

## Service providers—drought management plans

The *Water Supply (Safety and Reliability) Act 2008* (the Act) requires water service providers to prepare a drought management plan (DMP), unless exempted by the regulator. The regulator is the Director-General of the Department of Environment and Resource Management (DERM).

This fact sheet explains the DMP provisions of the Act.

### What is a drought?

For the purposes of preparing a DMP, a drought is a period of lower-than-normal rainfall that leads to a water supply shortage. The duration of those periods may be weeks, months or longer and the effects on water reserves will depend on the nature of the source(s) and the rate at which it is depleted.

### What is a DMP?

A DMP is a document prepared by a water service provider setting out how they intend to minimise the impact water shortages caused by drought will have on communities. It must include:

- *service and system overview*—a description of the registered water services, the infrastructure for supplying the service and the current and estimated future water demands
- *assessment of the available water sources*—a description of the historic performance of the existing source of supply, the quantity of water available, the water quality, impacts of climatic changes and possible future and emergency sources
- *system operational and management strategy*—a description of consumption patterns by the categories of water users (e.g. residential or commercial), water restrictions and other strategies to minimise the social and economic impacts on the community and the organisational structure for implementing the strategies.

### Who must prepare a DMP?

Registered water service providers must prepare and submit a DMP unless they have been granted an exemption or they provide drainage services only. A DMP is not required for the supply of water to a customer who holds a water entitlement.

### Offence for non-compliance

Under s. 130, of the Act a service provider commits an offence if it does not comply with its DMP when providing its water service to customers.

### Timeframe for preparing DMP

Under s. 125 of the Act, a water service provider must prepare and submit a DMP to the regulator for registration within one year of being registered unless the service provider has been given an exemption by the regulator from complying with this requirement or the service provider is covered by the below transitional due dates.

A service provider which is a local government for a new or adjusted local government area under Chapter 9, Part 5, Division 10 of the *Water Act 2000* must have provided a DMP by 16 March 2009.

In addition, a service provider who is a new water entity created under the *South East Queensland Water (Restructuring) Act 2007* must have provided a DMP by 18 May 2009.

### Preparing a DMP

A DMP must be prepared in accordance with the *Guidelines for the preparation of a drought management plan* (the guidelines), issued by the regulator and available from DERM.

Under s. 123 of the Act and the guidelines, a DMP should address:

- the registered water service to which the plan applies
- the infrastructure for providing the services
- situations under which the service provider intends to act to restrict water supply to customers or to take other measures to minimise the impact of water shortages
- actions intended to be taken to restrict water supply to customers or other measures to be taken
- the needs of the different classes of customers and whether these needs vary according to location
- likely future needs of customers
- the contractual rights of customers
- the availability and proposed use of water from various sources, including sources only intended for use in an emergency.

When preparing the DMP, the service provider must consult with its customers. If the water is being managed under an interim resource operations licence or a resource operations licence, the service provider must also consult with the holders of the relevant licence.

A DMP must be consistent with drought or critical water supply management provisions in:

- the resource operations plan (ROP) for the area; or
- any plan prepared under the ROP for the area; or
- any plan prepared for an interim resource operations licence in the area.

Under s. 124 of the Act, a DMP must be certified by the service provider's chief executive officer (CEO) as being the DMP for the service provider.

## **Registering a DMP**

A DMP must be submitted to the regulator for registration.

Section 128 of the Act requires the regulator to register a DMP as soon as practicable after receiving it, unless satisfied it does not comply with the registration criteria in the guidelines.

Under s. 128, of the Act, written notice must be given to the service provider when a DMP is registered.

Registration of the DMP does not constitute approval of the contents of the DMP. However, if a DMP is inadequate or not certified correctly it will not be registered.

## **Regular reviews**

A notice advising registration of a DMP, issued under s. 128, of the Act must tell the service provider the intervals at which regular reviews of the DMP are required. Regular reviews cannot be required more than once a year.

Regular reviews are required to ensure a DMP remains relevant having regard to best practice industry standards for that particular type of water service. The guidelines explain key aspects to be reviewed.

Service providers may choose to conduct these reviews internally or engage an external party to carry out the review.

## **Changing a DMP**

Under s. 129, of the Act, a DMP may be changed after it has been registered. If a regular review of the DMP indicates it should be changed, the service provider should submit a changed DMP (certified by the CEO under s. 124 of the Act) to the regulator as soon as practicable after changing the DMP (as required under s. 129 of the Act). Ideally, this should be within 30 business days. The same registration process applies to the changed DMP as for the initial registration of the DMP.

## **Tabling in the Legislative Assembly**

Under s. 131 of the Act, the minister must prepare a list of the service providers that do not have a registered DMP and have not been granted an exemption as soon as practicable after 1 January of each year.

This list must be tabled in the Legislative Assembly.

## **Further information**

Further information is provided in fact sheet W110—Drought management plans exemptions, which can be found on the DERM website: <[www.derm.qld.gov.au](http://www.derm.qld.gov.au)>.

For more information about service provider issues, email the Office of the Water Supply Regulator: <[owsr.enquiries@derm.qld.gov.au](mailto:owsr.enquiries@derm.qld.gov.au)>.

General information regarding Queensland's water industry regulator can be found on the DERM website: <[www.derm.qld.gov.au](http://www.derm.qld.gov.au)>.

The *Water Supply (Safety and Reliability) Act 2008* and related regulations can be obtained from the website for the Office of the Queensland Parliamentary Counsel: <[www.legislation.qld.gov.au](http://www.legislation.qld.gov.au)>.

May 2009  
W109

For further information phone 13 13 04

For general enquiries contact the  
Queensland Government call centre 13 13 04  
or visit [www.derm.qld.gov.au](http://www.derm.qld.gov.au)