

Coastal-Hunter Customer Advisory Group - Minutes of Meeting



Location: Video Conference

Date: 9 July 2020

Time: 10.25am

Present: David Williams (Chair), Wayne Clarke, Shane Gee, Chris Rooney, Will Russell, Justen Simpson, Nick Cook, Ken Bray (observer), Melissa Balas (observer), Peter Sellers (observer), David Stockler, Jonathan Dickson, Toni Hayes, Martin Prendergast, Mahmood Khan, David Swift-Hoadley, Emma Oates and Enrico Proietti.

The following staff attended for specific agenda items: D Berry, D Scherrer (2.2/2.3), A Fisher (3.2), B Mayhew (4.1), C Braddock (4.2).

Meeting Opened: 10.25am.

1. Introduction:

1.1 Welcome and introductions

1.2 **Apologies:** Stephen Osborn, Michelle Cavallaro.

1.3 Confirmation of Agenda Items

- The annual election of Chairperson will be carried over to the next face-to-face meeting.

1.4 Declaration of Interest(s)

- Declarations of interest were sought from attendees in relation to the meeting's agenda items. No interests were declared. Items included in the agenda are not considered confidential unless declared as such.

1.5 Minutes of Previous Meeting, 5 March 2020:

- To be carried over to next meeting.

1.6 Actions arising from minutes

- See action sheet attached.

2. Presentations/Consultation (shared content with Greater Sydney CAG):

2.1 Regulatory Economics – Pricing Determination Engagement (J Dickson)

Rural Determination:

- As discussed at previous meetings, members supported WaterNSW's proposal of a 2-year determination, locking in WaterNSW revenues at 20/21 levels (noting inflation), deferral of Customer Juries and adjusting the 20-year rolling average and IPART cost shares.
- The only change to these proposed principles in the Final Draft submitted to IPART is the change from a 2-year determination to a 1-year determination. During preparations with IPART it became clear a 2-year deferral would not be supported.

WAMC (Water Administration Ministerial Corporation) Determination:

- WaterNSW has heard broad consistency from customers on the key messages proposed around transparency (understanding what you are paying for across Agencies), cost

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reflectivity (paying a fair price reflective of the costs to deliver) and value for money (to provide least cost solutions).

- There is no change to these proposed principles in the Final Draft, which was submitted to IPART on 30 June 2020.
- NRAR and DPIE will make a joint submission to IPART, however there will be a single determination made for all Agencies.
- WaterNSW's submissions will be published as part of IPART's review process at www.ipart.nsw.gov.au

2.2 Major Projects Update (A Fisher)

- As previously advised, in October 2019 the Prime Minister and NSW Premier announced the planning and delivery of three new or augmented dams in NSW (Wyangala Dam raising, and construction of new dams on the Mole River and Dungowan Creek). The projects have been identified as Critical State Significant Infrastructure (CSSI) projects in the *Water Supply (Critical Needs) Act 2019*.
- The projects are focussed around drought resilience to provide significant improvement in water security and reliability, flood mitigation improvements downstream of Wyangala Dam and potential benefits to the Barwon-Darling system.
- Delivery timelines, project delivery models, current status, program challenges, key delivery milestones and community and stakeholder engagement presented and discussed.
- The projects have been fast-tracked with early works to commence October 2020 and main wall construction expected October 2021. There will be more detailed consultation with CAGs and community groups as the projects progress.

Western Weirs Update (A Fisher)

- The NSW Government has committed to funding the development of a strategic business case to look at holistic management and operation of the weirs in the Barwon-Darling unregulated and Lower Darling regulated systems to support remote community water supplies and environmental and other benefits.
- The program has been identified as a CSSI Project (per previous agenda item) and is in the very early stages. Current status and key project delivery milestones presented and discussed.

2.3 Water Reform Implementation Plan (WRIP) Update (D Swift-Hoadley)

Metering update:

- The Water Renewal Taskforce was disbanded on 30 June 2020 with WaterNSW overseeing the operational implementation of the reform.
- Irrigation Australia has a list of certified meter installers on its website www.irrigationaustralia.com.au/ and WaterNSW has developed a DQP portal for Duly Qualified Persons to enter validation certification.
- There is a list of compatible data logging and telemetry devices (LIDs) and solutions on DPIE's website at <https://www.industry.nsw.gov.au/water/metering/telemetry/list-of-compatible-data-logging-and-telemetry-devices-and-solutions>. WaterNSW's DAS (data acquisition service) is a cloud-based system to securely collect and store water usage data.
- New reporting and recording obligations are being introduced and updated work approval and licence conditions are being mailed out (refer agenda item 3.6).

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- Customers should be aware that start dates for metering compliance still apply. Existing licence and approval conditions apply until the new dates come into effect.
- To be compliant, customers need to be aware of their compliance dates, understand their approval and obligation, engage a DQP to discuss options and lodge relevant certificates and understand their recording and reporting obligations.
- Members questioned whether COVID-19 will impact the timelines for implementation/meter handover. WaterNSW and the Taskforce acknowledge COVID-19 and have done a risk analysis. We are on track to do the work to the current timeline, with COVIDSafe work practices implemented. There may be more engagement with landholders, however we don't think it will change the timeline.
- Members expressed concern around the impact of COVID-19 on farmers/irrigators. A lot of farmers in the Hawkesbury/Nepean are going through hard times trying to keep businesses viable on the back of drought, bushfires, floods and now COVID-19. Highlighting there may be some issues in relation to meter handover and WaterNSW should be aware. WaterNSW will pass on this feedback.
- Members queried whether NRAR is aware of the timeline, stating there has been some incidences of NRAR telling farmers their meters are not compliant and giving out warnings. WaterNSW advised that NRAR is very much aware, they were part of the Taskforce. They have a statement on their website indicating how they will deal with compliance. They are aware of rollout due dates and WaterNSW's program. They know all our state-owned meters and due dates for privately owned meters.
- Members highlighted that many customers in the Hunter don't have access to the internet, so lack of communication has been a problem and there has not been an opportunity for face to face communication with NRAR on the metering regulations.
- Current state-owned meters will be made compliant prior to any handover. All meters will be assessed and made compliant if the landowner wants to take them on. Whilst ever they are owned by WaterNSW, it is our responsibility to ensure they are compliant.
- If a meter is faulty, there are reporting and recording requirements and customers must submit a S91i form. Take also needs to be recorded. This hasn't changed from what has always been in place.

2.4 Fixed Fee Rebate update (E Proietti)

- The NSW Government has confirmed the fixed fee rebate will again be applied to WaterNSW invoices for approved users. WaterNSW continues to advocate for further rebates to assist those with no access to water.
- The rebate will be applied quarterly to bills for 2020/21, up to \$1000 per quarter for regulated, and on the annual bill for those customers applicable for unregulated and groundwater. Customers do not need to do anything in order to receive the rebate.
- For more information go to www.dpi.nsw.gov.au/climate-and-emergencies/droughthub

2.5 WSP Conditions Notice (J Dickson)

- Conditions notifications are being prepared with DPIE to send notifications over the next few months (timeline presented).
- Formal notification is the trigger for the additional conditions to come into effect.

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3. Water Delivery:

3.1 Water Delivery and Operations Update (M Prendergast)

- WaterNSW presented an operations update for the Hunter, Bega/Brogo, Paterson and Toonumbar valleys including rainfall, current storages status and forecast, EWA Delivery (Hunter), inflows and comparison of drought inflows, and planned outages.
- Members requested adding information that reflects a more long-term average so the outlook doesn't look as grim.

Action CVH2007.01: WaterNSW to add a greater range of inflow percentiles to Coastal-Hunter CAG operations presentations going forward.

Responsibility: M Khan

- M Prendergast advised that Mahmood Khan will be taking over the operations of the Hunter, North Coast and South Coast moving forward. Contact details will be provided in due course. Members thanked Martin for the great job he has been doing, stating customers would have been in a dire position without his help. The effort he has put into the valleys was acknowledged and is greatly appreciated.
- On 6 July, WaterNSW sent a notice to affected customers advising of work at Toonumbar Dam and interruption to water supply on Iron Pot and Eden Creeks.

3.2 Active Management Update (D Berry)

- WaterNSW presented an overview of Active Management, which is being implemented in unregulated systems in the Barwon-Darling, Gwydir and Macquarie valleys.
- Detailed information about the environmental water reforms and what it means be found at the environmental water hub www.industry.nsw.gov.au/water/environmental-water-hub
- Currently being implemented in the Barwon-Darling, then Gwydir and Macquarie unregulated systems. We have had request from customers in the unregulated Richmond system for active management however we don't have a program for rolling out across the state at this point. Is on the agenda to look at rollout for other areas.

3.3 Water Insights Portal Update (D Berry) – including live demonstration

- The *WaterInsights* Portal is an initiative by WaterNSW where customers can view 66 water sources from the 14 valleys, the Barwon-Darling and an initial group of groundwater and surface water sources in the Murrumbidgee region.
- The portal incorporates current data and curated information including water availability information, storage and release information, gauged flow and level data, operations updates and Annual Operations Plans, water availability reports and balances, notices of key operations information including outages and restrictions and links to other relevant reports.
- Information from the Murray Darling Basin Authority and DPIE's environmental holdings is also included.
- The portal can be accessed on WaterNSW's website at www.watensw.com.au/waterinsights/water-insights

4. Assets:

4.1 Asset Maintenance Update (B Mayhew)

- Asset performance and maintenance in the Hunter and Coastal valleys presented and discussed, including routine preventative and corrective maintenance delivery.

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4.2 Rural Pricing Submissions: FY22 & FY23-26 Capital Plans (C Braddock)

- As discussed at agenda item 2.1, IPART has indicated that a 1-year deferral is required, so there will be a 1-year Pricing Submission for FY22 (due 30 June 2020) followed by a 4-year Pricing Submission for FY23-26 (due 30 June 2021).
- The South Coast and North Coast capital budgets will be reduced due to lower volume of renewal and replacements works being proposed than current period.
- For the Hunter valley, the FY22 Pricing Submission will include the commencement of the deferred MCP Hunter works, candidate projects including further valve refurbishments at Glenbawn and elsewhere and planning and investigations for FY23-26 renewals.

4.3 Lostock to Glennies Creek Pipeline Update (J Dickson)

- The WaterNSW project team received feedback from Coastal-Hunter CAG members in September and November 2019, and other stakeholder groups between May-November 2019. This feedback has been included in the Strategic Business Case (SBC) and submitted to Infrastructure NSW (INSW). INSW are concluding their reviews and we expect to hear back from them in the coming weeks.
- The SBC was submitted as a program of works along with the Hunter Water Corporation SBC, which makes the review process complex.
- There is no guarantee the project will progress to a final business case and is dependent on receiving government approval of funding to proceed.
- The project team will provide further updates to the CAG, relevant stakeholders and local communities when we receive feedback from INSW.
- Should the project proceed to a final business case, WaterNSW is committed to engaging the community early and would host a number of community information sessions to provide information on the project and offer opportunities for feedback to inform the development of the final business case. Any potentially affected landowners along the preferred pipeline routes would also be engaged and involved early in the next phase.
- Members noted there are a number of small landholders in the Paterson who are very vocal, with some taking Hunter Water's SBC as gospel. Adding to the mix, articles have been published in local media which are being taken out of context, with people thinking the project is going ahead regardless. WaterNSW reiterated there is no guarantee that it will progress or be funded and there are a number of steps to be taken prior to this happening.

5. Business Papers:

- Noted and taken as read.

6. General Business:

6.1 Customer Jury Update

- With the delay of the Pricing Determination, the jury process has also been impacted. The process is currently "paused" and we will share more information in due course.

6.2 Environmental Water Flows in the Hunter

- Members questioned whether DPIE-EES will be conducting a review of the recent environmental water release. J Simpson indicated there is a monitoring program, as with all environmental releases. Given this was the first time this water has been used in some time, a report will be completed and will be publicly available to all.

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- If members would like a presentation in the future, DPIE-EES is happy to provide. Members stated they would like to see justification that the release was warranted since there has been no rework on fish numbers since October 2019. DPIE-EES stated that a specific environmental outcome was desired and other outcomes were also achieved. A report will be forthcoming around fish monitoring etc.

Meeting Review and Close

Next Meeting: Tuesday 3 November 2020

Meeting closed: 1.00pm

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Coastal-Hunter Customer Advisory Group – Actions – 9 July 2020

Carried forward actions

Action No.	Action	Responsibility	Status
	Nil carried forward actions.		

New actions

Action No.	Action	Responsibility	Status
CVH2007.01	WaterNSW to add a greater range of inflow percentiles to Coastal-Hunter CAG operations presentations going forward.	M Khan	

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