

Evoenergy Energy Consumer Reference Council Communique Meeting 38 – December 9 2020

The Evoenergy Energy Consumer Reference Council (ECRC) met on 9 December in Canberra.

Representatives from Gungahlin Community Council, Tuggeranong Community Council, Council on the Ageing (COTA), the ACT Council of Social Service (ACTCOSS), Engineers Australia, Better Renting, and Conservation Council ACT Region participated in the meeting. The Chair of the Australian Energy Regulator (AER) Consumer Challenge Panel (CCP24) attended as an observer.

The following presentations and discussion occurred at the meeting:

Safety Moment

All Evoenergy employees have been enrolled in <u>Mates in Energy</u> general awareness training, with the aim of making the workforce aware of mental health and to encourage questioning of established stigma. The research-based training discusses the issues of suicide, mental health and suicide risk tipping points, recognition of risk, and ability to offer help to individuals experiencing suicidal ideation.

Distribution System Operator Strategy

Evoenergy Future Networks team engineer Eddie Thanavelil presented an overview of Evoenergy's approach to evolving the network to a distribution system operator model. The presentation included observations on the increase in distributed energy resources (DER) in the ACT and what that means for managing a distribution network. Mr Thanavelil also spoke about innovation projects that Evoenergy is investing in such as a residential battery trial. Members asked whether Evoenergy is looking abroad to similar global initiatives, and considering technical aspects of increasing electric vehicle use and the infrastructure required to support this growth. There was interest in how Evoenergy perceives the challenges presented by DER. Members also expressed their concern for vulnerable consumers who are not always considered when making decisions about access, risks and costs to consumers. ACTCOSS asked for more opportunities to engage with Evoenergy and to be kept informed of relevant timelines. Gungahlin Community Council noted that broad engagement with the wider community is important.

Evoenergy Summer Readiness and Operations

Brad Eagle provided members with an overview of Evoenergy's risk management and planning for summer, explaining how early preparation helps anticipate and manage issues associated with increasing network loads as well as unpredictable and extreme weather.

Members were curious about the challenges posed by increasing solar PV across the network.

Bushfire and vegetation risk management

Bronwen Butterfield outlined Evoenergy's key considerations and obligations around vegetation management and bushfire risk management. The differences between urban and rural vegetation management were explained, as well as the importance of Evoenergy working closely with the ACT Emergency Services Agency and ACT Utilities Technical Regulation, to ensure effective and safe practices and outcomes.



Tariff Trial Update

Regulatory Pricing Group Manager Emily Brown presented an update on electricity network tariff trials and an overview of cost-reflective tariff structure. Members revisited how different tariff structures influence energy costs, and how the transitioning electricity network will benefit from the understanding gained from the tariff trials.

There was member discussion about relationships between commercial and residential customers and DER. ACTCOSS supported the inclusion of qualitative research as part of the trial, noting that some households may face barriers to shifting their energy use to off-peak times to reduce their energy bills.

Gas Networks Access Arrangement Review (GN21)

Gillian Symmans, Acting Group Manager, Regulatory Reviews, provided an update on the gas networks access arrangement review process (GN21). The Australian Energy Regulator (AER) released its draft decision on Friday 27 November 2020 after continued consideration and consultation with Evoenergy. The AER's draft decision largely accepts the GN21 plan with the exception of aspects of Evoenergy's demand forecast. The AER outlined its expectations of the information Evoenergy is to provide in its revised GN21 plan to support the demand forecast, which Evoenergy is refining to reflect the latest available information. The AER acknowledged the well-informed proposal put forward, underpinned by significant improvements to Evoenergy's consumer engagement approach which was genuine, independent and consumer focussed: the AER particularly drew on the CCP24's comments on how ECRC expertise was leveraged.

The recent ACT Parliamentary and Governing Agreement was discussed, as was Evoenergy's ongoing commitment to net zero emissions. It was noted that Evoenergy would propose a speculative capex account to allow for potential projects to reduce the emissions intensity of the gas network.

Members asked about intentions for introducing hydrogen (and/or biogas) into the gas network, commenting that implementation timing may not align with government policy. Members also asked about how current plans may be realised in future regulatory periods, and how realistic distribution of decarbonised gas is.

Evoenergy will meet with interested ECRC members at their request around the time of submitting the revised plan on January 13th 2021.

Allan Williams retired as ECRC Chair

Meeting 38 was Mr Allan Williams's final meeting as the independent Chairman of the ECRC after six years in the role. CEO John Knox remarked on the leadership Mr Williams displayed in the role and thanked him for his dedication and good work, a sentiment that was echoed by all ECRC members and Evoenergy team present.

ECRC information, including meeting presentations, is available at www.evoenergy.com.au/consumerengagement The next meeting of the ECRC is in February 2021.

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