

Safe Drinking Water Regulations for Victoria



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Objective



To provide workshop attendees with information that will assist in preparing a submission on the draft Safe Drinking Water Regulations for Victoria



Structure of the afternoon



- Introduction
- Part 1 – the safe drinking water regulatory framework
- Part 2 – the Regulatory Impact Statement
- Part 3 – the regulatory development process
- Informal discussions




Part 1 – the Safe Drinking Water regulatory framework



DHS legislation relevant to drinking water in Victoria

- *Safe Drinking Water Act 2003*
- *Health (Fluoridation) Act 1973*
- *Food Act 1984*

- Safe Drinking Water Regulations (in preparation)
- Health (Infectious Diseases) Regulations 2001
- Health (Prescribed Accommodation) Regulations 2001



Bodies subject to the Safe Drinking water legislation

- Water suppliers (urban water businesses and alpine resorts and Parks Victoria)
- Water storage managers
- Department of Human Services
- Analysts and auditors that may be approved or accredited
- ... but not irrigation or packaged water or accommodation premises.

Obligations under the *Safe Drinking Water Act 2003*



- Prepare, implement and audit catchment to tap risk management plans for all supplies
- Deliver water that complies with standards / legislative requirements
- Communicate effectively with stakeholders
- Publicly disclose water quality information

Safe Drinking Water Regulations



- Give effect to key aspects of the Act
- Powers are in section 56 of the Act
- Section 56 (1) sets out subject matter
- Section 56 (2) sets out scope

- Follows rules set out in the *Subordinate Legislation Act 1994*

Draft Safe Drinking Water Regulations - 1 and 2



- Regulation 1 sets out the Objective:
"... to make further provision for the supply of safe drinking water".

- Regulation 2 is the authorising provision: made under section 56 of the Act.

Draft Safe Drinking Water Regulations - 3, 4 and 5



- Regulation 3 sets out key definitions
- Regulation 4 sets rules to allow the Secretary to DHS to specify water sampling localities
- Regulation 5 sets rules to allow the Secretary to DHS to specify water sampling points

Draft Safe Drinking Water Regulations – 6 and 7



- Regulation 6 (1) specifies required components of risk management plans
- Regulation 6 (2) specifies required risks to be addressed
- Regulation 7 sets out the documents to be inspected by auditors

Draft Safe Drinking Water Regulations – 8 and 9



- Regulation 8 sets out the form of an audit certificate
- Details are in Schedule 1
- Regulation 9 sets out the auditor approval criteria

Draft Safe Drinking Water Regulations - 10



- Regulation 10 and Schedule 2 specifies standards for drinking water
 - *Escherichia coli*
 - Turbidity
 - Aluminium
 - Trihalomethanes
 - Three haloacetic acids
 - Bromate and formaldehyde
- Other substances must pose no risk to human health

Draft Safe Drinking Water Regulations - 11 and 12



- Regulation 11 requires compliance monitoring but ...
- ... allows Secretary to reduce frequency under certain circumstances and risk profiles.
- Regulation 12 requires drinking water to be analysed by an analyst

Draft Safe Drinking Water Regulations - 13



- Regulation 13 sets out criteria for accreditation of analysts
- ... not laboratories ...
- Secretary may accredit subject to:
 - skills and qualifications and
 - no conflict of interest and
 - employed by a NATA laboratory

Draft Safe Drinking Water Regulations – 14



- A water supplier must report monitoring data to DHS by end of the following month.
- Does not apply to water storage managers ...
- ... but legislation retains other disclosure obligations.

Draft Safe Drinking Water Regulations - 15



- Details of required content of water supplier and water storage manager annual water quality reports
- Covers compliance, event, complaint, water treatment and delivery and aesthetic criteria.

Part 2 – the Regulatory Impact Statement



The Regulatory Impact Statement ...



- Describes the regulations
- Assesses the costs and benefits
- Concludes that benefits are likely to outweigh costs
- Compares with alternatives
- Statement of compliance with National Competition Policy
- Consultation history

Cost summaries ...



- Capital or one off costs totalling ~ \$25 million, being:
- Upgrades to comply with new standards: \$19.3 million (77%)
- Developing risk management plans: \$5.7 million (23%)

Cost summaries ...



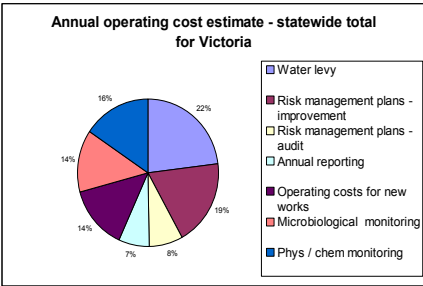
- Annual operating costs totalling ~ \$6 million, being:
- Water levy: \$1,370,000 (23%)
- Annual improvements and audits of risk management plans: \$1.6 million (27%)
- Annual reporting: \$423,800 (7%)

Cost summaries ...



- Annual operating costs totalling ~ \$6 million, being:
- Microbiological compliance monitoring: \$813,000 (13%)
- Phys / chem compliance monitoring: \$928,000 (15%)
- Operating costs for new works for standards: \$841,000 (14%)

Annual costs by category - in graphical format

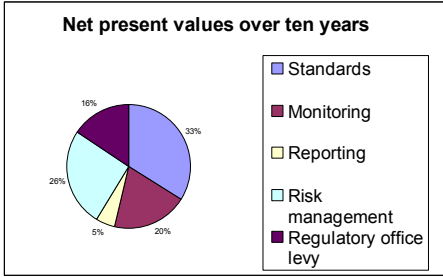


Costs as net present values



- Total is \$68.2 million NPV over ten years, being:
- Fully attributable to regulations: \$39.9 million NPV (58%)
- Attributable to risk management: \$17.7 million NPV (26%)
- Regulatory office levy: \$10.6 million NPV (16%)
- Based on 5% real discount rate

Net present value costs by category – in graphical format



Cost comparison to previous option



- Previous option set out in 2001
- Key difference is in number of standards (9 vs 38)
- 2004 option (9 standards): \$68.2 million over ten years
- 2001 option (38 standards): \$71.9 million over ten years
- Costs only reduce by 5%

National Competition Policy



- Section 12 of Regulatory Impact Statement
- Analysts must be accredited
- Analyst employers must be accredited by NATA
- Risk management plan auditors must be approved by Secretary
- Regulations are fully compliant

Future developments



- Section 11 of Regulatory Impact Statement
- Sample collection process
- Analytical methodologies
- Risk management plans
- New standards

Part 3 – the regulatory development process



Update on the regulatory development process



- *Safe Drinking Water Act 2003* applies in Victoria from 1 July 04
- Draft regulations advertised and out for public comment
- Regulatory Impact Statement and background information published by DHS

Information on our web site



- Download from our web site:
www.health.vic.gov.au/environment/water/drinking
- Regulatory Impact Statement
- Draft Regulations
- Links to legislation sites
- Previous Consultation Papers
- Links to ADWG, WHO, CRCWQT

www.health.vic.gov.au/ environment/water/drinking



The screenshot shows the website's navigation and content. The main heading is "Drinking water". Below it, there are sections for "Legislation" and "Safe Drinking Water Regulations". The "Legislation" section mentions the Victorian Government's new Safe Drinking Water Act in June 2003. The "Safe Drinking Water Regulations" section states that the Department has prepared and publicly released a Regulatory Impact Statement in connection with the proposed regulations. A sidebar on the left lists various environmental health topics, and a sidebar on the right lists related sites.

Next steps



- Written submissions to DHS by 5 PM Monday 25 October 2004 – address details are in Regulatory Impact Statement
- All submissions will be public documents
- Submissions considered and next steps during November and December 2004

Things to consider in making a submission



- Identify the draft regulation number and title
- Be specific and factual in relation to how it will affect you or bodies you represent – no speculation
- Consider context – Regulations can not modify or restrict the Act
- Substantiate your argument
- Suggest alternative text for our consideration

Useful documents for risk management plans



- ADWG 12 point risk management framework
- AS/NZS 4360 – 2004
- CRC WQT Research Report 11 – from CRC WQT web site
- International models – NZ, USEPA, WHO models

DHS - key contact details



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