

# Coastal-Hunter Customer Advisory Group

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**Minutes of Meeting  
Wednesday 7 March 2018  
Cliftons Sydney  
60 Margaret Street, Sydney**

**Present:** Chris Magner (Chair), Chris Rooney, John Peel, Rob Russell, Shane Gee, Julia Wokes, Justen Simpson (Skype), Wayne Clarke, David Clift, David Williams, Graham Kennett, Axel Hanson (observer), Ken Bray (observer), David Stockler, Craig Cahill, Jonathan Dickson, Enrico Proietti, Susan Ali and Toni Hayes (minutes).

Ronan Magarahan attended via Skype for agenda item 7.1.

Mark Clayton and Nahaz Chowdhury attended for agenda item 8.7 and 8.8

Andrew Richardson and Pouya Amirsayafi attended for agenda items 8.4 and 8.9.

Russell Cocks and Danielle Starr (teleconference) attended for agenda items 10.1 and 10.2.

**Meeting Opened:** 9.30am.

**Welcome, introductions and safe driving reminder.**

1. **Apologies:** Steve Guthrey, John Watson, Shaughn Morgan.

2. **Confirmation of Agenda Items:**

– Nil additional agenda items tabled.

3. **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.

4. **Minutes of Previous Meeting, 7 September 2017:**

– Resolved the minutes of meeting held on 7 September 2017 be confirmed as a correct record. Taken as read.

*G Kennett/S Gee  
carried*

5. **Actions arising from minutes:**

– See action sheet attached.

6. **Water Delivery**

6.1 **Water System Operations Report (C Cahill)**

– WaterNSW provided an update on the water system operations report, including system operations, system outages and flood update – <http://www.waternsw.com.au/customer-service/news/operations>

– Water operations reports are published quarterly on WaterNSW's website. Weekly Water Availability Reports are also available.

– End of System flow target discussed. Created with WSP and generally based on 95th percentile historical flow patterns.

## **7. System Operation and Asset Services**

### **7.1 Asset Maintenance and Services Update (R Magarahan)**

- Asset performance and maintenance in the Hunter, North Coast and South Coast presented and discussed.
- Customers queried what was done in relation to control of water hyacinth at Toonumbar Dam. WaterNSW advised that the hyacinth has been dealt with. Was left to decompose, not physically removed from the dam.
- Blue/green algae discussed. WaterNSW does weekly sampling to monitor levels, with latest readings available on our website (<https://www.waternsw.com.au/water-quality/algae>). Current status remains at red however with recent inflows it is likely the algae will be diluted and aerated and the issue will be resolved.

## **8. Presentations/Consultation**

### **8.1 Regulatory Update (J Dickson)**

#### **Reform Update**

- The final Matthews' Report, MDBA and Ombudsman's reports, were released in November 2017. WaterNSW held a number of meetings with customer groups, including CAG Chairs, in December 2017 to discuss resulting recommendations and seek customer input on key elements in the reports.
- Metering, resource/market information, compliance and protection of environmental flows remain key issues. WaterNSW will also be advocating for other legislative reforms (including making rules, roles and responsibilities clearer). Timeline presented and discussed.
- DOI Water has established a taskforce to implement the NSW government's action plan to reform water management. There will be a brief intensive period of consultation with tight deadlines. WaterNSW will be making a submission and water users will have the opportunity to engage with the taskforce directly.

#### **Summary of December Workshops**

- Summary of feedback from WaterNSW meetings with customers presented and discussed. Key feedback items include compliance, water take measurement, water information and environmental flows.
- Customers expressed frustration that they have made numerous submissions in the past with nil outcome or feedback. Their position has not changed, so are cautious of going through the process again.
- WaterNSW understands customer sentiment, however customers are strongly encouraged to resubmit past correspondence to the regulator. If customers do not take this opportunity, the regulator will make a rule and put it in place.
- Engagement on key issues of metering, transparency and environmental flows commences next week. A lot of work has been happening in the background over the past 3 months and things are moving very quickly. WaterNSW expects the regulator will make rules after a brief period of engagement, so customer input is imperative.

## 8.2 Voice of Customer Framework (J Dickson)

- WaterNSW has recently introduced some changes to make things easier for customers and to keep customers informed, including a proposed new draft layout for WaterNSW invoices, electronic billing and a list of communications customers can subscribe to.
- In February WaterNSW launched “Your Voice”, a platform for customers to start a conversation, connect with others and provide feedback and insights into our future products and services. CAG members have been automatically registered for the online community.

## 8.3 Customer Communications (J Dickson)

### Phone/CIMS Update

- Implementation of WaterNSW’s new phone system was successfully completed in December 2017.

### Conditions Mailout

- WaterNSW was requested by DOI Water to manage a Licence Conditions mailing on its behalf. WaterNSW extended our service centre capacity to capture and log queries, which are then allocated to a locally-based Licensing Officer for review/discussion with customers.
- Licence holders have 28 days to lodge a submission regarding any “discretionary/other” conditions.
- Customers commented that water user associations were set up for the purpose of being a conduit for distribution of this type of information to constituents and suggested that someone from WaterNSW attend a water user group meeting to explain key changes. WaterNSW advised this is something we can certainly do and customers can contact WaterNSW to arrange.
- Discussion occurred on changes to some conditions, particularly in relation to rules being imposed on customers to be metered and have compliant meters. WaterNSW advised DOIW prior to sending letters that some of the conditions should be modified however they chose not to do that. WaterNSW is continuing to take a pragmatic, reasonable approach to compliance. It would be unreasonable for us to take compliance action on a condition that has only just come out.
- All letters will potentially be different based on individual licence conditions. Discretionary conditions are different.
- WaterNSW has received a lot of feedback from customers in relation the mailout and will continue to pass on to the regulator.
- Customers noted that the mailing list appears to be out of date with some specific examples provided. WaterNSW advises customers to contact WaterNSW will specifics so details can be updated.

## 8.4 Levels of Service (LOS) Project Update (A Richardson)

- Project status update and timeline presented and discussed. Formal customer engagement commenced in February with Lachlan CAG members, with a workshop for Hunter and Coastal valleys planned for May 2018.
- The workshop will provide an opportunity for targeted consultation with customers about WaterNSW’s bulk water services and customer LOS preferences. The main objective is to hear customers’ views on LOS issues, identify key LOS gaps in the valleys that need to be addressed, and understand customer long-term LOS priorities/preferences in the valley.
- WaterNSW will contact CAG members with workshop dates and venue options in March. Customers suggested that holding three regional workshops would provide much broader input.
- North Coast pilot project discussed and update provided. Will revisit the options analysis process with stakeholders. Is a slightly bespoke version of the state-wide project.
- The online community discussed as an avenue for customers to have regional LOS discussions. Customers feel it would not be an appropriate avenue as only a small portion of farmers would use

it. Other avenues for communication are customer newsletters, WaterNSW website, additional mail outs to unregulated customers (who only receive bills once a year).

#### **8.5 Local Water Utility (LWU) Review Update (J Dickson)**

- Discussions are ongoing with NSW Health and Local Health Units. The focus over the next few months will be consultation with Local Water Utilities, with outcomes to be incorporated into the review. The monitoring review is due December 2018 with final report due June 2019.

#### **8.6 Update on Carp Herpes Virus (J Dickson)**

- The Fisheries Research Development Corporation (FRDC) is leading a project on potential release of the carp herpes virus. WaterNSW has undertaken some research and results have shown a decrease in dissolved oxygen levels, increase in bacteria and potential algal blooms, all of which may have the potential to compromise WaterNSW's ability to deliver suitable water to our customers. This research has been shared with the FRDC.
- The FRDC is establishing a number of working groups, which WaterNSW will be involved in. WaterNSW is completing further research to inform an operational response to minimise the impact of the virus on WaterNSW customers.
- Potential timing and release of the virus is likely to be determined late 2018, subject to FRDC processes.

#### **8.7 Annual Capital Plan (M Clayton)**

- Annual Capital Plan for the Hunter, North Coast and South Coast presented and discussed, including forecast, rural automation, projects in progress, new projects and minor renewals.

#### **8.8 Fish Passage Update (M Clayton)**

- A Ministerial Taskforce on Fish Passage was established in July 2017 with the objective to capitalise on four significant funding options for restoring fish passage in the Murray-Darling Basin.
- The Taskforce aims to propose a NSW Fish Passage Strategy addressing key matters in the Terms of Reference. An approach was presented to the Minister at the end of 2017 with a number of recommendations. The Minister has now extended the timeline through to the end of 2018 to allow further evaluation and detail opportunities.
- In parallel, a WaterNSW project team has been established to progress feasibility design studies, performance criteria, develop standard designs, apply methodology and provide a state-wide estimate. A draft project management plan has been prepared and project completion scheduled for end-2019.
- There are currently 9 fish passage obligations remaining across the state.

#### **8.9 Cold Water Pollution (CWP) Asset Strategy Update (P Amirsayafi)**

- WaterNSW is required under some work approvals to address cold water pollution (CWP), subject to funding availability, with the objective to develop a cold water pollution strategy to quantify benefits of addressing CWP, develop asset solution options and prioritise WaterNSW dams.
- Asset solutions are being developed with a focus on the four priority sites (Copeton, Wyangala, Blowering and Keepit dams). A cost benefit analysis will be undertaken to determine economic viability of the proposed options and dams will be prioritised accordingly.

### **Burrendong Temperature Curtain Update (M Clayton)**

- An update on the Burrendong Temperature Curtain was provided, including background, current status and ongoing testing and assessment. Curtain reinstatement and commissioning is scheduled for completion March/April and once reinstated, WaterNSW will resume monitoring and testing.
- The curtain is a prototype, and assuming it is successful, there is a limited number of structures that it would be feasible on. However where suitable, could be a low cost solution to addressing CWP.

### **8.10 Regulatory Economics (J Dickson)**

#### **WAMC Determination Update**

- The current WAMC determination runs through to 2020 with functions split between WaterNSW and DOI Water. New pricing submissions are due by 30 June 2019.
- Recommendations from reviews arising from the Four Corners story (July 2017) and the formation of the new Natural Resource Access Regulator may result in a different resourcing allocation between WaterNSW, DOI Water and other agencies.
- Further guidance on the WAMC Determination will be provided once the resourcing and policy issues arising from this work are settled by government.

#### **Wentworth to Broken Hill Pipeline (W2BHP) Determination Update**

- The pipeline will be subject to a new IPART pricing determination. WaterNSW has commenced engagement with customers along the pipeline, including Essential Water.
- WaterNSW is required to submit its pricing proposed to IPART by 30 June 2018. IPART will commence its review of prices of Essential Water's water and sewerage services in Broken Hill at the same time.

#### **Rural Valleys Determination**

- The rural valleys determination runs through to 2021, with a new pricing proposal due to IPART on 30 June 2020.
- WaterNSW will continue to seek customer input to advocate for customer choice. This will include but not be limited to whether tariff structures can be improved; looking to apply greater cost reflectivity; simplicity and incentives for cost savings.
- Updates will be provided to CAGs as work progresses.
- Customers questioned whether there are plans to bring the WAMC and IPART determinations into line. When some unregulated functions came across to WaterNSW some funding came with it, depending on the function. However with the establishment of NRAR some functions may go to them and some may go back to DOIW, therefore funding will be transferred with those functions. At this stage it is unclear what will happen for the next WAMC determination.

#### **Zero Dollar Trades**

- WaterNSW has been asked questions around zero dollar trades. 60% of trades during the last water year across the MDB were declared zero dollars as the traded value.
- The basin trading rules require that the seller must notify the Approval Authority (in this case WaterNSW) in writing of the agreed price. WaterNSW recognises that some of these trades very likely will be related party transactions and is looking into its responsibilities in relation to processing trades. Discussed.

## 9. Reports

Noted and taken as read.

## 10. General Business

### 10.1 Log Book Requirements (D Starr)

- Customers raised concerns regarding log book requirements under the two-part tariff. People who have moved to the two-part tariff have been told they must fill out a log book, however there has been no consistency about what to put in the log book and what to leave out. Customers suggested WaterNSW provides a state-wide process/guideline and develop/provide the log books so there is consistency.
- Other concerns are that there is not enough knowledge amongst customers on how to get on to the two-part tariff, it is not clear how the conversion works (how do they calculate?) and it is not clear who has to “tick it off” – does someone from WaterNSW have to do this or is there an approved contractor elsewhere?
- WaterNSW advised that this has not been done to date due to the fact that conditions on licences and works approvals can be quite different. WaterNSW is happy to work with each customer on the requirements of their log book. We will put a page on our website which explains to customers where to look up their conditions to ensure they are recording the required information specific to their conditions. Should be available in the next couple of days.
- Salinity monitoring discussed. WaterNSW was not aware of this but happy to look into further. Danielle Starr and Chris Magner to discuss further out of session.

### 10.2 Two-Part Tariff Update (R Cocks)

- WaterNSW advised that anyone who has usage in WAS will get the two-part tariff (if there is a meter reading in WAS). Customers need to be registered for iWAS and WaterNSW has applied to the regulator to get a list of customers on the two-part tariff so we can make contact in order to register them for iWAS.
- WaterNSW anticipates calibration will be discussed as part of water take reforms. Is a larger piece of work and whether this will be accepted as part of the water take measurement strategy will be discussed.

## Meeting Review and Close

**Next Meeting:** 5 June 2018 (Skype)  
5 September 2018 (Sydney)

**Meeting closed:** 2.00pm

Carried Forward Actions			
Action No. yymm.action no	Action	Responsibility	Status
CVH1709.01	WaterNSW to provide an update on the two-part tariff process to customers once a decision has been made.	J Dickson	<b>Complete.</b>  Refer to agenda item 10.2.
CVH1711.01	Provide copies of previous correspondence to WaterNSW from Kyogle Council seeking approval to upgrade public amenities at Toonumbar Dam to Toni Hayes for follow up.	G Kennett	<b>Complete.</b> Information provided and a response has been received. Graham to advise if additional follow up required.

New Actions			
	Action	Responsibility	Status
	Nil new actions		