

# Powerlink 2022-27 Revenue Proposal

AER Public Forum 8 April 2021

Powerlink Customer Panel

# Agenda

- Introduction to Powerlink Customer Panel
- Timeline of Customer Panel Involvement
- Customer Panel Statement on Engagement
- Assessing 'Capable of Acceptance'
- Opportunities for improving Powerlink's engagement
- Next Steps

## Introduction to Powerlink Customer Panel (CP) and Revenue Proposal Reference Group (RPRG)

- RPRG established as a subset of the CP to engage more intensively and deeply on key aspects of the Revenue Proposal and report back to the wider CP
- These comments are presented on behalf of CP members acting as individuals, not as representatives of their respective organisations

CP members	CP and also RPRG members
Aurizon	Council on the Ageing (COTA)*
BHP Mitsubishi Alliance (BMA)	CS Energy*
Commonwealth Scientific and Industrial Research Organisation (CSIRO)	Energy Users Association of Australia (EUAA)*
Energy Consumers Australia (ECA) (up to August 2020)	Queensland Farmers' Federation (QFF)*
Edify Energy	Shell*
Energy Queensland	
Queensland Resources Council (QRC)	
St Vincent de Paul	

# Timeline of Customer Panel Involvement

- Commenced with an engagement co-design workshop in May 2019
- 6 CP meetings, 10 RPRG meetings and 1 deep dive between mid 2019 and end 2020
- 2 CP meetings without Powerlink representatives present:
  - October 2020 to discuss the draft Revenue Proposal
  - December 2020 to discuss Powerlink's engagement performance, and 'Capable of Acceptance'
- Prepared joint CP submission to the draft Revenue Proposal
- Prepared Customer Panel Statement on Engagement which accompanied the Revenue Proposal in January 2021

# Customer Panel Statement on Engagement

- Powerlink asked the CP to ***‘provide an assessment of their engagement approach and whether the Revenue Proposal is capable of acceptance’***
- Our response:
  - Unanimous view that Powerlink’s engagement has been genuine, transparent, consistent and deep
  - Observed consistent, high-level efforts by Powerlink staff to engage meaningfully with us
  - We believe we have influenced the Revenue Proposal. Specific examples: co-design workshop, business narrative, draft plan, change in depreciation, capex/opex proposals
  - The majority of Panel members consider the Proposal to be reasonable, although some are less comfortable due to specific concerns or relative lack of prior experience
  - No issues which are still ‘on the table’, unlikely to be any surprises.

# Assessing Capable of Acceptance

- Panel members were unsure of what 'Capable of Acceptance' means or implies, and called for a clearer definition up front, while recognising that it continues to be an evolving concept
- Some Panel members felt that they don't have the skills, grounding or organisational delegation to make such an assessment. Suggestion that the concept could have been explored earlier.
- Some sense that Powerlink was trying to push the CP to commit to a 'Capable of Acceptance' statement, perhaps unnecessarily zealous
- Suggestion that we need to see the final proposal, or even the AER Draft Decision before considering this question.
- There was a view that the Panel might be able to provide a statement that the Proposal is 'Capable of Acceptance' subject to some conditions being met or clarified.
- Panel members reviewed the AER Framework for Considering Consumer Engagement criteria (Table 7), and suggested additional criteria for application as part of its ongoing evolution

# Opportunities for Improving Powerlink's Engagement

- More diversity on the Customer Panel, as well as some succession planning for Panel members
- Extending the breadth of engagement beyond the Panel, particularly to regional customers – eg evidence and insights from engagement with local councils, landholders, smaller businesses
- Generic education modules or sessions

# Next Steps

- Customer Panel will be meeting without Powerlink representatives present to:
  - Share views on specific aspects the Revenue Proposal
  - Further consider our position on 'Capable of Acceptance'





**THANK YOU**