

**Evoenergy  
2024-29  
Distribution Revenue  
Proposal  
Online Public Forum**

# Acknowledgement of Country

Arek Gulbenkoglou  
General Manager,  
Network Expenditure

# AER welcome and introductions

Arek Gulbenkoglou  
General Manager,  
Network Expenditure

# Agenda



Topic	Speaker	Duration
Welcome/ acknowledgment of country	Arek Gulbenkoglu, GM	5 mins
Network business presentation	Evoenergy	15 mins
Overview of issues papers	Arek Gulbenkoglu, GM	10 mins
Consumer Challenge Panel (26) facilitated discussion	Mark Henley	25 mins
Closing remarks, next steps - submissions 12 May	Arek Gulbenkoglu, GM	5 mins

# 2024 - 29 regulatory proposal

## AER public forum

6 April 2023

# Our electricity network proposal for 2024–29 will take the next step towards a net-zero emissions future

## The ACT's net-zero pathway

**80–90%**

of new vehicle sales will be zero emission vehicles by 2030

Transition away from natural gas by

**2045**

## Our consumers' 5-year plans

**31%**

intend to purchase an electric vehicle

**18%**

intend to install solar or a battery

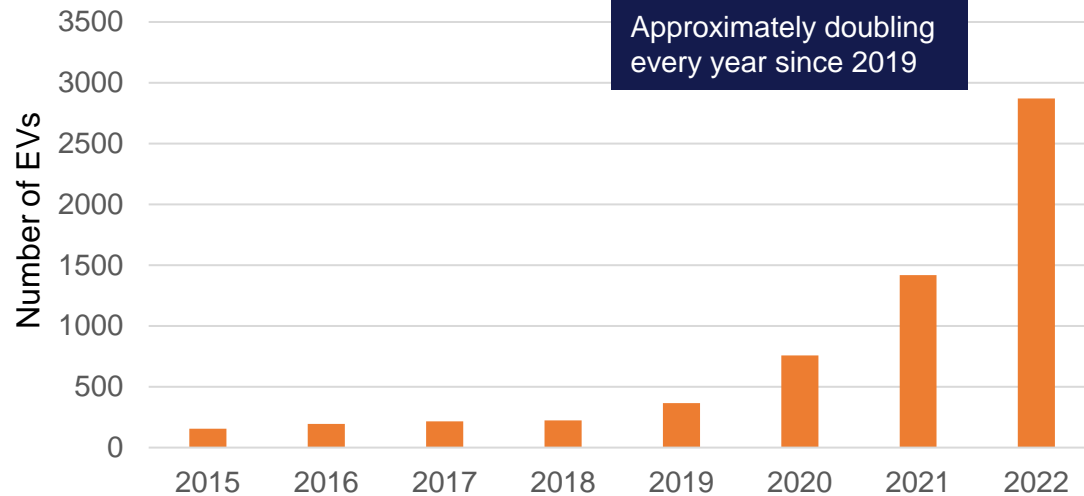
**32%**

plan on electrifying their gas use

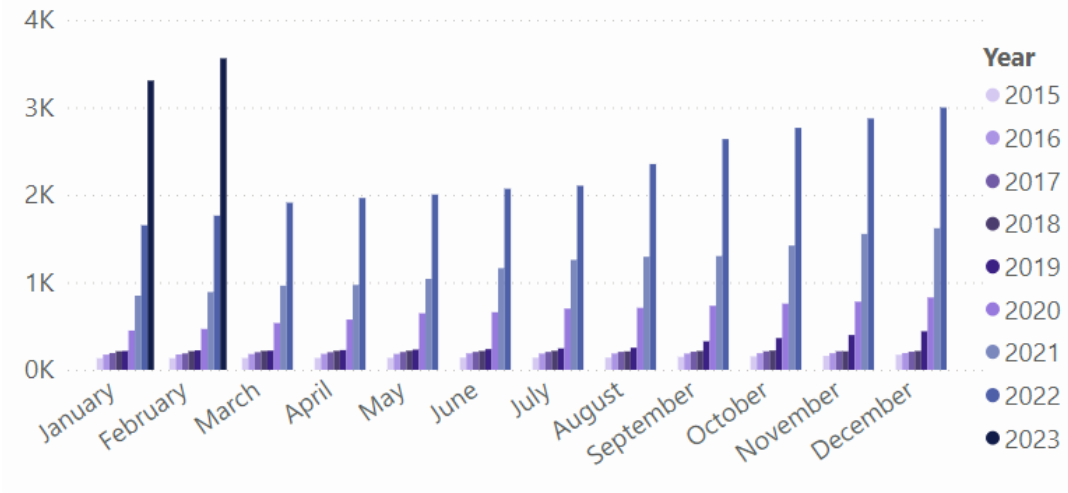
Our electricity network will transition from providing around **one third** to **almost all** of the ACT's energy as we electrify gas and transport.

# Demand for our services is growing

**Total ACT EV registrations (as at Dec 2022)**



**Number of registered ZEVs in the ACT per month**



## Growth between 2021/22 and 2028/29

Summer max demand\*

8%

Winter max demand\*

12%

Ratcheted maximum demand

15%

Customer numbers

8%

Volumes

7%

DER exports

70%

\*2022/23 forecasts were used instead of 2021/22 actuals for the comparison as both summer and winter were outside one in ten year events which skews the percentage growth

# Our proposal delivers on our community's priorities



## Maintain reliability and improve network resilience but make decisions that balance this with cost

- Invest \$15 million to protect against the increasing cyber security threat.
- Maintain the safety and reliability of our network – the fastest growing network in Australia.



## Play our role in energy affordability

- Average annual increase of 1.3% after inflation to the network component of electricity bills.
- Average regulatory asset base and capital investment per customer are expected to remain amongst the lowest in Australia.
- Average operating expenditure per customer will continue to be below average.



## Actively communicate with and inform the community

- We will rollout technology to allow us to better communicate with customers.



## Take action towards achieving a net zero future

- Take the next steps to transform our network to support the provision of almost all energy use in the ACT.
- Invest \$162 million to begin to accommodate the doubling of peak demand driven by population growth and the transition to full electrification.
- Innovate by continuing to participate in projects and trials (e.g. community batteries, advanced tariffs, integration of electric vehicles).



## Play a key role in enabling small-scale solar, batteries and electric vehicles

- \$12 million to better integrate consumer resources through dynamic export limits and improved network visibility – improving our capability to manage two-way flows.



## Provide network tariffs that are fit for future users of the network

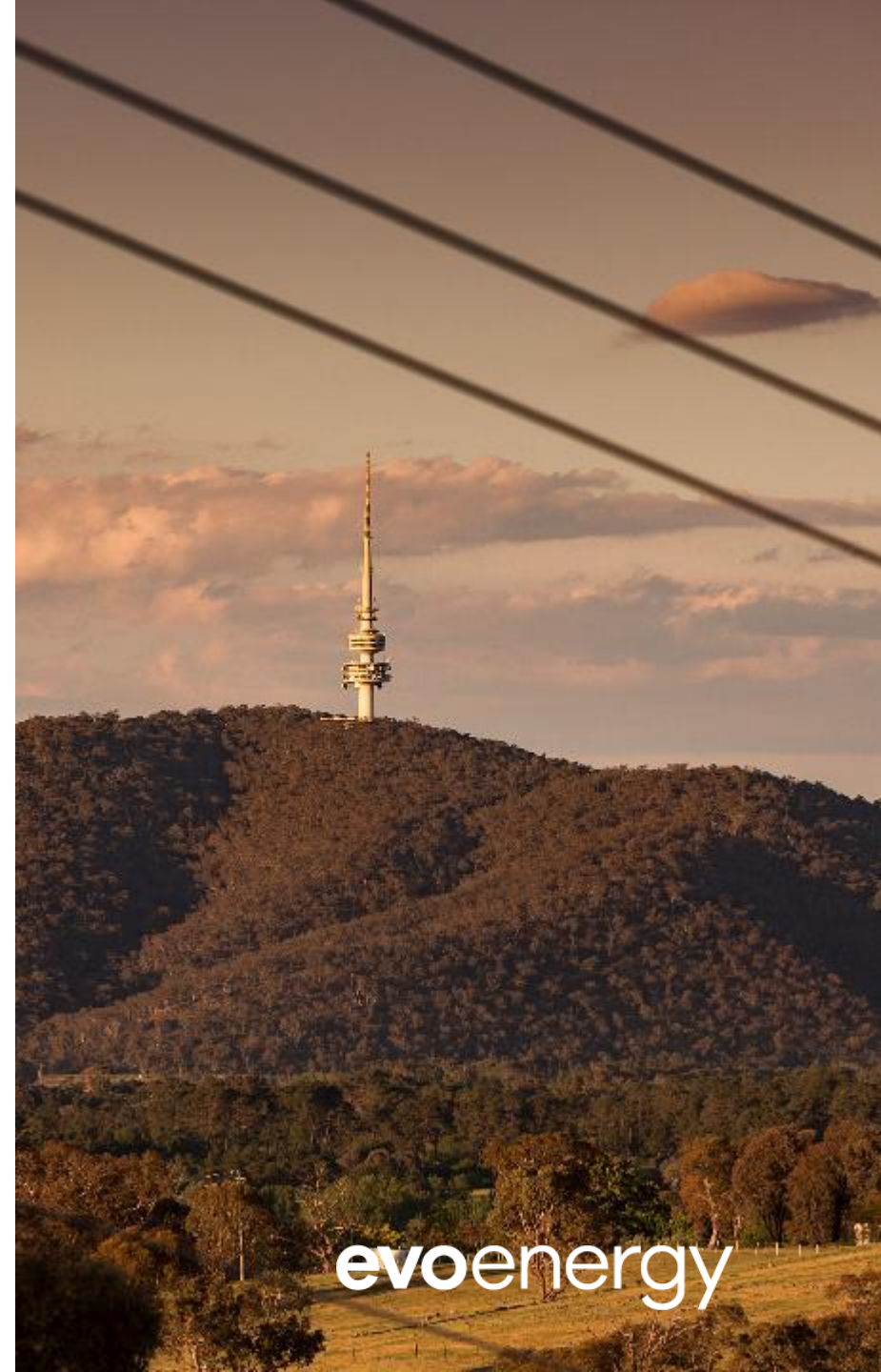
- Further evolve our tariffs to ensure we send the right price signals to mitigate the increase in peak demand.



# Future-focused, cost reflective tariffs

- **Residential:** New low 'solar soak' charge (11am to 3pm)
- **Commercial:** New tariff for stand-alone grid scale batteries
- **Export tariffs:** Measured and gradual introduction of export rebate (5pm to 8pm) and export charges (11am to 3pm) for residents
  - Opt-in for customers exporting before 1 July 2025
  - Low export charge (~ 2c/kWh) above basic export limit of 5kW
  - Higher export rebate (~ 5c/kWh)

We simplified our tariff proposal in response to customer feedback.



# Continuing engagement

- Continuing engagement with our Energy Consumer Reference Council
- Opportunity to reconvene Community Panel and Community Pricing Panel
- Deep dives on key evolving issues
- Continued engagement with ACT Government
- Continued engagement with vulnerable consumers through ACTCOSS partnership
- Use *engagewithenergy.com.au* platform for updates throughout the review process and beyond



**Thank you.**

# AER areas of focus

Arek Gulbenkoglou  
General Manager,  
Network Expenditure

## Better Resets Handbook

- This is the first set of proposals lodged with since the release of the AER's Better Resets Handbook (Handbook)
- The Handbook;
  - encourages well-justified revenue proposals that reflect the needs and preferences of consumers
  - provides for a more efficient regulatory process
- Network businesses have started to apply the Handbook in formulating their proposals and we have seen a step-up in the scope and quality of consumer engagement

## Common drivers across resets

- Economic conditions driving increases in rate of return
- Forecast inflation
- Cyber security and insurance premium cost increases

## AER Areas of focus

- Capex - increase to \$520 million
- Tariffs/ TSS – impacts of ACT government policy on forecasts
- Contingent projects – 1 totalling \$150 million; augmentation for accelerated uptake of electric vehicles

# Evoenergy (ACT) Distribution Determination

CCP26 discussion questions for AER Stakeholder Forum  
6 April 2023

CCP26: Mark Henley (Chair), Elissa Freeman, and Robyn Robinson


Consumer  
Challenge  
Panel



1. How can you be confident that this step change is supported by customers, and that they are willing to pay for it given current cost of living pressures?
2. Are the submitted demand estimates supported by consumers? And are there any updates for demand estimates including EV's?
3. How did you balance diverse customer and stakeholder views to shape your proposals? Where there were differences in views, how were these resolved, including for tariffs?
4. How would the slower- or faster-than anticipated take-up of Customer Energy Resources affect the prudence of your proposed CER expenditure (Ausgrid \$126m, Endeavour \$45m, Essential \$88m, Evo \$31.7m)?
5. What do you see as your role in this environment and how is that reflected in your regulatory proposal?

- Any other questions or issues relating to Evoenergy's proposal or the AER's Issues paper?

## AER next steps and closing

Milestone	Date
Evoenergy submits its regulatory proposal to AER	31 January 2023
AER published an issues paper	28 March 2023
AER holds a public forum	6 April 2023
 Submissions on regulatory proposal close	12 May 2023
AER publishes draft determination decision	by 30 September 2023
AER holds a pre-determination conference	October 2023
Evoenergy submits revised regulatory proposal to AER	December 2023
Submissions on revised regulatory proposal and draft decision close	January 2024
AER publishes distribution determination for regulatory control period	by 30 April 2024

## Submission details

- We invite interested parties to make submissions on the Issues Paper by **5pm AEST, 12 May 2023**.
- **We encourage early submissions, where possible, to inform the next phase of consultation.**
- Submissions should be emailed to [AERresets2024-29@aer.gov.au](mailto:AERresets2024-29@aer.gov.au)

