

Evoenergy Energy Consumer Reference Council (ECRC)

**Meeting 33**

Minutes February 12<sup>th</sup> 9.30am

ActewAGL House

**Attendees**

Allan Williams  
Geoff Buchanan  
Jenny Mobbs  
Kevin Cox  
Didi Sommer  
Nick Clarke  
Sean Gladwell  
Helen Oakey  
Stephen Fahey

**Representation**

Chair  
Council of Social Service (ACTCOSS)  
Council on the Ageing (COTA)  
Gungahlin Community Council  
Tuggeranong Community Council  
Engineers Australia, Canberra Division  
Canberra Business Chamber  
Conservation Council, ACT Region  
Australian National University (Major Customers)

Evoenergy

Leylann Hinch	Group Manager, Strategy and Operations
Giuliana Baggoley	Customer Interaction Manager
Kiera-Lee Barrett	Customer Outcomes Lead
Paul Wheatley	Acting Group Manager, Network Services
Bruce Hansen	Group Manager, Gas Networks

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John Knox	CEO
Chris Bell	Manager, Price Review
Gillian Symmans	Senior Economist
Patricia Cameron	Manager, Regulatory Affairs
Alexis Hardin	Economist
Luke Cowen	Economist
Ashlyn Napier	Economist

**Guests**

Robyn Robinson	Chair, Consumer Challenge Panel (CCP24)
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**Apologies**

Fiona Wright	Acting General Manager, Evoenergy
Philip Deamer	Acting Director, Regulatory Affairs and Pricing
Alison Davis	Group Manager, Customer Delivery
Joel Dignam	Better Renting
Prof Barbara Norman	Canberra Urban and Regional Futures (CURF)
Michael Hopkins	Master Builders Association
Ashlee Berry	Master Builders Association
Adina Cirson	Property Council of Australia (ACT)
John Sullivan	Australian National University (Major Customers)
Glenys Patulny	Tuggeranong Community Council

**Papers distributed prior to meeting**

- Final draft minutes ECRC meeting 32
- Meeting 33 Agenda
- ECRC Meeting 30 CSIS presentation

## 1. Welcome and introductions

ECRC Chairman, Mr Allan Williams, welcome members to the first ECRC meeting for 2020. Mr Williams also welcomed Consumer Challenge Panel Chair Robyn Robinson. Mr Williams noted apologies and proxy ECRC member attendees.

## 2. Review and ratification of meeting 32 minutes

Mr Williams mentioned that ACT Government has passed the Draft Variation 373 to remove the mandatory requirement for gas connections to new suburbs. Ms Helen Oakey said that DV373 has interim effect, but that there is still an inquiry ongoing with submissions closing on March 6th.

Mr Williams said that some previous meeting actions would be addressed in today's agenda, including the presentation on verges and the summer operational planning (early starts) update.

The minutes from ECRC meeting 32 were accepted and ratified: it was noted that the complete minutes were confidential and that an abridged version would be published on the Evoenergy website. Confidential presentations, discussion and minutes are not for distribution beyond the ECRC nor for personal use. Ms Giuliana Baggoley said that the gas networks regulatory proposal content being presented today was confidential as well.

## 3. ECRC Member updates

Mr Kevin Cox thanked Evoenergy for keeping community councils/groups like the Gungahlin Community Council (GCC) informed and involved.

Mr Cox also offered to share the outcomes of the GCC 'Gungahlin Community Survey' which is still live – early responses show no mention of Evoenergy. Lastly, Mr Cox said his cooperative exploring low cost solar panel provision for community members would be attending a 'Common Wealth' forum in February and presenting on how solar panels can be funded for low cost housing.

Mr Sean Gladwell updated attendees that he would now represent the Canberra Business Chamber (CBC) at ECRC meetings and thanks Ron Thompson for his contribution over his involvement with the ECRC. CBC CEO Michael Shaper is taking study leave overseas and during that time the acting CBC CEO is Graham Catt.

Mr Geoff Buchanan advised attendees that ACTCOSS has appointed a new CEO. Dr Emma Campbell has commenced in the role and hopes to attend the April ECRC meeting.

Ms Didi Sommer thanks Evoenergy for the quick response and good communication during the January ACT fires and extreme weather events. Ms Sommer noted the increase in information provided to the community compared with the 2003 ACT fires, not just from Evoenergy but from all essential and emergency services.

## 4. Summer Operational Readiness Review and Bushfire Network Impact

Mr Paul Wheatley presented an update on Evoenergy plans to commence certain planned works earlier than usual between mid-January and mid-February. This was the subject of a presentation at the December ECRC meeting and Mr Wheatley's advised attendees that there had been no negative feedback from the community in response to this initiative. Also that the summer had presented a challenge range of environmental conditions from heat to hail, fire and smoke. Mr Wheatley spoke about how Evoenergy crew safety is managed in regards to fatigue and extreme heat as well as atmospheric pollution. Mr Wheatley felt Evoenergy was ready to manage these challenges and that the experience gained over this summer will be put to use in future.

Mr Williams asked whether there were times that crew could not work due to air quality.

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Mr Wheatley said that crews were reassigned to other jobs where necessary but that with prudent safety measures (air quality monitoring in the field, P2 masks and rotation of field crew) Evoenergy was able to have workers responding to community needs in the field every day throughout December and January.

Mr Wheatley also told attendees about Evoenergy's response to recent ACT bushfires including the standing up of the emergency management team (EMT).

Mr Buchanan asked whether network impacts from the fires in January impacted other areas of the network e.g. Weston. Mr Wheatley said no.

Mr Cox asked about the poles that were replaced and whether they were wooden poles or – in the interest of future risk mitigation – they were another material such as concrete.

Mr Wheatley said that crews responded quickly to restore supply to impacted customers and at that time this meant some poles were replaced using wooden poles. Concrete poles are preferable but in such situations there are many factors to consider.

Mr Buchanan asked about how Evoenergy proactively manage risks of high voltage (HV) power lines running through remote and bush areas. Mr Wheatley spoke about auto-reclosers on HV lines and that on total fire ban days these are disabled to reduce risk of fires from falling vegetation. Mr Wheatley spoke about Evoenergy initiatives such as trialling intellirupters that suppress arcing, and Evoenergy's helicopter LIDAR vegetation inspection program that forms part of the bushfire prevention strategy.

Mr Nick Clarke asked whether the hailstorm impacted the network and whether Evoenergy has sent field crew to assist in NSW with restoration of their electricity network.

Mr Whealtery spoke briefly about the limited impact of the hailstorm on the network though some Evoenergy vehicles suffered hail damage which briefly impacted field crew mobility. Evoenergy has been in regular contact with Essential Energy across the summer to understand their operatins and needs. No Evoenergy field crew were dispatched to support Essential Energy.

Mr John Knox told attendees that he speaks regularly with the CEO of Essential Energy and was assured that they had sufficient crew. At that time the ACT was facing the threat of bushfires and, given current resourcing levels Evoenergy had to manage crew wisely to protect network safety and supply. Historically it had been easier to exchange crews.

Mr Knox provided some insight into Evoenergy emergency procedures, EMT and crisis management team (CMT) and remarked on the good relationship and coordination between Evoenergy and ACT Government and emergency services. Greenway depot was within the potential Orroral fire evacuation zone, so Evoenergy had to also proactively manage resources in consideration of a possible exclusion zone being established around the depot.

Ms Robyn Robinson said it was great to hear of the collaboration between Evoenergy and Essential Energy. Referencing Mr Wheatley's presentation and that Evoenergy were able to use Essential Energy assets located closer to where repair works took place, Ms Robinson asked whether there is a conscious effort to use the same network equipment for this reason.

Mr Wheatley said yes and that the relationship between the two distributors was very good and the event he spoke of was a good example of this delivering value in terms of restoration of network and customer supply.

## 5. GN21

A confidential presentation on the development of the draft plan for the gas networks regulatory proposal was presented.

Evoenergy will publish a draft plan on the Evoenergy website by the end of February and then promote the draft plan in the community to encourage consumer feedback. Ms Alexis Hardin also presented an update of consumer engagement activities, highlighting presentations on the draft plan at the seven (7) ACT community councils as well as Bungendore and Queanbeyan community presentations. Each community council presentation will be paired with a drop-in engagement session hosted by a regulatory affairs team member and an engagement team member.

Evoenergy will also run a deep dive session on the key elements of the draft plan and these details are being finalised.

## 6. Vegetation and Underground Cables on Verges

Ms Rebecca Beasley presented an overview of the ownership, use and maintenance of verges, in response to a member query during ECRC meeting 31. Ms Beasley covered who manages verges and where services are typically located in verges, as well as providing information on the benefits of undergrounding network in newer suburbs compared with having network installed on overhead lines.

Ms Sommer asked what suburbs are considered 'new'. Ms Beasley said new suburbs being designed and developed now include Taylor, Ginninderry, Jacka etc. but that suburbs developed over the last two decades were all built with primarily underground networks.

Ms Oakey asked about the cost to retrofit network underground and Ms Beasley replied that this was currently prohibitive.

Ms Cox asked whether there was potential to underground HV transmission towers. Ms Beasley said this was very costly however ACT Government were funding the undergrounding of a portion of 132kV line in the Molonglo development ... Ms Oakley checked whether the plan was indeed to install more HV underground in future and Ms Beasley confirmed that HV will go underground where practicable and cost effective in new installations.

Ms Sommer asked whether there were issues with planting vegetation on the verge given the cables underground. Ms Beasley referred to ACT Government advice on any restrictions in this regard.

## 7. Customer Service Incentive Scheme Consultation Update

Ms Patricia Cameron gave an update on the Australian Energy Regulator's (AER) Customer Service Incentive Scheme (CSIS) consultation that commenced in 2019. She emphasized throughout that customer consultation would be at the heart of any consideration around customer values and measurement of performance, and that there were many steps to implementing a new CSIS though Evoenergy is awaiting the conclusion of the consultation.

Mr Williams asked whether it would be optional for Evoenergy to be part of a new scheme. Ms Cameron said yes, a distribution network services provider would have to choose to participate and make a submission related to a CSIS. Mr Williams then asked about the financial incentive. Ms Cameron replied STPIS is 0.5% for the telephone answering parameter and that the AER have proposed a similar revenue at risk for any new CSIS.

Mr Cox asked whether there has been any research conducted in this area that suggests there is a benefit to applying such a measure. Ms Cameron said that the [AER explanatory statement](#) provides examples of where similar schemes have been implemented and cited two examples; one in the UK and one in California.

Mr Cox followed with a question about whether there were reviews conducted following the implementation of those trials and Ms Cameron said that yes, the UK example has been run through two regulatory periods, resulting in refinements to their scheme.

Mr Cox said in his opinion such a scheme should have a measurement component – a mechanism whereby you auto-match whether you are meeting CSIS as you go.

Ms Robinson suggested that attendees consider that customers are already effectively paying for the current (telephone answering) measure. She questioned how relevant that measure is.

Mr Williams wondered why another scheme was being considered, to which Mr Chris Bell replied that this is being proposed by the AER and not by Evoenergy. He explained that incentive schemes are intended in general to place a focus on attributes desired by consumers in the broader context of strong incentives for regulated business to lower their operating costs

Mr Cox said he felt that if distributors did not satisfy service standards they should be fined/penalised.

Ms Cameron emphasised that the incentive applied with symmetry – risk and reward. Mr Cox replied that there is danger in incentives; when money is involved businesses focus on the incentivised component rather than baseline/core functions?

## 8. Other Business

Mr Buchanan asked whether there was a possibility of an extension to Evoenergy’s April 2 deadline. He also expressed an interest in another ECRC meeting / discussion prior to this time to review the draft plan and be able to ask questions of the team.

Ms Hardin said there is potential for an additional week though the earlier contributions are received, the more fully they can be considered and incorporated into the AER submission.

Mr Cox asked whether other members were making submissions into the [ICRC Draft Report](#): Retail electricity price investigation 2020 – 24. Mr Buchanan and Ms Oakey offered their assistance in providing some advice and putting questions to the ICRC on Mr Cox’s behalf.

## 9. Close

Mr Williams closed the meeting at 11.25am.

The next scheduled meeting of the ECRC will be April 15<sup>th</sup> 2020.

Action	Owner	Due
To schedule an ECRC meeting following the release of the GN21 draft plan for member discussion and review	Giuliana Baggoley	Before April 2
Review of operation and maintenance costs of running gas network (vs electricity network) in relation to connection charges	Regulatory Affairs	Meeting 33 or within GN21 engagement program.
Circulate GN21 survey response summary to members	Giuliana Baggoley	By Meeting 34