



MEETING MINUTES

| | |
|-----------------|--|
| Committee Name: | Customer and Community Advisory Group (CCAG) |
| Venue: | Hybrid In person at Hunter Water's Head Office, and via WebEx |
| Date and Time: | Tuesday 9 March 2021 9.30am to 12 noon |

MEMBERS PRESENT

| | |
|---------------------|--|
| Cr Paul Le Mottee | Port Stephens Council (Chair) |
| Cr Robert Aitchison | Maitland City Council |
| Mr David Beins | |
| Ms Linda Bowden | Save the Williams River Coalition |
| Mayor John Connors | Dungog Shire Council |
| Ms Jean McGarry | Lake Macquarie Sustainable Neighbourhoods Alliance |
| Mr Bill Lennox | Maitland Masonic Centre |
| Mr Joe Popov | Community Disability Alliance Hunter |
| Mr Leroy Wilkinson | |

APOLOGIES

| | |
|--------------------|------------------------------|
| Cr Melanie Dagg | Cessnock City Council |
| A/Prof Troy Gaston | University of Newcastle |
| Ms Sue Johns | National Seniors Association |

IN ATTENDANCE

| | |
|----------------------|---|
| Darren Cleary | Managing Director |
| David Derkenne | Program Director, Water Resilience |
| Dr Daniel Livingston | A/Manager, Sustainable Wastewater |
| Janita Klein | Team Leader Customer and Community Engagement |
| Jennifer Pritchard | Senior Community Engagement Advisor |
| Kelly Loftberg | Mara Consulting |
| Declan Clausen | Executive Officer (CCAG Secretary) |

WELCOME

The CCAG Chair, opened the meeting at 9.40am, 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 December 2020 CCAG meeting minutes were adopted

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), storages at 94%
- Phased Love Water campaign transitioning to Smart Water Choices
- COVID-19 operational impact – resilient supply chains, implementation of the NSW PHOs in Hunter Water
- Appointment of a new Hunter Water Chair, Greg Martin, who commenced in January 2021.
- National Performance Report results summary [it was agreed that a future CCAG would focus on the NPR Results]
 - o Network leakage (real losses): 69 litres per connection per day (down 13% since 2018-19, and 34% since 2015-16)
 - o Number of water and sewerage complaints per 1,000 properties: 3.5 (down 8%)
 - o Number of billing and account complaints per 1,000 properties: 1.3 (down 28%)
 - o Total capital expenditure: \$149 million (43% increase)
 - o Typical annual residential bill: \$1,161 (1.4% decrease)
 - o Total recycled water supplied: 8,302 ML (20% increase)
- Love Water Grants, now open
- 2021 forward CCAG Plan

A copy of the Managing Director's presentation is attached to the Minutes.

LOWER HUNTER WATER SECURITY PLAN (LHWSP)

Mr David Derkenne, Program Manager Water Resilience

Mr Derkenne provided an update on the LHWSP review, which commenced in 2017. Mr Derkenne summarised the three phases of community engagement undertaken in the development of the Plan, and the decision making framework:

- 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.

A copy of Mr Derkenne's presentation is attached to the Minutes.

BIOSOLIDS

Dr Daniel Livingston, A/Manager Sustainable Wastewater
Ms Jennifer Pritchard, Senior Community Engagement Advisor
Ms Kelly Loftberg, Mara Consulting

Dr Livingston introduced the strategic work Hunter Water is undertaking to explore the reuse of biosolids, to potentially generate renewable energy or higher quality compost products.

This work includes understanding community perceptions of biosolids.

Ms Loftberg facilitated an interactive focus-group exercise with CCAG members on biosolids. Following the meeting, CCAG members were asked to complete a brief survey.

A report on the outcomes of the session is attached to the Minutes.

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.pm

APPROVAL OF MINUTES

Draft minutes to be considered by CCAG at meeting on 10 August 2021.



Customer and Community Advisory Group (CCAG)

March 2021



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.

93.8%

AS AT 8 MAR 21

↓ 1.0%

1 WEEK AGO

↑ 0.2%

1 MONTH AGO

↑ 30.0%

1 YEAR AGO

[VIEW DETAILED HISTORY AND FORECASTS](#)

100%

90%

80%

70%

60%

50%

40%

30%

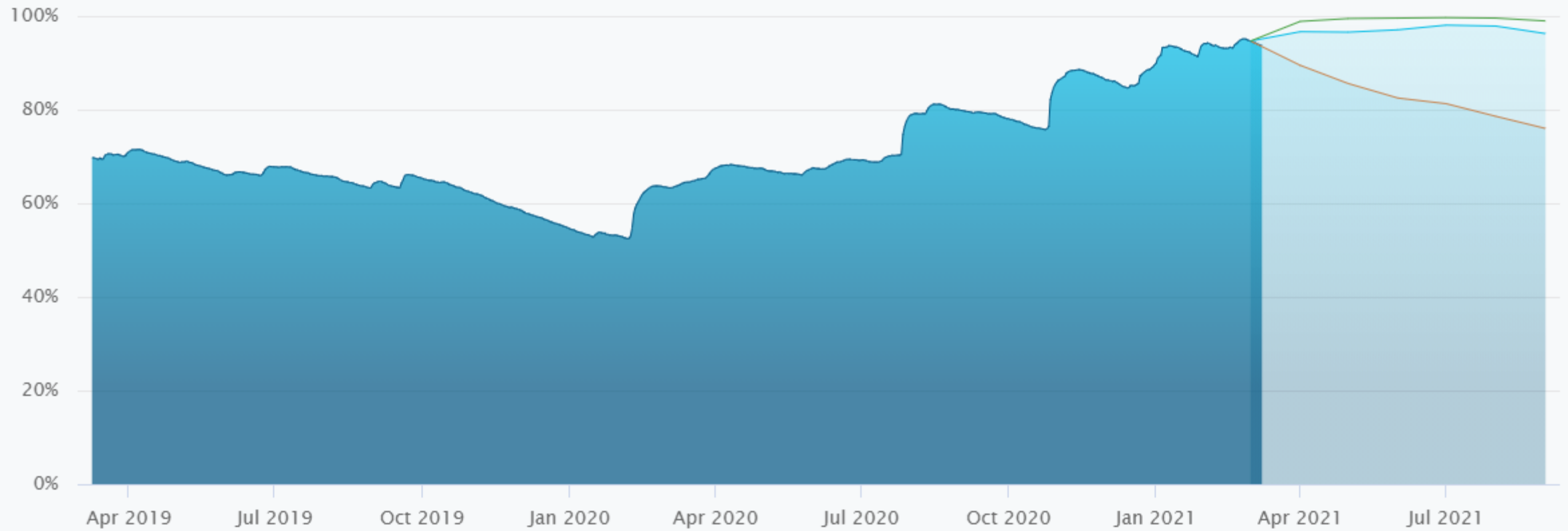
20%

10%

0%

Historical water storage levels

AS AT 8 MARCH 2021





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.



Melinda Pavey
Minister for Water, Property and Housing

MEDIA RELEASE

Wednesday, 27 January 2021

NEW CHAIR APPOINTED TO HUNTER WATER'S BOARD

Experienced utilities, energy, resources and financial services chief executive and company director, Greg Martin, has been appointed as the independent Chair of Hunter Water.

Minister for Water, Property and Housing Melinda Pavey said an independent board plays a significant role in the governance and accountability of NSW's State Owned Corporations.

"I welcome the appointment of Mr Martin to this important role as Chair of Hunter Water," Mrs Pavey said.

"Mr Martin brings a wealth of skills and experience, including 40 years' serving in the utility, energy and resources sectors, which will help Hunter Water achieve its strategic objectives and deliver on the aspirations for the Lower Hunter region.

"As the incoming Chair, Mr Martin is tasked with providing governance oversight of the State Owned Corporation, leading the Board of Directors to set Hunter Water's strategy and direction, and ensuring the organisation meets its performance obligations and commitments to its customers and communities."

Newly appointed Chair Greg Martin said he was excited to take on the role.

"With a proud 129-year history, Hunter Water has a well-earned reputation as a leading water utility, and I'm looking forward to working with my Board colleagues and the Management team to continue the important work of Hunter Water and to improve the services it provides to its customers," Mr Martin said.

"I'm also focused on improving water efficiency, both in Hunter Water's network and within the Lower Hunter community, and building on its existing best practice corporate governance culture."

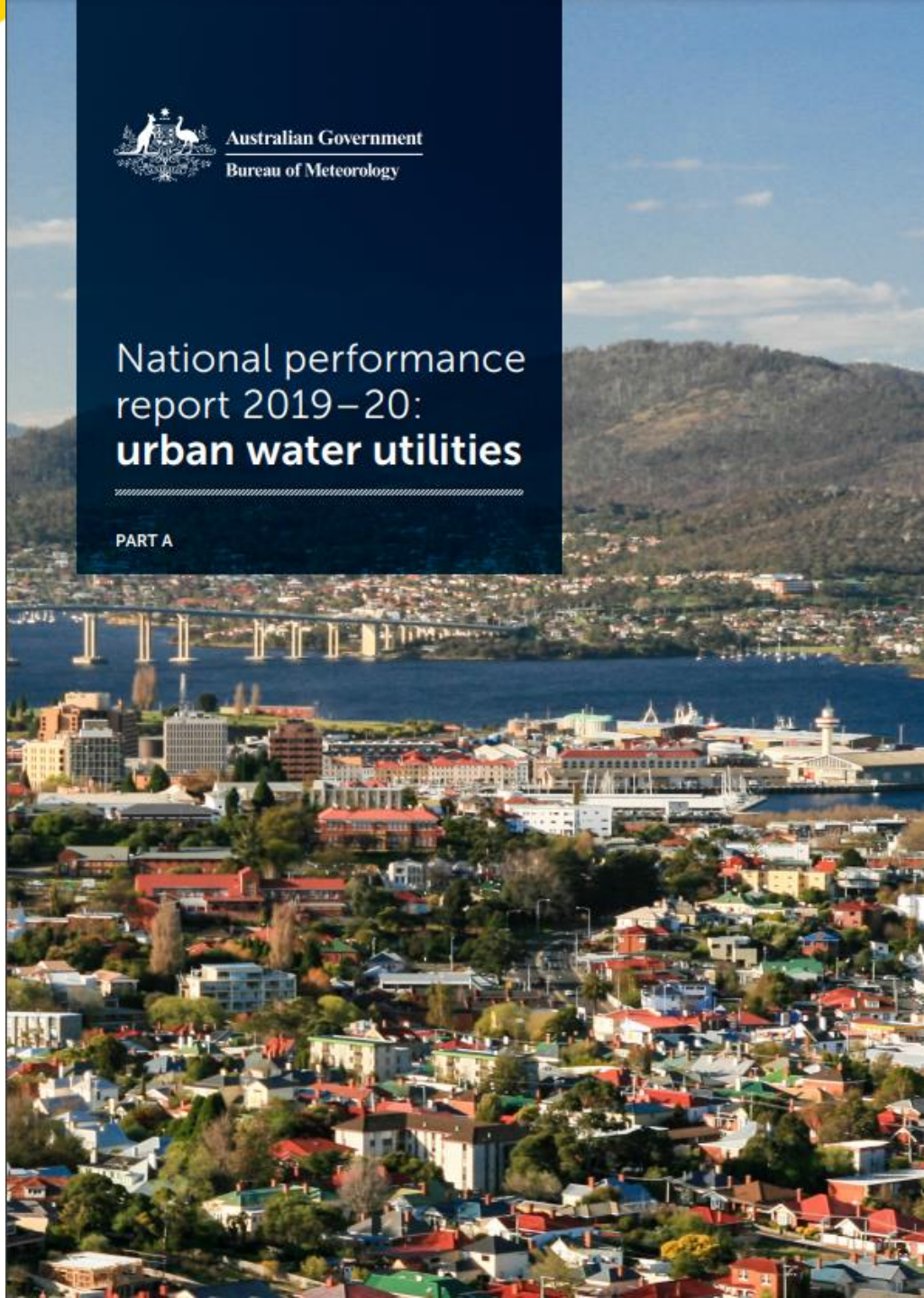
Mr Martin's appointment follows the conclusion of Terry Lawler AO's nine-year term as Hunter Water Chairperson in December 2020.



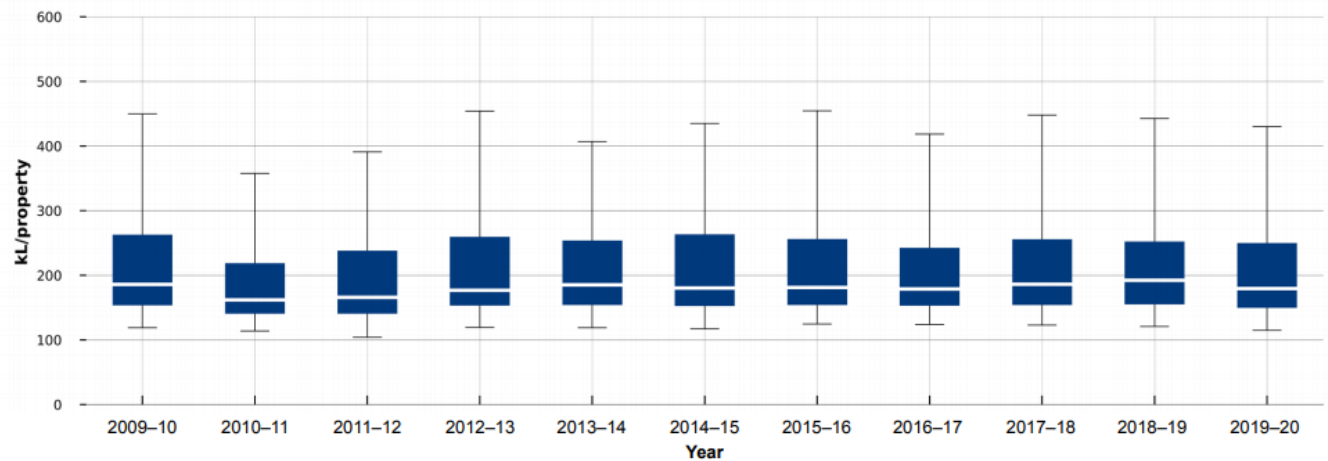
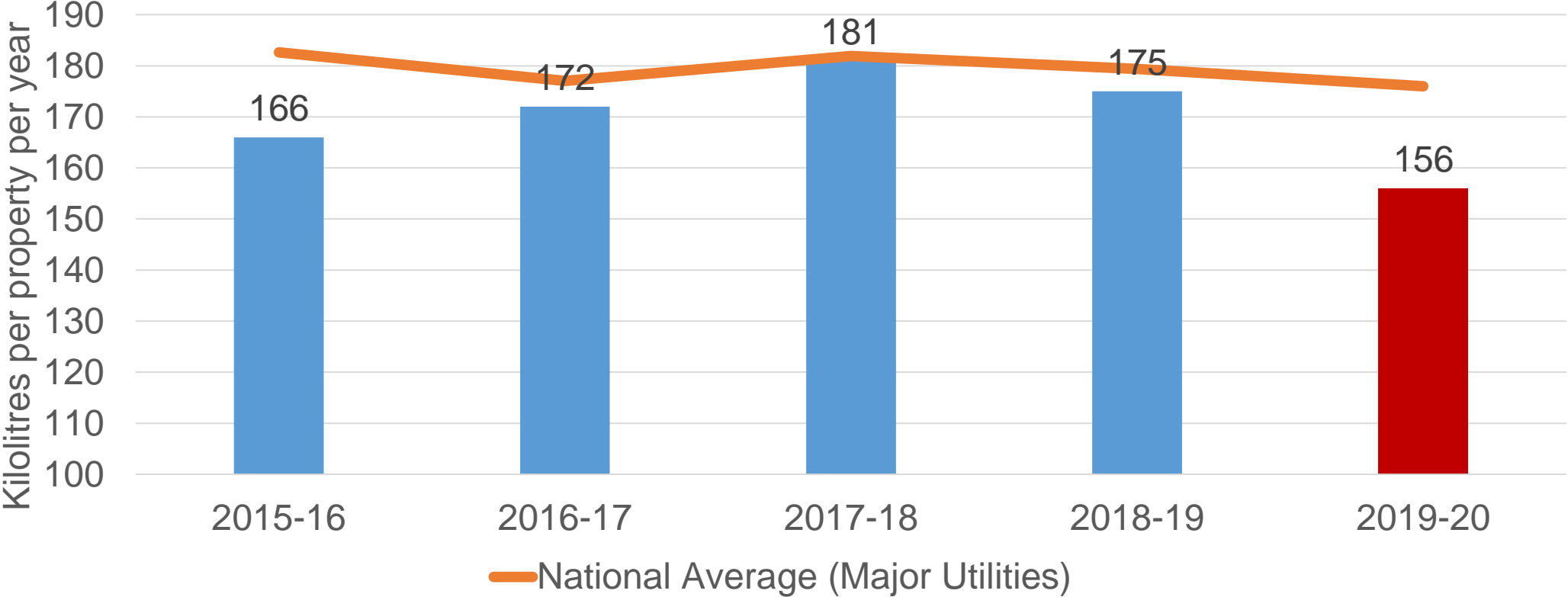
Australian Government
Bureau of Meteorology

National performance report 2019–20: **urban water utilities**

PART A

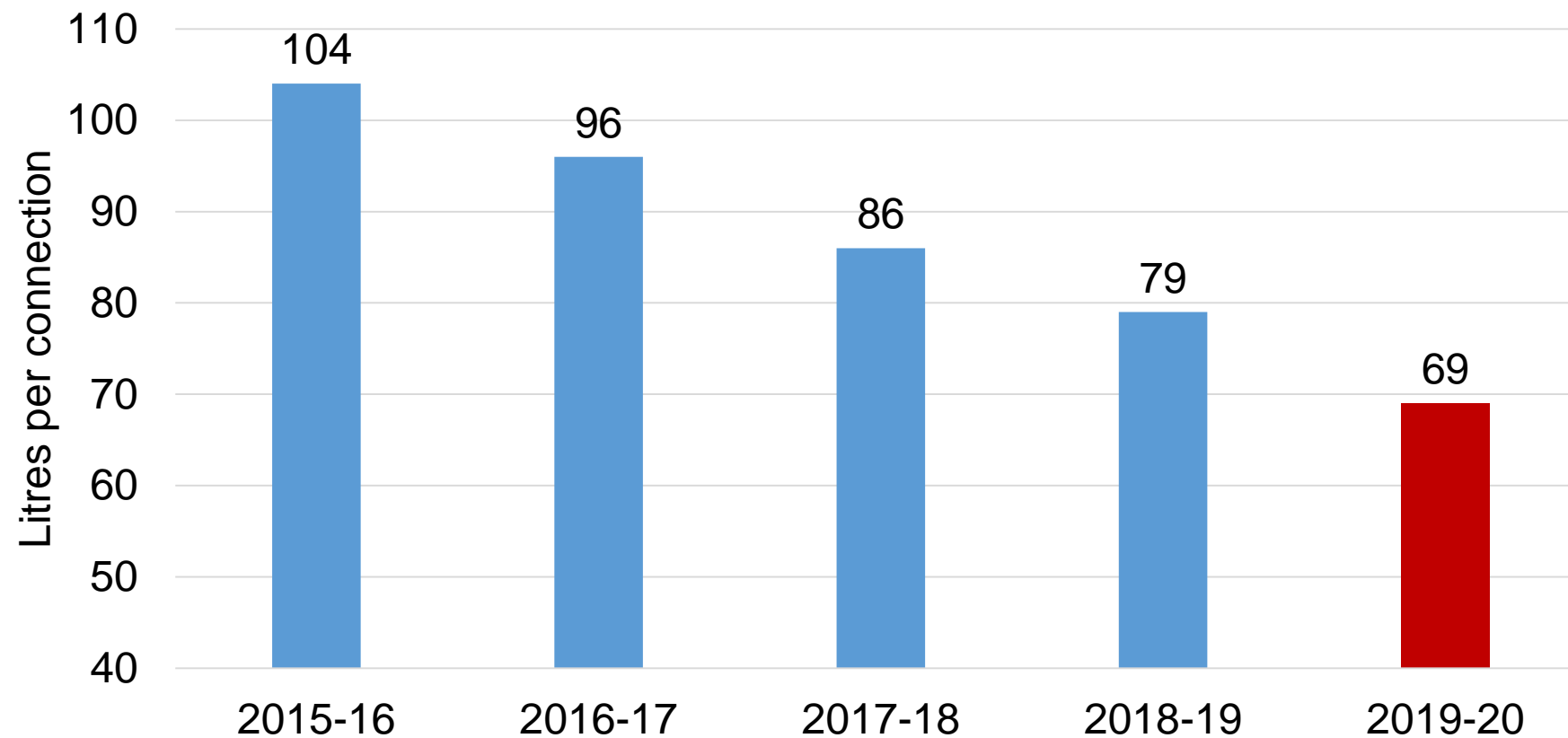


Hunter Water average residential water usage





Hunter Water network leakage





Key NPR indicators of Hunter Water performance in 2019-20:

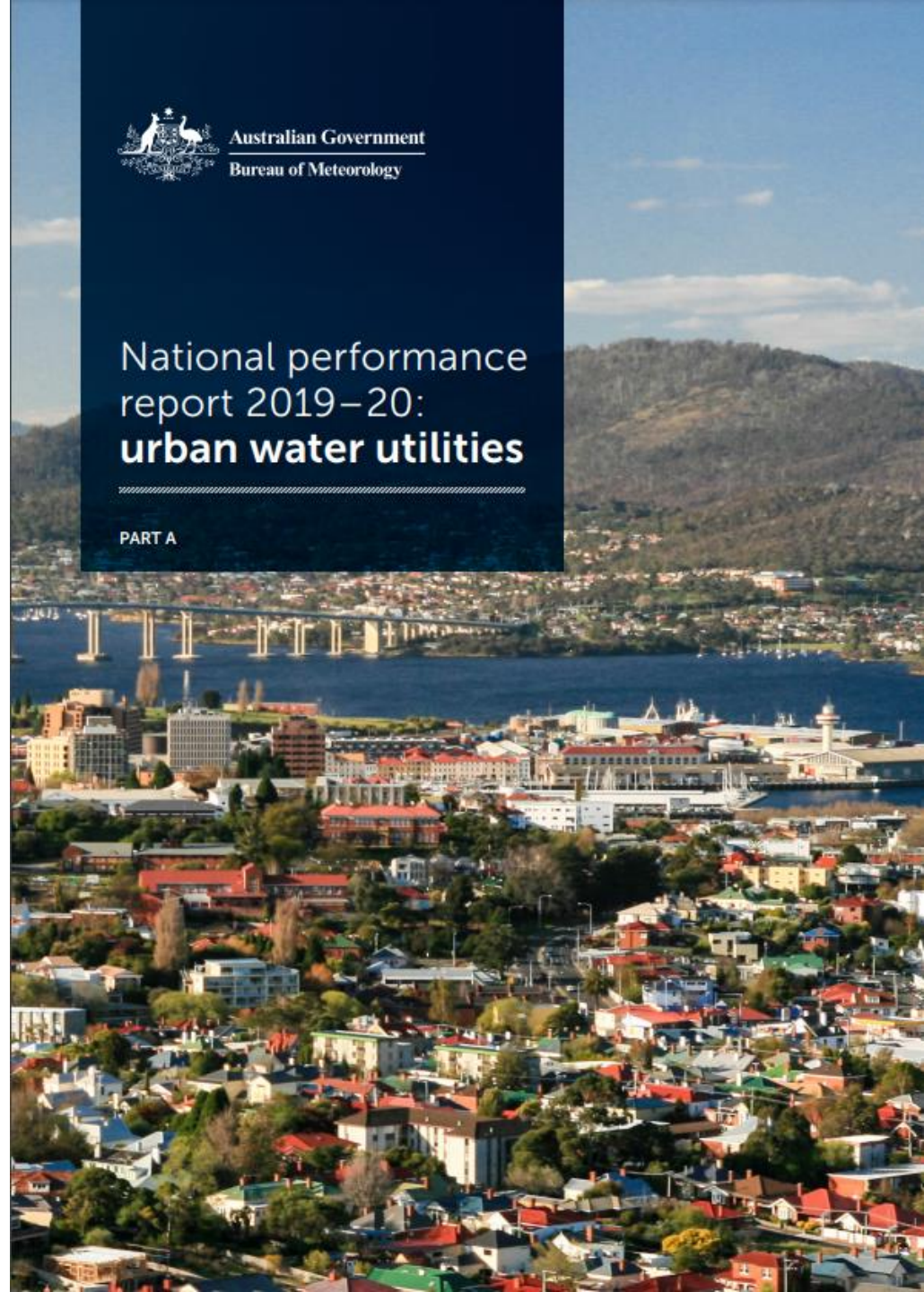
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Australian Government
Bureau of Meteorology

National performance report 2019–20: **urban water utilities**

PART A





Love Water Grants

Our Love Water grants are now open for community groups and organisations to apply for up to \$10,000.



<https://www.hunterwater.com.au/community/community-funding/love-water-grants>

Round 2 closes **24 March 2021**



2021 CCAG Forward Plan

| CCAG meeting | Date and location | Meeting focus area(s) |
|---|---|---|
| CCAG session #1 | Tuesday 9 March 2021 Hunter Water Boardroom and online via WebEx | <ul style="list-style-type: none">• Lower Hunter Water Security Plan Phase 3 community engagement• Biosolids Management Strategy – focus group |
| CCAG session #2 | TBC – July 2021 Mayfield West Recycled Water Plant, Centre for Education | <ul style="list-style-type: none">• Draft exhibition of the Lower Hunter Water Security Plan• Catchment Management Plan• Recycled water plant tour |
| CCAG/Hunter Water Board joint session #3 | Wednesday 29 September 2021 | <ul style="list-style-type: none">• Joint meeting with Hunter Water Board of Directors• Customer expectations on service levels, Hunter Water Operating Licence review |
| CCAG session #4 | Tuesday 7 December 2021 | <ul style="list-style-type: none">• Purified and recycled water community engagement strategy |

Planning for our water future

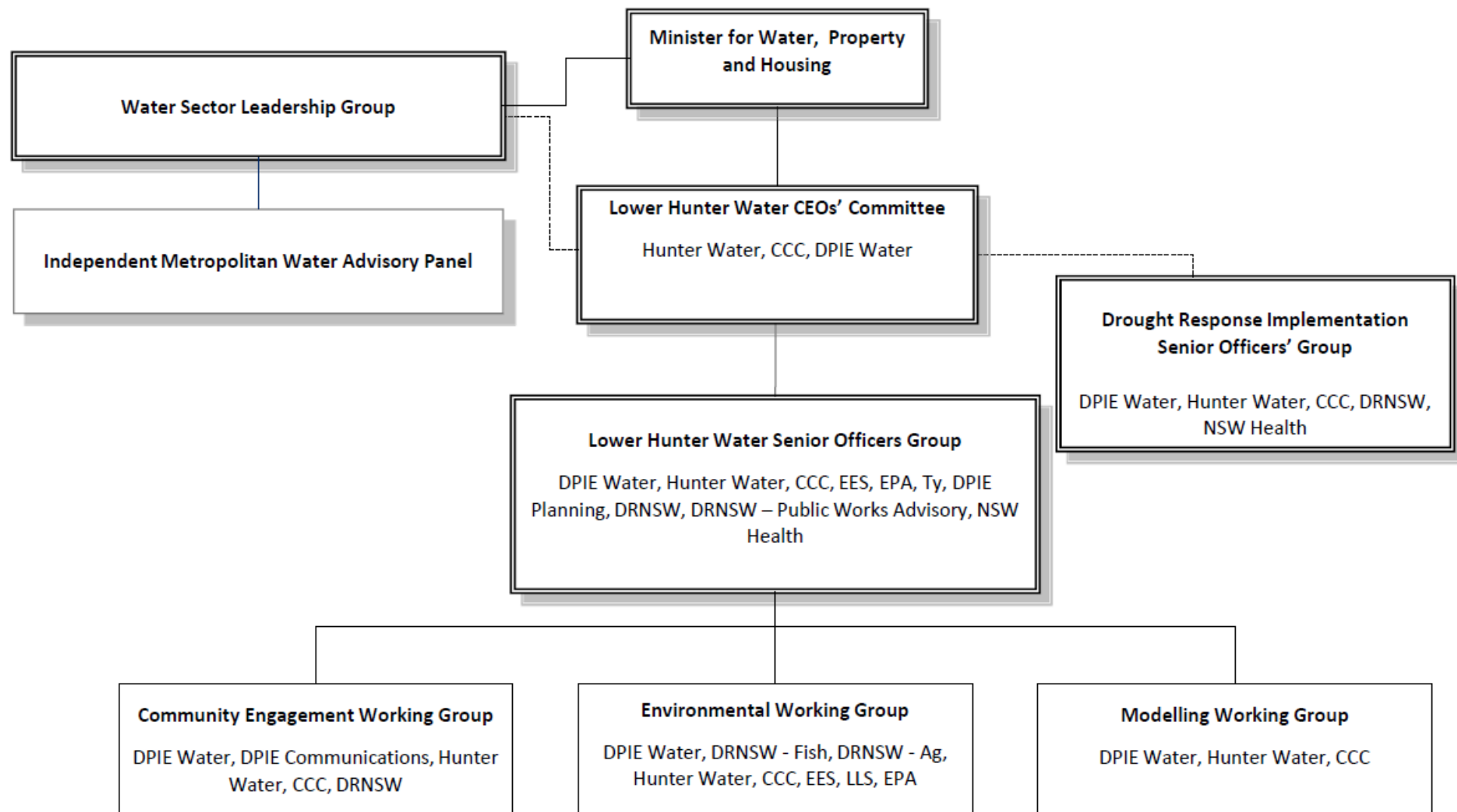
Customer and Community Advisory Group

9 March 2021





A whole of government approach



LHWSP goals

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



Provide affordable and high quality services.



Provide a robust system that can adapt and respond to future uncertainties to meet our future water needs.



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

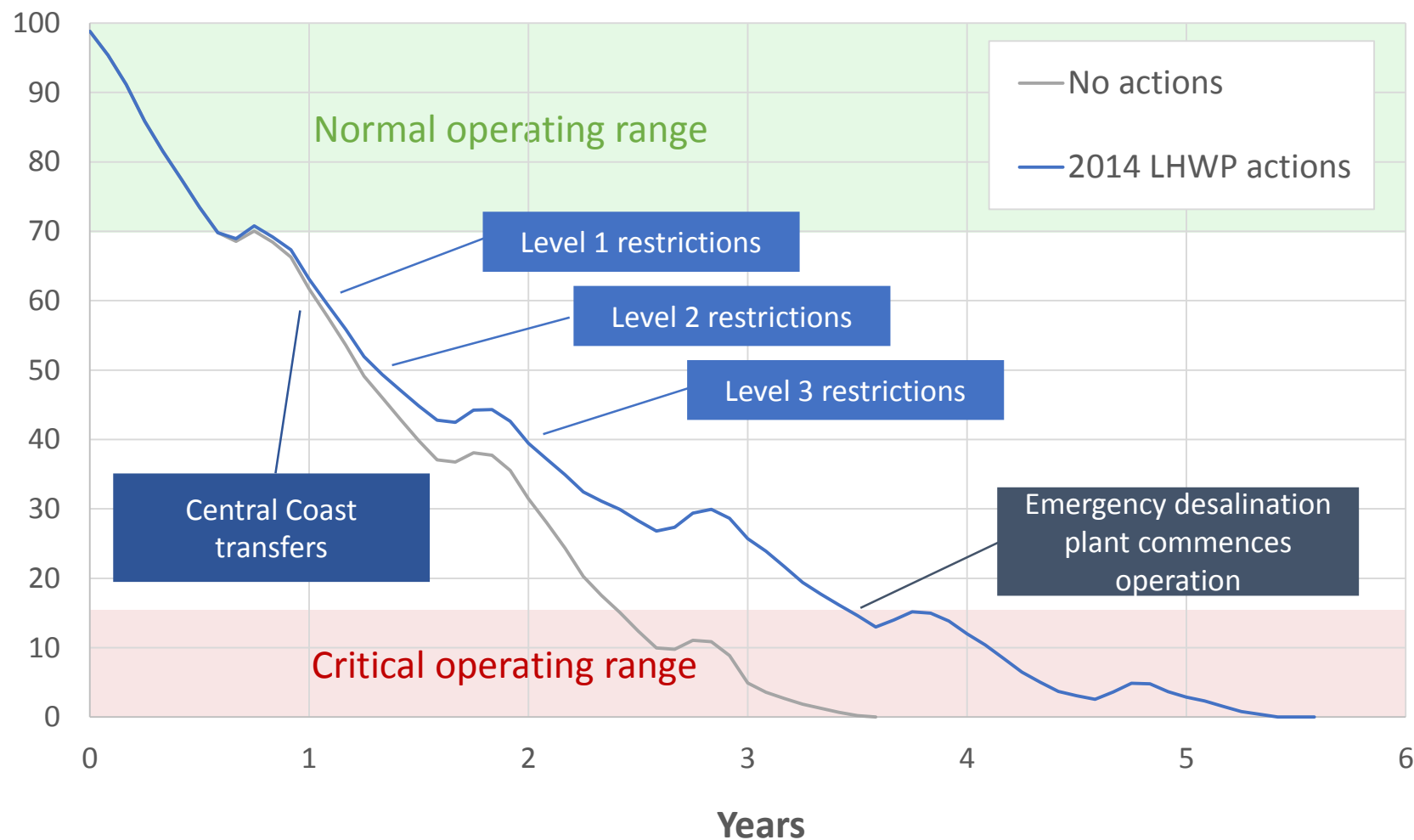


Protect and restore our ecosystems and biodiversity values.





Modelled system depletion in a severe drought



| | |
|---------------------------------|----------------|
| Minimum demand: | 125 ML/d |
| Enduring supply: | 60 ML/d |
| Enduring supply deficit: | 65 ML/d |

Lower Hunter Water Security Plan

How community views are informing our decision making





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 |

Portfolio analysis

Portfolio

Recycled
Water
Program

Water
Conservation
Program

Supply
Options
(now)

Supply
Options
(later)

Drought
Management
Plan

Portfolios are designed to meet water supply objectives to allow assessment across a range of criteria:



System
resilience



Environmental
impact



Social
impact



Cost to
build



Cost to
operate



Preliminary portfolios for community feedback

(subject to refinement)

| | # | Demand options | Supply option (progress now) | Supply option (progress later) |
|---|---|---|--|--|
| Making the most of what we've got | 1 | Program C for water conservation Program C for recycled water (non-drinking) | Increased regional water sharing (Central Coast and Upper Hunter options) | Purified recycled water for drinking |
| | 2 | Program C for water conservation Program A for 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 rainfall independence | 3 | Your choice of Program A, B or C for 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 |
| Rainfall independence | 5 | | Permanent desalination at either Belmont or Walsh Point (stage one) | Permanent desalination at either Belmont or Walsh Point (stage two) |
| 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) |



Phase 3 community engagement

Nov 2020 – Feb 2021

967



Visits to the LHWSP
your voice webpage

6

Mini focus
groups with
Lower Hunter
Council staff



67



Schools received
the LHWSP video

1,100+



People participated in our
online community survey

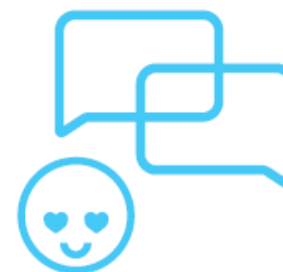
Social
Media



Social media across our channels received:

2,686

Engagements



7,575

Impressions with
overall positive
sentiment



Phase 3 community engagement

Nov 2020 – Feb 2021



Water Security

Strong community support for Hunter Water to invest to supply enough water to meet minimum customer demands in a long and severe drought.



Environmental Goals

Broad support for additional investments to achieve environmental goals for biodiversity and greenhouse gas emissions.



Water Conservation

Strong support for increasing levels of investment in water conservation programs.



Recycled Water and Stormwater Harvesting

Strong support for increasing levels of investment in recycled water/stormwater harvesting programs.



Values

Reliability of water supply was valued most highly by the community, followed by cost, environmental and social impacts.



Options Portfolios

Broad support to consider all options portfolios.



Decision making framework





How we're developing the Lower Hunter Water Security Plan

● Ongoing learning with our community

■ Working throughout with our stakeholders and government partners



BIOSOLIDS/WASTE TO ENERGY

CCAG – 9 March 2021 (9 participants)

When you think about biosolids being used to produce energy, what are the first things that come to mind?

- A chance to be creative and innovative.
- We need to look at everything we produce so we are sustainable.
- A source of energy.
- If we could treat it and convert it to energy it would be good for the planet. I can't imagine anyone would object if it was economically viable and it didn't create smell or a health risk.
- It comes from poop, that's all I know.
- I think of sludge, it has a very bad image.
- If we can get the image away from poo I think the community would go for it.
- Fertiliser. I think in Sydney it was bagged up and sold.
- We are trying to take a more environmentally friendly role.

Overall, is your reaction positive or negative?

- Positive.
- I have mixed reactions. You have to use it safely and efficiently. I've read studies that say it can be detrimental to health.
- Positive, but we have to make it sexy somehow.
- Neutral. There is a conversation to be had about using it as a resource. It's beyond my expertise, but from a community perspective I'd want to know what's going to happen.
- Totally positive.
- Positive. We have an overpopulation and have to use the resources we've got to keep the world going.
- Positive. It's a good idea but it needs to be economic or it's a false economy. There are alternative forms of cheap energy.
- Positive – it's about how it's presented to the public.
- With all the negative press about coal there's never been a better time to bring it on board.

Based on what you know about biosolids and turning waste into energy, please imagine the following scenario:

You live close to a sewage treatment plant where biosolids are going to be used to produce energy in the future. What would you think about this?

| I wouldn't support it | Prefer not to live close by | Neutral/ Don't mind | Okay as long as it doesn't impact me | Turning waste into energy - I'm all for it |
|-----------------------|-----------------------------|---------------------|--------------------------------------|--|
| | ✓ | ✓ | ✓✓✓✓ | ✓✓✓✓ |

What would be your initial thoughts and concerns?

- Potential emissions. I wouldn't want to live nearby.
- Potential emissions, economy of production, I'd want to see a community plan.
- If moving house was not a financial possibility I would be concerned.
- Society will fit into whatever it wants. There will always be housing around.
- Potential emissions. Then the process of treating it. As long as it's cost neutral or even a little negative that would be ok.
- You have to take all economies into account, for example the cost of alternative uses of the biosolids.
- Innovative measures probably need to be subsidized in order to put them on an equal playing field with things already in existence.

What would make you more comfortable/supportive?

- The facility will have to be build, therefore there's a process of planning and approvals. It's a matter of that person making up their mind whether they stay or move. People will make their minds up depending on employment and the proximity of the facility to them.
- People would need more information. I'm sure we can sell the message well.
- People would want to know the conversion to energy works and would not increase or change the risk level.
- It's a matter of transparency and consultation. Risks before and after, that those nearby won't be disadvantaged.
- People may have philosophical objections. I would explain to them that population growth which no-one wants to deal with, brings more waste and greater energy needs. It would be selfish to oppose it without a really good reason.
- For those nearby – there are always winners and losers, it's a fact throughout history.
- If I was living really close to it I'd want the government to be open and transparent about what the changes would be. There is a lot of distrust at the moment about governments and information. Openness and transparency is more important than PR spin.
- Visual amenity could be a concern.
- Visiting the plant would be important. (All agreed with this.)
- Honest information, not coloured to say what you want to say.
- I'd need to see the plan for emissions, odour. But, over-all I'd be open to it.
- The existing facility may not impact you, but the new one may. I'd want to be made aware of the changes. It would depend on what the changes are. Minimising impact is the only way.
- I can't help but feel the only way this can happen is by burning or heating, which has to have some potential greenhouse emissions – I'd have to understand how that works.
- If it's efficient and marketable and it doesn't stink, I'm all for it. It's a form of environmental sustainability.
- As long as it's pitched with honesty. In these types of conversations there may be mistrust in the pitch to the community, all potential risks have been presented.
- I think it's a fantastic idea, but there will be those who want to understand the risk to the environment and to people.

CCAG Your Voice Survey – March to May 2021 (5 participants)

The following are words or phrases that might be used to describe biosolids management in the future. How positive/negative do these words sound to you?

| | Don't know | Very Negative | Negative | Neither Pos or Neg | Positive | Very Positive |
|-----------------------------|------------|---------------|----------|--------------------|----------|---------------|
| Biosolids | | | | 2 | 1 | 2 |
| Biogas | | | | 3 | | 2 |
| Renewable energy | | | | | 2 | 3 |
| Sustainable energy | | | | | 2 | 3 |
| Waste to energy | | | | 1 | 1 | 3 |
| Thermal treatment | | | | 4 | | 1 |
| Gasification | | | 1 | 3 | | 1 |
| Pyrolysis | 1 | | 1 | 2 | | 1 |
| Resource recover | | | | | 2 | 3 |
| Nutrient recovery | | | 1 | | | 4 |
| Advanced thermal processing | | | 1 | 4 | | |

Thinking about turning waste into energy, how much do you agree with each of these statements?

| | Strongly disagree | Disagree | Neither agree nor disagree | Agree | Strongly agree |
|---|-------------------|----------|----------------------------|-------|----------------|
| Recycling a waste product and using it to create energy is a good way to use biosolids | | | | 2 | 3 |
| Recycling biosolids and using it to create energy will help the environment | | | 1 | | 4 |
| Recycling biosolids and using it to create energy is a good way to reduce carbon emissions | | 1 | 1 | 2 | 1 |
| Recycling biosolids and creating energy from biosolids is for everyone's benefit | | | 2 | 3 | |
| Recycling biosolids and creating energy will potentially reduce costs for customers in the future | | 1 | 2 | | 2 |