

ActewAGL Distribution Energy Consumer Reference Council

Meeting 12 Minutes 22 June 2016 9:30-12:30

ActewAGL House, Canberra City

Attendees

Allan Williams (Chairman)

Glenys Patulny

Susan Helyar

Ewan Brown

Michael Hopkins

Rick Lord

Nick Clarke

Merlin Kong

Tuggeranong Community Council

ACT Council of Social Services

Gungahlin Community Council

Master Builders Association

Council on the Aging

Engineers Australia, Canberra Division

Property Council of Australia, ACT

ActewAGL Distribution

Dennis Stanley

Ed Gaykema

Philip Deamer

Peter Cunningham

Paul Walshe

Emily Brown

Rowan McMurray

William Yeap

Helen Leayr

Kerri Hannaford

Acting General Manager, Energy Networks

Manager Gas Networks, Energy Networks

Manager, Gas Access Regulation

Regulatory Compliance Manager, Energy Networks

Director, Marketing and Corporate Affairs, ActewAGL

Regulatory Pricing Manager

Principal Engineer Technical Regulation and Innovation,
Energy Networks

Jemena

Consumer Engagement

Consumer Engagement

Guest speakers - AAD

David Chambers

Michael Monck

Regulatory Compliance and Reporting Officer, Energy
Networks

Power of Choice Program Manager, Energy Networks

Apologies

Kristine Riethmiller

John Sullivan

Kirk Coningham

Stephen Devlin

See Change

Canberra Business Chamber

Australian National University

Master Builders Association

General Manager, Energy Networks

Papers distributed prior to the meeting

- Agenda meeting #12.
- Draft Minutes of meeting #11.
- Presentations:
 - National Energy Customer Framework (NECF)
 - Power of Choice

1 Welcome and introductions

The Chair, Allan Williams, welcomed Council members and apologies were noted.

Mr Merlin Kong, CEO, Australian Property Council of Australia, ACT, was welcomed as a new member of the ECRC, replacing Catherine Carter as the Property Council representative. It was noted that it is good to have Mr Kong present to represent this area of the Canberra business community.

The meeting was advised Ms Jodie Pipkorn of SEE-Change has moved to a new organisation and SEE-Change seeking a replacement representative. Her commitment and positive contribution to the ECRC as one of the inaugural members was acknowledged.

Guest speakers from ActewAGL Distribution (AAD) were welcomed to the meeting.

2 Review and ratify minutes of meeting 11

Minutes of meeting #11 were ratified and the minutes are to be added to the website.

The following matters were discussed as arising from the minutes:

- Mr Lord noted that there had been a good result from the Concessions Review announced by the Government, with some refocusing of money and assistance balanced against some changes in eligibility.
- Ms Helyar updated the meeting on the proposal for an energy consumer community-based resource. It appears the ACT Government will support a partnership proposal. If this is successful local industry will then be approached for funding. The resource is expected to be 1-2 days a week.
- Mr Cunningham noted that discussions are continuing with the developers of West Belconnen on their micro-grid proposal. A recent community forum had over 50 attendees from a cross section of the community including those with limited knowledge through to developers, Mr Cunningham attended. ORIMA was engaged to manage the forum. The results have not been made public at this stage.
- Mr Gaykema advised that the implementation of the revised Gas market rules that applied from May 2016 in ACT and NSW in general went very well. Few customers will have noticed any impact. Planning by Jemena was excellent and AAD currently anticipates being back to business-as-usual within a month.
- Ms Brown updated the meeting in regard to the public forum held by the Australian Energy Regulator (AER) on the Electricity Tariff Structure Statement held 5 May 2016. There was an open robust discussion with stakeholders and the AER.

3 ECRC member updates

Mr Williams invited members to put forward matters for discussion and updates from previous meetings.

The following matters were discussed:

- Ms Helyar noted that there had been money in the ACT Government Budget for solar; ACTCOSS's view is that this program should be targeted, in particular to rental housing.
- Ms Patulny noted that the Caroline Chisholm School is to be a STEM centre to improve the teaching of science, technology, engineering and mathematics across Tuggeranong. Ms Patulny suggested that ActewAGL Retail may be interested in regard to solar panels and battery storage use at the school.
- Mr Lord noted that COTA has been working with AAD on the demand data survey. Twenty households have been identified; a questionnaire is being developed to look at energy use in winter. Ms Helyar noted that it would be useful to know more about the demographics and income levels of the customers being used in the survey to track the relationship with energy use.
- Ms Patulny noted that ActewAGL Retail has been invited to the next Tuggeranong Community Council meeting to talk about what they can offer consumers in regard to efficient energy use.

4 National Energy Customer Framework (NECF)

Mr David Chambers, Regulatory Compliance and Reporting Officer, ActewAGL Distribution was invited to present to the ECRC in response to questions from Council members about the notice required for energy interruptions.

The presentation included:

- What the NECF is – National framework focussed on customer protection and obligations.
- Legislative framework relating to NECF and other relevant areas.
- NECF commenced in the ACT for electricity 1 July 2012, Gas, transitional arrangements from 1 July 2012, full NECF from 1 July 2016.
- NECF obligations – focused on providing energy consumers clarity around when and how protections apply
- Life support
- Customer connection services – physical works and supply of energy (the latter should not be confused with the sale of energy)
- Planned and unplanned interruptions – NECF describes how interruptions must be communicated.
- Achieving compliance

Discussion:

- Questions were asked about the information that is provided by AAD. AAD confirmed there is a pamphlet available on the website and provided to electricity consumers for planned interruptions.

- Customers with life support equipment can register with AAD or their retailer. A rebate is available for their electricity bill.
 - Council discussed the current list of life support equipment, including considerations such as the importance of heating, which may be gas.
 - AAD advised there are no planned outages through the night.
 - If AAD does not comply with regulations it can be fined by the AER.
 - It was suggested that contact be made with the Capital Health Network to increase the opportunities for those with life support equipment to be aware of the rebate. Council members highlighted that a number of people with qualifying life support conditions (such as congestive heart failure issues and sleep apnea) may not be aware that the equipment used to manage these conditions qualifies for the life support rebate and supply conditions.. It was noted that this rebate is an ACT Government program.
 - The method of calculating the rebate was requested. Mr Walshe confirmed that a life support rebate of \$135 a year is paid to households by the ACT Government.
- Questions were asked about how customers (such as medical facilities) could avoid unplanned interruptions. It was confirmed that no energy distributor can guarantee 100% reliability, but that notice is provided for any planned interruptions. AAD confirmed that customers may connect a generator (at their own cost) in the event of a planned interruption, with AAD willing and able to assist with this process if required.
- Council members suggested that an area of concern could be AAD customers who have visitors with life support equipment noting that 30 per cent of patients in Canberra Hospital are from outside the ACT.
- There was discussion around how emerging technologies are catered for under the NECF, if they aren't then consideration needs to be given to how they will be addressed by legislation, industry and AAD going forward. AAD noted that discussions are underway with the ACT Government about notification of utilities and emergency services of households with battery storage. Batteries are currently classified as 'appliances' with no notification requirements, although there are obligations and responsibilities for householders with respect to safety, potential hazards during fires etc.

5 Power of Choice AER metering reforms

Mr Michael Monck, Power of Choice, Program Manager AAD was invited to present to the ECRC on upcoming national rule changes for electricity metering.

The presentation included:

- Metering competition
- Meter replacement processes
- Customer access to data

New rules will be introduced in December 2017 across Australia to enable competition for the installation of electricity meters to give customers more choice. The change introduces a new entity (the metering coordinator or MC) into the relationship between the power

distribution company, the retailer and the customer. Currently AAD supplies, installs and maintains the majority of meters in the ACT. It is likely that the regulator will require a separation of metering responsibilities (ring fencing) from the rest of the distribution responsibilities resulting in AAD being unable to provide services relating to meters.

These new rules will have implication for how faults and outages are addressed as there will be different parties responsible for the poles and wires, the meters and then within the house. Post December 2017 AAD will only be responsible to address faults to poles and wires, not the meter. This may complicate the process of determining what is causing a fault to or within a property.

Discussion:

- It was recommended by a Council member that the consumer perspective needs to be considered early in the process to allow their views to be involved over the next 18 months and inform AAD's response to the rule changes. This would include customers, builders, developers, energy retailers etc. It will also be important to educate customers, builders on the transition process. A co-design process was suggested so all stakeholders understand the changes and the risks and then provide considered input into responses to the new rules that address the requirements of all stakeholders. .
- Mr Monck confirmed that a project is being established to identify the changed processes and implementation, stakeholder engagement is a large part of the planning going forward. It was noted that AAD will always put safety first and AAD has been in discussions for over two years with regulatory bodies including the Australian Energy Market Commission about the changes. Ms Leayr suggested the matter be included in the ECRC work plan for 2016/17.
- AAD confirmed that energy saving house calls are still conducted by ActewAGL Retail to assist customers with understanding their energy usage. It was suggested that a hardship prevention program could consider replacing inefficient appliances as part of helping customers prevent a very high bill that there may be little chance of paying.
- Mr Monck will continue to keep the ECRC updated.

6 Gas Access Arrangement final decision.

Mr Gaykema provided the meeting with a presentation on the final decision by the Australian Energy Regulator (AER) on AAD 2016-21 Gas Access Arrangement. The arrangements will take effect from 1 July 2016 as required. Mr Gaykema noted that the AER accepted that gas has an ongoing role in the Canberra energy market.

The presentation included:

- Overview of the final determination - positive outcomes for consumers and AAD and concerns.
- Indicative bill impact for residential and non-residential customers.
- Operational expenditure and capital expenditure outcomes.
- Next steps.

Discussion:

- AAD were asked to comment on how planning is affected with left- field developments such as the CSIRO development that has been proposed. Mr Gaykema confirmed that discussions have not happened on this proposal, however generally discussions occur to determine the role for gas that is envisaged for the development and how the energy load and mix would be defined.
- Renewable gas energy services were discussed; Mr Gaykema confirmed that AAD is looking at a pilot project. The technology is proven and in the United Kingdom last year 60 renewable gas projects were brought online.
- The next steps will include talking to retailers about the new tariffs, information will be on the website

7 AAD Consumer engagement Strategy Phase 2

Ms Helen Leayr, Consumer Engagement, AAD provided the meeting with a presentation on possible priorities for stakeholder engagement in 2016-17.

The presentation included:

- The consumer engagement journey so far 2014/15 – 2015/16. Including the establishment of the ECRC December 2014, Consumer Engagement website and consultation with consumers on Gas Access Arrangements, Electricity Tariff Structure Statement and Vegetation Management.
- Consumer Engagement Roadmap 2014 – 2018 – two stages
- 2016/17 priorities
- Discussion seeking thoughts/feedback from the ECRC

Discussion:

- The ECRC has been vital in early discussions for AAD in planning what consumer engagement should be undertaken. AAD agree that earlier engagement with the ECRC on gas and electricity determinations is needed.
- Suggestion that more information is needed by consumers on renewable energies. Current membership on the ECRC was considered and seen as being representative.
- Council members discussed the need to better understand what the big drivers for increased costs to consumers are, for instance, a coordinated approach to the light rail project up Northbourne Avenue to avoid extra costs and duplication through installing and moving essential services such as gas, electricity, water and telecommunications infrastructure. Suggestion for a Capital Health Network toolkit to assist consumers.
- Better connection with industry was recommended, for instance, the metering changes will affect a range of groups in the building and construction industry. Regular meetings with the Master Builders Association and other industry organisations could be better coordinated to involve cross-sector discussions. AAD have established communication channels with these bodies and it is planned to consult with them when the project is ready to consult.

8 Other matters

- Mr Williams reminded Council members that they are open to ask questions at any time, it is not just limited to ECRC meetings.
- Mr Clarke from Engineers Australia noted that there is significant interest in electric vehicles and invited AAD to give a presentation to Engineers Australia.

9 Draft post-meeting Communique

The following matters were noted for inclusion in the Communique.

- Update on outstanding actions including COTA survey and West Belconnen micro-grid outcomes
- NECF, including interest in being involved in consumer engagement.
- Metering changes, ECRC encouraging AAD to have a robust engagement with consumers across the supply change.
- Update on Gas Access Arrangements
- Forward planning for AAD Consumer Engagement

10 Next meeting

9.30am 10 August 2016.

11 Meeting close

Mr Williams closed the meeting at 12:30pm.