

Greater Sydney Customer Advisory Group - Minutes of Meeting

Location: Video Conference

Date: 29 July 2021

Time: 9.00am

Present: Peter Griffiths, Marina Hollands, Lachlan Hammersley, Peter Freewater, Michael Trapp, Paul Rasmussen, Jonathan Dickson, David Tomlinson, Emma Oates, Enrico Proietti, Sonia Townsend and Toni Hayes.

The following attended for specific agenda items: B Mayhew, D Swift-Hoadley, A Walker, G Abood, G White, A Fraser.

Meeting Opened: 9.00am.

1. Introduction:

1.1 Welcome, introductions and Acknowledgement of Country

1.2 **Apologies:** Nil received.

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, 6 May 2021:

– Resolved the minutes of meeting held on [6 May 2021](#) be confirmed as a correct record. Taken as read.

*P Griffiths/M Hollands
carried*

1.6 Actions arising from minutes

– See action sheet attached.

1.7 Election of Chairperson

– To be carried over to next meeting.

2. Assets:

2.1 Asset Maintenance update (B Mayhew)

– Asset performance and maintenance in the Greater Sydney and Fish River valleys presented and discussed, including routine preventative and corrective maintenance delivery at Warragamba Dam, Lake Burragorang, Prospect Raw Water Pumping Station, Nepean Dam and Deep Water Pumping Station, Cataract, Cordeaux and Avon Dams, Broughton Pass, Woronora Dam, Wingecaribee Dam, Glenquarry Control Structure, Kangaroo Control Structure, Bendeela Control Structure, Tallowa Dam, Lake Yarrumnga, Oberon Dam, Duckmaloi WTP and Wallerawang.

3. Water System Operations:

3.1 Water Operations Update (D Tomlinson)

- As of 19 July 2021, the total available water held in Greater Sydney storages was 94.9%.
- Due to rainfall in March, May and June our total inflow this calendar year is in excess of 3414GL, which is already 137% of the annual long-term average.
- With our storages exceeding 75%, there were no transfers from the Shoalhaven System and Water Wise Guidelines are in place across Greater Sydney. As total system storage declines with normal supply, it is expected we will reach 75% (the trigger to re-commence Shoalhaven Transfers) in March 2022 at the earliest.
- There is currently around 4500ML/D coming into Warragamba Dam.

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- The storage level in Oberon Dam has been steadily rising since August last year, increasing the amount of water available for the Fish River Water Scheme. With the storage now above 50% adjusted level, the scheme will move to full allocations for water accounting calculations.
- The Warragamba Pipeline Outages have been delayed by the NSW Government's new COVID restrictions that affect construction and non-urgent maintenance works.
- The Sydney Desalination Plant continues to produce water at approximately 50ML/D.
- The Bureau of Meteorology predicts rainfall over the next three months will be well above average.
- Dam storage levels presented for Wingecaribee and Oberon Dams, including Greater Sydney total system storage.
- Elevated levels of metals, colour and total organic carbon continue to be observed in several raw water storages in Greater Sydney. These parameters should decline naturally in the absence of any large inflow events. Algal ASU (a measure of filter clogging potential) also remains elevated in several storages impacting water filtration plants (Cascades, Macarthur, Illawarra and Prospect).
- Raw water quality has improved in the Fish River system with metals (particularly elevated manganese) settling under cooler weather. Lake Oberon is thermally destratified with higher oxygen throughout the water column assisting to precipitate metals. We are managing storage carefully to minimise manganese.
- Customers questioned whether the manganese issue in the Fish River Scheme is new or if it has always been around. WaterNSW advised it is typical in a lot of storages around the world, however what we are seeing at the moment is atypical. Manganese with the lake at this level is new and it is hard to identify the cause, with one theory being temperature, wind and rain and mixing has been different. We are investigating ways to manage this.

Action GS2107.01: WaterNSW to provide information from the Water Quality Team in relation to the manganese in the Fish River Scheme.

Responsibility: D Tomlinson

- Flow at Penrith Weir peaked at around 3500ML/D earlier this month while operational releases were made from Warragamba Dam. Flows have now returned to around 100ML/D.
- The 2021 Major Outage program has been developed in consultation with Sydney Water. Warragamba Pipeline Major Valves upgrade program will continue in 2021. The Warragamba Pipeline Outage dates have been affected by the NSW Government's COVID restrictions for non-urgent maintenance work and may be delayed.
- In relation to manganese at Oberon, WaterNSW has been looking at options to minimise risk to drinking water supply. We are looking at a number of options, including installing a potassium permanganate dosing system, however at this point would be looking at putting in at the dam, which is not optimal. Also looking at options to manage manganese in the lake through destratification. Have had success elsewhere, and it is not cheap but would have an ongoing benefit to all customers on the scheme. We are preparing a business case at the moment to get something in place before summer.
- Customers requested operations staff don't release water on top of flood as is very hard for farmers in the lowlands when flood levels rise so quickly to have water added on top. WaterNSW advised that Warragamba Dam is a water supply dam not a flood mitigation dam. We do not have the capability to hold back flood water and for the safety of the dam it needs to be released. Without the dam, the flood would have been much worse. Peak inflows were 750ML/D and peak discharge 500ML/D. WaterNSW is limited in its ability to provide flood mitigation and there is not enough water supply storage to operate the dam as a flood mitigation dam.

4. Business Papers:

- Noted and taken as read.

5. General Business:

- Nil new business raised.

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6. Presentations/Consultation:

6.1 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
- 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.

Non-Urban Metering Rules Update (A Walker – 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 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. When you engage a DQP, ensure they are progressively updating the steps you are taking in the DQP portal.
- 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. 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). The extended timeframes affect water users in these WSPs with an **existing condition (MW2452-00001)** on their works approval, to install AS4747 compliant meters - [click here for more information and to see if this affects you](#). The extension **does not affect** existing regional roll out dates.
- Under the extension, affected water users who have already installed a meter will have until their [regional rollout date](#) to ensure their meter meets the [standards](#) under the new non-urban metering rules. In the

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meantime, they must ensure their meter is operating properly and is accurate. Affected water users who have not already installed a meter will have until 1 December 2021 to install metering equipment that meets the [standards](#) under the new non-urban metering rules.

- 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](#).

6.2 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 Murrumbidgee. 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 (who have the most ground to cover).
- Tranche 1 captured 1126 affected works in the system (active works that have the ability to pump water), with 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.
- 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.

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 Greater Sydney metropolitan area.
- 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 focus over the coming months, as well as enduring priorities.
- [Subscribe to NRAR's newsletter here.](#)

6.3 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.

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- 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.

6.4 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.

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 stated the Kitchen Table Kit approach is excellent and refreshingly different and the process should reflect what is happening on the ground with new ideas and better ways of doing it.

6.5 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.

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- WaterNSW will retain a role in the projects as owner and operator of 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>

6.6 Town Water Risk Reduction Program (A Fraser)

- WaterNSW provided an overview of DPIE's Town Water Risk Reduction Program, which is exclusive to **non-metropolitan** local water utilities (LWU). The program is a 2-year reform program with a dedicated team and resources with the objective to establish a new partnership approach to work with the sector and to design and implement long-term solutions to the key barriers LWUs face in managing risk to town water and sewerage services.
- The scope of the project is to identify opportunities where risk can be significantly reduced by enabling LWUs to draw on the scale or skills in State Government entities and pilot these new support models to build a case for potential future change.
- The program will focus on improving the regulatory framework, reviewing skills shortages across the sector, encouraging greater collaboration between utilities, investigating alternative funding models and facilitation of greater State Government support.
- DPIE will host an online workshop on 2 August. For those LWUs interested in getting involved in the program, please email regional.town.water@dpi.e.nsw.gov.au

Meeting Review and Close

Next Meeting: 28 October 2021

Meeting closed: 11.45am

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Greater Sydney Customer Advisory Group – Actions – 29 July 2021

Carried forward actions

Action No.	Action	Responsibility	Status
	Nil carried forward actions.		

New actions

Action No.	Action	Responsibility	Status
GS2107.01	WaterNSW to provide information from the Water Quality Team in relation to the manganese in the Fish River Scheme.	D Tomlinson	

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