

Dashboard Report

GN26 engagement

Energy Regulatory Advisory Panel Meeting 1 | 7 December 2023

This dashboard summarises feedback from a short feedback session, which will inform the development of the GN26 Consumer and Stakeholder Engagement Strategy.

GN26 timeline

- We need to start engaging now
- Consider how GN26 will lay the foundation for the next 22 years.
- Noted key dates within the GN26 timeline, particularly the Reference Services Proposal (RSP) due in June 2024.
- Use all the time available and when making decisions allow time for checks and adjustments if necessary.
- Consider appropriate resource allocation within Evoenergy.

Engagement topics

- Shutting down the network:
 - Decommissioning, abolishment (cost impacts and pace; what is fair allocation of costs and risks; implications for safety and reliability)
 - Accelerated depreciation (price impacts).
- Consumer values: consumer-choice, fairness and equity.
- Managing risk and uncertainty: sharing between business and consumers (tariff variation mechanism (TVM)/ length of access arrangement, accelerated depreciation, demand profile).

Engagement methods

- Host a consistent community panel/forum across the engagement for ongoing guidance and review.
- Leverage existing feedback/engagement activities.
- Include NSW customers.
- Emphasis on using multiple engagement methods and triangulating to comprehend varying consumer perspectives and areas of commonality.
- Forward looking to 2045 and ACT's Net Zero by 2045 target.

Challenges/Opportunities

Developing scenarios

- Consider creation of scenarios for the transition to 2045 to highlight challenges and opportunities.
- Consider:
 - How to seek agreement on Evoenergy's scenarios
 - How to seek agreement on triggers and impacts
 - Price fluctuations and influence on customer behavior
 - Age of household assets - behind-the-meter cost assessment and impacts on customer behaviour
 - Impacts on customer choice in different scenarios.
- Is there a technical tipping point that impacts safety and reliability? Consider customer expectations of safety

Talking with consumers and stakeholders

- Use customer-centric consultation.
- Consider:
 - Intergenerational equity considerations
 - How to determine fairness with stakeholders, in terms of risks and benefits over 22 years.
 - Partnering with ACT Government, AER, and consumers to determine what is fair
 - Framing conversations around both individual and collective experiences.
- 1-on-1 engagement with large customers and retailers
- Map stakeholder engagement to regulatory process.
- Undertake detailed customer analysis to inform engagement (consumption patterns, demographics, business nature).
- Draw on stakeholder feedback from EN24.
- Note that engagement on the RSP will require capacity building in consumers due to complexity of subject matter
- Reference business data sets across all stakeholder segments.

Regulatory and Policy

- Consider the AER's position on accelerated depreciation and abolishment in recent regulatory proposals.
- Challenges associated with evolving RAB requirements
- Requirement for TVM in RSP is not in the National Gas Rules (note that the AER will make a non-binding decision).
- Acknowledging the influence of ACT Election cycles on pace of change and expectations.
- Consider impacts of legislative and policy drivers, including mandatory abolishment, more incentives for energy transition, support for vulnerable consumers to transition.
- Consider how to best involve the ACT Government while developing the regulatory proposal
- Understand the relationship/alignment with electrification program.

