

Border Rivers Customer Advisory Group Minutes of Meeting

Location: Video Conference

Date: 14 July 2021

Time: 9.00am

Present: Daryl Cleeve (Chair), Lindsay White, Michael Owen, David Coulton, Anub Nair, David Preston, Tim Napier (observer), Jane Humphries (observer), Jonathan Dickson, Emma Oates, Enrico Proietti, Sonia Townsend, Fiona Morrisby, Sarah Boyd, Anne-Maree Burke and Toni Hayes.

The following attended for specific agenda items: B Mayhew, A Scott, M Barratt, D Swift-Hoadley, A Walker, G Abood, G White, K Reynolds, S Flowers, D Bailey, R Shepherd.

Meeting Opened: 9.00am.

- 1. Introduction and Acknowledgement of Country:
- 1.1 Welcome and introductions:
- **1.2** Apologies: Ben Warby, Daryl Albertson.
- 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 Meeting, 1 December 2020 and 14 April 2021:
- Resolved the minutes of meetings held on <u>1 December 2020</u> and <u>14 April 2021</u> be confirmed as a correct record. Taken as read.

D Cleeve/M Owen carried

1.6 Actions arising from minutes

See action sheet attached.

1.7 Election of Chairperson

Daryl Cleeve was nominated by M Owen and elected Chairperson unopposed.

2. Assets

2.1 Asset Maintenance (B Mayhew)

- Asset performance and maintenance in the Border Rivers presented and discussed, including routine preventative and corrective maintenance delivery.
- Tim Tanner has been appointed to the position of Regional Manager, Northern Region (Asset Maintenance and Services).

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

Action BR2107.01: Clarify whether staff will be changing locations with the move to WINSW.

Responsibility: T Hayes

 Customers commented that the change appears to be a move to create Chinese walls between different branches of Government and a reversal of the consolidation under the WaterNSW banner.
 WaterNSW noted that it was never set up to be a construction entity and this allows us to get back to our core business of water delivery.

3. Water System Operations:

3.1 Water Operations Update (A Scott)

- WaterNSW provided a demonstration of new features and functionality available on the <u>WaterInsights portal</u>, including weekly volume and release forecast, daily forecast, allocation outlook for general security, supplementary announcements and operational updates (now within WaterInsights), flow rate forecast is available for some gauges, climate information direct from BOM and an updated Rules tab.
- Data can be downloaded direct from the <u>WaterInsights</u> page and specific pages can be bookmarked (eg specific gauge data etc).
- Customers questioned WaterNSW's process for checking the flow rate forecast during floods.
 WaterNSW advised the flow rate automatically comes from the system the operations staff use, however we would turn off our forecast when going into flood operations (and only have the BOM forecast data on WaterInsights).
- Please send all feedback/suggestions to <u>insights@waternsw.com.au</u> or use the feedback tab on the website. WaterNSW is keen to keep improving the site and receiving feedback and suggestions from customers.

4. Presentations/Consultation:

4.1 Water Reform Implementation Plan (WRIP) Update (D Swift-Hoadley/A Walker)

- 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 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
- There are currently 15 pattern approved meters <u>listed on the MDBA website</u>, ranging 25mm-1800mm. A list of compatible data logging and telemetry devices and solutions are listed on <u>DPIE's website</u>. 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.
- 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). 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.
- 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.
- All affected water users will be notified. Letters will go out in batches over the next 2-6 weeks (8000 letters) and ServiceNSW will also be making phone calls. DPIE will be presenting at the NSW Irrigators' Council Annual meeting this week and also relies on CAG members to share information with their constituents.
- Works solely used to take water for domestic and stock under a basic landholder right (BLR) are exempt from the metering rules. 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.
- DPIE and NRAR have a number of resources available to help water users understand the new metering rules, including a <u>Metering Guidance Tool</u>, <u>Non-Urban Water Metering In NSW: what water</u> <u>users need to know leaflet</u> and <u>compliance fact sheets</u>.
- Customers commented that NRAR's claims of non-compliance in recent media, while it may be technically correct, is seen by water users as a celebration by NRAR that water users have been caught out when in fact there are extenuating circumstances as to why many people could not meet the December 2020 deadline (availability of equipment and DQPs etc). DPIE acknowledges that the success of the rollout relies on availability of equipment and contractors to install (refer also agenda item 4.2).
- NRAR noted that a large proportion of water users' contact details are not up to date (no phone number or email address on record) so more difficult to contact. Customers are encouraged to contact WaterNSW to ensure contact details are up to date.

4.2 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 Border Rivers. 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: to be compliant, 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 (those with the most ground to cover).
- 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 noncompliant and subject to enforcement action.
- For the Border Rivers, 11% are fully compliant; 41% are on the pathway to compliance and 48% are non-compliant (62 works).
- 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 <u>NSW Water Register</u> and use the <u>NSW Metering Guidance Tool</u> to confirm if this applies to them and then engage a DQP to commence work.
- Customers questioned the regional breakdown figures presented, stating the non-compliance figure does not take into consideration customers who have ordered meters but are not fully compliant due to lack of availability and supply. They have shown best endeavours and are on the pathway to compliance however are captured in the non-compliance statistics, which is misleading.
- NRAR stated that 48% of users don't have an accurate meter on the ground. Of that, NRAR will
 make a decision on who has made best endeavours to become compliant. The statistics are based
 on ground-truthing and are not subjective.
- Customers stated it would be valuable to look at the statistics based on size of works or proportion
 of water taken through the works. The issue customers have with recent media is that it might be
 technically correct but paints an unrealistic picture for those who don't know what the data means
 and who will make incorrect conclusions. Context and timeframes are important.
- Customers questioned NRAR's requirement for a work approval to match exactly the on-ground installation, stating this is a departure from the traditional approach. NRAR explained they approach the work approval as an absolute, and their source of truth, for which installed works must match.

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. <u>Quarterly Compliance Reports</u> 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 Border Rivers.
- NRAR has recently released its <u>regulatory priorities for 2021-22</u> for water metering and DQPs, irrigated agriculture, overdrawn accounts and extraction limits in at risk water sources, which will be focus over the coming months, as well as enduring priorities.
- Subscribe to NRAR's newsletter here.



 Customers questioned if NRAR has any update on Floodplain Harvesting take, with last advice being that landholders should get their own legal advice prior to taking water. NRAR noted the government is working on a pathway to bring FPH into a licensing regime. The Upper House has not passed the regulations, so it depends on personal circumstances. NRAR will monitor and take action if needed.

4.3 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.
- 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 <u>IPART's website</u>.

Metering

- IPART's <u>Supplementary Draft Report on Metering</u> 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 nontelemetry 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.

4.4 Engagement Update (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 is due by 20 July 2021.

Customer Conversations

- WaterNSW is taking a new approach to customer engagement on future water 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/

5. Business Papers:

Noted and taken as read.

6. General Business:

6.1 Water Sharing Plan for NSW Border Rivers Regulated River Water Source.

- BRFF advised there is a new Water Sharing Plan in place for the <u>NSW Border Rivers Regulated River</u> <u>Water Source</u>, effective 2 July 2021 (doesn't include Floodplain Harvesting).
- The changes were without notice from industry perspective (not through SAP). Still awaiting accreditation under the MDB Plan.

Meeting Review and Close

Next Meeting: 13 October 2021

Meeting closed: 11.45am

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| Carried forward actions | | | |
|-------------------------|--|----------------|---|
| Action No. | Action | Responsibility | Status |
| | Nil carried forward actions. | | |
| | | | |
| | N | ew actions | |
| Action No. | Action | Responsibility | Status |
| BR2107.01 | Clarify whether staff will be changing locations with the move to WINSW. | T Hayes | WaterNSW is not aware of any plans for staff to change locations however this can be confirmed with the individual project teams within WINSW (all contact details have |

remained the same).