

# Macquarie-Cudgegong Customer Advisory Group

## Minutes of Meeting

**Location:** Dubbo RSL Club, Brisbane St, Dubbo  
**Date:** 23 September 2026  
**Time:** 9.00am

**Present:** Pat McCutcheon (Chair), Tim Gainsford, Peter Schuster, David Ramsay, Tim Hosking, Stewart Denston, Frank McKillop, David Walker, Tom Quigley, Michael Drum, Matt Seccombe, Francoise Pieltain (online) and Marissa MacAlpine (observer).

**WaterNSW:** Andrew George, Rob O'Neill, Jerome Douziech, Joe Pizzinga, Leeanne Chau, Brendan Maher, Mahmood Khan, Kate Masters, Michelle Yeaman, Damien Ashlin, Matthew Perry, Kristen Gemmell and Toni Hayes. Online for specific agenda items: Amanda Fuller and Phil Glastonbury.

**Meeting Opened:** 9.00am

### 1. WELCOME AND INTRODUCTIONS:

#### 1.1 Acknowledgement of Country

**1.2 Apologies:** Gus O'Brien, Greg Murie, Simon Earl, Sam Maroulis, Michael Sutherland and Claire Cam.

#### 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 Macquarie-Cudgegong CAG Meeting, 25 March 2026

- Resolved the minutes of the meeting held on [25 March 2026](#) be confirmed as an accurate record of the meeting. Taken as read.

Tim Gainsford/Pat McCutcheon (carried)

#### 1.6 Actions arising from minutes

- Refer to action sheet (attached).
- Positive feedback was received from members regarding the Bulk Water Transfer working group and the engagement by WaterNSW, with members stating all relevant stakeholders have been involved.

#### 1.7 Election of Chairperson

- Pat McCutcheon was nominated by Stewart Denston seconded by Peter Schuster. Nil other nominations received. Accepted and carried.

### 2. WATERNSW UPDATE:

#### 2.1 WaterNSW Executive update (A George)

- WaterNSW provided an overview of its new Corporate Strategy, focused on strengthening core operations, diversifying revenue and modernising the organisation to improve efficiency, customer outcomes and long-term affordability.
- Key organisational challenges were noted, including ageing infrastructure, climate variability, reform uncertainty and increasing costs.
- A significant focus is being placed on delivering capital works, including accelerated infrastructure investment, fishway projects, cold water pollution (CWP) initiatives and ongoing asset renewals and investment.

- Diversifying revenue sources is a key strategic priority to help reduce reliance on traditional revenue streams. As the fourth largest landholder in NSW, WaterNSW is exploring opportunities to generate additional revenue from its land holdings, including carbon market opportunities, pumped hydro and long-duration energy storage projects, including potential partnerships with energy providers. Seed funding has been secured through a partnership with NSW DCCEE and Taronga Zoo and work is underway to better demonstrate the value of land assets and associated opportunities.
- WaterNSW highlighted opportunities to leverage artificial intelligence, technology and data to improve business processes and customer service, supported by ongoing investment in workforce capability and digital skills.
- Members queried whether WaterNSW's forward forecasts account for potential future policy or regulatory obligations. WaterNSW advised that forecasts do not include unfunded initiatives, and that any additional work arising from new policy or regulatory requirements would need to be accompanied by appropriate funding before implementation.

## **2.2 WaterNSW's Financial Performance (J Pizzinga)**

- WaterNSW is committed to improving transparency, accountability and customer engagement under the Rural Valleys determination. A high-level overview of financial performance was presented, including unaudited FY26 results, the FY27 business plan outlook following IPART's final determinations, and key financial risks, assumptions and future considerations. Valley-specific financial performance was also provided.
- WaterNSW highlighted improved financial sustainability following the organisational transformation program and final IPART determinations. Financial performance has improved substantially, with Rural Valley finances more sustainable than previously forecast. Greater Sydney remains the primary contributor to WaterNSW's overall financial performance and supports overall earnings and financial stability.
- Government affordability contributions remain important to future sustainability, however funding beyond FY27 is uncertain. Infrastructure investment remains a high priority.
- The determination strengthens WaterNSW's financial position, supporting ongoing service delivery, infrastructure investment and access to funding.
- An overview of Macquarie valley financial performance and outlook was provided. WaterNSW advised that the valley is forecast to remain profitable through FY29, supported by stable revenue, government contributions and a stable operating cost base.
- Revenue remains significantly influenced by water usage, with approximately 60% of revenue linked to water usage charges.
- Capital expenditure increases from FY27, driven by maintenance, dam safety and asset renewal programs, including the North Dubbo fishway, Gin Gin Weir fishway, Burrendong Dam CWP, Burrendong Spillway Gates and reliability upgrade and rural electrical renewals projects.
- Members queried the assumptions underpinning the forecast growth in the Regulated Asset Base (RAB), noting that some proposed projects may not proceed. WaterNSW advised that financial forecasts are reviewed annually, with project scopes and delivery profiles updated to reflect the latest information. Current projects are progressing through concept design stages. Future presentations will provide updates on the capital program, and the RAB will be updated to reflect investment.
- Members asked about the impact of a significant reduction in interest rates. WaterNSW advised that customers would benefit from any decrease in financing costs, which would be reflected in pricing calculations.
- Members noted that a potential increase to Full Supply Level (FSL) at Burrendong Dam was not reflected in forecast investment and sought WaterNSW's views. WaterNSW noted that while this could potentially increase revenue, it would be a long-term initiative and take considerable time to progress. IPART wouldn't consider it as they use a 20-year rolling average which doesn't look at the future.

- Members agreed that there was no value in seeking survey responses from water user group members who had not been presented with the information.

### **3. OPERATIONS:**

#### **3.1 Regional Operations (M Yeaman)**

- WaterNSW provided an update on the FY27-29 Capital Works Program for the Macquarie valley. A total of 61 projects have been identified, with 37 projects prioritised for delivery across renewal, environmental and dam safety.
- Key priorities projects include the Gin Gin and Dubbo North fishways, Burrendong Dam Cold Water Pollution project, dam safety programs, electrical renewals at Marebone Weir, and valve refurbishment works at Burrendong and Windamere dams.
- Members raised concerns regarding the ongoing investment in fishway and cold water pollution mitigation projects, particularly where previous investigations and expenditure have not delivered successful outcomes, stating customers don't want to continue to contribute to projects they know won't work. Questions were raised about the decision-making process, risk assessment, project feasibility and the potential financial impact on customers.
- WaterNSW advised that projects are subject to planning, concept design and feasibility assessment processes, and the organisation is prepared to challenge regulatory requirements where there is insufficient justification. WaterNSW reiterated that maintaining core assets remains its primary focus and that investment decisions are considered alongside customer and organisational impacts and risk.
- It was noted that fishway projects remain a contested policy area and that government funding commitments currently extend for one year only.
- Members emphasised the importance of ensuring future investment decisions align with broader government policy directions and the outcomes of ongoing Murray-Darling Basin reviews. Members suggested caution in progressing significant expenditure until future priorities become clearer, particularly in the lead-up to the State election, as customers end up paying for it.
- An update on Bubble Plume technology and its potential application to cold water pollution mitigation at Burrendong Dam will be included on a future meeting agenda. It was noted that advances in technology may warrant renewed investigation through pre-feasibility studies.
- Members noted the Rocky Waterhole Bridge is not on the list of candidate projects and highlighted the potential operational risks and the implications for water delivery in high flows. WaterNSW advised the bridge is owned by the local Council, however agreed to investigate possible avenues for government advocacy to support Council.
- An update on current and recent projects in the Macquarie-Cudgegong was provided, including valve refurbishment at Burrendong Dam, fixed cone dispersal valve overhaul at Windamere Dam, Marebone Weir desilting and electrical and access renewals, and vegetation control along the Marra Creek Channel.
- The Bulgeraga Channel realignment project remains on hold pending assessment of costs and benefits.

#### **3.2 North Macquarie Marshes Bypass Channel Road Repair (M Perry)**

- WaterNSW provided an update on the North Macquarie Marshes Bypass Channel Road Repair project. The road sustained significant flood damage in 2022 and remains inaccessible, with approximately 50 repair sites identified. Funding for the project is from insurance.
- It is important to note that the future management of the Bypass Channel is being considered separately and is not the subject of this project. The proposed road repairs are required irrespective of the future function of the channel, as they restore safe access for environmental management, maintenance, monitoring and emergency response activities.
- Planning activities, including survey, cultural heritage investigations and concept design, have been completed, with environmental assessments, approvals and stakeholder consultation continuing.

- Engagement is continuing with landholders, government agencies, Traditional Owners and other stakeholders, with opportunities for community feedback to be provided through REF process.
- Members questioned whether WaterNSW had considered the cost and value of reinstating a road that is likely to be inundated during future flood events against the cost of constructing an upgraded road. WaterNSW advised that insurance can only be used to restore the asset to its original condition and does not allow for upgrades or enhancement.
- Members asked whether deliberate causeways that have been added since the original design will be included. WaterNSW advised that the proposed works will reinstate the road to its pre-flood condition while referencing the work-as-executed plans from its original construction. Any proposed remediation will be captured in the Statement of Works and Design, which will be reviewed by NSW DCCEEW before progressing. Work also includes inspection of identified siphons to determine their condition.

### **3.3 Pamamaroo Inlet Regulator Project Upgrade (M Yeaman)**

- WaterNSW advised that the MDBA and Basin Officials Committee have agreed on the inflow management framework for the project, including decision-making processes and cost-sharing arrangements associated with temporary works.
- Procurement is progressing through a three-stage process. Expressions of Interest have been completed, Stage 2 tender submissions closed on 17 August 2026, and a Request for Tender will be issued to the three shortlisted proponents in late September 2026. Development of the final Business Case is continuing alongside procurement activities.
- Subject to lake conditions and unforeseen events, site mobilisation is expected to commence in January 2027, with construction scheduled for completion by November 2027. Final site handover is anticipated in January 2028.
- Members sought clarification on how the Pamamaroo project aligns with the broader Menindee Review and requested further information on the relationship between the two initiatives. Taken on notice.

**Action MC2609.01:** WaterNSW to provide clarification on how the Pamamaroo project aligns with the broader Menindee Review.

**Responsibility:** G Watson

- Members highlighted potential risks to the project timeline, noting that progress is dependent on storage levels and operational conditions. WaterNSW advised that the timing of works may be delayed if storage levels do not allow access, however Wetherell has space to store floods.
- Questions were raised regarding the implications of State versus Commonwealth control arrangements and whether governance changes could affect the project's delivery. WaterNSW confirmed that certain control arrangements could restrict the ability to undertake the works, potentially extending the delivery timeframe.
- Members emphasised the importance of the project to northern NSW irrigators and sought assurance that funding remains available to enable works to proceed as soon as conditions allow.

**Action MC2609.02:** WaterNSW to confirm if funding for the completion of the Pamamaroo Inlet Regulator Project upgrade is secure/not at risk.

**Responsibility:** G Watson

### **3.4 Water Planning and Delivery (M Khan)**

- WaterNSW presented a review of operations in the Lachlan, including storages update, weather outlook, dam operations, an overview of the water resource monitoring dashboard, water availability and usage, water account balances, comparison of inflow scenarios and storage forecast.
- Recent rainfall across the valley has improved conditions, with August contributing significant inflows to storages. Forecasts indicate a higher likelihood of above-average rainfall and warmer than average temperatures over the October to December period. Tributary inflows have contributed to river operations and downstream supply requirements.

- Members queried why the supplementary event was not announced earlier. WaterNSW advised the demand downstream of Warren was higher during this event than previous events and there was not enough water in the hydrograph to support access to supplementary water.
- Members asked whether a supplementary event could be announced earlier and subsequently adjusted if water availability or interest proved lower than anticipated. WaterNSW advised that increasing a supplementary allocation after an announcement is generally manageable however, reducing an announced allocation is more challenging, as many users rely on a minimum access period when making operational decisions.
- WaterNSW noted that communication with customers, the need to demonstrate the accuracy of assessments, and obtaining concurrence from the Department are all important considerations in determining the timing of supplementary announcements. It was also noted that once a supplementary event is announced, it becomes a legal declaration period. Any subsequent announcement would invalidate the original declaration, limiting flexibility to amend an event after it has commenced.
- General security usage in the Macquarie during 2025-26 was 371,151ML (irrigation accounted for 262,847ML and held environmental water accounted for 108,304ML).
- Members sought data on how much water is released to run the river (deliver and maintain), on top of consumptive and environmental releases. WaterNSW advised that there are operational targets that are maintained and can add data on essential requirements to presentations going forward.

**Action MC2609.03:** WaterNSW to include data on essential requirements in water usage data presentations going forward.

**Responsibility:** M Khan

- Inflows at Burrendong Dam received in the last 12 months are slightly lower than minimum inflows. The drought flood risk index for the Macquarie valley is sitting in 'dry' conditions.
- Burrendong Dam is currently at 446GL (412GL active storage), or 35.8% capacity. Inflows since 1 July 2026 totalled 133GL, including 85GL received during August. Essential requirements, account balances and forecast evaporation indicate a projected Burrendong storage deficit of approximately 40GL for 2026-27 under minimum inflow conditions.
- WaterNSW presented planning assessments for a potential Bulk Water Transfer (BWT) from Windamere Dam to Burrendong Dam to maintain downstream water supply requirements. Current modelling indicates approximately 40GL may need to be transferred commencing in December 2026, leaving Windamere at approximately 165GL (64% capacity). This will maintain Burrendong Dam above critical operational thresholds and Cudgegong for a number of years.
- Longer-term modelling shows a potential second-stage transfer requirement of up to 125GL during 2027-28 under extremely dry inflow scenarios, reducing Windamere to approximately 19% capacity. Current resource availability, combined with a potential BWT, is expected to meet irrigation and environmental demands during 2026-27, however a second transfer would be required in September 2027 to meet further demand.
- WaterNSW is assessing the situation twice monthly and is also holding BWT working group meetings.
- Members questioned why the additional 23GL required in year 1 would not be transferred with the first BWT so it's sitting in Burrendong. WaterNSW advised that the optimal balance of storages is to keep the water in the top storage for as long as possible to avoid spilling in a rain/inflow event.
- WaterNSW has commenced a platypus pulse in September 2026 and outlined a proposed flow regime through to February 2027 to support environmental outcomes while balancing operational requirements.
- Routine water quality monitoring continues at key Cudgegong River locations, including monitoring of turbidity, temperature, conductivity, pH, dissolved oxygen and PFAS. WaterNSW is working with Mid-Western Regional Council to undertake additional PFAS monitoring during the BWT event and will share results with downstream Councils as part of the Town Water Risk Reduction Program (see agenda item 6.2).

- For more information on the Bulk Water Transfer, please visit the [BWT](#) tab on WaterInsights.
- Operations plans for the next 3 months include releases from the dam to meet downstream demand, continued active management of environmental water in the Lower Macquarie, supplementary access provided when triggers are met and delivery of stock and domestic replenishment flows to Marra Creek.
- WaterNSW and industry will resume fortnightly operational catchups and increase collaboration on water order rescheduling to improve efficiency, minimise shortfalls and reduce operational surplus.
- No major planned outages were reported for the next three months.
- Operational updates are available at [WaterInsights](#).

#### **4. CUSTOMER OPERATIONS AND EXPERIENCE:**

##### **4.1 Customer Assessments and Approvals (A Fuller)**

- WaterNSW provided an overview of customer service standards, and updates on classifying works, end of water year trade submissions and third party consent for temporary trades.
- Application processing times have increased in some areas due to resources being redirected to support the statewide works classification program. WaterNSW has engaged additional temporary staff and improvements are expected by October 2026.

##### **Floodplain Strikeforce**

- WaterNSW provided an update on the work of the Floodplain Strikeforce, including customer education initiatives, updated guidance materials, historical works review, publication of flood work application data and improved pre-application processes.
- A draft [Floodplain Strikeforce Interagency Action Plan](#) was released in March for consultation and feedback, and a dedicated working group has been established to review feedback and identify key barriers and potential solutions. The action plan and accompanying What We Heard report is available on our website [here](#).
- A [guide for applying for a flood work approval](#) has been developed by WaterNSW and NSW DCCEEW to assist landowners understand what a flood work is, when an approval is required and what is required to apply for a flood work approval.
- A separate flood work approval is no longer required where an existing work is specifically nominated under a Water Supply Work Approval (or combined approval) and its primary purpose is water supply.
- Key stakeholders will be invited to participate in an online Strikeforce meeting where historical works and related matters will be discussed in greater detail. The meeting date is yet to be confirmed.
- Customers can [book an appointment](#) with WaterNSW staff for assistance with the flood work application process, including a pre-application meeting.

##### **Works Classification Program**

- An update on the [works classification program](#) and improvements made in response to customer feedback was provided, including additional guidance materials and support through the WaterNSW website.
- Customers are encouraged to review the details of works listed on their approvals and contact WaterNSW if updates are required prior to classifying works.
- Members stated the process to date has been 'diabolical', with the Customer Portal not working properly or finding the process so complicated they choose not to do it, stating customers would benefit from in person support. WaterNSW advised that customers can [book an appointment](#) with WaterNSW staff at the Dubbo office for assistance throughout the classification process.
- Feedback on the [Customer Portal](#) has been shared with our technology teams and improvements are being prioritised based on customer needs.
- The Department is funding three additional FTEs to assist WaterNSW with the process, however all Assessment and Approvals staff are working on this.

- Members raised concerns that customers with multiple meters in the same vicinity are having difficulty accurately identifying individual meters. WaterNSW is aware of these issues and customers are encouraged to [book an appointment](#) with licensing staff for assistance.
- The fee free period for customers to classify their works has been extended to 1 December 2026.

### **Temporary Trades**

- WaterNSW advised that the earlier end-of-water-year temporary trade submission deadline introduced this year improved processing outcomes and is expected to remain in place for future years and will be proactively communicated to customers going forward.
- June is the highest volume month in the water year for temporary trade applications, and a new approach was needed to ensure all applications could be processed in time without increasing operational and financial pressures.
- Members raised concerns that the earlier deadline may conflict with June allocation announcements. WaterNSW advised that where allocation announcements occur during this period, there is a degree of flexibility. In the Macquarie, allocation announcements are typically made around the 8th of the month.
- Members commented that customers are likely to wait for the June allocation announcement before submitting trades. WaterNSW acknowledged the limited timeframe available between allocation announcements and the end-of-year processing deadline.
- Members also noted that submitting trades earlier can result in the need for additional transactions if allocations subsequently increase. WaterNSW advised that the deadline is intended to encourage earlier submissions where possible and will be applied flexibly. Applications received after the preferred date will not automatically be refused.

### **Third-Party Consent**

- No final decision has yet been made regarding potential discontinuation of temporary trade third-party consent for groundwater, as discussed at the previous meeting. Any future changes would be supported by a comprehensive communications and implementation process.

## **5. BUSINESS PAPERS (taken as read):**

- Taken as read.

## **6. GENERAL BUSINESS:**

### **6.1 H5N1 Avian Influenza (R O'Neill)**

- WaterNSW provided an update on the detection of H5 avian influenza in wild birds across multiple Australian states.
- WaterNSW is working with NSW DCCEEW and the Department of Primary Industries and Regional Development (DPIRD) to monitor the situation and ensure appropriate preparedness measures are in place. DPIRD is the lead response agency in NSW.
- WaterNSW has developed operational response protocols, identified higher-risk sites and is assessing potential impacts on water quality and water supply operations and is collaborating with DCCEEW on management strategies for priority wildlife locations, including Lake Brewster and the Menindee Lakes.
- Members asked environmental water holders whether they were considering changes to water use patterns in response to the spread of bird flu. Environmental water holders advised that some adjustments may be considered, however the risk remains regardless. A specific strategy has not yet been developed, and a response will depend on the timing and extent of an outbreak in the region.
- Scientists have been getting advice from other continents where avian influenza has been active since 2020. While there will be some herd immunity over time, waterbirds are expected to be the most significantly affected.

## **6.2 Town Water Risk Reduction Program (B Maher)**

- WaterNSW is supporting Local Water Utilities (LWUs) across regional NSW to strengthen raw water quality risk management through the Town Water Risk Reduction Program (TWRRP). Funded by NSW DCCEEW, the program supports regional communities in managing water quality risks and building long-term drinking water resilience.
- WaterNSW leads the source water component of the program, focusing on identifying raw water quality risks and supporting local water utilities to proactively manage those risks at the source, recognising source water protection as the first and most effective barrier to safe drinking water.
- To learn more about TWRRP, please visit our [website](#) or email [info.TWRRP@waternsw.com.au](mailto:info.TWRRP@waternsw.com.au)

## **6.3 Next CAG meeting (B Maher)**

- Members were advised that NSW DCCEEW is unable to attend the next CAG meeting if it is held before April due to the State election caretaker period.
- WaterNSW advised that the March meeting could proceed without NSW DCCEEW in attendance or be deferred until May/June to allow departmental participation. An option of an online WaterNSW-only meeting in March was proposed if the face-to-face meeting is deferred.

## **6.4 Phoenix Pumped Hydro Project**

- Members sought an update on the Phoenix Pumped Hydro Project at Burrendong Dam and queried if this will result in any changes to water demand on the resource or have an impact on the catchment.
- WaterNSW advised this is one of 2 proposed projects in the catchment. The project is being developed by ACEN, not the NSW Government or WaterNSW. Any initial water requirements would need to be licensed, and water needs would need to be sourced from the market.
- For more information, please visit [Phoenix Pumped Hydro Project - WaterNSW](#)

### **Meeting review and close:**

**Next meeting:** date TBC, Dubbo

**Meeting closed:** 12.45pm

## Macquarie-Cudgegong Customer Advisory Group – Actions – 23 September 2026

### New actions

| Action number | Action                                                                                                                    | Person responsible | Status                                                                                                                                                                                                                   |
|---------------|---------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MC2609.01     | WaterNSW to provide clarification on how the Pamamaroo project aligns with the broader Menindee Review.                   | G Watson           | The two initiatives are separate, but the Menindee Review makes reference to the Pamamaroo Inlet Regulator stating "The dam safety constraint at Pamamaroo Inlet Regulator should be repaired as a matter of urgency..." |
| MC2609.02     | WaterNSW to confirm if funding for the completion of the Pamamaroo Inlet Regulator Project upgrade is secure/not at risk. | G Watson           | WaterNSW is progressing the Final Business Case, which is targeted for approval in December 2026. The Final Business Case will confirm funding availability.                                                             |
| MC2609.03     | WaterNSW to include data on essential requirements in water usage data presentations going forward.                       | M Khan             |                                                                                                                                                                                                                          |

### Carried forward actions

| Action number | Action                       | Person responsible | Status |
|---------------|------------------------------|--------------------|--------|
|               | Nil carried forward actions. |                    |        |