

MINUTES

Venue: **Rydges Central
28 Albion St, Surry Hills NSW 2010**

Date and time: **30 September 2024
9:00am – 2:00pm**

Meeting title: Customer and Community Reference Group – Minutes

Independent Chair: Abigail Goldberg

Attendees:

CCRG Members

Anna Bacik – Community Representative
 Narelle Brown – Community Representative
 Mary Karras – Ethnic Communities Council NSW
 Douglas McCloskey – Justice and Equity Centre (formerly Public Interest Advocacy Centre)
 Stephen McMahon – Urban Development Institute of Australia
 Donna Rogers – Community Industry Group (Illawarra)
 Graham Turner – Council on the Ageing
 Ross Williams – Local Government NSW

Sydney Water

Roch Cheroux – Managing Director (*part*)
 Stuart Wallace – General Manager, Customer & Stakeholder Engagement
 Dean Page – Executive General Manager, Finance Commercial & Digital
 Josh Isben – Head of Customer & Strategic Insights
 Izzy Kerr – Customer Research Manager
 Sharon Bowyer – Senior Customer Governance Specialist
 Rachelle Legrand – Head of Strategy, Change & Performance
 Mike Salter – Strategy and Sustainability Manager
 Daniela Kupresanin – Management Support Officer
 Dan Peacock – Head of Customer Contact (*part*)
 Aron Calfas – Head of Digital Risk & Strategic Assurance (*part*)

Guests

Kate Vallence – Strategic Engagement and Sustainable Water Lead, Barwon Water (on-line)

Apologies/absent: Bruce McClelland – Business Western Sydney
 Leigh Martin – Total Environment Centre
 Kate Miles – Head of System Planning & Land Acquisition

Meeting purpose: Bi-monthly meeting according to CCRG Charter
 The CCRG works with Sydney Water at a strategic level to achieve the highest possible levels of customer focus within our practices. It supports Sydney Water to ensure that our business decisions, as set out in our strategy, enterprise plan and regulatory submissions, are in the best interests of all Sydney Water customers and the community and are shaped by them.

Desired outcome: Discussion and feedback from CCRG Members

Agenda items

Item	Topic	Actions
1	Welcome and Acknowledgement of Country The meeting opened at 9:00am and the Chair welcomed participants. Stephen McMahon acknowledged Country and paid respects to elders past and present.	
2	Introductions, apologies and housekeeping The Chair welcomed Mike Salter - Strategy and Sustainability Manager and Daniela Kupresanin - Management Support Officer to the meeting. Apologies were noted.	
3	Minutes of previous meeting and review of actions / issues log Declaration of interests The Minutes and action/issues log of the 5 August 2024 CCRG meeting, which had been transmitted inter-session, were accepted without change. No new interests were declared.	
	Sydney Water update	

4	<p>Managing Director update</p> <p>The Managing Director provided the following update:</p> <ul style="list-style-type: none"> • Sydney Water Price Proposal is being submitted to IPART on 30 September 2024. • Recent media reports about PFAS. We understand this is worrying for customers. Health and safety of our drinking water is our top priority. Levels of PFAS in Sydney drinking water complies with the Australian Drinking Water Quality Guidelines. Questions asked by the CCRG members on public communication and treatment options were answered during the meeting. See Appendix 1 for further details on the discussion. • New Sydney Water Chair. Niall Blair (former NSW Lands and Water Minister) commenced with Sydney Water in August 2024 as a Director. He has had intense onboarding on the LTCOP and the Price Proposal (which he also approved) among other key matters. Niall will take on the role of Sydney Water Chair from 1 October 2024 and will join the CCRG for a future meeting. 	
5	<p>General Manager update</p> <p>Stuart Wallace provided an update on the following:</p> <ul style="list-style-type: none"> • Mamre Rd Stormwater - IPART have released a paper related to optimising the design. There will be public hearings coming up. Sydney Water will take on board feedback. • Youth Eco Summit – 1,200 primary school children attended the event hosted by Sydney Water held at Sydney Olympic Park. There was strong interest in water conservation. • Sydney Water branding – currently working on developing a brand position and long-term marketing campaign to promote recognition of Sydney Water and build public awareness about water for the future. This work will be able to be presented to the CCRG early next year. <p>Questions asked by CCRG members included:</p> <ul style="list-style-type: none"> • Will future Youth Eco events be held in the Illawarra? <p>Sydney Water explained that they had recently taken over the Youth Eco Summit from the Sydney Olympic Park Authority, but that it could explore options for similar events to be held in the Illawarra.</p>	<p>Action: Include Sydney Water brand positioning on CCRG Forward Plan for future meeting.</p> <p>Action: Sydney Water to consider possibility for a Youth Eco summit or similar event being held in the Illawarra.</p>
Price Proposal		
6	<p>Price proposal verbal update - next steps and communications plan</p> <p>Dean Page provided an update on the following:</p> <ul style="list-style-type: none"> • The Price Proposal will be lodged with IPART today (30 September 2024). • The customer facing summary version of the Price Proposal (incorporating previous feedback from the CCRG) will be finalised soon. • IPART will: <ul style="list-style-type: none"> ○ release the Price Proposal and their Issues paper on 1 November 2024 following which they will invite public submissions and hold a public hearing. ○ engage an independent consultant to review Sydney Water’s Price Proposal for prudent and efficient expenditure. ○ release their draft price determination in March 2025 before finalising it in June 2025. New prices will commence in July 2025. • The Price Proposal has been a ‘whole of business’ project. However there are still 9 months to go before the work is finalised. 	

	<p>Stuart Wallace outlined that a communications plan for the Sydney Water Price Proposal is being prepared and will be shared with the CCRG 'out of session' for feedback.</p> <p>CCRG members asked if the final Price Proposal could be shared with the CCRG.</p> <p>Stuart Wallace explained that IPART releases the Sydney Water Price Proposal (not Sydney Water) and that this will be made available on 1 November 2024.</p> <p>The Chair acknowledged the effort of the CCRG in guiding the customer engagement work as a key input to the Price Proposal, as well as working together to prepare the letter to IPART from the CCRG members regarding their experience.</p>	<p>Action: Sydney Water to provide the communications plan for the Sydney Water Price Proposal to the CCRG for feedback.</p>
	<p>Customer Engagement</p>	
7	<p>Guest presentation: Barwon Water's customer engagement journey</p> <p>Kate Vallence – Strategic Engagement and Sustainable Water Lead, Barwon Water (Vic.) joined the meeting on-line. Kate provided an outline on Barwon Water's customer engagement journey for their 2018 and 2023 price submissions.</p> <p>Questions from CCRG members focused on Barwon Water's engagement strategies regarding:</p> <ul style="list-style-type: none"> • CALD groups • purified recycled water and desalination • affordability and elder customers <p>The Chair and CCRG members thanked Kate for her presentation which was considered to be a useful and interesting example of a consultation approach by another water service provider.</p>	<p>Action: Sydney Water to share Barwon Water presentation with CCRG members.</p>
8	<p>Paper for discussion and workshop - developing our new Customer Engagement approach</p> <p>Josh Isben and Izzy Kerr introduced the session and facilitated a workshop with CCRG members.</p> <p>Feedback from the CCRG was collated into themes on:</p> <ul style="list-style-type: none"> • Overall approach to customer engagement • Demographics and groups • Methodologies • Topics for engagement • Closing the loop with customers • Procurement factors to consider • Other factors to take into account • What level and type of information should come to the CCRG. <p>See Appendix 2 for further details of the CCRG workshop feedback.</p>	<p>Action: Sydney Water to incorporate CCRG feedback into planning the new customer engagement approach.</p>
	<p>Operational</p>	
9	<p>Spotlight on customer data security</p> <p>Dan Peacock and Aron Calfas gave a presentation on Sydney Water's approach to customer data security. Key questions raised by CCRG included:</p> <ul style="list-style-type: none"> • Are passwords collected / stored? • Who is responsible if there is a data breach? 	

	<ul style="list-style-type: none"> Does Sydney Water call customers? Can customers delete or remove contact details from their account? What customer data can staff see? Are Sydney Water considering an App for customer accounts? <p>Sydney Water responded to the questions during the meeting.</p> <p>CCRG members advised Sydney Water to:</p> <ul style="list-style-type: none"> Continue to assess risks, analyse areas for potential harm to customers and manage risks appropriately. Ensure that risk controls for some situations do not cause issues for other parts of the community, for example the elderly (elder abuse is a form of domestic/family violence). 	<p>Action: Where data is available, Sydney Water to conduct further analysis on age ranges for customers who have signed up for My Account.</p>
	<p>Governance</p>	
10	<p>Other business</p> <p>Comments/questions raised from the CCRG included:</p> <ul style="list-style-type: none"> Need for clarity on customer engagement and community engagement and terminology, for example ‘customers’, ‘community’ and ‘consumers’. Potential for engagement with staff that have frontline relationships with customers. Does Sydney Water have the capacity and capability to conduct effective customer engagement? How developed are performance metrics for Sydney Water? Has there been any customer engagement on the metrics? What are the performance metrics for customer engagement and has it been effective? <p>Responses were provided during the meeting.</p> <p>CCRG Member Douglas McCloskey offered to organise customer engagement training for both Sydney Water staff and members of the CCRG.</p>	<p>Action: CCRG Chair and Sydney Water to discuss approach to take up of training.</p>
11	<p>Next meeting</p> <p>The next meeting is to be held at Malabar Water Resource Recovery Facility. Requirements for closed shoes, long pants and long sleeves were outlined.</p>	<p>Action: Sydney Water to provide location and access details.</p>
	<p>Close</p>	
12	<p>The Chair thanked members for their participation.</p> <p>The meeting closed at 1:40pm</p>	

CCRG Meeting Minutes - 30th September 2024

Appendix 1: Managing Director Update - Discussion on PFAS

The Managing Director outlined the following:

- Perfluoroalkyl and polyfluoroalkyl substances (PFAS) are man-made chemicals found in many everyday products and have been in existence for about the last 50 years. They have been known about within the water industry for about the last 10 years.
- The properties that make PFAS useful in industrial and consumer products also make them problematic in the environment – they don't break down fully which has led to complex challenges worldwide.
- NSW Health, Water NSW and Sydney Water have been working together on the risk assessment for water quality from ‘Catchment to Tap’.

- Concerns had been raised that PFAS from the Royal Australian Air Force (RAAF) Base Richmond (from firefighting foams) could contaminate drinking water. The North Richmond Water Filtration Plant sources raw water from the Hawkesbury-Nepean River upstream of where water from the RAAF Base drains into the river.
- The drinking water samples collected were below the limits specified by the Australian Drinking Water Guidelines.
- Testing for PFAS has been on a risk-based approach, but further testing has been conducted and has confirmed that drinking water meets the Australian Drinking Water Quality Guidelines.
- The Australian Drinking Water Guidelines only apply to treated water. The water found in dams and other catchments is untreated water. Untreated water is managed by WaterNSW and is not subject to the guidelines.
- Levels of one element of a PFAS substance were found to be higher at the outlet of the Cascades Water Filtration Plant though still within the Drinking Water Quality Guideline limit. WaterNSW have taken one of the dams that supply water to Cascades off-line as a precaution.
- The Australian Drinking Water Guidelines are underpinned by available scientific knowledge. They are currently being reviewed for PFAS by the National Health and Medical Research Council. When the Australian review is complete (expected soon), Sydney Water will work with NSW Health on the impact of those changes, if any, on us.

Key comments and questions raised by CCRG members included the following themes:

General

- Is PFAS still used in firefighting foams?

The Managing Director explained that PFAS was stopped being used in firefighting foams around 2017.

Communication

- Communication needs to educate customers that the risk of PFAS is higher elsewhere (including in bottled water).
- Reliable, safe drinking water is a priority for customers. Communities want reassurance about the quality of drinking water. Some members of the community already boil water, so Sydney Water needs to continue to educate customers in other languages (utilise SBS and local multicultural newspapers and radio) and also use one to one communication). What communications are in place for different communities? How is the media being engaged?
- The media is a very important form of communication, that can very powerful and have lasting impacts (as shown during the 1989 cryptosporidium water quality event and the breakup of Sydney Water as a result).

The Managing Director and General Manager explained that:

- Sydney Water needs to be continually proactive in communications and with the media for all customers and also with specific customer groups.
- Sydney Water is working with NSW Health, WaterNSW, EPA and Dept of Climate Change and the Cabinet Office on a whole of Government response to PFAS and also with WSAA on messaging about PFAS.
- WaterNSW recently held community drop-in sessions in the Blue Mountains (attended by Sydney Water representatives) and Sydney Water will continue to use local events to discuss this topic with customers.
- There is interest in PFAS from the ABC and SMH. Sydney Water is working on a TV story on PFAS testing and articles about 'myth busting'.
- Sydney Water have some messages on PFAS in key languages and are also using social influencers for promoting water quality messages (including on-line)

Treatment options

- What are the treatment options to remove PFAS from water?
- With Sydney Water's long term plans for Purified Recycled Water, additional desalination plants and potentially improved water treatment to respond to stringent PFAS requirements, what is Sydney Water's plan on energy usage and energy costs? How is this factored into the current Price Proposal and customer affordability?

The Managing Director outlined that:

- There are 3 treatment options available for increased PFAS treatment - Activated carbon, Ion exchange and Reverse Osmosis (which is also used in Desalination and Purified Recycled Water treatment processes).
- A number of treatment upgrades are already planned as part of Sydney Water's Long Term Capital and Operating Plan and Price Proposal.
- Reverse osmosis is an expensive treatment option as it requires a lot of energy and energy costs are going to get higher.
- Activated carbon treatment may be a cheaper treatment option compared to reverse osmosis. Further testing and analysis are underway to assess performance and cost efficiency of this option.
- Sydney Water has the goal to be Net Zero by 2030 (for scope 1 and 2 emissions) and Net Zero by 2040 (for scope 3 emissions – supply chain).
- Sydney Water is working towards reducing energy use (efficiency), recycling /creating energy in our own processes (cogeneration, biogas, hydro, solar), transferring to renewable energy contracts for electricity purchases and utilising carbon offsets where there is a gap.

Action: Sydney Water to discuss the Net Zero plan with the CCRG at a future meeting.

Microplastics

- What testing is Sydney Water doing on microplastics? Are there NHMRC limits for microplastics?

The Managing Director outlined that Sydney Water have started testing for microplastics and could provide further information on microplastic testing and NHMRC limits to the CCRG.

Action: Sydney Water to provide further information on microplastic testing and NHMRC limits to the CCRG at a future date.

Appendix 2 - Developing our new customer engagement approach CCRG workshop feedback

Overall approach to customer engagement

- Sydney Water to determine purpose of the engagement first before determining the methodologies, topics and platform engagement. What are you trying to achieve?
- Actions needed to address lessons learnt - avoid previous glitches.
- Customer Engagement Fundamentals - need to ensure all relevant internal people are trained in principles of engagement. Training for internal staff to ensure understanding on fundamentals of customer engagement. Staff training not just customer engagement team but also the regulatory economic team (so they know what questions should/shouldn't be asked of customers).
- Find out more from Barwon Water about how they shared their Draft Price Proposal with customers. How was it done and how did they share cost information?

Action: Sydney Water to ask Barwon Water about how they shared their Draft Price Proposal with customers.

Demographics and groups

- There is a need to differentiate between engagement on customer preferences and values (from individual perspectives) and customer interests (from community groups perspectives such as social and environmental interests).
- Representation is not just about customer demographic backgrounds but about their experience. (How Sydney Water interacts with customers/people (doesn't have to be representative of demographics, can be representative of experience and impacts on them)
- Determine and understand the archetypes that need to be engaged and then capture the demographics.
- There is overlap within demographic groups.
- Community interest groups to include are:
 - Financial counselling organisations and community groups
 - Not for Profit groups/organisations
 - Peak bodies eg eg FCAN Financial Counsellors Association of NSW and LCSA Local Community Services Association to link in with community organisations in Sydney Water Region, Physical Disabilities Council (NSW) <https://www.pdcnsw.org.au/>
 - Social groups
 - Environmental organisations
 - Community groups - Young and old
- Partner with CALD groups / community groups. Need to unpack what specific CALD groups to include (existing and emerging communities).
- Additional specific demographics to include are:
 - Youth
 - Seniors
 - Owners and tenants - need to be further broken down into those in strata and/or multistorey buildings.
 - Sydney Water staff (as they have intelligence on customer experiences and issues)
- Consider how the preferences of difference customer groups are weighted.

Methodologies

- Cautioned against purely designing engagement approach to meet IPART requirements.
- Different types/levels of engagement will be required.
- Focus groups are good for obtaining uninformed feedback.
- In depth interviews are good for informed and detailed feedback.
- Balance between face to face and digital engagement.
- Surveys useful but care needs to be taken not to bias. Need to control for bias in all forms of engagement.
- Questions to customers might seem simple but can still be time consuming to unpack, so needs careful consideration of form of engagement.
- Use each customer engagement method to augment overall engagement.

Topics for engagement

- The public consultation for the 2025 Price Proposal will inform areas for future engagement. Sydney Water to review public submissions to unpack areas for future engagement.
- Ongoing customer research and community engagement can inform future engagement.
- Experience from customers to inform topics for engagement.
- Specific topics suggested include trade-offs, customer service levels, emerging risks, energy, healthy waterways, land management and environment, development and growth (handling of Development Service Plans, what's the approach to address issues), working with councils.
- Complex engagement such as option analysis requires longer and in-depth consultation with customers.
- Test with customers. New information versus reviewing previous customer feedback from customers.
- Need to provide right information for effective engagement on specific topics.

Close the loop with customers

- Need to feed information back to customers.
- Give cost details back to customers. Need breakdown of costs for customer bills (the Aust Tax example).

Procurement factors to consider

- When selecting suppliers, need to determine the purpose of the engagement, what's important and the depth of engagement required. Do not use a market research company to do deliberative engagement.
- Suppliers must have good communicators (including for 'in language' engagement) and good ability to educate the audience.
- Different consultants (suppliers) may be needed to provide different engagement skills.
- Don't put eggs in 1 basket. Consider partnering with Not for Profits organisations or Non-Government Organisations to conduct particular pieces of engagement. Explore other groups such as universities/academic groups that could hold focus groups on certain topics (eg environment topics). Other groups can be better at effective community engagement and communication.
- Participant sampling strategy. How suppliers recruit/ select participants for customer engagement is important. How will suppliers obtain a generic representative group, how will they get representation of customer experiences (more critical than demographics)? On selecting participants, consider if participants should be given 'education sessions'.
- Determine what customers don't know and then focus on education as part of engagement. Consider if a consistent group of participants is required – what questions are you needing to ask.

Other factors to consider

- Need to factor in external influences that may impact engagement eg State Election.

What should come to the CCRG?

- Provide an early skeleton/broad plan outline on customer engagement and procurement approach and test with the CCRG.
- Customer engagement skeleton/broad plan should include a line item to review public submissions to IPART to inform future customer engagement
- Need to be transparent on where we are at. Bring Price Proposal submission and feedback back to the CCRG
- CCRG members requested copies of the final Price Proposal (now).
- CCRG to also engage with Board and Executive
- Use the CCRG as a whole not just a subgroup for guiding future customer engagement.
- Requesting 'out of session' feedback from CCRG members (in particular Douglas) was supported by CCRG members.