

Regulatory proposal presentation to the Australian Energy Regulator Public Forum 2021 – 2026 regulatory reset

15.10.2020



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We are constantly learning and improving our engagement approach

Concerns raised by stakeholders regarding our engagement

1. We drove the engagement rather than our customers
2. Engagement was too high level
3. It was unclear how we used the engagement outcomes in our proposal
4. We needed to have more 'skin in the game'

We are responding with action



Created the Customer Advisory Panel (**CAP**) to advise on key issues important to our customers in our revised proposal



Undertook deep dives into issues identified in stakeholder submissions with our CAP



Developed and currently implementing our customer strategy with CAP



Developing commitments in conjunction with the CAP and approved by the EMT

We are making real commitments for our customers

Working with the newly created Customer Advisory Panel (**CAP**), we are developing a set of customer focused commitments with outcome based measures

These commitments will be endorsed by our Executive Management Team

All outcomes will be reported transparently to all our customers on our website

These measures will be in addition to our current outcome based measures under the STPIS and F factor schemes



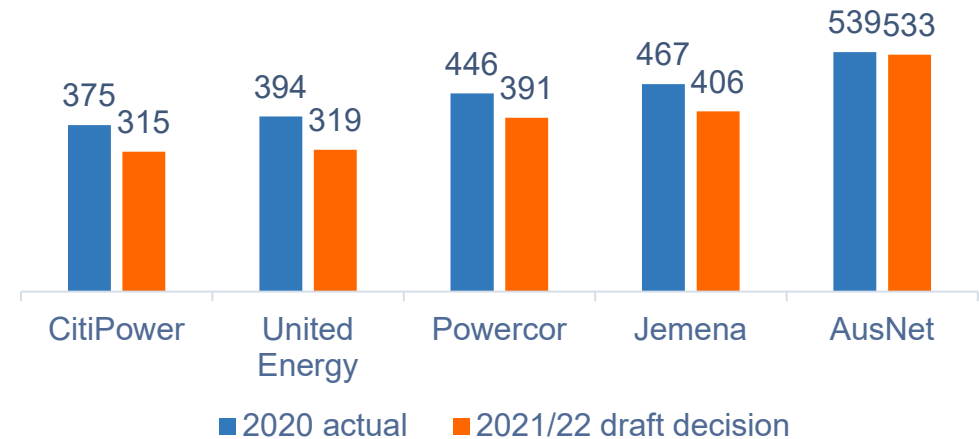
We are driven by customer outcomes

We are proud to deliver for our customers

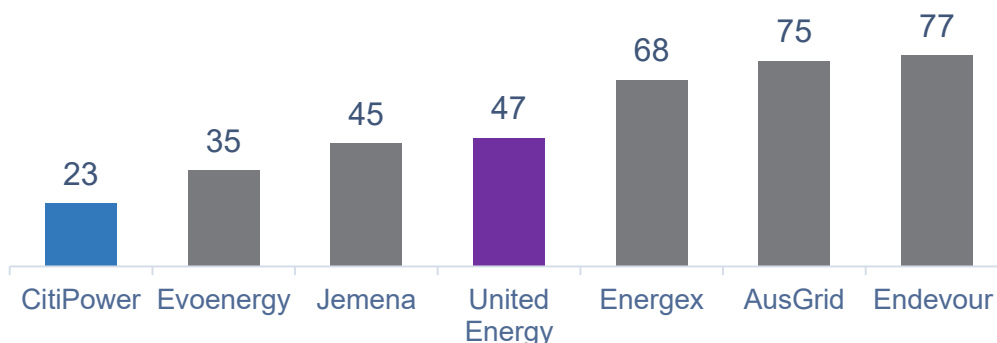
- the lowest network charges in the country
- the most reliable urban & rural networks in the country
- the most efficiently operated businesses in the country based on the AER's benchmarking
- strong/high levels of customer service

Whilst this performance is not acknowledged in the determination, our customers have been the winners

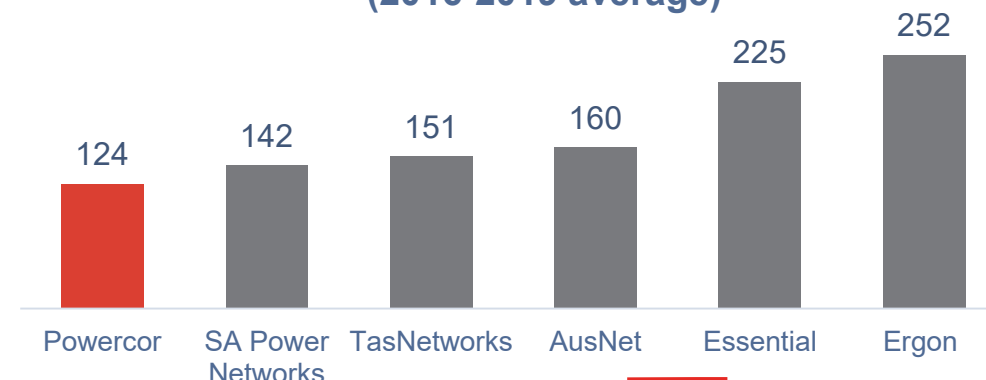
Typical residential network bill



Urban networks unplanned minutes off supply (2016-2019 average)



Rural networks unplanned minutes off supply (2016-2019 average)



We are focusing on what matters

Pole replacement program

- Independent analysis demonstrates expenditure is justified utilising a risk based approach
- Funding does not support us meeting the ESV's 13 safety recommendations

REFCL program

- Benchmarks proposed do not reflect actual experience
- Proposed technical amendments are impractical and dangerous
- Considering proposing Ballarat West zone substation as a contingent project

Service lines

- Removal of veranda program and revised business case justify program
- Safety instruments such as BMP & ESMS are legally binding
- Electric shocks are harmful to the community, we are focused on reducing that risk

Insurance

- Our premiums reflect efficient costs and reduce the risk of tariff volatility for customers having to pay for significant one-off events

CBD pits

- Irresponsible to expose our community to the risks of pit collapse
- Our sampling of more than 90 pits over 2020 justifies the risk
- EMCa found the adoption of pit refurbishment program sound

Customer Service Incentive Scheme

- In response to feedback from our customers we will propose a CSIS that extends our customer offering of new services our customers have told us they value, including fewer and shorter planned outages, and faster notification of unplanned outages

Customer enablement

- We revised our customer enablement project to more closely conform with our customers' values such as automation of supply and connection requests, track and trace capability, one stop shop and introduction of artificial intelligence

Discussion and close

