



Customer and Stakeholder Workshop

Held in person at Horsham Town Hall and virtually using Microsoft Teams on Friday 20 September 2024 at 10 am

1. Water Resource Position and Outlook – Scott Smith

Refer to [slides](#)

Questions and answers:

1.1 Have you considered increasing storage capacity, such as increasing the wall height at Rocklands?

Scott Smith, Manager Water Resources: If we increase storage capacity it doesn't increase the flow to storages. We haven't seen Rocklands spill since 1996, so even if we did increase the height of the wall that doesn't mean that it would hold more water.

From a holistic perspective, we need to consider the cost to upgrade those systems with how much more water they would realistically capture.

1.2 In the context of the Commonwealth government environmental allocation from the Murray River and the Goulburn, what are the chances of getting more water from the Murray?

Scott Smith, Acting Manager Water Resources: We're a basic entitlement holder, much like an irrigator. It would depend on what context we approached them. For example, if we developed another connection point or increased our ability to take off that system then we would be required to enter the open market to purchase that entitlement, just like any other entitlement.

On the Murray, everyone is treated as an entitlement holder and it's generally high reliability, low reliability and that's the profile that you get allocated water. So in that instance when we're looking at those options to either increase our take from the Murray system or increase the capacity, we are looking at openly purchasing entitlement, the same as any other entitlement holder would have to.

2. Donald Energy Pilot, Feasibility Study Outcomes – Graeme Dick

Refer to [slides](#)

Questions and answers:

2.1 Why Donald? There are over 200 houses in Donald that already have solar.

Graeme Dick, Manager Strategic Infrastructure Projects: Donald was identified when the previous study from C4NET (Centre for New Energy Technologies), had a study going on, and identified Victorian towns which would be suitable for a micro grid. There were 12 towns from around the state they looked at and Donald was in that top 12.

This identification was based on network data and electricity reliability issues and benefit from having storage within the that township.

GWMWater was looking at Donald already because we had the storages there in town, which were well located to be able to connect into the electricity grid within the town.

We looked at a few towns in terms of meeting our own electricity needs, where we could put some solar to meet our needs. We looked at Donald, Charlton and Nhill as each one of them had water storages, which were available to be used.

With each one of them we came up against the same problem, and there were constraints in the distribution grid so that we couldn't export the amount of electricity that we would be generating from that solar into the grid.

They couldn't go ahead due to network constraints preventing export, hence we became interested in the keeping that energy local. So having energy storage at the site, we're not actually exporting it away from the town and keeping that energy local. Then we're not constrained by the grid not having capacity because we're able to use it in the town.

2.2 Who is the commercial? If you have 200 houses producing electricity already, what commercial is going to need over and above that to increase what you've got in Donald, where it's limited already?

Graeme Dick, Manager Strategic Infrastructure Project: *The electricity that is generated by solar in town now, doesn't have storage attached to it. So the issue is that the 1.3 megawatts of solar in town now, in the middle of the day, they can meet a lot of their electricity demands by generating just from that solar but a lot of the solar is exported for very little value. But there's also a whole lot of electricity coming down from the north, from those larger renewable energy facilities, which are the cause of a lot of the constraints on the Charlton to Donald feeder line, the electricity line.*

So what this project is would propose to do is put electricity storage (a battery) into that network in Donald. So the solar that's being generated from rooftops instead of all being exported and not being of value to the homeowners or community, gets stored in the battery, so it's available later in the day. It increases the amount of renewable electricity that's generated that's able to be used in the town.

More than 50% of what those solar panels now are generating is exported out to the grid. That's because it's generated in the middle of the day and not stored. They're all generating a lot of electricity, which is more than what those individual houses need. It's exported and has very little value for the people that are actually generating that electricity.

If we do build a battery and solar there, it needs to provide enough revenue to pay for itself over its life cycle.

2.3 Any potential that GWMWater will consider micro-hydro dams?

Graeme Dick, Manager Strategic Infrastructure Projects: We've looked at in-pipe micro-hydro for a few locations and the one that looks most feasible for us is at the Taylors Lake facility where we've got all the head from Lake Bellfield which comes down through that facility.

What we've been a bit challenged by is the economics of where that electricity gets used, because we don't necessarily have a demand for that electricity at that site. It's certainly something that could still have potential.

Comments

I'm extremely concerned with the transmission lines with the wind farms and the solar farms. And who owns these multinational companies. I'm really in favour of this, as all of the profits will stay onshore if the communities can have their own power in their own backyard.

Some 50 years ago, there was a group of people in Donald who were responsible for developing that industrial area. That includes businesses such as Kooka's Cookies and many other businesses too, which would be a great market for local power consumption. That's one of the things that would make Donald an interesting and useful trial for this type of small town because their industrial area is larger than most.

3. Dam Safety Engagement Session – Chris Wright

Refer to [slides](#)

Question to Stakeholders

3.1 Should GWMWater proceed with works at Lake Lonsdale under the current funding arrangements?

Responses from Stakeholders

- General sentiment preference that the storage capacity of Lonsdale be preserved (\$12 million option therefore preferred)
- If no action is taken, costs will increase
- Do it sooner rather than later
- Need a cost benefit analysis
- Long term, it will need replacement
- What's the impact on environmental flows?
- If it's not water for customers, then \$13 million is too much

- How does this sit with existing capital works program?
- Lonsdale is of great importance
- Need to capture as much water as possible
- What effect does it have on bill payers?
- How much does it actually add to customer use/entitlements

Repair (\$1.2m)

- Lower cost (you get what you pay for)
- Band aid solution
- Reduced environmental impact in reduced level
- Cost benefit to long-term reliability of dam
- Need to consider ongoing costs

Upgrade (\$12m)

- Less repairs in long term
- Good for recreation, camping, boating & fishing
- Flood mitigation
- Environmental flow flexibility
- Commitments for compensation/environmental flow stability
- Government funding is more tangible
- Increased capacity
- Reliability
- Tourism and recreation opportunities
- Pumped hydro
- Increased entitlement
- Future proofing
- Lower insurance
- Potential growth water
- If it is higher, would you lose the beach/recreation values?
- It does need to be done, it can't keep failing.
- Upgrade is an investment in the future
- Value of upgrade if Lonsdale is inefficient?
- Is Lonsdale redundant?

Question to Stakeholders

3.2 Should GWMWater proceed with works at Rocklands Flume under the current funding arrangements?

Responses from Stakeholders

- Government should pay for headworks improvements – need to find suitable funding

- If we don't improve or update we won't have water for the future.
- Concern over imposing additional costs on users of an essential commodity, especially if subsidising cost of infrastructure for outside companies who profit from water use e.g. mining
- Should be deemed critical

Question

3.3 Are you looking at replacing like-for-like or are we looking at piped options?

Chris Wright, Manager Assets, Standards & Development There are many options that have been looked at. The practical ones are either a gravity pipe or repairing the flumes more or less like-for-like.

3.4 Question to Stakeholders

What principles should govern funding arrangements for headworks services?

- Government should pay for the environmental water delivery
- Need to find alternative revenue streams to fund upgrades
- Should be treated the same as state infrastructure
- Mining companies should pay for their infrastructure
- Don't like the idea of good quality water going to the mines to use
- State funded
- Commonwealth funding environmental entitlements
- Recreational should be considered in price setting
- Need to recognise if the environment was to pay a proportional amount, the overall environmental levy would go up for everybody.

4. 2023/24 Outcomes Performance – Sally Marshall

Refer to slides

Questions

4.1 Has Edenhope been considered in the capital expenditure budget?

Sally Marshall, Executive Manager Strategic Planning and Performance: There are works that are planned within Edenhope. There has been some storage installed. There is work being done around pressure upgrades in Edenhope and there's also an upgrade proposed for the water treatment plant itself.

We're also looking at what the long-term security of supply is.

4.2 Will you go down to tertiary level of the aquifer proposed for the mine?

Scott Smith, Manager Water Resources: *The aquifer becomes quite patchy in that area. The issue we have is we've previously had to try and locate fresh water in alluvial sand, either on top of the tertiary, or in place of, which are quite good. For the short term / medium term that is relatively reliable.*

We would hope that we'd be able to identify better options in the long term, but we're still going through that process. I imagine with targeting the tertiary throughout the Edenhope area we're going to run into quite significant water quality issues as we found with previous drilling. So, while there might be the volume available, the quality is less than what we have already found at the moment.

That's why we focused on the alluvial, because that's where we have identified the best freshwater to date. We can definitely try to locate good water in other areas around Edenhope but based on historic drilling programs you're just not going to find the quality.

4.3 Do you ever get feedback about water pressure?

Sally Marshall, Executive Manager Strategic Planning and Performance: *We did consult with customers during the last price review process around the minimum standards that they want to receive in terms of the supply.*

Off the back of that, works were done, including a lot of pressure upgrades. Edenhope still has some additional works to be done.

There's no way of automating at the individual customer point exactly. We do a lot of modelling and we've got different pressure points within our networks, but there can be a number of factors, so we do rely on customers making contact with us to let us know and then we certainly investigate those to identify whether it's something that we need to do.

4.4 Do you ever get feedback from what you sell on to other water companies?

Sally Marshall, Executive Manager Strategic Planning and Performance: *Coliban Water have connected on to our systems, and there's a couple of additional towns that are now getting supplied. The feedback has been positive from the service that they are receiving.*

4.4 When is Walpeup going to have drinking water?

Mark Williams, Managing Director: *In the last couple of years, we've put a second treatment process in at Ouyen and we've been able to improve the quality of water going out to all the stock and domestic customers on that line.*

It's also inherently improved the water quality going to Walpeup. I think that the extension of that is that we can now consider whether we can make that water quality good enough that we can actually put a chlorinator in at Walpeup and make that a drinkable water supply. It certainly is on the horizon.