



Australian Government

Department of Climate Change, Energy,
the Environment and Water

Ms Joanna Abhayaratna
Executive Director
Office of Impact Analysis
Department of the Prime Minister and Cabinet
1 National Circuit
BARTON ACT 2600

Helpdesk-OIA@pmc.gov.au

Dear Ms Abhayaratna

Impact Analysis – Improving the water efficiency of commercial ice makers – Second Pass Final Assessment

I am writing in relation to the enclosed Impact Analysis (IA) which analyses options to improve the water efficiency of commercial ice makers under the Water Efficiency Labelling and Standards (WELS) scheme.

I am satisfied that the IA addresses the issues raised in your letter of 20 October 2025, following your first pass assessment. The Department of Climate Change, Energy, the Environment and Water (the department) has worked constructively and in an iterative manner with the Office of Impact Analysis (OIA) to deliver the second pass IA.

The IA has been clarified and strengthened, with the department addressing the issues raised in Attachment A of your letter, including:

- the role of international and domestic product standards, and the alignment of proposed product labelling and Minimum Water Efficiency Standards requirements
- language to more strongly connect the objective of intervention and the proposed options
- the clear identification of implementation risks, including their likelihood, consequence, and mitigation.
- presentation of regulatory burden data as an average annual cost over a 10-year period.

The regulatory burden to business, community organisations or individuals is quantified using the Australian Government's *Regulatory Burden Measurement* framework and is provided below. In recognition of potential implementation risks and the need to strengthen data holdings in relation to the Australian commercial ice maker market, a staged approach to the implementation of options will be taken. This is reflected in the regulatory burden estimates table.

The regulatory burden estimate table shows the cost of two options (non-regulatory Option 2 and regulatory Option 3A). A decision on which option to pursue will be made in mid-2026, after commercial ice maker data is gathered and analysed through mechanisms available under the status quo (Option 1).

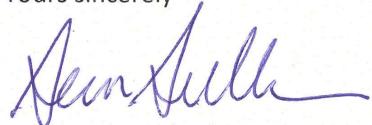
Regulatory burden estimate table

Average annual regulatory costs over 10 years (from business as usual)				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in costs
Total, by sector	\$0.083 (Option 2) \$0.262 (Option 3A)	\$0 \$0	\$0 \$0	\$0.083 (Option 2) \$0.262 (Option 3A)

Accordingly, I am satisfied that the IA is consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Policy Impact Analysis*.

I submit the IA to the OIA for formal final assessment.

Yours sincerely



Sean Sullivan

Deputy Secretary



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Impact Analysis to improve the water efficiency of commercial ice makers

Impact Analysis – One page summary