

Border Rivers Customer Advisory Group - Minutes of Meeting



Location: Skype Meeting

Date: 18 March 2020

Time: 9.00am

Present: David Coulton, Matthew Miles, Jane Humphries, Michael Owen, Daryl Cleeve, Tim Napier (observer), Jonathan Dickson, Enrico Proietti, Anne-Maree Burke and Toni Hayes (minutes).

A Fisher attended via Skype for agenda item 2.2-2.3.

B Mayhew attended via Skype for agenda item 3.1.

C Braddock attended via Skype for agenda item 3.2.

T Gilbert attended via Skype for agenda item 5.1.

Meeting Opened: 9.00am.

1. Welcome and introductions

1.1 Apologies

- Brett Corish.

1.2 Confirmation of Agenda Items

- Nil new agenda items raised.

1.3 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.

1.4 Minutes of Previous Meeting, 20 November 2019:

- Taken as read. Confirmation of minutes to be carried over to next meeting.
- M Miles raised concerns about agenda item 2.3, *Mole River Dam Update*, paragraph 2 below, specifically in relation to the statement of environmental benefits, noting these are yet to be determined.

"A new rockfill dam at Mole River will deliver improved water security and environmental benefits for NSW and Queensland and secure more water in flood sequences to be made available in drier times."

- Refer also to agenda item 2.2 below.

1.5 Actions arising from minutes

- See action sheet attached.

2. Presentations/Consultation

2.1 Regulatory Economics – Pricing Determination Engagement (J Dickson)

Rural Pricing Determination:

- WaterNSW has heard from customers about the deep and lasting impact of ongoing drought, and as a result we believe delaying the timing of the IPART Rural Pricing Determination is in the best interest of our customers. With support from the CAGs, we will seek to defer the current timeline.

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- WaterNSW is proposing a 2-year deferral with no change to proposed revenue for the two years (excluding the impact of inflation); and the application of the updated 20-year rolling average, which, due to lower volumes, would lead to an approximate 5% average bill increase.
- Members are supportive in principle of the proposal to defer for two years, however noted it is hard to provide a considered opinion as is a big departure from normal procedure. Would like to see the timeline stay flexible based on conditions going forward.

Customer Juries:

- In line with the deferred timeline, WaterNSW will commence engagement with Customer Juries in the next calendar year. Customer Juries will be a core component of engagement on the Rural Pricing Determination and will be in addition and complementary to CAG meetings.
- Members noted concern over the juries' potential to dilute the CAG input into Pricing Determinations through involving a wider, less water-educated, group to the table. Discussed.

WAMC (Water Administration Ministerial Corporation) Pricing Determination:

- A new IPART WAMC pricing determination will be in place from 1 July 2021. The Determination applies to the WAMC services provided by WaterNSW, DPIE-W and NRAR.
- WaterNSW's objective for our customers in the 2021 determination is to ensure new charging arrangements lead to efficient, cost reflective charges at lowest cost providing transparency to customers on what their charges are paying for.
- As discussed at the October/November 2019 CAG round, current charging does not provide transparency of the functions and costs for WAMC services across the three water agencies. WaterNSW is working with DPIE-W and NRAR to develop charging arrangements to increase transparency and improve cost reflectivity.
- Feedback received from the October/November 2019 CAG round highlighted broad consistency from customers on the key messages around transparency, cost reflectivity and value for money.
- Members commented that the MDFA has great flow information on its website for the southern connected system which would be a good template for WaterNSW to work from for information between the northern states.
- Members raised concerns about the density of gauging stations. There has been criticism that the gauges are too far apart, making it difficult to know where the water is going, gauge losses etc. WaterNSW noted there is balancing act in relation to the information required from the gauges and who pays for what, noting that the community also benefits from the information, not just the irrigation industry.
- Members are supportive of WaterNSW's proposal to separately identify the costs for each organisation, provided the charges are justified in providing an equivalent benefit.
- Members support the move to fully cost-reflective fee-for-service charges over time but want to be part of the process so they understand what it involves.

2.2 Projects Update (A Fisher)

WaterNSW provided an update on emergency drought projects and critical water activities underway across the state:

Critical State Significant Infrastructure (CSSI) Projects:

- In October 2019, the Prime Minister and NSW Premier announced the planning and delivery of three new or augmented dams in NSW (Wyangala Dam raising, and construction of new dams on the Mole River and Dungowan Creek). These projects have been identified as

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Critical State Significant Infrastructure (CSSI) projects in the Water Supply (Critical Needs) Act 2019.

- The projects have been mobilised with project delivery planning underway, shovels expected in ground October 2020 and construction commencement expected October 2021. There will be more detailed consultation with CAGs and community groups as the projects progress.

Mole River Dam discussion:

- The key driver of this project is to improve water availability and security in the Border Rivers region and potential benefits for the downstream Barwon-Darling system. The benefits will be shared between QLD and NSW.
- Members requested more information on the project and any positive environmental outcomes that are foreseen. On the surface the project appears to be about efficiency, not environmental benefits, as there is potential to lose large overbank flows. Need to be careful when stating there will be environmental benefits as there will be changes to flows, SDL implications etc. WaterNSW advised these things will be looked at in the EIS as well as how we reduce impacts and offsets. Modelling will start to focus on this in the coming weeks.
- Urban water supply discussed. WaterNSW highlighted that there has been no commitment for construction at this point, only for the detailed business case. The final funding decision will be based on the final business case. There is a lot of modelling still to be done.
- Members noted that QLD has stated it has not been approached by NSW to discuss how sharing of benefits might work. WaterNSW advised this is yet to happen, however consultants are now on board who can support these conversations with modelling and data to inform discussion. Is a fast-tracked environment, however this is in progress and we are committed to an October start next year.
- Members urged WaterNSW to keep in close contact with all stakeholders involved. It is important that the engagement is a partnership so there is visibility on how it will work, winners/losers etc.
- WaterNSW advised that a staff member has recently been appointed to support the project, based in the Tamworth office. Refer also to agenda item 2.3.

Western Weirs program (CSSI):

- The Western Weirs program involves a holistic approach to improving the management of the Barwon-Darling and Lower Darling rivers and includes assessing feasibility of modifying and changing the operation of river infrastructure; improving asset condition and capability of existing weirs; improving river health and reduction of no-flow events; provision of fish passage and implementation of a new ownership and maintenance regime.
- Development of hydrology and hydraulic models, project plan, community and stakeholder engagement/consultation plan and Interagency meetings are currently underway. Stakeholder engagement and consultation is forecast to commence February/March 2020.
- The question of asset ownership will form part of the project brief, noting that final funding is still unknown.
- Members queried how this will link to the northern basin toolkit program. WaterNSW is currently having conversations around this and trying to tie it all together. Other agencies involved include DPIE Fisheries and the MDBA.
- Members questioned what modelling has been done to identify contributions from other catchments. Inflows into the Barwon-Darling are being picked up from existing models so we have a holistic model which will stitch together intersecting streams into the Barwon-Darling. Modellers are looking at this and we are working with DPIE to ensure the modelling

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parameters are consistent across modelling types. Currently working on building an integrated model so we can talk to the modelling in a meaningful way.

2.3 Major Projects – partner update (A Fisher)

- WaterNSW is currently planning and delivering a \$10billion portfolio of Water Infrastructure, most of which is on a fast-tracked delivery timetable. This will require WaterNSW and Industry to form strategic partnerships. The three dams in the CSSI project are an important part of this broader portfolio.
- We have gone to the market to seek a Portfolio Delivery Management Partner (PDMP) to boost our capability and capacity and manage the development and delivery of critical projects.
- There has been a huge response to the EOI process. WaterNSW expects the awarding of contract to be around April 2020.

2.4 Water Reform Implementation Plan (WRIP) – metering update (J Dickson)

- WaterNSW provided an update on metering reform including current timelines for compliance and work in progress on meter transfer, meter ownership and pending information on telemetry. A telemetry pilot recently commenced in the south.
- Customers are encouraged to check Works Approvals, confirm installations are compliant with Works Approvals and understand the pathway to compliance. This may differ from customer to customer.
- The Data Acquisition Service (DAS) and Duly Qualified Person (DQP) Portal is due for release end March 2020.

2.5 Fixed Fee Rebate update (E Proietti)

- As previously advised, the government has repeated the rebate for the current water year. WaterNSW continues to advocate for further rebates to assist those with no access to water.
- An additional \$1M has been provided to valleys where High Security and S&D access has been unavailable.
- Issuing of regulated Q1 bills was delayed as a result of the extension of the rebate and the impact from the bushfires across NSW.
- For more information go to <https://www.dpi.nsw.gov.au/climate-and-emergencies/droughthub>

3. Assets:

3.1 Maintenance update (B Mayhew)

- Asset performance and maintenance in the Border Rivers presented and discussed, including routine preventative and corrective maintenance delivery.

3.2 Capital Plan update (C Braddock)

- WaterNSW provided an update on current projects under the 2018-21 Determination, including forecast expenditure, completed projects and work in progress.
- The pricing submission for FY22-23 is currently being drafted and it is projected it will be similar to the current allowance.

4. Business Papers:

- Noted and taken as read.

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5. General Business:

5.1 WAMC update from NRAR (T Gilbert)

- NRAR was invited to present its WAMC plans to customers and use the opportunity to answer questions on IPART submission planning. NRAR provided an update on allegations and investigations to date (statistics), services, IPART processes, agency roles, objectives and functions and compliance management.
- Members raised a variety of questions about NRAR costs, staffing, publicly available information and steps NRAR could take to correct misinformation.
- Members suggested that NRAR introduce a compliance or accreditation badge that customers can display at the entrance to their property to show they've been audited and comply with regulations.

6. Water Delivery (K Gee):

- WaterNSW provided an update on current dam storage levels, resources breakdown and water availability.
- There are no planned releases from Pindari or Glenlyon dams other than for critical human needs (town water supply).
- In order to conserve water for critical human needs, permission to temporarily adjust the Standard Operating Procedure for Boggabilla weir to allow storage of water above the required winter level has been received from the Border Rivers Commission for winter 2020.
- An inflow of 3.82GL is required to make up bulk account shortfalls as of 1 March 2020 (very little change as of 17 March 2020).
- Boomi replenishment flow is complete. Conditions are much improved over the last 2 months, the catchment is wet. We are in far better position than a month ago, but still not out of woods. If we get more rain, will be in good stead. If we receive 20-30,000ML of inflows, could move to single block release.
- The Annual Operations Plan for the Border Rivers is publicly available on WaterNSW's website at www.waternsw.com.au/customer-service/news/operations.
- The Border Rivers ROSCCo meeting was held via teleconference on 17 March. For copies of presentations and meeting notes please visit <https://www.waternsw.com.au/supply/regional-nsw/roscco>.

Meeting Review and Close

Next Meeting: Wednesday 22 July 2020

Meeting closed: 11.30am

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Border Rivers Customer Advisory Group – Actions – 18 March 2020

Carried forward actions

Action No.	Action	Responsibility	Status
	Nil carried forward actions.		

New actions

Action No.	Action	Responsibility	Status
	Nil new actions.		

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