

Appendix C: Communication Link – Phase 3 consumer engagement report

Revised regulatory proposal for the
Evoenergy electricity distribution
determination 2024 to 2029



Communication Link

Evoenergy Electricity Network 2024–2029 (EN24) and Tariff Structure Statement (TSS)

Phase 3 Consultation Report

November 2023

Acknowledgement of Country

In the spirit of reconciliation, Communication Link acknowledges the Ngunnawal people, Traditional Custodians of the land on which our head office resides. We acknowledge and respect their continuing culture and the contribution they make to the life of our community in Canberra and the region. We also acknowledge all other Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of all land on which our work and connections may reach, and pay our respect to their Elders, past and present.



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1. Introduction

In January 2023, Evoenergy submitted its 2024–29 Electricity Distribution Network (EN24) regulatory proposal and Tariff Structure Statement (TSS) to the Australian Energy Regulator (AER). Following submission of Evoenergy’s regulatory proposal, the AER undertook an evaluation and consultation process including releasing an Issues Paper, seeking public submissions, and requesting additional information from Evoenergy.

In September 2023, the AER published its draft decision on Evoenergy’s EN24 proposal. In preparation for submitting its revised proposal, Evoenergy undertook additional targeted consultation with consumers and stakeholders on areas identified as requiring further consideration.

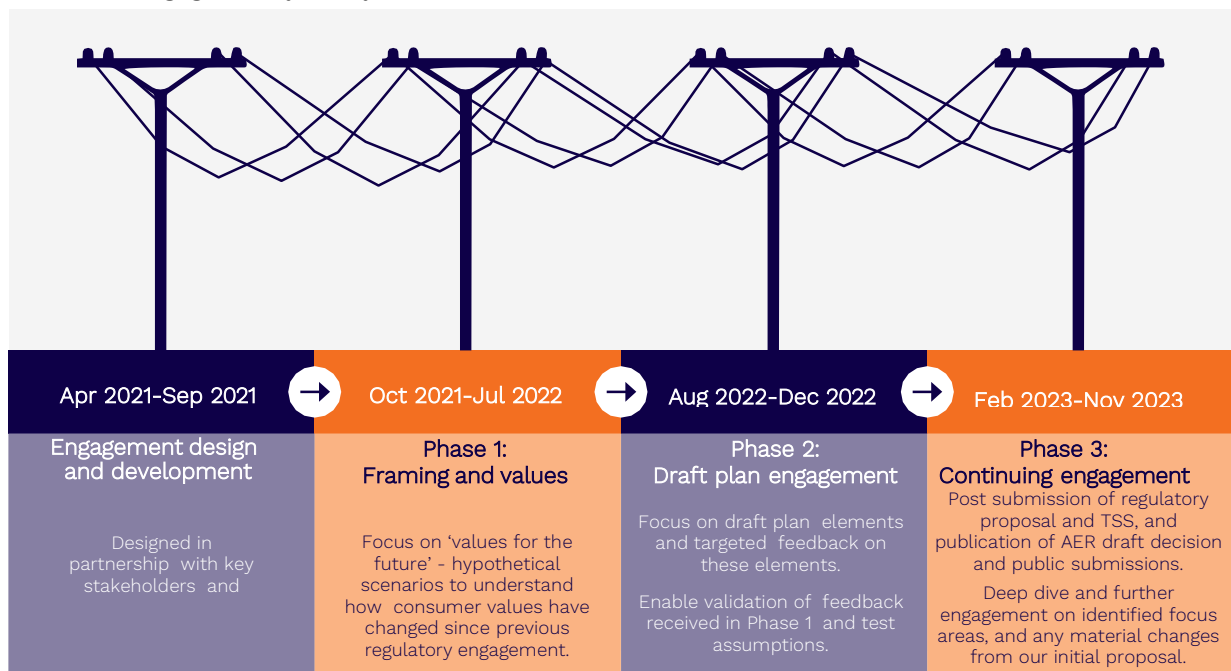
This report provides a summary of elements of this additional engagement which were delivered by Communication Link.

2. Context

Engagement on the development of the EN24 proposal and associated TSS has been delivered over three phases which extended from October 2021 – November 2023, as summarised in figure 1 below.

This evaluation report relates to Phase 3 of the EN24 consumer engagement strategy.

Figure 1 EN24 engagement journey



3. Phase 3 engagement approach

Phase 3 of Evoenergy's EN24 engagement approach program built on the strong foundation of engagement with the community undertaken in Phases 1 and 2. Phase 3 consumer engagement focused on the elements stakeholders had identified in submissions to Evoenergy and on the issues that changed between the initial and revised proposals.

3.1 Consultation topics and key issues

The following topics were explored during engagement activities in Phase 3.

- Capital expenditure (capex) proposal and the interdependency with consumer energy resources (CER).
- Changes to demand forecasts, impacts of electric vehicle (EV) charging, CER integration.
- Consideration of network tariffs for EV charging including controlled load tariffs.

3.2 Engagement tools and activities

To ensure effective and timely engagement in the short period of time between the AER's draft decision and lodging its final proposal, Evoenergy focussed engagement activities on the following channels.

Engagement tools and activities

- A Deep Dive Panel
- Evoenergy's long standing Energy Consumer Reference Council (ECRC)
- An Energy Matters Forum for open discussions with major and large customers
- One-on-one meetings with retailers (ActewAGL, Origin, Energy Australia) for better understanding of their perspectives
- Specific engagements with the ACT Government and other stakeholders



4. What we heard

4.1 Key themes

The following key themes and topics of conversation were identified across the various Phase 3 engagement activities. The themes are not listed in any particular order or with any weighting.

Table 1 Key feedback themes

Key topics	Feedback themes
Cost concerns and vulnerable consumers	Engagement highlighted concerns about costs and the potential impact on vulnerable consumer groups of the energy transition.
Environmental benefits and leadership	Identifying opportunities for environmental benefits and the potential for leadership in driving the energy transition forward.
Awareness, consumer education, and behaviour change	Emphasising the importance of raising awareness, providing education, and fostering behavioural changes related to energy transition. Consumer education was also highlighted as important with respect to tariffs and vulnerable consumers.
Transparent and simple tariffs	Promoting transparent, easy-to-understand tariffs that empower consumers to control costs.
Infrastructure and technology investment	Consumers and stakeholders highlighted the importance of investing in infrastructure and technology to support network growth, accommodate two-way energy flows, and support increased electrification.
Inclusive investment strategies	Consumers advocated for investment strategies that don't disadvantage any households, ensuring inclusivity in the energy transition.
Length of regulatory cycles	The timing of the current 5-year regulatory cycle was discussed in relation to the rapid pace of energy changes, suggesting shorter timeframes or mid-point reviews.
Strengths identified	The following strengths were identified with respect to Evoenergy's approach – facilitating community batteries and energy source diversification, ensuring flexibility, data-driven decision-making, adoption of smart meters, and management of capex.
Potential challenges	The following potential challenges were identified - addressing risks such as the affordability for lower-income households, demand uncertainty, tariff complexities, and challenges in educating consumers about new tariff structures.



5. EN24 Deep Dive Panel

The Deep Dive Panel (the Panel) was established to ensure that consumer views continue to be reflected as Evoenergy responds to AER feedback and finalises its EN24 proposal.

30 panel members undertook 12 hours of discussion across three meetings. The Panel represented a diverse cross-section of the Canberra community, including ages, gender and cultural background.

Participants in this panel were recruited from the following groups:

- The EN24 Community Panel and Community Pricing Panel cohort
- Community members who had previously been involved in Evoenergy EN24 engagement activities.
- The broader Canberra community

This broad reach was to ensure we provided all interested Canberrans with an opportunity to participate and to ensure a demographically diverse representation of views and experiences as detailed in the figure below.

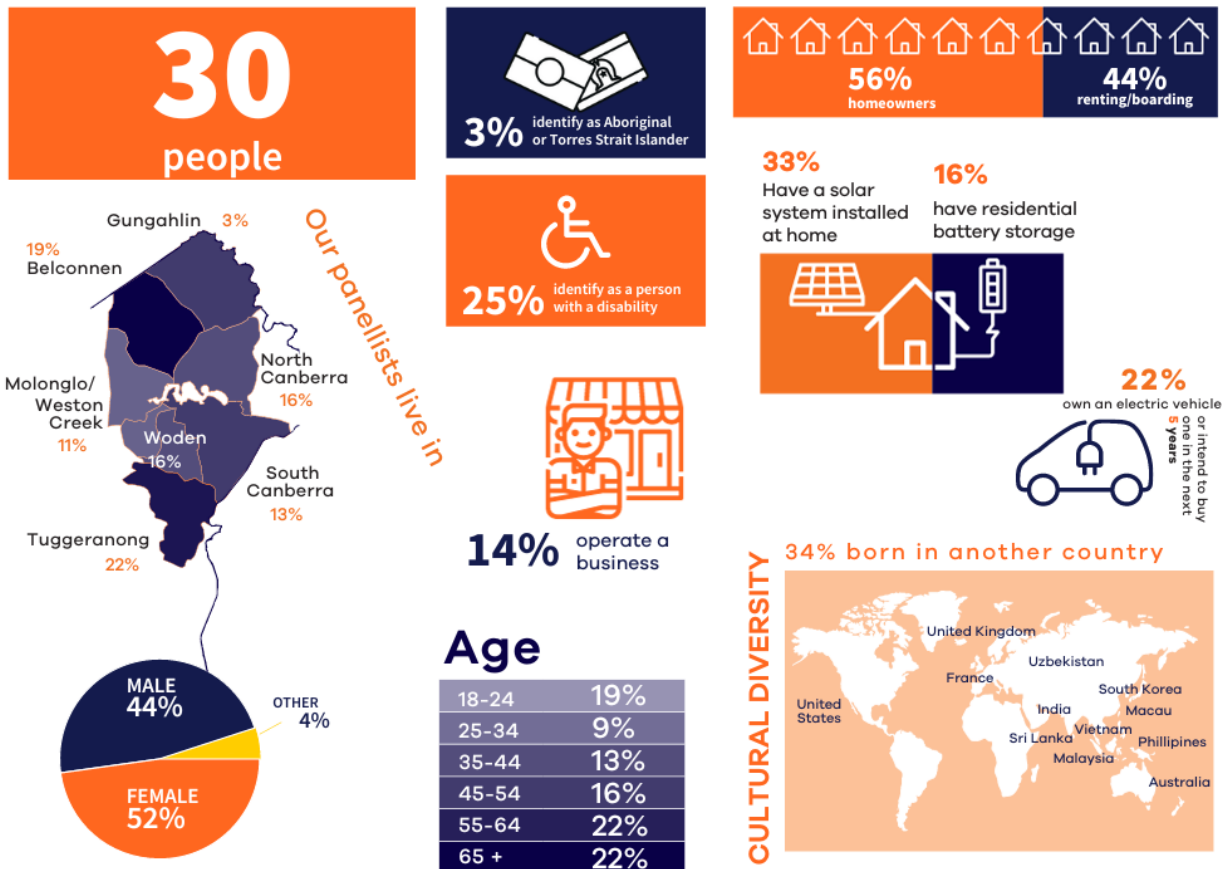


Figure 2 Demographic representation of the EN24 Deep Dive Community Panel

The three sessions were held in-person with some participants joining online via Microsoft Teams in response to accessibility difficulties. Members of the AER Consumer Challenge Panel attended all deep dive sessions. During the panel meetings feedback was provided to Evoenergy through general discussion, contribution to small group discussions and worksheets, as well as using polling tool Slido.



Over three sessions, the group engaged in activities and discussions to build an understanding of the challenges currently faced by the electricity network as Evoenergy plans for the future. This provided a basis for informed discussion on how to address these challenges and provide feedback on the particular areas identified by Evoenergy.

The table below details the topics covered in the sessions.

Table 2 Deep Dive Session Outline

Session	Meeting topic and purpose
Session 1 - Saturday 16 September 2023 9am – 1pm	<ul style="list-style-type: none"> • Build an understanding of role of engagement in energy and the purpose and objectives of the Deep Dive sessions • Provide a refresher on the current energy landscape including the fast-changing nature of the energy sector • Provide an introduction to Phase 3 of the EN24 process including an update on Evoenergy’s regulatory submission and the AER’s draft decision • Gather insights from participants on their concerns and areas of interest with regard to energy network services
Session 2 - Saturday 14 October 2023 10am – 2pm	<ul style="list-style-type: none"> • Provide information on the challenges of infrastructure and technology investment • Explore the challenges of designing network tariffs • To gather insights from participants on the following: <ul style="list-style-type: none"> » Evoenergy’s approach to infrastructure and technology investment – what are the strengths and risks to the approach » Changes to the proposed tariffs, including simplifying the time-of-use tariff and removing the proposed export tariff » Future tariff options for EV charging
Session 3 - Saturday 21 October 2023 9am – 1pm	<ul style="list-style-type: none"> • Prepare a ‘final report’ from the Deep Dive Panel • Evaluate the Deep Dive process

Copies of meeting summaries have been published on Evoenergy’s consumer engagement website www.engagewithenergy.com.au

5.1 Panel feedback

At the final panel meeting, the Panel members collaboratively developed an independent Deep Dive Panel Report. The purpose of this report is to provide a reflection on the process undertaken and a summary of the key areas of discussion and feedback by the Panel. Following are the key areas of feedback from this report.

Infrastructure and technology investment approaches

The Panel members provided the following feedback relating to Evoenergy’s approach to infrastructure and technology investment.

- Investment is required to expand the network to support growth in the ACT.
- Investment must ensure the network is future-proofed to include two-way energy flows and increased electrification.
- The use of real data to inform decision making was seen as a strength of the investment plan.
- Infrastructure investment is required to support all new technologies such as EVs, community batteries, smart meters and electrification.
- A long-term approach to infrastructure and technology investment is vital to ensure the security



and stability of the network.

- It is important that investment strategies do not disadvantage any households regardless of income.

Changes to the proposal with respect to tariffs

The Panel members understood and discussed the point that Evoenergy tariffs are not necessarily passed on to the consumers by the retailer in the same form.

The Panel felt the following was important with respect to tariffs.

- Consumers want tariffs that are transparent and easy to understand.
- Consumers should feel that they have control over tariffs and costs.
- Consumers have the ability to see and understand the network pricing signals. Tariffs need to provide an opportunity to incentivise and inform the move to CER such as solar, batteries and EVs in a balanced way.
- The Panel welcomed the removal of the proposed solar export tariff as it sent mixed signals to the community.
- The Panel members were asked to consider levels of control over EV charging and smart appliances and had a preference for consumers maintaining flexibility.
- Evoenergy has a role to play in educating retailers and consumers about tariffs.

Input to future planning for EV use on the network

Canberrans compared to the national average are adopting EVs at a higher rate in response to government reforms. The Panel provided the following feedback on future planning for EV use of the network.

- Evoenergy needs to ensure the network will support this uptake.
- Incentives for Level 1 charging should be implemented to ensure less demand on the network.
- Infrastructure and technology investment also needs to support the increasing uptake of EVs and their demand on the network.

Other comments

The Panel provided the following feedback on other areas impacting Evoenergy's EN24 proposal.

- The current regulatory cycle (5 years) seems too long given the fast pace of change in energy. Suggest shorter regulatory timeframes or midpoint reviews to adjust spending and investment and to respond to emerging technologies and risks such as changing consumer behaviour.
- Need to have a fair approach that acknowledges our vulnerable communities.
- Need to step up consumer education on tariffs, noting there are various parties responsible across the energy sector and governments.

Listening reports were developed following each panel meeting which summarised the panel discussions and meeting reflection. These are at Appendix A.

The Panel prepared an independent report to Evoenergy as a result of its deliberations. A copy of this report is at Appendix B.



5.2 Panel members' reflection

The Panel members provided the following insights and reflection at the end of the deep dive process.

- Participants highly appreciated Evoenergy's genuine interest in their opinions and insights. They valued the in-depth interactions, emphasising the importance of understanding energy networks and the broader energy landscape.
- The environment fostering respectful dialogue and diverse viewpoints was praised, along with the presence of senior managers that enhanced the panel's significance.
- Suggestions included longer or additional meetings for comprehensive content coverage and a blended approach combining shorter sessions with online engagement for more effective discussions.
- There was a desire for increased informal engagement opportunities, like regular breaks, and enthusiasm expressed for future participation in community engagement initiatives.
- The diversity of the Panel, the educational aspect of the engagement process, and the chance to influence Canberra's future energy framework were also well-received.
- Participants appreciated the clarification of issues and gaining insight into the complexities of the ACT's energy supply infrastructure throughout the sessions.

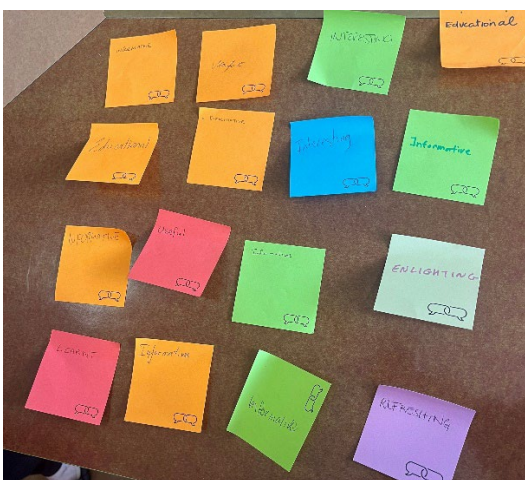


Figure 1 -Images from the Deep Dive meetings



6. Energy Consumer Reference Council

The ECRC continued to serve as an independent forum where industry and community representatives come together to provide thoughtful input into Evoenergy's long-term planning and operations.

The ECRC met three times during Phase 3 engagement in April, June and October 2023. At these meetings, the ECRC was provided with an update on the EN24 proposal and AER draft decision. Discussion and feedback from these meetings is summarised below.

6.1 Feedback

The following table details the outcomes and feedback from the ECRC meetings.

Table 3 ECRC overview and meeting insights

Meeting date	Key discussion points	ECRC feedback and insights
6 April 2023	<ul style="list-style-type: none"> Proposal submission and AER Review. Consumer transition to EVs and supporting infrastructure. Future energy needs and dual approach for network demand management. 	<ul style="list-style-type: none"> Concerns about older Canberrans' readiness for the energy transition. Discussion on meter ownership and its implications for consumers. Queries about the ACT's capacity to meet energy needs with renewable sources.
23 June 2023	<ul style="list-style-type: none"> Analysis of public submissions focusing on consumer engagement, tariff structure, and contingent projects. Evoenergy's approach to demand forecasting and network augmentation. Considerations for funding electrification and implementing diverse tariffs. 	<ul style="list-style-type: none"> Emphasis on the need for clarity and consumer control in tariff structures. Concerns regarding the timing and adequacy of network capacity expansion to meet growing demand.
12 October 2023	<ul style="list-style-type: none"> AER's draft decision and its impact on Evoenergy's initial proposal. Investment adjustments in EV infrastructure based on the AER's review. Evoenergy's alignment with consumer priorities and the potential impact of investment cuts. 	<ul style="list-style-type: none"> Concerns that reduced EV infrastructure investment might hinder the ACT's net-zero goals. Discussion on the AER's draft decision's alignment with consumer priorities. Need for tariffs that empower consumers and are understandable, especially for CER. Support for community batteries was raised.



7. Energy Matters Forum

The Energy Matters forums provide an opportunity for a focus on large customer audiences that may have unique perspectives and provides an opportunity to share experiences with other large customers.

In November 2023, Evoenergy provided information to the Energy Matters Forum taking this opportunity to foster discussion and seek feedback from participants. The session was attended by 62 participants from a range of large customers and high energy consumers across industry sectors that included education, infrastructure, property owners and developers. The following topics were covered in this meeting.

- Update on Evoenergy’s regulatory process and capex forecast
 - » What was proposed.
 - » What has changed and why
 - » Impact of EVs
 - » impact of increased construction costs
- Impacts of EV charging behaviour
 - » Role of tariffs
 - » AER expectations and considerations for future tariff design
 - » What we’ve heard from residential customers on this
- Update on Evoenergy’s proposed capacity charge review mechanism

The table below provides a summary of the key discussion points

Table 4 Summary of Energy Matters Forum discussion

Topic	Discussion points
Impact on EVs and Tariffs	<ul style="list-style-type: none"> • The importance of customer engagement and communication around EVs and associated load shifting. • Mixed observations on customers' willingness to shift load in response to price signals and the management of network capital costs versus personal expenses. • Quantitative analysis and choice modelling conducted to understand customer preferences regarding tariff options and potential savings related to avoided network costs. • The relationship between higher savings offered to customers and their willingness to engage in dynamic tariff arrangements. • Consideration of convenience as a significant factor influencing EV charging behaviours.
Future tariff design	<ul style="list-style-type: none"> • Exploration of future tariff designs, particularly those aligning with dynamic projects and trials. • Efforts to innovate in tariff structures to support load management and cost reduction for customers and Evoenergy. • Suggestions to consider tariffs that enable load addition without impacting peak demand, aimed at reducing costs and minimising future infrastructure investments.
Role of innovation and trials	<ul style="list-style-type: none"> • Accelerated innovation within Evoenergy, focusing on technology trials to facilitate faster adoption. • Commitment to ongoing trials sponsored or supported by Evoenergy to explore various technological advancements.



Topic	Discussion points
Update on capacity charge review mechanism	<ul style="list-style-type: none">• Discussions surrounding the implementation and assessment of dynamic projects aimed at enhancing technology adoption and grid management.• Evoenergy provided an update on its proposed capacity charge review mechanism for commercial customers, which was accepted in the AER's draft decision.• Evoenergy described how the mechanism would work, the eligibility criteria, and noted that further information would be provided to eligible customers ahead of 1 July 2024.



Appendix A – Deep Dive meeting summaries



Meeting purpose

- Build an understanding of role of engagement in energy and the purpose and objectives of the Deep Dive sessions.
- Provide a refresher on the current energy landscape including the fast-changing nature of the energy sector.
- Provide an introduction to Phase 3 of the Evoenergy Electricity Network Regulatory Review (EN24) process including an update on Evoenergy's regulatory proposal, changes since the submission and focus areas for the revised proposal including the role of tariffs.
- To gather insights from participants on their concerns and areas of interest.

Meeting timeline



Presenters

- John Knox - Chief Executive Officer, Evoenergy
- Peter Billing - General Manager, Evoenergy
- Professor Ken Baldwin - Founding Director, ANU Grand Challenge: Zero-Carbon Energy for the Asia-Pacific
- Megan Wilcox - General Manager Economic Regulation

Facilitator

- Helen Leayr – Communication Link

Key areas of discussion

The first meeting of the Evoenergy Deep Dive Panel brought together a diverse group of participants to consider Evoenergy's EN24 revised regulatory proposal.

The first meeting focused on providing foundation information to inform the panel members, to provide a solid foundation for future participation.

Information topics and topics of discussion included:

- What is a Deep Dive and how will it work
- Determining our values and working together
- Official Welcome – John Knox
- Understanding the energy landscape
- Evoenergy's EN24 regulatory proposal
- What does the energy transition mean for Evoenergy

Future topics for discussion

Future topics identified for discussion by panel members covered:

- Understand how price signals can maintain fairness and equity in the scheme for more vulnerable members of our community
- Incentives to encourage people to become more energy efficient in their homes
- Potential for household batteries to power homes off grid (eg during power outages)
- Evoenergy's community awareness program
- Environmental costs of EV production
- Other energy transition options and energy sources eg hydrogen, biofuels
- Access to solar and household or community batteries for renters.

Reflections and feedback

A summary of the feedback received at this meeting is provided below:

Working together

- In working together the panel members identified the importance of listening and hearing each other, being open to differing opinions, being patient, inclusion and encouraging contributions from all members, being supported to ask tough questions, multiple methods to contribute, and being informed with enough information to contribute.

Understanding the energy landscape

- When asked what they thought would change due to changing energy landscape, panel members suggested the ongoing and fast uptake of EVs, to move to solar PVs and the transition to full electrification.
- When asked about their greatest concerns, costs and impacts on vulnerable consumers were high on the list.
- When asked about opportunities, panel members suggested increased uptake of EVs could lead to lower prices, transition would provide environmental benefits and the ACT could be seen as leader in energy transition and responding to climate change.

Understanding the issues

- When reflecting on what the most interested thing they had learnt in the session, the key topics were as follows:
 - ACT is a leader in renewables and EV uptake
 - Australia is a leader in energy transition
 - The pace of change in the energy landscape
- In providing general feedback panel members suggested Evoenergy could play a bigger role in awareness and education around the energy transition and behaviour change.
- Panel members also noted that they felt a bit more positive about the future.

Meeting purpose

- Provide information on the challenges of infrastructure and technology investment
- Provide an overview of the recent AER determination and the changes proposed.
- Explore the challenges of designing network tariffs
- Provide information on EV tariffs and tariff scenarios
- Explore key themes for the Panel report

Meeting timeline



Presenters

- Leylann Hinch - Group Manager, Strategy & Operations - Evoenergy
- Lev Yulin - Group Manager, Regulatory Pricing - Evoenergy

Facilitator

- Helen Leayr – Communication Link

Outcomes / learnings

AER determination

Evoenergy provided an overview of the AER draft decision on Evoenergy's 2024-29 plans in relation to demand forecast shifts, capex changes and bill impacts.

In this context, panel members were asked to provide feedback on they saw as the strengths and potential of Evoenergy's approach to infrastructure and technology investment.

Strengths

Community batteries - great idea to make use of Federal Government grant
Consideration of the various energy sources and storage options
Flexibility to reprioritise quickly
Using real data in decision making
Trying to change consumer's use of tariffs
Acknowledging the need to change to smart meters
Planning for future, increased population, changes in power usage and input
A good approach, provided the ACT is educated on EV charging and infrastructure issues
The CAPEX budget was reasonable to support future proofing
Contingent project great idea, especially if it reduces "patchwork" style of development
Potential for quick implementation
Aware of variables - data is available (in most cases)

Potential risks

Not pricing lower income households out of market
Cost of mistakes/misleading expected demand rests solely with one group
Demand certainty particularly in relation to EV uptake and available infrastructure
Not preparing for or mismanaging future risks
Tariffs kept high to raise additional capital funding,
The ability to educate the ACT community about new tariffs
What is the scope of batteries - will the cost/benefit be positive, who will pay for all costs (maintenance etc)
We need more information on actual infrastructure needs
Concern that reduced funding will impact ability to keep up with new technologies.
Concern with the efficiency of the network, why is the ACT less efficient
Can funding come from other sources e.g. Commonwealth Government

Network tariffs

Panel members were presented with details of the changes to the proposed network tariffs and asked to provide feedback on both the **potential challenges** and the **opportunities** associated with the changes.

Opportunities

- Encourage uptake of DER
- Ability to smooth demand
- Allows consumers to take advantage of off-peak rates
- Potential of future more efficient use of energy
- Good to see the confusing export tariff dropped

Challenges

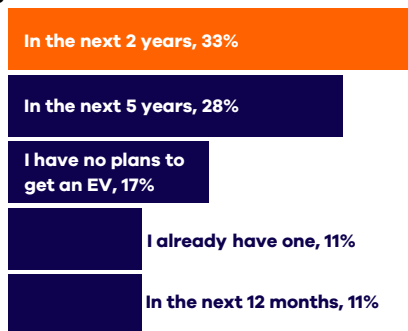
- Confusing and complex
- Not all households have new smart meters
- Consumer education and awareness
- Concerns about increased costs
- Customers don't have control over costs

Outcomes / learnings (cont.)

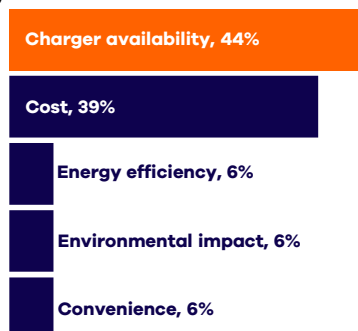
Tariffs for electric vehicles (EVs)

Panel members provided the following information when asked about current EV ownership and usage.

Do you own an EV or when do you think you'll get one?



What is most important to you when charging your EV?



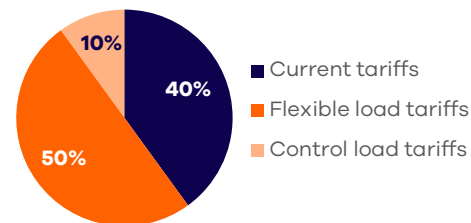
Scale of control

Participants were asked to indicate where they would place themselves a scale in terms of amount of control Evoenergy should have on tariffs?



- Those who wanted **more customer control** said they wanted full control to charge and use appliances when they wanted to but also the power to manage and control their own use and tariff choices.
- Those who place themselves towards the centre of the scale indicated they would still like **some control** but suggested there was a role for Evoenergy to play in ensuring the reliability of supply and the network. They suggested that Evoenergy still needed some control to ensure they were able to manage future infrastructure costs in response to technology changes.
- Participants who wanted **more Evoenergy control** suggested Evoenergy needed to be able to respond quickly to emergencies and changes to technology and infrastructure needs. They also suggested that tariff control had a role to play in changing consumer behaviours.

Tariff scenarios



Panel members were presented with details of tariff scenarios and were asked to indicate which ones they preferred. The majority preferred **flexible load tariffs**

- Those who chose **flexible load tariffs** suggested that customers needed to have control over charging in certain situations.
- Those who chose **control load tariffs** suggested that this option was the right balance between the other options but noted there may be a need for all three to meet the needs of a diverse community.
- Those who preferred the **current tariffs** suggested they provided better flexibility for customers to choose when they want to charge.

Ideas for Evoenergy

Panel members were asked **what else Evoenergy could do to help customers 'charge wisely'**. Following is a summary of the key themes identified in this activity.

- Education and community awareness of tariffs including providing personalised advice
- Availability of charging infrastructure
- Ability to track and anticipate charging costs (e.g. an online tool)

Panel report key themes and messages

In preparation for meeting 3, panel members were asked to identify some key themes and messages they would like to address in the Deep Dive Panel Report. These key themes are detailed below:

- Investment is required for expansion of the network to support growth in the ACT.
- Consumers want tariffs that are easy to understand.
- A focus on education and awareness so consumers can make informed decisions.
- technology and infrastructure investment to future proof the network
- The use of real data to inform decision making on investment.
- It is important that investment strategies do not disadvantage vulnerable consumers.
- The current regulatory cycle (5 years) seems too short given the fast pace of change in energy. Suggest shorter regulatory timeframes or midpoint reviews.

Meeting purpose

- Reflection and review of Deep Dive feedback
- Prepare a 'final report' from the Deep Dive Panel
- Evaluate the Deep Dive process

Meeting timeline



Facilitator

Helen Leayr – Communication Link

While there were no formal presentations the following personal provided technical advice to the panel

- John Knox – CEO, Evoenergy
- Peter Billing – General Manager, Evoenergy
- Lev Yulin - Group Manager, Regulatory Pricing – Evoenergy

Outcomes / learnings

Writing the panel report

Panel members collaborated a group to finalise the report content. The following key areas of feedback were provided and included in the report.

Infrastructure and technology investment approaches

The Panel members provided the following feedback relating to Evoenergy's approach to infrastructure and technology investment.

- Investment is required to expand the network to support growth in the ACT.
- Investment must ensure the network is future-proofed to include two-way energy flows and increased electrification.
- The use of real data to inform decision making was seen as a strength of the investment plan.
- Infrastructure investment is required to support all new technologies such as EVs, community batteries, smart meters and electrification.
- A long-term approach to infrastructure and technology investment is vital to ensure the security and stability of the network.
- It is important that investment strategies do not disadvantage any households regardless of income.

Changes to the proposal with respect to tariffs

The Panel members understood and discussed the point that Evoenergy tariffs are not necessarily passed on to the consumers by the retailer in the same form.

The Panel felt the following was important with respect to tariffs.

- Consumers want tariffs that are transparent and easy to understand.
- Consumers should feel that they have control over tariffs and costs.
- Consumers have the ability to see and understand the network pricing signals. Tariffs need to provide an opportunity to incentivise and inform the move to distributed energy resources such as solar, batteries and EVs in a balanced way.
- The Panel welcomed the removal of the proposed solar export tariff as it could send mixed signals to the community.
- The Panel members were asked to consider levels of control over EV charging and smart appliances and had a preference for consumers maintaining flexibility.
- Evoenergy has a role to play in educating retailers and consumers about tariffs.

Input to future planning for electric vehicles (EV) use on the network

Canberrans compared to the national average are adopting EVs at a higher rate in response to government reforms. The Panel provided the following feedback on future planning for EV use of the network.

- Evoenergy needs to ensure the network will support this uptake.
- Incentives for Level 1 charging should be implemented to ensure less demand on the network.
- Infrastructure and technology investment also needs to support the increasing uptake of EVs and their demand on the network.

Other comments

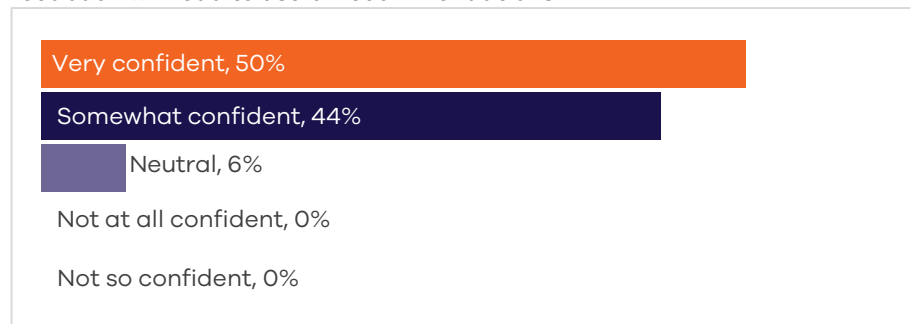
The Panel provided the following feedback on other areas impacting Evoenergy's EN24 proposal.

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- Need to have a fair approach that acknowledges our vulnerable communities.
- Need to step up consumer education on tariffs, noting there are various parties responsible across the energy sector and governments.

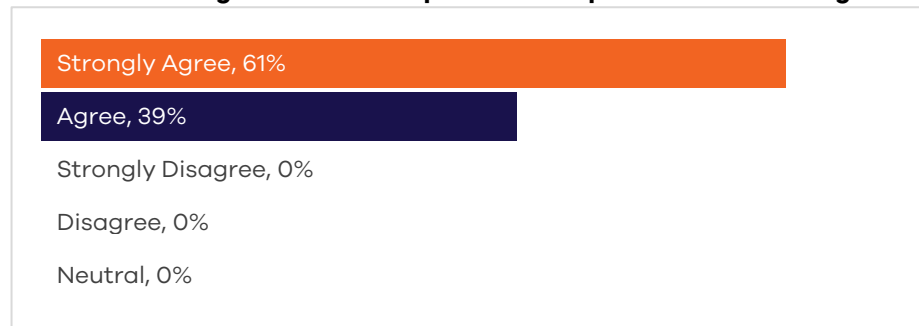
Reflections and feedback

At the conclusion of the meeting, panel members were asked to provide feedback on the panel process. Following are the results and feedback from the post workshop survey.

The majority of panel members indicated they were confident that the Deep Dive panel feedback will lead to useful recommendations



Panel members agreed that their opinions and input were heard during the meetings



100 % of respondents indicated they would consider participating in future Evoenergy community engagement activities.

When asked for recommendations or suggestions regarding future engagement on energy issues panel members suggested the following:

- Panel members suggested longer sessions or more meetings next time to cover the content
- A hybrid mix of engagement activities was suggested such as shorter and less frequent meetings, combined with online engagement and written opportunities
- Panel members would have appreciated more opportunities for informal engagement e.g. more frequent breaks

Panel members and observers shared the following feedback on what they enjoyed most about the panel process.

- I felt like I might have made a valuable contribution for other Canberrans.
- The diverse nature of the panel and diverse opinions.
- Coming together with a diverse group of Canberrans and the group discussions.
- The learning and understanding of the process involved in getting every 5-year proposal together.
- Hearing about the future energy format for Canberra.
- Being able to hear others point of views. Clarifying issues and making sure what we thought was important was included in the report.
- I appreciate the genuine interest from Evoenergy in our opinions and feedback.
- Interaction and understanding details about subjects we were discussing.
- Learning more about energy networks and the energy landscape.
- The interaction with the panel members and being able to contribute.
- Informative, engaging, and the chance to shape policy and to be heard.
- Various views put forwarded by panel members with diverse backgrounds.
- Learning new things, having my voice heard. Level of engagement.
- The engagement and platform to voice different opinions and ideas respectfully.
- Learning more about the energy supply infrastructure of the ACT and how it is complicated by retailers.
- Group discussions where everybody could freely express their opinions.
- The attendance of senior managers at the sessions elevated the importance of the work of the panel

Appendix B – Deep Dive panel report



EVOENERGY DEEP DIVE PANEL

PANEL REPORT



OCTOBER 2023

CONTEXT

In January 2023, Evoenergy submitted its 2024–29 electricity network proposal (EN24) to the Australian Energy Regulator (AER). This submission was informed by consumer and stakeholder input from consultation undertaken by Evoenergy.

Following the submission of Evoenergy’s regulatory proposal, the AER undertook an evaluation and consultation process including releasing an Issues Paper, seeking public submissions, and requesting additional information from Evoenergy. The AER published its draft decision on Evoenergy’s EN24 proposal in September 2023.

Prior to responding to this draft decision with a revised EN24 proposal, Evoenergy undertook further consultation with consumers and stakeholders on elements of its proposal, in particular topics that the AER had identified as requiring deeper understanding.

Evoenergy established the Evoenergy Deep Dive Panel (the Panel) to seek these additional consumer views to inform its revised EN24 proposal.

PURPOSE

The Panel was established to allow a more detailed topic examination of EN24 issues. Over a series of three meetings, participants in the deep dive sessions were provided with an opportunity to understand the content, and its context and provide informed feedback to Evoenergy.

The purpose of this report is to provide a reflection on the process undertaken and provide a summary of the key areas of discussion and feedback by the Panel.

This report has been prepared by the members of the Panel as an independent record of our work.

THE DEEP DIVE PROCESS

The Panel met three times between September and October 2023.

30 participants undertook 12 hours of discussions. Members of the Panel represented a diverse cross-section of the Canberra community, including a range of ages and cultural backgrounds, a mix of homeowners and renters. Some members had solar Panels, and household batteries and some already owned electric vehicles.

The three sessions were held in-person with some participants joining online via Microsoft Teams. During the Panel meetings feedback was provided to Evoenergy through general discussion, contribution to small group discussions and worksheets, as well as using polling tool Slido.

INTRODUCTION

In the ACT the government has established a timeline toward net zero 2045, featuring the electrification of our energy network, adoption of EVs, phasing out of natural gas. This will have an impact on all Canberrans and visitors to our territory.

KEY AREAS OF FEEDBACK

INFRASTRUCTURE AND TECHNOLOGY INVESTMENT APPROACHES

The Panel members provided the following feedback relating to Evoenergy’s approach to infrastructure and technology investment.

- Investment is required to expand the network to support growth in the ACT.
- Investment must ensure the network is future-proofed to include two-way energy flows and increased electrification.
- The use of real data to inform decision making was seen as a strength of the investment plan.
- Infrastructure investment is required to support all new technologies such as EVs, community batteries, smart meters and electrification.
- A long-term approach to infrastructure and technology investment is vital to ensure the security and stability of the network.
- It is important that investment strategies do not disadvantage any households regardless of income.

CHANGES TO THE PROPOSAL WITH RESPECT TO TARIFFS

Figure I below shows the tariff information that was presented to panel members in Meeting 2

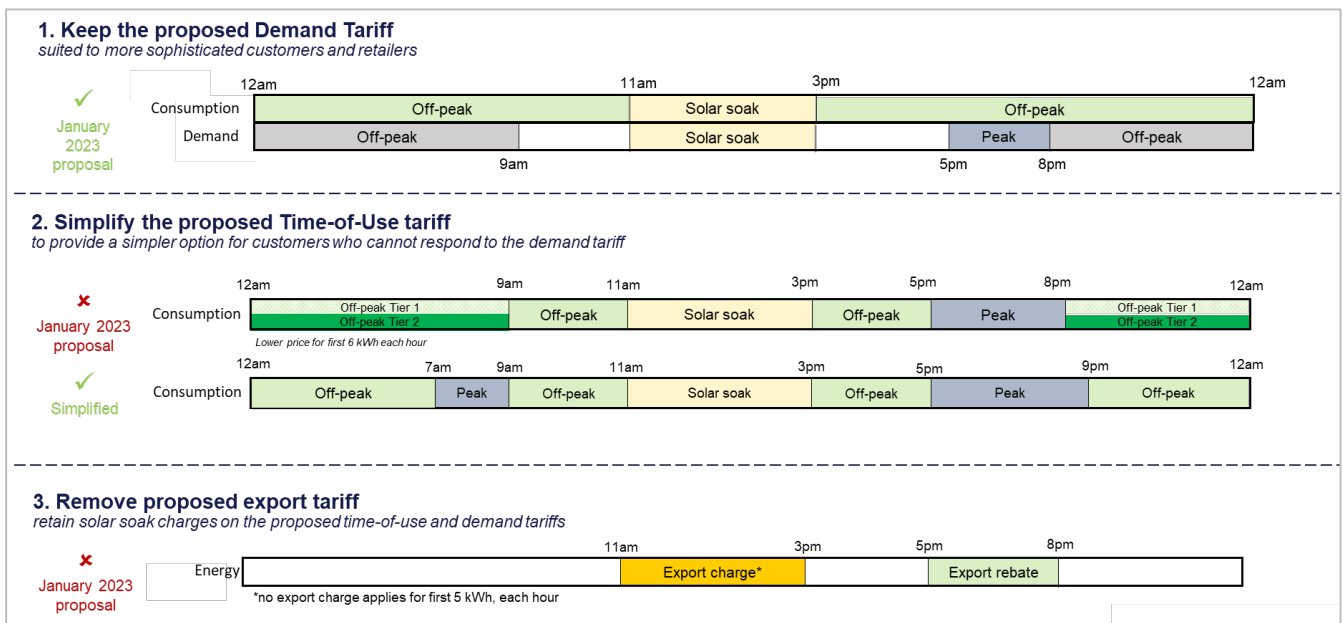


Figure I. Summary of proposed changes

The Panel members understood and discussed the point that Evoenergy tariffs are not necessarily passed on to the consumers by the retailer in the same form.

The Panel felt the following was important with respect to tariffs.

- Consumers want tariffs that are transparent and easy to understand.
- Consumers should feel that they have control over tariffs and costs.
- Consumers have the ability to see and understand the network pricing signals.
- Tariffs need to provide an opportunity to incentivise and inform the move to distributed energy resources such as solar, batteries and EVs in a balanced way.
- The Panel welcomed the removal of the proposed solar export tariff as it sent mixed signals to the community.
- The Panel members were asked to consider levels of control over EV charging and smart appliances and had a preference for consumers maintaining flexibility.
- Evoenergy has a role to play in educating retailers and consumers about tariffs.

INPUT TO FUTURE PLANNING FOR ELECTRIC VEHICLES (EV) USE ON THE NETWORK

Figure 2 below details the future network tariff options that were presented to panel members in Meeting 2

	A Current tariffs	B Flexible load tariffs	C Controlled load tariffs
	You can choose the times you charge, based on the price of electricity at different times of the day.	You can choose the times you charge, but your charging may be <i>slowed down</i> if the network experiences an extreme event. You'll pay a lower price to be on this tariff.	Your charger is <i>switched off</i> completely during peak times. You may be able to override it, but you will pay a higher price when you do.
Control	You control when you charge (e.g. based on convenience, or using a timer for your EV)	You control when you charge, but Evoenergy may slow down your charging during extreme events.	Charging restricted to 10pm – 7am, and/or 9am – 5pm.
Override capability	N/A	Yes , at a higher price	Possibly (depending on your meter) at a higher price
Cost of full charge	\$1.50 to \$15.50 (depending on your tariff and time of day)	Less than current tariffs (prices TBC)	Around \$1.10 to \$1.50
Network investment in the future	Higher if no response, Medium if customers respond (risk of new peaks at nighttime)	Lower – new peaks can be dynamically managed	Medium (risk of new peaks at nighttime)
Tariff enablement expenditure	Low <i>Available in current period</i>	Medium <i>Available in future periods</i>	Low <i>Available in current period</i>

Costs assume 60 kWh EV battery and Evoenergy's 2023/24 network charges

Figure 2. Summary of proposed changes

Canberrans compared to the national average are adopting EVs at a higher rate in response to government reforms. The Panel provided the following feedback on future planning for EV use of the network.

- Evoenergy needs to ensure the network will support this uptake.
- Incentives for Level I charging should be implemented to ensure less demand on the network.

- Infrastructure and technology investment also needs to support the increasing uptake of EVs and their demand on the network.

OTHER COMMENTS

The Panel provided the following feedback on other areas impacting Evoenergy's EN24 proposal.

- The current regulatory cycle (5 years) seems too long given the fast pace of change in energy. Suggest shorter regulatory timeframes or midpoint reviews to adjust spending and investment and to respond to emerging technologies and risks such as changing consumer behaviour.
- Need to have a fair approach that acknowledges our vulnerable communities.
- Need to step up consumer education on tariffs, noting there are various parties responsible across the energy sector and governments.

CONCLUSION

- Change is happening fast. Consumers need to stay up to date to contribute to a successful transition.
- The Panel members supported Evoenergy's draft revised proposal and were keen to understand the potential of battery storage.
- The Panel supported the revised tariffs in the draft proposal.
- The Panel members appreciate the opportunity to contribute to Evoenergy's planning and found it to be a positive experience.