

AUSNET EDPB 2026-2031 COORDINATION GROUP MEETING #4 MINUTES

Location: Microsoft Teams

Date: November 30, 2023

Time: 2:00pm – 3:30pm

Coordination Group (CG):

Peter Eben (Chair of CG, meeting Chair)

Helen Bartley (Research and Engagement Panel Lead)

Kieran Donoghue (Availability Panel Lead)

Gavin Duffy (Tariffs and Pricing Panel Lead)

Mark Grenning (Benchmarking and Opex Lead)

Dean Lombard (Future Networks Panel Lead)

Emily Peel (Customer Experience Panel Lead) (meeting Secretary)

Attendees:

AusNet:

Rob Ball

Charlotte Eddy

Lucy Holder

Sonja Lekovic

Liz Ryan (for item 3d)

AER / CCP:

David Prins (CCP)

Matthew Morrison (AER)

Apologies: Helen Bartley (Research and Engagement Panel Lead)

I. Welcome and conflicts of interest

Minutes from the last meeting were accepted.

No conflicts of interest declared.

Apologies – as noted above

Review of last meeting's Action items

Action items i, ii, v and vi completed

Action items iii and iv carried forward

II. PANEL LEAD UPDATES

- **Availability (Kieran)**

The Availability panel has not met since the last co-ordination group so there is nothing new to report.

- **R&E (Helen) (from email dot points provide by Helen)**

1. Quantifying Customer Values

- This has been the focus for the sub panel, with no formal "meetings" per se, rather receiving draft questionnaire from AusNet and working through via emails to ensure the questionnaire is fit for purpose for AusNet customers.
- The R&E panel for example has challenged some of the language and been able to influence the question design, by way of simple example the use of the term "suburb" has little or no meaning to rural customers when asked where they live, so we have been able to ensure from that level to more substantive issues are addressed, such as what constitutes a business customer and ensuring all business customer groups have an opportunity to participate
- We have also input on the content of the scenarios to be tested with customers.
- At this point the consultants (Lewers) are protesting the questionnaire (cognitive interviews) with a small sample of customers whereby they observe customers as they undertake the survey and ask them about their experience.
- Feedback expected this week I believe, and full survey is expected to take place pre Xmas - Lucy please feel free to expand as appropriate.

2. Key customers

- with Mark AusNet has organised a key customer workshop with major energy users to explore issues affecting their business operations. The workshop will take place 11 December and Mark will be attending - Mark please feel free to elaborate.

3. R&E

- has been encouraging AusNet to also reach out to regional customer representatives such as local council business development teams and will work with them to provide contacts and encourage engagement to inform the EDPR and more broadly keep abreast of regional issues on these customers'/customer representatives' terms
- (+Mark) are keen to also engage with customers and over December/Jan will work on a brief proposal outlining the purpose and value etc to the coordination committee to tap into our budget to gather our own evidence (case studies) of consumer perspectives

5. 2024 forward plan

- just noting this will be discussed in the March meeting but we have not engaged on this in any specific way yet apart from the above.

- **Benchmarking and Opex (Mark)**

The Benchmarking and Opex panel has not met since the last co-ordination group so there is nothing new to report.

- **Future Networks (Dean) (from email dot points provide by Dean)**

Future networks panel met on 13 November to discuss focus questions 4 and 5

FQ 4: How might we unlock more value for customers and reduce unit costs through an efficient mix of smart grid technology and new capacity?

FQ 5: how might we support customers in unlocking CER value streams?

Customer research shows that there is a clear expectation that the grid should be able to handle whatever customers throw at it.

- People expect to be able to do what they need or want to do. Automation and control needs to work in the background to shift things to optimal times when it doesn't matter, but revert quickly and easily if the customer needs them.
- "Orchestration" – like an orchestra: the conductor may be leading and giving signals but the people choose to follow (and how to follow) and they are working together.

Insight from EV charging orchestration trial: one fifth of customers couldn't reliably respond to signals because they turned their chargers off when not using them.

- This demonstrates one of the paradigm shifts that has to happen. People are used to doing what they already do, and need to learn how and understand why to do things differently

Deciding between network and non-network solutions as the network modernises and transitions to being a DSO (distribution system operator)

- The emissions reduction objective in the NEO (National Electricity Objective) means that the AER will determine an interim value for emissions reduction until they have developed a methodology to use going forward. Until then, DNSPs will need to nominate a value.

How should Ausnet account for orchestration in its forecasts?

- This led to a wide-ranging discussion. The challenge is that there are so many uncertainties and unknowns around what form orchestration will take and how effective it will be. Perhaps a scenarios-based approach covering a range of outcomes from orchestration will be needed.

How should AusNet approach EV orchestration?

- We probably need more work on how to meet network needs while meeting customer needs and preferences.
- Focusing on customer values rather than opinions. Customers say they don't want charging to be controlled, but maybe what they mean is they want to be able to charge their cars when they want or need to. Quite a difference. Making it

work for the customer while also meeting the network need is the key. Figuring out how to do that is the challenge

How quickly should AusNet transition to being a DSO?

- Fast, medium, slow? A range of views. Customer value is a key factor. This probably leads toward a moderate path, looking at value over the medium term

We also discussed innovation projects/funding. What level of innovation should AusNet invest in over the 2026-2031 regulatory period? (Less, the same, or more than currently)

- A range of views leaning toward increasing the level, with the caveat that a commitment to transparency about the risk/reward ratio and the potential value of the innovation is critical.

- **Tariffs And pricing (Gavin) (from email dot points provide by Gavin)**

- We had lots of conversations
- risks associated with community, energy resources, integration, and how tariff design can help mitigate these risks
- takeoff rate of tariffs and the barriers to take up - this included improved customer understanding of device specific tariffs, i.e. connection agreements
- relationships of the tariff group with the future network group how information can be exchanged
- update provided on the various New South Wales ACT draft structure statements. This included an overview of export tariffs
- deep dive into accommodating CER and enabling the energy transition. We had a number of consumer profiles presented and slides on revenue recovery and cost reflectivity also discuss challenges and opportunities.
- cost allocations between fixed versus variable charges
- big red button and the use of household Wi-Fi networks to enable this
- solar costs and value to the network
- system operator, dynamic, operating envelopes and controllability in different appliances and other specific service offerings
- around why costs are allocated as they are. This include opt in versus opt out and should specific appliances have specific tariffs
- conversations around Automation
- Conversations around various tariff trails

- **Customer experience (Emily) (from email dot points provide by Emily)**

- The Customer Experience panel met on Wednesday 22 November to discuss the unplanned outage customer experience.
- Panel member John Mumford shared his personal experience case study, with the main call outs being the lack of communication and timely information from AusNet as well as a lack of service from their call centre.
- AusNet provided a demonstration of the improvements being made to the outage tracker.

- Panel members feedback focused on outage communications and opportunities for AusNet to improve on these, in both timeliness and content of messaging, as effective communications play a crucial role during outages.
- There were diverse views from the panel on future options and the approach which should be taken to unplanned outages in the 2026-31 Customer Service Improvement Scheme (CSIS), but all panel members wanted to set more challenging targets for improvement.
- Next meeting is February 2024.

III. AusNet items

a. CCP ground rules / Early signals pathway update / discussion (20 mins)

CCP ground rules

- CCP / AER are comfortable with the observer role.
- CCP ground rule of no surprises is our general principle happy to have and operate on the way forward.
- Future CG agendas will include a 5 minute CCP update and perspectives slot to assist with no surprises
- Provision of a draft of the CCP Report prior to release may be a challenge. The AER / CPP want to protect the independence of the report. They are comfortable to share minor points, but not the entire report prior to lodgment with AER and it will be at the CCP members discretion what they share.
- The CG members noted that there is still a strong desire to see an draft of the CCP report prior to release to ensure factual accuracy and no surprises.
- It was also noted that the CCP budget will not be sufficient to enable the CCP member to attend all CG meetings and panel meetings and other relevant forums / workshops.
- The AER / CG Chair / AusNet representative and CCP member to meet to discuss CCP attendance at relevant meetings and approaches to confirming factual accuracy and no surprises in the CCP report.

Early signal pathway update.

- AusNet confirmed their intention is still to seek an ESP.
- CG members noted that the impact of the level of work expected by the CG due to the ESP will need to be understood.

b. March 2024 offsite agenda (15 mins) (slides as provided)

- Charlotte provided an overview on the draft agenda.
- In principle the CG was happy with the draft agenda

c. Customer workshops round 3 topics (15 mins) (slides provided)

Discussion on topic ideas and agreed priority topics included:

- Tarriff and controllability
- CSIS topics

AusNet will also dive further into worst served customers once a value has been determined.

d. Brand campaign (10 mins)

AusNet shared their creative video.

The CG noted:

- It has a Transmission focus, distribution not a focus as much.
- There needs to be some consideration of distribution related brand issues and collaboration with other distributors if required
- Consensus was that it looks great

IV. OTHER BUSINESS

Mark is there enough time in the meetings? Would like more discussion time to hear further from the groups.

Everyone agreed to look at the agenda next year. Peter to lead.

V. ACTIONS AND NEXT STEPS (<5 MINS)

Actions:

- i. R& E group – simple proposal; to go to Coordination group re direct engagement with customers to inform CG report .
- ii. Sonja to send link to gazette information for emergency backstop
- iii. Peter to discuss with CCP / AER / AusNet on items outstanding re CCP attendance at CG meetings
- iv. AusNet to circulate customer workshop dates in February

Next meeting – Jan 24th 2024 9-10.30 AEST.