolitre.	\$0.33	\$0.34	per kilolitre	4.2%	The increase reflects a decision made by the ACT Government, as part of the 2016-17 Budget Review process, to index the Water Abstraction Charge by 3 per cent per annum from 1 July 2017 (see page 44) <a href="https://www.treasury.act.gov.au/_data/assets/pdf_file/0009/1031688/2016-17-Budget-Review_.pdf">https://www.treasury.act.gov.au/_data/assets/pdf_file/0009/1031688/2016-17-Budget-Review_.pdf</a> .	2855752.00	\$	982,378.69	WAC is subject to assistance such as Market Equity Scheme (MES) and Competition Equalisation Payment (CEP)	Website
<b>New regulated WPM charges for 2024-25</b>										
	N/A			N/A			\$	-		
	N/A			N/A			\$	-		
	N/A			N/A			\$	-		
	N/A			N/A			\$	-		
	N/A			N/A			\$	-		
						<b>Total Revenue</b>	\$	<b>39,474,035.96</b>		
1.2 Were any existing WPM regulated charges repealed in 2024-25? If yes, please state which charges were repealed and when										
<b>Operator notes to the ACCC:</b> <i>Please indicate which question(s) the comment(s) relate to.</i>	In relation to rows 25 and 26, please note that the ACT's water abstraction fee is based on providing a price for water that reflects the costs incurred by the ACT Government in maintaining water catchments, the environmental costs associated with the consumption of water in the ACT and the scarcity value of water as a resource that holds significant value across the broader community. Further information on the water abstraction fee and its application to potable and non-potable water can be found in the Non-potable Water Review Final Report, December 2021 ( <a href="https://yoursayconversations.act.gov.au/non-potable-water">https://yoursayconversations.act.gov.au/non-potable-water</a> ).									

**2024-25 ACCC WPM Information Request**

**ACT Environment, Planning and Sustainable Development Directorate**

**Table 2 - Water planning and management activities and expenditures**

The ACCC has identified WPM activities carried out by your agency in 2024-25 and where possible has pre-filled the following table.  
 For existing WPM activities, please confirm the activity title and the NWI defined category in the green cells. Please enter the 2024-25 cost for each WPM activity under question 2.1 c.  
 Please include any new WPM activities in 2024-25 in the section at the end of this table.  
 Please provide a breakdown of total capital, operating and corporate costs either:  
 - by activity under question 2.1 d; OR  
 - for ALL activities under question 2.2.

2.1	2.1 a. Please list the WPM Activities carried out by your agency	2.1 b. Please select the NWI defined category that this activity primarily relates to? (link to document - see appendix B)	2.1 c. Activity cost		2.1 d. Breakdown between capital, operating and corporate costs.  Please answer this question (for individual items), or question 2.2 (totals).
			2023-24 (\$)	2024-25 (\$)	
	Water Policy	Water reform strategy and policy	\$ 694,867.00	\$ 651,320.49	Operating
	Stormwater Maintenance	Water management	\$ 3,971,845.36	\$ 991,570.21	Operating
	Waterwatch	Water monitoring & evaluation	\$ 191,743.00	\$ 148,392.93	Operating
	Molonglo 3 Infrastructure - Deep Creek Pond (concept design)	Water management	\$ 1,650,238.00	\$ 1,428,053.32	Capital
	ACT Healthy Waterways Asset Maintenance (TCCS Assets Only)	Water management	\$ 1,981,129.32	\$ 1,865,411.79	Operating
	Conservation Research - waterway monitoring and evaluation	Water monitoring & evaluation	\$ 13,500.00		Grants to waterwatch organisations
	Hydrometrics and water quality monitoring	Water monitoring & evaluation	\$ 242,425.00	\$ 165,636.56	Operating
	Healthy Waterways - water quality improvement assets	Water management	\$ 8,716,079.00	\$ 1,747,079.66	Capital
	Healthy Waterways - planning and program delivery	Water planning	\$ 1,368,077.00	\$ 3,863,657.27	Operating
	Water compliance - EPA	Water administration and regulation	\$ 475,500.34	\$ 441,670.00	Operating
	Payments to catchment groups	Water management	\$ 911,743.00	\$ 1,694,343.43	Payments to catchment groups
	Water Vulnerability Strategy	Water planning	\$ 5,796.00	\$ 31,326.18	Operating
	Recreation Water Monitoring	Water monitoring & evaluation	\$ 83,500.00	\$ 87,225.45	Operating
	Jacka infrastructure - billabong pond	Water management	\$ 1,772,326.36	\$ 1,719,385.04	Capital
	Development and review of Reserve Management Plans and Wetlands Plan of Managements	Water planning	\$ 126,215.00		
<b>New WPM Activities for 2024-25</b>					
	Molonglo River Bridge - Construction of 4 new permanent Water Control Ponds	Water management	N/A	\$ 1,741,894.23	Capital
	Water Efficiency Program	Water planning	N/A	\$ 1,136,023.00	Operating
	Water Information Hub	Information management & reporting	N/A	\$ 191,866.50	Operating
	Streetsweeping	Water management	N/A	\$ 2,477,880.79	Operating
		Please select...	N/A		

		<b>Total Cost of WPM Activities above</b>	<b>\$ 22,204,984.38</b>	<b>\$ 20,382,736.85</b>		
2.2	If you have not answered question 2.1 d, please indicate what proportion (either as a percentage or a dollar amount) of WPM activity costs were:	Capital Costs		\$ 6,636,412.25		
		Operating Costs		\$ 13,746,324.60		
		Corporate Costs				
		Total of Cap/Op/Corp categories	\$ -	\$ 20,382,736.85		
		Difference between cost totals	\$ (22,204,984.38)	\$ -		
		Check on cost totals: If there is a discrepancy in cell above between sum of costs of WPM activities and sum of capital, operating and corporate components, please check calculations or explain below.				
Operator notes to the ACCC: Please indicate which question(s) the comment(s) relate to.						

**2024-25 ACCC WPM Information Request**  
**ACT Environment, Planning and Sustainable Development Directorate**

**Table 3 - Statement of executive responsibility**

**Please provide a signed copy to the ACCC (an electronic version is adequate)**

**I, Sam Engele, am an authorised agent in my capacity as Deputy Director-General, having the appropriate authority to verify and supply information to the Australian Competition and Consumer Commission in meeting the Australian Competition and Consumer Commission's functions under the *Water Act 2007*.**

**In my opinion, the information provided to the Australian Competition and Consumer Commission presents an accurate and fair representation of the ACT Government's activities and compliance information concerning the period 1 July 2024 to 30 June 2025.**

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**Signature**

**9 October 2025**

**Date**

## **Attachment B - Water Planning and Management Activities: Eligible Activities**

The Eligible Activities are based on the National Water Initiative Pricing Principles (*A framework for classifying WPM activities*) and is consistent with the *Water Charge Rules 2010*.

<i>Eligible water planning and management activities</i>	
<i>Activity</i>	<i>Example activity</i>
<b>WATER PLANNING</b>	
Water resource planning	<ul style="list-style-type: none"> <li>- Development of water resource plans – cross-border, regional</li> <li>- Catchment scale water plans</li> <li>- Localised water plans to address specific water resource issues (quantity or quality) or water management issues such as drainage issues e.g. water security planning</li> <li>- Operationalise and/or implementation of plans</li> <li>- Monitoring and evaluation of planning outcomes and progress against targets (including compliance)</li> <li>- Review of water resource plans</li> </ul>
Environmental and ecosystem management planning	<ul style="list-style-type: none"> <li>- Development of environmental management plans where related to water resources e.g., blue green algae, salinity, riverine management</li> <li>- Development of plans to manage water-dependent ecosystems</li> </ul>
<b>WATER MANAGEMENT</b>	
Measures to improve water use	<ul style="list-style-type: none"> <li>- Water use efficiency programs</li> <li>- Water Sensitive Urban Design measures</li> <li>- Community education</li> </ul>
Construction of works	<ul style="list-style-type: none"> <li>- Capital works - construction of weirs, replacement of bores etc. to achieve water management outcomes</li> </ul>
Environmental works	<ul style="list-style-type: none"> <li>- Works to reduce or remediate environmental impacts arising from water use, operations and maintenance</li> </ul>
<b>WATER MONITORING AND EVALUATION</b>	
Water monitoring, evaluation and resource assessment	<ul style="list-style-type: none"> <li>- Water quality monitoring and assessment</li> <li>- Water use monitoring</li> <li>- Hydrological and hydraulic assessment</li> <li>- Water resource assessment - effects of climate change, land use</li> <li>- Surface-groundwater interconnectivity</li> <li>- Streamflow gauging</li> </ul>
Monitoring and evaluation of water dependent ecosystems	<ul style="list-style-type: none"> <li>- Monitoring and evaluation of riverine health (flow and non-flow elements), wetland health</li> </ul>
<b>INFORMATION MANAGEMENT AND REPORTING</b>	
Water resource accounting	<ul style="list-style-type: none"> <li>- Data collection and processing</li> <li>- Development of frameworks and systems</li> </ul>
Publication of water resource information	<ul style="list-style-type: none"> <li>- Water use statistics, water trading statistics, resource condition and assessment reporting</li> </ul>

*Eligible water planning and management activities*

**WATER ADMINISTRATION AND REGULATION**

Water administration and regulations	<ul style="list-style-type: none"> <li>- Granting allocations, water access entitlements and water licences</li> <li>- Processing applications and transactions</li> <li>- Ensuring compliance with licence and other conditions</li> <li>- Regulation of water related works or developments (e.g. dams, bores, pumping equipment)</li> </ul>
Development of entitlement frameworks	<ul style="list-style-type: none"> <li>- Water allocation framework, water trade licencing</li> </ul>
Administration of water trading arrangements	<ul style="list-style-type: none"> <li>- Development and regulation of trading frameworks</li> <li>- Facilitation and administration of water trading</li> </ul>
Business administration	<ul style="list-style-type: none"> <li>- Review of water pricing, fees and charges</li> <li>- Billing and debt management</li> </ul>
Administration of water metering arrangements	<ul style="list-style-type: none"> <li>- Development of metering requirements and standards</li> <li>- Implementation of metering requirements</li> <li>- On-going management of metering activities</li> </ul>

**WATER INDUSTRY REGULATION**

Oversight of water businesses	<ul style="list-style-type: none"> <li>- Review of water business operations to ensure compliance with statutory requirements</li> </ul>
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**NON-ELIGIBLE (EXCLUDED) ACTIVITIES**

<p>Government administrative activities</p> <p>Water reform, strategy and policy development</p> <p>Activities funded or cost recovered through other revenue sources</p>	<ul style="list-style-type: none"> <li>- Intergovernmental agreements</li> <li>- Broad strategy/policy development</li> <li>- Development and/or refinement of overarching statutory instruments</li> <li>- Ministerial and Parliamentary services</li> <li>- Activities funded through Commonwealth grants, ACT Government rates, building levies, other cost recovery mechanisms (urban water supply pricing), etc.</li> </ul>
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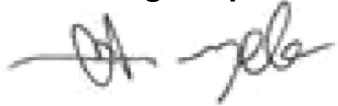
**2024-25 ACCC WPM Information Request**  
**ACT Environment, Planning and Sustainable Development Directorate**

**Table 3 - Statement of executive responsibility**

Please provide a signed copy to the ACCC (an electronic version is adequate)

**I, Sam Engele, am an authorised agent in my capacity as Deputy Director-General, having the appropriate authority to verify and supply information to the Australian Competition and Consumer Commission in meeting the Australian Competition and Consumer Commission's functions under the *Water Act 2007*.**

**In my opinion, the information provided to the Australian Competition and Consumer Commission presents an accurate and fair representation of the ACT Government's activities and compliance information concerning the period 1 July 2024 to 30 June 2025.**



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**Signature**

**9 October 2025**

**Date**

