



Hunter River Salinity Trading Scheme Operations Committee – Meeting Minutes

Meeting:	HRSTS Operations Committee	Date:	Wednesday 18 June 2025
Location:	Singleton Council Library	Time:	10:00-12:00
Last Meeting Date:	14 November 2024	Next Meeting Date:	13 November 2025
Present:	<p>Dr WEJ Paradise (WP) – Chair</p> <p>Lisa Richards (LR) – Discharge Licence Holder – MACH Energy Australia Pty Ltd (Mount Pleasant)</p> <p>Gary Mulhearn (GM) – Discharge Licence Holder – Yancoal (Mount Thorley Warkworth)</p> <p>Rob Cavallaro (RC) – Delegate (Glenn Lyons) – Local Land Services</p> <p>Ken Bray (KB) – Irrigators Representative – Hunter Valley Water Users Association</p> <p>Christopher Rooney (CR) – Discharge Licence Holder – AGL Macquarie (Bayswater Power Station)</p> <p>David Worman (DW) – NSW Department Climate Change, Energy, Environment and Water (DCCEEW)</p> <p>Sophie Nichols (SN) – Environmental interests</p> <p>Partha Saha (PS) – WaterNSW</p> <p>Ben Mulhearn (BM) – WaterNSW</p> <p>Celeste Forestal (CF) – EPA</p> <p>Kate Davison (KD) – EPA</p> <p>Michael Fitzgerald (MF) – EPA</p> <p>Callan Cutcliffe (CC) – EPA</p>		
Apologies:	<p>Mahmood Khan (MK) – Water NSW</p> <p>Chloe McLennan (CM) – BHP (Mt Arthur Coal)</p> <p>Glenn Lyons (GL) – Local Land Services</p>		

Agenda Item	Main Discussion Points	Actions
1.1 Welcome, Acknowledgement of Country	<ul style="list-style-type: none"> The Committee and attendees acknowledged the traditional owners of the lands on which all attended the meeting. 	
1.2 Declarations of Interest	<ul style="list-style-type: none"> No declarations of interest were declared. 	
2.1 Introduction of members for new Committee	<ul style="list-style-type: none"> All attendees introduced themselves to the meeting group. 	
2.2 Induction of members – Code of conduct and sitting fees	<ul style="list-style-type: none"> KD provided an overview of the code of conduct with a focus on conflicts of interest and confidentiality of information shared in the meeting. KD provided information on the sitting fees and that they are claimed after attendance at both meetings in the year. 	<ul style="list-style-type: none"> KD to send out code of conduct acknowledgements for all committee member to sign and return Committee members to provide headshot and bio to update EPA website

2.3 Feedback on Committee appointment process	<ul style="list-style-type: none"> WP, GM, CR, and KB expressed the EPA on-boarding process for new committee is onerous and may potentially disincentivise community involvement and should be reviewed. LR agreed, adding that the on-boarding was akin to an employment process. Above members and DW expressed concerns over police checks being conducted by international, third-party organisations as part of the on-boarding process. Other comments: Wasn't fit for purpose Why are tax file numbers required? Looked like we were regarded as an EPA employee Some were already getting paid as part of their work and were not willing to give personal information to an overseas company. 	
3.1 Previous Meeting Minutes	<ul style="list-style-type: none"> Minutes of the previous meeting were accepted 	
3.2 Review of outstanding actions		

Action Item No	Action	Party Responsible	Update
1	EPA will consult with stakeholders and plan an out of session meeting to develop guidance on the emergency discharge defence provision in the POEO (HRSTS) Regulation.	EPA	<ul style="list-style-type: none"> External guidelines are developed, and next steps include consultation committee and broader industry. Internal guidance for EPA, including an application form for participants are in development. WP enquired about circulation of draft external guidance. <ul style="list-style-type: none"> KD advised Committee will have an opportunity to provide input to external guidelines. LR raised concern of lack of transparency and equity resulting from Mangoola emergency discharge, which created pressure from upper management to discharge under emergency provisions. Especially as the inability to discharge was significantly impacting mine operations. Highlighted need for clear and transparent definition of emergency. WP highlighted the potential of emergency discharges to undermine the purpose of the scheme. <p>ACTION – Draft guidelines to be circulated with Committee for feedback and comment</p>
2	EPA to circulate update on emergency dilution arrangement, procedures and guidance	EPA	As per update for action item 1

3	EPA to send draft licence variation to participants for comment.	EPA	<ul style="list-style-type: none"> On hold due to some changes planned to be introduced with the licence simplification project. <ul style="list-style-type: none"> LR expressed belief that real-time non-compliance reporting will not simplify reporting (from an operational/licensee perspective). <p>ACTION – provide update licence simplification project at November meeting.</p>
4	EPA to arrange another site visit for the next Operations Committee meeting.	EPA	<ul style="list-style-type: none"> GM offered to host at Mount Thorley Warkworth, pending management approval. LR offered to host the following 2025 meeting.
5	EPA to distribute advice on 400EC matter to NSW Minerals Council	EPA	<ul style="list-style-type: none"> Discussed with Minerals Council at the last meeting with EPA CEO (approx. 2 weeks ago) and will be addressed as part of the Regulation review. Regulation review will be commencing at the end of this year, beginning of next year. The EPA Policy team will develop a Terms of Reference for the review in consultation with stakeholders, including the Committee. GM advised the concern was about having to capture and store run off from rehabilitated areas due to the 400EC limit when the possible receiving creeks have a higher EC Standard water quality background level is well above 400EC. Some creeks run at ~ 1000EC and some tributaries have coal seam and high salinity. No one knows where the 400EC comes from.
6	EPA to circulate Legal and Finance advice about using HRSTS funds for the scientific study	EPA	<ul style="list-style-type: none"> Unable to circulate legal advice Possible under <ul style="list-style-type: none"> Part 9.3A of section 295H(1) of the POEO Act 1997, and Clause 73 of the POEO (HRSTS) Regulation 2002 LR believes costs associated with regulation reviews should not be cost recoverable from participants. <ul style="list-style-type: none"> Costs specifically related to the scheme such as modelling, credit trading platform, credit auction are appropriate Not the costs for what is a government responsibility Believes Industry participants will push back Funds being used for the Regulatory review should be used to fund projects to help with and improve the operation of the scheme DW – Highlighted need to define scientific study. A study which reviewed outcomes is different to a study which only evaluates the 400 EC, which would be a specific regulation review matter. Last few auctions made a significant positive impact of money available. Very different in dry times.

7	EPA to talk to WaterNSW about how to address the issue of sharing industry discharge planning information to add to the water model and operations of HRSTS	EPA WaterNSW	<ul style="list-style-type: none"> Carry this action item over to next meeting LR advised the Credit factor is currently impacted by the assumption in the model that all participants will discharge. This has a greater impact for the upper sector where there are less discharge opportunities. PS raised there needs to be a restriction so that credits can't be used or traded once the model has removed "parked" credits for that discharge event. This would need changes to the credit trading rules. CR suggested that changes to parking credits could reduce the need to trade credits. LR highlighted that investigation into this would be a good example of a proper use of scheme funds.
8	WaterNSW to provide technical detail on what is included in the rain-on-ground model (run-off and soil saturation)	WaterNSW	<ul style="list-style-type: none"> WaterNSW will be hosting a modelling workshop for EPA in July to address the feedback provided by EPA on the rainfall run off model. DW advised DCCEE team have data and modelling for rainfall runoff for the Hunter system and suggested WaterNSW could request this data <p>ACTION – Details of rainfall run-off model to be circulated to the Committee after July workshop with EPA</p>
9	EPA to undertake further assessment on Environmental Water Releases (EWR) and how HRSTS discharges should be managed and organise industry consultation	EPA	<ul style="list-style-type: none"> Carry this action item over to next meeting DW, KB and LR highlighted confusion over objectives of EWR and need for further clarity. PS explained the complication will arise when natural rainfall is not enough to create independent event but addition of the EWR flow creates flood flow conditions

Agenda Item	Main Discussion Points	Actions
4.1 HRSTS Proposed budget for 2025/26 FY	<ul style="list-style-type: none"> KD presented 2025-26 FY proposed budget. <ul style="list-style-type: none"> Costs mostly unchanged (WaterNSW costs CPI indexation adjusted). Budget is in surplus \$2,100,000 Cost for rainfall run-off model to be advised 	
5.1 WaterNSW systems and operations update	<ul style="list-style-type: none"> PS presented on the state of the river over the last 6 months <ul style="list-style-type: none"> 85 total published registers between Dec 24 to June 25 16 updated registers FMZ releases from Glenbawn Dam in June 2025 – FMZ Airspace as of 16 June 2025: 108 GL Glennies Creek, 16/06/2025: Storage Volume – 292 GL (103.3%) LR asked if WaterNSW could share data regarding previous registers to assist with forecasting for operational purposes. PS advised this kind of data could likely be shared if a request was made to WaterNSW 	

	<ul style="list-style-type: none"> • BM advised there was damage to gauges at Singleton and Long point during the recent weather event. <ul style="list-style-type: none"> ○ Temporary gauges in place, but damage across the network will take months to repair ○ Sites where alluvial and sandy soils have been disrupted will require resurveying and regauging of telemetry from hydrometrics team 	
6.1 Other updates / issues	<ul style="list-style-type: none"> • CR advised AGL missed a discharge opportunity when the river register was not sent out on 20 May 2025. discharge opportunity was missed due to communication failure from WNSW. • KB raised a previous enquiry to him from Dr. Cameron Archer, a member of the Lower Hunter Agricultural Water Users Association (LHAWU), regarding the potential / perceived impact of industry discharge on tidal pools of lower catchment communities. 	<ul style="list-style-type: none"> • PS to investigate why the river register was not published. • Committee to pursue potential information session for LHAWU
6.2 Next meeting date	<ul style="list-style-type: none"> • In person meeting on 13 November 2025 	

Meeting Closed at 12:05pm