



Minutes

Meeting:	Hunter River Salinity Trading Scheme (HRSTS) Operations Committee	Date:	Monday 19 October
Location:	Microsoft Teams	Time:	10am-11am
Last Meeting Date:	Monday 15 June 2020	Next Meeting Date:	Monday 10 May 2021
Present:	Dr WEJ Paradise – Chair Andrew Speechly – Discharge Licence Holder – Hunter Valley Operations Gary Mulhearn – Discharge Licence Holder – YanCoal Australia Christopher Rooney – Discharge Licence Holder – AGL Macquarie Robyn Parker – River Management Committee – Local Land Services Ken Bray – Irrigators Representative – Hunter Valley Water Users Association Forugh Dorani – NSW Department of Industry, Land and Water Division Michael Clarke – Environmental Representative Sri Sritharan – WaterNSW Mahmood Khan – WaterNSW Mitchell Bennett – NSW Environment Protection Authority (EPA) Genevieve Lorang – EPA Gina Bradley – EPA		
Apologies:	Martin Prendergast – WaterNSW Peter Jaeger – Discharge Licence Holder – Wambo Coal		
Guests:	N/A		

Agenda items:

1. Introduction

1.1. Welcome and Acknowledgment of Country

The chair acknowledged the traditional owners of the different lands on which everyone joined the meeting from. The chair welcomed the committee and noted the apologies. Mr Sritharan confirmed that Mr Prendergast will no longer attend these meetings as he has transitioned to his new role. Ms Bradley ran through online procedural matters.

1.2. Review Previous Minutes and Actions

The minutes of the previous meeting were adopted with no changes.

The previous meeting actions were as follows:

Action Item No	Action	Person Responsible	Status
1	Cross check WaterNSW's operating procedures against the regulation for consistency and draft amendments for consideration at the next meeting	Mitchell Bennett	Ongoing – see agenda item 2 below
2	Follow up why MERF notifications are still being sent	Andrew Speechly	Complete – agreed that NSW Minerals Council will write to HRSTS members to confirm that these notifications will be discontinued
3	Update the report to include reference to the 'highest losing bid' and publish the report on the EPA's website	Genevieve Lorang and Gina Bradley	Complete
4	Demonstration on managing a discharge event to be carried over to the next meeting and Ms Bradley to secure a meeting venue with sufficient internet connection for the presentation	Sri Sriharan/Mahmood Khan	Outstanding – to be carried over to the next meeting in May 2021
5	Circulate the presentation on budget	Gina Bradley	Complete
6	Upgrades to the credit register to be actioned in the next financial year	Mitchell Bennett	Ongoing – see agenda item 3 below

2. WaterNSW Standard Operating Procedures (SOP)

This action item was initiated as a step towards improving the quality assurance processes that the EPA uses to ensure the HRSTS continues to run in a manner that is consistent with the *Protection of the Environment Operations (HRSTS) Regulation 2002*.

Mr Bennett reviewed WaterNSW's SOP and confirmed that they are broadly consistent with the Regulation, but some areas could be improved with additional detail. For example, in relation to the timing of discharge events, the SOP states that the operator should '*check the start and end times for discharge at each site to see if there are any anomalies*', but it provides no guidance on what an "anomaly" might look like.

The EPA and WaterNSW will work to refine the SOP so that they are more useful for those without the background and experience of the Hunter River and to safeguard the system.

Action Item No	Action	Person Responsible
1	In consultation with WaterNSW, draft amendments to the SOP to be circulated before the next meeting	Mitchell Bennett

3. Upgrades to the credit register

Ms Bradley circulated the Statement of Work and Functional Specification ahead of the meeting for the committee to consider. The upgrades primarily seek to do the following:

- Make changes to the labels so that the terminology better reflects the corresponding function
- Create a new report to simplify invoicing, which currently involves an overcomplicated reconciliation process
- Create a new ABN field to improve clarity about which entity owns the credits, instead of relying on the company name which can often be misspelt

Creating separate fields for the discharge point and licensed premises was also considered, in line with changes made during the Regulation review. However, this would require an expensive rebuild of the

credit register structure, so it is proposed to continue identifying each discharge point and facility in the same field.

Mr Speechly asked whether the upgrade could provide restrictions or protections for participants where trading is inconsistent with the trading rules, for example by preventing retrospective trading. This change would likely require linking the credit register with the river register and therefore be a considerable expense. Mr Bennett agreed to clarify with the developers whether a warning message could be generated to incorporate this request, for example by adding a flag to say, “do not forget you cannot use these credits if your discharge opportunity has already finished”.

The committee agreed to the proposed upgrades in the Statement of Work and Functional Specification, subject to the options of including a warning message. Mr Bennett confirmed the proposed upgrades are within the budget.

After the developers commence work on the upgrades, there will be a period of User Acceptance Testing. This testing should be carried out by current users of the credit register. Mr Bennett called for volunteer discharge licence holder committee members to assist with this.

Action Item No	Action	Person Responsible
2	Statement of Work to be finalised and progressed before the next meeting	Mitchell Bennett
3	Ms Bradley to coordinate volunteers to complete the User Acceptance Testing within the timeframe finalised in the Statement of Work	Gina Bradley Andrew Speechly Gary Mulhearn Christopher Rooney

4. Draft Annual Performance Report 2019-2020

Ms Bradley circulated the Draft Annual Performance Report ahead of the meeting for the committee to consider.

Ms Lorang presented the details of the report to the committee, including a summary of the performance, compliance with the scheme, salinity flow charts and discharge events. Despite several discharge opportunities being approved, no industries discharged saline water under the HRSTS in 2019-20. However, the EPA investigated three incidents where small volumes of saline water were unintentionally released from two mines. Ms Lorang noted the reference to the legend in the graphs needs to be updated to accurately reflect the colours used.

The committee provided no further comment and the EPA team were thanked for preparing the report. Ms Bradley confirmed that the report will be published on the website.

5. HRSTS Draft Financial Expenditure Report 2019-2020

Mr Bennett presented the financial report for 2019-2020 to the committee.

WaterNSW's original indicative operating costs for 2019-20 included \$70,000 for model improvements and migration to the CARM Lite platform. However, this work was not invoiced in 2019-2020 because the work did not progress until 2020-2021, explaining the difference between the budget and actual expenditure figures in the report.

The auction proceeds were included as budgeted income in the 2019-2020 report, but it was noted that these proceeds are required to offset expenditure in 2020-2021 in accordance with the Regulation. Mr Bennett confirmed the income from member contributions figures are accurate in the report.

The committee provided no further comment on the report.

6. General Business

Mr Rooney noted that DPI Fisheries are seeking to remove the Liddell weir to enhance fish passage. This may result in the loss of a reliable flow monitoring site used by the HRSTS. DPIE Water, DPI Fisheries and WaterNSW are involved in discussions to determine who owns the weir.

Mr Sritharan confirmed that the work on the model migration is likely to be completed this financial year. Approval is sought to increase the 2020-2021 budget for WaterNSW to invoice the final expenses for this work. This budget presented to the committee at the last meeting did not include this cost.

Mr Bennett asked if the proposed costs could be sent to the EPA to consider. Mr Speechly suggested circulating the request to vary the budget before the next meeting so that this can be resolved out of session.

Mr Sritharan encouraged participants to keep contact details up to date in their register, so that early warning notifications can be sent to the right people. He proposed to send a test notice once or twice a year to check whether any contact details need updating. The committee agreed with this approach. Mr Bennett highlighted the importance of being clear to participants that these notices are tests only.

The next meeting will take place on Monday 10 May 2021. Ms Bradley asked for the committee's preference for online or face-to-face delivery for future meetings. The next meeting may take place in person if possible, to accommodate WaterNSW's presentation. Future meetings will be held online for convenience, unless an agenda item identifies a need to meet face-to-face.

Action Item No	Action	Person Responsible
4	WaterNSW to advise the EPA of the final costs of model development so that a request to vary the 2020-2021 budget can be circulated to the committee before the next meeting	Sri Sritharan