

ActewAGL Distribution Energy Consumer Reference Council**Meeting 10** Minutes 10 February 2016 9:30-12:30ActewAGL House, Canberra City

Attendees

Allan Williams (Chairman)	
Susan Helyar	ACT Council of Social Services
Glenys Patulny	Tuggeranong Community Council
Kristine Riethmiller	Canberra Business Chamber
Jodie Pipkorn	SEE-Change
Rick Lord	Council on the Aging
Ewan Brown	Gungahlin Community Council
Nick Clarke	Engineers Australia, Canberra Division

ActewAGL Distribution

Ed Gaykema	Manager, Gas Networks
Peter Cunningham	Regulatory Manager, Asset Management
Paul Walshe	Director, Marketing and Corporate Affairs, ActewAGL
Emily Brown	Regulatory Pricing Manager
Helen Leayr	Consumer Engagement
Kerri Hannaford	Consumer Engagement

Apologies

Kirk Coningham	Master Builders Association
Michael Hopkins	Master Builders Association
John Sullivan	Australian National University
Catherine Carter	Property Council of Australia
Stephen Devlin	General Manager, Asset Management, ActewAGL
Dennis Stanley	Branch Manager, Asset Strategy

Papers distributed prior to the meeting

- Agenda meeting #10.
- Draft Minutes of meeting #9.

1 Welcome and introductions

The Chair, Allan Williams, welcomed the Council members to the first meeting of 2016. Apologies were noted.

It was noted that Ms Leanne Holmes of ActewAGL has retired, the ECRC wish to thank Leanne for her contribution and wish her all the best in her retirement.

2 Michael Costello, ActewAGL CEO

Michael Costello, ActewAGL CEO presented to the meeting on 2016 – the year ahead. Mr Costello thanked the ECRC for their considered input over the past 12 months which have been very beneficial to the business. He updated the ECRC the gas and electricity regulatory processes as well as outlining the opportunities ahead for 2016.

Mr Costello provided an update on the regulatory processes for gas and electricity. The challenge for ActewAGL Distribution going forward is delivering the maintenance program with reduced staff numbers. ActewAGL will not cut back on safety for the community or its staff. He expressed concern about the impact of further delays as a result of the legal appeal process. The final gas regulatory determination is expected in April 2016 and is not anticipated to have as great an impact as the electricity determination.

He discussed the impacts of emerging technologies including renewable energy, smart metering requirements, battery storage and electronic vehicles. It was noted that the electricity grid is important infrastructure to support the distribution of renewable energies

Over the next year fast charging stations (charge in 10 minutes) will be rolled out by ActewAGL for electric vehicles. ActewAGL is also encouraging the ACT Government to encourage electric vehicle charging stations in new homes.

Discussion:

- There have been discussions in Victoria about making government housing more energy efficient. Unions ACT are also considering options to encourage more energy efficient new public housing. Response: ActewAGL has a range of household efficiency offerings to help all homeowners to make their homes more energy efficient, and would be interested in initiatives that support community housing.
- What is the cost of charging an electric vehicle? Response: The cost of trickle charging an electric vehicle is very inexpensive.
- Has the use of data analytics to guide maintenance and planning for the network been considered? Response: Yes, ActewAGL Distribution has a new analytics system coming online in February 2016 and ActewAGL will be the first in Australia to be able to model energy use at the high and low voltage level.
- Asset data management was suggested as a future agenda item.
- Concern noted around long term gas infrastructure that may not be needed. Response: ActewAGL Distribution has the same concern and does not want stranded assets, noting that last year there were more gas connections than electricity.
- Members of the ECRC noted that a funding application has been submitted with respect to establishing a community based consumer energy resource to support advocacy.
- What promotion is happening in Canberra around micro communities? Response: Micro communities are being looked at for West Belconnen, the solutions look quite expensive at the moment when you would think the option would be more economic. There is a lot of work being done by the LDA and ActewAGL on the regulatory aspects of micro grids.

- It was suggested that a fact sheet be sent to households with PV installations, advising them on the regular maintenance that is required to ensure maximum efficiency.

3 Review and ratify minutes of meeting 9

Minutes of meeting #9 were ratified and the minutes are to be added to the ActewAGL website. There were no actions arising from the minutes.

4 ECRC member updates

Mr Williams invited members to put forward matters for discussion at future meetings.

- Noted that the ACT Health Network is undertaking a small study on the health implications of increased energy costs. Initial work was undertaken in New Zealand.
- SEE-Change has a number of events coming up that would be of interest, information will be distributed to the ECRC.

5 ACT 90 and 100% renewable program

Dr Greg Buckman – Energy Policy Division, ACT Government

Dr Buckman provided the meeting with an outline on the ACT renewable energy program. It was noted that there had been a good dialogue with ActewAGL Distribution over the last 18 months on the targets and the impact. The ACT is aiming for the largest step-change in renewable electricity supply in Australia. The ACT has had the largest response to the voluntary purchase of green power.

Discussion:

- Are ACT residents subsidising clean energy in other states? Response: No, the ACT claims all of the clean energy output that we support; there is no subsidising of energy targets in other jurisdictions.
- If Australia increased its natural renewable energy targets would that increase energy prices? Response: yes, it would. The 2020 targets are reasonably easy to obtain, further targets will be very difficult to meet.
- Is there any focus on lower income homes? Any subsidies that could alleviate some of the burden. Suggestions that a focus on assisting lower income homes be part of the next round of invitations to industry to bid to provide clean energy to the ACT. Response: The Next Generation Renewable Auction and Next Generation Energy Storage Auctions (2016-2019) were announced by Simon Corbell in December 2015. Bids by companies in the Auction will be considered, it is up to the bidders to consider options with respect to vulnerable customers.
- Is there any requirement for the companies to be Australian to bid in the auctions? Response, no, but they do need to have an ACT base and this is considered a part of the assessment.

6 Emerging technologies

Two presentations were given on emerging technologies for electricity and gas in response to requests by the ECRC members for more information on future technologies.

Mr Cunningham provided the meeting with a presentation on electricity emerging technologies considering PV systems, battery storage, micro grids, appliance control and efficiencies, and electric vehicles. Mr Cunningham noted that the economics for battery storage are improving, Panasonic chose Canberra for a trial because the community are early adopters and the ACT is an ideal size for preliminary studies. The biggest challenge for ActewAGL Distribution is anticipating the decline in the customer base load; energy efficiency measures and pv generation have been reducing network energy sales. In the ACT there is an 8 percent penetration of PV arrays or 16,500 homes.

For residential battery storage the cost is currently approximately \$10,000+ for the average home, for Canberra this does not provide a strong payback due to the energy tariffs being so low compared with other jurisdictions. This remains the same for projections to 2020. The suburb of Denman Prospect, with 100% pv penetration, will need the electricity infrastructure to capture the excess generation flows back to the grid.

Discussion:

- Some residents will choose battery storage for security reasons rather than economic.
- Whose idea was it to have 100 percent PV arrays in Denman Prospect? Response: The developers.
- Suggestion that a fact sheet should be done for electric vehicles.
- What would happen if the ACT Government mandated that all their vehicles had to be electric, would this cause a substantial change in electricity demand? Response: the usage pattern would need to be considered to determine impact.
- Suggestion that electric vehicles should be a future agenda item.
- Suggestion that a presentation on micro grids from the Land Development Agency should be a future agenda item.

Mr Gaykema provided the meeting with a presentation on gas emerging technologies considering biomethane and the viability of renewable gas generation at the Lower Molonglo Waste Water treatment plant. A Board paper is being prepared for consideration of renewable gas options. The December 2015 report Australia's Bright Gas Future - Competitive Clean and Reliable was noted for reference

http://www.ena.asn.au/sites/default/files/australias_bright_gas_future_december_2015.pdf.

Compressed natural gas for vehicles is being investigated, there is work being undertaken with ACTION buses and TOLL trucks. The potential advantages of renewable gas regeneration works at Lower Molonglo include: providing renewable gas to the grid and reducing carbon footprint and emissions. Smart metering trials will include gas metering.

Discussion:

- Would the Treatment Plant at Molonglo be retrofitted? Response: the treatment plant would need to be modified to capture the biomethane.

- Information is needed for consumers on what gas appliances to buy and why, for instance, gas dryers, heating and cooling. A member noted that the outside clothesline should also be promoted as a viable option for drying clothes.
- An ACT specific study is needed for our climate to make recommendations to consumers on the best heating and cooling options.

7 Vegetation management in rural and bushfire abatement zones.

Mr Cunningham provided the meeting with an update on consultation undertaken by ActewAGL Distribution on the vegetation management proposal in rural and bushfire abatement zones in the ACT. Community consultation involved four workshops in December 2015 and February 2016. A discussion paper, research paper and presentation were prepared to compliment the consultation and further feedback is encouraged. Feedback received to date is largely positive, noting there was a lot of interest in clearance zones in urban areas. ActewAGL Distribution is working with the ACT Conservator on endangered or protected areas.

Discussion:

- How do we compare to other jurisdictions? Response: we are suggesting larger clearances than other jurisdictions.

8 Gas access arrangements 2016-21 AER Draft Decision

Mr Gaykema provided the meeting with a presentation on the draft decision for the gas access arrangements and identified areas of discussion between ActewAGL Distribution and the Regulator. ActewAGL Distribution has met twice with the regulator about the draft decision and a final decision is expected in April.

9 Any other matters

No other matters were raised.

10 Draft of the post-meeting communique

The following matters were noted for inclusion in the Communique.

- Michael Costello, CEO, ActewAGL provided the ECRC with an update.
- Presentation by Dr Greg Buckman, Energy Policy Division, ACT Government, on the ACT 90% Renewable Energy Target.
- Two presentations by ActewAGL Distribution on emerging technologies across both the electricity and gas industries in response to requests by ECRC members.
- ActewAGL Distribution presentation on the status of the Gas Access Arrangement 2016 – 2021.
- ActewAGL Distribution updated the meeting on community consultation being undertaken regarding the amend Vegetation clearance requirements in rural and Bushfire Abatement Zones.

11 Next meeting

13 April 2016, ActewAGL Greenway Depot

Mr Williams closed the meeting at 12:40pm.