

Evoenergy Energy Consumer Reference Council

Meeting 32, December 2019



WELCOME

- Introductions
- Review action and ratify minutes from meeting 31
- Member updates



GN21 Update

11 December 2019

Today will cover:

- Recap on where we are up to with the GN21 Plan
- Recap on ACT climate change action
- Recap on future gas options for the region
- GN21 Draft Plan overview:
 - Scenarios we are considering for the future of gas
 - Indicative key inputs to our plan – capex, opex, rate of return, depreciation
 - Indicative price impacts
 - Long term impacts

Our GN21 Plan

- While we're working on the future roadmap for gas, we must submit our gas plan to the AER for the 2021-26 regulatory period
- We are planning to publish a draft plan in late February/early March to get consumer feedback prior to finalising our plan due to the AER in June 2020

Confidential draft





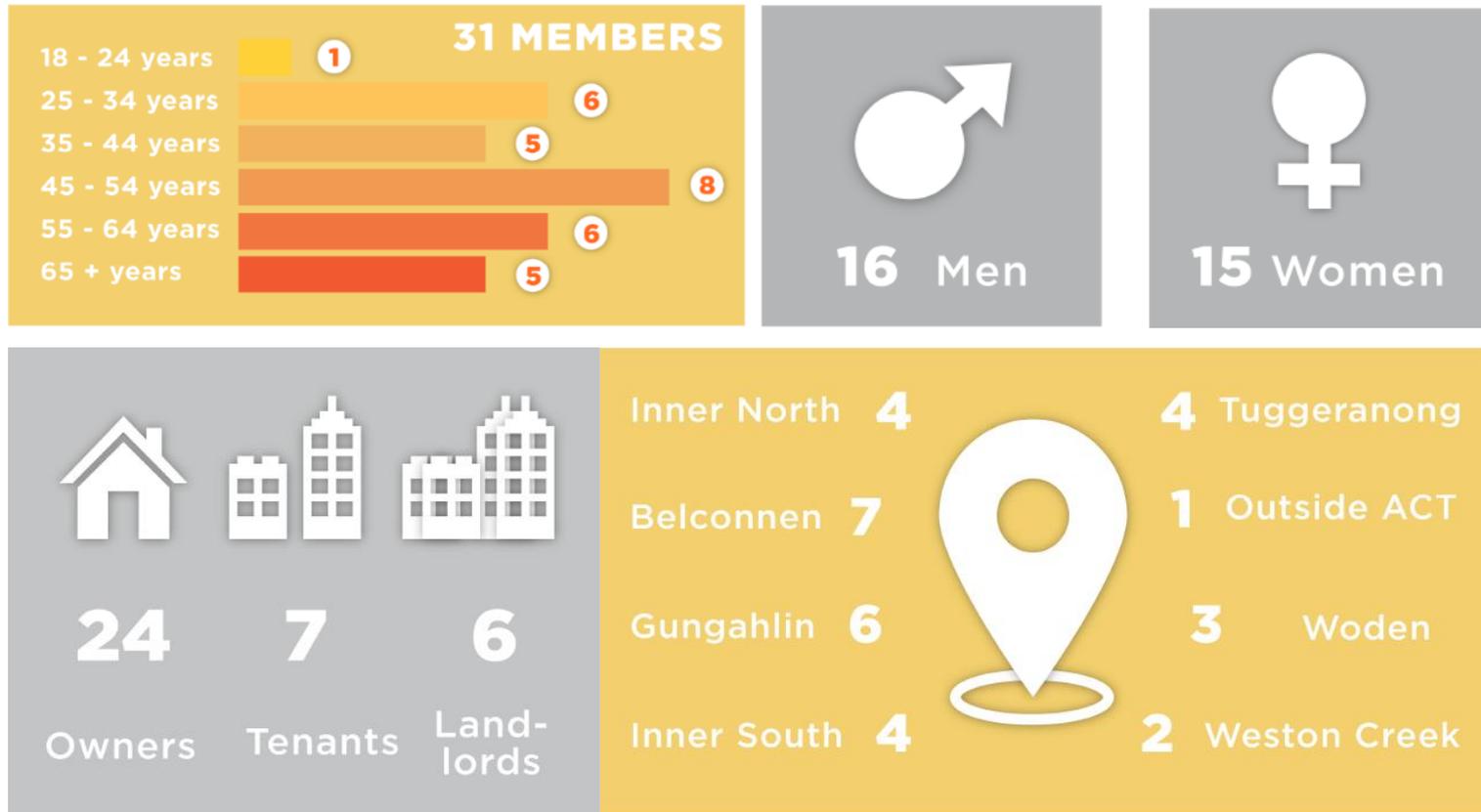
Citizens' Jury

11 December 2019

Process

- Representatives of local community independently recruited to reflect the diversity in the community
- Two weekends - 19/20 October and 2/3 November 2019
- Process overseen by advisory group
- Facilitated by an engagement professional

Community diversity was reflected



Jury in process



Jury question

The ACT Government has legislated for net zero greenhouse gas emission by 2045.

Evoenergy is committed to transform the gas network to meeting this target.

As part of this transition, what are our consumers' expectations of the service provided to them?

Presenters

- ACT Climate Change Council
- ACT Council of Social Service
- ACT Conservation Council
- ACT Environment, Planning & Sustainable Development Directorate
- Australian National University
- Energy Consumers Australia
- Evoenergy
- Jemena
- St Vincent de Paul Society
- World Energy Outlook

Outcomes

- Praise for the CJ process and leadership shown by Evoenergy in bringing it about
- Support for the ACT Government 2045 target and expectations that Evoenergy's operations will meet or exceed this target
- Request to submit entire report to ACT Government
- Report remained agnostic on a preferred future scenario noting options for upgrading/adapting the network; decommissioning the network or maintaining/mothballing the infrastructure for potential future use.

Recommendations

- 8 recommendations directly to Evoenergy
- 5 recommendations directly to ACT Government (although this was not explicitly requested by Evoenergy)
- A further 3 supplementary recommendations were made where consensus could not be reached

A Jury Member's Experience



2019 Evoenergy Citizens' Jury

Saturday 19th and Sunday 20th October

Saturday 2nd and Sunday 3rd November

Task: Deliberate on what customers expect from Evoenergy as the CCT moves to zero net emissions

Citizens' Jury facilitation

Communication Link as facilitator – Helen and Ellen
Supported by Dr Wendy Russell

Wide range of participants from young to older, male and female

Clear explanation of the role of a Citizens' Jury

Presentations and information

Subject matter presentations about the gas network here and other places, how it operates and how it is funded

Subject matter briefs – written briefs were provide is required by any members of the Citizens' Jury

Customer perspectives – different customer groups were invited to present and answer questions

Expert witnesses – opportunity to invite additional guest speakers to provide information or answer questions

Observers

From interested groups

- ACTCOSS & Community Councils
- Jemena Gas Network
- Individuals

As a participant

Felt comfortable with the process

Learnt so much about the gas network and Canberra more generally

Enjoyed the road trip and seeing the hydrogen plant

Met many new people from the community who shared a common purpose

Excellent range of guest speakers

Challenged with coming up with the exact wording for the final recommendations

So well catered for at each break



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Evoenergy Brand Health Tracker 2019

Samantha Lloyd, Strategic Communications Adviser, Projects

Evoenergy Brand Health 2019



Awareness is
up YOY
(82% in 2019 vs. 56%
in 2018)



Confusion remains
who is the distributor
and their areas of
responsibility



Overall **customer
experience** and
perceptions are quite
strong, better amongst those
who have experienced fewer
outages



Outages and
**management of
planned works**
are the most common customer
episodes with Evoenergy



**Customers are
satisfied** with Evoenergy on
most areas, with opportunity
to improve performance on
application process and
scheduling of appointments



**Preferred contact
method is email**, but
text and phone (in-bound)
should be used for more
urgent queries





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Evoenergy Notifications

Danielle Tyrrell, Project Officer

Evoenergy Notifications

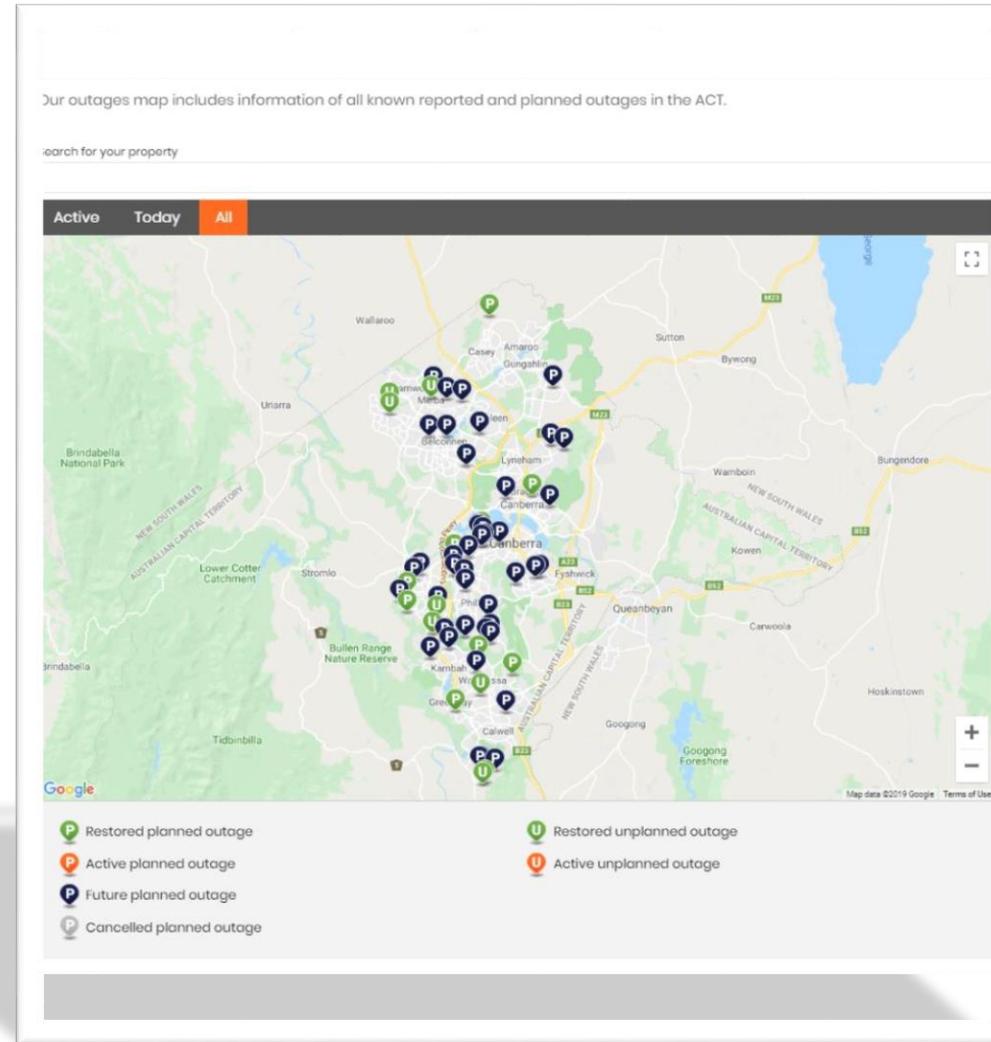
Evoenergy currently notify customers via mail for a number of planned interruptions and inspections to comply with the National Electricity Retail Rules (NERR) and National Electricity Rules (NER):

- Planned interruptions
- Meter tests
- Vegetation inspections
- Asset inspections

In FY18/19 Evoenergy sent over 86,000 planned interruption notifications.

Outages Map

The new Evoenergy outages map contains upcoming planned outages for the next seven days, as well as a live stream to all current unplanned interruptions with relevant updates as they are received from field staff attending the outage.



Future Notification Platforms

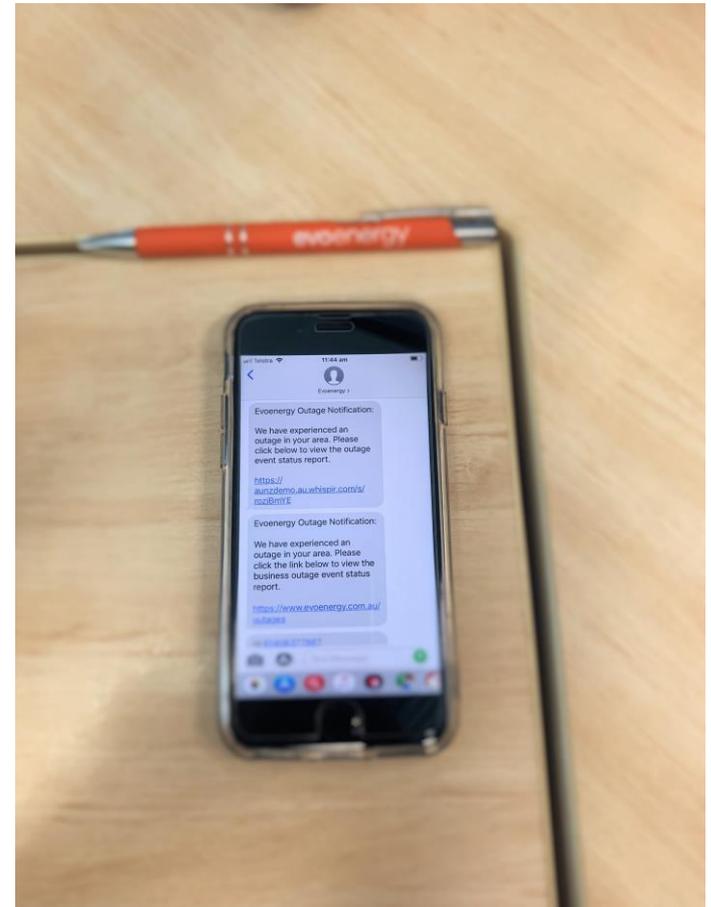
Evoenergy are exploring an SMS notification platform:

Planned interruptions

1. An upcoming outage has been scheduled
2. Reminder the day before
3. Supply has been restored

Unplanned interruptions

1. "Interruption in your area" with current status
2. Supply has been restored



Customer feedback

We want to improve customer communications. Ideas and feedback are always welcome:

- ECRC
- consumerfeedback@evoenergy.com.au
- Customer satisfaction surveys



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2019-2020 Summer Operational Readiness

Paul Wheatley, Acting Manager, Network Services Group

Background

- During January 2019 ACTAS activated the ACT Extreme Heat plan due to forecast average temps greater than 28 degrees Celsius across a 4 day period – Evoenergy subsequently cancelled a significant number of outages each morning across that period



ACT Ambulance Service

SAFETY IMPLICATIONS OF EXTREME HEAT

- Evoenergy must ensure, so far as is reasonably practicable, the health and safety of—
 - a) workers engaged, or caused to be engaged, by the Evoenergy; and
 - b) workers whose activities in carrying out work are influenced or directed by Evoenergy, while the workers are at work in the business or undertaking. (WHS Act s19(1))
- Evoenergy also must ensure, so far as is reasonably practicable, that the health and safety of other persons is not put at risk from work carried out as part of the conduct of our business or undertaking. (WHS Act s19(2))
- On 6 Nov 2019 a Lineworker raised serious safety concerns regarding working in temperatures over 36 degrees and the impracticality of the current work rest cycle as specified in our Enterprise Agreement
- Health and Safety recording system research shows 5 heat related incidents since 2016

2019-20 Summer Operational Readiness Initiatives

- Weekly briefings to discuss planned outages and ensure alignment across safety, operations, contact centre and customer communications.
- Climate research into average and peak temperature occurrences inform decision making processes: mid-January to mid-February period is most likely to produce consecutive days with temperatures over 35 degrees celsius

Evoenergy Climate Study 2019	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	Max	Average
Extreme Heat													
number of days = or > 35 degrees	15	17	4	1	14	20	4	18	18	13	25	25	14
2 consecutive days = or > 35 degrees	2	3	1	0	4	1	1	3	0	1	2	4	2
3 or more consecutive days = or > 35 degrees	2	2	0	0	1	3	0	2	4	2	3	4	2
Extreme Heatwave													
Number of days Mean = or > 28 degrees	5	4	2	0	2	4	0	2	5	2	9	9	3.18
2 or more consecutive days = or > Mean 28 degrees	0	1	0	0	0	0	0	0	1	0	1	1	0.27
3 or more consecutive days = or > Mean 28 degrees	1	0	0	0	0	0	0	0	0	0	1	1	0.18

2019-20 Summer Operational Readiness Initiatives

INITIATIVE: mid-Jan to mid-Feb - Commencing property access 7:00am with outages commencing by 7:30am to minimise worker exposure to high afternoon temperatures and restore consumer power supply before afternoon peak temperatures.

Public consultation

- Stakeholder and strategic communications strategy under development
- Community consultation required to understand willingness for earlier planned works commencement

Staffing considerations

- Worker consultation in advance of a potential change to start and finish times during the period **13 Jan to 14 Feb 2020** – *initial proposal based on wider industry practice 6:30am to 3:00pm*

Health and safety

- Elimination as a risk control: program of work review, minimising heavy manual tasks where possible during the high risk weather period e.g. No high voltage glove and barrier work, minimising backyard pole changes

Gathering feedback

- What do you think of this potential change - positive and negative aspects?
- How would this initiative impact your communities?
- What do you want to know more about?
- What else does Evoenergy need to consider?



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Efficient Pricing for Monopolies

Applies to both gas and electricity distribution

Efficient pricing is the lowest price for a given amount of energy.

Pricing in Competitive Markets

Sellers try to get the highest price

Buyers try to get the lowest price

In a free market the equilibrium theoretically gives the most efficient price.

Seller

Seller

Seller

Seller

Buyer

Buyer

Buyer

Buyer

Pricing Monopoly Products

In a monopoly the most efficient price is when buyers pay the same price. Varying the price between buyers increases the average price for the same amount of product.



A Distribution Grid is a Natural Monopoly

The most efficient price of distribution is a fixed price per kWh or KiloJ for all retailers and large customers.

Connection costs and metering are no longer part of distributors responsibility.

The Australian Energy Market gives Consumers a Choice of Retailer

If distributors charge all retailers (or large customers) a fixed price per kWh or KiloJ it allows retailers more scope to vary the price of their offerings. This increases consumer choice and according to market theory it should result in an efficient price

Energy Storage in a Distributed Network

The closer the storage to consumption the lower the network costs.

To encourage local storage a distributor could charge less for energy sourced close to the place of consumption.

Other business

Next meeting February 12th 2020

Invitations will be sent over coming weeks

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