# MEETING MINUTES

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| **Committee name** | Stakeholder Advisory Forum |
| **Date and time** | Tuesday 16 June 2026, 9.30am-12noon |
| **Location** | In person: Hunter Water head office – 36 Honeysuckle Drive, Newcastle<br>Online via MS Teams |

## MEMBERS PRESENT

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| Cr Brian Adamthwaite | Lake Macquarie City Council **(Chair)** |
| Cr Deahnna Richardson | City of Newcastle |
| Cr Sarah Pascoe | Cessnock City Council |
| Cr Warrick Penfold | Maitland City Council |
| Cr Michael Dowling | Dungog Shire Council |
| Cr Peter Francis | Port Stephens Council |
| Dr Craig Evans | The University of Newcastle |
| Mr Douglas McCloskey | Public Interest Advocacy Centre |
| Mr Bob Doyle | |
| Ms Rosa Krillic | Energy and Water Ombudsman of NSW (EWON) |
| Ms Elizabeth York | Urban Development Institute of Australia (UDIA) NSW |
| Ms Nicole Grgas | Hunter Tenants Advice and Advocacy Service |
| Ms Amy De Lore | Business Hunter |
| Mr Cameron Archer | Paterson Historical Society |
| Mr Boris Novak | HunterNet |

## APOLOGIES

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| Mr Lindsay Hardy | Wollotuka Institute at the University of Newcastle |
| Ms Sue Johns | National Seniors Association |

## IN ATTENDANCE

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| Ms Jennifer Hayes | Managing Director |
| Mr David Derkenne | A/Executive Manager Strategy and Engagement |
| Mr Declan Clausen | Group Manager Strategy and External Affairs |
| Ms Laura Boland | Stakeholder and Government Relations Advisor (SAF Secretary) |
| Mr Colin Hancock | Group Manager Water Resilience and Science |
| Ms Clara Laydon | Program Lead, Drought |
| Ms Emma Turner | Senior Economist |
| Mr Matt Hingston | Executive Manager Customer Services |

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| Mr Luke Bianchi | A/Manager Water Planning |
| Mr Rajesh Khadka | Engineer |

## WELCOME

The Chair opened the formal part of the meeting and provided an Acknowledgment of Country.

Apologies, as per the above table, were received and noted. The group welcomed Cr Sarah Pascoe as a new member to the SAF, replacing Cr Mark Mason for Cessnock City Council.

## OVERVIEW OF AGENDA AND CONFLICTS OF INTEREST

No conflicts of interest were declared.

## HUNTER WATER OPERATIONAL UPDATE

**Ms Jennifer Hayes, Managing Director, Hunter Water, provided the Managing Director's operational update to the group**

Ms Hayes advised members of Hunter Water's recent launch of its Cultural Protocol Guidelines. She noted that the guidelines provide a framework for respectful engagement, support culturally safe practices and help strengthen relationships with communities through trust, integrity and ongoing learning.

Ms Hayes provided an update on drinking water storages, noting that rainfall received in late May had significantly improved storage levels. Total storages had increased from close to 60 per cent to approximately 70 per cent.

Ms Hayes also updated members on the removal of playground equipment at Finnan Park, Grahamstown Dam. She noted that the equipment had deteriorated due to rust and was no longer safe for public use. The equipment has now been removed. Reinstatement or replacement is not currently possible due to planned dam safety works, which are likely to require periodic use of the park area as construction activities continue. Hunter Water will continue to engage with Port Stephens Council on this issue.

Members also heard an update on construction of the Belmont Desalination Plant. Ms Hayes advised that tunnelling works continue 24 hours a day, seven days a week, and that marine construction activities moved to 24-hour operations from 1 June. The tunnel boring machine is approaching breakthrough into the intake caissons. Once breakthrough is achieved and both the tunnel boring machine and caisson are recovered, installation of the dome roof on the direct ocean intake structure will commence.

Members asked whether the desalination plant would be operated intermittently or continuously once operational.

Hunter Water explained that due to the time and cost associated with starting and stopping the plant, it is intended to operate continuously at a minimum flow rate when demand is low. The plant has been designed to operate at rates as low as 10 per cent of capacity and can be ramped up as required when storages decline. A complete shutdown would require a significant period of time to restart and return to operational levels. Monthly community updates on construction progress are available on the Belmont Desalination Project webpage.

Members also heard about the completion of refurbishment works at the Arcadia Vale Reservoir. Ms Hayes noted that renewal works included the addition of a mural by artist Jordan Lucky. The mural marks the completion of the project and forms part of Hunter Water's broader program to strengthen water security and support regional growth.

Ms Hayes' presentation is available on the SAF webpage.

## DROUGHT PREPAREDNESS

**Colin Hancock, Group Manager Water Resilience and Science, and Clara Laydon, Program Lead Drought, provided an update on Hunter Water's drought preparedness planning.**

Members heard how climate modelling, weather forecasting and storage monitoring are used to assess drought conditions and guide decision-making. The presentation outlined the actions taken at each storage level under Hunter Water's Drought Response Plan and the preparations undertaken with councils and businesses as storage levels decline.

Members noted that recent rainfall had increased storage levels to approximately 70 per cent. While this rainfall significantly improved storage conditions, the Hunter region remains within the current drought cycle. The Bureau of Meteorology is forecasting a warmer and drier winter and spring, with El Niño conditions expected to influence weather patterns.

Members heard that Hunter Water's Drought Response Plan provides a framework for actions to be implemented at each stage of drought, including preparations for potential water restrictions. Hunter Water will continue working with councils, businesses and other stakeholders as planning and preparedness activities continue.

Preparations currently underway include the development of Water Efficiency Management Plans (WEMPs) with large water users.

Members commented on the relationship between agricultural land management, forestry practices and water quality outcomes. Members noted examples of improved land management practices that have delivered both productivity and environmental benefits.

In response, Hunter Water noted that the Four Valleys Program, of which Hunter Water is a partner, is a strong example of collaboration with land managers to improve water quality outcomes across drinking water catchments.

Members asked how Hunter Water is planning for future water demand from emerging industries, including hydrogen production facilities and data centres, and whether artificial intelligence is incorporated into demand forecasting.

The presenters noted that digital water meters are being installed for large water users to improve understanding of water consumption patterns. Data centre proponents across Australia are being encouraged to consider recycled water supplies where possible.

Members heard that water requirements for future hydrogen and data centre developments will depend on individual project designs. Such facilities can be designed as closed-loop systems, although trade-offs can exist between energy efficiency and water use. Hunter Water noted that considerable lead times are required to plan and deliver major water infrastructure and that future water demand from these industries will continue to be monitored.

Members heard that Hunter Water maintains a demand forecasting model for residential water use, which are being further refined through trials of residential digital metering and incorporate the impacts of water restrictions.

Members requested that future water demand associated with data centres and hydrogen developments be included on a future SAF agenda.

Ms Laydon's presentation is available on the SAF webpage.

## REBATES FOR SERVICE DISRUPTIONS

**Emma Turner, Senior Economist, facilitated a consultation session with members regarding proposed changes to customer rebates for service disruptions, including wastewater overflows, extended planned water interruptions and extended unplanned water interruptions.**

The discussion formed part of customer and community engagement being undertaken to support the review of Hunter Water's Operating Licence and Customer Contract.

Ms Turner provided the group with an overview of the purpose of service delivery rebates when rebates apply and why they are being reviewed. Hunter Water provides rebates to customers who experience service disruptions, as set out in the deemed Customer Contract that applies between Hunter Water and property owners. Service delivery rebates are a goodwill gesture for the inconvenience caused and signal of “fair play”.

Extensive community engagement was used to test whether the current rebates are well-targeted and set at the right levels. Hunter Water built on existing insights that were used to set the current rebates, supplementing these with new insights from around 600 people across a combination of workshop activities and surveys. Hunter Water heard that most of the current rebates are well set, but some changes would make rebates more meaningful.

Ms Turner explained that the insights from community engagement had been used to create a draft new package of rebates that Hunter Water would include in its submission to IPART upcoming Operating Licence and Customer Contract review:

This includes changes to rebates for:

- long unplanned water interruptions (increasing the amount for the second and third event in a year)
- long planned water interruptions (increasing eligibility so that customers would receive a rebate after the second event in a year rather than just after the third)

It is proposed that Hunter Water keep rebates the same for:

- low water pressure
- boil water alerts
- dirty water

Finally, Hunter Water proposes to set the rebate for wastewater overflows by collaborating with Hunter Water's Community Committee.

Members asked whether customers need to apply for rebates or whether rebates are provided automatically. Ms Turner advised that this depends on the type of service disruption. In some cases, rebates are applied automatically. For example, during water interruptions, Hunter Water records which valves are isolated and can identify affected customers, allowing rebates to be processed without any action from the customer. In other cases, customers need to notify Hunter Water of the issue before a rebate can be considered. For example, Hunter Water cannot automatically identify every wastewater overflow affecting private property. In these circumstances, Hunter Water relies on customers reporting the issue. Once notified, Hunter Water investigates the matter, undertakes any necessary repairs and clean-up, and processes any applicable rebate automatically.

Members asked who receives the rebate in rental properties. Ms Turner noted that rebates are calculated as a multiple of the water usage charge (that is, a dollar value based on the applicable kilolitre rate). This approach helps ensure the benefit of the rebate is directed to the affected occupant, as water usage charges can be passed on by a landlord to a tenant. As a result, the rebate is linked to the variable usage component of the bill rather than fixed charges.

Ms Turner ran an anonymous electronic poll to answer the question: Do you support the proposed changes to service delivery rebates as an overall package?

11 responded "yes"; 3 responded "yes, with qualifications" and none responded "no".

Discussion followed on the reasons for support with qualifications. These qualifications related to concerns if the rebate was reduced below its current level and concern whether members of the Community Committee could visualise the extent of distress caused when recommending the rebate for the third wastewater overflow.

Members were advised of an increase in complaints to the Energy and Water Ombudsman NSW relating to damage caused by wastewater overflows – noting that such matters can take significant time to resolve and often involve considerable inconvenience and stress for affected customers, in addition to the costs associated with property remediation and restoration.

Members also highlighted challenges faced by tenants when reporting water and wastewater service issues. It was noted that tenants may not know how to contact Hunter Water directly and may instead rely on landlords or property managers to report issues. Members observed that tenants can also face barriers when seeking information about services directly from Hunter Water because they are not the authorised account holder.

Members suggested that further education and engagement with property managers and housing providers could improve awareness of Hunter Water processes and support better outcomes for tenants experiencing service disruptions.

Ms Turner's presentation is available on the SAF webpage.

## HUNTER WATER GROWTH UPDATE

**Matt Hingston, Executive Manager Customer Services, Luke Bianchi, Manager Water Planning, and Rajesh Khadka, Engineer, provided an update on growth planning and infrastructure delivery.**

Mr Hingston introduced Hunter Water's growth and development services, noting that wastewater infrastructure continues to present the most significant challenge in accommodating future growth. Members heard that proactive engagement with councils and developers is critical to ensuring that infrastructure planning aligns with future development.

It was explained that the annual Growth Plan focuses on projected connection growth rather than population growth and seeks to balance investment in future capacity with affordability for customers. Hunter Water is now considering development concepts earlier in the planning process to improve confidence in future forecasting and infrastructure planning.

Members asked whether the approach to planning and funding key network infrastructure reflects industry best practice and whether greater visibility of growth planning assumptions could provide increased certainty for the development industry.

Members asked whether Commonwealth infrastructure planning initiatives are incorporated into the Growth Plan. In response, it was noted that Hunter Water is actively exploring opportunities associated with the Australian Government's recently announced $2 billion Housing Support Program – Local Infrastructure Fund, which aims to accelerate housing delivery through investment in enabling infrastructure, including water and wastewater assets. A minimum of $500 million has been reserved for regional projects.

Members discussed opportunities for more distributed water solutions, including integrated water management approaches and recycled water schemes. Questions were raised about the role of rainwater tanks, digital metering and other measures in reducing demand on the potable water network.

It was noted that rainwater tanks can provide benefits where rainfall is available; however, their effectiveness is limited during prolonged dry periods. Members discussed the importance of ensuring captured water is effectively utilised.

Members also highlighted the need to consider efficiency, amenity, water quality and long-term maintenance requirements when assessing alternative water solutions.

Members requested that recycled water be discussed as a future agenda topic.

Members noted the efforts of the University of Newcastle in implementing Water Efficiency Management Plans (WEMPs) and requested information on water-saving outcomes achieved through these initiatives. In response, it is noted that the University continues to demonstrate strong engagement in water efficiency while maintaining stable consumption levels. Water savings achieved through the University's WEMP are publicly available on Hunter Water's website as part of Hunter Water's major customer water efficiency program: www.hunterwater.com.au/water-and-environment/water-conservation/how-to-save-water/save-water-in-your-business/working-with-major-customers-to-save-water.

Members also highlighted the Hunter Water and Lake Macquarie City Council Recycled Water Irrigation Scheme as a positive example of beneficial recycled water use.

A question was raised regarding opportunities for recycled water use at the Gresford Sports Complex and the local Arboretum. This item was taken on notice.

Members requested updates on dam safety projects at Chichester Dam and Grahamstown Dam at a future meeting, along with further information on Water Efficiency Management Plans for small businesses.

Members also asked about supplier participation, innovation and opportunities within Hunter Water's procurement processes. Hunter Water will connect interested members with relevant procurement personnel for further discussion.

The presentation is available on the SAF webpage.

## OTHER BUSINESS

**Laura Boland presented the recent results of the SAF member survey, undertaken as part of the review of Hunter Water's Customer, Consumer and Community Consultation Procedure.**

Ten of the seventeen SAF members completed the survey. Feedback from the survey will help ensure Hunter Water's Customer, Consumer and Community Consultation Procedure remains relevant and effective.

All survey participants either agreed or strongly agreed that the SAF is an effective way to engage with Hunter Water. Survey respondents also agreed that the information provided through the SAF is useful and that they have opportunities to ask questions, contribute to discussions and have their views heard.

Members heard that review of the Customer, Consumer and Community Consultation Procedure is a requirement of Hunter Water's Operating Licence and that outcomes will be reported to the Independent Pricing and Regulatory Tribunal (IPART).

The highest priority topics identified in the survey by members for future SAF discussions were:

- water security and drought
- pricing
- servicing development and growth
- climate change adaptation.

## NEXT MEETING

A date for the next meeting of the SAF is to be confirmed. Likely in September/October 2026.