

Greater Sydney Customer Advisory Group - Minutes of Meeting



Location: WaterNSW, L9 420 George St, SYDNEY

Date: 5 November 2019

Time: 9.30am

Present: Peter Gray (Chair), Daniel Buckens, Lachlan Hammersley, Michelle Cavallaro, Marina Hollands, Gary Wallace (from 10.15am), Justen Simpson (observer), Garry Styles (observer), Jonathan Dickson, Dan Berry, Ben Shallis, Ronan Magaharan (Skype), Emma Oates, Enrico Proietti and Toni Hayes (minutes).

A Fraser attended via Skype for agenda item 4.5.

Meeting Opened: 9.30am.

1. Welcome and introductions

1.1 Apologies

- Paul Rasmussen.

1.2 Confirmation of Agenda Items

- Nil additional agenda items tabled.

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 Election of Chairperson

- P Gray was nominated by D Buckens and appointed to the position unopposed. No other nominations received. P Gray was also appointed CAG Representative.

1.5 Minutes of Previous Meetings, 4 March 2019 and 10 July 2019:

- Resolved the minutes of meeting held on 4 March 2019 be confirmed as a correct record. Taken as read.

*D Buckens/P Gray
carried*

- Resolved the minutes of meeting held on 10 July 2019 be confirmed as a correct record. Taken as read.

*D Buckens/P Gray
carried*

1.6 Actions arising from minutes

- See action sheet attached.

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2. Water Delivery:

2.1 Water System Operations Report (B Shallis)

- WaterNSW presented the Annual Operations Plan for the Greater Sydney and Fish River valleys including dam storage, water quality, demand, storage forecast and outage planning. The plan is publicly available on WaterNSW's website at www.watarnsw.com.au/customer-service/news/operations.
- On 27 August 2019 NRAR amended the MWP and Licence to allow WaterNSW to access an additional 14.5GL in Tallowa Dam. This will allow WaterNSW to capture more water during inflow events without significantly impacting water supply or energy security in the Illawarra/Shoalhaven regions. More than 55GL has been transferred since reaching the trigger in April 2018. A further 17GL is available in Tallowa for transfer over the next few weeks.
- The trigger to implement Level 2 water restrictions in the FRWS was reached on 11 February 2019. The restrictions have not impacted current operation of the system as customer usage is below the restricted amount. The scheme is projected to reach Level 3 restriction trigger in the next 2 to 3 months, depending on demand. Drought planning meetings commenced at FRWS on 22 October.
- Members queried whether there are plans to utilise Duckmaloi Weir. If water is available, yes. WaterNSW extracted water from Duckmaloi Weir for a week in early October whilst inflows were available and water quality was within agreed limits.

3. Assets:

3.1 Maintenance update (R Magaharan)

- Asset performance and maintenance in the Greater Sydney and Fish River valleys presented and discussed, including routine preventative and corrective maintenance delivery.

3.2 Rural Pricing Submission – Capital Plan (R Magaharan)

- Draft capital plan for FY22-25 IPART pricing submission presented, including capital plan milestones, draft capital budget, program summary, variances, cost share comparison and thematic budget summary.
- Submission is due 1 July 2020, however WaterNSW has requested a delay of one year to the submission of the Rural Pricing Determination due to the ongoing drought conditions (as per agenda item 4.1).
- Members questioned if any thought has been given to what capital upgrade programs might be possible for Duckmaloi/Oberon. WaterNSW is open to receiving feedback from Oberon Council on foreseen capability increases.

Action GS1911.01: Contact Emma Oates in relation to providing feedback to WaterNSW on potential capability increases to Duckmaloi/Oberon.

Responsibility: G Wallace/G Styles

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4. Presentations/Consultation

4.1 Regulatory Economics (J Dickson)

Rural Valleys Determination:

- WaterNSW has requested a delay of one year to the submission of the Rural Pricing Determination due to the ongoing drought conditions. We believe this is in the best interests of our customers and anticipate hearing from IPART in the near future.
- WaterNSW will undertake a review in January 2020 to determine the appropriate start of engagement and will keep customers informed of the process.

Customer Juries:

- As previously advised, WaterNSW has engaged the services of newDemocracy to undertake consultation with customers to inform our submission to IPART on Rural and WAMC pricing.
- The plan is to bring representative samples of our customer base together as juries of 44 people meeting across three locations, comprising 5 concurrent weekend meetings and two joint meetings (132 jury members) to gain consensus. The CAG will be invited to directly participate in two of these meetings in addition to CAG Chairs being required at the two joint meetings.
- Members stated the CAG is a better representation of water users than a new jury and questioned the cost-effectiveness when there are already structures in place for consultation (CAGs, water user groups). Will be a duplication of what is already in place.
- Concerns that non-MDB valleys will not be adequately represented on the jury with different water systems and location of meetings. WaterNSW accepts this is a different approach to the past and is not intended to do the work of the CAG but to get broader input. There may be a requirement to run something parallel on the coast. Recruitment and representation discussed.
- Members noted that the coastal valleys are regulated by the ACCC and questioned whether this relates to them. WaterNSW advised that the ACCC has delegated regulation to IPART so there will be only one submission to IPART.
- Members noted that water users in the west are going to have a different conversation than coastal users. If WaterNSW is looking for jury to form a streamlined opinion, won't get it as the rivers are administered very differently (no MDBA).
- Members questioned who made the decision that 3 juries of 44 people will be adequate (newDemocracy or WaterNSW?).
- It was noted that other industries and some water utilities have used this approach to great success. Planning and outline has been positive.

WAMC (Water Administration Ministerial Corporation) Determination:

- The WAMC determination ends 30 June 2021, with a new determination to be in place from 1 July 2021. The current determination did not contemplate some of the former Department of Industry (Water) functions being transferred to WaterNSW and NRAR.
- WaterNSW is working with NRAR and DPIE-W to ensure new charging arrangements lead to increased transparency and improved cost reflectivity.
- Current charges framework, funding methodology, short comings and proposed principles for the future presented and discussed.
- Input was sought from customers on the principles WaterNSW is following.

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4.2 Water Reform Implementation Plan (WRIP) – metering update (E Proietti)

- The Government has extended the deadlines for meters to be compliant. Revised dates can be found at <https://www.industry.nsw.gov.au/water-reform/metering-framework/overview-of-the-non-urban-water-metering-framework#latest-updates>
- In due course, the Government will release an initial list of compatible telemetry devices under the Telemetry Framework. The Government is planning to launch the new telemetry system and engage with customers by 31 March 2020.
- The anticipated process for meter transfer is for WaterNSW to conduct 1:1 engagement with customers who are impacted to establish an inventory of meters, then discuss options that suit the customer (option to retain/remove; agree work required to meet compliance; telemetry/data logger options). A key principle of the scheme is that only compliant meters will be transferred.
- A fact sheet is due for release in November 2019 and the DPIE Taskforce has a round table discussion planned for 8 November 2019 in Deniliquin.

4.3 Rural Mental Health (J Dickson)

- WaterNSW Customer and Community trialled a program for our frontline staff through the Rural and Mental Health Program (RAMHP), which was subsequently extended to all WaterNSW staff.
- If customer groups or the CAG would like WaterNSW to arrange facilitation of a session, please contact Toni Hayes.

4.4 Fixed Fee Rebate update (J Dickson)

- 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.
- For more information go to <https://www.dpi.nsw.gov.au/climate-and-emergencies/droughthub>

4.5 Levels of Service update (A Fraser)

- The Cycle 2 Levels of Service workshop for Fish River Water Supply will be held on 4 December.
- Cycle 2 Levels of Service workshops will be held on the North Coast on 6 November, Hunter on 21 November and South Coast on 26 November.
- The purpose of the cycle 2 workshops is to present findings and identify projects customers would like included in the 2020 IPART pricing - do you want us to go ahead and do more work on these options; feasibility studies; preliminary business case etc. Is about planning for the future in terms of assets.

4.6 Operational Drought Update (D Berry)

- Overview of current drought situation across NSW regulated river valleys presented and discussed, including system inflows and water allocations, available water in accounts and drought contingency measures.
- Data presented on previous drought of record inflows in comparison to last 24-month inflows for WaterNSW northern storages. The data shows we are now experiencing the new drought of record.
- Members asked if farmers in attendance at drought meetings have responded to the seriousness of the water shortage. WaterNSW advised that the drought started in the north 2 years ago. People who have 'usually been secure' are now coming to meetings as their supply now isn't secure. We are trying to get the message/information out there that the situation is

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dire – intensive industries, town water supplies. Has been a challenge to get these people to respond to the seriousness of where we are at.

- Further information on the drought is available on WaterNSW's website at www.watersw.com.au/supply/drought-information

4.7 Water Insights Portal update (D Berry)

- Six valleys are currently live (Murrumbidgee, Macquarie, Lower Namoi, Peel, Gwydir and Border Rivers). Remaining valleys still progressing.
- Feedback was sought from customers on current source and availability of information. WaterNSW will use customer feedback to further develop the portal and expand to unregulated and groundwater systems.

5. Business Papers:

- Noted and taken as read.

6. General Business

6.1 Drought Triggers/Strategy

- The Chair commented that for due diligence in future meetings, would like to see a specific category for drought triggers and drought strategy for Greater Sydney discussed with the Operations Plans. Is prudent that current documents are reviewed going forward and would like the CAG to be actively involved.

Action GS1911.02: *Drought strategy and drought triggers discussion to be included as part of the Water Operations Plan presentation at CAGs going forward.*

Responsibility: D Tomlinson

- WaterNSW noted that the Fish River Water Supply scheme has kicked off specific drought meetings already, with the first being held on 22 October.

6.2 Sustainable Yield – Oberon Dam

- Members questioned if any work/recalculation of sustainable yield has been done for Oberon Dam. Questioned if for potable supply only; do towns have a compliant supply for a 5/10/10 rule.
- WaterNSW advised that the modelling team has been doing some work on this and an update will be provided at the next meeting.

Action GS1911.03: *Update on modelling on recalculation of sustainable yield for Oberon Dam to be provided at next meeting.*

Responsibility: D Tomlinson

Meeting Review and Close

Next Meeting : Thursday 5 March 2020

Meeting closed: 1.20pm

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Greater Sydney Customer Advisory Group – Actions – 5 November 2019

Carried forward actions

Action No.	Action	Responsibility	Status
	Nil carried forward actions.		

New actions

Action No.	Action	Responsibility	Status
GS1911.01	Contact Emma Oates in relation to providing feedback to WaterNSW on potential capability increases to Duckmaloi/Oberon.	G Wallace / G Styles	
GS1911.02	Drought strategy and drought triggers discussion to be included as part of the Water Operations Plan presentation at CAGs going forward.	D Tomlinson	
GS1911.03	Update on modelling on recalculation of sustainable yield for Oberon Dam to be provided at next meeting.	D Tomlinson	

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