

# Memorandum of Understanding

2021



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## 1. Introduction

WaterNSW is a state-owned corporation whose principal business is the capture, storage and supply of water to customers across NSW. The principal uses of this water are for treatment and human consumption, agricultural and other industrial uses, and to provide flows in river systems to maintain health of the environment.

This Memorandum of Understanding (MoU) focuses on water provided for human consumption. The role of WaterNSW in the drinking water supply chain, in most cases, is to capture water, manage the dams and weirs that store the water, and make raw (untreated) water available to utilities for treatment and distribution. WaterNSW also provides treated drinking water from the Fish River System and at some dam sites.

As drinking water quality is fundamental to public health, sections 20(a) and 21 of the *Water NSW Act 2014* stipulate that the Secretary of the Ministry of Health is a regulatory agency for WaterNSW and that the two organisations are required to enter into a Memorandum of Understanding (MoU). The MoU is also a requirement of WaterNSW's operating licence administered by the NSW Independent Pricing and Regulatory Tribunal (IPART).

This MoU provides a basis for an ongoing cooperative relationship between WaterNSW and NSW Health to assist in meeting their joint responsibilities to protect water quality and public health through the effective operation, management and monitoring of water supply catchments, storages and related infrastructure.

Under this MoU, WaterNSW and NSW Health agree to work together in carrying out their respective functions in relation to water quality and public health, to maintain arrangements for regular consultation with each other, and to ensure processes are in place for exchanging information, both on a routine basis for monitoring and planning purposes and during events where there may be risks to public health attributable to water quality.

## 2. Purpose

This MoU between WaterNSW and NSW Health does not create any legally binding obligations for the parties, nor does it alter either party's legislative or other obligations. The purpose of this MoU is to provide:

- a framework for a cooperative relationship between WaterNSW and NSW Health
- a mutual commitment by both parties to engage in consultation processes that facilitate:

- the joint consideration of public health issues in managing the storage, release, treatment (in case of Fish River and private supplies) and supply of water
- the establishment and maintenance of processes for effective information exchange
- the joint consideration of areas for research.

### **3. Term**

The term of operation of this MoU is three years from the date of its execution. Either party may initiate the review, amendment or replacement of the MoU before this time by notification and agreement with the other party.

### **4. Focus**

The MoU is relevant to locations, operations and infrastructure where the intended end use of water supplied by WaterNSW is for human consumption. The focus of this MoU is on WaterNSW's responsibilities to manage and promote water quality through:

- the management of catchments and infrastructure
- appropriate water treatment (for WaterNSW operated supplies)
- water quality monitoring
- water quality event management
- research

#### **4.1 Role in declared catchments**

WaterNSW has a legislated responsibility for catchment management in catchment areas that have been *declared* by the NSW Government.

*Declared* catchment areas are those defined by legislation, including catchments that provide drinking water for Sydney, including the Warragamba, Upper Nepean, Woronora, Blue Mountains and Shoalhaven catchments.

#### **4.2 Role in the Fish River system**

Although not fed by a declared catchment, the Fish River system provides water for human consumption. WaterNSW operates a water treatment plant at Duckmaloi, providing treated drinking water to the region surrounding Oberon and Lithgow. This system is also a back-up drinking water supply for the Lithgow city. WaterNSW is the principal raw water supplier to Oberon Council, which treats water for the Oberon drinking water supply.

Water NSW can also transfer raw water from the Fish River System into the Sydney supply system as a back-up source for Sydney Water's upper and middle Blue Mountains water supply.

The Fish River system supplies water by pipeline, rather than by run of river, which allows closer management and monitoring of water quality.

Matters related to water quality in the Fish River supply system should be considered under the terms of this MoU.

### **4.3 Role in other catchments**

Outside of the *declared* catchments (with the exception of the Fish River system), WaterNSW's rural raw water supplies are largely for agricultural industries and environmental releases. Water is also supplied for human consumption purposes, and these are usually delivered in the form of releases to waterways that are extracted downstream by water utilities.

WaterNSW has no legislated powers to regulate or protect catchments outside of the *declared* catchments, and limited opportunities to influence drinking water quality management outside of *declared* catchments.

Under the operating licence, WaterNSW has obligations to maintain a register of local water treatment and retailing utilities and an information request procedure. This enables WaterNSW to share any relevant information on raw water quality and provide advance warning of any significant changes to flow release patterns from its Water Management Works, or of events that they become aware of that could impact any Local Water Utility's water quality. WaterNSW has little ability to influence water quality risks due to the nature of these water delivery systems.

### **4.4 Private water supplies**

WaterNSW operates a number of small scale drinking water treatment systems. These supplies are provided for visitors to recreation and camping areas located near WaterNSW dams within and outside the declared catchments, and in some cases to a number of local residences. These are classified as private water supplies as defined under the *Public Health Act, 2010* and are within the scope of this MoU.

## **5. Responsibilities and accountabilities**

NSW Health has a wide range of responsibilities and powers under the *Public Health Act 2010*. These include powers to take regulatory action to prevent or respond to public health risks, including in regard to drinking water quality. NSW Health also provides advice to government and consumers in regard to drinking water quality and water supply security.

The objectives of WaterNSW are set out in the *Water NSW Act 2014*, and include the operation of water supply infrastructure to capture, store and supply water of appropriate quantity and quality to customers, and to ensure that declared catchment areas and water management works in such areas are managed and protected to promote water quality, the protection of public health and public safety, and the protection of the environment.

WaterNSW and NSW Health are committed to working together, to implement the requirements of the *Public Health Act 2010*. The Act requires suppliers of drinking water (including utilities) to develop and adhere to a quality assurance program, based on the Framework for Management of Drinking Water Quality, as described by the Australian Drinking Water Guidelines 2011 (and any later editions). The Framework recommends a 'multiple barrier approach', which applies measures to protect water quality at each stage between catchments and consumers' taps. The Guidelines also set out specific health-based and aesthetic criteria against which to assess water quality.

## **6. Consultation processes**

### **6.1 Strategic Liaison Group**

WaterNSW and NSW Health will maintain a Strategic Liaison Group that will meet regularly to discuss issues of mutual interest with regard to catchment management and the protection of water supply, focusing on long-term or strategic issues and policies.

The Strategic Liaison Group will comprise the NSW Chief Health Officer and the Chief Executive Officer of WaterNSW, as well as senior officers nominated by them.

The Strategic Liaison Group is responsible for establishing its own terms of reference, procedures for the frequency and timing of meetings, exchange of information and the manner in which business is conducted at those meetings.

### **6.2 Joint Operational Group**

WaterNSW and NSW Health will maintain a Joint Operational Group that reports to the Strategic Liaison Group. The focus of this Joint Operational Group is on the Declared Catchment and Greater Sydney supply. It will consider and report on strategic and operational issues, develop information sharing processes and develop any other collaborative initiatives, such as research and community education, in order to meet public health objectives in relation to catchment management and water supply.

Membership of the Joint Operational Group will comprise officers agreed between the organisations.

The frequency and timing of Joint Operational Group meetings and the manner in which business is conducted at those meetings is determined by the Strategic Liaison Group.

A separate Fish River Joint Operational Group will be maintained for the Fish River Supply System comprising officers of Nepean Blue Mountains Local Health District and WaterNSW. NSW Health may also be represented by staff from the Water Unit and/or Western and Far West NSW Public Health Unit.

### **6.3 Tripartite meetings with Sydney Water Corporation**

WaterNSW and NSW Health will work closely with Sydney Water Corporation, to manage public health issues relating to the quantity and quality of drinking water supplied in the greater Sydney region.

Tripartite meetings between WaterNSW, NSW Health and Sydney Water, at both the Strategic Liaison Group and Joint Operational Group level, may be held as required to jointly manage Sydney's drinking water quality.

### **6.4 Participation by other organisations**

Meetings of the Strategic Liaison Group and Joint Operational Groups may, as agreed, involve members of any other relevant organisations in order to promote or manage drinking water quality in NSW.

## **7. Dispute resolution**

Where a dispute between the parties cannot be resolved by the Joint Operational Group or the Strategic Liaison Group, it should be referred to the Chief Executives Officers of each party for resolution. In the event that Chief Executives Officers cannot resolve the dispute on an issue that has the potential to impact public health, the view of NSW Health shall prevail.

## **8. Water quality management and monitoring**

The principal shared interest of WaterNSW and NSW Health is the quality of water supplied for drinking purposes. WaterNSW's management and monitoring of water quality is central to consultations and joint actions facilitated by this MoU.

## **8.1 Water quality from Declared Catchment Areas**

WaterNSW is obliged to protect and enhance the quality of water in *declared* catchment areas in the greater Sydney region. It has established a Water Quality Management System that details how it manages, monitors and reports on water quality. The framework incorporates a water monitoring program that covers the catchments, storages and other critical locations in the water delivery system for Sydney.

WaterNSW ensures that its regulators and customers are kept informed of health-related and aesthetic characteristics of raw water. This is a requirement of the water monitoring program, the operating licence administered by IPART, and the raw water supply agreements WaterNSW has in place with its customers in the greater Sydney region.

## **8.2 Fish River water supplies**

A major portion of water supplied from the Fish River sub-catchment is intended for human consumption. Through this MoU, WaterNSW and NSW Health can jointly consider management and monitoring of the quality of Fish River supplies. Under the requirements of the *Public Health Act 2010* WaterNSW is required to adhere to a quality assurance program (Drinking Water Management System), for its Fish River drinking water supply.

## **8.3 Rural water quality**

Across WaterNSW's operations in rural NSW only a small portion of the total water supplied is for human consumption (excluding Fish River). WaterNSW has no legislated powers to regulate or protect the catchments that are the source of this supply, and limited ability to control risks to water quality due to the nature of the delivery of water to downstream utilities via releases into river systems. WaterNSW has a water monitoring program in place covering its rural storages. The monitoring program is focused on operation of the Water Management Works and communicating algal risks.

Under the operating licence administered by IPART for WaterNSW's operations in rural NSW, WaterNSW has obligations to maintain a register of local water treatment and retailing utilities and an information request procedure. This enables WaterNSW to share any relevant information on raw water quality and provide advance warning of any significant changes to flow release patterns from its Water Management Works, or of events that they become aware of that could impact Local Water Utility's water quality and to inform each utility's drinking water Quality Assurance Program (overseen by NSW Health).



#### **8.4 Private water supplies**

Where WaterNSW provides treated water at recreation and camping areas near its dams, as well as to any local residences, each of these supplies is managed under a quality assurance program, as required by the *Public Health Act 2010*. Quality Assurance Plans for private water supplies specify the relevant Local Health District Public Health Unit to be consulted for water quality issues related to each system.

#### **8.5 Maintaining and implementing a Water Quality Management System**

WaterNSW will maintain a Water Quality Management System as required under the Operating Licence. WaterNSW will engage with NSW Health by:

- Regularly updating the Joint Operational Group on the implementation of the Management System
- Involving NSW Health in the internal review of the Management System
- Notifying NSW Health of the intent to make any significant changes to the Management System, allowing sufficient time for incorporating feedback prior to making changes

### **9. Events of public health significance**

Events within the declared catchments or Fish River, or involving WaterNSW infrastructure, storages or operations which may have implications for public health due to water quality or water supply security will be reported to NSW Health as soon as practicable and notified to the public in line with WaterNSW's relevant incident response protocols. Reporting requirements and arrangements will continue to be set out in WaterNSW's Water Quality Incident Response Protocol.

Similarly, NSW Health will inform WaterNSW of any events it may become aware of within WaterNSW's area of operations with implications for water quality and public health.

WaterNSW and NSW Health will share information in relation to such events as is necessary for each organisation to make decisions, take action to protect public health and exercise their respective statutory functions.

### **10. Risk and Incident management**

WaterNSW will identify potential water quality hazards, assess risks and implement controls to protect public health. WaterNSW will invite NSW Health

to participate in public health-related risk assessments involving drinking water supplies.

WaterNSW will continue to maintain a Water Quality Incident Response Protocol to the satisfaction of NSW Health.

Both WaterNSW and NSW Health will continue to maintain 24-hour contact arrangements to facilitate the effective coordination of responses to events of public health significance.

Where there are public health risks due to incidents within the declared catchments, in treated water supplied by WaterNSW or involving WaterNSW infrastructure, storages or operations, WaterNSW and NSW Health will share information and resources, as required, to minimise the severity, consequences or extent of any risk.

WaterNSW and NSW Health will continue to participate in regular simulated exercises to test the adequacy of their responses to public health risks.

## **11. Research**

WaterNSW informs its decisions with sound science and conducts an ongoing program of scientific research to expand and refine its knowledge within scientific fields relevant to its functions, including catchment impacts, water storage management, water quality assessment and public health.

WaterNSW will share important results of its research with NSW Health, and will consult with NSW Health in setting research priorities and incorporating the results of scientific research into its planning, operations and activities.

## **12. Exchange of information**

To enable both organisations to carry out their statutory functions, WaterNSW and NSW Health will share or make available information in a cooperative manner. This may comprise data, reports and studies that relate to raw water supply and public health, and include:

- the results of water quality monitoring undertaken by WaterNSW, including routine and event or investigative monitoring
- actions taken by WaterNSW under the Water Quality Incident Response Protocol
- relevant strategic or policy documents held by either party
- the results of any relevant scientific research undertaken by WaterNSW
- NSW Health will provide WaterNSW with reports and studies it undertakes which are relevant to those activities of WaterNSW, which are relevant to public health.

WaterNSW and NSW Health will develop any necessary guidelines or protocols to facilitate the effective exchange of information, both on a routine basis for monitoring and planning purposes and during events where there may be risks to drinking water supplies.

### **13. Amendment, review or replacement of this MoU**

Amendments to this MoU or its review or replacement may be made in accordance with the requirements of the *Water NSW Act 2014*.

Where WaterNSW's operating licence is amended by IPART, the parties will discuss any implications and revise this MoU as required.

2021 Memorandum of Understanding  
WaterNSW and NSW Health

This Memorandum of Understanding is made between the **NSW Ministry of Health** and **WaterNSW** on the

24<sup>th</sup> day of December 2021.

**SIGNED** for and on behalf of the **NSW Ministry of Health**



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**Elizabeth Koff, Secretary**



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Witness signature

KATHERINE PRITCHETT

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Witness name

24/12/21

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Signed at

**SIGNED** for and on behalf of **WaterNSW**



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**Andrew George, Chief Executive Officer**



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Witness signature

Fiona Smith

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Witness name

23/12/2021

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Signed at