



MEETING MINUTES

Committee Name:	Customer and Community Advisory Group (CCAG)
Venue:	Online via Zoom
Date and Time:	Tuesday 15 December 2020 09:30am to 12:00pm

MEMBERS PRESENT

Cr Paul Le Mottee	Port Stephens Council (Chair)
Cr Brian Adamthwaite	Lake Macquarie City Council
Cr Robert Aitchison	Maitland City Council
Mr David Beins	(joined at 10.30am)
Mayor John Connors	Dungog Shire Council
Ms Sally Corbett	Alternative representative, Save the Williams River Coalition
Cr Melanie Dagg	Cessnock City Council
Ms Amy De Lore	Hunter Business Chamber (joined at 10am)
Dr Troy Gaston	University of Newcastle
Mr Bill Lennox	Maitland Masonic Centre
Ms Jean McGarry	Lake Macquarie Sustainable Neighbourhoods Alliance
Mr Joe Popov	Community Disability Alliance Hunter
Mr Leroy Wilkinson	

APOLOGIES

Ms Linda Bowden	Save the Williams River Coalition
Ms Kerindy Clarke	
Ms Sue Johns	National Seniors Association
Ms Sue Hirsch	Medowie Progress Association

IN ATTENDANCE

Darren Cleary	Managing Director
Victor Prasad	Executive Manager Customer Strategy and Retail

Emma Berry	Chief Investment Officer
Tony McClymont	Manager Sustainable Growth
Ardie Morris	Manager Revenue
Catherine Hartley	Program Manager, Customer Service Experience
Janita Klien	Team Leader Customer and Community Engagement
Declan Clausen	Executive Officer (CCAG Secretary)

WELCOME

Cr Paul Le Mottee, CCAG Chair, opened the meeting at 9.32am, and acknowledged the traditional owners of the country across the Lower Hunter region.

Apologies were noted and received

AGENDA OVERVIEW AND CONFLICTS OF INTEREST

No Conflicts of Interest were declared.

MINUTES OF PREVIOUS MEETING

The August CCAG 2020 meeting minutes were adopted s(Moved by Cr Brian Adamthwaite, seconded by Cr John Connors).

MANAGING DIRECTOR'S REPORT

Mr Darren Cleary presented the Managing Director's report to the CCAG, which included:

- An update on rainfall, and storages (catchments are wet and producing runoff)
- Phased Love Water campaign transitioning to Smart Water Choices
- Questions regarding apparent and real losses. In the last 3 financial years, real losses have reduced by 34%. Hunter Water continues to focus on reducing future losses. Hunter Water is an Australian leader, and international leader, in reducing losses within the system
- COVID-19 operational impact – resilient supply chains, implementation of the NSW PHOs in Hunter Water
- Customer experience scores, including mystery shopper program results
- Grahamstown Sailing Aquatic Club reopened – working with Sailability and Port Stephens Council
- Algal growth within Grahamstown Dam and on the Seaham Weir Pool
- Reconciliation Action Plan – work to understand indigenous water values – a partnership with the University of Newcastle's Wollatuka Institute

Questions raised by members included COVID testing using wastewater, a request for revision of a response to a previous question on notice regarding Hunter Water dam investigations and the Lower Hunter Water Security Plan.

LOWER HUNTER WATER SECURITY PLAN (LHWSP)

Emma Berry, Chief Investment Officer

Ms Berry provided an update on the LHWSP review, which commenced in 2017. Ms Berry summarised the three phases of community engagement undertaken in the development of the Plan:

- Phase I - Community values re long term values – deliberative forums – we learned about water quality, reliability of water supply, environment, water restrictions
- Phase II - Option types available for the region – Gap analysis of supply and demand options for the region. Strong preference of demand-side options (water conservation, stormwater harvesting). Community open to Hunter Water considering all other options (inter-regional transfers, connectivity to upper hunter sources, dams, groundwater, desalination)
- Phase III – seeking community feedback on the preliminary portfolios. How do the portfolios align with community values, what are the trade-offs between portfolios? Phase III consultation to be undertaken between November 2020 and February 2021.

Preferred portfolio is planned to be exhibited in mid-2021 as part of a draft plan. The final plan is expected to be released in late 2021/early 2022, pending formal adoption by the NSW Government.

No decisions have been made aside from a commitment to include water conservation, recycled water and stormwater harvesting in all portfolios. Following the Plan's adoption, more detailed analysis will continue to be undertaken on the preferred demand and/or supply options.

Members asked a range of questions, including how Hunter Water intended to engage with the community, the complexity of the most recent survey, the origins of Hunter Water's drought restricted demand benchmark of 50 or 100 litres per person per day. There were also questions regarding the balance of catering for drought and climate variability vs the impact of growth.

RECYCLED WATER UPDATE

Tony McClymont, Manager Sustainable Growth

Mr McClymont presented on Hunter Water's approach to increasing recycled water. The presentation confirmed the outcomes of recent community consultation which indicates strong support for recycled water, as a climate independent water source.

Currently, 13.6% of wastewater is recycled, equating to a total of 12.1% of total water supplied by Hunter Water.

Hunter Water's current investigations include purified recycled water, recycled water for industrial uses, recycled water for agricultural uses, and recycled water for agricultural uses.

Recycled water for municipal uses received strong support from the community during Hunter Water's most recent pricing review process. As a result, IPART has approved

\$6million in recycled water expenditure for public open space irrigation. The \$6 million is to be spent by June 2024, and must deliver at least 20ML of new recycled water capacity.

Projects currently being considered include:

- Lake Mac Irrigation Scheme – 3 stages of options from Edgeworth
- Raymond Terrace – Kings Park
- Newcastle – Newcastle irrigation scheme

Members asked questions regarding comparing recycled water with onsite treatment (eg envirocycle) and the impacts from a Neutral or Beneficial Effects perspective within drinking water catchments.

There was discussion regarding dual reticulation (noting Hunter Water's existing schemes), and whether there was an opportunity to expand this further.

There was a question regarding the cost of delivering new recycled water.

NON-RESIDENTIAL CUSTOMERS UPDATE

Victor Prasad, Executive Manager Customer Strategy and Retail

Ardie Morris, Manager Revenue

Mr Prasad and Mr Morris provided an update on Hunter Water's engagement with non-residential customers.

Mr Morris advised that there are 12,500 non-residential customers, equating to around 5% of all Hunter Water customers. Collectively they utilise 34 GL of water per year

Hunter Water's largest 180 customers utilise more than 10ML each per year

Hunter Water has been working with its major customers to reduce water consumption. 900 ML in savings have been achieved through find and fix leaks, 400ML in Water Efficiency Management Plans (WEMPs).

More information at: www.hunterwater.com.au/business

DIGITAL SERVICES, DEVELOPER SELF SERVICE

Catherine Hartley, Program Manager, Customer Service Experience

Following Mr Morris' presentation, Ms Hartley provided an update on Hunter Water's Developer Self Service approach. Phase I involves a service and experience program.

Currently Hunter Water processes 8700+ build plan applications, 2000+ DAs, 1700+ build over assets, 1700+ registered building and development customers

80% found it easier to use Hunter Water's new digital services, and Hunter Water is seeking feedback to continue to improve performance.

A question was asked regarding Hunter Water's use of units ('millions of litres', 'billions of litres', 'GL' and 'ML') and a request for consistency. This was acknowledged, with efforts made to improve comparability.

It was requested that Hunter Water provide a copy of the 2018 UTS Institute for Sustainable Futures report on Water Efficiency and Demand Management Opportunities. A copy of this report has been made available on the [Your Voice page](#).

QUESTIONS ON NOTICE

Questions on Notice were received by Ms Linda Bowden regarding the Lower Hunter Water Security Plan. Responses are available on the [Your Voice page](#).

MEETING CLOSE

Meeting closed 12.03pm

APPROVAL OF MINUTES

Draft minutes to be considered by CCAG at meeting on 9 March 2021.



Customer and Community Advisory Group (CCAG)

December 2020



Darren Cleary

Managing Director

Our current storage

Our water levels drop faster than most other major Australian urban centres during hot, dry periods because we have shallow water storages and high evaporation rates. Below is a snapshot of our current storage levels today.

84.8%

AS AT 14 DEC 20

↓ 1.2%

1 WEEK AGO

↓ 3.9%

1 MONTH AGO

↑ 27.8%

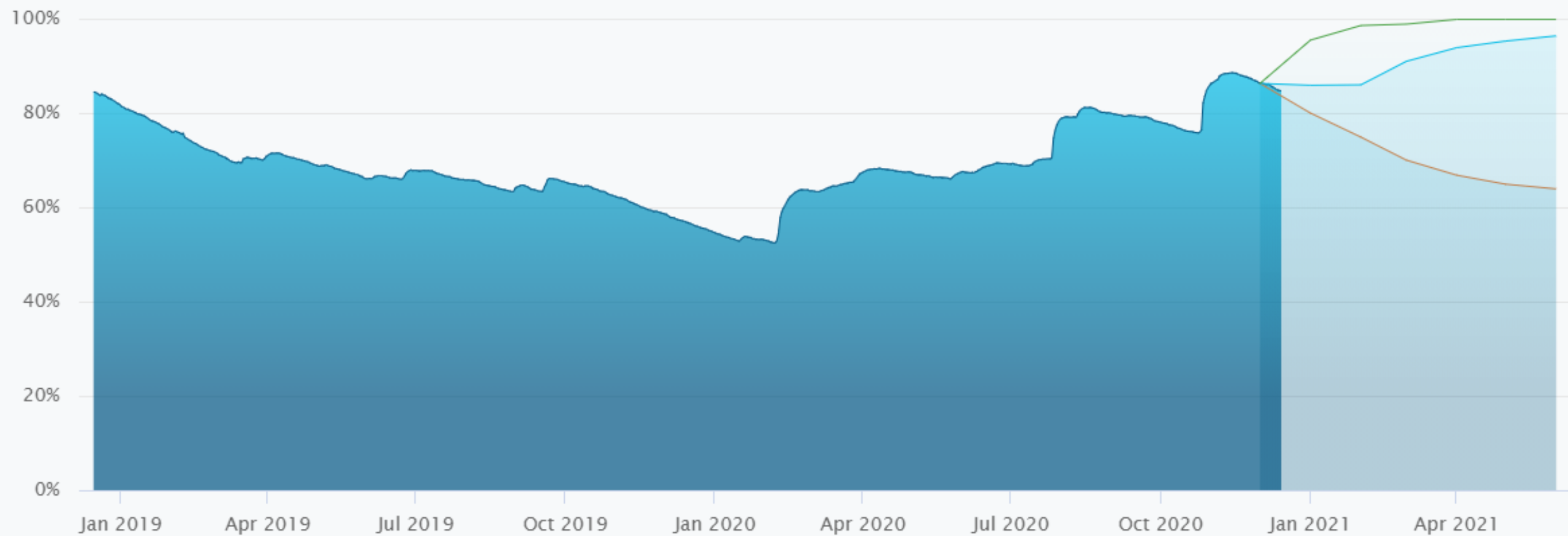
1 YEAR AGO

[VIEW DETAILED HISTORY AND FORECASTS](#)



Historical water storage levels

AS AT 14 DECEMBER 2020





Smart Water Choices replace Level 1 Water Restrictions

Smart Water Choices now apply. These simple, everyday choices will help our community maintain the great water saving behaviours demonstrated during water restrictions.



Hunter Water employee recognised for exceptional customer service



Hunter Water Contact Centre team member, Karla Sison, has been awarded the *Most Customer Focused Agent Award* as part of the CSBA SenseCX Awards Program.

Karla's outstanding customer service recognition follows recent positive interactions as part of a nationally recognised Customer Experience Mystery Shopping Program.



Grahamstown Dam Sailing Aquatic Club re-opens



The Grahamstown Dam Sailing Aquatic Club has re-opened, having closed earlier in the year due to COVID-19. The club is the base of Sailability Port Stephens, which provides access to non-motorised sailing for people who experience a disability.

To enable the club's continued operation, Hunter Water and Port Stephens Council have worked together to renew a long-standing licence agreement. The agreement allows limited recreational activity on the dam, while ensuring the ongoing protection of the region's drinking water quality.



Collaboration seeks to better understand Indigenous water values



Over the past year, we have been working with the Wollatuka Institute at the University of Newcastle to better understand Indigenous water values in the Lower Hunter region.

This work will support our planning by ensuring better alignment with the values of traditional owners, as well as by learning from the cultures who have lived here successfully for millennia.

The work includes interviews with Aboriginal people from across our region to educate our team on dreaming stories about water, particular places of value, natural markers related to water and climate, and views on specific option types like recycled water, desalination and dams.



Update on Lower Hunter Water Security Plan



Community engagement objectives

- For our stakeholders and community to have the opportunity for input into our LHWSP
- The community play a role in shaping our regions water future
- The community trust that we are making the right decision about our water future
- Our stakeholders are well informed and advocate our decision
- Community has support for our decisions



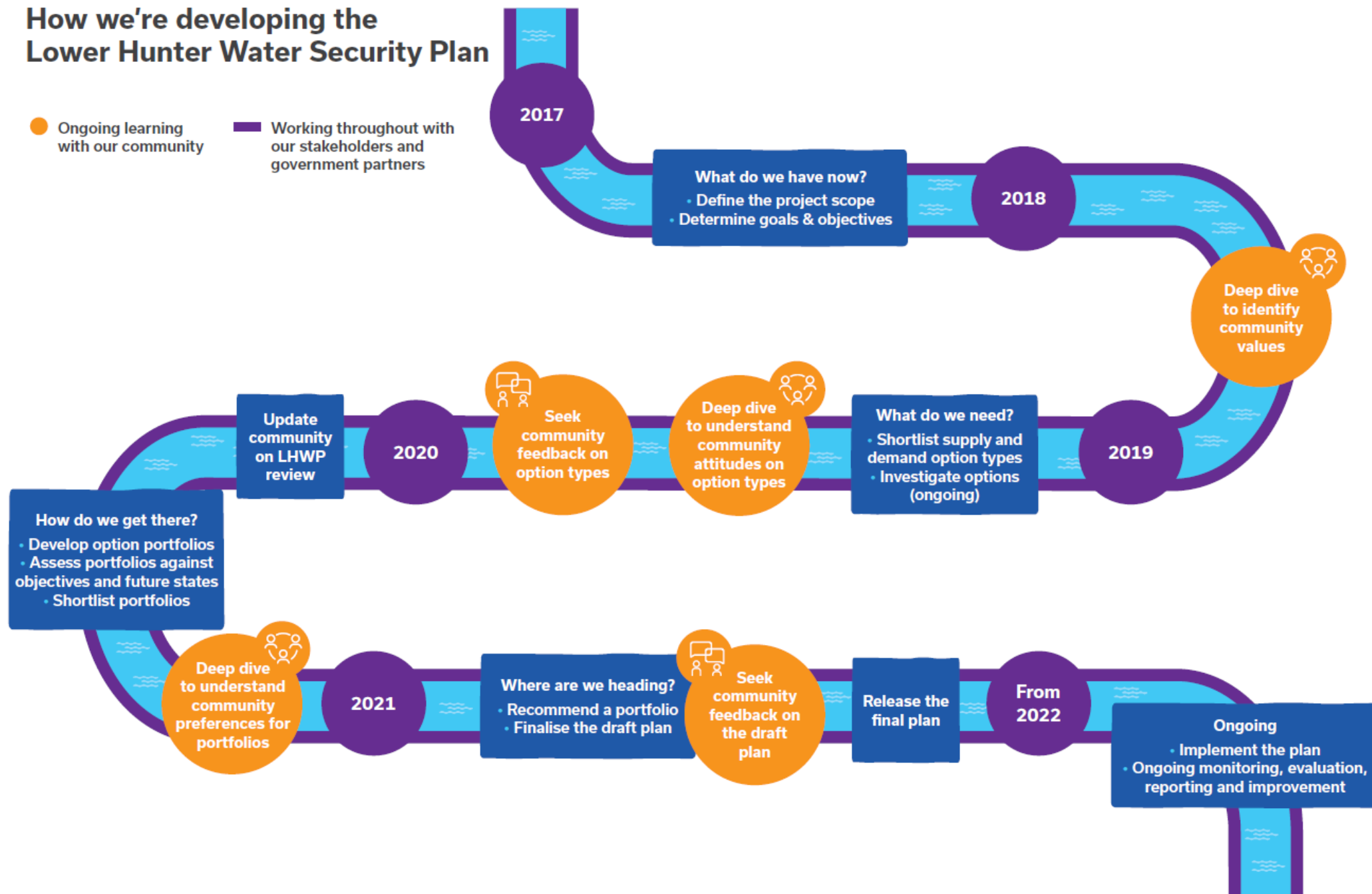
We will listen to and learn with our customers and community to make better decisions to secure our water future.



How we're developing the Lower Hunter Water Security Plan

● Ongoing learning with our community

■ Working throughout with our stakeholders and government partners





All options on the table

Water conservation	Desalination	Groundwater
Stormwater harvesting	Water sharing (Inter-regional transfers)	Research and Development
Recycled water (non-drinking and drinking)	Dams	Planning / Pricing reform



2 deliberative forums with a representative cross section of

153

community members

The Water Resilience Team attended **9** community events and engaged with about

640

people about the LHWSP



2 information sessions about dam investigation areas were attended by almost

70

property owners and interested community members

Social media posts across our channels received

6,008
engagements

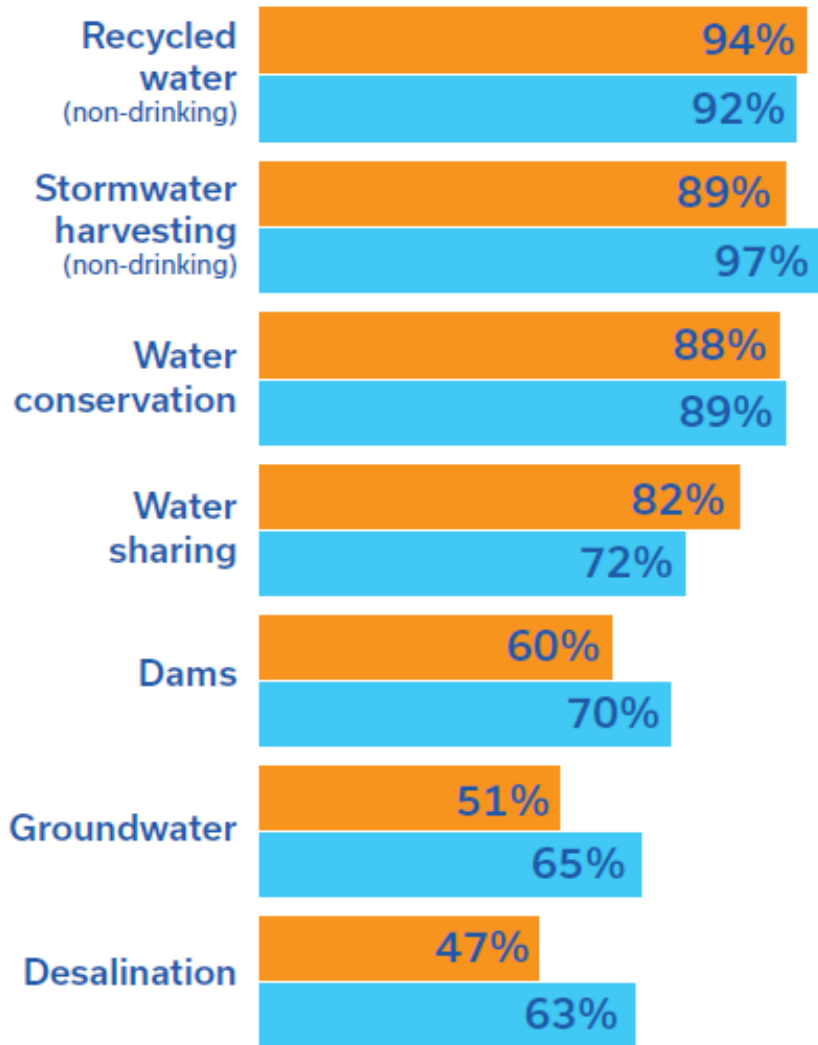
84,511
impressions



4,500

visits to the Lower Hunter Water Security Plan Your Voice webpage

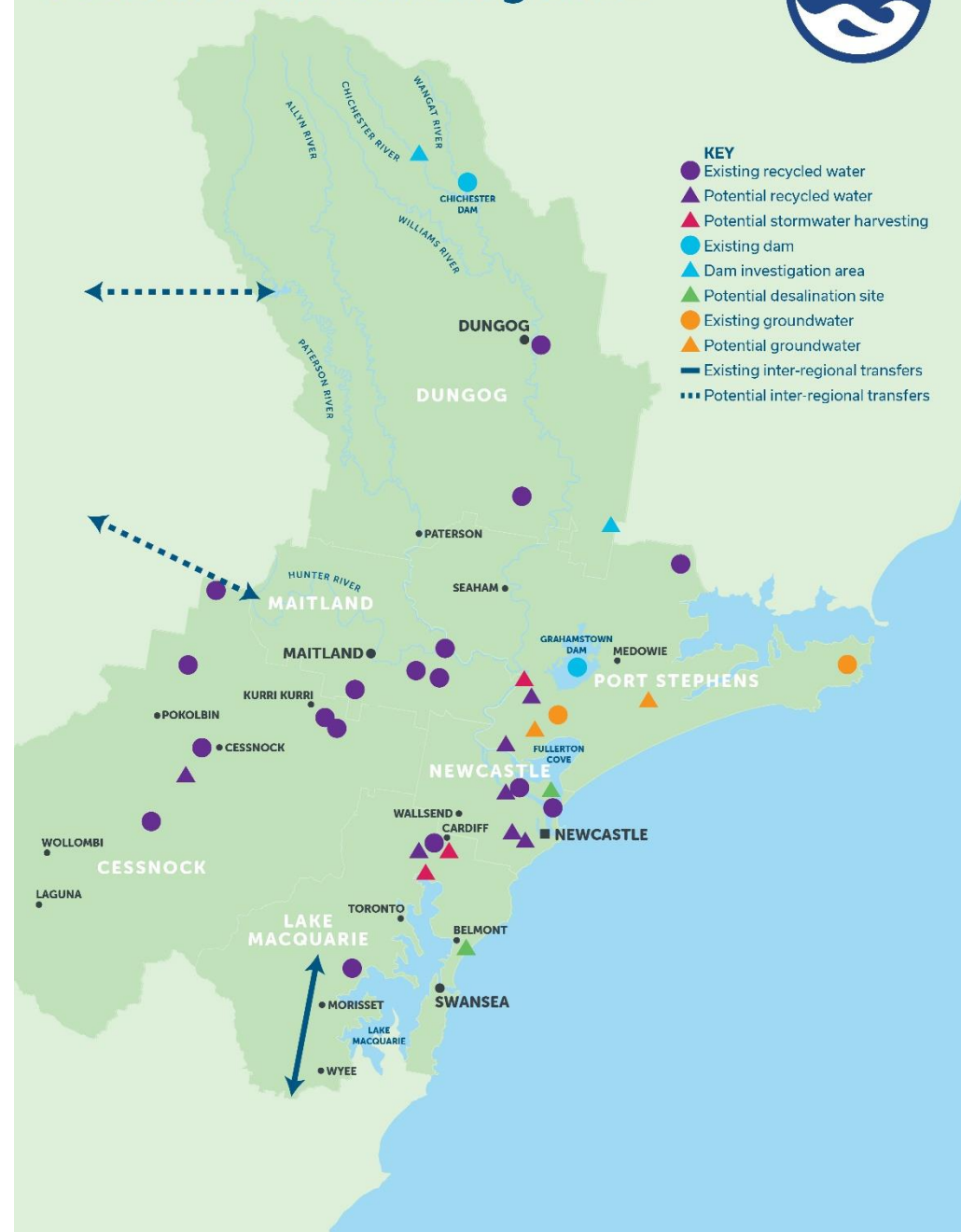
% open to consideration of that option



■ n=153 deliberative forum participants, June 2019
■ n=880 people completing a voting activity/survey on option preferences at community events and on the Your Voice webpage in 2019 and 2020 (to 30 October 2020).



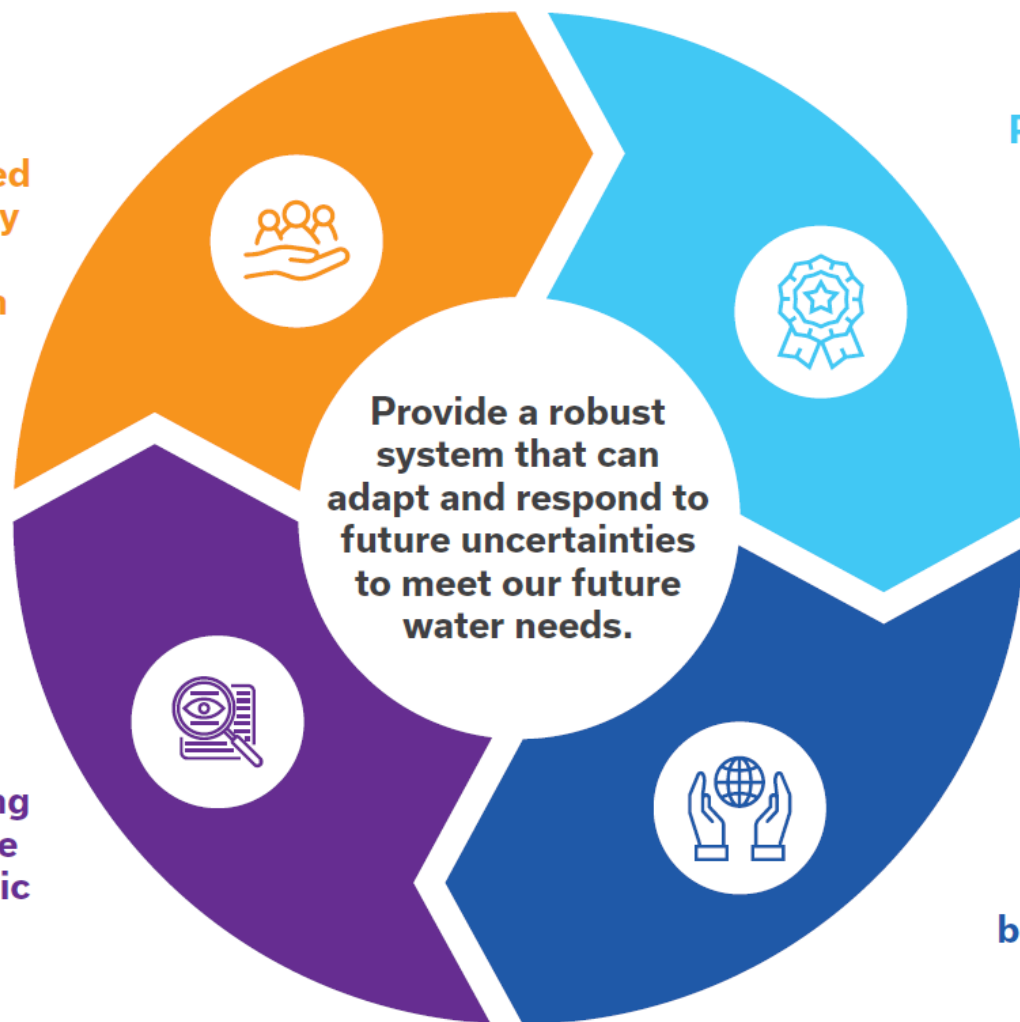
Supply and demand options Potential and existing sites



LHWSP goals

Provide services that are supported by our community to promote everyone's health and wellbeing.

Provide transparent, collaborative and integrated strategic planning that supports the region's economic prosperity.



Provide affordable and high quality services.

Protect and restore our ecosystems and biodiversity values.



Preliminary portfolios for community feedback

Strategy	#	Demand options	Supply option (progress now)	Supply option (progress later)
Making the most of what we've got	1	Largest program water conservation and recycled water (non-drinking)	Increased regional water sharing (Central Coast and Upper Hunter options)	Purified recycled water for drinking
	2	Largest program water conservation Current program recycled water (non-drinking)	Increased regional water sharing (Central Coast and Upper Hunter options)	Purified recycled water for drinking
A mix of regional storage and climate independence	3	Program A, B or C water conservation and recycled water (non-drinking)	Increased regional water sharing (Central Coast and Upper Hunter options)	Purified recycled water for drinking
	4		Increased regional water sharing (Central Coast and Upper Hunter options)	Permanent desalination at either Belmont or Walsh Point
Climate independence	5		Permanent desalination at either Belmont or Walsh Point (30 ML/d)	Permanent desalination at either Belmont or Walsh Point (60 ML/d)
Increase our storage buffer	6		On-river dam at Upper Chichester	Increased inter-regional water sharing (Central Coast or Upper Hunter)
	7		Off-river dam at Limeburners Creek	Increased inter-regional water sharing (Central Coast or Upper Hunter)

Recycled Water Update

CCAG update – Dec 2020



The benefits of recycling

Water recycling is the recovery of wastewater through **additional treatment** for beneficial use that is **fit for purpose**.

Why recycle?

- Customer and community support
- Save potable water
- Reduce wastewater discharges
- Climate independent water source
- Liveability benefits
- Improve system resilience through diversified supply mix

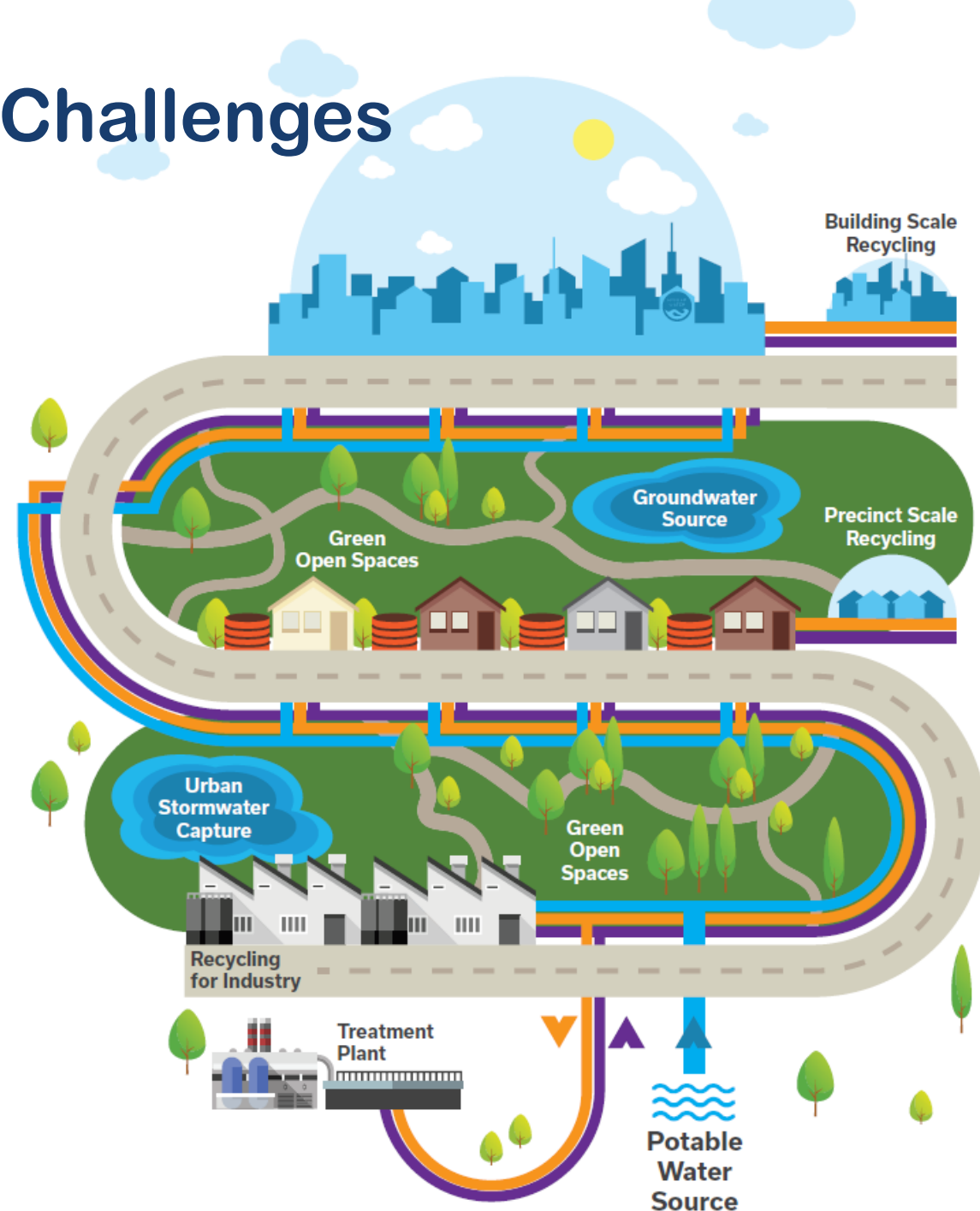


Recycled Water Challenges

Water recycling is the recovery of wastewater through **additional treatment** for beneficial use that is **fit for purpose**.

Challenges of recycling

- Health risks require appropriate management
- Multiple beneficiaries can lead to planning and funding challenges
- Investment risks for voluntary schemes
- Affordability





Recycled Water has strong community support



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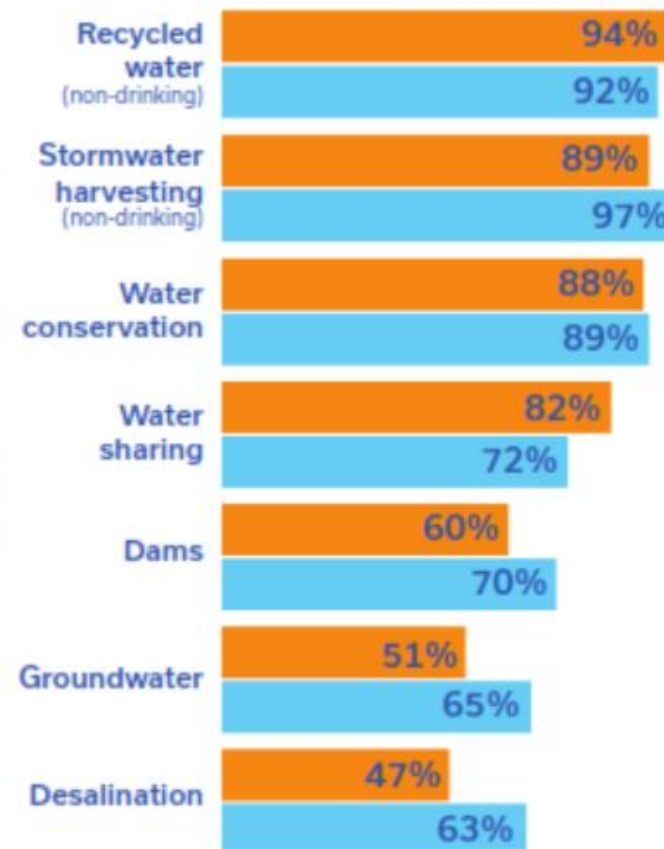
300+
Hunter Water staff attended **6**
LHWSP briefing sessions



What we're hearing

We've been asking the community to tell us how open they are to us considering the water supply and demand options being investigated as part of the LHWSP. The results have been relatively consistent throughout the engagement program, with the community telling us they are quite open to considering all options.

% open to consideration of that option

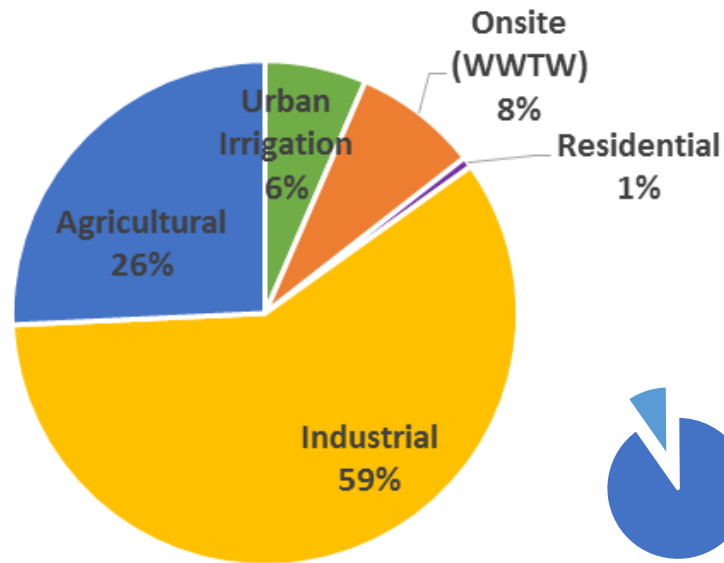


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Existing Schemes

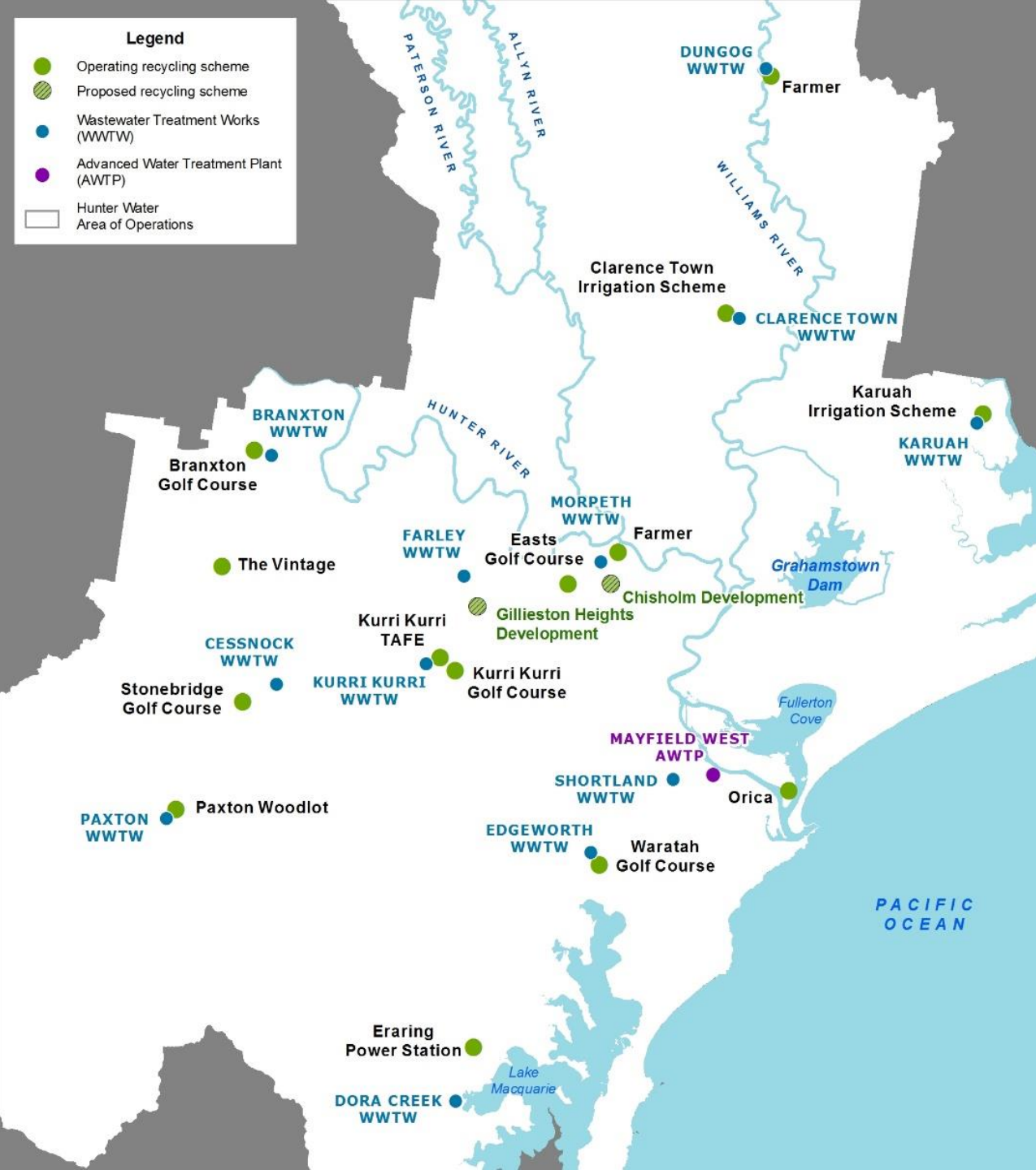
2019-20 Recycled Water Use



13.6% of wastewater recycled

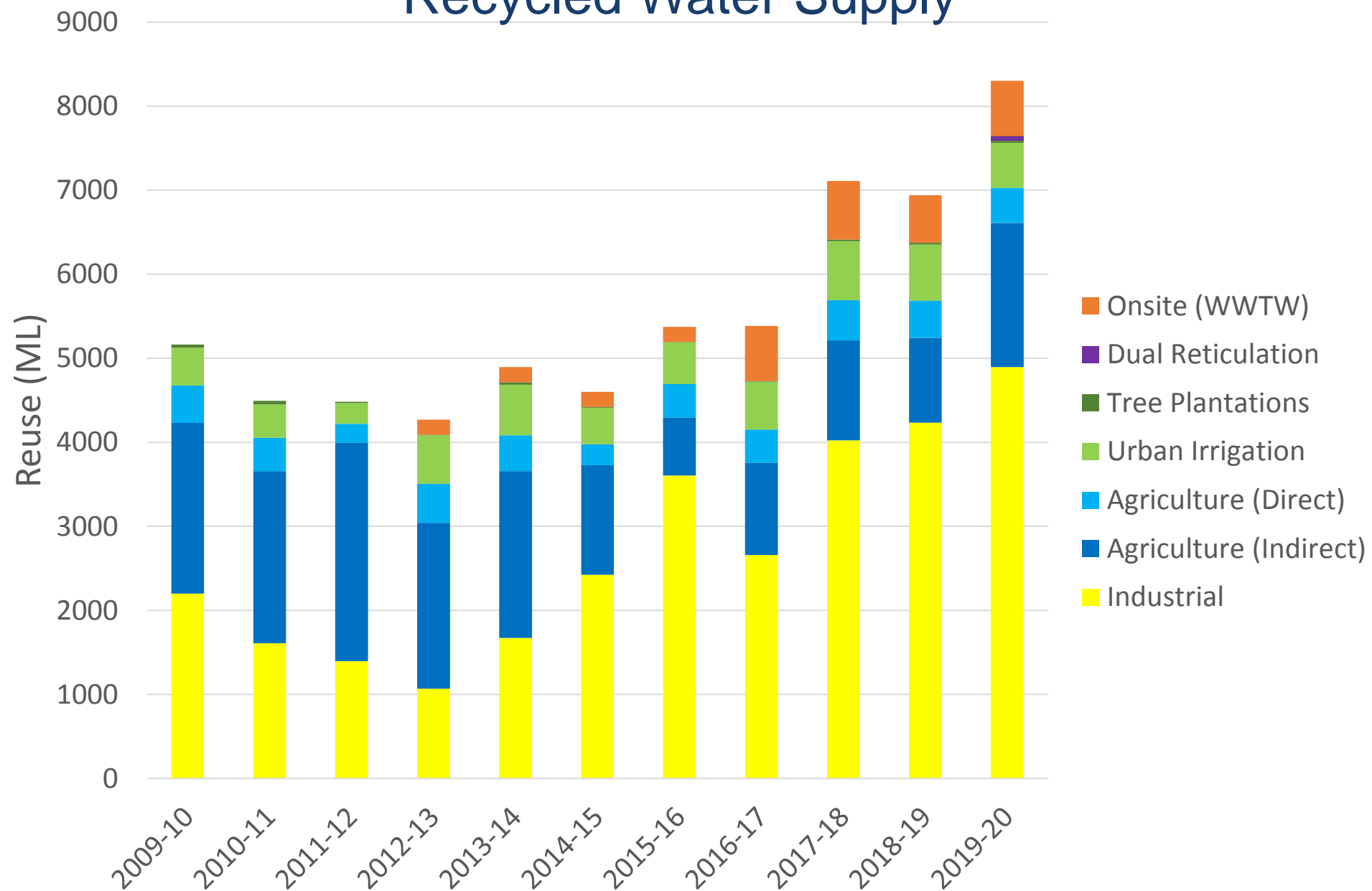
12.1% of total water supplied

- | | |
|---------------------------|------------------------|
| ■ Urban Irrigation 537 ML | ■ Onsite (WWTW) 659 ML |
| ■ Residential 56 ML | ■ Industrial 4897 ML |
| ■ Agricultural 2131 ML | |

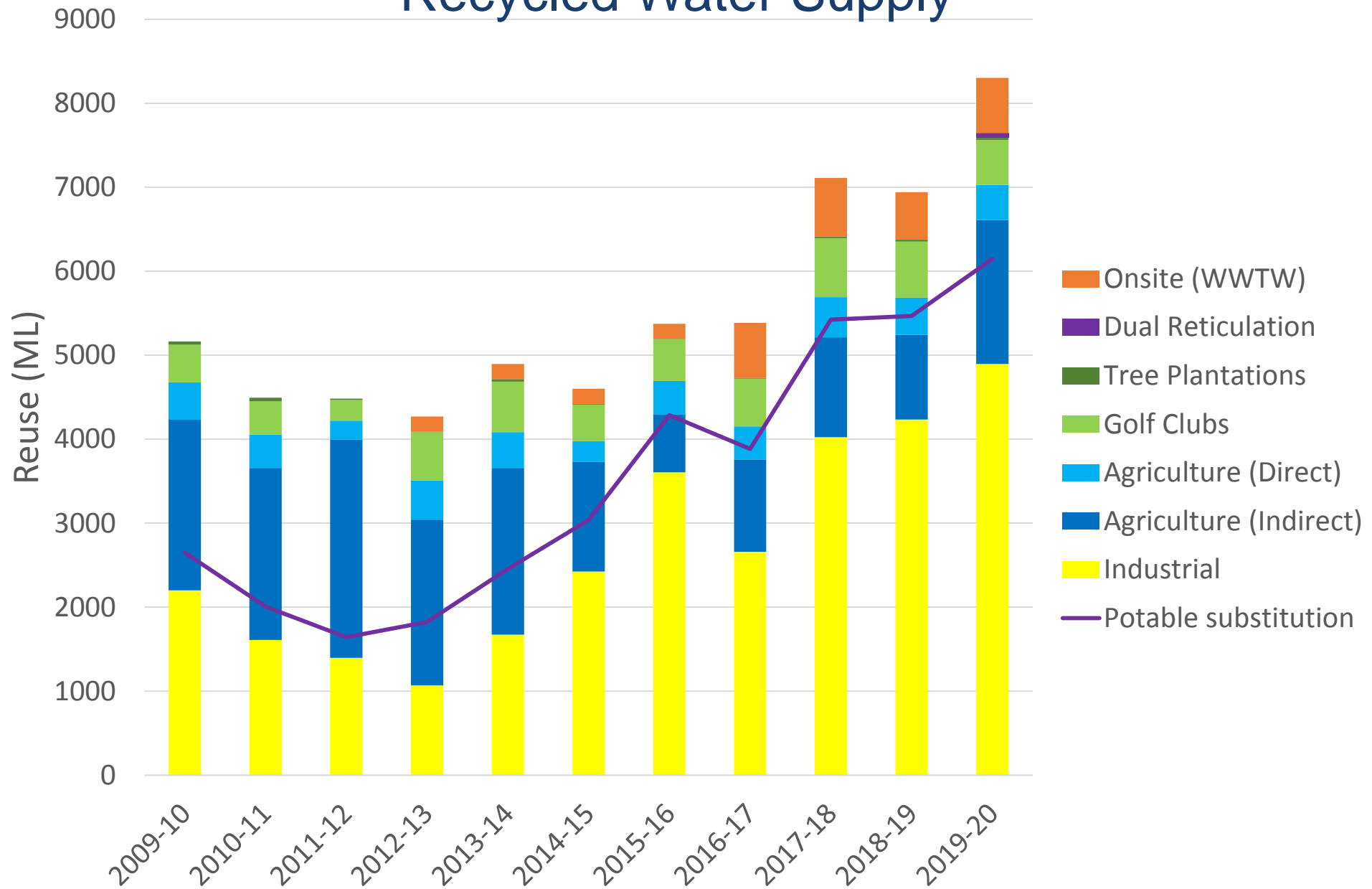




Recycled Water Supply

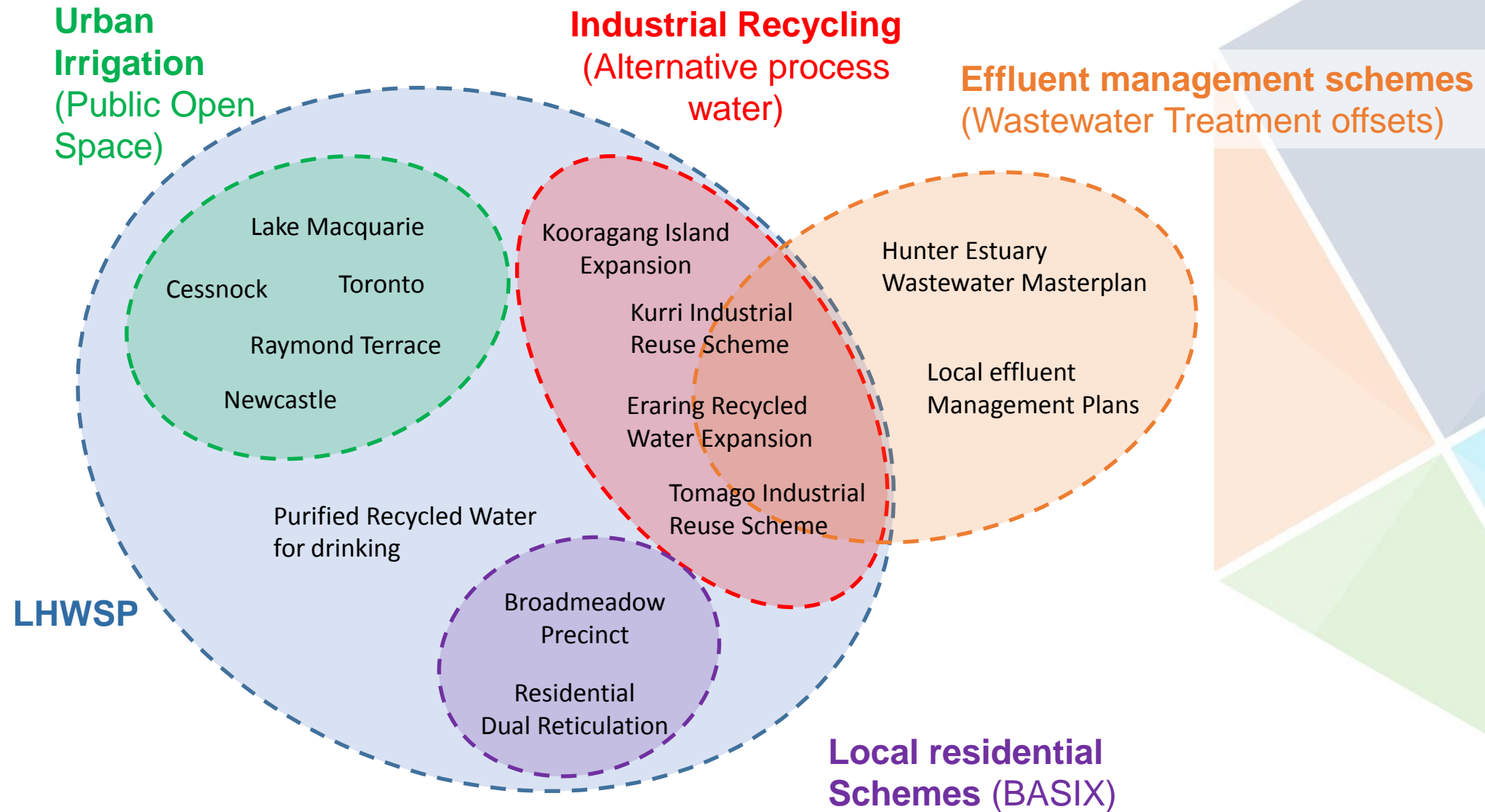


Recycled Water Supply





Recycled Water Scheme Investigations





Public Open Space Irrigation program

“Supply of recycled water to public open space parks and sporting fields”

- ❖ Supported by customer willingness to pay survey
- ❖ IPART approved ‘funding envelope’ for delivery of the program - \$6m
- ❖ Customer bill impact \$0.73 per year per residential customer
- ❖ Delivery commitment by June 2024



IPART decision on discretionary expenditure

- Capital expenditure allowance is a 'funding envelope' for delivery of the program

Table 11.3 Our decision on discretionary expenditure

Project	Capital Cost (\$2019-20)	Customers cost recovered from	Discretionary charge per year (\$2020-21)	Basis of charge
Recycled water for irrigation	\$6.0 million	All residential customers	\$0.73	Per dwelling
Stormwater amenity improvement	\$11.3 million	All residential customers	\$0.97	Per dwelling
Total	\$17.3 million		\$1.70	Per dwelling

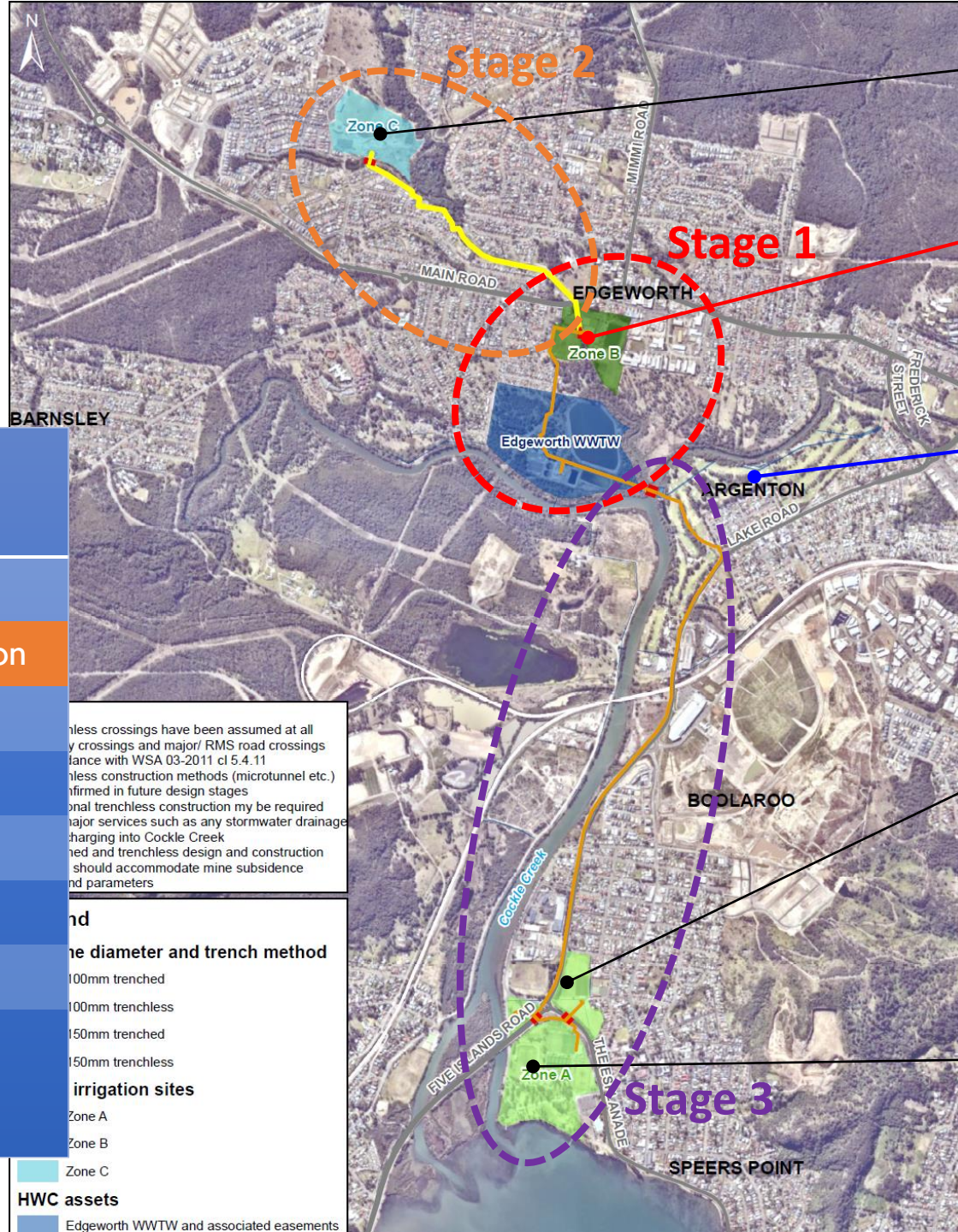
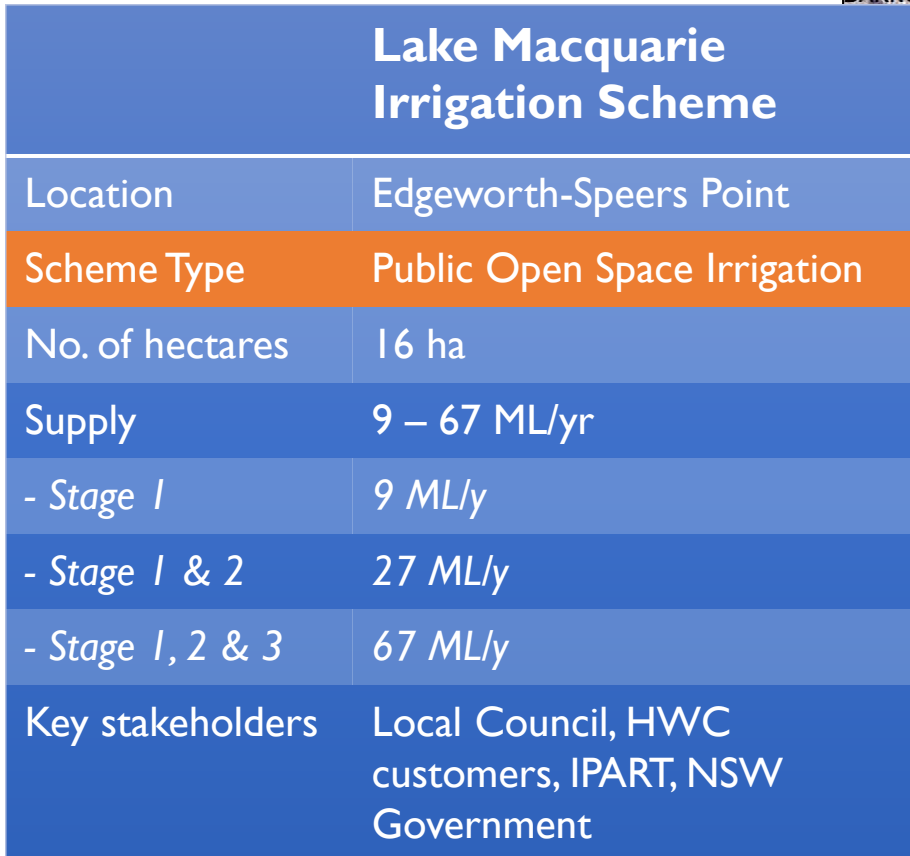
Source: Review of prices for Hunter Water Corporation, IPART, June 2020

Target Output Measures

Table 11.4 Output measures relating to Hunter Water's discretionary expenditure

No.	Project description	Measure	Target
1	A discretionary project to improve the amenity of stormwater channels.	The length of stormwater assets that have undergone 'naturalisation' in accordance with the willingness to pay study.	Minimum 1 km.
2	A discretionary project to provide more recycled water for the irrigation of public open spaces.	The additional volume of recycled water being used to irrigate public open spaces by the end of the determination period.	Minimum of 20 ML pa.
3	Informing customers of its delivery of discretionary expenditure, and the bill impact of discretionary expenditure	Evidence of how Hunter Water has provided this information to its customers.	Hunter Water to provide updates through its biannual newsletter, The Fountain, supplemented by media, social media and website content, and adapt this approach in response to customer feedback.

Source: Review of prices for Hunter Water Corporation, IPART, June 2020





Lake Macquarie Irrigation Scheme

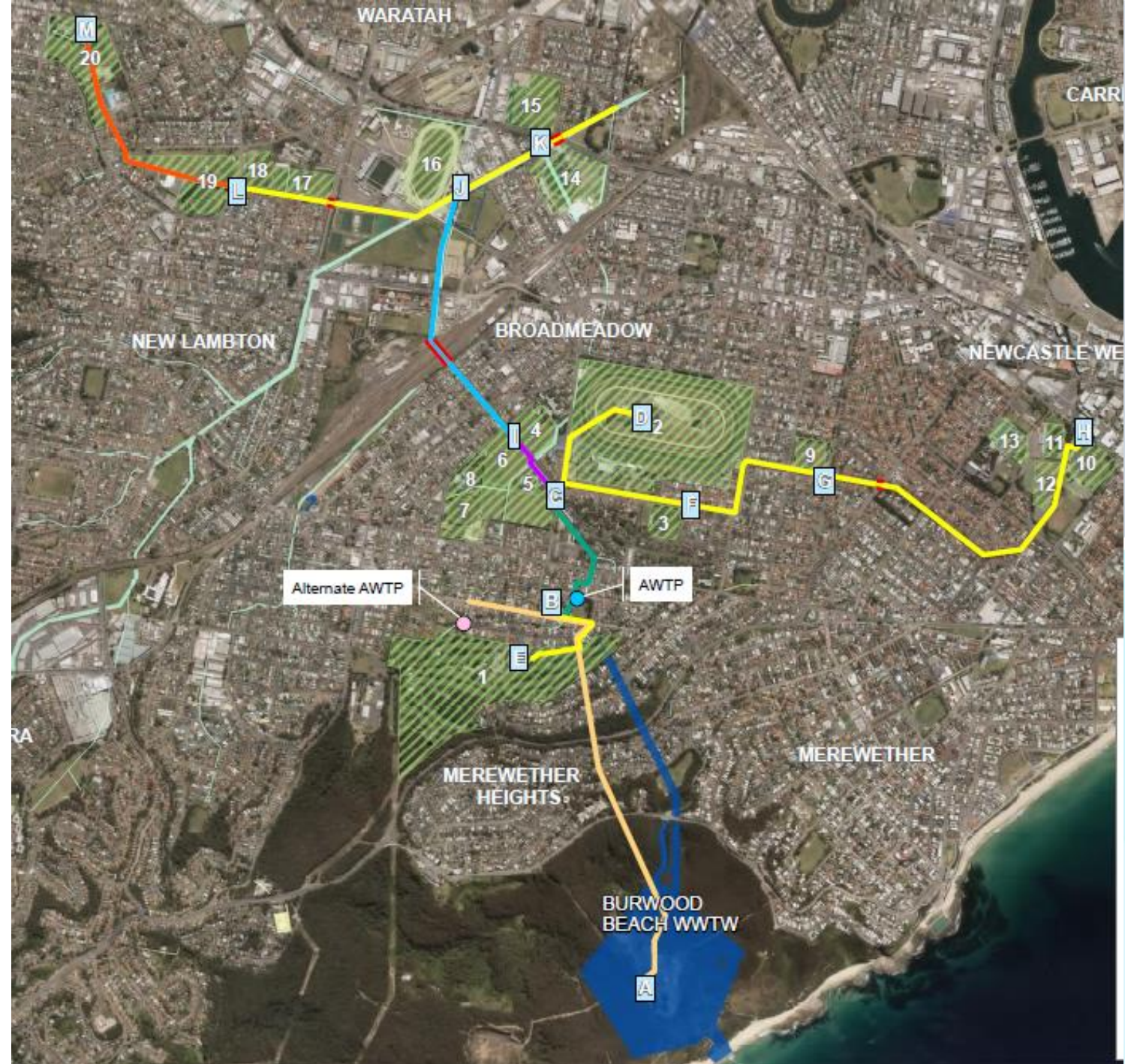
- ❖ Design phase for Stage 1
- ❖ Community engagement
 - ❖ Co-branded approach
 - ❖ Sporting groups, residents and business
- ❖ Health risk assessments with NSW Health
- ❖ Future stages to be considered along with other projects





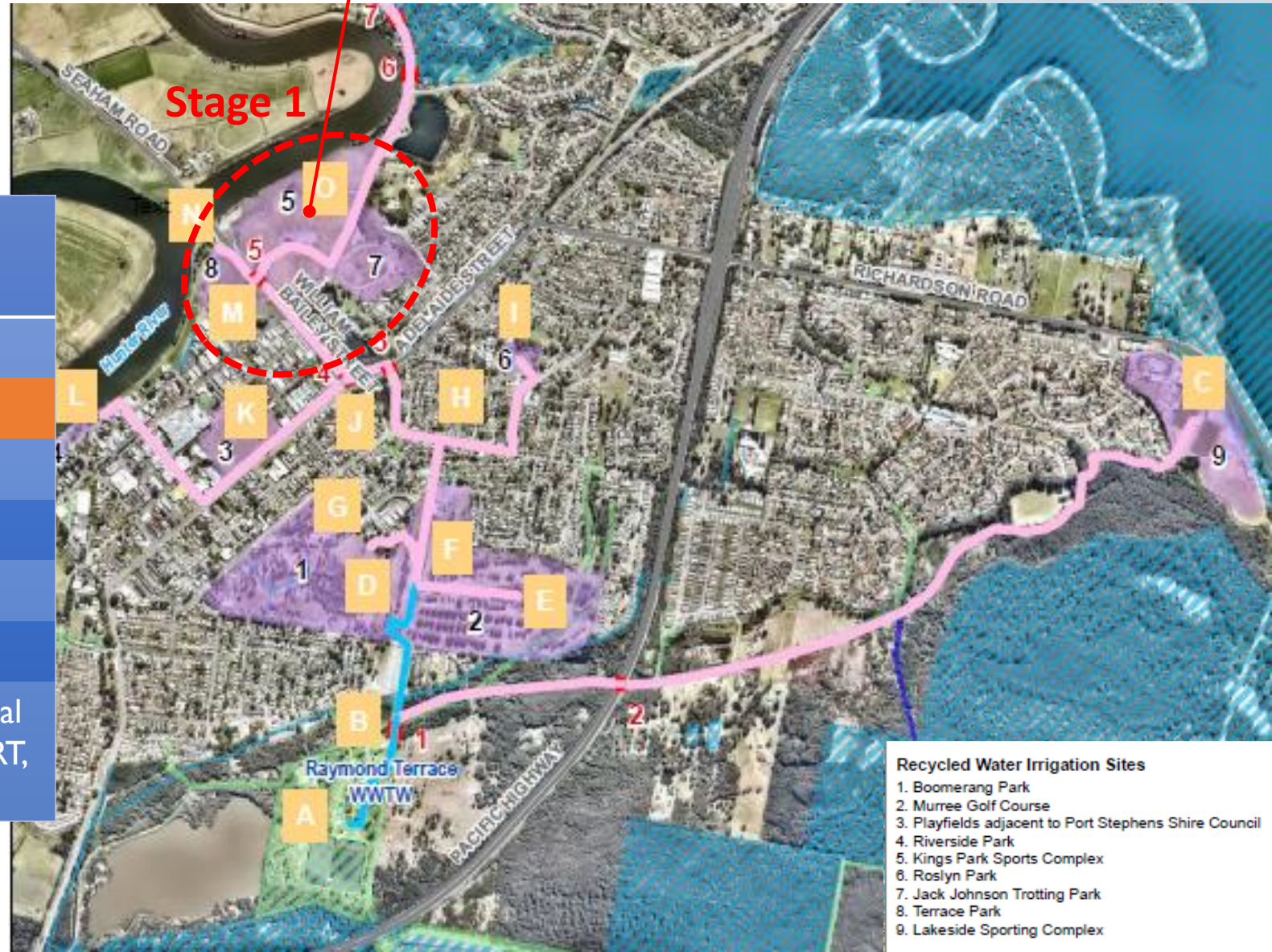
Newcastle irrigation scheme

Location	Newcastle
Scheme Type	Public Open Space Irrigation
No. of Hectares	57 ha
Supply	120 ML/y (43ML public, 77ML private irrigation)
Key stakeholders	Recycled water customers, Local Council, HWC customers, IPART, NSW Government



King Park Sports Complex

Raymond Terrace irrigation scheme	
Location	Raymond Terrace
Scheme Type	Public Open Space Irrigation
No. of Hectares	41 ha
Supply	18 – 50 ML/yr
- Stage 1	18 ML/yr
- Stage 1 & 2	50 ML/yr
Key stakeholders	Recycled water customers, Local Council, HWC customers, IPART, NSW Government





Questions and discussion

It's Smart Business to Love Water

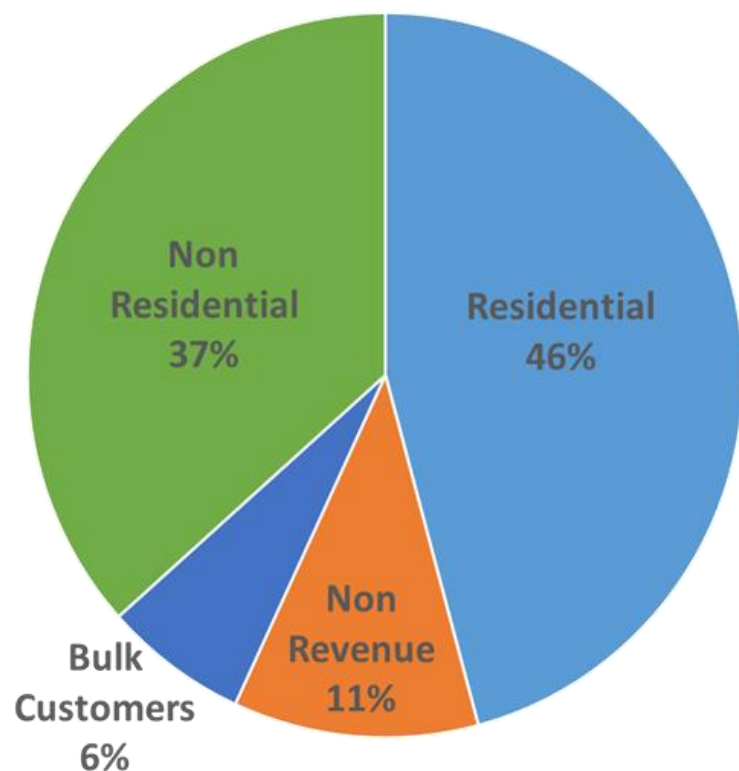
A Focus on Water Conservation





Who are our non-residential customers?

Total Consumption (including RW) 2019-20



Just over 12,500 customers (5%)



Consume 31% potable supply



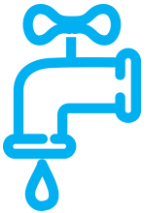
180 Large customers (>10ML per annum)



Our customers responded to the drought



Business customers deliver 1,300ML in water efficiency savings



Councils realised savings of almost 200ML



Developed over 75 Water Efficiency Management Plans and Detailed Water Audits





Maintaining the momentum post restrictions...



We are focused on long-term water efficiency.



Our Permanent Water Conservation Measures are branded as 'Smart Water Choices'.

It's Smart Business to Love Water



It's Smart Business to Love Water





Our approach



Build trust and deepen relationships



Use a common language



Develop insight and support tools





What we are doing



Audits & Water
Efficiency
Management
Plans



Maintaining
drought response
plans with
councils



Early leak
detection
(data loggers)



Investigating -
alternative water
supply options



Irrigation best
practice
guidelines



Co-branding with
'Smart Water
Choices' sites



Education on
'Smart Water
Choices'



Providing insights