

Evoenergy Energy Consumer Reference Council Communique Meeting 29 – June 19 2019

The Evoenergy Energy Consumer Reference Council (ECRC) met on 19 June 2019 at CIT Fyshwick.

Representatives from Gungahlin Community Council, Tuggeranong Community Council, Council on the Ageing (COTA), Canberra Urban and Regional Futures (CURF), the ACT Council of Social Service (ACTCOSS), Property Council of Australia (ACT), Engineers Australia, Canberra Business Chamber, Conservation Council (ACT) and Master Builders Association (ACT), participated in the meeting.

The following presentations and discussion occurred at the meeting:

Evoenergy CIT Hydrogen Test Facility Site Visit; attendees visited the facility at CIT's Fyshwick campus which was established to investigate how hydrogen can be used as a new energy source. It looks at testing 100% hydrogen on existing materials, equipment and work practices, in preparation for application to the existing gas distribution network. Questions were asked about the facility and implications of this research: water volumes required to produce hydrogen via electrolysis, whether hydrogen or natural gas is more efficient, and whether Canberrans would need to replace appliances and fittings if distributed hydrogen was introduced into the ACT.

Evoenergy Gas Networks Renewable Gas Options; Bruce Hansen, Branch Manager of Evoenergy Gas Networks delivered a review of natural gas and the ACT Region future energy challenge. Mr Hansen spoke about renewable gas types and how they might be introduced into the distribution network. Discussion covered the size of the gas network, the methodology of considering and costing an energy future without gas, and the characteristics of gas that contribute to its high uptake in the ACT and surrounding regions. ECRC members requested more information be provided during future meetings, including from independent sources external to Evoenergy.

Gas Networks Access Arrangement Review (GN21); ECRC members heard how their input and feedback will be very important over the coming 12-24 months in the development of Evoenergy's gas networks access arrangement review regulatory submission. Evoenergy will be the first gas distribution network to submit a Reference Service Proposal (RSP) on June 28th 2019, and the access arrangement review proposal will be submitted to the Australian Energy Regulator on June 30th 2020. The AER will provide a draft decision and opportunity to revise Evoenergy's submission before the revised access arrangement commences 1 July 2021.

Evoenergy Regulatory Affairs Update – Network Pricing, EN19 Determination; Attendees heard a final update on the AER's final decision on Evoenergy's electricity distribution determination for 2019-24 published on 30 Apr 2019. This allows for a 6.3% real reduction in total revenue allowed from that in the current period (2014-19) and the final decision revenue is \$20m (nominal) below AER draft decision and \$77m below Evoenergy's revised proposal. Evoenergy submitted proposed 2019/20 network pricing to the AER in May. The AER has approved these and they will be implemented from July 1st 2019. Regulatory Pricing Manager Emily Brown outlined the transmission, distribution, jurisdictional schemes and metering network tariff components. Attendees asked about past and future contributions of these components to overall tariffs.

Energy Share SMS; an update on Evoenergy's Stage 2 SMS residential demand response trial was circulated out-of-session. At the time of the meeting five events had been run and early data collection on participation rates and (energy) curtailment is being analysed. The ECRC will hear another update at the August meeting.

Copies of ECRC presentations are available at www.evoenergy.com.au/consumerengagement

The next meeting of the ECRC is scheduled for August 2019.

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