

Ref: A5897105

The Hon. Rose Jackson MLC
Minister for Water
52 Martin Place
SYDNEY NSW 2000

Re: Requesting IPART to recommend fees for a dams safety levy




Dear Minister,

Thank you for your letter dated 24 October 2023 seeking approval for IPART to recommend fees for a dams safety levy under the *Dams Safety Act 2015*.

I approve the arrangement as set out in your letter and updated proposed terms of reference (**enclosed**), pursuant to section 9(2) of the *Independent Pricing and Regulatory Tribunal Act 1992*. You may issue the enclosed terms of reference to IPART at your convenience.

Thank you for taking the time to bring this matter to my attention.



Sincerely,



Chris Minns MP
Premier of New South Wales

26/11

Review of the dam safety levy

I, The Hon. Rose Jackson MLC, with the approval of the Premier under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* (IPART Act), enter into an arrangement for the Independent Pricing and Regulatory Tribunal (IPART) to provide the services described in this Terms of Reference.

The Services

IPART will provide the following services:

- Investigate and report on the efficient costs of Dam Safety NSW carrying out its functions under the *Dam Safety Act 2015*
- Recommend a methodology for recovering the efficient cost from individual dam owners (as referred to in section 41 of the *Dams Safety Act 2015*)
- Recommended a methodology for determining a levy, and the quantum of the levy, to be assigned to individual dam owners
- Recommend information that Dams Safety NSW should collect to inform:
 - future assessments of the efficiency of the cost of Dams Safety NSW carrying out its functions under the Act
 - the future application of the methodology for determining the levy.

Relevant considerations

In providing these services, IPART will consider:

1. Dams Safety NSW's budget for 2022/23
2. affordability, including (but not limited to) the potential impact of the levy on smaller dam owners and Local Government
3. the desirability of clear, cost-reflective, and efficient outcomes
4. Dam Safety NSW's capacity to scale up and recoup costs, given many operations and processes are developing
5. consultant report (CIE) "Proposed funding model for Dams Safety NSW", prepared for Dams Safety NSW in October 2020, and
6. any other matter IPART considers relevant.

The process

IPART will publicly consult in providing these services, including publishing a draft report for comment prior to finalising its final report. IPART will undertake any other consultation, including targeted consultation, that it considers appropriate.

IPART will provide the final report to the Minister administering the IPART Act and the Minister for Water within 9 months of these Terms of Reference being finalised.

The Hon. Rose Jackson MLC

Minister for Water

Date: 11.12.23

Review of the dam safety levy

I, the Hon. Christopher John Minns, Premier, under section 9(3) of the *Independent Pricing and Regulatory Tribunal Act 1992* (IPART Act), approve the Independent Pricing and Regulatory Tribunal (IPART) providing the services described in this Terms of Reference.

The Services

IPART will provide the following services:

- Investigate and report on the efficient costs of Dam Safety NSW carrying out its functions under the *Dam Safety Act 2015*
- Recommend a methodology for recovering the efficient cost from individual dam owners (as referred to in section 41 of *Dams Safety Act 2015*)
- Recommended a methodology for determining a levy, and the quantum of the levy, to be assigned to individual dam owners
- Recommend information that Dams Safety NSW should collect to inform:
 - future assessments of the efficiency of the cost of Dams Safety NSW carrying out its functions under the Act
 - the future application of the methodology for determining the levy

Relevant considerations

In providing these services, IPART will consider:

1. Dams Safety NSW's budget for 2022/23
2. affordability, including (but not limited to) the potential impact of the levy on smaller dam owners and Local Government
3. the desirability of clear, cost-reflective, and efficient outcomes
4. Dam Safety NSW's capacity to scale up and recoup costs, given many operations and processes are developing
5. consultant report (CIE) "Proposed funding model for Dams Safety NSW", prepared for Dams Safety NSW in October 2020, and
6. any other matter IPART considers relevant.

The process

IPART will publicly consult in providing these services, including publishing a draft report for comment prior to finalising its final report. IPART will undertake any other consultation, including targeted consultation, that it considers appropriate.

IPART will provide the final report to the Minister administering the IPART Act and the Minister for Water within 9 months of these Terms of Reference being finalised.

The Hon. Christopher John Minns MP

Premier

Date: