

# Murray-Lower Darling Customer Advisory Group - Minutes of Meeting



**Location:** Big4 Holiday Park, 100 Ochtertyre St, DENILIQUIN

**Date:** 27 November 2019

**Time:** 9.00am

**Present:** Louise Burge (Chair), Paul Childs, Michael Chalmers, Gordon Fox, Judith Damiani, Rachel Strachan, Katharine McBride, Rodney Stone, Hilary Johnson, Sally Dye, Linda Christesen, Alan Mathers (observer), David Stockler, Jonathan Dickson, Vince Kelly, Enrico Proietti, Sonia Townsend and Toni Hayes (minutes).

A Fraser and A Fisher attended via Skype for agenda item 2.3.  
B Mayhew attended for agenda items 3.1-3.3.

**Meeting Opened:** 9.00am.

## 1. Welcome and introductions

### 1.1 Apologies

- Hilton Taylor, Andrew Kelly, John Lolicato.

### 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, 31 July 2019:

- Resolved the minutes of meeting held on 31 July 2019 be confirmed as a correct record, with relevant amendments as per below. Taken as read.

A Mathers  
carried

## Discussion points from previous minutes:

### Agenda item 2.1 (31/7/19) – Water System Operations Report (Murray):

- Amend paragraph 2, to read "Customers questioned negative **balances carried over** on high security **the following year.**"
- Members noted there was a request at the last meeting to get an understanding of transmission losses, reporting of intervalley surpluses and over-delivery out of the Murrumbidgee that contributed to the Murray allocation. WaterNSW advised we report on end of system surpluses in the Operations Reports. WaterNSW is of the understanding the question was raised as to whether the 5% was a suitable KPI and performance shows it has been well below this (refer to previous Operations Report and also in ROSCCo report). Will be discussed again at the ROSCCo meeting (to be held immediately after the CAG).

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### Action MLD1708.06 (31/7/19) – Review Process for Airspace and Capacity Issues

- Members stated that airspace and capacity issues was discussed at the last meeting and is not recorded in the minutes.
- This discussion was captured in the minutes on the action sheet as per below. An update will be provided by the Operations team (ROSCCo to be held immediately after the CAG).

#### Extract from Minutes of 31/7/19:

Action No.	Action	Responsibility	Status
MLD1708.06	WaterNSW to confirm advice on stakeholder involvement in MDBA review process for airspace and capacity issues.	V Kelly	<p><b>Ongoing.</b></p> <p>WaterNSW will consult with our customers through the CAG at the appropriate time.</p> <p>Customers requested this issue be addressed asap. Is an important part of SDL projects and is critical for customers to be kept abreast in order to have input and understand consequences (eg PPMs). Discussed.</p> <p>Customers want to know what impact WaterNSW sees on customers given the changes. Should be a rolling action.</p> <p>Once information becomes available, WaterNSW will provide updates on SDL/rule changes as they progress through the DPIE process.</p>

### Agenda item 2.1 (31/7/19) – Water System Operations Report (Lower Darling):

- Members requested the previous minutes reflect that discussion occurred around channel sharing, NSW's position of 50/50 share and WaterNSW's lack of position on growth development below the channel.
- WaterNSW advised that we don't have a position on further development. We have to operate and respond to changing demands but do not have a position on what that growth/change is.
- Members noted the issue was raised because customers thought it would have a detrimental effect on WaterNSW's ability to deliver water to its customers.
- Members stated that the ACCC is not looking at system capacity, only if the rules are being broken and requirements under the Act are being met. There is a gap. Needs to be discussion about trade down the stream. Members questioned how they can get the discussion happening regarding new development concerns. WaterNSW will speak to the DPIE engagement team and seek to facilitate a forum for customers to discuss their concerns.

**Action MLD1911.01:** WaterNSW to liaise with DPIE engagement team to enquire about the possibility of a forum being held early in the new year for customers to discuss their concerns around growth development, deliverability and channel sharing in the Murray.

Responsibility: J Dickson

### Agenda item 1.5 (31/7/19) – CAG Member Introduction/Information:

- Members noted they are here to represent the core issues of customers to WaterNSW (CAG roles and responsibility). Discussions have been shut down on some departmental issues in the past, so hopefully this is changing.
- WaterNSW advised that it is happy to represent customer issues to the Department. We are working hard to accommodate additional meetings and trying to facilitate greater coordination between the agencies, however we cannot take actions for other departments, only pass on customer concerns. CAGs were established for WaterNSW business.

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- Members noted that some issues can't be separated by departments.

#### **Agenda item 4.2 (31/7/19) – Levels of Service (LOS) update:**

- L Burge stated the previous minutes regarding LOS implied engagement on options in relation to the 20YIOS. This point is addressed in detail at agenda item 2.3 below.

#### **1.5 Actions arising from minutes**

- See action sheet attached.

### **2. Presentations/Consultation**

#### **2.1 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. We are awaiting formal approval from IPART however don't anticipate there will be any issues.
- WaterNSW will undertake a review in February 2020 to determine the appropriate start of engagement and will keep customers informed of the process.
- Customers welcomed the delay and noted that it is important to realise communities are under a lot of stress in the current climate.

##### **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, with the aim to achieve a customer led and supported pricing proposal for IPART.
- The plan is to bring representative samples of our customer base together as juries of 44 people meeting across three locations, comprising five 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.
- Jury output will inform WaterNSW's submission, with the key principle of engagement being *how can we best meet your water needs; and what is the fair way to pay for it*. The Jury's submission will be submitted untouched to IPART along with WaterNSW Rural Pricing submission.
- WaterNSW will produce an information booklet for potential jurors which explains the water sector and the challenges, issues and trade-offs in our role as system operator.
- newDemocracy has been successfully used by other utilities, including Yarra Valley Water.
- Representation and recruitment discussed. Some members raised concerns about using a jury process for this type of consultation. Water is a highly technical and complex area and there are concerns about the output when getting random irrigators to participate. There is a risk that these people won't have the knowledge and understanding of water that is required to make an informed decision.
- Some members questioned why WaterNSW would not just add on to the CAG process and fill the gaps through the CAG. WaterNSW advised that the CAGs will still have input into the process and detail at valley level will still take place in the CAG forum. The jury process will bring others into the mix that are not represented on the CAGs (eg community, very small users, BLR, etc).
- Some members were supportive of the process and noted that it is critical to get a broader understanding of water out into the communities they represent and see this process as an

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opportunity to be of great benefit. It is critical that some of the educational roles are taken on by WaterNSW.

- Geographical make up and locations of meetings discussed. Members questioned how WaterNSW will ensure the 140 people selected will cover geography and customer type across the board. WaterNSW advised that newDemocracy will manage selection of the jury (WaterNSW will not be privy to selection prior to the first meeting) to gain a representative mix of the WaterNSW customer base.
- WaterNSW encourages all stakeholders to continue to make their own individual submissions to IPART, as has been done in the past. CAG representatives can apply to be part of the jury however, the CAG cannot make a submission as it is not an entity.

#### **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.
- IPART's WAMC determination applies to services of 3 NSW organisations (WaterNSW, DPIE-W and NRAR). WaterNSW's charges under WAMC are water monitoring, licensing services and billing and account management, predominantly for unregulated and groundwater services.
- WaterNSW is working with NRAR and DPIE-W to ensure new charging arrangements lead to increased transparency and improved cost reflectivity.
- Members commented that NRAR should be fully funded by the government on behalf of the broader community and it should not be the industry's responsibility to fund government inadequacy.
- 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.
- Transparency, cost reflectivity and unbundling of charges (and costs to do so) discussed. Transparency of charges between each agency is important to members, as well as itemising MDBA charges. WaterNSW must prove that the prices we are charging are prudent and efficient.
- Some members questioned the value of the Water Insights Portal and how much benefit there is to customers, noting there has been no update to Murrumbidgee information for months. WaterNSW advised that one of the Matthews recommendations was to establish a one-stop-shop for customers and this has been imposed on us as a licence condition.

#### **2.2 Water Reform Implementation Plan (WRIP) – metering update (S Townsend)**

- The Government has extended the deadlines for meters to be compliant under the NSW Government's *Water Reform Implementation Plan*. 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. Discussed.
- Existing licence and approval conditions apply until the new dates come into effect (ie AS4747 requirements must still be met).
- Telemetry discussed. Requirements are still unclear in terms of telemetry vs data loggers vs timeline.

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- The anticipated process WaterNSW will follow for meter handback was discussed including the customer option to retain/remove or keep asset as is; agree on work required to meet compliance; telemetry/data logger options (still to be confirmed). A key principle of the scheme is that only compliant meters will be transferred. WaterNSW will engage with individual customers on these options based on applicable deadline to size of meter.
- The DPIE Taskforce held round table discussions in early November 2019 in Deniliquin. Discussions included eligibility, warranty, what the Government will do, what does “opt out” mean, appeals process, water service charge etc. A fact sheet is due for release in November 2019.

### **2.3 Murray Levels of Service (A Fraser)**

- Around 12 months ago, WaterNSW held a Levels of Service (LOS) workshop with customers in Moama to outline and engage on the options considered to improve LOS in the Murray and Lower Darling systems.
- Since the last CAG, WaterNSW has been engaging with other State and Commonwealth agencies on the infrastructure and operating solutions identified in both our LOS work, and the 20-Year Infrastructure Options Study (20YIOS). The Murray is a unique valley for NSW and WaterNSW, owing to the many governments and agencies involved in its management, operations and long-term planning.
- It is apparent to WaterNSW that many of the best options are already being actively explored by other agencies, in particular the MDBA. So WaterNSW is proposing to support those other processes where it makes sense to do so, rather than start a parallel study or process at the cost expense of customers.
- WaterNSW has however identified opportunities that could be further explored with Murray Irrigation Limited (MIL) which may lead to broader benefits for other customers on the river. We have commenced early discussions with MIL management, with the most promising option being Deniboota Canal, which has system-wide benefits (rather than small options).
- L Christesen (MIL) confirmed preliminary discussions are underway with WaterNSW. MIL believes there are benefits in using its assets more strategically to gain benefits for all. No formal proposals have been put to their Board as yet as they want to go to customer engagement/consultation before progressing. The next step will then be for MIL, WaterNSW and GHD to meet, brief the MIL Board and progress.
- L Burge reaffirmed concerns about the process for the 20YIOS rollout in terms of preliminary stages and limited consultation with stakeholders. Would like an opportunity for a round-table discussion with stakeholders to look at the whole picture as there are levels of concern with the project as proposed. There is a perception that customers will pay for the infrastructure projects without being party to decisions/discussions.
- WaterNSW looked at a number of options for Lower Darling LOS. The NSW Government has agreed to fund works to look at western weirs, so the key options we were looking at have now had a significant boost (refer *Western Weirs Program* below).
- Members noted the timelines on the Regional Water Strategy (RWS) might be a bit late if the MDBA has gone ahead and explored options that aren't part of the RWS. WaterNSW advised this is a question best posed to DPIE.

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**Action MLD1911.02:** WaterNSW to take concerns of Murray-Lower Darling CAG in relation to the Regional Water Strategy to DPIE and ask when/what they are intending to do for the Murray and Lower Darling.

Responsibility: A Fraser

### **Western Weirs Program (A Fisher)**

- The NSW Government has committed \$4.2 million to develop a Strategic Business Case for investigating the Western Weirs Program.
- The Program will explore holistic management and operation of the weirs in the Barwon-Darling unregulated and Lower Darling regulated systems to support remote community water supplies, environmental and other benefits. Will tie in very heavily with the Regional Water Strategy and these will need to come together.
- The program has been identified as a Critical State Significant Infrastructure project in the Water Supply (Critical Needs) Bill 2019.
- There are more than 29 weirs throughout the system, with ownership being unclear for quite a number of years and condition of the structures variable. This impacts water security, system functionality and environmental outcomes. The Program will look at the system from end to end, with the first step to understand whether structures are licensed and who owns them, then do a gap analysis to get a whole picture. Ownership of weirs discussed. The program outcomes will make recommendations on ownership.
- High level program details, key benefits, next steps and timeline presented. Amendments to WSPs/WRPs will be part of it. WaterNSW will work very closely with DPIE and MDBA.
- WaterNSW will develop a Strategic Business Case for consideration and funding, including investigation of current asset condition, ownership and operations; modelling the existing system operations and identifying opportunity for optimisation; and developing recommendations for a holistic approach to operation and management of the western weirs.
- Members questioned what will happen with floodplain harvesting diversions and if will be picked up in the Program. WaterNSW will engage with key stakeholders to ensure they know how/what is happening.
- Members questioned if there are implications from this program for MDB river operations. WaterNSW confirmed that yes, is one system so will impact all. We are currently in the project planning stage so need to work with the MDBA to ensure we get the best holistic outcomes.
- Members queried whether this project has changed what is proposed for the Lower Darling in the 20YIOS. WaterNSW confirmed that yes, this has changed. When the 20YIOS was done, it was a preliminary piece of work with limited funds or feet on the ground to look at more closely. This program gives us the opportunity to take the earlier options and look at more thoroughly to come up with more appropriate solutions. This program will offer an opportunity to do something far more effective to help customers whilst meeting the Government's responsibilities.
- Members queried what the timeframe is for the Darling above Menindee. Under agreement, we have two years to complete a strategic business case, however we are working to deliver as quickly as we can. Investigation, modelling, concept design and community engagement will all occur in the first year.

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- Members stated that it is essential that the Menindee and Lower Darling Advisory Group be informed about the project and what is proposed as soon as possible.
- Members queried if NRAR will step in earlier if there are illegal structures identified. WaterNSW advised that if we come across any unlicensed structures we refer to NRAR.
- Members questioned if the project will be linked to the Menindee project and if so, clarity on timelines would be beneficial (noting the Menindee project is to be delivered by 2024). Yes, this will provide a holistic solution that frames what needs to happen at Menindee. We need to look at timelines in the planning phase (what constraints are there) so we ensure we are supporting things to move ahead. There is still a lot that needs to be clarified and we need to be pragmatic with delivery so we are not stopping things that need to progress.

#### **2.4 Rural Mental Health (J Dickson)**

- WaterNSW Customer and Community trialled a program for our frontline staff through the Rural and Mental Health Program (RAMHP) around mental health and dealing with people who may be experiencing difficulties. This 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.
- Members stated there is a need for preventative action from the government to work with communities on issues of policy.

#### **2.5 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.
- WaterNSW is continuing to advocate for customers who do not receive the rebate (S&D, HS etc). Conversations are still active.
- 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 Murray and Lower Darling valleys presented and discussed, including routine preventative and corrective maintenance delivery.
- Members noted the Neimur Regulator needs work and questioned whether this work has been programmed. WaterNSW confirmed that, the work has been programmed. WaterNSW will continue to provide updates to the CAG as a part of the Maintenance update.

#### **3.2 Rural Pricing Submission – Capital Plan (B Mayhew)**

- Draft capital plan for FY22-25 IPART pricing submission presented, including capital program milestones, estimated capital expenditure, program variances, cost share comparison and water infrastructure renewals and replacement budget.
- 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 2.1).
- Members noted that the cost share comparison graphs should start at zero to provide a better overview of the customer vs government cost share (ie that the customer cost share is much higher). Agreed, will pass on feedback to Assets.

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- Members queried if proposed dam safety work is being integrated with forward planning at Menindee. Yes, the main physical work around Pamamaroo is to make sure structures are working under current operating conditions. WaterNSW will ensure that work is not being done unnecessarily.

### **3.3 Dams Safety (J Dickson)**

- For customer information, new Dam Safety regulations will commence 1 November 2019, with a greater onus on the asset owner.

### **4. Business Papers:**

- Noted and taken as read.

### **5. General Business**

#### **5.1 Murray WRP**

- Members requested a copy of WaterNSW's submission on the Murray WRP. WaterNSW advised members to request this from the Operations team at the ROSCCo meeting (being held immediately after the CAG).

#### **5.2 Suspension of Carryover**

- Members questioned if WaterNSW will inform its customers when there is an inflow that will reverse the decision to suspend carryover. WaterNSW advised members to raise this with the Operations team at the ROSCCo meeting (being held immediately after the CAG).

### **6. Water Delivery:**

- Water Delivery and Operational Drought Update was presented as part of the ROSCCo. The Murray and Lower Darling Annual Operations Plans are available at <https://www.waternsw.com.au/supply/regional-nsw/operations>
- Presentations and notes from the ROSCCo will be available at <https://www.waternsw.com.au/supply/regional-nsw/roscco>

### **Meeting Review and Close**

**Next Meeting:** Wednesday 25 March 2020

**Meeting closed:** 1.00pm

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## Murray-Lower Darling Customer Advisory Group – Actions – 27 November 2019

### Carried forward actions

Action No.	Action	Responsibility	Status
<b>MLD1708.06</b>	WaterNSW to confirm advice on stakeholder involvement in MDBA review process for airspace and capacity issues.	A Langdon	Referred to ROSCCo for discussion
<b>MLD1809.03</b>	WaterNSW to seek direction from Regulator/NRAR if customers will be in breach of conditions if they accessed groundwater but an allocation is received later in the season.	D Stockler	<b>In progress.</b> Awaiting response from NRAR.
<b>MLD1809.06</b>	WaterNSW to contact L Burge out of session to discuss environmental water delivery to the 18 indicator sites under the Basin Plan (as per agenda item 10.2).	V Kelly	<b>Complete.</b> L Burge advised that discussions have taken place with further follow up to take place.
<b>MLD1903.01</b>	WaterNSW to provide customers with a breakdown of carryover on licences at the next meeting.	V Kelly	<b>Complete.</b> Included in the Annual Operations Plan.
<b>MLD1907.01</b>	WaterNSW to request DoIW to update the Wakool allowance naming convention from “loss” to “allowance” to ensure consistency.	V Kelly	<b>Complete.</b>
<b>MLD1907.02</b>	WaterNSW to provide information on carryover in accounts in the Barwon-Darling for unregulated tributaries.	D Berry	<b>Complete.</b> Included in Annual Operations Plan.
<b>MLD1907.03</b>	WaterNSW to provide information on Queensland flows/historical flow regime.	D Berry	<b>Complete.</b> WaterNSW only has access to publicly available information. Please visit <a href="https://water-monitoring.information.qld.gov.au/">https://water-monitoring.information.qld.gov.au/</a>

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<b>MLD1907.04</b>	WaterNSW to look at bringing the cycle 2 LOS workshop forward and provide additional dates to customers' asap.	A Fraser	<b>Complete</b> , refer to agenda item 2.3.
<b>MLD1907.05</b>	Write to Sally Dye, outgoing Chairperson, expressing thanks for her service to the Murray-Lower Darling CAG.	J Dickson	<b>Complete.</b>

#### New actions

Action No.	Action	Responsibility	Status
<b>MLD1911.01</b>	WaterNSW to liaise with DPIE engagement team to enquire about the possibility of a forum being held early in the new year for customers to discuss their concerns around growth development, deliverability and channel sharing in the Murray.	J Dickson	
<b>MLD1911.02</b>	WaterNSW to take concerns of Murray-Lower Darling CAG in relation to the Regional Water Strategy to DPIE and ask when/what they are intending to do for the Murray and Lower Darling.	A Fraser	

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