

Greater Sydney Customer Advisory Group

**Minutes of Meeting
Thursday 8 March 2018
Gadigal Room, WaterNSW
Level 9, 420 George St, Sydney**

Present: Peter Gray (Chair), Grant Moller, Chris Schumacher, Justen Simpson (Skype), Peter Griffiths (observer), Jonathan Dickson, Peter Littlejohns, Enrico Proietti and Toni Hayes (minutes).

Ronan Magarahan attended for agenda item 7.1.

Mark Clayton attended for agenda items 8.7-8.9.

Andrew Fraser and Himali Hadungoda attended for agenda items 8.4 and 8.9.

Meeting Opened: 10.00am.

Welcome, introductions and safe driving reminder.

1. **Apologies:** Robert Horner, Paul Rasmussen, Rhys Brownlow and David Stockler.
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, 8 September 2017:**
 - Resolved the minutes of meeting held on 8 September 2017 be confirmed as a correct record. Taken as read.

*P Gray/G Moller
carried*
5. **Actions arising from minutes:**
 - See action sheet attached.
6. **Water Delivery**
 - 6.1 **Water System Operations Report (P Littlejohns)**
 - WaterNSW provided an update on the water system operations report, including system outage plan, water quality and flood updates – <http://www.waternsw.com.au/customer-service/news/operations>
 - Discussed pumping from lower to upper Blue Mountains and concerns regarding whether any impediments going into a potential drought. Sydney Water has been upgrading its pumps at Emu Plains Pumping Station. Currently no issues, system is up and running. Customers noted information provided regarding the flow at Penrith Weir and happy with response.

7. System Operation and Asset Services

7.1 Asset Maintenance and Services Update (R Magarahan)

- Asset performance and maintenance in the Greater Sydney and Fish River valleys presented and discussed.
- 97% of Maintenance Plan YTD has been completed by Fish River team; 96% of Maintenance Plan YTD has been completed by Shoalhaven Team.

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.

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.
- This week 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.
- Customers suggested incorporating a "date is looming" email/SMS for impending due dates for invoices. WaterNSW noted that it now has the capacity to consider these types of services for customers.

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.

8.4 Levels of Service (LOS) Project Update (A Fraser/H Hadungoda)

- Project status update presented and discussed. Formal customer engagement commenced in February with Lachlan CAG members, with a workshop for Greater Sydney and Fish River 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 during March.
- WaterNSW intends to engage with LWUs and Council's separate to irrigators and environmental water customers. Goulburn Mulwaree Council indicated it would be interested in 1:1 consultation to allow for inclusion of operations managers and relevant staff.
- The Office of Environment and Heritage also indicated a preference for 1:1 sessions. WaterNSW indicated it intends to engage with environmental customers separately due to the complexity of multiple valleys etc.
- Discussed utilisation of Duckmaloi Weir. WaterNSW indicated that all options will be considered in the draft strategy, including Duckmaloi Weir.
- Potential/possibilities discussed. WaterNSW is seeking prudent and efficient outcomes that are supported by customers in order to include in the next IPART submission. If a project is supported by customers, WaterNSW can look into/include.

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 proposed for late 2018, however may be later than this dependant on findings.

8.7 Annual Capital Plan (M Clayton)

- Annual Capital Plan for Greater Sydney and Fish River valleys presented and discussed, including forecast, projects in progress and new projects.
- Discussed quality of water from Duckmaloi Weir. WaterNSW advised that Energy Australia's water comes from Oberon Dam. Customers feel further investigation should be undertaken by WaterNSW on (a) how to treat the water and (b) options on water reuse for drought security.

- Concerns raised that the calculated yield of the system is not achievable without the inclusion of Duckmaloi Weir. Customers noted there is a potential business opportunity for WaterNSW to use a different charging regime that would take Energy Australia out of taking water from Oberon Dam and utilise Duckmaloi Weir instead. Flagging ahead of time that the drought trigger is looming and this could turn into a political issue. WaterNSW advised that the trigger is when the system hits 40%, which is when preference should be given to Energy Australia and the Blue Mountains to take water from Oberon Dam.
- Discussed budget and program of works. WaterNSW advised that the majority of the funding will spent in the first two years of the four-year determination.
- Customers requested that at the next meeting WaterNSW present how tracking with planned expenditure, current position, what is planned for next 6 months and what is realistic to achieve. WaterNSW will consider this when planning for the next meeting.

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.
- Customers queried if there were any plans on the horizon for the Greater Sydney area. WaterNSW does not have any fish passage obligations in this area and nothing has been proposed for the future at this stage.
- DPI Fisheries is responsible for establishing performance criteria and design of fish passages. WaterNSW's obligation is to build, operate and maintain to design. We have no obligation in relation to fish outcomes.

8.9 Cold Water Pollution (CWP) Asset Strategy Update (A Fraser)

- 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.

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 Agenda and Meeting Format

- The Chair commended WaterNSW on the format and professionalism in which the presentations were delivered. He noted it was a significant improvement on previous formats and was of greater value to the Customers. This was noted and appreciated by members.

Meeting Review and Close

Next Meeting: 6 June 2018 (Skype)
6 September 2018 (Sydney CBD)

Meeting closed: 1.35pm

Carried Forward Actions			
Action No. yymm.action no	Action	Responsibility	Status
GS1709.03	WNSW to provide an overview of Fish River capital works program in future Asset Maintenance and Services Update (including risk resulting from maintenance activities not being delivered).	R Magaharan	Complete. Refer to agenda item 7.1.

New Actions			
Action No. yymm.action no	Action	Responsibility	Status
	Nil new actions.		