

Murray-Lower Darling Customer Advisory Group - Minutes of Meeting



Location: Video Conference

Date: 27 July 2021

Time: 9.00am

Present: Louise Burge (Chair), Katherine McBride, Judith Damiani, Michael Pisasale, Hilary Johnson, Michael Chalmers, Sally Dye, Dennis Gleeson, Jonathan Dickson, Sonia Townsend, Enrico Proietti, Sarah Boyd and Toni Hayes.

The following attended for specific agenda items: B Mayhew, D Swift-Hoadley, S Lykos, G Abood, G White, S Flowers.

Meeting Opened: 9.00am.

1. Introduction and Acknowledgement of Country:

1.1 Welcome and introductions

1.2 Apologies: Alan Mathers, John Lolicato.

1.3 Confirmation of Agenda Items

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 Meetings, 28 April 2021:

- Resolved the minutes of meeting held on [28 April 2021](#) be confirmed as a correct record. Taken as read.
L Burge/K McBride carried

1.6 Actions arising from minutes

- See action sheet attached.

1.7 Election of Chairperson

- Louise Burge was nominated and elected Chairperson unopposed.

L Burge/S Dye carried

2. Assets:

2.1 Asset Maintenance update (B Mayhew)

- Asset performance and maintenance in the Murray and Lower Darling valleys presented and discussed, including routine preventative and corrective maintenance delivery at Hume Dam, Gulpa Creek offtake, Stevens Weir, Merran Cutting, Lock 15, Lock 10, Menindee main weir, Lake Cawndilla channel and Lake Pamamaroo.
- WaterNSW has held discussions with NSW Fisheries in relation to work to repair some of the erosion damage at Tumungdery Regulator and provide a more maintainable structure. We are now in a position to continue the work. There are also plans to install walkways across the regulator to make safe for our team, which have been fabricated and ready to go.
- A question on notice (via email) was raised out of session for an update on the upgrade at Neimur Regulator, to be provided out of session.

MLD2107.01: WaterNSW to provide an update on the upgrade at Neimur Regulator out of session.

Responsibility: B Mayhew

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- Customers questioned WaterNSW's role in maintaining riverbanks. WaterNSW advised that we monitor banks close to our infrastructure however don't carry out that function along the river generally.

2.2 Major Projects update (J Dickson)

- As part of broader reforms of the NSW Water Sector, a new water infrastructure agency, Water Infrastructure NSW (WINSW) has been established within DPIE-Water. Progressively from 1 July 2021, WINSW will now lead the planning and delivery of Government funded water infrastructure projects in NSW, including the transfer of 8 projects previously led by WaterNSW.
- The majority of project staff have moved to WINSW with the projects. WaterNSW and WINSW are working together to ensure the transition is a swift and seamless process.
- WaterNSW will retain a role in the projects as owner and operator or existing land and assets for some projects and service provided to existing and future customers.
- Project updates going forward will be provided by WINSW and can be found on WINSW's website at <https://water.nsw.gov.au/water-infrastructure-nsw>
- Customers queried whether the maintenance of the structures, once complete, would remain part of business as usual for WaterNSW. Yes, WaterNSW will be the owner and operator of the structures.
- Customers questioned if the Western Weirs project is an alternative to the SDLAM projects. WaterNSW advised these are independent projects but teams are working closely together to get the best outcomes. The projects have different scope but there may be some overlap.
- Customers stated there is no progress to date on solutions for Menindee and have been told the old proposal is not going forward. There has not been any further update.

3. Presentations/Consultation:

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

- WaterNSW provided an update on the non-urban metering reforms, including a recap on the roll out dates, conditions that apply now for all water users and pathways to compliance.
- If you are not using your water supply works you can make the works **inactive**, which then exempts those works only from the new metering rules. Once inactive, you will not be able to use the works to take any water (including BLR) and will be billed on a one-part tariff (full entitlement charge). To make a works active again, licence holder will need to submit an application, pay the application fee and provide evidence that the works adheres to the metering regulations. For more information visit our website at www.waternsw.com.au/amendapproval.
- Customers sought clarification on an approval that authorises a larger pump than what is installed - are customers required to amend the approval? NRAR advised that approvals are absolute and must reflect what is on ground. This can be the difference between being captured by the rules or not. Water users should contact WaterNSW (or their licensor) to make necessary changes.
- There are currently 15 pattern approved meters [listed on the MDBA website](#), ranging 25mm-1800mm. A list of compatible data logging and telemetry devices and solutions are listed on [DPIE's website](#). Customers are encouraged to speak to their DQP in relation to appropriate fit for purpose equipment.
- The NSW Government recently announced \$23.6M to assist and encourage water users in the northern MDB in transitioning to telemetry-based metering, including an \$18M rebate available per meter as a \$975 credit applied to customer bills (refer below). Government-owned meters are not eligible.
- Customers questioned if IIOs (Irrigation Infrastructure Operator) are eligible for the rebate. The rebate is available for billed customers of WaterNSW who have installed a LID.
- Customers questioned if an internal metering set up is subject to the same future charging regimes and rebates. WaterNSW advised that the reforms relate to where the water take is measured and accounted. Only those covered by the non-urban metering reforms are eligible for the rebates.

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Non-Urban Metering Rules Update (S Lykos – DPIE-Water)

- The NSW and Australian Governments have committed to fund a \$36.1M suite of metering programs, to commence in the 2021-22 financial year, including:
 - \$18M telemetry rebate, for those who have installed telemetry (both mandatory and voluntary), applied retrospectively for all accounts in the DAS
 - \$14.6M government-owned meter capital upgrade program
 - \$1M program First Nations metering traineeship program
 - \$2.5M field program
- Many water users were captured by the rules in the 1 December 2020 rollout simply because their approval details did not reflect what is 'on ground' (eg installed smaller works or inactive works). What is on your approval **MUST** match what is on ground, is absolute. The key message to water users is to ensure details are up to date. This can be the difference between being captured by the rules or not. Contact WaterNSW (or your licensor if different) to make any changes.
- The DQP portal is the central source of information about the steps water users are taking to become compliant. WaterNSW is upgrading the portal to allow more steps to be recorded and to improve access for water users.
- Upcoming communication and engagement activities for the 1 December 2021 rollout include: mailout to all affected water users in June-July 2021; outbound phone calls to all affected water users in July-August 2021; metering roadshow planned for September 2021; and a second mailout in October-November 2021.
- Works **solely** used to take water for domestic and stock under a basic landholder right (BLR) are exempt from the metering rules (and no size limit). The exemption **does not** capture water taken under a domestic and stock access licence.
- The Department has extended timeframes for **some water users** to comply with existing metering conditions in five water sharing plans (Hunter, Richmond, Lachlan, Murrumbidgee and Murray-Lower Darling) - [click here for more information and to see if this affects you](#). The extension does not affect existing [regional roll out dates](#).
- DPIE and NRAR have a number of resources available to help water users understand the new metering rules, including a [Metering Guidance Tool](#), [Non-Urban Water Metering In NSW: what water users need to know leaflet](#) and [compliance fact sheets](#).
- For government-owned meters (GOM), as the meter owner WaterNSW will ensure these are compliant. We are contacting all users and working through the list. If landholders have a GOM, they should carry on as normal. If customers with GOM have questions, advise them to check their approval and wait for WaterNSW to make contact. NRAR have been working with us as the meter owners.

3.2 Natural Resources Access Regulator (NRAR)

Update on Metering Compliance Campaign – tranche 1 (G Abood)

- NRAR provided an update on tranche 1 compliance rates for affected works under the non-urban water metering framework, including state-wide statistics and regional breakdown for the Murray-Lower Darling. NRAR has conducted a number of programs looking at water users through targeted sampling via desktop assessments, phone calls and site inspections. Results were then ground-truthed by NRAR site visits.
- NRAR's compliance approach is simple: water users *must* have accurate, tamper-proof and approved meters installed; *should* have those meters validated by a DQP; and *could* be connected to the DAS. The on-ground installation must exactly match the work approval. NRAR will focus efforts on those users who have not progressed far through the compliance pathway (who have the most ground to cover).
- Customers sought further explanation of "could be connected to the DAS" (per above). NRAR advised the key point for works in that category is that an accurate meter must be installed and validated so

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measurement of the water take is accurate and reliable, however the LID servicing that system is yet to be connected/transmit data to the DAS. For full compliance it must be connected.

- All water users should check the status of their approval to see if the reforms capture your works. If they do, they need to have an accurate meter. There are thresholds for telemetry and for installation and validation of meters (refer to the [NSW Metering Guidance Tool](#) to work out if/what applies to you and when).
- Tranche 1 covered 1126 affected works in the system (active works that have the ability to pump water). There were 715 works remaining after exclusions (including active investigations, government owned meters and COVID restrictions), half of which were either smaller than 500mm or inactive, therefore not subject to the regulation.
- Results showed that state-wide, 23% of affected works are fully compliant; 32% are on the pathway to compliance, having made reasonable efforts to comply; and 45% of affected works are non-compliant and subject to enforcement action.
- For the Murray-Lower Darling, 62% are fully compliant; 13% are on the pathway to compliance and 25% are non-compliant (8 works). There was only a small sample size taken in this valley (18 works, 10 of which were inactive).
- Tranche 2 water users must act now. If water is taken in the Macquarie, Gwydir, Namoi, Border Rivers and Barwon-Darling users may need to comply by 1 December 2021. Customers should review their licence and approval details on the [NSW Water Register](#) and use the [NSW Metering Guidance Tool](#) to confirm if this applies to them and then engage a DQP to commence work.
- Customers questioned how NRAR will handle the separation of issues with floodplain harvesting (FPH) take and use of temporary storage dams. NRAR advised the amendments to the FPH policy were not passed in the Upper House and subsequently disallowed. NRAR's expectation is that all water users will account for water taken through licensed works in accordance with licence conditions (in compliance with the law) and those who don't will be investigated by NRAR. The approach is consistent.
- Customers queried if the 8 works in the Murray already inspected are the only works with the >500mm criteria. NRAR advised these are the only ones inspected to date that are >500mm and privately-owned. There are up to 100 yet to be inspected. GOM are part of the overall proportion. 150 works associated with inspections are already running so we need a different process to uphold the integrity of those investigations.

Introduction to NRAR's Quarterly Reporting Tool (G White)

- NRAR has released results of its campaigns to help water users understand what they do and to build public confidence that water is being regulated fairly in NSW. [Quarterly Compliance Reports](#) are an easily accessible summary of NRAR's activities for water users and the community and are publicly available on NRAR's website.
- Key activities and non-compliance trends across the state presented (Jan-Mar 2021), including [regional compliance breakdown](#) for the Murray-Lower Darling.
- NRAR has recently released its [regulatory priorities for 2021-22](#) for water metering and DQPs, irrigated agriculture, overdrawn accounts and extraction limits in at risk water sources, which will be the focus over the coming months, as well as enduring priorities.
- [Subscribe to NRAR's newsletter here.](#)

3.3 Regulatory Economics – Pricing Determination Engagement (J Dickson)

- IPART has decided to defer the release of its final reports on WaterNSW's rural bulk water and WAMC's water management prices by 3 months in order to assess WaterNSW's non-urban metering proposal and consult on draft metering prices.

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- This decision means the current prices will continue to apply from 1 July to 30 September 2021, with new prices to apply from 1 October 2021.
- Submissions to IPART's supplementary reports close on 23 July 2021. For more information and to view reports, submissions, proposals and consultation, visit [IPART's website](#).

Metering

- IPART's [Supplementary Draft Report on Metering](#) was released on 22 June 2021, seeking customer and stakeholder feedback by 23 July 2021. The report sets out the draft maximum charges that WaterNSW can recover for implementing the NSW Government's metering reforms over the next four years.
- WaterNSW will introduce new charges to recover the costs of metering, including a scheme management charge (annual fee per licence); a telemetry charge (annual fee per meter); a non-telemetry charge (annual fee per meter); and two additional meter service charges will apply to customers with government owned meters.
- Obligations for compliance to the non-urban metering reforms is the responsibility of the work approval holder. There are ongoing obligations for the majority of all works in terms of recording and reporting and for metered works and regular maintenance to ensure the equipment is working accurately.
- IPART will consider all feedback provided in submissions when making its final decision to be published in September 2021.

3.4 Engagement Landscape (J Dickson)

IPART Customer Engagement

- IPART is reviewing the way it regulates water utilities and how it sets prices and licence conditions for the monopoly businesses it regulates. Three sessions on future water assessments have been held, including customer engagement, where all NSW water utilities provided input.
- Stakeholder feedback on [Discussion Paper 2 – Promoting A Customer Focus](#) was due on 20 July 2021.
- Customers queried what IPART sees as not being achieved now in terms of representation. WaterNSW noted that in 2016, IPART indicated that although the existing measures WaterNSW uses in terms of engagement are adequate, it doesn't reach further. IPART is interested in learning more about what customers want.
- Customers stated the lack of a forum with DPIE-W to discuss customer issues is still a concern.

Customer Conversations

- WaterNSW is taking a new approach to customer engagement on future water and services pricing to ensure that what we propose in terms of investment reflects our customers' views. newDemocracy has been engaged to start a conversation, which will inform WaterNSW's submission to the regulator for the 2025 Rural Pricing Determination.
- newDemocracy will work with WaterNSW to deliver three key pieces of community engagement: Kitchen Table Discussions; Paired Conversations; and Concise Themes. These projects will take place throughout 2021 and ultimately lead into a deeper engagement process that addresses the question: "how can we best meet our need for water? And, what is a fair way to pay for it?".
- CAG members were sent a copy of the Kitchen Table Discussion Kit in June, inviting them and their water user group to take part, with feedback due by 30 August 2021. Engagement is open to all stakeholders who have an interest in water.
- For more information or to download a copy of the Kitchen Table Discussion Kit, please visit <https://www.newdemocracy.com.au/water/>
- Customers complimented WaterNSW on this initiative, stating it is a good process.

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3.5 IVT Paper Update (J Dickson)

- An online meeting was held with Murray and Murrumbidgee CAGs on 29 June 2021. The paper presented has been updated based on feedback at that meeting and will be released publicly in the next week.

4. Business Papers:

- Noted and taken as read.

5. General Business:

5.1 Questions on notice; Water Operations response (D Berry)

- Murray Valley Private Diverters provided a number of questions out of session on proposed changes being considered by the NSW Government in relation to future Murray River operations under the Mid-Murray Anabranch Accelerated SDL Project and the Constraints Management Strategy: Yarrawonga to Wakool Junction and Hume to Yarrawonga River reach.
- The Murray ROSCCo meeting has been rescheduled for 11 August due to the need for operations staff to attend to flood operations in the Murrumbidgee. These questions will be directed to the ROSCCo for comment when valley operators are available, noting many of these questions should be directed to DPIE, who is the project manager.
- Customers have had discussions with the Water Quality team around blue/green algae. WaterNSW stated there is quite a bit of water on the way and it is likely to be wet through to October/November, so any water quality issues up to this time will likely be due to flood, not algae. For more information on blue/green algae please see the algal alerts page on WaterNSW's website at <https://www.waternsw.com.au/water-quality/algae>
- Customers questioned what is being assessed/tracked in terms of timing of outbreaks of blue/green algae - are there any patterns, what circumstances lead to outbreaks and what are the potential risk factors at Hume Dam? Would like to see more transparency and what is causing this in areas of high flows.

ActionMLD2107.02: WaterNSW to add a Water Quality presentation to the next meeting agenda.

Responsibility: T Hayes

Meeting Review and Close

Next Meeting: Wednesday 27 October 2021

Meeting closed: 11.40am

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Murray-Lower Darling Customer Advisory Group – Actions – 27 July 2021

Carried forward actions

Action No.	Action	Responsibility	Status
MLD2104.01	WaterNSW to pass on requests from customer to DPIE and other agencies to hold regular meetings with customers around issues facing the Murray and Lower Darling valleys.	J Dickson	Complete. Requests referred to DPIE for further comment/commitment. The following has been provided from DPIE in relation to channel sharing capacity and shortfall risk: <ul style="list-style-type: none"> • The Minister has publicly stated her expectation that Murray channel capacity sharing with Victoria will be 50:50. • (Victoria has a different view). • The Capacity Policy Working Group, supported by an Independent Expert Panel, is working through these issues, but no landings yet. • (Jeanine Murray is NSW delegate and could potentially provide a progress update to the later in the year CAG). • In the meantime, MDBA has prepared a draft Murray Shortfall Response Plan (SRP), and is working on an updated version to include Menindee being on-line. • NSW (and Victoria) are preparing respective state SRPs, consistent (integrated) with the over-arching MDBA plan. • Once the draft is prepared, around October, NSW will be able to discuss/share with water users. • The plan will outline how NSW (WaterNSW) proposes to manage a delivery shortfall in the Murray.
MLD2104.03	WaterNSW to advise how it will provide assurance to landholders that government-owned meters (GOM) are compliant.	J Dickson	As has been the case to date, WaterNSW will continue to provide updates on the overall GOM program to the CAG. Individual customers will be contacted directly regarding GOMs and compliance actions.

New actions

Action No.	Action	Responsibility	Status
MLD2107.01	WaterNSW to provide an update on the upgrade at Neimur Regulator out of session.	B Mayhew	
MLD2107.02	WaterNSW to add a Water Quality presentation to the next meeting agenda.	T Hayes	

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