

Evoenergy Energy Consumer Reference Council (ECRC)

Meeting 28

Minutes April 10 2019 2.00pm

ActewAGL House

Attendees

Allan Williams	Chairman
Susan Helyar	ACTCOSS
Rick Lord	Council on the Ageing (COTA)
Darron Marks	Gungahlin Community Council
Didi Sommer	Tuggeranong Community Council
Prof Barbara Norman	Canberra Urban and Regional Futures
Michael Hopkins	Master Builders Association
David Denholm	Inner South Community Council (observer)

Evoenergy

Leylann Hinch	Branch Manager, Asset and Network Performance
Emily Brown	Manager, Regulatory Pricing
Chris Bell	Manager, Regulatory Pricing Review
Giuliana Baggoley	Consumer Engagement Manager
Phil Deamer	Manager, Regulatory Price Reviews
Barry Harvey	Acting Manager, Energy Markets and Contact Centre
Alison Davis	Program Manager, Customer Connections
Bruce Hansen	Branch Manager, Gas Networks
Glenn Pallesen	Branch Manager, Customer Connections
Samantha Lloyd	Evoenergy Brand and Communication Specialist
Eddie Thanavelil	Demand Side Innovation Engineer
Paul Wheatley	Head, Health and Safety
Janelle Waithe-Davison	Customer Liaison Officer

Apologies

Evoenergy

Kiera-Lee Barrett	Contact Centre Team Leader
Dennis Stanley	Branch Manager, Asset Strategy

ECRC

Nick Clarke	Engineers Australia, Canberra Division
John Sullivan	Australian National University
Adina Cirson	Property Council of Australia (ACT)
Glenys Patulny	Tuggeranong Community Council
Kevin Cox	Gungahlin Community Council
Ron Thompson	Canberra Business Chamber

Papers distributed prior to the meeting:

- Agenda meeting #28

- Draft Minutes ECRC Meeting #27

1. Welcome and introductions

ECRC Chairman Allan Williams welcomed members and guests. Apologies were noted.

2. Review and ratify the minutes of meeting 27

The minutes and actions arising from ECRC meeting 27 were discussed. All actions have been completed. Leylann Hinch noted the drone programme is 75% completed. The ECRC Meeting 27 minutes were ratified.

3. ECRC member updates

- Mr Lord shared that the COTA annual Seniors Expo in March hosted over 130 stalls and attracted over 5000 attendees – it was considered a success and is growing annually.
- Professor Norman shared that on Wednesday twenty-three former emergency services chiefs raised awareness about climate change-fuelled catastrophic weather events which they say are putting lives at risk. The group delivered a set of demands to Prime Minister Scott Morrison, as well as state and territory governments, in a joint letter issued in Melbourne on Wednesday. Prof Norman noted that the mood on climate change is changing in the community. The story was covered in national media.
- The ECRC noted the announcement of Evoenergy General Manager (GM) Stephen Devlin's retirement, and that Fiona Wright will assume a long-term acting GM role from May 2019. Members wished Stephen Devlin well for his retirement and passed on congratulations to Fiona Wright who has previously presented to the ECRC.
- Mr Williams reminded members where possible to invite a proxy to attend ECRC meetings if they cannot attend.

4. Regulatory Affairs

Mr Bell, Manager Regulatory Pricing Review, updated the Council on final timing and details of the 2019-24 electricity network regulatory determination. Evoenergy's proposal can be viewed online at: <https://www.aer.gov.au/networks-pipelines/determinations-access-arrangements/evoenergy-actewagl-determination-2019-24/revised-proposal> AER final determination is due by 30 April.

Giuliana Baggoley asked members to consider what they would expect from Evoenergy in terms of any announcements or communication to ECRC members and the general community following the AER determination. Members were asked to respond to Giuliana out of session.

Ms Brown provided a network pricing overview that informed on electricity bills and network tariff components that include: transmission, distribution, jurisdictional schemes and metering charges.

Ms Baggoley asked whether Evoenergy is unique in managing transmission and distribution within our jurisdiction. Mr Hinch replied that Evoenergy is one of two (2) distributors in Australia that has this dual function – transmission and distribution.

Mr Denham asked about what percentage (cost) comes from the different jurisdictional schemes. This was covered within Ms Brown's presentation.

Mr Marks asked about how the ACT is achieving its target of 100% renewable electricity and how these costs are passed through to consumers.

Ms Brown replied that this cost is factored into the Jurisdictional Scheme component of electricity charges. Ms Brown explained that retailers have the choice on how they pass through network costs.

There was comment from members that network maintenance is a concern. This maintenance cost fits into the network cost component of the total bill and represents approximately 37% of the typical residential customer's bill in 2018/19. We are waiting until the 30th April (when the AER final determination is released) to know more about what is happening and how those costs and percentages will vary.

Prof Norman asked Ms Brown about network cost trends over the last five (5) years and whether this could be shown.

Ms Brown offered to provide this at the June meeting.

5. Electricity Safety Rules

Paul Wheatley, Head of Health and Safety, explained the Electricity safety Rules (ESR) and their purpose. The updated ESR will be published this year (2019).

Paul reminded ECRC members that when they look up and see high voltage (HV) transmission lines *and* low voltage (LV) lines, that four (4) wires means LV and three (3) means HV

Paul ran through some ESR tables and how to read clearances and requirements for the classifications of ordinary, instructed and authorised persons, as well as what these classifications mean.

ESR includes assets buried underground, and the hope is that this will support civil contractors to dig more safely and avoid injury and emergency outages.

ECRC members asked whether there are rules for approaching gas mains as well.

Mr Hansen responded that, like electricity, there are safe distances to clear for gas network assets. Gas pipes are rated according to pressure. Canberra largely has medium pressure pipelines, in part to protect consumers from significant injury should they strike a gas main. Mr Hansen went on to list gas asset clearances for ACT.

Mr Lord asked whether Evoenergy provides safety / ESR pamphlets in other languages. He spoke of his experience working with men's shed members for whom English is not their first language.

Mr Wheatley commented that this was good and useful feedback and promised to take this back for consideration. There was discussion about how people from non-English speaking background access and interpret safety information.

Ms Baggoley remarked that safety is of primary concern to Evoenergy and ECRC members should be made aware of our activities in the safety space including how we consult with stakeholders on important documents like the ESR.

Mr Wheatley said Evoenergy will generally review the ESR every three (3) years and prior to any final changes and publishing, Evoenergy consults with major stakeholders like Icon Water and Zinfra. Of interest to these stakeholders is how their team and contractors can become appropriately trained to work on, or near our network.

Mr Marks asked about assets that are considered 'beyond the meter' i.e. not part of Evoenergy's network, like lithium batteries, and how safety of these assets is managed. Mr Wheatley discussed this point, how Evoenergy regards these consumer-owned assets and their safety in the marketplace.

Mr Wheatley also added that Evoenergy has engaged the Clean Energy Council and Access Canberra as part of the ESR review and ongoing, general safety considerations.

Mr Denholm asked about the annual number of safety incidents – how many issues occur related to Evoenergy assets? Mr Wheatley responded that serious incidents number in "...the tens but not more than 20". And that Evoenergy has not been involved with a fatality on the network for some time.

The same question was asked of the gas network and Mr Hansen replied that each month there are 20-25 incidents where some asset is struck or someone comes into contact with gas network infrastructure.

Ms Helyar asked about segmenting safety messages - what are safety messages for commercial use, domestic use and the general industry, and how do different assets matter to each audience? How does Evoenergy introduce Dial Before You Dig (DBYD) to different audiences? This was noted as good feedback for communication and improving safety messages to different consumer segments.

To finish, Mr Wheatley mentioned that ECRC members can expect to see Evoenergy's DBYD campaign on television soon.

6. Gas regulatory updates

Mr Deamer presented information and updates on a few aspects of gas network regulatory affairs including -

- Tariff variation notice proposal
- GN21 timetable
- Reference service proposal

With regards to the tariff variation notice proposal Ms Helyar commented that the greatest percentage increase in cost is applied to the lowest usage (which could be vulnerable customers) and that where this was the case she would not support this.

There was discussion and general agreement from other ECRC members that the approach shared may not work to incentivise energy efficiency. Mr Deamer thanked everyone for their input, acknowledged working in an environment with constraints and said that his team was working towards an informed outcome.

There was a question about differences between fixed cost and usage costs; it was requested that this be discussed at the June meeting.

Ms Helyar and other members asked whether gas networks have noticed a relationship between price increases over recent years and individual customer gas consumption.

Mr Deamer responded that we do not have a great deal of (granular, specific) information to answer that question. A reduction in consumption has been noted generally, but this could be attributed to a number of things including an increase in high density housing. Gas consumption has bounced back to what it was before the dip and therefore price may not be a driver but more living arrangements might be a bigger driver.

Mr Deamer provided an overview of the upcoming access arrangement review process leading up to submitting a proposal to the AER, and emphasised the importance of consumer engagement in this process. He outlined the variety of engagement methods Evoenergy will undertake to seek meaningful consumer feedback into the proposal, including the possibility of a citizen jury.

Ms Helyar commented that Essential energy's deliberative process was very well regarded in their recent (electricity) regulatory proposal program.

Lastly, Mr Deamer introduced the reference service proposal that the AER has requested – Evoenergy will be the first utility to submit a reference service proposal. There was some discussion of metering for gas networks similar to how Power of Choice has been introduced in electricity networks but that Evoenergy does not regard such a change to be in the interests of consumers over the coming regulatory period. Jemena has an agreement to manage Evoenergy gas meter data and the likely cost to change may be significant.

Ms Helyar asked about Evoenergy information and communication technology investments such as was discussed in August 2018 and how these might be applied to gas networks however it was explained that gas networks and electricity networks do not use the same software and that Evoenergy's gas networks are operated and maintained by Jemena and Zinfra.

July 2019 to December 2019 will be a key period for engagement. ACTCOSS will deliver an engagement stream as part of the GN21 program to provide independence to Evoenergy's consultation with vulnerable customers.

Mr Williams asked whether the engagement program was actually on track.

Mr Deamer responded that Evoenergy is trying to be measured with this and is keen to get into the consumer engagement in detail, as strategy planning permits.

7. Energy Share SMS

Mr Thanavelil recalled a previous Evoenergy SMS demand response pilot program that involved fewer than 600 customers who responded to an SMS requesting they reduce their energy consumption at a particular time to test consumer behaviour and any subsequent network benefit.

Evoenergy is now investing in further research and approaching 8000 residential customers who have smart meters, to invite them to participate in another SMS trial. Participants will receive an SMS offering energy-saving tips and requesting they reduce consumption over particular time periods. SMS will be sent without warning to test consumer behaviour and measure any network benefit. Participants will be incentivised with entry into regular prize draws including one for simply registering to participate.

Ms Helyar said she was aware of some resistance to smart meters (perhaps related to suspicion and/or lack of understanding of peak demand tariffs) and questioned the use of smart meters for this trial.

Smart meters are being targeted because of the quick access to good customer data that they allow, so that customers can be given timely feedback about their efforts.

Ms Helyar also pointed out that there have been instances where networks have requested reduced energy usage and vulnerable customers have participated to their own (alleged) detriment: these customers may have avoided using electricity but then overheated or became too cold. Messaging is really important. Ms Helyar asked about what incentives have been trialled and suggested offering movie tickets (so people could go out and be comfortable during these periods) or something similar – even partnering with, say, libraries where heating and cooling is managed and the public is welcomed during these times.

Mr Marks asked about how the ACT government is giving grants to residents to invest in batteries and whether Evoenergy could access these in some way. Mr Thanavelil responded by briefly outlining our virtual power plant arrangements that were most recently successfully trialled in January 2019. We have access to 700 batteries we can ‘see’ and signal as needed. The target from ACT government is 5000 residential batteries. Currently this number is less than 1000. But we do have initiatives to use the batteries intelligently.

8. Other business

Allan Williams opened the floor to any other business or general questions.

Ms Sommer asked about a scoping document for a proposed plant in Fyshwick near the Evoenergy Fyshwick switching station and was after more information about the scoping document, who responded and what informed the response. Evoenergy has responded in the scoping document as a referral agency for the proponents Development Application.

Mr Pallesen replied that we can provide more information but who can provide that depends on the information sought. Ms Sommer may pursue the question offline.

There were no other matters raised.

9. Communique draft

Presentations and associated discussions were noted for inclusion in the Communique.

10. Next meeting – number 29 – June 19th 2019

The meeting closed at 4pm