

Macalister Customer Consultative Committee

Minutes of Meeting 205

Date	Time	Location
26 November 2024	10:00am	SRW Maffra Office

Present

Mr Benn Thexton	Committee Chair
Mrs Kate Lamb	Committee Member
Mr Christopher Van Den Dikkenberg	Committee Member
Mr Mark Coleman	Committee Member
Mr Tim Missen	Committee Member
Mr Thomas Dwyer	Committee Member
Mr Warrick Purdon	Committee Member
Mr James Clyne	Committee Member

In Attendance

Mr Cameron FitzGerald	Managing Director, SRW
Mr Simon Wilkinson	General Manager Service Delivery, SRW
Mr Matt Cook	Manager Water Supply East, SRW
Ms Hayley Taylor	Executive Assistant, SRW (minutes)

Apologies

Mr Bernard Coleman	Committee Member
Mr Brad White	Committee Member

Absent

Guests	
Mr Terry Flynn	Manager Water Resource Projects
Dr Stephanie Suter	Environmental Water Resource Officer, WGCMA

1. Acknowledgement of County

The Chair acknowledged the Traditional Owners of the land on which the meeting was held.

2. Welcome and Apologies

The Chair welcomed all present to the meeting and noted the apologies.

3. Declaration of conflicts of interest

The Chair asked attendees to declare any conflicts of interest relating to the business of this meeting.

There were no new conflicts raised.

4. Confirmation of minutes – Meeting 204

The minutes of meeting 204 were approved.

Moved: Tim Missen **Second:** Thomas Dwyer

5. Business Arising

The report was taken as read.

6. PROJECT UPDATE

6.1 Avon Valley Water Security Project

Mr Terry Flynn, Manager Water Resource Projects provided the committee with an overview of the Avon Valley Water Security Project highlighting:

- SRW are applying for a commonwealth grant to undertake a detailed business case for this project. The grant application is for funding for 50% of the cost of the business case.
- The business case will determine whether it is feasible to:
 - introduce a 6GL pipeline supply across the Avon,
 - construct two balancing storages to improve the Main Northern supply constraints
 - Reconfigure the Nuntin channel by piping the channel.
- It is expected:
 - there would be a separate fee structure to join the scheme.
 - There would be approximately 1.8GL of water savings if Nuntin is modernised.
 - Full construction costs would be around \$50-\$60M.

The Managing Director reiterated SRW is asking for funding to assist in the undertaking of a detailed business case. A successful outcome of the business case would be confirming that all unmet demand within the existing MIA footprint could be met, and that any expansion results in a better service for existing customers. A better service for existing customers is feedback that has been heard clearly from the

committee and other customers and is a commitment from SRW should this project proceed.

The committee discussed:

- Expansion has to be beneficial for all, and the business case has to confirm that there will not be a water shortage through this expansion. A member expressed concern that the expansion could increase water prices for current customers and the expansion will take the water away from the current district.
- Infrastructure will be needed to support the delivery of this water, including infrastructure to get the water from Glenmaggie to customers, as well as on farm storage.
- Balancing the growth of the district with water security of the current district

Management advised concerns and issues such as these will be explored as part of the business case and rules need to be defined in line with beneficiary pays principle to justify funding. The Managing Director expressed that it is feasible that at some point in the future customers will require 24/7/365 access to an irrigation water supply to combat the changing climate and to support the changing water needs of farmers investing in the MIA.

The committee discussed

- the Werribee reconfiguration project and Newry Creek, and swapping one water source for another.
- Whether there is a way to harvest flood water and put flows into balancing storages. It was noted that SRW is constrained by the Bulk Entitlement.
- Potential for water to be taken using a different structure, for example off-peak or whether consideration has been given to making this water available “not-off peak”, for customers that have an entitlement within the current district but want to expand their business across the Avon. Management advised these options will be explored through the detailed business case.
- previous expansions and balancing the growing of district with water security of the current district.
- how water can be harvested and stored.
- how environmental and cultural values will be considered as part of the business case. The committee discussed water which has been allocated to Traditional Owners in the area, and the upcoming allocation of the 3/4 bench between irrigators, Traditional Owners and the environment.
- The allocation of water for the power stations in the Latrobe Valley, the Parliamentary Inquiry into nuclear power generation in Australia and the possibility of nuclear power generation in the Latrobe Valley.

A committee member discussed the impact modernising had on Newry Creek and the CFA. Management highlighted the conversations the organisation had had with Newry Creek customers, and noted the correspondence to Newry Creek customers advising of the commitment, that SRW will install an outlet when or if the WGCMA advise they wish to allocate environmental flows to Newry Creek.

It is expected it will take 18 months for business case to be prepared if funding is granted and outcomes will be discussed with the MCCC.

The committee **noted** their support for SRW in applying for grant funding for the detailed business case, reiterating existing customers must not be disadvantaged, and the project outcome must provide better service to existing customers.

Moved: Thomas Dwyer **Second:** Kate Lamb

The Committee thanked Mr Flynn for the presentation.

Mr Flynn left the meeting.

7. OUTLOOK

7.1 Season Outlook

Mr Matthew Cook, Manager Water Supply East provided a presentation and update on the season to date, highlighting:

- There was 76,435 ML in storage at the start of the season with small, regular rain events resulting in a low requirement for irrigation. October increase in demand.
- This season commenced with a lower storage level than recent years with peak storage levels reached in October.
- Spill has not been called this season with the storage reaching 7000ML below spill level.
- The Thomson Drought Reserve is expected to be paid back by 15 December 2024.
- An environmental fresh of 5,685ML, commenced at the start of November. The committee discussed how environmental flows could impact Spill, but a member noted the environment is also a customer, with an entitlement. Dr Suter highlighted the CMA do engage with irrigators and other stakeholders and consider irrigator needs when planning freshes.

A member noted this is an average year, and irrigators will need to keep this in mind when making decisions.

8. GUEST SPEAKER

8.1 Environmental Water Management Flows

Dr Stephanie Suter, Environmental Water Resource Officer, WGCMA, provided a presentation on the Environmental Water Management Flows, highlighting:

- The reasons environmental flows are required including river flows and needs of plants and animals in the systems.
- Environmental water is water set aside to manage, sustain and improve the health of rivers, wetlands and floodplains.

- The Victorian Environmental Water Holder (VEWH) holds the environmental water entitlements for the state. They are able to trade and sell their entitlement, but this has not happened in the Macalister area.
- Catchment Management Authorities (CMA) manage the entitlements held by the VEWH and engage with partners to develop annual and ongoing outcomes for these entitlements. These outcomes consider the natural requirements of the ecosystems including the needs of fish species for migration, and the needs of birds for breeding as well as managing water quality during dry periods. As part of this engagement the CMA also works with delivery partners to understand usage, including spill timing and volume.
- CMA's have a different arrangement to irrigator's, whereby they can carry over their entitlement, but if Glenmaggie spills, the first 20,000ML of water is environmental entitlement.
- The public can view information on environmental flows on the CMA's website and sign-up for text, emails. SRW also include environmental flow information in the weekly snap-shot.

The committee inquired as to how Traditional Owners could use any entitlements as were advised that how Traditional Owner's used their entitlements is up to them. For example, they could use the water on their own land, trade the water or leave it in the stream.

A member inquired as to whether fish numbers are counted and how species are tracking. Dr Suter advised monitoring is conducted on rivers and there have been improvements in fish breeding activities and numbers in some areas and stabilisation of species in other areas. The best years for breeding are during wet years, and freshes are used to support the species through to the next wet year.

The committee inquired whether on-farm efficiencies are impacting the drainage into rivers and whether this is considered a loss to the environment. Dr Suter advised on-farm run-off dams to reduce nutrient loads which would otherwise impact the environment in other ways.

The committee thanked Dr Suter for the presentation.

9. PRINCIPAL MATTERS – FOR DISCUSSION

9.1 Roundtable discussion – Regional highlights, issues and opportunities

The committee members were asked to provide an update on highlights, issues and opportunities they are seeing in their area.

James Clyne

- while irrigators would like more water, this season is representative of a normal year.

Thomas Dwyer

- highlighted two issues that had been raised with him, where a customer had reported some of their land had not been reinstated after modernisation works had been completed and discussed compensation payments for customers where pipelines had been installed on their land. It was **agreed** to take the matters offline and follow-up with the project team. Management advised that customers had 12 months post works to report any issues for them to be rectified.
- Inquired when outlets would be installed on Newry Creek environmental flows. The Chair and Managing Director clarified SRW had written to the Newry Creek community group confirming outlets will be put installed on Newry Creek if environmental flows are allocated to Newry creek. 17% of water savings from phase 2 modernisation are allocated to the environment, and the VEWH will determine where the environmental flows are allocated to. It was emphasised that customers on the creek are not currently metered, and if environmental flows are put through Newry creek, SRW will need to consider how the creek is rostered and how restrictions could apply. The Managing Director advised the portion of water set aside for four years for Newry Creek customers to purchase.
- Advised he had received reports that bores are low in the Newry area. A committee member who is also in the area advised this concern is isolated.

Warrick Purdon

- Advised he is happy with the volume of water available, and the cost of water through trades.
- has had no issues from the modernisation project, and was fortunate in the work area, as issues tend to become evident as the ground settles.

Kate Lamb

- upgrades from the Newry Modernisation project are working well, with some wins and loss through access to land during installation, and recouping land through filling in channels.

Mark Coleman

- The Wellington Shire Council is working to build a platform for local relevant information in the area (audio and visual).
- New councillors have commenced, and have asked SRW for information regarding 3/4 bench and how it works. It was **agreed** Terry Flynn could present using the information that was presented to the SGRF.

Tim Missen

- Irrigators are completing water budgets to ensure there is water available through the second half of the season. This is a service supported by AgVic that irrigators can utilise.

Christophen Van Den Dikkenberg

- Conditions are dry, with no deep soil moisture due to a dry winter. Due to the conditions he is irrigating a lot but is efficient in the way he irrigates.

Benn Thexton

- noted if Spill is not declared, he will dry off one farm and buying in feed as he cannot see value in buying water over summer. He has enough water on his other two farms.

Action	Action Officer	Due Date
Review with Modernisation Project team, matters raised by Thomas Dwyer regarding farmland not being reinstated and compensation matter.	M COOK	27/12/2024
Terry Flynn present to Council on the 3/4 Bench using the information that was presented to the SGRF.	T FLYNN	30/03/2025

9.2 Water Supply East Update

The report was taken as read.

9.3 Water Auctions

Mr Matthew Cook, Manager Water Supply East discussed SRW's Temporary Water auctions highlighting;

- The water has been generated by water savings created through early parts of modernisation and SRW has decided to sell 1000ML of water shares per year for 3 years.
- SRW holds the unauctioned shares, and will sell on the temporary market during the year to put the water into production. SRW will continue to auction this water until the shares have been permanently sold. A reserve has been set, as per SRW's Water Sales policy. The Managing Director explained the principles for setting the reserve, and the difference of the reserve for permanent allocation, and temporary allocation where the aim is putting as much water into production as possible.
- To ensure transparency, dates for the temporary water auctions have been published.

Management thanked the members for quickly highlighting an issue with text messages, and due to their notification SRW was able to rectify the issue quickly.

It was highlighted that a groundwater trade platform is about to be trialled in the South West and if successful, SRW will work to rollout the platform to the rest of SRW's service area. Groundwater is more complex due to aquifers, water associated with land and neighbour impacts, all of which need to be considered when trading. Due to this, groundwater trades will require human interventions to process the trade.

It was **agreed** the following items would be taken offline and discussed with the individual committee member:

- B-Pay and billing issue. Bills are not clearly reflecting pre-payments – Kate Lamb
- requirement to pay season allocation – James Clyne

Action	Action Officer	Due Date
Review with Finance team B-Pay and billing issue where bills are not clearly reflecting pre-payments (Kate Lamb) and the requirement to pay season allocation (James Clyne)	M COOK	27/12/2024

10. PRINCIPAL MATTERS – FOR NOTING

10.1 Communication Report

The report was taken as read.

10.2 Annual Report

The committee **noted** SRW's Annual Report had been published.

11. COMMITTEE MATTERS

11.1 Important issues from other customer committees

The Board and Executive recently participated in a strategy session to commence the Corporate Plan cycle. Current issues that are being discussed with the board are:

- Dry conditions are a focus for the board, particularly in the South West.
- Focus on improving technology including the implementation of a new finance system. This will be a multi-year project and aims to significantly improve customer experience.

11.2 Matter referred by/to the Board/Board Committee.

Discussed during agenda item 11.1.

11.3 2025 Committee workplan

The committee **noted** the workplan and it was **agreed** Management will include reporting at the next meeting on:

- % of customers that have used % of their allocation, and
- Feedback on Auctions.

Action	Action Officer	Due Date
At the February 2025 meeting include information on:	M COOK	20/01/2025

- % of customers that have used % of their allocation, and
- feedback on auctions.

11.4 2025 meeting schedule

The committee **accepted** the 2025 meeting schedule with no amendments.

12. GENERAL BUSINESS

Applications for changes Bulk Entitlement (BE) – A member inquired about the applications being advertised for public consultation, to changes to Bulk Entitlement relating to Loy Yang. The Managing Director advised there are two applications which have been advertised by the Minister for public consultation. AGL currently hold a BE and have been working with the government to close the power station. The proposed amendment will add a clause to include the timing of when mine stops operating, and moves to rehabilitation. There is no change to amount the of water the operator can take, or the way they currently operate. The Latrobe Valley Regional Rehabilitation Strategy (located on DEECA’s website), details how mines can be rehabilitated with water and how they are restricted to taking water. A member raised concern with water contamination in mine voids with the Managing Director advising an Environmental Effects Statement would likely be required to be completed as part of any remediation works.

The committee discussed whether the Committee should have a formal option on water being used for mine rehabilitation. The Managing Director advised the policy directs that no irrigator entitlements will be impacted.

SRW carbon offset program – it was **agreed** SRW will provide a presentation at the next meeting on SRW’s Carbon Offset program.

Carbon reforestation project – The Managing Director described SRW’s net zero greenhouse gas emissions target advising SRW uses 100% renewable energy but needs to offset some vehicle emissions. Work is being undertaken to plant carbon offsets on SRW owned land including at Glenmaggie with planting expected to begin in May 2025. 75 hectares of land around Blue Rock Lake is being assessed as to whether it is suitable to plant. Included in the assessment is a bushfire risk assessment. The proposed site is situated well back from the Willow Grove township. SRW are working with some members of the committee to address issues that have been raised.

Additionally, SRW is working to change over to an electric fleet which will also reduce vehicle emissions.

Action	Action Officer	Due Date
At the February 2025 meeting provide a presentation on SRW’s Carbon Offset Program.	M COOK	20/01/2025

13. Meeting evaluation

With the meeting running over time, this agenda item was not discussed.

14. Next meeting

The next meeting of the Macalister Customer Consultative Committee is scheduled for Tuesday 25 February 2025 at will be held at the newly renovated Maffra Depot.

15. Close

With no further business the meeting was declared closed at 12:21pm.