



# SRG QCV Working Group

## Meeting #1 | Summary Notes

Details	Members	AusNet Staff	External Observers
09.00-10.00am Thursday 4 May 2023	Helen Bartley Mark Grenning	Charlotte Eddy Robert Ball	Nil
Online (MS Teams)	Jonathan Kneebone	Lucy Holder	
Chair: Rob Ball	Emma Chessell	<b>Observing:</b> Chloe Finn Thang Pham Jade Park	
Secretariat: AusNet			

Purpose of Session	<ul style="list-style-type: none"> <li>Ensure we are aligned on the purpose of the Quantifying Customer Values (QCV) research and this Working Group</li> <li>Discuss and agree on next steps for the research</li> </ul>
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Item	Time	Topic	Lead/s
<b>Part 1</b>	09:00am	Welcome & Purpose of the QCV study	Rob Ball
<b>Part 2</b>	09:05am	QCV Research Themes <ul style="list-style-type: none"> <li>Priorities raised in existing research</li> <li>Priorities identified by other resets</li> <li>Proposed themes (for refinement)</li> </ul>	Rob Ball
<b>Part 3</b>	09:20am	Potential Service Metrics & Proposed Impacts <ul style="list-style-type: none"> <li>Potential service metrics</li> <li>How we propose to use the research</li> </ul>	Rob Ball
<b>Part 4</b>	09:35am	Suppliers, Timelines & Methodologies <ul style="list-style-type: none"> <li>Potential suppliers</li> <li>Qualitative enrichment</li> <li>Discussion on indicative timelines</li> </ul>	Lucy Holder, Rob Ball
	09:55am	Meeting close and next steps	Rob Ball

## Summary

### Key points

Topics	Discussion points
<b>Purpose of the QCV Study</b>	<ul style="list-style-type: none"> <li>Members indicated that the purpose and role of the working group is clear.</li> <li>Confirmed that the sample size will be large enough to allow for key demographic breakdowns.</li> <li>Confirmed that C&amp;I customers will not be included given the methodology is not appropriate for reaching and capturing the views of this group.</li> <li>Confirmed that the Working Group will report back to the Stakeholder Reference Group (SRG) and Sub-Panels on progress and design of the QCV study to ensure they are across the design.</li> <li>AusNet took an action to share examples of how other networks have approached QCV-type research.</li> </ul>
<b>QCV Research Themes</b>	<ul style="list-style-type: none"> <li>A member commented that it is good AusNet is doing a broad range of research, acknowledging quantifying values is a gap.</li> <li>Consumer Energy Resources (CER) integration can also be viewed in the context of rising consciousness/desire among consumers in the environmental space (i.e., not just the infrastructure perspective).</li> <li>Good engagement on customer values cannot be done in isolation from tariffs given these determine who pays for upgrades to deliver improved service levels. CER integration expenditure – and the extent this may be funded through export tariffs - was used an example. AusNet agreed that thought needs to be put into this, and that it is potentially something that could be further explored in the qualitative stage. This is something that this Working Group and the <i>Tariffs &amp; Pricing</i> and <i>Future Networks</i> sub-panels need to be working on together.</li> <li>Members highlighted that AusNet should look at what Ausgrid is doing on resilience (which has been a key focus area of their engagement and Revenue Proposal), and that AusNet should do a critical analysis of the methodologies other DBs have used.</li> <li>Suggested we change “Affordability” to “Affordability <u>and</u> cost savings”.</li> <li>Questioned what context will be provided in questionnaire on energy affordability, to frame survey questions.</li> <li>Clarifying that we are focussing on the right topics (e.g., have we tested how a value for biodiversity could be used in economic assessments). The measures need to be quantifiable, tangible, and explainable in AusNet’s Revenue Proposal</li> <li>Highlighting the importance of qualitative testing before and after the survey.</li> <li>Clarifying that the Working Group will be involved in the design of the questionnaire (which will be developed with the research supplier once one is appointed).</li> </ul>
<b>Potential Service Metrics</b>	<ul style="list-style-type: none"> <li>On CER, incorporating projected value of the feed in tariff (FIT) into business case assessment, and being mindful that there is much confusion around the ‘true’ value of CER integration.</li> <li>Ensuring we can break research outputs down to see priorities for different customer groups and segments.</li> </ul>

- Thinking about how we might frame the research to ensure customers take a long-term view of what they expect from the grid (i.e., what customers might value in 2031).
- *Support renewable energy sources to flow through the network* is possibly a challenging question for consumers - will be interesting to see the specific questions drafted to measure this.
- Clarifying that the prioritisation AusNet has done of issues on slide 22 is quite qualitative and indicative. Highlighting the importance of a clear narrative around each individual service metric
- Ensuring there is no double-counting in cost benefit analysis (e.g., between a value of resilience obtained through QCV and the VCR), noting the AER has flagged it will be doing some work in this space as parts of its review of the VCR next year. A member flagged concern with previous AER attempt to value Widespread and Long Duration Outages (WALDOs).

## Suppliers, Timelines and Methodologies

- Two SRG members (HB & MG) indicated they were keen to talk about suppliers offline.
- Confirmation that separation between quant and qual is a good thing (i.e., we should get different suppliers for each), and that qual can be addressed through customer workshops.

## Close & Next Steps

Rob Ball thanked everyone for their time, provided a summary of actions arising from the meeting, and closed the meeting.

## Action items

Action	Assigned to	Status	Due date
Doing a critical analysis of the methodologies or approaches used by other networks in QCV-type research.	AusNet	Underway	Meeting #2 (June)
Reviewing Ausgrid's work on resilience	AusNet	Underway	Meeting #2 (June)
Arranging a separate meeting with Helen and Mark to discuss research suppliers	AusNet	Complete	Mon 8 May
Preparing the research brief to send out to suppliers	AusNet	Shared with working group	Fri 26 May

## Addendum:

AusNet had a follow-up meeting with two SRG members (HB and MG) on Monday 8 May at which was agreed:

- a Victorian agency with energy experience is preferred
- we should be approaching research agencies (rather than an economic consultancies)
- suppliers should include details in their proposals on their statistics expertise and credentials
- ~3 suppliers should be approached

- Request for proposal should include a budget to allow suppliers to design something that is best value for money
- Request for proposal should emphasise that we want the study to be in line with best practice methodologies.