



## Hunter River Salinity Trading Scheme Operations Committee – meeting minutes

<b>Meeting:</b>	HRSTS Operations Committee	<b>Date:</b>	Friday 18 November 2022
<b>Location:</b>	Singleton Library and Online	<b>Time:</b>	10:10am – 12:40pm
<b>Last Meeting Date:</b>	29 July 2022	<b>Next Meeting Date:</b>	19 May 2023
<b>Present:</b>	<p>Dr WEJ Paradise – Chair</p> <p>Lisa Richards – Discharge Licence Holder – BHP – Mt Arthur Coal</p> <p>Craig White – Discharge Licence Holder – Bengalla (online)</p> <p>Gary Mulhearn – Discharge Licence Holder – Yancoal MTW</p> <p>Robyn Parker – River Management Committee – Local Land Services</p> <p>Ken Bray – Irrigators Representative – Hunter Valley Water Users Association</p> <p>Sally Hunt – Senior Water Planner – NSW Department of Planning and Environment – Water Group (delegate for Danielle Dougherty)</p> <p>Ajantha Prathab – Water NSW</p> <p>Partha Saha – Water NSW</p> <p>Audrey Yim – EPA</p> <p>Amy McLaughlin – EPA</p> <p>David Posniak – EPA</p>		
<b>Apologies:</b>	<p>Danielle Doughty, Mgr Coastal Waters – NSW Department of Planning and Environment – Water Group</p> <p>Christopher Rooney – Discharge Licence Holder – AGL Macquarie</p> <p>Thava Palanisami – Community Representative</p> <p>Mahmood Khan – Water NSW</p> <p>Ben Mulhearn – Water NSW</p> <p>Alex Young – Director Container Deposit Scheme – EPA</p> <p>David Gathercole – A/Director Regulatory Operations Metropolitan – North - EPA (Guest)</p>		
<b>Guests:</b>	Corrie Ford – Manager Regulatory Operations Metropolitan - North – EPA (online)		

Agenda Item	Main Discussion Points	Actions
1. Acknowledgement of Country	<p>The chair acknowledged the traditional owners of the lands on which we met.</p> <p>Water NSW confirmed that until further notice, Mr Partha Saha will represent Water NSW at future meetings.</p> <p>The chair welcomed the Committee Members and invited each attendee to introduce themselves.</p>	
2. Review of minutes and actions from previous meetings	<ul style="list-style-type: none"> <li>- The minutes of the previous meeting were adopted as true and accurate with no changes.</li> <li>- The previous meeting actions were as follows:</li> <li>- <b>Action item 1:</b> Headshots and biographies for committee members (Status – still outstanding, two remaining)</li> </ul>	<ol style="list-style-type: none"> <li>1. EPA to add previous Ops Committee Meeting Minutes to website. Alarna Bristow to be</li> </ol>

	<ul style="list-style-type: none"> <li>- <b>Action item 2:</b> Request to circulate EPA org chart to members (Status – completed)</li> <li>- <b>Action item 3:</b> SOP Updates (Status – completed)</li> <li>- <b>Action item 4:</b> Confirm service agreement details – confirmed that service operates on business hours 8am-4pm weekdays and 9-12 on weekends. They can work beyond those hours in certain circumstances (Status – EPA to discuss with WaterNSW on whether out-of-hours service needs to be captured in the Service Agreement)</li> <li>- <b>Action item 5:</b> EPA to follow up with Water NSW to understand and address the issue with the River Register. (Status – completed) <ul style="list-style-type: none"> <li>o Water NSW have confirmed that the issue was due to a cap on notifications per day from the third-party provider. This has been fixed and industry representatives have confirmed no further issues have occurred.</li> </ul> </li> <li>- <b>Action item 6:</b> Incorporate website recommendations into proposed HRSTS website changes document. (Status – In progress)</li> <li>- Website updates are in progress.</li> <li>- <b>Action item 7:</b> Review salinity thresholds across sectors, determine reasoning for numbers – Strategic review. (Status – still outstanding, integrated into improvement works new action item 12) <ul style="list-style-type: none"> <li>o Confirmed that changes were not suggested for targets during last review.</li> <li>o Discussion that this was during drought conditions and needs to be addressed under heavy rainfall conditions.</li> <li>o Confirmed that EPA are looking into the original decision making for the targets.</li> </ul> </li> <li>- <b>Action item 8:</b> Organise information sessions for scheme participants to aid good understanding of the scheme (Status - completed)</li> <li>- <b>Action item 9:</b> Review River Register timing and consistency, determine whether a release criterion can be created (Status – in progress) <ul style="list-style-type: none"> <li>o Discussion suggesting text field on river registers to identify that continued monitoring and potential re-issue may occur, or conversely notation to confirm that this is expected to be the final river register for the block.</li> <li>o This would assist in both opportunity management and staffing of release valves overnight.</li> <li>o Water NSW suggest that under sharply rising conditions, this may be feasible, but when flow is steadily climbing, it may not be appropriate.</li> <li>o Suggestion from Dr Wej Paradise to formalise the policy on re-issued registers through the service agreement, to improve transparency on this issue, particularly during difficult staffing periods like school holidays.</li> <li>o Issue raised by Mr Craig White regarding current modelling approach and opportunities issues not lining up with actual conditions</li> <li>o eg. upper sector conditions in flood but not given opportunity</li> <li>o eg. re-issued opportunity for upper sector has passed for us participants</li> </ul> </li> </ul>	<p>added as an attendee for previous meeting.</p> <ol style="list-style-type: none"> <li>2. EPA to follow up on remaining headshots. Ms Lisa Richards to provide Headshot and Bio (action item 1)</li> <li>3. EPA to circulate post-information session survey (action item 8)</li> <li>4. EPA &amp; Water NSW to review adding a comment field on river register to flag further possible registers (action item 9)</li> <li>5. EPA and Water NSW to consider including formal re-issued river register policy under the service agreement (previous action item 9)</li> <li>6. Mr Craig White to provide dates of these noted issues. Water NSW to look into this issue and provide responses. (Action item 9)</li> <li>7. Dr Wej Paradise to look for original review of credit auction options and circulate (action item 11).</li> <li>8. EPA to review future improvement projects and present more detailed scope of works and cost estimates to Committee at</li> </ol>
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	<ul style="list-style-type: none"> <li>○ Issue raised by Ms Lisa Richards that taking the conservative approach at the bottom of the graph curve and not revising until the top of the curve impacts industry participants with earlier discharge periods.</li> <li>- <b>Action item 10:</b> Review credit auction platform and incorporate recommendations from Committee. Improvement works planned for this item. (Status – still outstanding, integrated into improvement works action item 12)</li> <li>- <b>Action item 11:</b> Circulate the report that reviewed the various credit auction options to committee members (Status – still outstanding)</li> <li>- Dr Wej Paradise offered to search for the original report and circulate.</li> <li>- <b>Action item 12:</b> Review future improvement projects and present more detailed scope of works and cost estimates to Committee at next meeting (Status – still outstanding)</li> </ul>	next meeting (action item 12)
3. Draft Annual Performance Report	<p>Ms Audrey Yim and Ms Amy McLaughlin presented on the draft Annual Performance Report and sought feedback from Committee representatives.</p> <ul style="list-style-type: none"> <li>- Ms Lisa Richards suggested that there is a clear link between Glenbawn Dam discharges and opportunities for the upper sector.</li> <li>- Discussion around whether the model is too conservative as the EC is well below the sector targets during discharge opportunities. Noted that not all participants take advantage of discharge opportunities.</li> <li>- Noted that representation of salt load in tonnes is meaningless and likely confusing to participants in the scheme.</li> <li>- Noted that an Annual Report from Water NSW regarding the model and activities will be prepared moving forward.</li> <li>- Suggestion by Ms Lisa Richards that it may be appropriate to detail how the scheme is performing against industry water management needs. Question raised as to whether this belongs in the Annual Performance Report as it does not speak to Environmental Outcomes.</li> </ul>	<p>9. EPA to consider including data around when Glenbawn Dam has discharged and impacts to opportunities</p> <p>10. EPA to include graphs representing ML discharged vs volume flowing through the Hunter River.</p> <p>11. EPA to reach out to stakeholders involved in the early scheme developments to work out why EC targets were set as they are.</p> <p>12. EPA to circulate draft annual performance report to the Committee for review and feedback. The feedback is to inform the content of future reports.</p>
4. Extreme Weather Events and Impacts to HRSTS	<p>Ms Audrey Yim presented on a discharge event from a participant in the upper sector outside of discharge periods. The discharge lasted for approximately 10 days and caused a small spike in the EC in the upper sector. The discharge was undertaken on the basis of emergency needs and brings into question how water can be managed better under the scheme</p>	13. EPA to review service agreement with WaterNSW and

	<p>during severe weather conditions. As such the EPA is proposing to review of the scheme in light of severe weather conditions.</p> <ul style="list-style-type: none"> <li>- Industry participants questioned what the material impact to the river system was as a result of this discharge.</li> <li>- Ms Audrey Yim stated the discharge led to an increase in EC by no more than 10 % above the target level.</li> <li>- Mr Craig White raised that while industry welcomes a review – it could become a bit controversial. Are the credits in each sector equitable? This should be considered in the review.</li> <li>- Industry participants were aware of the discharge and had explored the use of the Regulation emergency discharge provision however there was a lack of clarity on its use. Ms Audrey Yim clarified that the clause was originally set up to address discharges from electricity generators in dry conditions rather than wet weather conditions</li> <li>- Dr Wej Paradice detailed the previous circumstance involving AGL Macquarie and the use of the clause. When this took place the company was Macquarie Generation and was a State Owned Corporation (it had not been sold to AGL) - it is in the 2011 minutes of the HRSTS operations committee and was water that was "owned" by Macquarie Generation.</li> <li>- Ms Lisa Richards asked if it was possible to coordinate releases from Glenbawn Dam to assist participants in managing their water. If there is a proposal to release water from Glenbawn Dam over a consistent period, can industry be notified prior so credits can be secured, and full opportunity can be taken.</li> <li>- EPA is to liaise with WaterNSW to investigate whether this is feasible.</li> <li>- Industry participants noted this would not address critical water storage issues when there is no discharge opportunity hence emergency provisions may still be needed.</li> <li>- Industry participants raised concerns about transparency regarding the emergency discharge. Further clarification is needed on how this can be done within the regulation. Considerations of equity and why other participants were not also able to do this.</li> <li>- Mr Ken Bray raised whether there were opportunities outside of the scheme and discharge events to assist participants in managing their water. Suggested that irrigators could be supportive of this.</li> <li>- Mr Ken Bray raised that if there is a discharge outside of river register periods, downstream irrigators should be advised.</li> <li>- Mr Craig White suggested we can use this discharge as a case study of how the salinity in the river was impacted outside of discharge blocks and whether the model and EC targets should be reviewed based on this data.</li> <li>- Question from Dr Wej Paradice about how the decision was made for the emergency discharge.</li> <li>- Ms Audrey Yim explained the decision was based on emergency concerns and was not based on detailed understanding of the scheme and how it works. As a result, the EPA is embarking on internal training and</li> </ul>	<p>amend service hours</p> <p>14. EPA to work with WaterNSW on whether it is possible to coordinate releases from Glenbawn dam with opportunities for scheme participants.</p>
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	awareness raising so EPA staff better understand the scheme.	
5. HRSTS Participant Information Sessions	<p>David Posniak presented on the HRSTS Information Session that took place the day before. The session was attended in person and online by 74 attendees, including scheme participants, NSW EPA Regulatory Operations staff, Water NSW representatives and one representative from Muswellbrook Council.</p> <ul style="list-style-type: none"> <li>- Dr Wej Paradise mentioned Muswellbrook Council had requested more involvement in the scheme, potentially a committee role.</li> </ul>	<p>15. EPA to review proposed improvement works in light of feedback from the information session</p> <p>16. EPA to investigate council representative membership in future committees.</p>
6. Scheme improvement works	<p>Ms Amy McLaughlin presented an overview of current proposed improvement works.</p> <ul style="list-style-type: none"> <li>- Mr Craig White raised the potential for the scheme review to become a bit of a hot topic and hence consideration on how the review will be structured and communicated is needed.</li> <li>- Water NSW are working on establishing a real-time monitoring and compliance notification platform for the scheme. <ul style="list-style-type: none"> <li>o This is more complex than anticipated.</li> <li>o EPA would like to work with EPA Operations staff to ensure consistency with requirements in Environment Protection Licences.</li> <li>o Committee would like to know costs and timing of deliverables for this project.</li> </ul> </li> <li>- Ms Lisa Richards raised concern that members should have input into the prioritisation of projects.</li> <li>- EPA confirmed that some projects are in the scoping stage and budget has not yet been assigned. EPA committed to circulate project plans and proposed costs out of session for feedback from members.</li> <li>- Dr Wej Paradise suggested another meeting could be scheduled to review the prioritisation of projects.</li> <li>- EPA to consider ways to share the project statuses with committee members</li> <li>- High level information on active projects will be shared on the HRSTS website for scheme participants and interested parties.</li> <li>- EPA confirmed any new items raised in the HRSTS Information Session will be collated and considered in the suite of proposed projects.</li> </ul>	<p>17. EPA to work with Water NSW in estimating the costs and timing for deliverables on real-time monitoring and compliance notifications of HRSTS. The estimates will be circulated to Ops Committee for review and feedback before going ahead.</p>
7. HRSTS Finances 2022/23	<p>Ms Audrey Yim presented on the current status of scheme finances. She confirmed that there is budget for improvement works and that there was an additional cost of \$2500 for the information sessions.</p>	
8. Operations Committee Draft Terms of Reference	<p>Ms Audrey Yim outlined the Draft Terms of Reference for the HRSTS Operations Committee and sought feedback.</p> <ul style="list-style-type: none"> <li>- EPA to circulate Draft Terms of Reference to members for feedback, out of session.</li> <li>- Dr Wej Paradise raised the need for a code of conduct for members and code of conduct for the chair.</li> </ul>	<p>18. EPA to circulate Draft Terms of Reference to all members for feedback prior to next meeting</p> <p>19. Dr Wej Paradise to</p>

	<ul style="list-style-type: none"> <li>- Dr Wej Paradise noted he is working with other chairs involved in Community Consultative Committees (CCC) through NSW Department of Planning to review guidelines and terms of reference for these committees. These committees have also been developing terms of reference that may be used as a guide.</li> <li>- Members raised the capacity of the Committee and whether it should have a decision-making role or continue in its capacity as a feedback and communication role. This will be clarified in the terms of reference.</li> </ul>	circulate other Committee's Terms of Reference as guides.
9. General Business	<p>Water NSW updates</p> <ul style="list-style-type: none"> <li>- Mr Ben Mulhearn has been working with Mt Pleasant Mine to bring them on board as a new participant</li> <li>- Water NSW has been working with EPA to fine tune register timings &amp; when to re-issue a register.</li> <li>- Discussions are still ongoing to finalise the Service Agreement between Water NSW and EPA</li> <li>- Mr Ken Bray noted a spike in EC in the Goulburn River around Sandy Hollow or Muswellbrook within the last two weeks. He noted that it was diluted past Muswellbrook. This issue was reviewed during the meeting and was noted to be a potential sensor issue on 8 November 2022. Water NSW to confirm.</li> </ul>	20. Water NSW to review sensor issue around Sandy Hollow or Muswellbrook on 8 November and confirm with Committee members.
10. Next Meeting Date	Next meeting scheduled for Friday 19 <sup>th</sup> May 2023.	
14. Meeting Closure	Dr Wej Paradise (chair) declared the meeting closed at approximately 12:40pm	