

# Coastal-Hunter Customer Advisory Group Minutes of Meeting

Location: Cliftons Venues, 13/60 Margaret St, Sydney

Date: 17 September 2025

Time: 9.15am

**Present:** Chris Rooney, Peter George, Alan Andrews, Shane Gee, David Williams, Jenny Zadro, Geoff Seccombe, Wayne Clarke (online), Will Russell (online), Ken Bray (online), Melissa Balas (online).

**WaterNSW:** Brendan Maher, Gavin Armstrong, Rooban Roobavannan, Tessa Hockly, Sonia Townsend (online) and Toni Hayes. Online for specific agenda items: Andrew George, Michelle Yeaman, Russell Cocks, Amanda Fuller.

Meeting Opened: 9.15am

#### 1. WELCOME AND INTRODUCTIONS:

- 1.1 Acknowledgement of Country
- **1.2 Apologies:** Julia Wokes, Phillip Rudd, Paul Saad.
- 1.3 Confirmation of Agenda Items
- 1.4 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.

## 1.5 Minutes of Previous Meeting, 26 March 2025

 Resolved the minutes of meeting held on <u>26 March 2025</u> be confirmed as an accurate record of the meeting. Taken as read.

S Gee/D Williams (carried)

## 1.6 Actions arising from minutes

Refer to action sheet (attached).

#### 2. WATERNSW UPDATE:

## 2.1 Chief Executive Officer (CEO) update (A George)

- Following the IPART determinations for Rural Valleys, Greater Sydney and WAMC, WaterNSW is in a financial position that requires a fundamental reset of the business. IPART's pricing decision means WaterNSW faces a significant revenue shortfall and insufficient operating cost (opex) allowance to cover our current cost base and obligations. Without significant action, the business risks insolvency within 18 months.
- An overview of WaterNSW's cost drivers was presented and discussed, including numerous non-commercial functions (fishways, environmental flows, water quality monitoring, land management), a small and shrinking customer base and complex regulatory obligations. A number of non-commercial programs have been paused given the lack of funding (eg fishways). It is recognised we have obligations, however there is no funding to undertake the work if it is not a core function.
- The Board has approved a business restructure to maintain financial sustainability and solvency, which includes a reduction of approximately 300 employees. Teams will be consolidated, and several functions will be centralised or discontinued to streamline how we work and to reduce duplication. Formal consultation is underway with our people and their representatives about the proposed changes.



- An overview of the proposed future state operating model was presented and discussed. It is proposed
  to move to the new structure in early September, with employee impacts and changes expected to
  conclude by the end of October. WaterNSW is focussed on maintaining a regional presence.
- WaterNSW will work hard to limit customer impacts throughout the transition period, however we may be unable to continue delivering some of our current functions, activities and projects in the same way.
   The most noticeable impact will be on planned capital projects, not front-line services.
- Members raised concerns about losing frontline staff, particularly from smaller dams and offices, and sought an overview of what the region will look like (how personnel in the areas are changing) and how WaterNSW plans to minimise the impacts. WaterNSW advised this is still being worked through and staff are being consulted on options, however we understand and are aware of the significance of reductions in smaller areas. Once the structure is finalised, we will be in a better position to provide this detail to customers.
- The proposed operational changes and reduction of staff will put WaterNSW back into solvency and meet Treasury requirements. Without the change, the Board would not be in a position to sign off on financial accounts.
- Discussion occurred around the consultation model required by IPART and timeframes and deadlines for submissions. Members stated it was difficult and sometimes costly for customers to participate and required a lot of time and effort. WaterNSW followed IPART's 3Cs framework for its pricing consultation. The complexity of the business and how we are regulated made it increasingly challenging for IPART. Given they are taking another year to review speaks volumes about the size of the challenge. IPART will review the process and reflect on the model used.
- Members questioned if WaterNSW has considered alternate revenue streams to diversify the business model. Yes, we are looking into renewable energy programs and have reached out to the private sector for partnership opportunities (refer also agenda item 7.1), however it will be some time before any of these projects become profitable.
- WaterNSW noted that many customers believe WaterNSW asked for a price increase, which is not correct. We asked IPART for the revenue to run the business; IPART then decides the prices. IPART did not complete its prudency and efficiency review of WaterNSW's costs to provide advice to the government on what they should contribute. The government is now considering WaterNSW's regulatory obligations.
- Members questioned the role of the CAG in IPART's review. WaterNSW advised that IPART will run the
  process, and they will determine how and when they want to consult with customers. WaterNSW's
  process is complete, however all customers are encouraged to sign up to IPART's communications and
  provide feedback to IPART.

#### 3. INTRODUCTION TO CAGs:

#### 3.1 Election of Chairperson

 Shane Gee was nominated by David Williams, seconded by Geoff Seccombe. Nil other nominations received. Accepted and carried.

## 3.2 Overview of Customer Advisory Groups (B Maher)

- WaterNSW provided an overview of Customer Advisory Groups, including agency roles in the water sector, CAG member roles and responsibilities, standard agenda items and CAG format and schedule.
   An overview of the <u>CAG Charter</u> and <u>CAG Code of Conduct</u> was also provided.
- CAG members represent WaterNSW customers in their valley. Input should be representative of members of your nominating organisation and reflect a broader contribution of all customers you represent. Members have an obligation to provide regular feedback to the water users they represent.
- Meetings will be in person twice per year (March/April and August/September) with the option of additional meetings online if required or requested. Schedules may alter to accommodate other engagement needs as required.



- WaterNSW will hold the CAG meeting in a morning session, focusing on WaterNSW agenda items and customer issues, followed by an afternoon session led by NSW DCCEEW, focusing on policy, programs and emerging priorities. Members are encouraged to suggest relevant agenda topics for consideration for both sessions via the Chairperson.
- Location of the next meeting discussed. Coastal members stated they are comfortable continuing to
  join the meeting online due to the geographical area of the CAG and travel logistics. Members prefer to
  keep the coastal valleys with the Hunter as part of the Coastal-Hunter CAG. WaterNSW will plan the next
  meeting in the Hunter.

#### 4. CUSTOMER SERVICES:

## 4.1 Customer Services update (R Cocks/A Fuller)

- WaterNSW provided an update on Customer Services, including the third-party consent trial for temporary groundwater trade, water market reform, IVT engagement, metering and the Water Market System (WMS).
- Based on customer feedback around the challenges of obtaining consent from impacted third-party landholders for proposed groundwater trades, WaterNSW has trialled an objection-style pathway on behalf of two applicants. These both resulted in objections to the application, which then resulted in a smaller volume being offered or the trade being rejected. WaterNSW is continuing to trial this process, and pending outcomes, may offer this service on a 'fee for service' basis to applicants in future. Applicants will still have the option to get their own approval from impacted parties if preferred. Refer to our <u>FAOs</u> for more information.
- A number of years ago, NSW DCCEEW undertook a review of the Non-Urban Metering Regulations. One
  of the key outcomes was that only works actively taking water are required to be metered and works
  not actively taking licensed water ('unintended work') would be exempt from the metering requirements.
- An 'unintended work' refers to a water supply work that is authorised, and under the Water Management
  Act 2000 does not take, or is not capable of taking, water from a water source. There are a number of
  categories that constitute an unintended work.
- WaterNSW has developed a series of communications for customers, including notification via letter or email, with follow up notifications via SMS to ensure they are aware of their options to classify works. To gain the unintended work exemption, water users must amend the classification of their work approval to categorise it as not taking licensed water, which can be done online via WaterNSW's Customer Portal (refer to our how-to-guide to register). Coastal will be next year.
- WaterNSW will attempt to contact landholders multiple times, and if a response is not received,
   WaterNSW will assume the landholder agrees with the current classification and this will be the basis of compliance on that work approval going forward.
- Where a work is active, constructed or takes water from a water source, and you do not have an
  exemption, you are required to comply with metering or reporting obligations. Customers can view the
  non-urban metering requirements on our <u>website</u>.
- Members queried the process when property ownership changes. WaterNSW is notified by LLS and our database is updated if the WAL is included in the sale. We will notify the new approval holder of their conditions etc (we have address details, not necessarily other contact details).
- An overview of features now available in the Customer Portal was provided. Registered customers can amend their contact details, view their existing approvals and licences and track the progress of any applications lodged through the portal. Customers can also apply for a BLR and subdivide, surrender and decommission BLR bores and update work status. In-application support is also available.



#### 5. OPERATIONS:

## 5.1 Water Planning and Delivery update (G Armstrong/R Roobavannan)

- WaterNSW presented a review of recent operations in the Hunter and Coastal valleys, including rainfall and weather outlook, storage status, dam operations, flows and inflow comparison, flood mitigation (Glenbawn Dam), water availability and usage and water allocation summary.
- Members queried if there has been any discussion of changing the flood mitigation zone for Glenbawn
   Dam. WaterNSW advised not at this time, noting the dam has not spilled.
- Members questioned if the carryover from Glenbawn and Glennies Creek dams has been lost. Taken on notice.

**Action CVH2509.01:** WaterNSW to confirm if carryover from Glenbawn and Glennies Creek dams has been lost (complete, refer to action sheet).

Responsibility: G Armstong

**Action CVH2509.02:** WaterNSW to send link to the Early Warning Network information page for members to subscribe (complete).

**Responsibility:** T Hayes

- Members provided positive feedback on <u>WaterInsights</u>. Information from Real Time Data (RTD) is also available on the platform.
- Members questioned why the water out of Lostock Dam has such high turbidity. WaterNSW advised that
  due to high rainfall, WaterNSW has no control of the storage so the turbidity is associated with constant
  spilling. Similar conditions are being seen at Glennies Creek Dam.
- Members sought an update on the Hunter-Paterson EWAG. WaterNSW will attend and be part of the EWAG.

**Action CVH2509.03:** WaterNSW to contact NSW DCCEEW (CPHR Group) to provide members with an update on the Hunter-Paterson EWAG (complete).

**Responsibility:** T Hayes

Members queried if WaterNSW has visibility over Cochrane Dam (what volumes released/timings etc).
 WaterNSW advised the only visibility we have is what is on WaterInsights.

#### 5.2 Regional Operations update (M Yeaman)

- In response to IPART's interim outcomes for the Rural Valleys determination, WaterNSW has adopted a risk-based prioritisation approach for capital investment, strategically balancing risk mitigation with cost efficiency and operational and commercial risks. Medium to low risk projects have mostly been deferred (eg compliance and provisions related to crane safety, fleet, plant and equipment).
- The prioritised projects for the Hunter, north coast and south coast were presented and discussed, as well as examples of some of the projects that have been deferred.
- Members questioned if removal of the Liddell gauging station is being pushed back due to the changes at WaterNSW, stating NSW Fisheries has as issue with the current location and requires another gauging station to be installed at an alternate location. WaterNSW will follow up with the hydrometric team, however noted that if a new gauging station is required, another one will have to be retired. Members stated they are happy with the current location however it is not suitable for Fisheries.

**Action CVH2509.04:** WaterNSW to check with the hydrometric team if there any plans for the Liddell gauging station (complete, refer to action sheet).

**Responsibility:** M Yeaman

Members questioned if there are any plans in place to fund the deferred projects into the future.
 WaterNSW advised the projects in our submission to IPART were necessary projects but will now be deferred pending further outcomes from IPART or alternate funding solutions. WaterNSW is taking a



risk-based approach on condition assessments, and if emergencies arise the program will be reprioritised and managed within the current funding envelope for the valley.

 WaterNSW provided an overview of operations and maintenance, including Glennies Creek floods and impacts on local roads and access, and other current projects.

#### 6. BUSINESS PAPERS:

Taken as read.

#### 7. GENERAL BUSINESS:

## 7.1 Long Duration Storage (B Maher)

- Sites near you are among several still under consideration as part of WaterNSW's Long Duration Storage Program. The program is WaterNSW's next step to identify and develop long-duration pumped hydro energy storage projects across NSW, building on progress of our Renewable Energy and Storage Program (RESP).
- Shortlisted dam sites under consideration will be formally announced shortly with final sites expected to be confirmed from 2026, followed by a commercial tender process to select potential private project developers.
- No decisions have been made, and like the RESP projects, any future development would involve detailed studies, community consultation, and formal approvals before proceeding.
- Any projects, should they progress, would be owned and funded by the private sector, not WaterNSW or the NSW Government. All land would continue to be owned by WaterNSW, and any development would not affect water entitlements to customers or water security for communities and the environment.
- Members question if there has been any consideration to pricing. WaterNSW advised there is no additional allocation for them, and they will be required to purchase water from the market.

**Action CVH2509.05:** WaterNSW to provide an out of session update (online) on the Upper Hunter Hydro Project when available.

Responsibility: B Maher

## Meeting review and close:

**Next meeting:** 22 April 2026, Hunter Valley

**Meeting closed:** 12.25pm

## Coastal-Hunter Customer Advisory Group - Actions - 17 September 2025



## **New actions**

Action number	Action	Person responsible	Status
CVH2509.01	WaterNSW to confirm if carryover from Glenbawn and Glennies Creek dams has been lost.	G Armstrong	Complete. A spill reduction has been applied to the carryover account and a notice published on WaterInsights. <a href="https://waterinsights.waternsw.com.au/api/water-source/v2/updates/5291/attachment">https://waterinsights.waternsw.com.au/api/water-source/v2/updates/5291/attachment</a>
CVH2509.02	WaterNSW to send link to the Early Warning Network information page for members to subscribe.	T Hayes	<b>Complete.</b> Emailed to members 17/9/25 with CAG presentation and included below: <a href="https://www.waternsw.com.au/water-services/water-data/early-warning-network">https://www.waternsw.com.au/water-services/water-data/early-warning-network</a>
CVH2509.03	WaterNSW to contact NSW DCCEEW (CPHR Group) and provide members with an update on the Hunter-Paterson EWAG.	T Hayes	Complete, response from CPHR Group below, emailed to members 19/9/25:  Recruitment for the Hunter-Paterson EWAG is still progressing. Members have been selected and the recommendation for appointing members has been prepared. We anticipate the Minister will make appointments to the EWAG in the coming months. We will provide an update as soon as any further progress is made.
CVH2509.04	WaterNSW to check with the hydrometric team if there any plans for the Liddell gauging station.	M Yeaman	WaterNSW hydrometric team have been working with Fisheries to determine a funding source for a new gauging station if or when it may be required. Fisheries have not been in contact with WaterNSW since August 2024 so there has been no further progress.  A key issue is the design of a replacement structure for Liddell Weir. The new design ideally would enable fish passage which will influence not only the structure itself but also the ideal location for a gauging station. These factors would be resolved through the design and consultation process.
CVH2509.05	WaterNSW to provide an out of session update (online) on the Upper Hunter Hydro Project when available.	B Maher	

## **Carried forward actions**

Action number	Action	Person responsible	Status
	Nil carried forward actions.		