

Appendix H: EN24 community panel recommendations report

Regulatory proposal for the ACT electricity
distribution network 2024–29

September 2022

Evoenergy Community Panel

FINAL REPORT

Prepared by EN24 Community Panel Participants



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Introduction

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The purpose of this report is to provide a reflection on the process undertaken and provide a summary of the key areas of discussion for the Evoenergy Community Panel. It provides 10 recommendations for consideration by Evoenergy in preparing the 2024 – 29 Draft Electricity Plan, including the Tariff Structure Statement.

This report has been prepared by the members of the Evoenergy Community Panel as an independent record of our work.

The Evoenergy Community Panel (“the Panel”) was established in November 2021 by Evoenergy to gather early feedback from the community to inform the development of the 2024 – 29 Draft Electricity Plan, including the Tariff Structure Statement.

While the Panel felt the process was genuine, members noted that the regulatory environment, economic circumstances, and other constraints restricted the areas that the Panel were able to explore.

Approach undertaken

The Panel met virtually six times between November 2021 and August 2022. Meeting summaries are provided at Appendix A.

The Panel consisted of 22 representatives of the Canberra community that undertook 30 hours of discussion. Members of the panel represented a diverse cross section of the Canberra community, including a range of ages and cultural backgrounds, a mix of homeowners and renters. Some members had solar panels, batteries and an interest in owning electric vehicles.

All sessions were held online. Originally meetings were planned to be face-to-face but were changed due to COVID restrictions. During panel meetings feedback was provided to Evoenergy through general discussion, contribution to small group discussions and digital worksheets, as well as using polling tool Slido.

Panel members found the process to be interesting, informative and embraced the opportunity to provide feedback.

The Panel noted the changes in the energy sector that have occurred during the time we have been meeting and the changes yet to come. The Panel would welcome the opportunity to regroup, review and revalidate the plan in response to any additional changes that may occur.

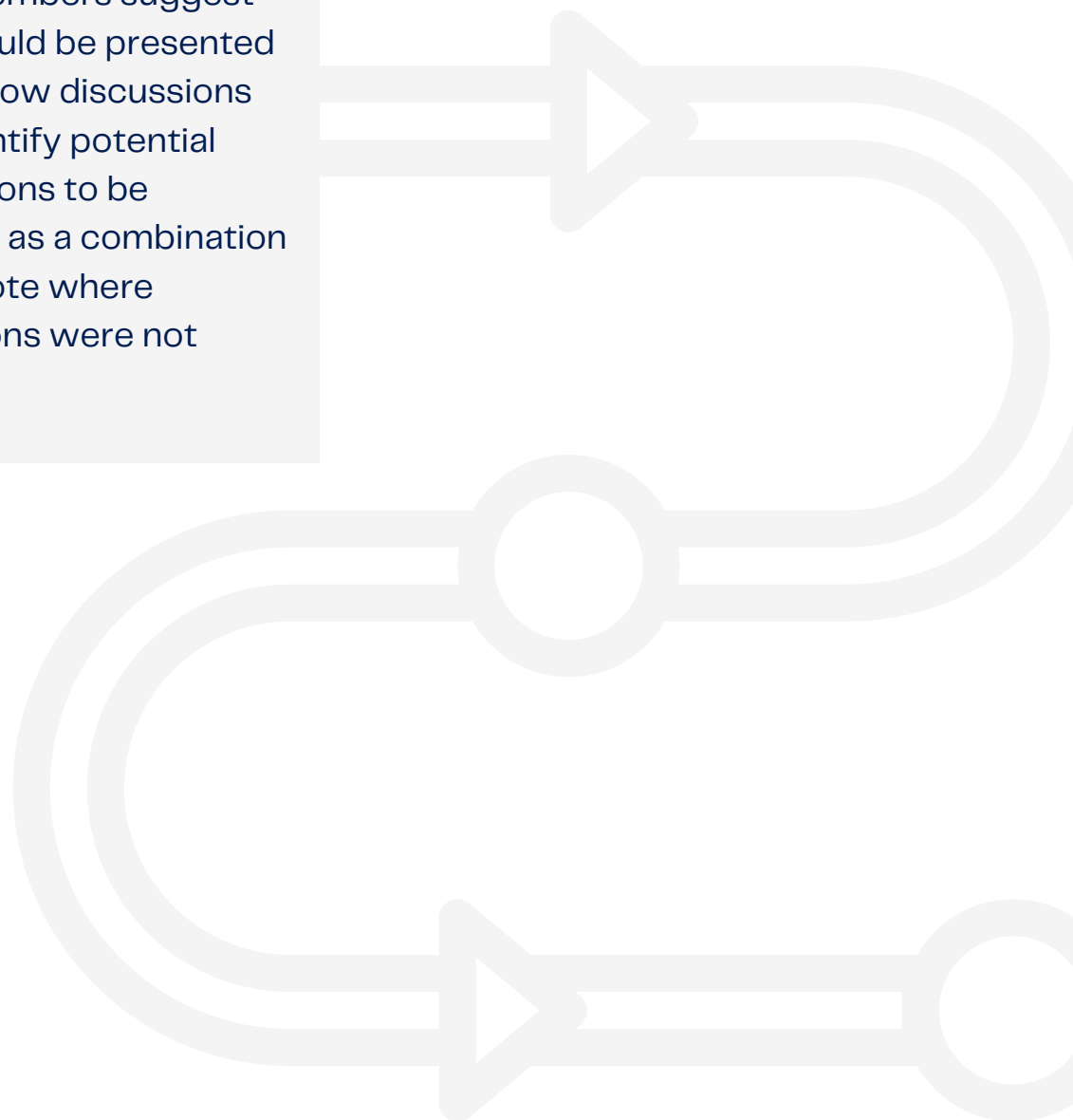
A separate Community Pricing Panel was established to consider network pricing matters to help form the direction of Evoenergy's Tariff Structure Statement. This panel met four times during April and May 2022.

Process recommendation

01

Recommendation

As a suggested improvement opportunity for future Panel discussions, members suggest that options could be presented in a way that allow discussions to occur to identify potential alternative options to be proposed, such as a combination of options or note where additional options were not possible.



Key areas of discussion and recommendations

Consumer values

We identified the following important consumer values:

- Reliability of supply
- Affordability and value for money
- Supporting vulnerable customers such as low income or those with a disability
- Responding effectively to climate change
- Tariffs that are responsive, adaptive and flexible to meet current and emerging needs
- Continuing to educate and engage customers in an accessible, meaningful way

Reliability

Consumers expect the network to maintain reliability and accommodate changes in the future. Consumers expect that the network is resilient and more responsive to national energy impacts, planned and unplanned outages.

Consumers expect an investment approach to prepare the network for extreme weather which recognises that some blackouts and brownouts can occur, but these should be rare events and recoverable.

02

Recommendation

The Panel recommends that Evoenergy proactively and continuously incorporate these values when planning for the future.

03

Recommendation

Minimise consumer impacts, particularly considering the needs of vulnerable customers, when scheduling works.

Net Zero

The Panel supports Evoenergy's Net Zero position, including being responsive to the decisions of government on emissions reduction.

The Panel is very supportive of Evoenergy moving quickly to reduce emissions in the network, including supporting the increase in distributed energy resources and preparing for a network without natural/fossil gas.

The Panel emphasised the importance of ensuring customers are kept informed during the transition.

Tariffs

Provide network tariffs that are fit for all users of the network. Panel members:

- are generally supportive of a transition towards more cost reflective network electricity tariffs, provided the transition doesn't discourage the take-up of renewable energy technologies in the ACT
- note that export tariffs could support change or create challenges depending on how they are implemented. This requires further consideration.

04

Recommendation

The Panel recommends that Evoenergy move quickly to reduce emissions in the network, including supporting the increase in distributed energy resources, remaining responsive to government policy, and keep customers informed during the transition.

05

Recommendation

The Panel recommends that Evoenergy are responsive, fair and equitable in their design of tariffs to meet the current and emerging needs of customers and availability of technology.

Customer Service (CSIS)

Panel members prioritised the proposed measurement options for the Customer Services Incentive Scheme in the following order.

- SMS notification of unplanned outages.
- Speed of visibility of new outages (including social media, radio and websites).
- Speed of telephone answering
- Evoenergy needs to provide flexibility for the differing technology accessibility options of their customers.



06

Recommendation

The Panel recommends that Evoenergy pursue a Customer Service Incentive Scheme that prioritises notification of unplanned outages through timely notifications.

07

Recommendation

The Panel recommends that investment be made to support providing more flexible, accurate and timely information to customers about outages through multiple channels, such as SMS, social media, radio and websites.

Capital Expenditure (CAPEX)

During our review of Evoenergy's preliminary CAPEX program, the Panel provided the following feedback to Evoenergy:

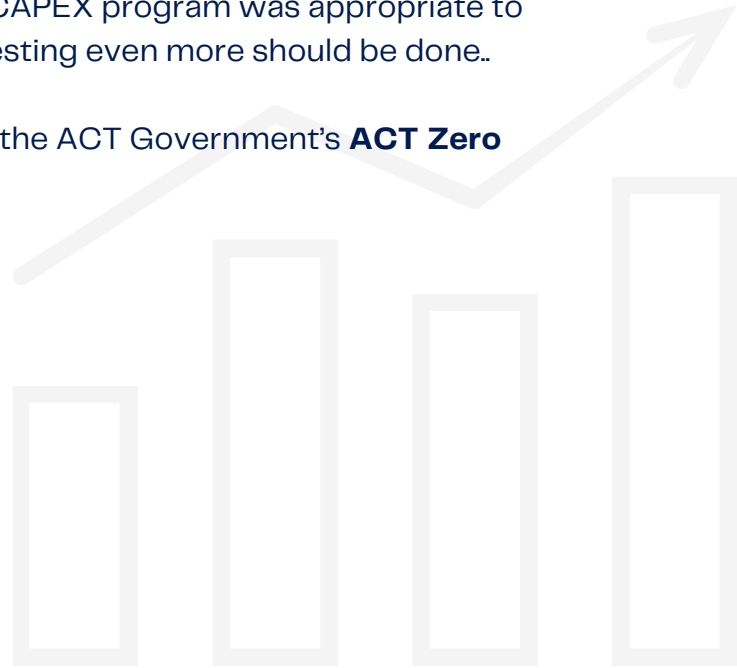
- 64% of us supported Evoenergy replacing fleet vehicles with EVs in the 2024–29 period. Those that were unsure felt further information was needed before expressing a view.
- 57% of us agreed Evoenergy's proposed investment would provide for current and future needs regarding a move to full electrification and would meet consumer expectations. 43% of us felt more information was needed and that there were too many uncertainties.
- All panel members felt that the proposed CAPEX program was appropriate to support net zero by 2045, with 36% suggesting even more should be done.

This data was gathered prior to the release of the ACT Government's **ACT Zero Emissions Vehicle Strategy**.

08

Recommendation

The Panel recommends that Evoenergy continues to prioritise investment in preparation for net zero 2045.



Operating Expenditure (OPEX)

During our discussions on the OPEX program we were presented with proposed new significant expenditure (step changes).

Our feedback to Evoenergy on these areas of expenditure were:

- **Security of Critical Infrastructure** – in response to continuing cyber security threats and the importance of maintaining supply, all Panel members supported increased expenditure in this area, with 50% of the panel suggesting that Evoenergy do even more than proposed.
- **Distributed Energy Resources (DER) Integration** – 77% of panel members supported an increase in expenditure with 15% suggesting more should be invested in this area and 8% suggested less investment. Our discussion identified efficient use of the network as the greatest benefit likely to arise from better integration of DER.
- **Insurance Premiums** – 85% of panel members supported Evoenergy's proposed increase investment in insurance as a response to potential impacts of climate change and extreme weather events.

83% of panel members agreed that Evoenergy's proposed OPEX changes effectively balance customer expectations of affordability considerations against risks and the changing needs of the network.

09

Recommendation

The Panel recommends that Evoenergy proceed with its proposed OPEX changes and that these changes are supported by education to help consumers understand the need for this additional investment.

Bill impacts

Panel members discussed the indicative bills impacts associated with Evoenergy's Draft Plan, based on the assumption that these costs will be passed on by the retailers.

75% of the participants responded that the impacts presented reasonably balanced affordability with expectations of reliable supply, DER enablement and action towards net zero. 25% of participants were unsure. This was attributable to too much uncertainty in the future to be sure if this was a reasonable balance.

10

Recommendation

The Panel recommends that Evoenergy work in collaboration with retailers to ensure consumers are well educated on the impact on their bill and why.



Conclusion

Members of the Community Panel found the opportunity to contribute to Evoenergy's planning to be positive and rewarding.

Panel members felt comfortable to voice their opinions, ask questions in a safe space and feel their individual contributions were valued. A deliberative, collaborative consultation process always produces more meaningful and considered recommendations.

Communication Link's approach to facilitating the panel discussions has been great, flexible and responsive. Questions were answered promptly and Evoenergy were responsive to Panel members ideas and suggestions.

This report provides 10 recommendations to Evoenergy but the Panel notes that the operating environment is actively evolving, such that it would be inappropriate to prioritise one recommendation over another, and that each may need to adapt to changing circumstances. The Panel would welcome the opportunity to regroup, review and revalidate the plan in response to any additional changes that may occur.

The Panel members would like to thank Evoenergy for the opportunity to participate and supportive of a similar approach being undertaken for future consultative processes.

Appendix A

Meeting summaries