

Stakeholder Engagement Report

Prepared for **Transgrid**
*In relation to Phase 2 (post-lodgement)
engagement on its 2023-28 Revised Revenue
Proposal*

29 November 2022

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Inherent Limitations

This report has been prepared as outlined with The Trustee For The NSW Electricity Networks Operations Trust (Transgrid) in the Scope Section of the engagement letter/contract 28 June 2022. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently no opinions or conclusions intended to convey assurance have been expressed.

The findings in this report are based on a qualitative study and the reported results reflect a perception of Transgrid but only to the extent of the sample surveyed, being Transgrid's approved representative sample of stakeholders. Any projection to the wider stakeholder group is subject to the level of bias in the method of sample selection.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, stakeholders consulted as part of the process.

No reliance should be placed by Transgrid on additional oral remarks provided during the presentation, unless these are confirmed in writing by KPMG. KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

KPMG is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.

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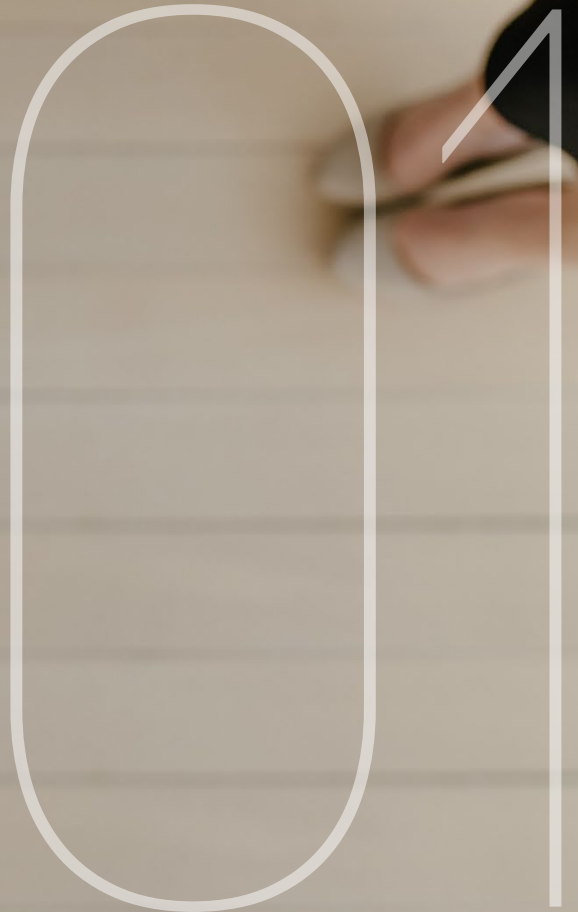
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Executive Summary



Context

Executive Summary

Transgrid is currently planning its future investment priorities and services for the five-year period from 2023 to 2028. These priorities and services will be documented in its Revised Revenue Proposal, due to the Australian Energy Regulator (AER) on 2 December 2022.

Transgrid delivers Australia's largest electricity transmission network as part of the National Electricity Market (NEM). The network extends throughout New South Wales (NSW) and the Australian Capital Territory (ACT), with connections to Queensland and Victoria. As a monopoly service provider in the designated service area, Transgrid is regulated by the AER and submits plans every five years to determine its services and prices. The next regulatory period will occur from 1 July 2023 to 30 June 2028, following an assessment by the AER and determination of the revenue that can be recovered from consumers in the provision of transmission services.

Stakeholder engagement approach

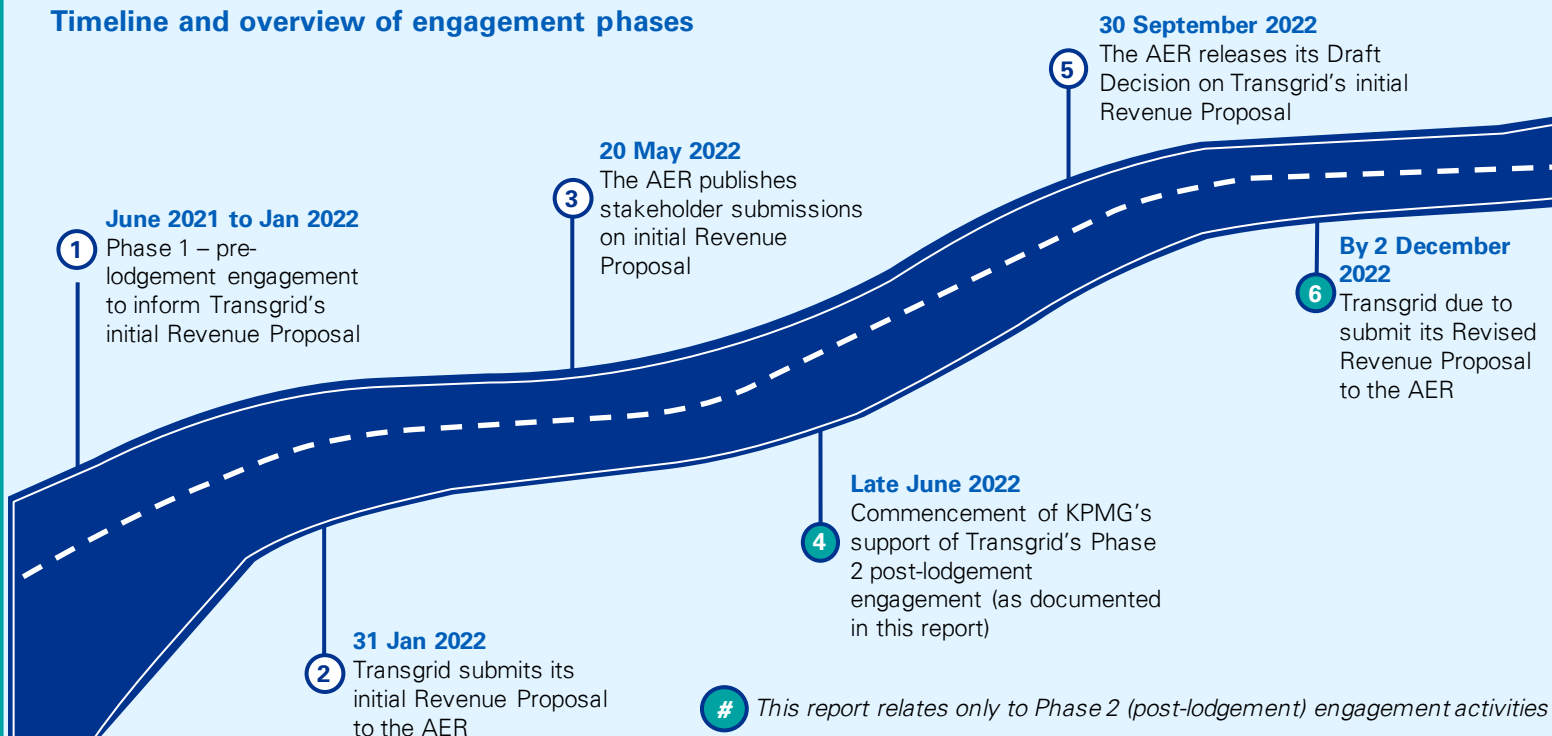
As part of this regulated process, Transgrid seeks to understand consumers' priorities, expectations and preferences. To achieve this, Transgrid undertook a two-phased stakeholder engagement approach:

- Phase 1 – pre-lodgement engagement, to inform Transgrid's initial Revenue Proposal
- Phase 2 – post-lodgement engagement, to inform Transgrid's Revised Revenue Proposal

This report relates to Transgrid's Phase 2 post-lodgement engagement only.

KPMG was engaged by Transgrid as the facilitator for the Phase 2 post-lodgement stakeholder engagement program. KPMG was not engaged in Phase 1 pre-lodgement activities or the design of the post-lodgement engagement strategy. KPMG supported Phase 2 engagement activities by facilitating and reporting on Transgrid's engagement activities and worked with Transgrid to adopt techniques to foster engagement. KPMG's role did not include expressing an opinion on or conducting an independent review of Transgrid's actions.

Timeline and overview of engagement phases



Transgrid's investment focus areas

Executive Summary

Alignment to consumer priorities identified through Phase 1 engagement

Transgrid's Revenue Proposal is structured to demonstrate how it delivers on the following five focus areas:

- Affordability – balancing the expenditure needed to deliver safe, reliable, future-proofed electricity network with the need to deliver real savings to customers
- Safety, security and reliability – ensuring electricity is delivered safely, securely and reliably to homes and businesses, particularly in the context of the rapid transformation of the energy system towards renewable energy generation
- Serving rapid localised demand growth – meeting new and existing customers' needs as demand grows across Sydney and regional NSW
- Supporting the energy transition – responding to and managing the transition to decarbonisation across the energy market
- Supporting technology and innovation – leveraging technology and innovation to improve affordability and address climate change.

Transgrid identified these themes through consultation and engagement with consumers and stakeholders as part of the development of its initial Revenue Proposal (Phase 1 engagement).

This report presents the views of stakeholders (as expressed by the Transgrid Advisory Council (TAC) and end consumers (as captured by the end consumer survey) in context of each of these five themes.

Phase 2 – post-lodgement engagement approach

KPMG's support of Transgrid's post-lodgement engagement approach, as documented in this report, comprised two key elements:

- a series of 'Deep Dive' workshops with the TAC
- a survey of end consumers across NSW and the ACT.

The TAC is Transgrid's principal stakeholder engagement forum, offering consumer and industry views. It provides advice on strategic policy topics and business plans, in order to enable Transgrid to consider stakeholder perspectives in decision making. Transgrid engaged the TAC through a series of Deep Dive workshops across July to October 2022. The topics consulted on as part of the Deep Dive workshops were:

- Major non-Integrated System Plan (ISP) projects which have recently completed the Regulatory Investment Test For Transmission (RIT-T)
- System Security Roadmap
- Unit rates – Increase between FY21 to FY22
- Repex: recap forecasting method and outcome
- Australian Energy Market Operator (AEMO) Directives: Phasor Measurement Units (PMU) and Network Support and Control Ancillary Services (NSCAS) shortfall
- Critical Infrastructure Security: Security Legislation Amendment Critical Infrastructure Protection Act
- Strategic benefit payments to landholders
- AER's Draft Decision – key outcomes and Transgrid's response.

In response to external changes in the economic and social context since Phase 1 pre-lodgement engagement, Transgrid also undertook a short survey of end consumers across NSW and ACT, which was conducted in September 2022.

Key findings: stakeholder views

Executive Summary

Overview of feedback and alignment with focus areas

The table below provides a high level summary of views of the TAC and end consumers in relation to Transgrid's five focus areas. All views are as expressed through Deep Dive workshops and the end consumer survey as part of Phase 2 post-lodgement engagement. Further detail and context is provided within this report.

Focus area	Summary of end consumer survey	Summary of TAC Deep Dive engagement
Affordability	Affordability is one of the highest priorities of end consumers, with four in five indicating that cost of living is top of mind, believing it is one of the most important issues in the country right now. With almost two thirds of all respondents feeling negatively towards electricity affordability, three quarters of residential customers expect their power bills to increase in the next 12 months.	In its initial Revenue Proposal, Transgrid committed to doing everything it can to deliver value for money by focusing on the efficient delivery of services. Overall, the TAC agreed that it is reasonable to reflect the current inflationary economic environment in Transgrid's Revised Revenue Proposal. However, the TAC sought further transparency in relation to updated unit costs and bill impacts. TAC members indicated their support for the AER's Draft Decision to remove investments in opex, non-network other capex and augex forecasts.
Safety, security and reliability	Consumers desire low-cost renewable energy to support decarbonisation, while maintaining system safety, security and reliability. Amongst the safety options proposed, upgrading older assets with modern systems to maintain safety is most important. Replacing assets with climate resistant alternatives is the second highest priority.	As outlined in its initial Revenue Proposal, Transgrid intends to invest in maintaining the long-term condition of the network to maintain its network risk and reliability performance. The TAC acknowledged increasing vulnerabilities and threats across cyber, physical and natural hazards, supply chain and personnel security domains. Overall, the TAC found the approach to maintaining the long-term Repex trend adequate to maintain network safety, reliability and security. However, this was qualified with a desire to consider further information. The TAC also noted that they did not believe consumers were willing to pay more for increased reliability. The TAC was supportive of the legal requirements to uplift critical infrastructure security, and of Transgrid accepting the AER's Draft Decision in relation to 5 of the existing contingent projects.

Continued on next page

Key findings: stakeholder views

Executive Summary

Overview of feedback and alignment with focus areas (cont.)

Focus area	Summary of end consumer survey	Summary of TAC Deep Dive engagement
Serving rapid demand growth	Demand growth was weighted as one of the highest priorities, alongside affordability and safety, by all respondents. The majority of both residential and business consumers believe both meeting current energy demand and future demand are equally important.	Transgrid recognises a need to serve rapid demand growth in localised areas, including western Sydney, north west Sydney, the North West Slopes and central and far west NSW. The discussion with the TAC primarily focused on non-ISP RIT-T scenarios and assumptions, particularly on transparency around demand forecasts that drive non-ISP RIT-Ts, and the TAC co-designed a non-ISP RIT-T term sheet with Transgrid. The TAC sought to ensure that the assumptions and inputs to Transgrid's projects undergoing a RIT-T reflected accurate demand forecasts and associated costs estimation.
Supporting the energy transition	The majority of respondents agree transitioning to renewable sources is important, with one in two customers expecting the electricity industry to prioritise the build of infrastructure to facilitate the transition to renewable energy sources in the next 3 years. Most believe responsibility to contribute to the transition is shared across government, energy businesses, and households, but that households have slightly less responsibility.	The impact of the transition to renewable energy on consumers is a key area of interest for the TAC. Transgrid discussed investments related to the transition to renewables with the TAC, including AEMO directives, strategic benefit payments to landowners and its System Security Roadmap. Members of the TAC acknowledged that an increasing focus on system security is required to enable Transgrid to respond to a more complex energy environment and the energy transition, and were supportive of Transgrid's investment in AEMO directives and strategic benefit payments to landowners in order to support the energy transition.
Supporting technology and innovation	When it comes to perceptions of the energy industry, there are mixed perceptions about the current levels of investment in technology and innovation. However, most residential and business consumers agree that Australian companies focusing on technology and innovation is a good thing. End consumers indicated priority areas for investment in technology and innovation are to improve reliability, reduction of future costs, and improvements to safety and customer service.	Transgrid has stated its intention to continue to collaborate with its partners to accelerate the development of new technologies. Overall, the TAC focused on understanding the role that technology and innovation would play in supporting the energy transition. The TAC also supported non-network solutions for recently completed RIT-Ts, however discussed the most appropriate solution to manage the risk of the non-network options (including via a contingent project, or a nominated cost pass through).



Background

02

Context

Transgrid is currently planning its future investment priorities and services over the five-year period from 2023-2028 as part of the regulated revenue determination process

Transgrid delivers Australia's largest electricity transmission network as part of the National Electricity Market (NEM). The network extends throughout New South Wales (NSW) and the Australian Capital Territory (ACT), with connections to Queensland and Victoria. As a monopoly service provider in the designated service area, Transgrid is regulated by the Australian Energy Regulator (AER) and submits plans every five years to determine its services and prices. The next regulatory period will occur from 1 July 2023 to 30 June 2028, following an assessment by the AER and determination of the revenue that can be recovered from consumers in the provision of transmission services.

As part of this regulated process, Transgrid is planning its future investment priorities and services, and in doing so, seeks to understand consumers' priorities, expectations and preferences. Amplifying the consumer voice and delivering on consumer expectations is an increasing focus of the energy industry, exemplified by the introduction of the AER's Consumer Challenge Panel (CCP) and the establishment of the Energy Charter, of which Transgrid is a signatory.

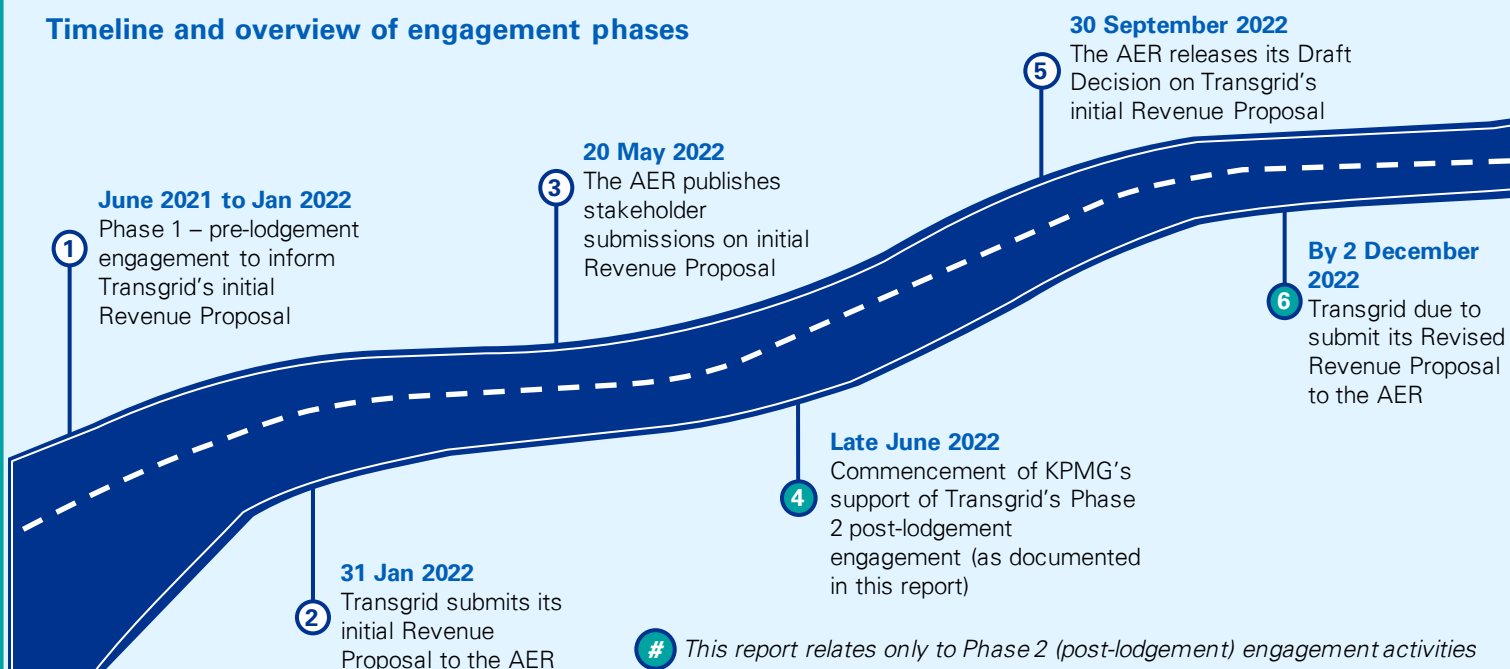
The energy landscape in Australia is also undergoing significant transformation as the drive to carbon neutrality increases in pace and prominence. This transition is driving significant scrutiny and investment in the sector.

Transgrid has engaged with stakeholders throughout the development of its Revenue Proposal

Transgrid's stakeholder engagement approach comprises two phases:

- Phase 1 – pre-lodgement engagement: stakeholder engagement activities undertaken to inform Transgrid's initial Revenue Proposal, submitted to the AER on 31 January 2022
- Phase 2 – post-lodgement engagement: stakeholder engagement activities undertaken to inform Transgrid's Revised Revenue Proposal, due to be submitted to the AER on 2 December 2022.

Timeline and overview of engagement phases



Five focus areas

Alignment to consumer priorities identified through Phase 1 engagement

Transgrid's Revenue Proposal is structured to demonstrate how it delivers on the following five focus areas:

- **Affordability:** delivering value to consumers through efficient delivery of services
- **Safety, security and reliability:** despite operational complexity, Transgrid has a core responsibility to ensure electricity is delivered safely, securely and reliably
- **Serving rapid localised demand growth:** new developments across Sydney and regional NSW are driving demand growth that Transgrid is committed to meeting the needs of
- **Supporting the energy transition:** timely transition is needed as Australia's energy market faces a transition to decarbonisation
- **Supporting technology and innovation:** investment in technology and innovation can support improved affordability and address climate change with the reduction of emissions.

Transgrid identified these themes through consultation and engagement with consumers and stakeholders as part of the development of its initial Revenue Proposal (Phase 1 engagement).

This report: Phase 2 post-lodgement engagement

This report relates to Transgrid's Phase 2 post-lodgement engagement only, including the following activities conducted by Transgrid:

- Deep Dive workshops with the Transgrid Advisory Council (TAC) and supporting meetings
- Survey of end consumers.

Further detail about the Phase 2 post-lodgement engagement approach is provided in the following section of this report.



Stakeholder Engagement Approach

Phase 2 Post-lodgement
Engagement

03

Phase 2 Post-lodgement engagement approach

Overview and objectives of Phase 2 engagement

Transgrid's approach to its Phase 2 engagement is detailed in its '2023-28 Revenue Proposal – Phase 2 (post-lodgement) Stakeholder Engagement Plan'. The Plan outlines Transgrid's engagement objectives and principles, which seek to demonstrate Transgrid's commitment to responding to feedback received after Phase 1 engagement. This includes adopting a greater commitment to co-design, in a bid to better understand and involve stakeholders in the engagement approach.

Transgrid's Phase 2 engagement objectives were to:

- Understand and address customers' priorities and preferences
- Deliver customer-centric operations
- Be responsive and transparent.

Phase 2 engagement activities

A series of six Deep Dive workshops were undertaken with the TAC and an end consumer engagement survey was conducted, which formed the basis of KPMG's support of Transgrid's Phase 2 post-lodgement engagement.

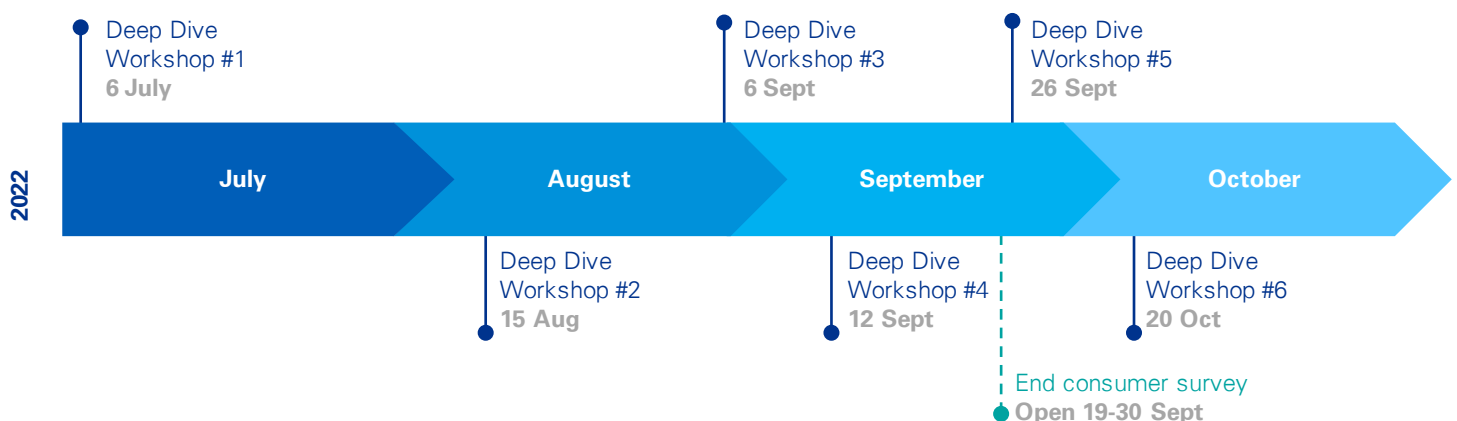
6 Deep Dive Workshops with the TAC, each held virtually for 2-3 hours

1375 end consumers surveyed about Transgrid's five focus areas

An additional five meetings were conducted by Transgrid as an extension to Deep Dive 6 between 18 October and 14 November 2022. KPMG attended these meetings as an observer. Full details of the dates and attendance of these meetings are captured in the appendices of this report.

Deep Dive workshops and end consumer survey timeline

These activities were undertaken throughout 2022 to inform the development of the Revised Revenue Proposal as part of Phase 2 engagement. Note: two additional Deep Dive workshops (workshops #3 and #4) were added during the engagement process at the request of the TAC.



Transgrid engaged with a variety of stakeholders via the TAC

Transgrid engaged its Transgrid Advisory Council (TAC) through a series of Deep Dive workshops

The Transgrid Advisory Council (TAC) is Transgrid's principal stakeholder engagement forum, offering consumer and industry views. It provides advice on strategic policy topics and business plans, in order to enable Transgrid to consider stakeholder perspectives in decision making.

Transgrid engaged the TAC through a series of Deep Dive workshops across July to October 2022. Each workshop was conducted over a duration of 2-3 hours and held virtually using Transgrid's videoconferencing platform. Workshop materials and Deep Dive reports were provided to all TAC members.

TAC Membership and Participation

Membership of the TAC was reviewed and revised by Transgrid prior to commencing Phase 2 to better represent customers' views and priorities. While all TAC members were invited to attend every Deep Dive workshop, there were varying levels of attendance across meetings. Where this report refers to the views of the TAC, it refers to the views expressed by the TAC members in attendance at the relevant meeting, unless otherwise specified.

The TAC consists of a number of different stakeholder types, including:

- Customer Advocates – organisations which represent or advocate on behalf of customers
- Direct Connect Customers – organisations which are directly connected to Transgrid's network and are therefore customers themselves
- Industry Advocates – organisations which have an advocacy role in the energy sector
- Financial Investors – organisations which provide insight into financeability and other issues debt providers consider when assessing debt finance for infrastructure service providers
- Expert Advisors – organisations which bring expertise in the energy sector.

Full attendance lists for each Deep Dive workshop and a breakdown of TAC membership according to each stakeholder type can be found in Appendix B.

Transgrid Advisory Council (TAC) Members

- Australian Energy Market Operator (AEMO)
- Australian Industry Group
- Aboriginal Affairs NSW
- City of Sydney Council
- Clean Energy Council
- Commonwealth Bank of Australia (CBA)
- Energy Consumers Australia (ECA)
- Energy Users Association of Australia (EUAA)
- Australian Energy Market Commission (AEMC)
- ERM Advisory
- Ethnic Communities Council NSW
- Goldwind
- NSW Farmers
- Public Interest Advocacy Centre (PIAC)
- Snowy Hydro Ltd.
- St Vincent de Paul Society
- Tesla
- Tomago Aluminium Co.

Observers

- Australian Energy Regulator (AER)
- Consumer Challenge Panel (CCP)



It's great to see those regional communities represented in the TAC – *Customer Advocate, Deep Dive 1*



Engagement with the TAC across multiple points

TAC consultation elicited a range of views to help understand the issues most relevant to different stakeholder segments

Repeat engagement with the same group enabled:

- each workshop to be built on the one prior, to assist the TAC in growing their understanding of key topics and creating an informed and engaged audience
- tailoring the engagement approach and techniques most suitable for the cohort
- iterative refinement of positions and plans based on the feedback received across multiple engagement workshops and meetings.

Additional forums

The Deep Dive workshops conducted during Phase 2 post-lodgement engagement were conducted concurrently with Transgrid's other business-as-usual engagement activities. However, these forums are not documented as part of this report. These concurrent forums include:

- Quarterly TAC Meetings: standing TAC meetings for engagement between Transgrid and the TAC
- System Security Roadmap Workshops: to define the network infrastructure needs and operational capabilities necessary to manage evolving risk, focused on technical aspects of the investment
- Energy Transition Working Group: to discuss issues arising from the transition of the energy market, including discussion on ISP projects being delivered by Transgrid.

An approach informed by stakeholder feedback

After receiving feedback on Phase 1 pre-lodgement engagement, Transgrid recognised an opportunity to improve Phase 2 post-lodgement engagement

Transgrid undertook the following, in order to respond to stakeholder feedback on opportunities for improvement on its engagement approach.

- **Revised TAC membership**, with particular reference to the inclusion of representation of consumer advocates such as those from regional communities. Transgrid indicated it will continue to review TAC membership on an annual basis.
- **Revised engagement objectives and principles** to reflect TAC feedback on alignment to the National Electricity Objective (NEO) and a commitment to genuine customer engagement.
- **Provided context and detail on engagement topics** by distributing workshop materials and briefing notes in advance of Deep Dive workshops, to enable informed discussions at meetings.
- **Sought to maximise participation by customer advocates** by scheduling additional workshops at times suitable for customer advocates
- **Sought to ensure transparency of engagement** by starting each Deep Dive workshop with a summary of key actions taken in response to TAC feedback and any out-of-session discussions.
- **Co-designed Deep Dive workshop agendas** and outcomes for specific topics, including RIT-T assumptions and inputs through the development of a RIT-T Term Sheet.
- **Adapted its approach to engagement based on feedback** from TAC members, including by hosting meetings online rather than in person, and by using the chat function in the videoconferencing platform rather than quantifying stakeholder views through a live poll.
- **Involved senior executives and board members** in Deep Dive workshops to engage directly with TAC members.
- **Recognised the need for continued improvement** in response to feedback from TAC members on suggestions to continue to enhance its stakeholder engagement approach.



Thanks for the discussion and improved transparency.

Thanks very much Transgrid for taking the step of engaging the TAC/advocates on the RIT-T stuff. A good move towards transparency and accessibility, which is important for those of us representing household energy users - and better overall engagement.

One challenge of Transgrid's engagement is that they started late, and starting late means you have to run and you can't take your time and do things properly.



Quotes from TAC members during Deep Dive workshops.

Guided by engagement principles

Transgrid's Phase 2 engagement principles sought to promote collaboration

The following Transgrid engagement principles were established and referenced throughout all Deep Dive workshops to guide and shape the process:

- **Inclusive** – Develop partnerships with customers to ensure contribution and broad representation of views and stakeholders.
- **Genuine** – Demonstrate transparency by showing how consumer preferences and interests shared in the Deep Dives are considered by Transgrid as part of its Revised Revenue Proposal.
- **Responsive** – Embed regular check-in points. Being proactive, coordinated, and consistent in all communications, and showing how and why we are making changes to the approach and process based on feedback.
- **Measurable** – Using multiple methods to seek input and taking regular pulse checks.

The principles were updated during Phase 2 based on feedback from the TAC, particularly in relation to the 'Inclusive' and 'Genuine' principles. Members of the TAC requested that there was transparency and a connection for how views and opinions would be reflected in Transgrid's Revised Revenue Proposal, and that Transgrid was 'partnering' with customers, rather than enabling them to contribute to discussions.

Transgrid designed its Phase 2 approach to align with the AER Better Resets Handbook

In response to stakeholder feedback on Phase 1 engagement, Transgrid sought to utilise a range of techniques to more closely align Phase 2 engagement to the AER's Better Resets Handbook and to elicit greater insight and participation. The expectations set out in the Handbook are listed below.

AER expectations	Techniques for good practice
Nature of engagement	<ul style="list-style-type: none"> • Sincere engagement • Consumers as partners • Equipping consumers • Accountability
Breadth and depth of engagement	<ul style="list-style-type: none"> • Accessible, clear and transparent engagement • Consultation on desired outcomes and then inputs • Multiple channels of engagement • Consumers influence on the proposal
Clearly evidenced impact	<ul style="list-style-type: none"> • Proposals linked to consumer preferences • Independent consumer support for the proposal

Driven by a desire for collaboration and co-design

Transgrid referenced the IAP2 Spectrum in pursuit of more collaborative engagement

Transgrid sought to demonstrate overall engagement at the 'Involve' and 'Collaborate' level of the IAP2 Spectrum of Public Participation, with some topics targeted at the 'Inform' and 'Consult' levels of engagement.

	Inform	Consult	Involve	Collaborate	Empower
Public Participation Goal	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
Promise to the Public	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

Source: IAP2 Spectrum of Public Participation available at https://iap2.org.au/wp-content/uploads/2020/01/2018_IAP2_Spectrum.pdf

An example: co-designing and prioritisation of topics for Deep Dive workshops

Transgrid committed to working with the TAC to define appropriate levels of engagement for the specific topics considered, and ongoing co-design of agendas for all Deep Dive workshops based on feedback from attendees about topics of most interest and importance.

Transgrid sought feedback from the TAC directly in Deep Dive 1 workshop and for a period following the workshop, as part of the co-design of the forward agendas for Deep Dive workshops 2-4. The TAC was asked to prioritise proposed topics for Deep Dive workshops through an online voting tool, and identify any additional topics to be addressed. To ensure wide representation of views, members of the TAC who were unable to attend the Deep Dive 1 workshop were given the opportunity to vote and provide input via email. In total, 7 TAC members provided input. This was used to inform the development of forward agendas.

The prioritisation of the proposed topics and the agendas for each of the Deep Dive workshops is provided in Appendix A.

Transgrid obtained end consumer views on priority outcomes

Participation and representation via an end consumer pulse check survey

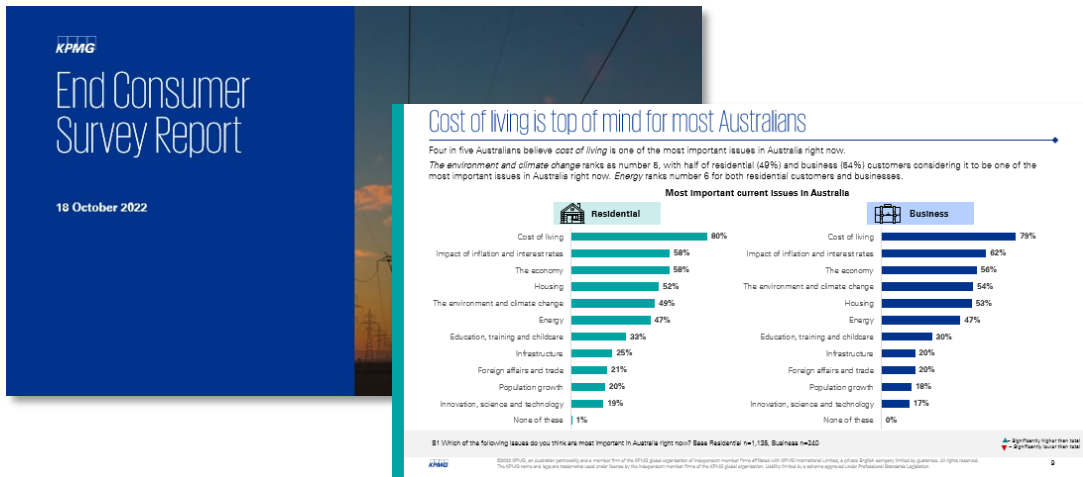
In response to external changes in the economic and social context since Phase 1 pre-lodgement engagement, Transgrid committed to a short pulse check survey of end consumers across NSW and ACT conducted in September 2022.

The objectives of conducting the survey included to:

- understand the current issues facing Australians
- establish the current perceptions of the energy industry
- understand the reaction of consumers to statements relating to Transgrid's five focus areas
- discover what is important to consumers within each focus area.

The survey was conducted from 19-30 September 2022. A robust sample of n=1,375 NSW and ACT residents was collected, including n=1,135 residential consumers, and n=240 businesses.

Key insights from the survey are presented in this report, with full results captured in the End Consumer Survey Report.



The End Consumer Survey Report will be an attachment to Transgrid's Revised Revenue Proposal.

Desktop review: five focus areas

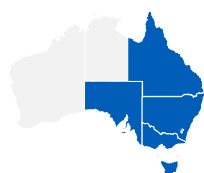
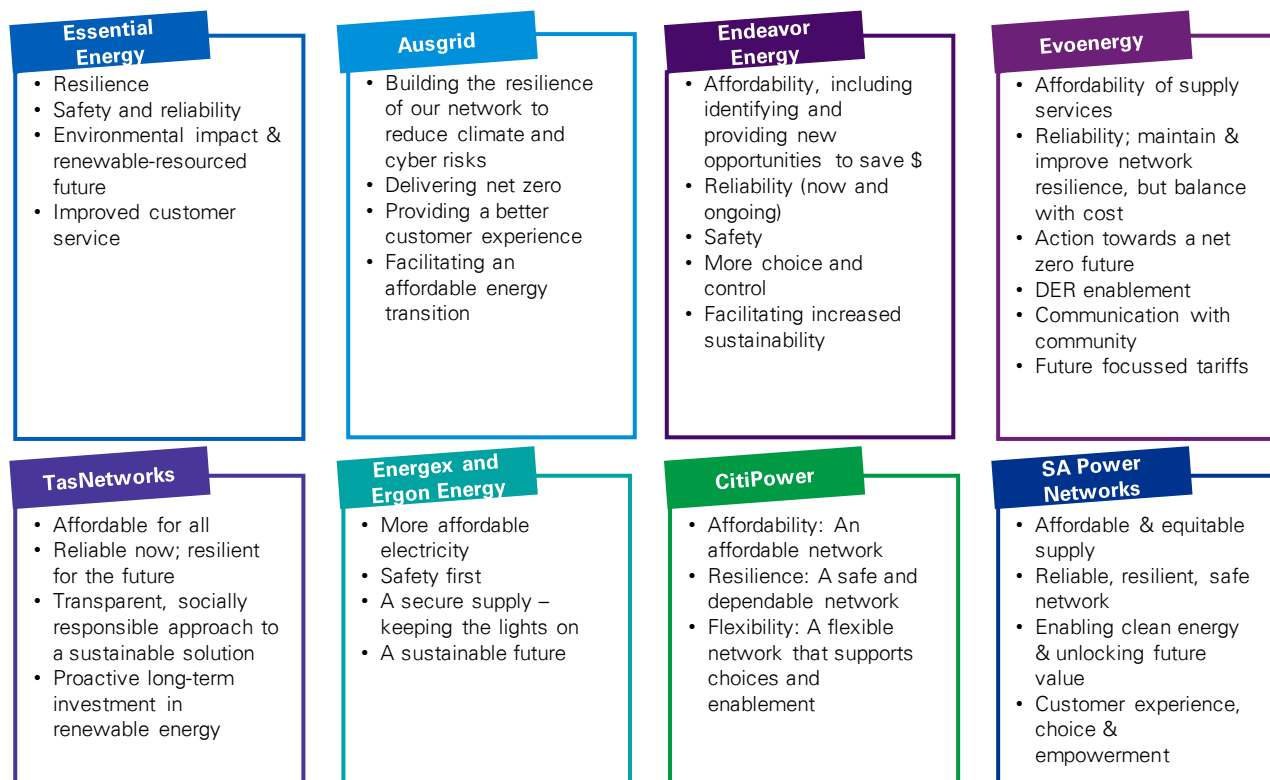
A high level review of common themes across consumer surveys and research conducted by Distribution Network Service Providers (DNSPs) around Australia

In response to feedback following engagement with the TAC and the CCP, Transgrid sought to consider consumer research undertaken by DNSPs nationally*.

Although differences in methodology and context make it challenging to draw meaningful comparisons between the five focus areas identified by Transgrid and the focus areas of other DNSPs, there appears to be broad alignment as seen below.

Transgrid's five focus areas

1. Affordability
2. Safety, security and reliability
3. Rapid localised demand growth
4. Energy transition
5. Technology and innovation.



*Note that DNSPs from Western Australia and the Northern Territory DNSPs are not connected to the NEM. With their own electricity systems and separate regulatory arrangements, they have not been reflected in the above.

Role of KPMG

Transgrid engaged KPMG to facilitate and document Phase 2 engagement activities

KPMG was engaged by Transgrid as the facilitator for the Phase 2 post-lodgement stakeholder engagement program. KPMG was not engaged in Phase 1 pre-lodgement activities or the design of the post-lodgement engagement strategy. KPMG supported Phase 2 engagement activities by facilitating and reporting on Transgrid's engagement activities and worked with Transgrid to adopt techniques to foster engagement. In Phase 2, KPMG was engaged to deliver the following:

- facilitate co-design workshops between Transgrid and its TAC
- assist with the development of workshop planning and materials in relation to stakeholder engagement
- document stakeholder views to ensure commentary is accurately and fairly reflected for consideration by Transgrid, by preparing workshop reports at the conclusion of each Deep Dive workshop
- deliver a survey to residential consumers and small and medium business consumers and report on responses received.

Following the conclusion of all TAC Deep Dive workshops and the end consumer survey, KPMG delivered a summary report of key findings and insights (this report).

KPMG's role did not include:

- influencing stakeholder views
- advocating for or acting on behalf of Transgrid
- providing advice on regulatory matters
- developing or presenting workshop materials relating to Transgrid's Revenue Proposal
- expressing an opinion on or conducting an independent review of Transgrid's actions
- fulfilling the role of preparing an independent consumer report as defined in *Section 3.4.2 Independent consumer support for the proposal* of the AER's Better Resets Handbook
- assuming decision-making responsibility on behalf of Transgrid.

Use of this report

This report relates to Transgrid's Phase 2 Deep Dives and end consumer survey engagement only and has been prepared for Transgrid to inform the development of its Revised Revenue Proposal for the 2023-28 regulatory period. This report summarises and aligns feedback from all Deep Dive workshops (from 6 July to 14 November 2022), and the post-lodgement End Consumer Survey to the five focus areas identified by Transgrid as part of its initial Revenue Proposal.

Transgrid remains responsible for Deep Dive workshop content including information specific to its Revised Revenue Proposal.



Stakeholder Views

04

Stakeholder views: five focus areas

Overview of feedback and alignment with focus areas

This section of the report summarises the views of the TAC and end consumers in relation to Transgrid's five focus areas. All views are as expressed through Deep Dive workshops and the end consumer survey as part of Phase 2 post-lodgement engagement.

Where the views of the TAC are expressed, these include the views of TAC members who attended the relevant Deep Dive workshops. Attendance lists are provided in Appendix B. Detailed reports for each Deep Dive workshop and the end consumer survey have been provided to Transgrid to be released.

Focus area	Summary of end consumer survey	Summary of TAC Deep Dive engagement
Affordability	Affordability is one of the highest priorities of end consumers, with four in five indicating that cost of living is top of mind, believing it is one of the most important issues in the country right now. With almost two thirds of all respondents feeling negatively towards electricity affordability, three quarters of residential customers expect their power bills to increase in the next 12 months.	In its initial Revenue Proposal, Transgrid committed to doing everything it can to deliver value for money by focusing on the efficient delivery of services. Overall, the TAC agreed that it is reasonable to reflect the current inflationary economic environment in Transgrid's Revised Revenue Proposal. However, the TAC sought further transparency in relation to updated unit costs and bill impacts. TAC members indicated their support for the AER's Draft Decision to remove investments in opex, non-network other capex and augex forecasts.
Safety, security and reliability	Consumers desire low-cost renewable energy to support decarbonisation, while maintaining system safety, security and reliability. Amongst the safety options proposed, upgrading older assets with modern systems to maintain safety is most important. Replacing assets with climate resistant alternatives is the second highest priority.	As outlined in its initial Revenue Proposal, Transgrid intends to invest in maintaining the long-term condition of the network to maintain its network risk and reliability performance. The TAC acknowledged increasing vulnerabilities and threats across cyber, physical and natural hazards, supply chain and personnel security domains. Overall, the TAC found the approach to maintaining the long-term Repex trend adequate to maintain network safety, reliability and security. However, this was qualified with a desire to consider further information. The TAC also noted that they did not believe consumers were willing to pay more for increased reliability. The TAC was supportive of the legal requirements to uplift critical infrastructure security, and of Transgrid accepting the AER's Draft Decision in relation to 5 of the existing contingent projects.

Continued on next page

Stakeholder views: five focus areas

Overview of feedback and alignment with focus areas

Continued

Focus area	Summary of end consumer survey	Summary of TAC Deep Dive engagement
Serving rapid demand growth	Demand growth was weighted as one of the highest priorities, alongside affordability and safety, by all respondents. The majority of both residential and business consumers believe both meeting current energy demand and future demand are equally important.	Transgrid recognises a need to serve rapid demand growth in localised areas, including western Sydney, north west Sydney, the North West Slopes and central and far west NSW. The discussion with the TAC primarily focused on non-ISP RIT-T scenarios and assumptions, particularly on transparency around demand forecasts that drive non-ISP RIT-Ts, and the TAC co-designed a non-ISP RIT-T term sheet with Transgrid. The TAC sought to ensure that the assumptions and inputs to Transgrid's projects undergoing a RIT-T reflected accurate demand forecasts and associated costs estimation.
Supporting the energy transition	The majority of respondents agree transitioning to renewable sources is important, with one in two customers expecting the electricity industry to prioritise the build of infrastructure to facilitate the transition to renewable energy sources in the next 3 years. Most believe responsibility to contribute to the transition is shared across government, energy businesses, and households, but that households have slightly less responsibility.	The impact of the transition to renewable energy on consumers is a key area of interest for the TAC. Transgrid discussed investments related to the transition to renewables with the TAC, including AEMO directives, strategic benefit payments to landowners and its System Security Roadmap. Members of the TAC acknowledged that an increasing focus on system security is required to enable Transgrid to respond to a more complex energy environment and the energy transition, and were supportive of Transgrid's investment in AEMO directives and strategic benefit payments to landowners in order to support the energy transition.
Supporting technology and innovation	When it comes to perceptions of the energy industry, there are mixed perceptions about the current levels of investment in technology and innovation. However, most residential and business consumers agree that Australian companies focusing on technology and innovation is a good thing. End consumers indicated priority areas for investment in technology and innovation are to improve reliability, reduction of future costs, and improvements to safety and customer service.	Transgrid has stated its intention to continue to collaborate with its partners to accelerate the development of new technologies. Overall, the TAC focused on understanding the role that technology and innovation would play in supporting the energy transition. The TAC also supported non-network solutions for recently completed RIT-Ts, however discussed the most appropriate solution to manage the risk of the non-network options (including via a contingent project, or a nominated cost pass through).

Alignment to focus areas

Alignment of Deep Dive topics with focus areas

The table below shows how the Deep Dive workshop topics captured in this report, as discussed with TAC members, best align to each of the five focus areas. For simplicity and readability purposes, topics that correspond to or inform multiple focus areas have been assigned to one primary focus area and will be presented under that primary focus area in subsequent sections of this report. Secondary or additional alignment has been shown for completeness.

The table below is intended as a guide on how key topics have been presented in this report. This report summarises stakeholder views. Details can be found in the Deep Dive workshop reports.

Topic discussed in Deep Dive	Deep Dive Workshop	Affordability	Safety, security and reliability	Serving rapid demand growth	Supporting the energy transition	Supporting technology and innovation
Indicative revenue and price impacts	All	✓				
Unit rates	Deep Dives 1, 4 and 6	✓				
Opex forecast	Deep Dive 6	✓	●			
Non-network other capex	Deep Dive 6	✓	●			
Augmentation capex	Deep Dive 6	✓	●	●		
System Security	Deep Dives 1, 2, 5 and 6		●		✓	
Replacement capex	Deep Dive 4 and 6		✓			
Critical infrastructure security	Deep Dive 5 and 6		✓			
Service Target Performance Incentive Scheme (STPIS)	Deep Dive 6		✓			
Existing Contingent Projects	Deep Dive 6		✓	●	●	
Major non-ISP projects undergoing a RIT-T	Deep Dives 1, 2 and 3		●	✓	●	
AEMO directives	Deep Dives 1, 4 and 6				✓	
Strategic benefit payments to landholders	Deep Dive 5 and 6				✓	
Non-network solutions for recently completed RIT-Ts	Deep Dive 6					✓
Contingent projects to mitigate risks posed by non-network solutions	Deep Dive 6					✓
Non network ICT capex	Deep Dive 6		●			✓

Legend

- ✓ Primary driver – content is included in this section of the report.
- Secondary driver – elements of this topic were related to this driver, but content is included in primary section.

Affordability

Focus Area 1

Overview

Affordability is a key focus area for Transgrid and its stakeholders as affordability is end consumers' highest priority. Electricity is central to Australians' quality of life and economic prosperity. The balance between the expenditure needed to maintain a safe and reliable electricity supply and the need to deliver real savings to consumers underpins affordability. In its initial Revenue Proposal, Transgrid committed to doing everything it can to deliver value for money by focusing on the efficient delivery of services.

Transgrid considers cost savings for consumers could be driven through accurate capex and opex forecasts, efficient operations and deploying innovative technologies, where possible. These and other topics were discussed with the TAC as part of the Phase 2 post-lodgement engagement.

Overall, the TAC considered that it is reasonable to reflect the latest FY22 unit rates driven by the current inflationary economic environment in its Revised Revenue Proposal. Customer Advocates also sought more transparency around updated unit costs and bill impacts for consumers. TAC members indicated their support for the AER's Draft Decision to remove investments in opex, non-network other capex and augex forecasts.

Consumer views

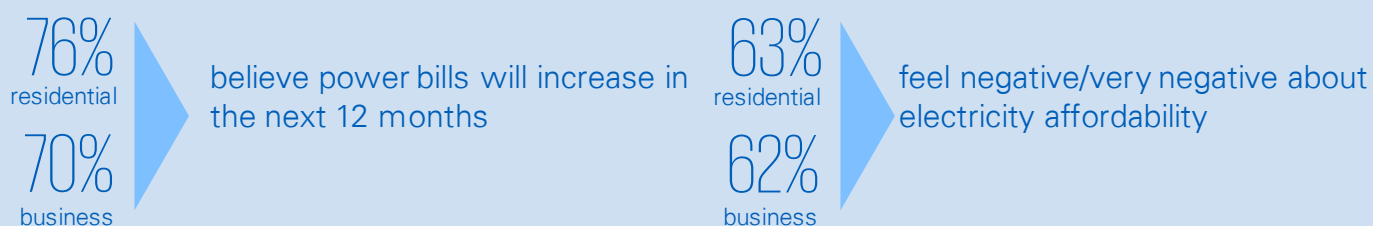
Cost of living is top of mind for most Australians right now (80% residential / 79% business), particularly among low income households (87%), those aged 55+ (87%) and females (86%). Not surprisingly, whilst residential and business customers believe all five of Transgrid's focus areas are important for the electricity industry, when asked, both residential and business customers would allocate approximately 80% of weight to affordability, demand growth and safety. Improving affordability of electricity in both the next 12 months and over the long term were prioritised by residential and business customers as focus areas.

Three quarters of residential customers expect their power bills to increase in the next 12 months, whilst almost one in five residential and business customers expect their power bills to stay the same, and only a very small proportion expect their power bills to decrease.

Almost two thirds of all respondents feel negatively towards electricity affordability, with a quarter of residential and business customers feeling neutrally. Those aged 55+ and on lower incomes are significantly more likely to feel negatively towards electricity affordability.

A very small proportion feel positively, with only 14% of residential customers and 8% of businesses feeling positive/very positive towards electricity affordability. The 18-34 year old age group and those on mid to higher incomes are more likely to feel more positive.

End consumer survey insights on affordability



n= 1375

Affordability

Focus Area 1

Engagement with TAC

Transgrid and the TAC discussed affordability and cost impacts across most engagement topics addressed during the series of Deep Dive workshops. The following key topics were particularly relevant to affordability as a focus area:

- indicative revenue and price impacts
- unit rates
- opex forecast
- non-network other capex forecast: non-network other capex in relation to LED lighting and electric vehicles
- augmentation capex forecasts.

A summary of the TAC's views on these topics is presented on the following pages.

Indicative revenue and price impacts

In the context of an economy experiencing inflation and cost of living pressures, the TAC sought to understand the impact of Transgrid's Revised Revenue Proposal on customer bills.

Transgrid presented forecast impacts to customer bills in Deep Dives 1, 2, 4 and 5. The impact on residential and small business customers' bills varied across these workshops as Transgrid advised that the anticipated bill impact is subject to change.

A Customer Advocate expressed a desire to understand which changes were driven by external factors (such as market forces or changes in legislation or regulation), and which changes were driven by changes within Transgrid's control. Further, the TAC noted, where possible, the investments timeline should be pushed out or be "back-ended" to assist with affordability for customers.

Throughout the Deep Dive workshops, Transgrid presented the TAC with information on the indicative revenue and price impact over the 2023-28 regulatory period. This included:

- a breakdown of changes to its forecast capex and opex
- the impact of market-driven changes and updated expenditure forecasts
- bill impacts for both residential and small business consumers
- information on bill impacts resulting from projects outside the Revenue Proposal (such as ISP projects, contingent projects or NSW Roadmap projects).

Unit Rates

Transgrid engaged with the TAC on the impact of rising inflation on the cost of unit rates, materials and equity.

The TAC understood inflation had risen since Transgrid had submitted its initial Revenue Proposal and that this may have an impact on the cost of materials and equity. While some members of the TAC were comfortable with Transgrid's approach, some sought to further understand the methodology Transgrid had used to determine its increase in costs. In particular, the TAC sought to confirm that Transgrid's application of indexing measures (such as the Consumer Price Impact (CPI) and the Producer Price Index (PPI)) was based on good practice.

Affordability

Focus Area 1

Unit Rates (cont.)

In principle, most members of the TAC considered it reasonable for Transgrid to update its Revised Revenue Proposal to reflect the current inflationary environment. However, the TAC also sought to understand how any fall in unit rates and costs during the regulatory period would be managed.

While Transgrid's unit rates and therefore costs are impacted by external market forces outside of Transgrid's control, Transgrid engaged with the TAC to facilitate an understanding of the methodology applied to reflect the current economic environment in the Revised Revenue Proposal.

Opex forecast

Transgrid engaged with the TAC on the AER's Draft Decision on forecasts for insurance premiums, ISP preparatory activities and cyber and critical infrastructure security step changes.

The TAC supported the AER's Draft Decision to not include ISP preparatory activities in the opex estimate and to lower forecasts for the insurance premiums. The TAC broadly agreed that it was more appropriate for the AER to consider cyber and critical infrastructure security step changes, rather than the TAC. It was noted that ISP preparatory activities should be paid for by Transgrid's equity holders or through third party funding, rather than by consumers.

Non-network other capex

In relation to the AER's Draft Decision on capex (non-network other), TAC members supported the AER's Draft Decision to remove the investments in LED lighting and electric vehicles. TAC members noted that if Transgrid proceeds with these investments, then it should fund them itself rather than passing costs onto customers. TAC members also advised that Transgrid should consider the optimal replacement timing.

One Customer Advocate noted that they were supportive of Transgrid having right-sized PV systems behind the meter such as at depots and LED lighting wherever cost effective (e.g. security lighting and other frequently used lights), where Transgrid can capture opex reductions.

Augmentation capex: deliverability

In its Draft Decision, the AER considered that there was a lack of evidence of Transgrid's ability to deliver the entire proposed Augex program, especially in light of the upcoming major capex programs set out in Transgrid's proposal. This includes NSW Renewable Energy Zone and ISP projects. Transgrid has consulted on this matter with TAC members.

TAC members agreed with the AER's concerns about Transgrid's ability to deliver Augex and capex projects due to its focus on ISP projects. It was also noted that deliverability is an industry-wide issue given the shortage of people and materials required to deliver the major infrastructure projects underway across the country.

TAC members were of the view that projects should be removed from Augex forecast if the load is a key driver and remains uncertain. It also considered that delaying projects may enable more certainty and a clearer value proposition, resulting in the project being more readily accepted. Further, TAC members expressed the view that if recently received DNSP demand forecasts are to be used, this should be done symmetrically with respect to higher and lower demand forecasts across all four DNSPs.

Safety, security and reliability

Focus Area 2

Overview

Transgrid's core responsibility is to ensure electricity is delivered safely, securely and reliably to consumers. This is challenged by the operational complexity arising from the rapid transformation of the energy system that is underway. Consumers want a safe, secure and reliable electricity network. Transgrid considers this could be achieved by: replacing ageing infrastructure and assets with modern equivalents; replacing assets with more resilient alternatives, where possible; and aligning with new security obligations.

Transgrid consulted with the TAC on its proposed measures to ensure system safety, security and reliability. Overall, the TAC were supportive of Transgrid's proposed measures to support these areas. The TAC acknowledged increasing vulnerabilities and threats across cyber, physical and natural hazards, supply chain and personnel security domains. Overall, the TAC found the approach to maintaining the long-term Repex trend adequate to maintain network safety, reliability and security. However, this was qualified with a desire to consider further information. The TAC also noted that they believed consumers were not willing to pay more for increased reliability from Transgrid.

Consumer views

In terms of overall importance, both residential and business customers would allocate approximately 80% weight to affordability, demand growth and safety.

Of the four safety options proposed in the survey, renewing older assets with more modern systems is seen as the most important. This was followed by (in order): replacing assets with climate resistant alternatives; enhancing physical and cyber security; and update information and communication technology platforms.

In renewing older assets to achieve service outcomes, residential and business customers agree all proposed service outcomes were important. This includes maintaining and improving the level of supply reliability, preventing the ignition of bushfires, mitigating public safety risks and preventing unauthorised access to electricity infrastructure.

Both residential and business customers agree all areas of bushfire are high impact, including loss of life, property damage, animal welfare, mental health and broader economic impacts. Loss of life was ranked as the highest area of impact.

End consumer survey insights on safety, security and reliability

60%
residential
65%
business

believe upgrading older assets with modern systems to maintain safety is *most important*

44%
residential
49%
business

believe replacing assets with climate resistant alternatives is the 2nd highest priority in this area

The most important service outcomes in renewing older assets are:

- Maintaining the current level of supply reliability (89% residential, 83% business)
- Preventing the ignition of bushfires from electricity assets (86% residential, 84% business)
- Improving the current level of supply reliability (87% residential, 81% business)

n= 1375

Safety, security and reliability

Focus Area 2

Engagement with TAC

Transgrid and the TAC discussed system safety, security and reliability, and the associated cost impacts with key engagement topics including:

- replacement capex (Repex): forecast and network resilience
- critical infrastructure security
- Service Target Performance Incentive Scheme (STPIS): the AER's Draft Decision
- existing contingent projects.

A summary of the TAC's views on these topics is presented on the following pages.

Repex: forecast and network resilience

Repex forecast is the largest component of Transgrid's total capex forecast. Transgrid has indicated that it will increase slightly above the 2018–23 regulatory period allowance to deliver a safe and reliable supply as the network ages and condition-related issues increase. In addition, Transgrid expressed a commitment to focusing on climate change and network resilience to maintain network safety, reliability and security during extreme climate events.

The TAC was interested in the network and community resilience impacts of Transgrid's Repex, including the approach Transgrid takes to balance risk and cost. Specifically, the TAC sought to understand:

- if there are any impacts on landholders as a result of the maintenance program
- how Transgrid had applied the bushfire Phoenix modelling and the fire start risk for transmission networks
- how the current modelling reflects future expected changes in climate, and, if included, which climate scenarios have been considered.

Overall, the TAC found the approach to maintaining the long-term Repex trend adequate to maintain network safety, reliability and security. However, they qualified this with a desire for further detail on the issues outlined above. In light of the AER Draft Decision on Repex, TAC members, and in particular Customer Advocates, requested a joint meeting between Transgrid and the AER to understand the reasons for the AER's reductions and Transgrid's position.

The future impacts of climate change and the responsivity of Transgrid are of growing concern to the TAC, with members seeking to understand whether climate change modelling may be considered as part of Repex in future regulatory periods. Transgrid explained that the core components of the replacement model relate to the probability and consequence of failure, which is based on current assets and environmental conditions.

Transgrid noted it would hold a separate meeting with the TAC after its Revised Revenue Proposal submission to provide further information and context on fire start and the Phoenix modelling. In response to comments, Transgrid explained:

- while defect rates are increasing, due to the wide area of transmission, it is unlikely any individual landowner would be significantly impacted under the routine inspection program
- the approach used by Transgrid for Repex is consistent with the AER's asset replacement practice note
- Transgrid considered the repex trend, and cuts were made to keep on trend
- bushfire risk was considered as part of the total risk profile to inform the appropriate strategy and timing for replacement
- the modelling considers actual data on the consequence, the asset condition and the probability of failure over time; this informs the timing of investment based on an economic assessment of risk.

Safety, security and reliability

Focus Area 2

Critical infrastructure security

Transgrid consulted with the TAC on Transgrid's obligation to enhance its cyber and physical security capability, to meet the new requirements of the Australian and NSW Governments to ensure that its network is protected against cyber, physical and natural hazard, supply chain and personnel threats.

The TAC, including Customer Advocates, acknowledged increasing vulnerabilities and threats across cyber, physical and natural hazards, supply chain and personnel security domains. The TAC was supportive of the legal requirements to uplift critical infrastructure security, though sought further context around the topic, including any examples and statistics on the increased requirements. Two Customer Advocates agreed that Transgrid's forecast costs for critical infrastructure security are approximately consistent with relevant comparator networks.

Service Target Performance Incentive Scheme (STPIS)

In relation to the AER's Draft Decision on STPIS, TAC members either agreed that it was a consideration for the AER (rather than the TAC) or supported the AER's Draft Decision, noting that consumers were not willing to pay more for increased reliability. Customer Advocates expressed that as Transgrid already offers a high level of reliability, consumers are not likely to be willing to pay more for increased reliability. They explained that they believe the AER's Draft Decision reflects what consumers are willing to pay, in the absence of seeking the VCR or validating directly with consumers what they are willing to pay. One Customer Advocate noted that as they believe Transgrid offers a high level of reliability, it may be appropriate to reduce the penalty for outages.

Existing Contingent Projects

The AER's Draft Decision accepted only one of Transgrid's contingent projects ('manage increase fault levels in Southern NSW'). TAC members were supportive of Transgrid accepting the AER's Draft Decision in relation to 5 of the existing contingent projects (i.e. to accept one project, and remove four).

TAC members were also supportive of Transgrid seeking to address the concerns of the AER in relation to three contingent projects ('Supply to Bathurst, Orange and Parkes Stage 2', 'Supply to ACT network capability' and 'Moree Special Activation Precinct'), due to concerns around meeting reliability requirements.

Serving rapid localised demand growth

Focus Area 3

Overview

Transgrid needs to serve strong maximum demand growth in regions such as western Sydney, north west Sydney, the North West (NW) Slopes and central and far west NSW. This strong demand growth is due to new residential, commercial, transport and data centre developments in western Sydney and the development of mining and industrial precincts in regional NSW.

In its initial Revenue Proposal, Transgrid did not include capex for projects that were undergoing Regulatory Investment Tests for Transmission (RIT-Ts) where the preferred option had not yet been identified. This includes supply to the North West (NW) Slopes and central west NSW (Bathurst, Orange and Parkes).

Transgrid consulted with the TAC on non-ISP RIT-Ts scenarios and assumptions as part of the Deep Dive workshops, to inform future RIT-Ts.

Consumer views

Overall, demand growth was weighted as one of the highest priorities (80%) alongside affordability and safety by both residential and business customers.

Males and those aged 55+ place a higher value on demand growth, to a similar level as affordability. In contrast, women place a higher priority on affordability; demand growth, while important, is considered a secondary priority.

The majority of customers (70% residential / 78% business) agree that both meeting current energy demand and future demand are important. This is particularly emphasised among the older age group (55+) and those on lower incomes.

End consumer survey insights on serving rapid demand growth



Majority

of both residential and business customers believe both meeting current demand and meeting future demand are equally important

n= 1375

Serving rapid localised demand growth

Focus Area 3

Engagement with TAC

Regarding serving rapid localised demand growth, the discussion with the TAC primarily focused on RIT-T scenarios and assumptions for major non-ISP projects, with a particular focus on transparency around demand forecasts. The TAC sought to ensure that the assumptions and inputs to Transgrid's projects undergoing a RIT-T reflected accurate demand forecasts and associated costs estimation. Demand forecasts were also discussed in relation to the 'Supply to Panorama area - McPhillamy's mine connection', with the TAC seeking the load forecasts for the investment.

Major non-ISP projects undergoing a RIT-T

Key areas of the discussion centred on scenarios, assumptions, inputs and forecast expenditure proposed by Transgrid for major non-ISP projects undergoing a RIT-T. Throughout the engagement process, two recently completed RIT-Ts were used by Transgrid as examples for discussion: Bathurst Orange Parkes (BOP) and NW Slopes.

The TAC sought to ensure that the assumptions and inputs to Transgrid's projects undergoing a RIT-T reflected accurate demand forecasts and associated costs estimation. To this end, the TAC requested to work with Transgrid to co-design the assumptions used as input to future non-ISP RIT-Ts. The TAC, and in particular Customer Advocates, consistently sought clarification on the values used in the projects, the weightings given to scenarios, and the intent and assumptions used to derive these. Specifically, the TAC provided the following feedback:

- Consistency between scenario probability and weightings: It was noted that the priority should be consistency between probability and weightings. In particular, members of the TAC disagreed with weightings for the high and low benefits scenarios as this, in the TACs' view, does not reflect extreme scenarios.
- The robustness of the sensitivity analysis: It was noted that some revisions to the sensitivity analysis framework may be warranted once RIT-T outcomes have been released. For example, the TAC considered that it is not always inherently better to conduct sensitivity analysis on several parameters simultaneously.
- Sequencing of investments: Members of the TAC emphasised the importance of investment sequencing and questioned if sensitivities were undertaken to account for the broader investments taking place and to account for the competition for resources with other infrastructure investments.

Transgrid engaged extensively with the TAC over two Deep Dive workshops to agree on a non-ISP RIT-T inputs and assumptions term sheet. This included extensive engagement on the intention behind scenario development and weightings given to scenarios. Where commitments have been made in relation to Transgrid's approach to RIT-T inputs and assumptions, this has been captured in the term sheet shared with the TAC and will be used as the 'default' in Transgrid's non-ISP RIT-T process.

Serving rapid localised demand growth

Focus Area 3

Major non-ISP projects undergoing a RIT-T

Demand forecasts

Demand forecasts for specific customer loads are confidential. Therefore, this information is provided directly to the AER for assessment.

The TAC expressed concerns about the transparency of the demand forecasts (both magnitude and timing). In the absence of full visibility of the details around loads, the TAC could not interrogate the components of the demand forecast to determine if they are likely to eventuate.

The TAC, and in particular Customer Advocates, also sought to understand the role of the AER in evaluating and interrogating commercial-in-confidence demand forecasts and supporting information. The TAC requested that as much information as possible be made publicly available, including detail provided to the AER in the development of demand forecasts. At Transgrid's suggestion that an independent assessment of the confidential demand forecast could alleviate concerns, Customer Advocates expressed their support for an independent assessment.

With regard to increased uptake in DER and a resultant reduction in the need for transmission infrastructure, the TAC also sought to understand where the associated risk would be allocated and the interactions between activities at transmission and distribution levels. This was driven by a desire to ensure that customers will not be required to pay duplicate costs for resilience or other measures.

In response to the feedback received, Transgrid commissioned and provided the TAC with independent validation reports from consultancy firm GHD, with respect to demand forecast for BOP RIT-T and NW Slopes RIT-T. Transgrid also committed to reviewing its approach to confidentiality and ensuring that only information that is required to be confidential is treated as such. Further, Transgrid explained that the allocation of risk in the context of DER may be included in the AEMO's ISP scenarios and assumptions. However, it is not currently included in the RIT-T assessments.

Supporting the energy transition

Focus Area 4

Overview

The impact of the transition to renewable energy on consumers is a key area of interest for the TAC and end consumers alike. In its initial Revenue Proposal, Transgrid communicated a commitment to continue to support the transition to a low-carbon future through investments in the projects identified in AEMO's Integrated System Plan (ISP) and the NSW Electricity Infrastructure Roadmap. This commitment marks a significant change in the National Electricity Market and creates resultant challenges and opportunities for providers. Overall, both end consumers and the TAC support Transgrid in prioritising infrastructure that will facilitate the energy transition.

Consumer views

When prioritising the biggest issues facing Australia, the environment and climate change ranks as number 5 for residential customers and number 4 for business customers, with half of residential (49%) and business (54%) customers considering it to be one of the most important issues in Australia right now. Energy ranks number 6 for both residential and business customers.

The majority of Australians (69% residential / 70% business) agree transitioning to renewable sources is important. One in two customers (51% residential / 52% business) expect the electricity industry to prioritise the build of infrastructure to facilitate the transition to renewable energy sources in the next 3 years. Interestingly, only a small proportion (approximately 1 in 5) expect that it will take the electricity industry 5 years or more to facilitate the transition. Both residential and business customers agree all proposed areas of infrastructure and technology are important in the transition to renewable energy sources. This includes:

- investing in technology and capability to ensure the electricity network can be operated reliably and securely in the transition to renewable energy sources
- building infrastructure which removes bottlenecks to allow existing renewable electricity generation sources to output more energy
- building infrastructure that facilitates the connection and operation of new renewable electricity generation sources

Most believe responsibility to contribute to the energy transition is shared across government, energy businesses, and household, although respondents indicated that households have slightly less responsibility.

End consumer survey insights on the energy transition

1 in 2 expect the energy industry to prioritise infrastructure to transition to renewable sources in the next 3 years (51% residential, 52% business within 1 – 3 years)

n= 1375

Supporting the energy transition

Focus Area 4

Engagement with TAC

Transgrid and the TAC discussed matters relating to efforts by Transgrid to support the energy transition through a number of the Deep Dive workshops. The following key topics were particularly relevant in relation to supporting the energy transition:

- strategic benefit payments to landholders
- AEMO directives
- System Security Roadmap: responding to an increasingly complex energy environment and the energy transition.

A summary of the TAC's views on these topics is presented on the following pages.

NSW Government's strategic benefit payments to landholders

Transgrid engaged with the TAC on the NSW Government's proposed 'strategic benefit payments to landholders' scheme, which proposes annual payments to private landowners for hosting transmission infrastructure. This payment is separate, and in addition to, any compensation that is paid to landowners for transmission easements on their land in accordance with the Land Acquisition (Just Terms Compensation) Act 1991. The objective of the policy is to help build social license for critical transmission infrastructure and support the orderly transition to renewables. The scheme recognises the inequitable impact transmission projects have on a small number of landowners relative to the number of customers who benefit.

At the time of consultation, specific details in relation to the scheme had not been publicly released and were not available to the TAC.

While most members of the TAC were comfortable with providing an annuity payment to impacted landowners, there were divergent views on the mechanism for making this payment. While some Customer Advocates considered that the payment would be best provided directly by the government to landholders, others considered it appropriate for Transgrid to pass on the payment, provided it was passed on directly, with clarity and traceability under a "true up" approach.

While Transgrid advised that it would be subject to decisions made by the NSW Government, its preference was to pass through payments under a "true up" model, which provides transparency and clarity.

AEMO directives

In providing prescribed transmission services, Transgrid must comply with regulatory and legislative obligations.

Transgrid consulted with the TAC on the issuance of a notice by the AEMO to Transgrid under clause 4.11.1(d) of the NER, requiring Transgrid to install Phasor Measurement Units (PMUs) across the network. Transgrid also consulted with the TAC on how to address an immediate Network Support and Control Ancillary Services (NSCAS) gap of 2 MVar declared by AEMO in the Coleambally region.

The TAC was supportive of how Transgrid has responded to AEMO directives, providing the costs had been justified. As part of the discussion following the AER's Draft Decision, TAC members were supportive of Transgrid seeking alternative estimates to install PMUs across the network at a lower cost than the estimates included in AEMO's cost-benefit analysis.

Supporting the energy transition

Focus Area 4

Systems Security Roadmap (SSR)

The SSR is Transgrid's plan to continue to operate the NSW power system securely with 100 per cent instantaneous renewable generation by 2025. This will require Transgrid to maintain its technical operating envelope (voltage control, system strength, inertia and power quality) in a future with low or no synchronous generation. The TAC confirmed it was broadly supportive of the need for Transgrid to invest to ensure system security. However, Customer Advocates sought further details across a number of areas, including in relation to the articulation of the clear benefit to customers, in order to support the investment outlined.

Members of the TAC acknowledged that an increasing focus on system security is required to enable Transgrid to respond to a more complex energy environment and the energy transition. Of particular interest to the TAC was how Transgrid was considering technology in the management of system security risks and complexity.

Clarification was sought on how new technologies are integrated with existing technologies; whether integration challenges and costs have been considered; and the extent to which Transgrid had looked at staged planning and integration.

Transgrid noted integration costs formed most of the costs put forward, including the way new technologies are tailored to Transgrid's needs and how these meet compliance obligations. Transgrid confirmed it is currently in the process of developing an implementation plan for investments in new technologies.

The TAC explained the importance of industry alignment with the AEMO in order to ensure that investments are efficient and that customers are not paying twice. The TAC requested a workshop with Transgrid and the AEMO to further discuss alignment on system security.

The TAC also requested further information on how the likelihood of a black start event was calculated. However, as an adjunct to the above request, the TAC also recognised that the cost associated with system security improvements is fixed. This means that removing or changing certain scenarios from the cost calculation, such as a system black event, would not reduce the overall cost for customers.

The TAC, and particularly Customer Advocates, sought a clear narrative around benefits and challenges within Transgrid's control and the need for system security investment, in order for the TAC to determine the value to customers.

In response to comments, Transgrid noted that collaboration with AEMO is underway to ensure systems are designed to facilitate the right level of data sharing and interoperability for tools. Transgrid committed to planning a joint presentation with AEMO to the TAC. Responding to the TAC's interest in understanding the drivers of the SSR, Transgrid also shared further information with the TAC, including a paper on the drivers of system security investment, and a SSR business case and methodology report by Transgrid's external consultants.

Supporting technology and innovation

Focus Area 5

Overview

Transgrid has communicated its intention to continue to innovate and collaborate with its partners to accelerate the identification and development of new technologies. End consumers identified and ranked the areas of priority in technology and innovation, which centred on reliability, reduction of future costs, improvements to safety and customer service. The TAC sought to engage with Transgrid on the role that technology and innovation would play in its Revised Revenue Proposal to support the energy transition, security and the means of integration, particularly in context of the AER's Draft Determination.

Consumer views

When it comes to the energy industry, there are mixed perceptions about the current levels of investment in technology and innovation. However, most residential and business customers agree that Australian companies focusing on technology and innovation is a good thing (80% residential / 77% business customers agree/strongly agree).

Of the proposed innovation areas, supporting cost reductions and energy transition are rated as the most important by residential and business customers. These are particularly important amongst the older age group (55+). Females are significantly more likely than males to agree that innovation supporting customer safety and customer service are also important. Fewer residential and business customers agree that technology which improves customer service is important.

Of residential consumers, those aged under 30 (79%) are more likely to favour Australian businesses that take climate change, sustainability and ethical business practices seriously, compared to those aged 55+ (60%).

End consumer survey insights on supporting technology and innovation

Customers agreed important areas of focus as being:

- Technology which will maintain a reliable network through the energy transition (90% residential, 87% business extremely/very important)
- Innovation to reduce future costs (90% residential, 86% business extremely/very important)
- Technology which improves customer safety (84% residential, 80% business extremely/very important)
- Technology which improves customer service (e.g. call centre, communication) (72% residential, 54% business extremely/very important)

n= 1375

Supporting technology and innovation

Focus Area 5

Engagement with TAC

The topic of technology and innovation was discussed in Deep Dive workshops with reference to the following topics:

- non-network solutions for recently completed RIT-Ts: technologies and innovation as a method to reduce network capex
- non network information and communications technologies (ICT) capex: the AER's Draft Decision on information and communications technology capex
- contingent projects to mitigate risks posed by non-network solutions.

A summary of the TAC's views on these topics is presented on the following pages.

Non-network ICT capex

The AER's Draft Decision identified a lack of justification for the significant step up in ICT capex. Transgrid consulted on this matter with TAC members.

The TAC, and in particular Customer Advocates, was of the view that this matter needs to be resolved between Transgrid and the AER given its highly technical nature. The importance of independent benchmarking analysis with a meaningful like-for-like comparison was reiterated. One Customer Advocate expressed the view that Transgrid should consider extracting optimal value from assets before reinvestment, noting that every extra 6 months or a year that Transgrid could extract from existing assets are important to customers at the moment.

Non-network solutions for recently completed RIT-Ts

Technologies and innovation as a method to reduce network capex

Transgrid has consulted with TAC members on its proposal to use technology and innovation to further reduce network capex for recently completed RIT-Ts.

TAC members were supportive of Transgrid reducing network capex by increasing the term of Battery Energy Storage Systems (BESS) and relying on non-network solutions. The risk of over-relying on non-network solutions was also acknowledged. TAC members advised Transgrid to consider the outcomes of the NSW Government's Long Term Energy Service Agreements, which may help reduce this risk in the future. Customer Advocates also emphasised the time value of money for customers. Given the current economic environment and where possible, delaying projects for a few years will be of value to customers.

Supporting technology and innovation

Focus Area 5

Contingent projects to mitigate risks posed by non-network solutions

The TAC members and Transgrid agreed that non-network solutions are the preferred solution in order to reduce network capex for three recently completed RIT-Ts. However, Transgrid also recognised the potential risks that may arise if a non-network service cannot be secured as required, including if the non-network service provider fails. Transgrid proposed new additional contingent projects to address the risks posed by non-network solutions and consulted with the TAC members on the best approach to mitigate these risks.

TAC members agreed that it is important to mitigate the risk of:

- not achieving reasonable contract costs with the BESS provider
- mitigating failure of BESS technology.

TAC members noted that relying on the BESS (i.e. no network capex) but including a risk management mechanism to mitigate risk would enable Transgrid to revisit its approach if needed to review other technologies and innovative solutions.

However, TAC members had different views on the best approach to managing the risks associated with non-network solutions. Initially, some stakeholders outlined their support of the approach to managing risk through a contingent project mechanism, provided:

- the approach was considered appropriate and approved by the AER
- the appropriate triggers were in place to ensure that all non-network solutions were exhausted before progressing with the network solution
- that there should be a continued “watching brief” to the TAC, to ensure that they are regularly updated on the BESS solutions.

As the discussion progressed, a nominated cost pass-through option was raised as an alternative mechanism through which Transgrid could manage the risk. Some TAC members were supportive of this approach rather than including the network solutions as contingent projects.

The TAC and Transgrid sought guidance from the AER on the viability of both options. The AER’s position was that it did not consider either option was necessary, as Transgrid should be incentivised to manage the risk of incurring additional capex, and if additional capex is required, it will be rolled into the regulatory asset base (RAB) and be recovered in future periods. The AER also explained that the network support payment pass-through provisions allow for the recovery of costs associated with non-network solutions.

Some Customer Advocates were of the view that the nominated cost pass-through option is, in principle, the most appropriate mechanism for dealing with material unforeseeable costs resulting from a failed non-network solution. One Customer Advocate however noted that in practice, there is uncertainty about whether the rules would allow using this mechanism in the given context, and suggested that Transgrid proceeds with the nominated cost pass-through and, supported by other stakeholders, lodges a rule change proposal to ensure this was a viable option within the rules.

One Customer Advocate indicated that, in their view, if neither the contingent project or nominated cost pass-through approaches are viable, there should still be an appropriate alternative mechanism put in place to mitigate the risk to Transgrid of adopting the non-network solutions.



Next Steps

05

Next steps following Phase 2 engagement

The delivery of Transgrid's Phase 2 post-lodgement engagement sought to build a greater understanding of views held by the TAC and end consumers

Transgrid evolved its engagement approach in Phase 2 in response to feedback, with consideration given to engagement principles and objectives, design and techniques utilised.

Transgrid has communicated to the TAC that the findings and insights generated by this process will continue to underpin decision-making and inform its Revised Revenue Proposal for the 2023-2028 regulatory period.

Future engagement

Transgrid has communicated a desire to continue to improve its engagement approach with all stakeholders. The TAC provided feedback on a positive uplift in engagement approach from Phase 1 to Phase 2, though noted greater engagement with end consumers, more consistent TAC attendance at Deep Dive workshops and longer lead times on engagement will further elevate the approach in the future. Transgrid has acknowledged this feedback.

Use of this report

KPMG provides this report as a mechanism through which Transgrid considers stakeholder views, input and feedback as part of the development of its Revised Revenue Proposal. The engagement feedback summarised in this report is based on TAC Deep Dive engagement activities up to 14 November 2022.



Appendices

- A. Deep Dive workshop agendas
- B. Deep Dive workshop attendance





Appendix A: Deep Dive workshop agendas

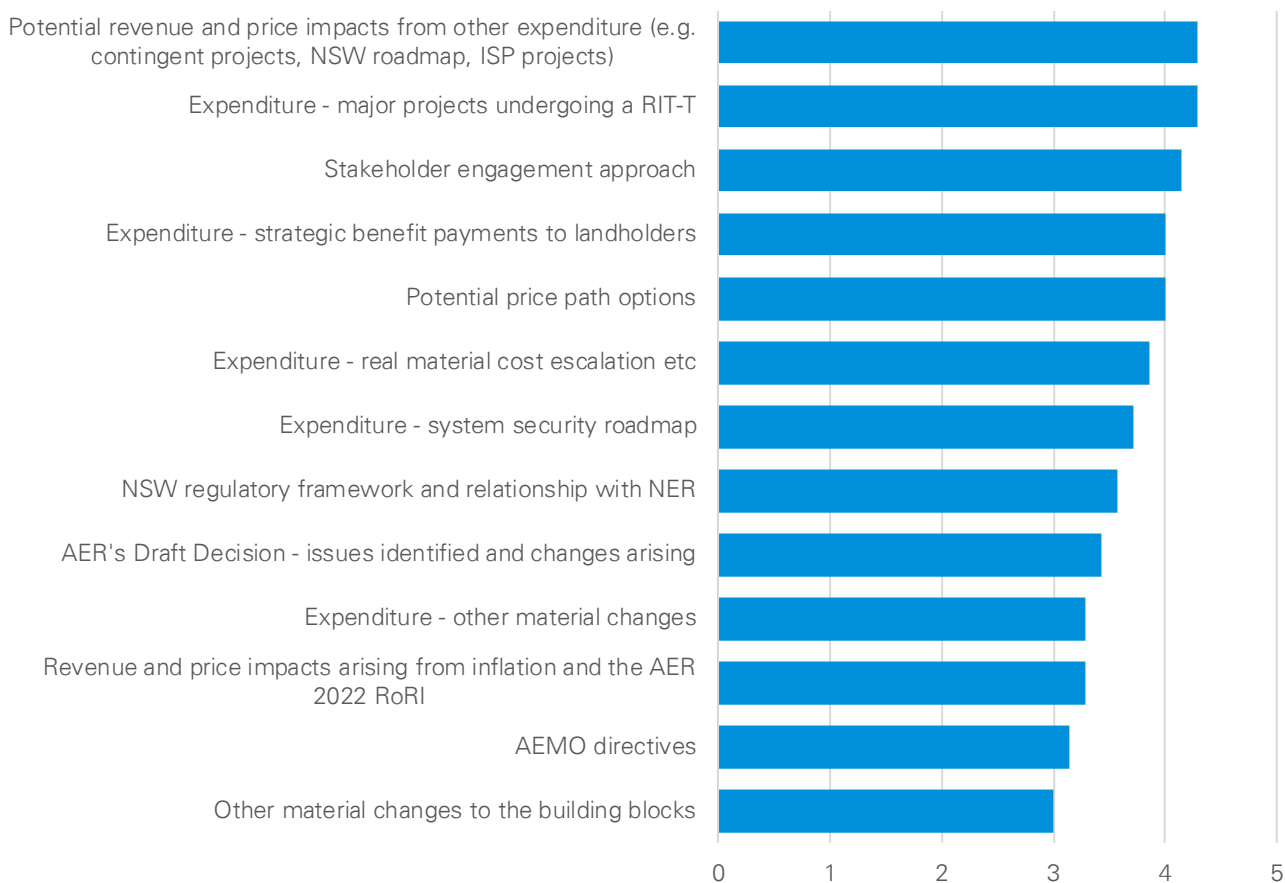


Prioritisation of Phase 2 Deep Dive workshop topics

Co-designing and prioritisation of topics

The prioritisation by the TAC of the proposed topics as identified during and immediately following the Deep Dive 1 workshop are detailed below.

The TAC prioritisation of proposed topics for the TAC Deep Dive Workshops



Source: Transgrid Revised Revenue Proposal Phase 2 Deep Dive 2, Mentimeter Results, n=7

Average response: "How important to you is discussing the following topic during the TAC Deep Dive meetings?" [5 = Very important]

Phase 2 Deep Dive workshop agendas

The below table captures the agendas of each of the six Deep Dive Workshops. These agendas were agreed in advance with the TAC and iterated as required. Each workshop was held virtually using Transgrid's videoconferencing platform for a period of 2-3 hours each.

Deep Dive Workshop	Date (2022)	Agenda overview
Deep Dive 1	6 July	<ul style="list-style-type: none"> Stakeholder engagement approach Topics for post-lodgement: market driven changes <ul style="list-style-type: none"> Material and labour costs Expected inflation Interest rates and the rate of return Topics for post-lodgement: updates to our forecast expenditure: <ul style="list-style-type: none"> Updates to our 2023-28 expenditure forecasts Augex projects undergoing RIT-T AEMO directives System Security Roadmap Revenue impact from market driven changes and updates to our expenditure forecasts Bill impacts
Deep Dive 2	15 Aug	<ul style="list-style-type: none"> Confirm engagement approach and agendas for future Deep Dives How Transgrid is responding to feedback from Deep Dive 1 Expenditure topics for Deep Dive discussion: <ul style="list-style-type: none"> Major non-ISP projects undergoing a RIT-T - assumptions and inputs and expenditure forecasts System Security Roadmap – drivers and outcomes
Deep Dive 3	6 Sept	<ul style="list-style-type: none"> Confirm engagement approach and agendas for future Deep Dives How Transgrid is responding to feedback from Deep Dive 2 End-consumer survey Deep Dive topic: <ul style="list-style-type: none"> Major non-ISP projects: assumptions, inputs and forecast expenditure
Deep Dive 4	12 Sept	<ul style="list-style-type: none"> Confirm engagement approach and agendas for future Deep Dives AER's assessment process for demand driven projects Deep Dive topic: <ul style="list-style-type: none"> Unit rates – Increase between FY21 to FY22: drivers and outcomes Repex: recap forecasting method and outcome AEMO Directives: PMU and NSCAS shortfall Indicative revenue and price impact from all investment in the 2023-28 period
Deep Dive 5	26 Sept	<ul style="list-style-type: none"> Confirm engagement approach and agendas for future Deep Dives How Transgrid is responding to feedback from Deep Dives 3 and 4 Deep Dive topic: <ul style="list-style-type: none"> System Security Roadmap: drivers and outcomes Critical Infrastructure Security: Security Legislation Amendment Critical Infrastructure Protection Act Strategic benefit payments to landholders – drivers and outcomes Indicative revenue and price impact from all investment in the 2023-28 period
Deep Dive 6	20 Oct*	<ul style="list-style-type: none"> How Transgrid is responding to feedback from the previous Deep Dives AER's Draft Decision – key outcomes and our proposed response Indicative capex and opex for the 2023-28 period

*Deep Dive 6 occurred over a number of meetings, detailed on the following page.

Additional meetings to Deep Dive 6 workshop

The below six meetings were held by Transgrid as part of its engagement in relation to Deep Dive 6:

- **Meeting #1 - 18 October 2022.** Transgrid met with TAC member Gavin Dufty (St Vincent de Paul Society Victoria) due to unavailability to attend the scheduled Deep Dive 6 workshop on 20 October 2022.
- **Meeting #2 - 19 October 2022.** Transgrid met with TAC member Andrew Richards (Energy Users Association of Australia) due to unavailability to attend the scheduled Deep Dive 6 workshop on 20 October 2022.
- **Meeting #3 (Deep Dive 6) - 20 October 2022.** Transgrid held the Deep Dive 6 workshop with the TAC. At this meeting, stakeholders requested an additional meeting to discuss contingent projects and STPIS on the basis that time ran out to discuss topics in detail at the meeting. A follow-up meeting was scheduled for 25 October 2022.
- **Meeting #4 - 25 October 2022.** Transgrid met with the TAC to discuss contingent projects and STPIS. At this meeting, the TAC requested a further meeting to discuss the new additional contingent projects. The TAC also requested the AER to present its view on this matter at the meeting. A follow-up meeting was scheduled for 31 October 2022.
- **Meeting #5 - 31 October 2022.** Transgrid met with the TAC and the AER, to discuss the new additional contingent projects that were intended to manage the risks that could arise for customers in the event that Transgrid are not able to secure a non-network solution.
- **Meeting #6 – 14 November 2022.** Transgrid met with the TAC and the AER, to discuss the options to manage the risks that could arise for customers in the event that Transgrid are not able to secure a non-network solution, including contingent projects and a nominated cost pass-through.

Further meetings between Transgrid, the AER and the TAC are not within scope of this report.



Appendix B: Deep Dive workshop attendance



Phase 2 Attendance - TAC members

The table shows a record of attendance for external stakeholders for each Deep Dive workshop.

Y = Attended (in full or partial), N = Apology, Grey = not requested to attend.

Stakeholder Name	Organisation	Stakeholder Type	DD1	DD2	DD3	DD4	DD5	DD6*
Andrew Richards	Energy Users Association Australia	Customer Advocate	Y	Y	Y	N	Y	Y
Gavin Dufty	St Vincent de Paul	Customer Advocate	Y	Y	Y	Y	Y	Y
Nick Savage	NSW Farmers	Customer Advocate	Y	N	N	Y	Y	N
Brendan O'Keefe	NSW Farmers	Customer Advocate				Y	Y	Y
Craig Memery	Public Interest Advocacy Centre	Customer Advocate	Y	Y	Y	Y	N	Y
Tennant Reed	Australian Industry Group	Customer Advocate	Y	Y	Y	Y	Y	Y
Brian Spak	Energy Consumers Australia	Customer Advocate	N	N	N	N	N	N
Sam Fyfield	Goldwind	Direct connect customer	N	N	N	N	N	Y
Iain Maitland	Ethnic Communities Council NSW	Customer Advocate	N	N	N	N	N	N
Maria Cahir	Tesla	Direct connect customer	N	N	N	N	N	N
Dev Tayal	Tesla	Direct connect customer	N	N	N	N	N	N
Panos Priftakis	Snowy Hydro	Direct connect customer	N	Y	N	N	N	N
Luke Rankovich	Tomago Aluminium	Direct connect customer	N	N	N	N	N	N
Nicola Falcon	AEMO	Market Body	N	N	N	N	N	N
Michael Ottaviano	ERM Advisory	Expert advisor	N	N	N	N	N	N
Christiaan Zuur	Clean Energy Council	Industry Advocate	N	N	N	N	N	Y
Scott Young	Commonwealth Bank Australia	Financial investor	N	Y	Y	Y	Y	Y
Chloe Bennett	Aboriginal Affairs NSW	Customer Advocate	N	N	N	N	N	N
Kim Woodbury	City of Sydney	Direct connect customer	N	N	Y	Y	Y	N

* Attendance record for Deep Dive 6 includes attendance at any of the 6 meetings held as part of the Deep Dive 6 series. A full breakdown of attendance by meeting can be found in the Deep Dive 6 Stakeholder Engagement Report.

Phase 2 Attendance - AER

The table shows a record of attendance for observers or other stakeholders for each Deep Dive workshop.

Y = Attended (in full or partial), N = Apology/ Not requested to attend.

Stakeholder Name	Organisation	Stakeholder Type	DD1	DD2	DD3	DD4	DD5	DD6*
Elissa Freeman	CCP	Observer	N	Y	Y	Y	N	Y
Mike Swanston	CCP	Observer	N	Y	Y	N	Y	Y
Robert Nicholls	CCP	Observer	Y	N	N	N	N	N
Slavko Jovanoski	AER	Observer	Y	Y	Y	Y	Y	Y
Roselle Mailvaganam	AER	Observer	Y	N	N	N	N	N
Albert Tong	AER	Observer	Y	Y	N	Y	Y	Y
Riya Goyal	AER	Observer	Y	N	N	N	Y	Y
Richard McGill	AER	Observer	N	N	Y	N	N	Y
Daniel Wotherspoon	AER	Observer	N	N	N	Y	Y	Y
Kevin Cheung	AER	Observer	N	N	N	Y	N	N
Andrew McGill	AER	Observer	N	Y	N	N	N	N
Daniel Feng	AER	Observer	N	Y	N	N	Y	N
Christine Xue	AER	Observer	N	Y	N	N	N	N
David Monk	AER	Observer	N	N	N	Y	Y	Y
Alen Talic	AER/ACCC	Observer	N	N	N	N	Y	Y
Blair Burkitt	AER	Observer	N	N	N	Y	N	N
David Chan	AER	Observer	N	N	N	N	N	Y
Esther Tsafack	AER	Observer	N	N	N	N	N	Y
Scott Hall	AER	Observer	N	N	N	N	N	Y
Michelle Shi	AER	Observer	N	N	N	N	N	Y
Vu Lam	AER	Observer	N	N	N	N	N	Y
Kim Huynh	AER	Observer	N	N	N	N	N	Y
John Thompson	AER	Observer	N	N	N	N	N	Y

* Attendance record for Deep Dive 6 includes attendance at any of the 6 meetings held as part of the Deep Dive 6 series. A full breakdown of attendance by meeting can be found in the Deep Dive 6 Stakeholder Engagement Report.

Phase 2 Attendance - Transgrid

The table shows a record of attendance for external stakeholders for each Deep Dive workshop.

Y = Attended (in full or partial), N = Apology/ not requested to attend.

Stakeholder Name	Organisation	DD1	DD2	DD3	DD4	DD5	DD6*
Brian Salter	Transgrid ELT	Y	Y	N	N	N	Y
Craig Stellan	Transgrid ELT	N	Y	Y	Y	N	Y
Marie Jordan	Transgrid ELT	N	N	Y	Y	Y	Y
Maryanne Graham	Transgrid ELT	N	N	N	Y	Y	N
Stephanie McDougall	Transgrid	Y	Y	Y	Y	Y	Y
Robert Alcaro	Transgrid	Y	Y	Y	Y	Y	Y
Sarah Lim	Transgrid	Y	Y	Y	Y	Y	Y
Edward Luk	Transgrid	N	Y	N	Y	N	N
Bronwyn Rosser	Transgrid	Y	N	N	N	N	N
Cassie Farrell	Transgrid	N	N	Y	Y	Y	Y
Deyi Wu	Transgrid	N	N	Y	Y	Y	Y
Cameron Hamilton	Transgrid	Y	N	N	N	N	N
Andrew McAlpine	Transgrid	N	N	N	Y	N	Y
Kasia Kulbacka	Transgrid	Y	Y	N	N	N	Y
Jesse Steinfield	Transgrid	Y	N	N	N	Y	N
Jennifer Hughes	Transgrid	N	N	N	N	Y	N
Fiona Orton	Transgrid	N	Y	N	N	Y	Y
Heather Wagland	Transgrid	N	N	N	N	Y	N
Andrew Webster	Transgrid	N	N	N	N	Y	N
John Howland	Transgrid	N	Y	N	N	N	N
Kevin Hinkley	Transgrid	N	Y	N	N	N	Y
Stephen Antoon	Transgrid	N	N	N	N	N	Y
Lance Wee	Transgrid	N	N	N	N	N	Y
Doug Thomson	Transgrid	N	N	N	N	N	Y

* Attendance record for Deep Dive 6 includes attendance at any of the 6 meetings held as part of the Deep Dive 6 series. A full breakdown of attendance by meeting can be found in the Deep Dive 6 Stakeholder Engagement Report.

Phase 2 Attendance - Transgrid (cont.)

The table shows a record of attendance for external stakeholders for each Deep Dive workshop.

Y = Attended (in full or partial), N = Apology/ not requested to attend.

Stakeholder Name	Organisation	DD1	DD2	DD3	DD4	DD5	DD6*
Julie Stanley	Transgrid Board	N	N	N	N	N	Y
Dr Warren Mundy	Transgrid Board	N	N	Y	N	N	N
Charles-Edouard Mariolle	Transgrid Board	N	Y	Y	Y	Y	N
Gerard Reiter	Transgrid Board	N	Y	Y	Y	Y	Y
Gordon Hay	Transgrid Board	N	Y	N	N	N	N
Rachel Tan	Transgrid Board	N	Y	N	N	N	N
Eric Dubreuil	Transgrid Board	N	N	Y	N	Y	N
Stasha Prnjatovic	Transgrid Board	N	N	Y	Y	N	N

* Attendance record for Deep Dive 6 includes attendance at any of the 6 meetings held as part of the Deep Dive 6 series. A full breakdown of attendance by meeting can be found in the Deep Dive 6 Stakeholder Engagement Report.

Phase 2 Attendance - additional parties

The table shows a record of attendance for external stakeholders for each Deep Dive workshop.

Y = Attended (in full or partial), N = Apology/ not requested to attend.

Stakeholder Name	Organisation	DD1	DD2	DD3	DD4	DD5	DD6*
Matt Pearce	KPMG	N	Y	Y	Y	Y	Y
Louise Pogmore	KPMG	Y	Y	Y	Y	Y	Y
Hannah Lock	KPMG	Y	Y	Y	Y	Y	Y
Grace Smith	KPMG	Y	Y	N	Y	Y	Y
Eamonn Corrigan	KPMG	Y	N	N	N	N	N
Ann Whitfield	HoustonKemp	N	Y	Y	N	N	N
Liam Hickey	HoustonKemp	N	Y	N	N	N	N
Tom Graham	HoustonKemp	N	Y	N	N	N	N

* Attendance record for Deep Dive 6 includes attendance at any of the 6 meetings held as part of the Deep Dive 6 series. A full breakdown of attendance by meeting can be found in the Deep Dive 6 Stakeholder Engagement Report.



Contacts in relation to this document:

Louise Pogmore

Partner | KPMG Customer

Matthew Pearce

Partner | Energy & Utilities sector leader

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