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Evoenergy Energy Consumer Reference Council Communique Meeting 43 – 14 October 2021

The Evoenergy Energy Consumer Reference Council (ECRC) met on 14 October 2021 virtually to comply with COVID-19 lockdown restrictions in the ACT.

Representatives from Tuggeranong Community Council, Gungahlin Community Council, the ACT Council of Social Service (ACTCOSS), Better Renting, Canberra Urban and Regional Futures (CURF), the Conservation Council and the Property Council of Australia (ACT) participated in the meeting.

Observers from the Australian Energy Regulator (AER) attended the meeting as part of the Electricity Network 2024-2029 (EN24) regulatory submission process until such time as the Consumer Challenge Panel (CCP) is established.

A guest presenter on behalf of Energy Networks Australia (ENA) was in attendance for part of the meeting to present on 2022 Rate of Return Instrument.

The following presentations and discussion occurred at the meeting:

Safety Share

Ms Bronwen Butterfield, Incident Controller, Evoenergy COVID-19 Incident Management Team provided detail of Evoenergy's response to COVID-19 including an overview of lessons learnt from the 2020 lockdown event, implementation of a COVID-19 operating model to keep crew and office staff safe to ensure the reliability and safety of the energy networks in the ACT. The Committee discussed customer impacts related to pausing of meter reading in response to ACT Health directions which had occurred in late August, with Evoenergy confirming an uplift in estimated reads to ensure compliance with these directions.

EN24 update

Economic Regulatory Manager, Mr Chris Bell provided an update on the Framework and Approach process, noting Evoenergy's involvement in a joint forum with Distribution Network Service Providers from NSW, Tasmania and NT running parallel regulatory reviews. This prompted positive reflection from Members who had attended the forum (September 2021), and discussion on key matters raised (streetlights, electric vehicle update, batteries, and standalone power supplies (SAPs)) and the corresponding priority of each for Evoenergy.

Group Manager Regulatory Reviews, Ms Gillian Symmans summarised the AER's Better Resets handbook, setting out the AER's expectations of Networks regarding consumer engagement and topics. The new independent consumer report concept and AER involvement in the pre-lodgement stage were explained, noting submissions on the draft handbook are due to the AER by 20 October 2021. The Committee discussed the technical nature of reviews and how consumers may be equipped to fully participate., The Committee noted the extended engagement process being undertaken by Evoenergy and recruitment of a Community Panel, access to impartial advice and opportunities being provided by Energy Consumers Australia to support this. The involvement of the ECRC members throughout the Electricity Network 2024 – 2029 (EN24) engagement process was also discussed focusing on communication, observer access and the role of the ECRC as an advisor throughout the whole process.

Customer Share

Gungahlin Community Council representative Mr Kevin Cox provided the customer share on the rate of return and the ACT Government Sustainable Home Scheme for zero interest loans. The committee discussed access for vulnerable consumers to the scheme and Evoenergy's strategies to manage to net-zero 2045 targets with an integrated adaptation and mitigation strategy flagged as best practice.

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General Manager for Economic Regulation, Regulatory Reviews Mr Philip Deamer explained the Rate of Return Instrument (RoRI) review being undertaken by the AER over 2.5 years. This included implications of the RoRI in the coming investment period with primary consumer concerns for energy transition and affordability and the need to ensure adequate investment to achieve the transition.

Regulatory Economist, Mr Robert McMillan on behalf of Energy Networks Australia provided further information on the RoRI review, the ENA's and Distribution Networks' view of the importance of the review in the changing energy sector, outlining risks of returns that were too high on consumer costs or too low on securing capital investment in infrastructure heavy Distribution Networks. Members discussed investment returns, including the potential for higher investment returns supporting lower prices for customers, and the implications of international investment, and wholesale interest rates.

Tariff Structure Statement update

Group Manager Regulatory Pricing, Ms Emily Brown provided an update on Evoenergy's Tariff Structure Statement (TSS) forming part of Evoenergy's regulatory submission for the Electricity Network 2024 – 2029 submission (EN24) and upcoming tariff trials. The Committee discussed community batteries and how Evoenergy should be engaged to discuss these options, the cost to the Network of increased export of renewables and the need for a balanced conversation about cost and benefits of export charges. Further discussion on the application of the export rule change within the ACT jurisdiction occurred with confirmation the technical aspects of export is in early stages with the AER consulting on guidelines.

Member updates

Member updates covered activities around climate change, energy efficiency and sustainability frameworks. Tree trimming and the network protection notice process was raised and discussed.

Previous minutes from the Evoenergy ECRC meeting number 42 were approved.

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

The next meeting of the ECRC is in December 2021.

For further information please contact Evoenergy Customer Delivery Group Manager <u>Alison Davis</u> on 0402 333 353.