

ActewAGL Distribution Energy Consumer Reference Council

Meeting 15 Minutes 7 December 2016, 9:30-12:30

ActewAGL House, Canberra City

Attendees

Allan Williams (Chairman)

Glenys Patulny

Susan Helyar

Ewan Brown

Rick Lord

Kristine Riethmiller

John Sullivan

Nick Clarke

Eileen Newmarch

Tuggeranong Community Council

ACT Council of Social Services

Gungahlin Community Council

Council of the Aging

Canberra Business Chamber

Australian National University

Engineers Australia, Canberra Division

Energised Consumer Project Officer

ActewAGL Distribution

Michael Costello

Dennis Stanley

Paul Walshe

Peter Cunningham

Emily Brown

William Yeap

Helen Leayr

Kerri Hannaford

CEO

Branch Manager, Asset Strategy

Director, Marketing and Corporate Affairs

Regulatory Manager, Asset Management,

Regulatory Pricing Manager

Manager, Gas Networks

Consumer Engagement

Consumer Engagement

Guest speakers

Michael Monk

Power of Choice, ActewAGL Distribution

Apologies

Kirk Coningham

Michael Hopkins

Liam Lilley

Adrien Cirson

Stephen Devlin

Master Builders Association

Master Builders Association

SEE-Change

Property Council of Australia, ACT

General Manager, Asset Management

Papers distributed prior to the meeting:

- Agenda meeting #15
- Draft Minutes of meeting #14
- ActewAGL Distribution Consumer Engagement Strategy documents x 3

- 2019-24 Electricity Regulatory Review (EN19) Issues Paper
- Power of Choice Industry Information Paper

1 Welcome and introductions

The Chair, Allan Williams, welcomed Council members and apologies were noted. Mr Williams noted that it had been two years since the first ECRC meeting, the contributions from member organisations, the breadth and detail of subjects covered for the gas and electricity sides of the business in relation to the consumers has been impressive.

Ms Eileen Newmarch was welcomed to the meeting. Ms Newmarch is the newly appointed Energised Consumer Project Officer working with ACTCOSS, Canberra Business Chamber, SEEChange with two-years funding from ACT Government and Energy Consumers Australia. [Ms Newmarch's role is discussed under agenda item 4]

2 CEO welcome and discussion

Mr Williams began the agenda by running through the range of matters that had been discussed by the ECRC members over the last two years. The matters included:

- Electricity and gas determinations
- Increased energy costs for seniors including a guest speaker from St Vincent DePaul
- Vegetation management in bushfire areas
- Emerging technologies
- ACT 90% and 100% renewable energy targets
- Electric vehicles
- Power of choice
- Security of supply

Mr Michael Costello, noted that ActewAGL Distribution (AAD) has come a long way in recognising the important relationship between the distribution business and its consumers. The way that AAD operates today is very different; technology is the single biggest focus changing the network business such as battery storage and electric vehicles. ActewAGL is committed to providing its customers with safe and reliable energy solutions.

Mr Costello reiterated that the core business remains the same – providing a safe and reliable service to AAD customers. AAD continues to have the fewest unplanned outages in Australia, second for planned outages although there is concern about the long term impact of budget cuts over recent years.

In conclusion Mr Costello noted that the ECRC had been a great benefit to AAD and he thanked all the participants for their continued contribution.

Discussion areas:

- Q: Could the AAD mission statement include cost effectiveness? A: The Energy Networks Australia survey noted that individuals were more interested in reliability than price.

- Comment: Thank you for the affirmation of the ECRC's role and the support from AAD for the new Energised Consumer Project role.
- Q: The community sector is interested in looking at a business model with AAD for the use of the electric vehicles for the community sector fleet. A: Mr Dennis Stanley was suggested as the appropriate person to talk to in the first instance.

3 Review and ratify minutes of meeting # 14

Minutes of meeting #14 were ratified and the minutes are to be added to the website.

Mr Williams noted that the [consumer engagement](#) information on the AAD website is now much easier to find.

The following matters were discussed as arising from the minutes:

- *Inclusion of information on website about electricity reliability in the ACT* - Ms Leayr advised the meeting that information was being developed for the website. Ms Helyar and Ms Reithmiller noted that they had been approached by people following the South Australian blackout. Businesses are concerned about business continuity plans and this includes groups such as the HIA, MBA, Property Council and IT Groups. It was suggested that an article could also be prepared for inclusion in business sector newsletters on security of supply.

4 ECRC member updates

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

Ms Helyar introduced Ms Newmarch who commenced as the Energised Consumer Project Officer in November 2016. The following was noted:

- Working Tuesday and Wednesday
- Through December and January Ms Newmarch will attend meetings such as the CSIRO energy roundtable to gain a better understanding of consumer energy issues.
- Funding has been sourced from Energy Consumers Australia and the ACT government sources. The position is expected to contribute to discussions regarding regulatory matters. For instance, this may include consulting and engaging with government on policy setting options for small business. It is expected that a pool of informed consumers will be built to enable knowledgeable input on behalf of consumers.
- Ms Newmarch introduced herself and explained that she has been working at Care Financial Counselling, has been a member of the ACAT energy team and undertaken a range of community development work. There is a broad agenda that she is looking forward to engaging on including sustainability and small business.

5 AAD Customer Engagement Strategy

Ms Helen Leayr, Consumer Engagement, AAD presented to the meeting on the draft Stage 2 Consumer Engagement Strategy. She tabled 3 draft document and invited feedback from the ECRC.

- Customers and our Energy Networks – Customer Engagement Strategy Summary.
- Customers and our Energy Networks, Engagement Strategy Stage 1 outcomes Report.
- Customers and Our Energy Networks - Engagement Strategy Stage 2.

Members of the ECRC provided the following feedback:

- Suggest a 'mid-way' feedback point be included in Stage 2, so that there is an opportunity to check how much progress is being achieved towards the longer-term goals.
- Consideration should be given particularly on how to build engagement and feedback opportunity for the business community. Good ACT based case-studies include the Healthy Work Place and Green Business programs delivered by the ACT Government.
- Establishing a base-line against which to measure success of the Strategy will be important.
- Would be good to further unpack the customer segments and relate them to the tools proposed in the Strategy, such as age, language, literacy issues, the type of housing eg renters versus owners etc.
- User testing of toolkits and resources as they are developed for AAD would be useful.

6 Cybersecurity and the electricity supply

Mr Peter Cunningham, Regulatory Manager, Asset Management, AAD presented to the meeting on 'Cybersecurity and the electricity supply' including:

- Why ActewAGL Distribution needs to protect its systems
- Electrical network systems that are in place
- International experiences
- Activities of the Federal Government

Discussion areas:

- Q. Does the disaggregation of energy distribution and generation through solar systems etc, help to minimise the risk? A. Most smaller generation sites still need to be connected to the grid to distribute and to gain access back-up power.
- Risks associated with the impacts on other systems such as banking, HR systems, GPS systems etc are also significant and should be taken into consideration as they will impact on the ability of AAD to undertake its work.

7. Regulatory Matters

Ms Emily Brown, Regulatory Pricing Manager, AAD presented to the meeting on regulatory matters.

a. Ring fencing

The presentation included:

- Explanation of ring-fencing
- Timeline for release of the final guidelines

Discussion areas:

- Q. Can the rules be challenged if they are unworkable? A. We expect we can submit waivers for consideration across a range of areas..
- Q. Will AER be required to submit a report with an opportunity to explain how it is working or not? We may be required to submit annual compliance reports, but we are not sure if the AER will publish these reports.
- When will AAD be able to update this meeting on the likely impacts on AAD? A. We will probably not know the full impact by the February meeting, but after that time we can perhaps add it as a regular item to the ECRC agenda.

b. 2019-24 Electricity Regulatory Period Consumer Engagement Program

Ms Brown referenced the Issues Paper tabled with the ECRC titled '*A Safe, Reliable and Cost Effective Electricity Network. AAD Electricity Network 2019-24 Five Year Plan*'.

The presentation included:

- Timeline for consumer engagement
- Program overview
- Anticipated consumer engagement topics
- Release of an Issues Paper

Discussion:

- Q. Where has the Issues Paper been distributed? A. Through the website, Industry Briefing publication, consumer engagement contact database and to the members of the ECRC.
- Engineers Australia undertook to distribute the document to its members.
- It was suggested that a phone number be added to future consumer engagement documents.
- It was suggested that consideration be given to providing a 'voice feedback' option of a phone-call based submission, rather than just written ones. Software is available to facilitate this.
- Will the new ring-fencing rules impact on this? A. The regulatory proposal will need to be submitted despite the impact of the new Ring-fencing guidelines.

8. Power of Choice

Mr Michael Monck, Power of Choice, Program Manager, AAD provided the ECRC with an update on the Power of Choice reforms. The presentation included:

- What is Power of Choice
- The new metering competition potential impacts and process
- Plans for continued consumer engagement during 2017

Discussion areas:

- Q Where does the 'choice' come in if the customer can't chose their own metering coordinator? A. The choice is your ability to select the retailer and the associated metering options. It will be important for the retailers to understand the various metering products and explain these options to the customer.
- Concern was expressed about the process and that changing the meters will provide the retailers with more ability to control customers. It will be important to ensure that the retailers are meeting the consumer protection rules.
- Q. Can customers just do nothing'? A. Yes, if customers don't do anything, assuming they have an AAD meter, they will continue to be customers of AAD until the meter needs replacing at which time the new meter will transfer to the metering coordinator and the retailer of customer choice.
- Q. Will the physical location of the meter be required to change? A. AAD may be able to outline some parameters but the extent to which it will be able to mandate or enforce any specific requirements in relation to meter locations is unclear at this stage. We are currently working with industry, government, regulators and other stakeholders to determine the best approach to informing customers about meter location requirements in future.
- Faults seems to be a potential area for confusion, the simplest thing seems to be to have the customer call their retailer.

9. Network Safety Campaign

Mr Paul Walshe, Director, Marketing and Corporate Affairs, ActewAGL was invited to present to the meeting on the Network Safety Campaign. The presentation included:

- Outcomes of the Keepin it Safe vegetation management and storm safety campaigns.
- Introduction to the electrical safety and shocks and tingles campaigns which will run in the new year.

Discussion:

- Consideration could be given to a campaign that focuses on older properties, versus the new homes which are less likely to deliver 'shocks and tingles'.

10. Other matters

a. Cost of gas media coverage

Mr William Yeap, Manager, Gas Networks, AAD spoke to the meeting about recent Canberra Times media coverage, around the cost of gas in the ACT. Mr Yeap clarified that ACT gas prices were very competitive in the ACT and open to competition, however that ACT residents were much higher users of gas than Queensland residents and as a result of the different climate, and hence their bills were larger.

Discussion areas:

- The story is also linked to the high cost of living in Canberra. As we do have one of the highest rates of default on energy bills in Australia.
- It was suggested that Mr Costello's letter to the editor replying to the media coverage be distributed to members of the ECRC.

11. Draft post meeting communique

The following matters were noted for inclusion in the Communique

- Thank you comments from Mr Costello
- Details of the presentations
- Discussion around the cost of gas in the ACT.

12. Next meeting

9.30am 8 February 2017

13. Meeting close

Mr Williams closed the meeting at 12:30pm.