



AUSTRALIAN
ENERGY
REGULATOR

Vic EDPR 2021–26 - Draft decisions

Predetermination conference

AER Board Member – Eric Groom – Conference Chair

15 October 2020

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Predetermination conference – Agenda

Time (AEDT)	Duration	Item	Presenter
9:50 – 10:00 am	10 mins	Attendee login	-
10:00 – 10:10 am	10 mins	Welcome and introduction	AER – Board Member – Eric Groom
10:10 – 10:30 am	20 mins	AER’s Vic EDPR 2021–26 draft decisions	AER – General Manager – Kami Kaur
10:30 – 10:50 am	20 mins	Insights form the AER's Consumer Challenge Panel	CCP17
10:50 – 11:00am	10 mins	Break	
11:00 – 11:05am	5 mins	Chair to reconvene meeting	AER – Board Member – Eric Groom
11:05 – 11:30am	25 mins	Insights from consumers groups	The Brotherhood of St. Laurence Energy Consumers Australia Energy Users Association of Australia
11:30 – 11:40am	10 mins	Next steps for AusNet Services	AusNet Services
11:40 – 11:50am	10 mins	Next steps for Jemena	Jemena
11:50am – 12:05pm	15 mins	Next steps for CitiPower, Powercor and United Energy	CitiPower, Powercor and United Energy
12:05 – 12:55 pm	50 mins	Question and answer	
12:55 – 1:00pm	5 mins	Closing remarks	AER – Board Member – Eric Groom



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General Manager Distribution – Kami Kaur

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Key themes (across the five distributors)

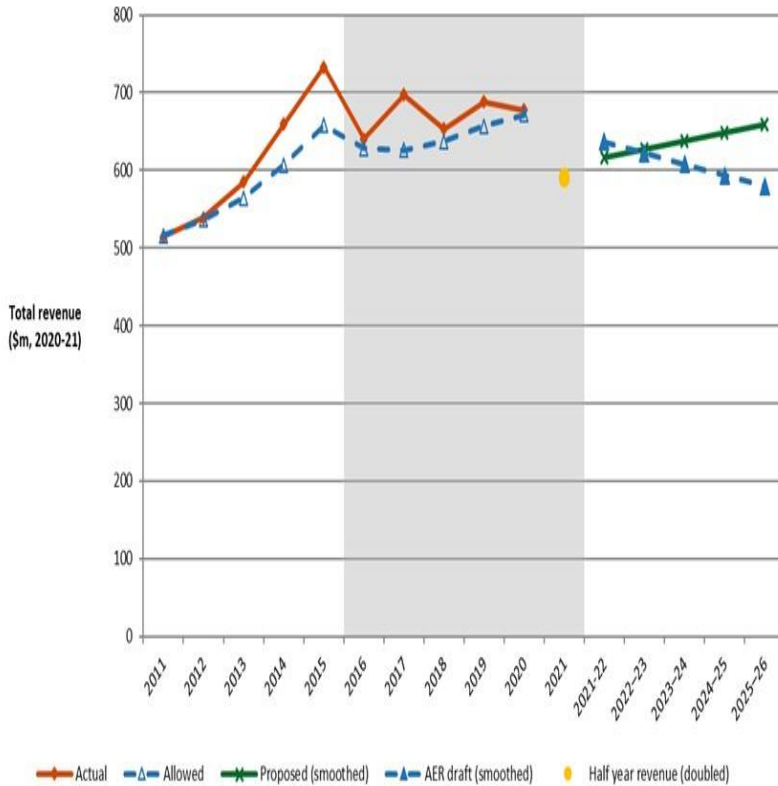
- Engagement with consumers
- Poles and asset management (CitiPower and Powercor)
- Ensuring consumers pay no more than necessary
- Facilitating the emergence of DER
- Network tariff reform proceeding in Victoria

Consumer engagement

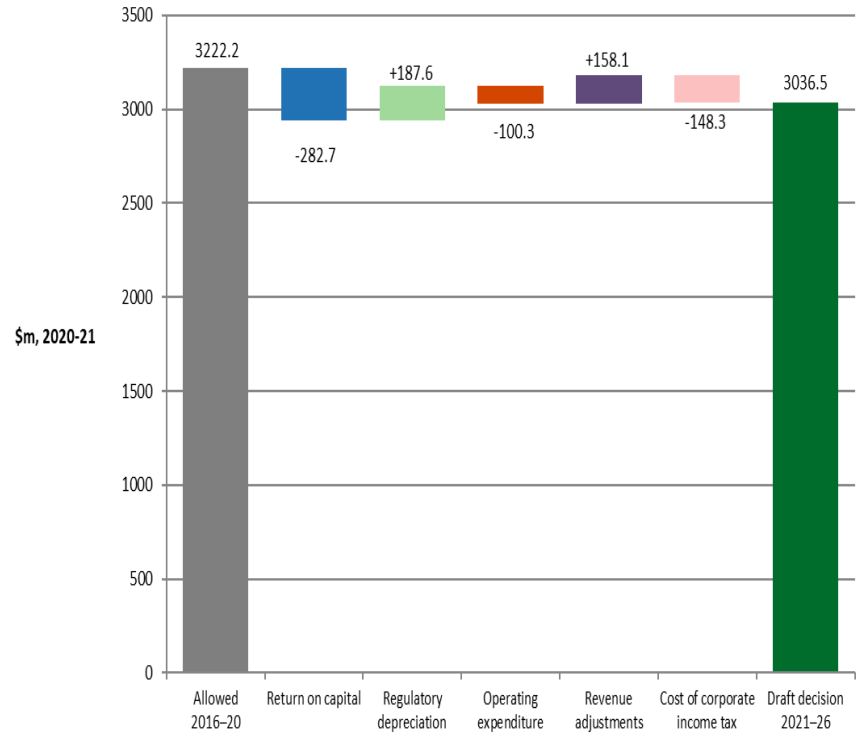
- All five distributors have evolved in their approach to consumer engagement
- How we use the outcomes needs to evolve too
- Draft framework outlined in draft decision:
 - Nature of engagement
 - Breadth and depth
 - Clearly evidenced impact
 - Proof point

AusNet Services' proposed and AER's approved revenue

AusNet Services' revenue over time
(\$m, \$2020–21)

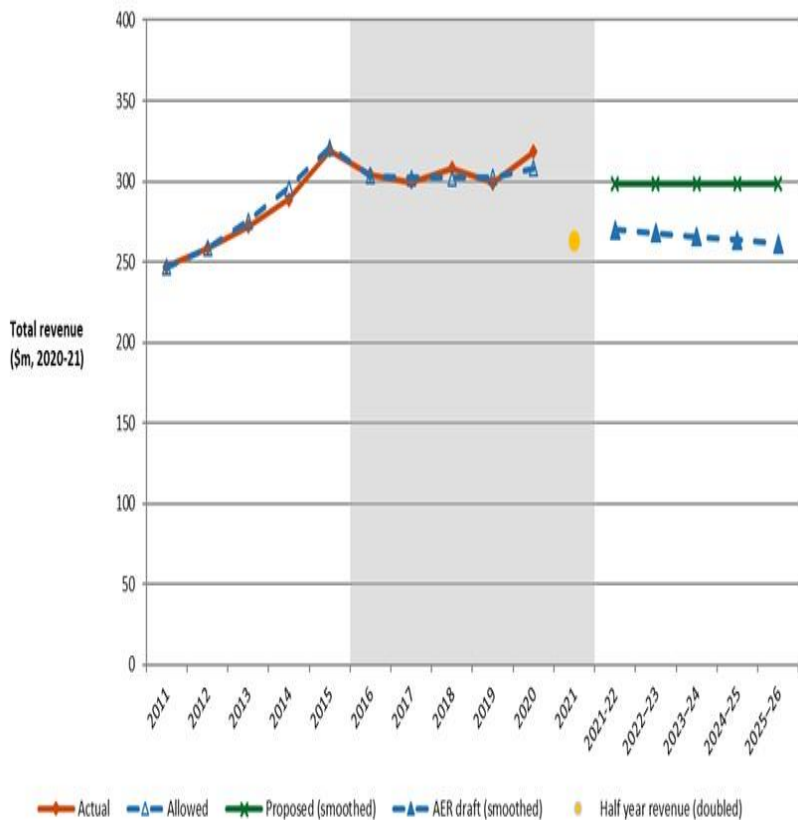


AusNet Services' change in current to forecast revenue

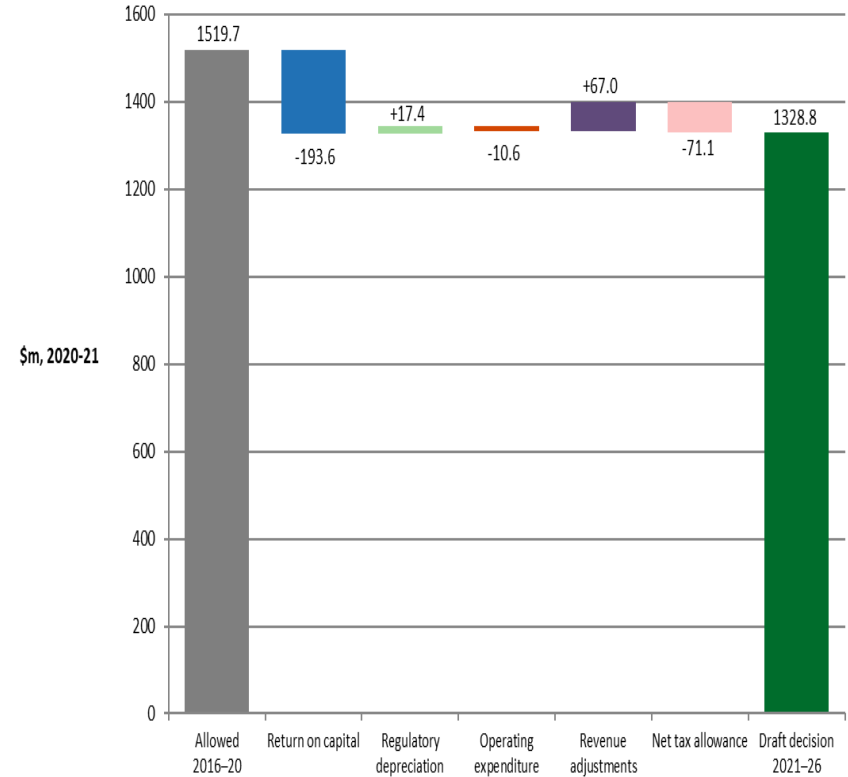


CitiPower's proposed and AER's approved revenue

CitiPower's revenue over time (\$m, \$2020–21)

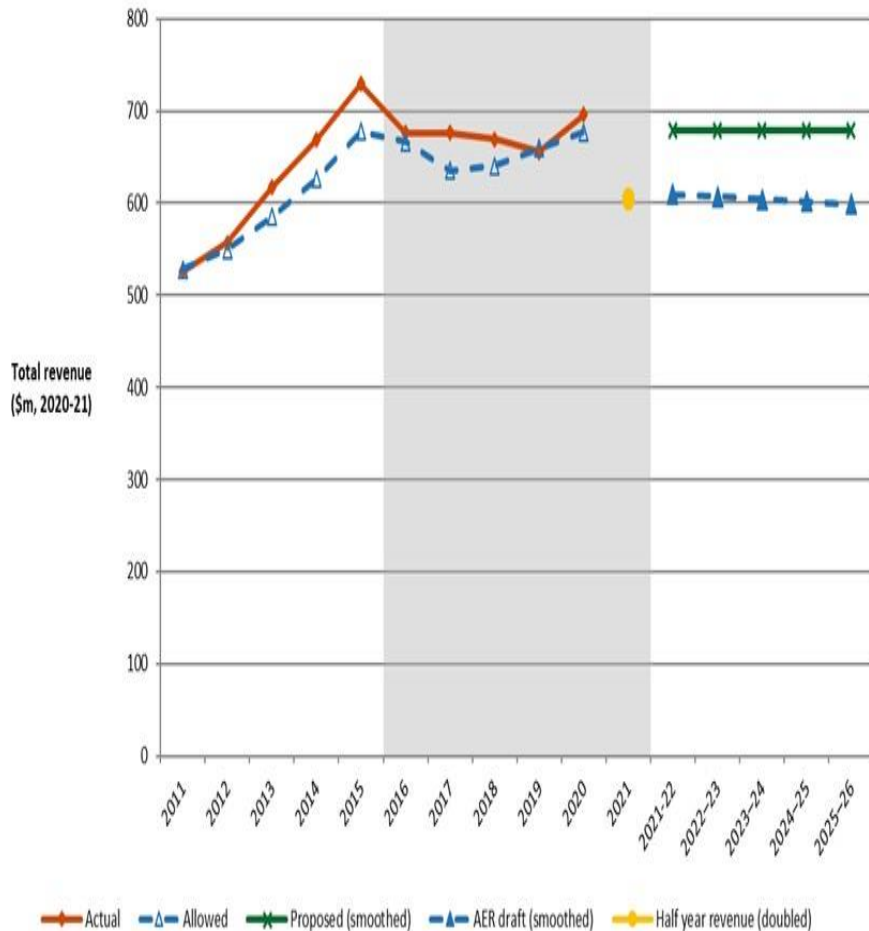


CitiPower's change in current to forecast revenue (\$m, \$2020–21)

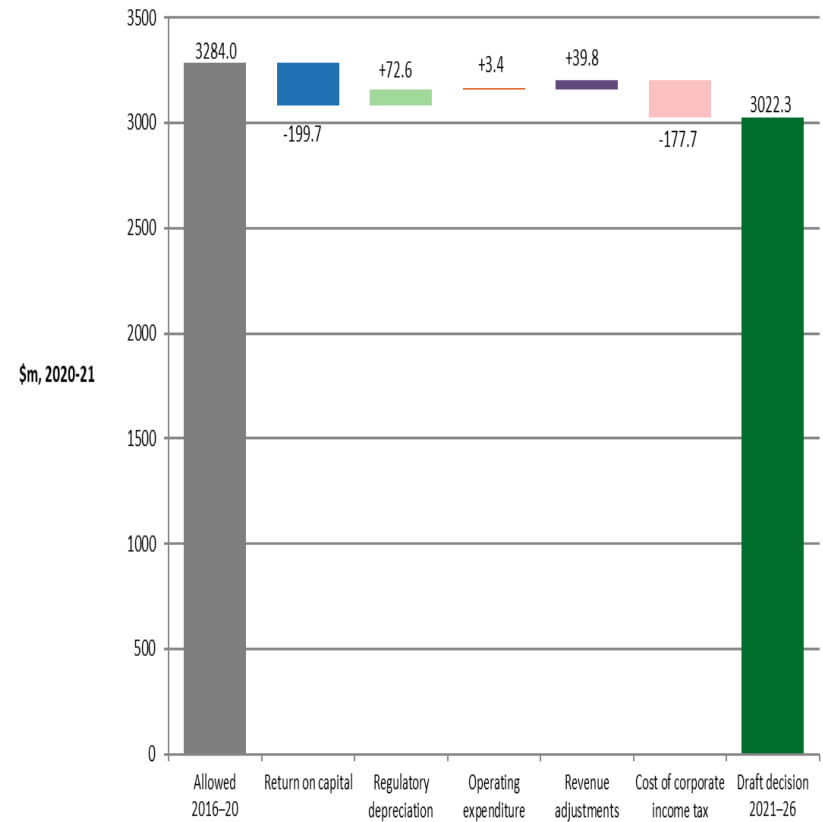


Powercor's proposed and AER's approved revenue

Powercor's revenue over time (\$m, \$2020-21)

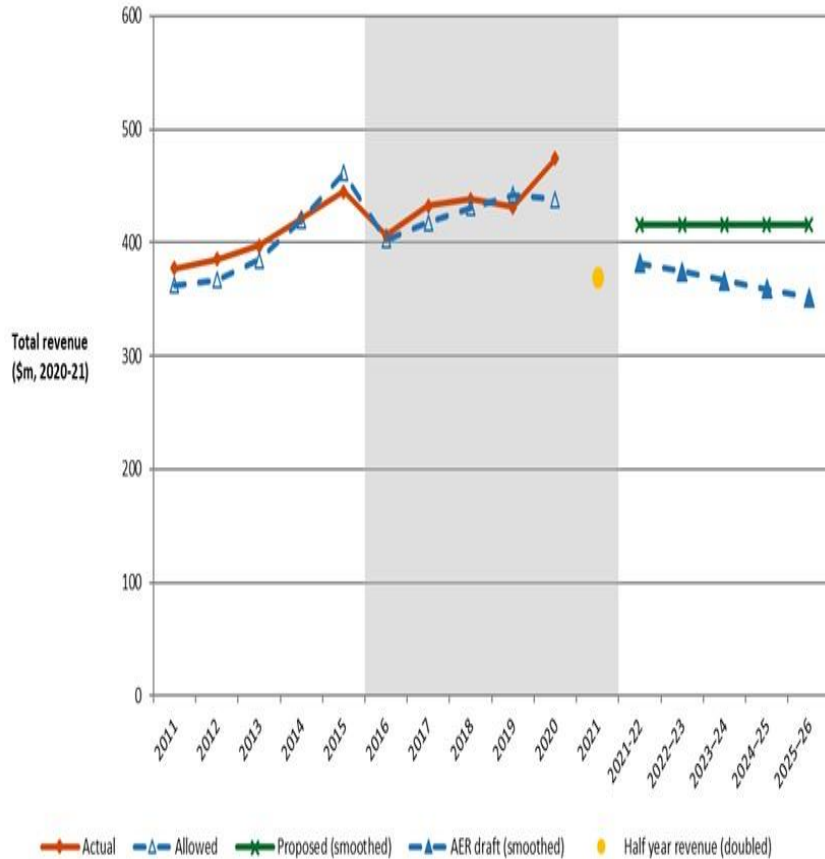


Powercor's change in current to forecast revenue (\$m, \$2020-21)

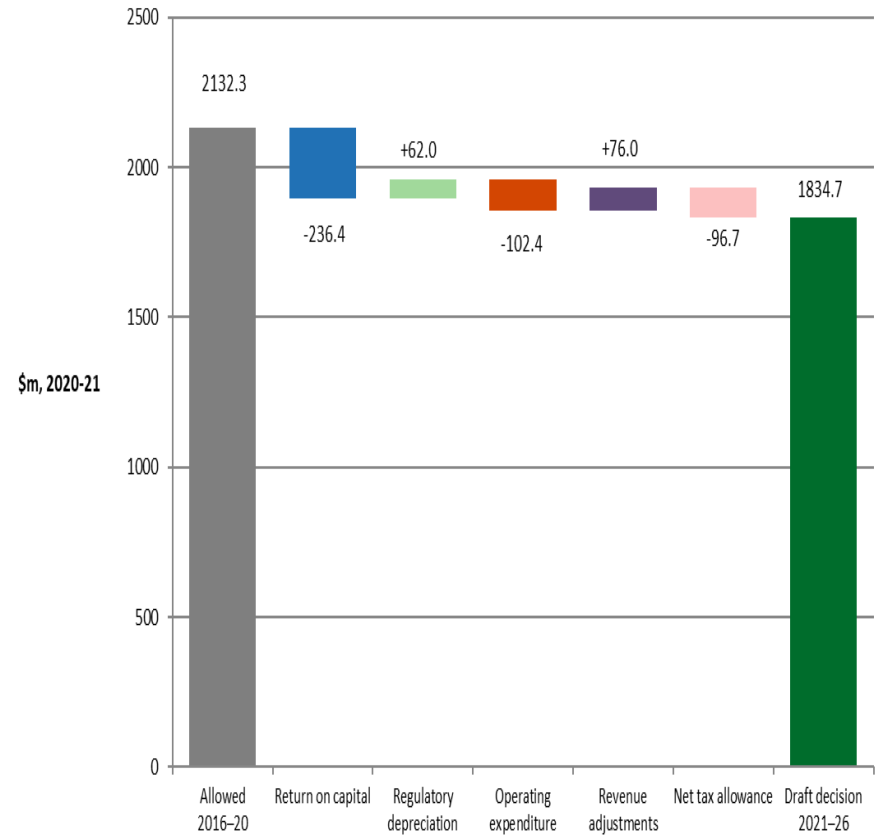


United Energy's proposed and AER's approved revenue

United Energy's revenue over time (\$m, 2020–21)

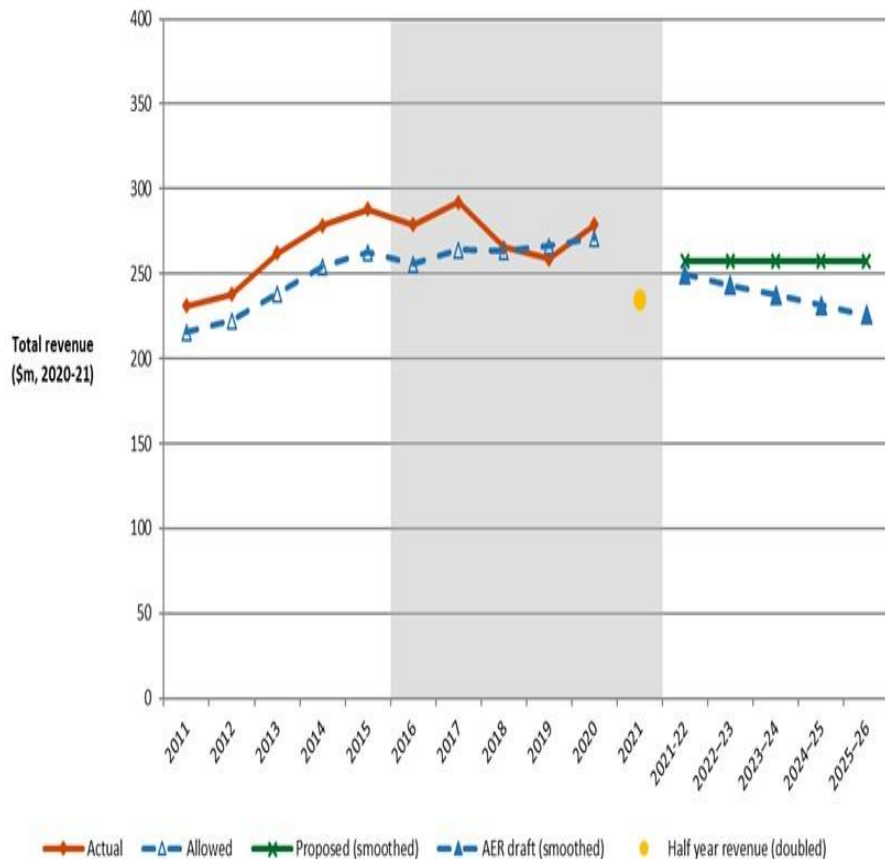


United Energy's change in current to forecast revenue (\$m, \$2020–21)

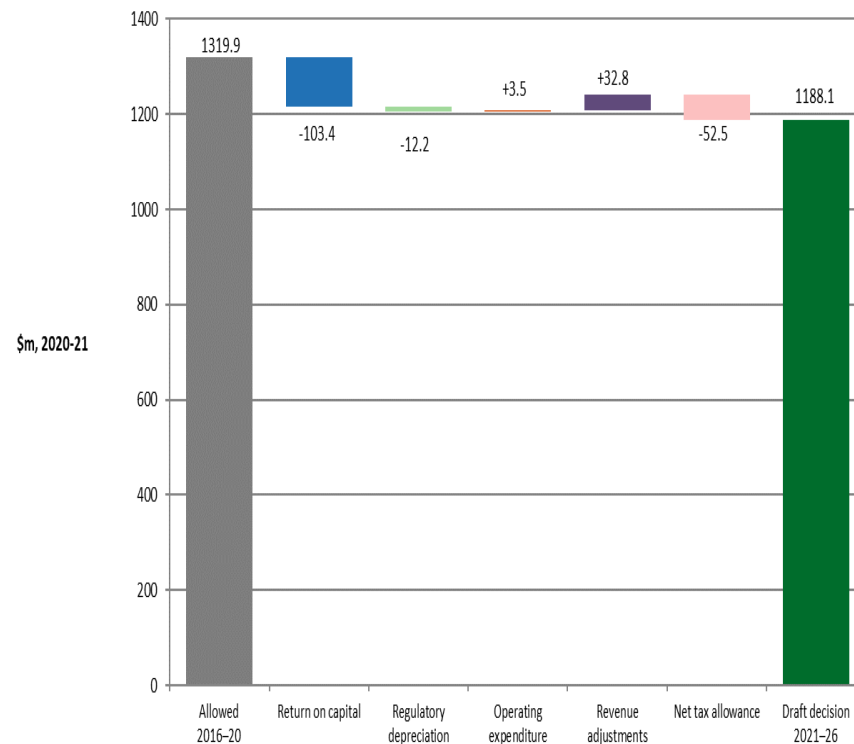


Jemena's proposed and AER's approved revenue

Jemena's revenue over time (\$m, \$2020–21)



Jemena's change in current to forecast revenue (\$m, \$2020–21)



Incentive schemes

- The following incentive schemes will apply in the next regulatory control period:
 - **EBSS*** (Efficiency Benefit Sharing Scheme)
 - **CESS** (Capital Expenditure Sharing Scheme)
 - **STPIS** (Service Target Performance Incentive Scheme)
 - **DMIS/DMIAM** (Demand Management Incentive Scheme/Demand Management Innovation Allowance Mechanism)
 - **CSIS** (Customer Service Incentive Scheme)
 - **F-factor**
- The schemes encourage networks to pursue expenditure efficiencies and demand-side alternatives, while maintaining service performance.
- We are scoping a review of incentive schemes and will advise stakeholders when this has progressed further.

* This will not apply to Jemena

Next steps

Milestone	Date
Victorian DNSPs submitted proposals	31-Jan-20
AER issues paper published	7-Apr-20
Online public forum on Victorian DNSPs' proposals	22-Apr-20
Submissions on AER's issues paper and Victorian DNSPs proposal closed	3-Jun-20
AER draft decision published	30-Sep-20
Public forum on draft decision	15-Oct-20
Victorian DNSPs submit revised proposal	3-Dec-20
Submissions on draft decision and revised proposal due	8-Jan-21
AER final decision to be published	30-Apr-21

10 minute break

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Questions and answer session

- Please raise your hand if you would like to speak
- Time will be allocated for those on the telephone to contribute
- Board Member Groom will let you know when it is your turn to ask a question or make a comment

Conclusion – Thank you and next steps

- Distributors' revised proposals expected 3 December 2020
- All stakeholders invited to make submissions to Vic2021-26@aer.gov.au on draft decision and revised proposals by 8 January 2021
- Questions and queries: Vic2021-26@aer.gov.au