

Regional Leakage Reduction Program

Local Water Utility Projects - Guidelines

Background

The NSW Water Strategy identifies the need for improved water efficiency and conservation. Under Action 6.6 of the strategy, the government has committed to a state-wide Water Efficiency Framework and Program.

Increased investment in water system efficiency, water conservation and demand management can delay the timing and reduce the scale of investment in new supply infrastructure and maximise the value of our resources. Water conservation is strongly supported by communities and businesses, and across government. The efficient use of water contributes to the sustainability of long-term supplies as populations increase and builds community resilience to drought.

One of the key priorities of the Water Efficiency Program is to reduce leakage and losses from water supply systems through the Regional Leakage Reduction Program (The RLRP). Leakage reduction is recognised as a cost-effective way of improving water security.

Purpose and objectives

The RLRP aims to reduce network leakage across regional NSW by finding leaks in supply networks and by improving infrastructure and Local Water Utility (LWU) capability to maintain leakage reductions achieved.

Table 1: The RLRP objectives

Objective	Measures
Reduce leakage	<ul style="list-style-type: none"> Reduce average NRW across LWUs from 13% to 10% (water saving of 7.5 GL/year) Reduce Top 30 priority LWUs NRW from 21% to 13% (water saving of 5 GL/year)
Sustain leakage reduction	<ul style="list-style-type: none"> Improved industry collaboration, maturity, and awareness Improved network measurement, detection, and reduction assets (bulk meters, sensors, pressure management) Improved data quality

The Local Water Utility Projects will support delivery of these objectives by implementing approaches to reducing Non Revenue Water (NRW) in regional NSW. The program will co-fund projects with LWUs in the areas of capacity building, pressure management, leakage control and metering.

Water Loss Management Maturity Survey

As part of the application process, LWUs must complete the Water Loss Management Maturity Survey (The survey).

Section A. of the survey assesses LWUs current water loss management approach and informs the recommendation of projects to improve this approach. The survey also establishes benchmarks that will be used as a baseline to track improvements.

The survey assesses LWUs in the areas of:

- system understanding
- water loss quantification
- water loss management strategy
- leak management and
- communication and engagement

Section B. helps to assess LWUs system leakage and technology application. This qualitative component of the survey gathers information regarding LWUs infrastructure, system leakage and pressure management. The results will help to identify those LWUs with the greatest need and to inform the recommendation of projects to improve their water loss.

Instructions for the completion of the survey are contained within the spreadsheet (A. Instructions). An online orientation session will also be held on 5 April 2023 to assist LWU to complete the survey.

Applications, inclusive of the survey, must be complete by 28 April 2023.

Shortlisted Local Water Utilities

Applications will be assessed by a Department of Planning and Environment (DPE) Panel. Shortlisted LWUs will be advised by email.

LWUs that are shortlisted will be required to participate in an interview to validate their survey results. Following this LWUs will be aligned with projects that will have the most impact on reducing and sustaining network leakage (see project list below). LWUs will then be required in participate in a second interview to confirm projects and associated costings. LWUs must be available for these interviews between 5 and 31 May 2023.

The design of the projects has been supported and endorsed via engagement with industry and LWU stakeholders. This process was facilitated through a series of codesign workshops undertaken throughout 2021-22 and a series of pilot projects in 2022-23.

Co-funding

The level of assistance provided to successful LWUs will align with the [Safe and Secure Water Program subsidy levels](#), providing between 25% and 90% of project funding. The maximum subsidy value will be capped at \$150,000 per LWU.

There is a limited budget for this program, so projects for shortlisted LWUs will be prioritised where necessary.

Eligibility criteria

To be eligible for participation in the pilot projects, applicants must:

1. Be a local council, as identified under the Local Government Act 1993 (that provide water supply and/or sewerage services under Section 56).

Application requirements

1. Water Loss Management Maturity Survey
2. Application form.

Application assessment

Applications will be assessed by a DPE Panel. The panel will assess LWUs on their:

1. Water Loss Management Maturity Survey
2. Demonstrated capacity to deliver the project within the required timeframe
3. Commitment to co-fund projects
4. Willingness to participate in the evaluation and develop a case study that includes outcomes achieved, any challenges to the project's implementation and recommendations for improvement's

The panel will also prioritise LWUs based upon:

- DPE assessed water source security risk
- LWU's Non-revenue water

Application timing

All shortlisted LWUs must commit to the below timeline to be considered for co-funding:

Item	Date
Applications open	31 March 2023
Survey orientation session	5 April 2023
Applications close	28 April 2023
Interviews to validate results and align to projects	5-31 May 2023

Item	Date
Funding deeds and project plans to LWUs	8 June 2023
Signed funding deeds and invoices for milestone 1 to DPE	16 June 2023

Projects

Funding agreements are to be signed and projects are to commence by June 2023.

Projects are broken into 2 phases (see list below), as some phase 2 projects are dependent upon completion of phase 1 projects.

The first milestone for phase 1 projects will be paid in June 2023. These projects will be complete by December 2023. The first milestone for the phase 2 projects will be made in December 2023. These projects will be complete by May 2024. Projects can potentially be changed between phases depending on individual LWU circumstances; however, this must be agreed upon before funding agreements are finalised.

Phase 1 projects

Pressure management:

- Data logging
- PRV maintenance

Active leak control:

- Basic active leak detection equipment supply and training

Metering:

- Customer meter accuracy testing

Phase 2 projects

Pressure management:

- Basic and advanced

Active leak control:

- Leak noise loggers
- Trunk mains monitoring

Metering:

- Bulk meter verification and calibration
- DMA analysis
- DMA meter monitoring and installation

Milestones

Milestone	Payment	Completion date
1. Funding deeds are signed Phase 1 projects commence	50%	16 June 2023
2. Phase 1 projects are complete Participation in Phase 2 projects is finalised	25%	December 2023
3. Phase 2 projects are complete	25%	May 2024

Decision making

Eligible applications will be submitted to a DPE panel for review. Shortlisted LWUs will be notified by email. Shortlisted LWUs must then participate in two interviews to validate data, confirm projects and confirm associated costings. Successful LWUs will enter into a Funding Agreement with DPE. LWUs will be responsible for compliance with the Funding Agreement during project execution. Funding is paid as per the Funding Agreement milestones.