

Evoenergy Energy Consumer Reference Council Communique Meeting – 8 April 2021

The Evoenergy Energy Consumer Reference Council (ECRC) met on 8 April 2021 in a mixed forum, virtually, and in person at the Greenway Depot.

Representatives from Tuggeranong Community Council, Gungahlin Community Council, Council on the Ageing (COTA), the ACT Council of Social Service (ACTCOSS), Better Renting, Property Council of Australia (ACT), and Master Builders Association participated in the meeting. Two guests from the ACT Environment, Planning and Sustainable Development Directorate were also in attendance.

The following presentations and discussion occurred at the meeting:

Safety Share

Group Manager Customer Delivery, Ms Alison Davis presented on the importance of a culture where risk is actively managed, and employees are comfortable to stop a job when unable to appropriately control risks. Ms Davis shared an example of an Evoenergy field crew member's observation of used drug paraphernalia in area they needed to access to investigate a fault report. The crew member's awareness of all safety risks led to the job being stopped during the risk assessment and the incident logged in Evoenergy's safety management system resulting in a safety brief to affected staff and engagement with property management.

Customer Share

Better Renting representative, Mr Joel Dignam provided an insight into experiences of Canberra renters managing their energy needs and interacting with Evoenergy including landlords imposing fees for electricity after tenants move out and tree trimming notifications from Evoenergy. Mr Dignam's share highlighted two key issues: consumers do not need to understand our business, they just want power; and the important role of clear information for customers, directed at the right people. Evoenergy General Manager Peter Billing sought input from Better Renting on how Evoenergy can manage the tree trimming notification issue. Property Council of Australia (ACT) representative Adina Cirson expressed an interest in being involved in discussions on broader impacts of living and affordability.

ACT Government

Executive Group Manager Climate Change and Energy Division, Environment, Planning and Sustainable Development Directorate Mr Gene McGlynn presented on the large-scale feed-in tariff scheme and the ACT's gas transition. Mr McGlynn provided background to legislation passed in 2011 allowing the Minister to grant feed-in tariffs to large scale (>200kW) renewable energy generators up to 900MW with a mechanism to achieve cost recovery from consumers through Evoenergy's annual pricing proposal process. Contract for difference payments, where the difference between the wholesale energy price and the contract price is paid to or from the generator depending on the wholesale price were explained. Mr McGlynn noted that when the government took a decision to enter into these contracts it discussed that the price could be up to \$5.50 per week per household; over recent years, the cost has been far lower so households have benefited from lower than expected costs. Mr McGlynn acknowledged that with recent energy market developments including Covid effects, for 2020/21 the cost of the scheme is likely to see a significant rise, expected to be around \$5.65 per household per week and provided details of steps consumers can take to reduce electricity costs. These include switching tariffs that can deliver more than \$500 savings per year, becoming more energy efficient with help through Actsmart, and in some cases accessing government support such as utilities concessions which are not used by all eligible households.

Mr McGlynn next discussed the ACT Government gas transition to reduce emissions with the ACT reaching its 100% renewable target in 2020. Effects from COVID on transport were highlighted in helping to achieve this, with key emissions sources being from transport and gas. Mr McGlynn provided detail on the phase out plans for natural gas including two broad pathways, electrification and green gas (including biogas and hydrogen), noting going down both was inefficient. The Government was examining both paths noting opportunities and challenges for each path and has committed to give a signal early with a Gas Transition Plan to be developed by 2024.

Evoenergy Pricing Proposal 2021/2022

Group Manager Regulatory Pricing, Ms Emily Brown presented on Evoenergy's 21/22 pricing proposal, submitted to the Australian Energy Regulator (AER) on 31 March 2021 with a final decision due in May 2021. Ms Brown provided background to Evoenergy's proposed pricing and the makeup of charges, noting for FY21/22 increases were expected in transmission costs (17%), distribution costs (6%) metering (1%) and jurisdictional schemes (133%). Ms Brown noted reduced consumption in FY20/21 due to COVID and mild weather meant a shortfall in revenue was to be recovered in 21/22. In addition, Ms Brown explained Evoenergy was legislated to administer the large-scale feed-in tariff, making or receiving payments to or from generators as per contracts between generators and the ACT Government. EVO Energy is required to recover costs from customers when payments are made to generators and to provide reductions to customers when payments are made by generators a Ms Brown provided visibility of modelled network bill dollar impacts expected for residential, low voltage commercial and high voltage commercial customers. Evoenergy acknowledged significant increases would impact consumers and Group Manager Customer Delivery Ms Alison Davis detailed an engagement approach including meeting with ECRC, ACT Government and various customer cohorts to provide visibility and transparency, whilst noting the jurisdictional scheme costs were entirely outside of Evoenergy's control.

Pricing Impacts Discussion

ECRC Chair, Ms Rosemary Sinclair chaired a discussion with contributions from all attendees on price volatility, renewables, the cost of being an early adopter, alternative funding options and positioning the ACT for economic opportunities. Also discussed was the structure of the large-scale feed-in tariff scheme including 20-year contracts and Evoenergy's legislated administration.

Cost implications for households, and the need for immediate financial support including expanding current mechanisms were explored. The need for clear communication that would meet needs of specific cohorts was established with ECRC members offering to help push communication to their members.

ECRC information is available at www.evoenergy.com.au/consumerengagement

The next meeting of the ECRC is in June 2021.

For further information please contact Evoenergy Customer Delivery Group Manager [Alison Davis](#) on 0402 333 353.