

Coastal-Hunter Customer Advisory Group

TO BE RATIFIED AT MARCH 2019 MEETING

Minutes of Meeting
Wednesday 5 September 2018
WaterNSW, Level 9
420 George St, Sydney

Present: Chris Magner (Chair), Steve Guthrey, Justen Simpson, David Clift, Wayne Clarke, Chris Rooney, Shane Gee, David Williams, Axel Hanson, Julia Wokes, Ken Bray (observer), Jonathan Dickson, Martin Prendergast, Jayme Wilson, Emma Oates, Enrico Proietti and Toni Hayes (minutes).

Ronan Magaharan and Mahmudul Haque attended for relevant agenda items.

Andrew Fraser, Andrew Richardson, Bede Johnston, Mark Clayton and Graham Begg attended via Skype for specific agenda items.

Meeting Opened: 10.00am.

Welcome and introductions.

1. **Apologies:** Graham Kennett, John Watson, Colin Hancock, Mark Taylor.

*S Guthrey/A Hanson
carried*

Confirmation of Chairperson

The Coastal-Hunter CAG agreed to continue Chairmanship of Chris Magner to the end of the current term of office, 30 June 2019.

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 March 2018:**

– Resolved the minutes of meeting held on 7 March 2018 be confirmed as a correct record. Taken as read.

*J Wokes/S Gee
carried*

5. **Actions arising from minutes:**

– See action sheet attached.

6. **Water Delivery:**

- 6.1 **Water System Operations Report (M Prendergast)**

– WaterNSW provided presentations on the operations plans for the Hunter, Toonumbar, Paterson and Bega/Brogo, including water availability, rainfall, inflows, storage forecasts, outage planning and prognosis. The plans are publicly available on WaterNSW's website at <http://www.waternsw.com.au/customer-service/news/operations>.

Feedback:

- The Chair congratulated WaterNSW for providing water operations reports on its website prior to meetings for customer review. The new format is also preferred as it is in easy to understand terms. It is also good to see other valleys to get a picture of the state as a whole.
- Customers noted that the description provided to calculate the formula for water availability is very good as customers previously did not understand how it was done.
- Customers questioned why towns in the Hunter are not on water restrictions given the current dry climate. WaterNSW advised that it is up to the local water utilities to instigate restrictions. LWUs hold high security licences and have their own triggers to enforce restrictions. There is still 100% allocation to irrigators in the system and the volumes used by Council's in the Hunter is insignificant in comparison.
- Customers noted there appears to be more than 8-9ML/day going past Angledale. Hydrometrics will check the gauges.

Action CVH1809.01: WaterNSW to confirm flow at Angledale station gauge.

Responsibility: M Prendergast

6.2 Computer Aided River Management (CARM) Update (M Prendergast)

- CARM is a computer modelling system WaterNSW is implementing to better provide forecasting, event flows, tributary modelling and water order/usage projections.
- CARM Lite models are now being developed. The lite models have the same modelling functions to predict tribute inflows and river operations but lack more detailed knowledge around where water is going due to the lack of telemetered meters. The system will be set up to allow for this future function if it becomes available.
- CARM is currently in operation in the Murrumbidgee and CARM Lite will be rolled out across all regulated valleys, with the Hunter currently in the development stage.

7. System Operation and Asset Services:

7.1 Asset Maintenance and Services Update (R Magaharan)

- Asset performance and maintenance in the Coastal and Hunter valleys presented and discussed, including breakdowns and defects, maintenance and upcoming works.
- WaterNSW also inspects unregulated structures to ensure integrity, but the work done is very minor.
- Customers sought information on what is happening with the accommodation facilities at Bells Bay camping area at Toonumbar Dam. WaterNSW is currently reviewing and looking at options. Will look to external entities for a commercial lease agreement. A significant amount of work needs to be invested in the facility.

8. Presentations/Consultation:

8.1 Drought Response (J Dickson)

- As part of the NSW Government's Emergency Drought Relief, a rebate of up to \$4000 per licence for the fixed component of bills on general security and some supplementary licences will apply to **future** invoices. Customers don't need to apply for this, the rebate will be automatically applied.
- For regulated river customers, the rebate will be applied equally over the next four bills. For unregulated and groundwater customers, the rebate will be applied to the next bill for 2017/18. High security and government licences are excluded.

- Visit <https://www.dpi.nsw.gov.au/climate-and-emergencies/droughthub/emergency-drought-relief-package> for more information.

8.2 Regulatory Update (J Dickson)

Reform Update

- WaterNSW provided a recap on the water reform process to date. Draft WRAP regulations have been released and ongoing consultation with the Taskforce continues.
- *Roles of Water Management Agencies in NSW* brochure handed out and discussed (www.waturnsw.com.au/about/newsroom/2018/roles-of-water-management-agencies-in-nsw).
- Customers questioned OEH on its role in inspecting catchments for environmental benefits under low flow regimes. Customers previously lobbied to get out of low flow regimes however none were granted under the WSP. OEH advised that WSPs are a statutory instrument and when they are up for review, OEH has a role as a stakeholder. The Minister for the Environment has a co-approval role in signing off on any changes (requires concurrence between Ministers).
- There will be a consultation process to review the WSP and an interagency committee will be established. OEH will be involved in this process as a stakeholder. OEH advised that if customers have any issues relating to the environment they are encouraged to make contact with OEH at any time.

Meter Ownership

- WaterNSW currently owns and maintains meters in the southern valleys and Nepean and Bega systems. Metering legislation passed in June 2018 created a framework under which a transfer of ownership may occur.
- WaterNSW acknowledges there are transitional issues to be worked through and is actively involved in preparing a framework.
- Customers in the coastal valleys are very concerned with metering and associated charges being imposed on them, noting there are approximately 13,500 licences on the coast, with the vast majority unmetered. Those customers with meters likely have them in storage to protect from environmental factors when not in use. With metering being forced on customers, there is a lot of uncertainty around what will comply, what licences are in/out under the thresholds, what checks and balances are in place to assume disconnected meters to be working, higher maintenance costs associated with reuse.
- WaterNSW advised customers to raise these issues with DOI Water in the metering regulations and policy session being held immediately after the CAG meeting.

Metering Policy

- The Taskforce is currently preparing a list of NMI-approved pattern approved meters. WaterNSW is seeking direction from the Taskforce to publish this on our website as per requests from our customers.
- WaterNSW's submission to the metering framework has been published at https://www.industry.nsw.gov.au/data/assets/pdf_file/0019/162505/Water-reformconsultation-submission-178.pdf
- Draft metering regulations have now been released by the Taskforce.

8.3 Pricing Determinations (J Dickson)

- The **WAMC pricing determination** runs 2016-20 with functions split between DOIW, NRAR and WaterNSW. New pricing submissions are due by 30 June 2019 from each agency.
- The **rural valleys pricing determination** runs from 2017-21, with submissions due to IPART 30 June 2020. WaterNSW will seek involvement from the CAGs on price modelling in early 2019. We will again seek to continue the journey towards customer choice.
- **IPART Cost Share Review:** IPART is reviewing how the costs of providing rural bulk water services is shared between water users and the NSW Government, following a beneficiary pays or impactor pays framework.
- A draft report is due in October 2018 with final report due February 2019. Any changes will impact the next WAMC and Rural Pricing Determinations and customers are urged to be involved in the process.
- With four determinations on the landscape (WAMC, W2BH, Greater Sydney and Rural), WaterNSW will be seeking customer input via CAGs from February 2019 to June 2020.

8.4 Voice of Customer Update (J Dickson)

- WaterNSW thanked customers for participating in the Voice of Customer survey. Over 700 customers were surveyed across the state and feedback is currently being collated.
- Some customers indicated a preference for CAGs to meet face to face more frequently than twice per year and as such WaterNSW will hold three face-to-face meetings in 2019. This was welcomed by the CAG.
- Customers advised that providing information to customers prior to the meeting (such as the water operations report) is a positive move and would like to see this continue with other presentations where appropriate.

8.5 Levels of Service (LOS) Project Update (A Fraser)

- A workshop was held with Hunter customers on 8 June 2018 where WaterNSW received excellent feedback on issues and options. WaterNSW is planning to continue discussions with North Coast customers (pilot LOS workshop was held with North Coast customers in early 2017) and looking to meet with South Coast customers mid-late September.
- WaterNSW will engage a consultant to assist with the Future Trends study, high-level costing and economic analysis and will commence a LOS gap analysis and options development.
- Customers noted there are many meetings currently taking place in the valleys and questioned whether they are coordinated between different agencies. With the LOS, WaterNSW is planning to hold only 2 workshops. Our role is to look at operation and augmentation of bulk water system implementation and the key relationship in this process is with DOIW, who we are working closely with.
- North Coast LOS project discussed. WaterNSW has completed its part and has engaged a consultant to review and confirm costings prior to final recommendations. When future trends information is captured, WaterNSW will come back to customers with formal options for consideration, likely around February/March 2019.

8.6 Burrendong Temperature Curtain Update (M Clayton)

- Following extensive investigations into cause of failure and some subsequent design modifications the curtain was partially reinstated (due to low storage levels) and made operational in August 2018. Full reinstatement and testing will commence once water levels in the storage increases.
- More information is available at <https://www.waternsw.com.au/projects/burrendong>.

8.7 Nimmie-Caira SDL Project (M Clayton)

- The NSW Government acquired 19 parcels of land in Nimmie-Caira (on behalf of the Commonwealth) as an SDL project associated with the implementation of the Murray Darling Basin Plan. WaterNSW operates and maintains 60 assets within the system.
- Out of the 60 impacted assets, only four are located on or near the Murrumbidgee River and are required to deliver water to both the Nimmie-Caira and regulated customers. The other remaining impacted assets are used to manage flows within the Nimmie-Caira system on behalf of the environmental water holders.
- WaterNSW is working with DOI Water to legally discharge its obligations with respect to operating and delivering water within the Nimmie-Caira footprint. No impact is expected to Lowbidgee customers as needs can be met by assets retained by WaterNSW.
- WaterNSW will divest the assets back to DOI Water. We may have future involvement in operating/maintaining the assets however this is unknown at this stage. We won't have ownership.
- Customers questioned what impact divesting the assets will have on Lowbidgee fees. Will not be significant, if at all.

Action CVH1809.02: WaterNSW to confirm if divesting Nimmie-Caira assets back to DOI Water will have any impact on Lowbidgee fees.

Responsibility: M Clayton

8.8 Fish Passage Ministerial Taskforce Update (M Clayton)

- WaterNSW provided an update on the Fish Passage Ministerial Taskforce (as discussed at previous meetings). A strategic business case has been drafted with target completion October 2018 and approval process 2018/19.

Action CVH1809.03: WaterNSW to provide information on any Coastal-Hunter sites currently identified in the fish passage strategy.

Responsibility: M Clayton

8.9 Local Water Utility (LWU) Monitoring Review (G Begg)

- WaterNSW provided an update on the LWU Monitoring Review. Forty-two surveys have been completed to date.
- Emerging themes include strong interest in an active notification mechanism, potential for WaterNSW to act as a hub for data sharing and potential to supplement monitoring program by adding instruments to existing hydrometric stations.
- Review to be completed December 2018 with an update to be provided to CAGs early 2019.
- Customers questioned if unregulated customers can also access alerts. WaterNSW advised that it currently has alerts on its website and is currently looking to enhance our IT systems so customers can self-opt into alerts they wish to receive. Once the capability is available, this could be an option for all customers if interested.

8.10 Wentworth to Broken Hill Pipeline (W2BHP) Update (J Dickson)

- WaterNSW provided an update on the W2BH Pipeline Project. Completion of pump stations is well progressed and project currently on track for completion at the end of the year.

8.11 CAG Term of Office (J Dickson)

- The current CAG term of office ends 30 June 2019. WaterNSW will call for nominations for the 2019-2022 CAG during February 2019.
- WaterNSW encourages current members to renominate and invites other interested customers to nominate through their respective nominating organisations/water user groups.
- Customers highlighted an issue that there are many unknown licence holders in their valleys and sought assistance from WaterNSW in contacting them on behalf of WUAs with a view to increasing membership. Discussed. WaterNSW will consider the practical opportunities that may assist water groups in this manner.

9. Reports

Noted and taken as read.

10. General Business

- Nil new general business raised.

Meeting Review and Close

Next Meetings: **eCAG:** 28 November 2018 (Skype)
 Face to Face: Tuesday 5 March 2019 (Sydney)

Meeting closed: 1.15pm

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Carried Forward Actions			
Action No. yymm.action no	Action	Responsibility	Status
	Nil carried forward actions.		

New Actions			
Action No. yymm.action no	Action	Responsibility	Status
CVH1809.01	WaterNSW to confirm flow at Angledale station gauge.	M Prendergast	Complete. Confirmed that 5-9ML/day passing at Angledale station.
CVH1809.02	WaterNSW to confirm if divesting Nimmie-Caira assets back to DOI Water will have any impact on Lowbidgee fees.	M Clayton	Complete. WaterNSW expects that there will be no negative bill impact arising from the transactions to Lowbidgee customers and could deliver customer bill reduction/efficiency, however such efficiency is sensitive to the value of the operating expenditures including overhead allocations, capex plan, and other regulatory inputs. WaterNSW will quantify any such efficiency savings for the next price submission for consideration by the pricing regulator.
CVH1809.03	WaterNSW to provide information on any Coastal-Hunter sites currently identified in the fish passage strategy.	M Clayton	Complete. WaterNSW's fish barrier sites identified for Coastal-Hunter in the fish passage strategy are: <ul style="list-style-type: none"> - Cookes Weir (Richmond River) - Liddell Gauging Station (Hunter River) - Tallowa Dam (Shoalhaven River)