

### CM13.1. AlburyCity Water Wise Rules

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<b>CONFIDENTIAL</b>	No		
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#### Purpose of Report

For Council to consider the implementation of Water Wise Rules.

#### Background

Recent below average inflows to Lake Hume combined with the 3-month weather outlook indicating drier and warmer weather for the remainder of the calendar year have given rise to Council assessing how we communicate with our community about water usage and water conservation. Council currently sends price signals to customers by adhering to the NSW Best Practice Management of Water Supply and Sewerage Guidelines. These signals are sent through a 2-tiered pricing structure and also by 75 percent of water revenue being generated by usage charges. In addition, Council has relied on webpage visitation to provide educational tools and ideas regarding water conservation measures which the community can embrace.

These measures have proved useful in reducing Albury's water usage from the long term average of 9,200 ML per year to approximately 8,100 ML per year. This figure includes the water supplied to Great Hume Shire for the Villages Water Supply Scheme. The reduction in water usage has been achieved while the enumerated population of Albury has increased from 42,614 in 1991 to 50,760 in 2016. The reduction in overall water usage has also been achieved while providing our customers with the fourth lowest residential bill for water in NSW and while building solid cash reserves in the Water Fund to accommodate upcoming Capital Works.

AlburyCity's full water allocation is 12,345 ML per annum. Water allocations for state catchment areas are set by Water NSW and are reviewed and adjusted based on water availability. Current water allocations in the Murray region are 100 percent of entitlement for local water utilities and stock and domestic customers, 97 percent for high security entitlements and zero percent for general security entitlement holders.

Council is also in the process of updating the Integrated Water Cycle Management (IWCM) Strategy. One of the key components of the IWCM Strategy is a strategic business plan. The business plan will assess all aspects of Council's water and sewer pricing as well as demographics and future capital works programs. When producing the IWCM and strategic business plan, community consultation will be undertaken so that all areas of the community can have a say in how our water and sewer usage and pricing models will be set into the future. A Drought Management Plan will be produced in conjunction with the IWCM, the Drought Management Plan will provide further direction on how

Council responds to drought conditions and the mechanisms for introducing formal water restrictions. As part of the development of the revised IWCM and Drought Management Plan, Council will review and enhance our water wise message and support offered to the broader community with regard to water conservation.

## Issues

Under the terms of the Local Government Act 1993 the application of water restrictions is deemed to be a function of individual Councils. The trigger most Councils use to implement water restrictions, including AlburyCity, is the likelihood of the Council exceeding their water allocation. For instance, if a Council has a water allocation of 10,000 ML per year and their usage during the first nine months of a year was 9,000 ML they would implement restrictions to reduce consumption to keep under the 10,000 ML allocation.

During the Millennium Drought it became evident that the allocation method of triggering water restrictions was problematic. This is largely due to some Councils having a water allocation which far exceeded their consumption. Therefore, even when their allocation was reduced to less than 80 percent there was still no likelihood of them exceeding the reduced allocation, and therefore, they did not implement water restrictions. This meant there was a range of different water restriction levels being implemented by Councils across the catchment which led to confusion and inequity.

In order to get continuity and reduce confusion the then Minister for Water, Minister Phillip Costa MP announced a new Government policy named the 'Murray Valley Town Water Restriction Policy'. The Policy came into effect on 5 November 2008 and included Albury, Corowa (now Federation), Greater Hume, Berrigan, Deniliquin (now Edward River), Murray (now Murray River), Wakool and Wentworth Councils. The policy mandated that Councils implement water restrictions when their water allocation was reduced. The restrictions were implemented irrespective of whether there was a likelihood of the Councils exceeding the reduced allocation and provided consistency across the catchment. Consistency was achieved because for any given time period all Councils were applying the same level of restriction. Mandatory water restrictions for these towns were lifted in November 2009. The water restriction levels under the Murray Valley Town Water Restriction Policy and the percentage water allocation which trigger them can be found in Table 1 below.

**Table 1:** Murray Valley – Town Water Restriction Policy 2008

High security water allocation	Level of town water restrictions
Less than and up to 20 percent	Level 4 – no outside watering
Greater than 20 percent and up to 40 percent	Level 3a – maximum of four hours watering per week
Greater than 40 percent and up to 60 percent	Level 3 – maximum of eight hours watering per week
Greater than 60 percent and up to 80 percent	Level 2a – maximum of eight hours watering per week, including restricted lawn watering
Greater than 80 percent and all water for critical	To be determined by Council: <b>Water Wise Rules</b>

human needs for the next water year has been reserved	<ul style="list-style-type: none"> <li>do not water gardens during the day, (between 10 am and 5 pm)</li> <li>do not hose concrete or paved pathways or driveways</li> </ul>
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AlburyCity's current water allocation is 100 percent of entitlement which means Council can access 12,345 ML of water per annum. Current demand indicates that approximately 8,100 ML of this allocation will be used in the 2018/19 water year. This usage equates to approximately 65 percent of our total annual allocation. A usage of this magnitude is in keeping with preceding years, but significantly less than historical water usage where it was common to use more than 11,000 ML per year. The reduction in Albury's water usage has been achieved during a time when the overall population has increased by approximately 17 percent. The reduction in overall water usage is due to the community being well educated in the need for water conservation and also by Council applying the Best Practice Management of Water Supply and Sewerage Guidelines.

When the restriction levels in Table 1 are reviewed it is evident that when water allocation is more than 80 percent it is to be determined by Council whether Water Wise Rules are implemented. Water restrictions only become mandatory when allocations decrease below 80 percent. Therefore, none of the formal triggers which would give rise to implementing mandatory water restrictions under the Murray Valley Town Water Restriction Policy have been reached.

Given that mandatory water restriction triggers have not been reached, the introduction of Water Wise Rules which disallow outside watering between 10 am and 5 pm and the hosing down of paths and driveways, is seen as good method of engaging with the community regarding water conservation. The opportunity to implement Water Wise Rules now, and renew the education process, rather than wait for mandatory restrictions to be enforced is seen as being a proactive measure for Council to take.

For comparison, water restriction levels for members of the EvoCities group of Councils and those included in the Murray Valley Town Water Restriction Policy were assessed. It was found that Armidale, Bathurst, Edward River, Dubbo, Federation, Greater Hume and Wentworth Councils have no form of restriction or Water Wise Rules in place. Berrigan, Murray River, Wagga Wagga (Riverina County Council) and Wakool Councils have implemented Water Wise Rules. Orange City Council is currently on a Level 2 restriction and Tamworth Regional Council has a number of restriction levels in their various supply schemes, these range from Level 3, Level 2 and Water Wise Rules.

Using Albury's water billing statistics, it is evident that residential usage accounts for 73.5 percent of total volume of water supplied. It is estimated that 35 percent of this volume is used for outdoor use. Experience gained in applying water restrictions during the Millennium Drought indicated that there was no quantifiable reduction in water usage until Level 3 or higher water restrictions were in force. Therefore, it is not likely that the implementation of Water Wise Rules would significantly reduce Albury's water usage and revenue streams.

Therefore, the benefits to Council and our community by implementing Water Wise Rules would come from reopening the dialog on the need for water conservation and by further educating the community. Beginning this process now, rather than at a time when mandatory water restrictions are

triggered would allow the community to be further prepared and educated should the dry conditions continue. In addition, it would allow for Council to be proactive and show leadership in the water conservation sphere.

### **Risk**

- Business Risk – Impact on business outcomes at this stage will be minimal. Any reduction in water usage through Water Wise Rules will have minimal impact on income and financial results. Council resources will be needed to draft a communication plan and to engage with the community as well as follow up on customers who water their gardens outside of the specified time. There is no increase in risk to the appearance and use of AlburyCity parks and gardens as they are routinely watered before 10 am and after 5 pm. It is expected that this resource demand will be relatively low and regular business functions can continue to be performed.
- Corporate Risk – there is no identifiable increase in corporate risk should the recommendation to implement Water Wise Rules be followed. By implementing Water Wise Rules Council is demonstrating its leadership in water conservation and in community preparedness.
- WHS and Public Risk – there is no identifiable increase in WHS risk associated with this consideration. There is no identifiable increase in public risk as sufficient volumes of water are still available to meet critical human needs and the needs of commercial businesses.
- Delivery Program Risk – there is no identifiable increase in operational risk associated with this consideration as all parks and gardens are watered outside of the Water Wise Rules time period.

### **Community Engagement**

A community engagement plan will be drafted to inform and educate the community on the need to conserve water. The engagement will direct, educate and reinforce the key water conservation messages already available on AlburyCity's website by putting in place a multiplatform water conservation message. The Sustainability Advisory Committee (SAC) has also advised that beginning a community education program around water conservation is a priority for the Committee.

### **Options**

1. Continue to provide drinking water without implementing Water Wise Rules in a “do nothing” approach;

Or

2. AlburyCity implements Water Wise Rules and undertakes a comprehensive communication and engagement program with the community about water conservation.

### **Conclusion**

Below average inflows to Lake Hume and a forecast for hotter and dryer than average conditions for the remainder of the calendar year have led Council to assess how we communicate with the

community about water conservation. Given Council's current water allocation and usage patterns no formal triggers have been met which would necessitate the need for mandatory water restrictions.

Therefore, implementing Water Wise Rules is seen as an important step in communicating with our community on the need for water conservation. Beginning to communicate now will allow for the community to be informed and engaged should there be a need to move to a higher level of mandatory restriction in the future.

**Recommendation**

That Council agree to implement Water Wise Rules and undertake a comprehensive communication and engagement program with the community about water conservation.