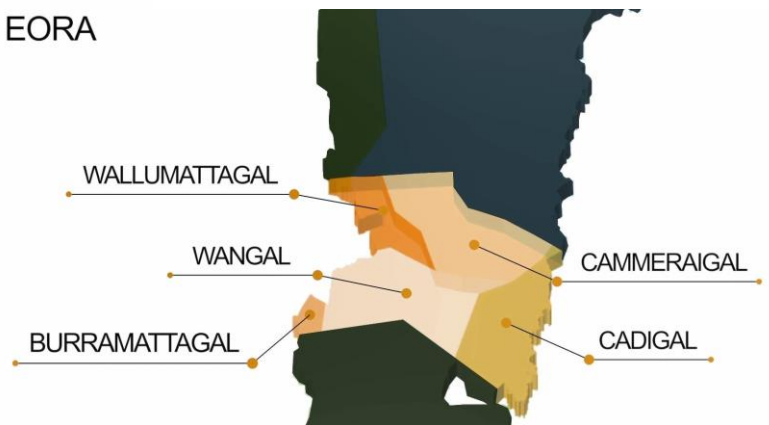
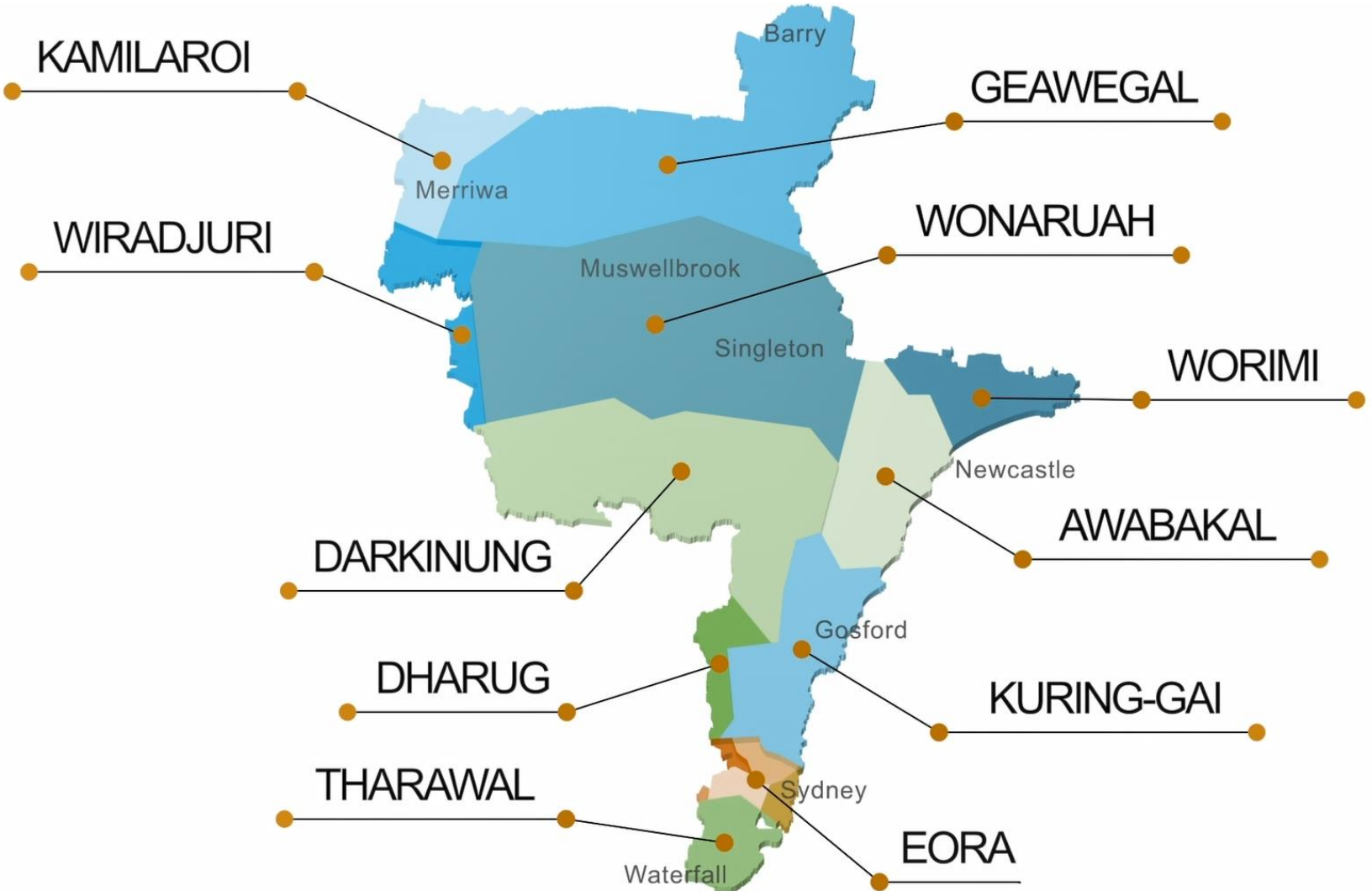


# CUSTOMER CONSULTATIVE COMMITTEE

9 December 2020



# Acknowledgment to Country



# Safety Share



# Agenda

#	SESSION	FACILITATOR	TIMING
1.	Welcome, Safety Share	Rob Amphlett Lewis	9:30 – 9.35
2	<b>CEO Introduction</b>	Richard Gross	9:35 – 9:45
3	<b>Approaches to Regulatory Engagement - Panel session</b>		
	AER presentation	Mark McLeish	9:45 – 10:05
	AGIG	Kristen Pellew	10:05 – 10:25
	Powerlink	Gerard Reilly	10:25 – 10:45
	Q&A with presenters	All	10:45 – 11:15
			11:15 – 11:30
3	<b>Approaches to Regulatory Engagement - Workshop</b>		
	<ul style="list-style-type: none"> <li>• Pros and cons of different approaches</li> <li>• Designing an engagement model</li> </ul>	All	11.30 – 12:45
			12:45– 1:15
	<ul style="list-style-type: none"> <li>• Workshop summary and next steps</li> </ul>	Alex McPherson	1:15 – 1:45
5	Regulatory update	Alex McPherson	1:45 – 2:15
6	Concluding remarks and reflections	All	2:15 – 2:30

# Chief Customer Officer

- Transformation update
- Summer Readiness
- Collaborative engagement

# Summer Readiness – Lessons Learnt

## 'In Event'

1  
Timely Information to Customers

2  
Incident Coordination

3  
Agility in Response

## Annual/Ongoing

4  
Capability Enhancements and Equipment Management

5  
Proactive Stakeholder Engagement

## Strategic Response

6  
Long-term Strategy

# Customer and stakeholder engagement principles

**Objective: Genuine engagement that fosters community trust and builds relationships**

2019-24 Revised Proposal *(current)*

**Be collaborative**

Don't be defensive and remain open to possibilities

**Be quantitative**

Provide data from the customer's perspective

**Be accountable**

Agree a timeframe and deliver

**Be transparent**

Encourage and support our stakeholders in holding us to account on progress, agree timeframes and deliver

**Be adaptable**

Be prepared to change based on feedback from stakeholders

2024-29 Proposal and BAU *(recommended)*

**Accountable**

Do what we say we will do, and encourage **customers and** stakeholders to hold us to account

**Accessibility  
Inclusive**

Provide information from our customers and stakeholders' perspective in a format convenient, **timely** and **accessible** to them

**Collaborative**

Partner in the design of alternative options and the preferred outcome where possible

**Adaptability  
Dynamic**

~~Be open-minded to alternative perspectives and prepared to change based on feedback~~

**Be progressive, open to new ideas and prepared to change based feedback from customers and stakeholders**

**Transparent**

Be as open as possible **on the role of stakeholders and customers** in the decision-making process

Example of principle in action

Responding to customer enquiries within established timeframes

- Presenting impacts in terms of customer bill outcomes (as well as costs and revenues)  
- **Presenting investments in terms of customer outcomes and reflecting customer preferences.**

Co-design **outcomes** customer engagement approaches with customers and stakeholders. ~~representatives~~

**Trial innovative approaches eg: adoption of new engagement approaches or technology solutions as they become available.**

- Be clear with the CCC about what's "on the table" for discussion, and why  
- **Showing where our proposal has changed in response to feedback**

# APPROACHES TO REGULATORY ENGAGEMENT PANEL



# PANEL SESSION

AER presentation	Mark McLeish	9:45 - 10:05
AGIG discussion	Kristen Pellew	10:05 – 10:25
Powerlink	Gerard Reilly	10:25 – 10:45
Q&A with presenters	All	10:45 – 11:15

# Australian Energy Regulator

**Mark McLeish**

**Director, Consumers and Markets Branch**

9:45 - 10:05

# Australian Gas Infrastructure Group

**Kristen Pellew**

**Head of Stakeholder Engagement**

10:05 – 10:25

# Powerlink

**Gerard Reilly**

**General Manager Communications**

10:25 – 10:45

# Q&A

10:45 – 11:15

A close-up photograph of a person's hand holding a black power tool handle. The background is dark and textured, featuring a prominent blue ring and some purple markings. The overall image has a dark, semi-transparent overlay.

**BREAK**

**11:15 – 11:30am**

# APPROACHES TO REGULATORY ENGAGEMENT WORKSHOP

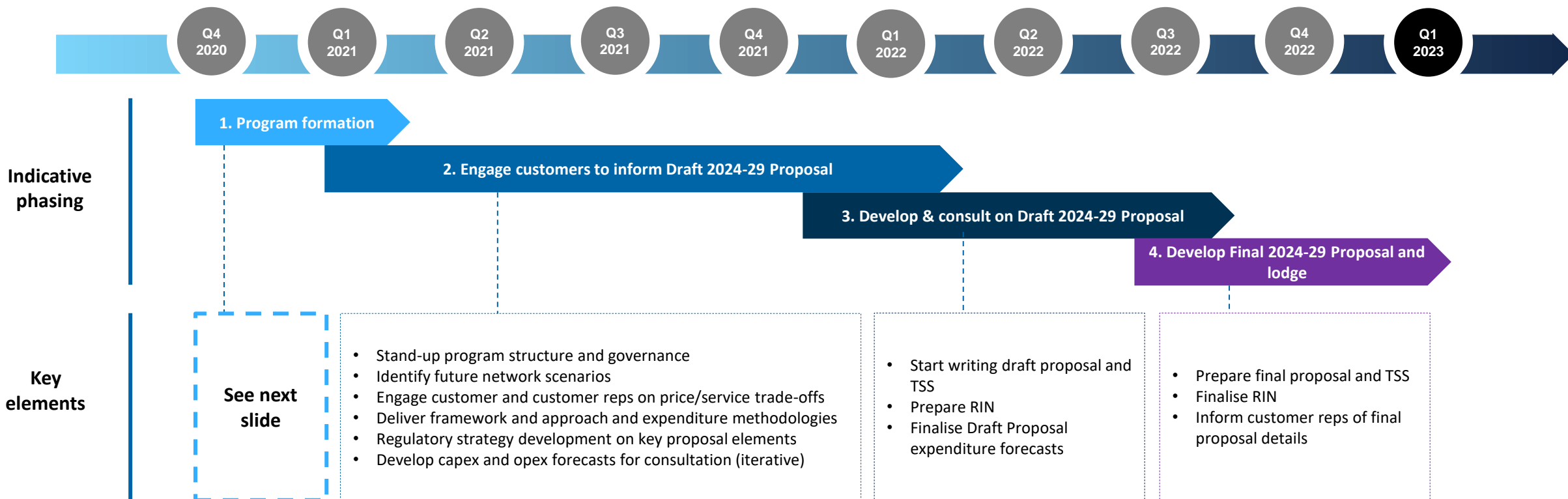
# Workshop Objectives

- Review engagement models
- Provide advice on engagement approach
- Provide advice on engagement objectives
- Inform engagement planning workshop February

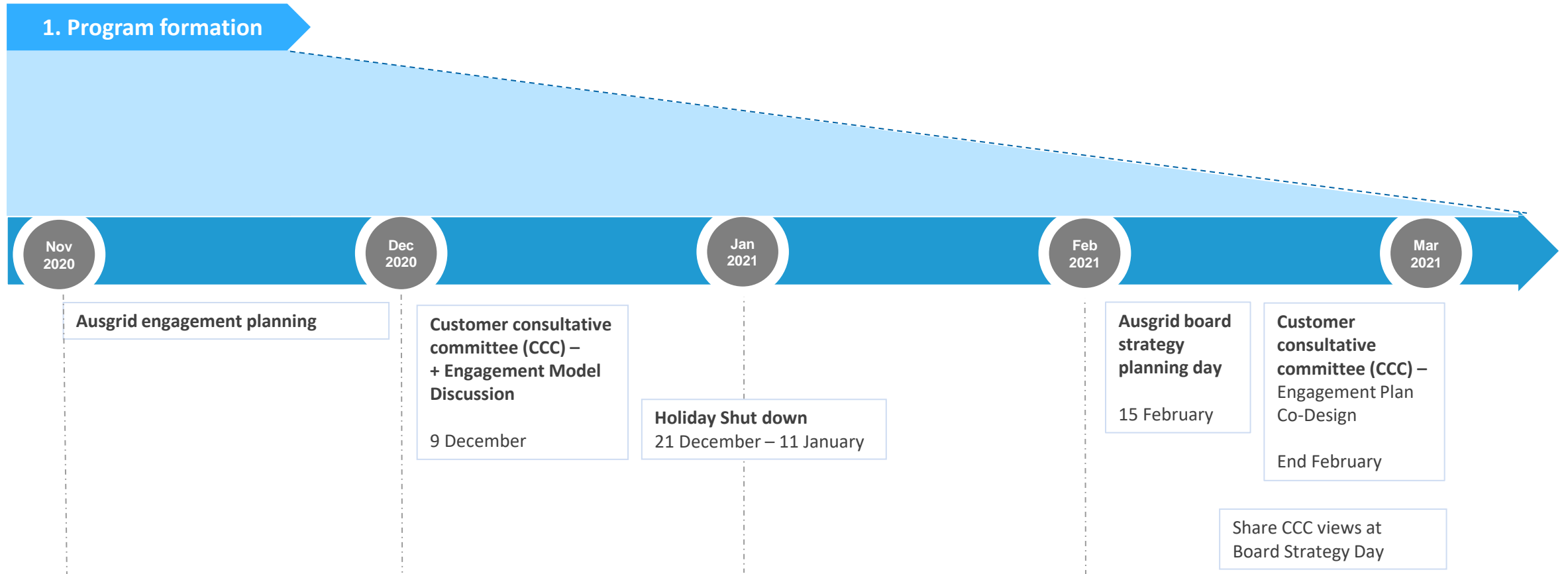


# 2024-29 Regulatory Proposal - Program Formation

- We recognise that collaborative engagement with customers to inform the initial proposal is the key to a successful outcome.
- Our 2024-29 regulatory proposal, due in January 2023, will be developed over multiple phases



# 2024-29 Regulatory Engagement – Program Formation



APPROACHES TO REGULATORY ENGAGEMENT  
**WORKSHOP**

# Pros and Cons of models presented

11:40 – 12:00

APPROACHES TO REGULATORY ENGAGEMENT

## WORKSHOP

# Designing an engagement model

### Workshop questions:

- What is important to you when designing engagement?
- How can we best incorporate customer advocates views in our decision making?
- What should we consider when deciding the objective of our engagement?

12:00 - 12:45

A close-up photograph of a person's hand holding a black, textured handle of a power tool. The background is dark and out of focus, featuring a teal-colored ring and some blue markings. The overall image has a dark, semi-transparent overlay.

**LUNCH**

**12:45 – 1:15 pm**

APPROACHES TO REGULATORY ENGAGEMENT  
**WORKSHOP**

**Summary of discussion  
& next steps**

1:15 - 1:45

# Concluding remarks and reflections

2:15 – 2:30

# Appendices

A: Regulatory Update

- Key policy processes








B: Actions



# Key regulatory policy processes update

Process	Summary	Strategic rationale/ Ausgrid views
Energy Security Board post 2025 review	The Energy Security Board (ESB) is to advise the National Energy Cabinet on a post-2025 market design by mid-2021. A Directions Paper is expected in December and a Market Options paper in March 2021.	Ausgrid is leading an industry-wide effort to develop an ambitious distributor-shared vision of our future role as DSOs. The goal is for the ESB to include an option in the Market Options paper which aligns with Ausgrid's DSO vision of distributors as value creators, as opposed to only service buyers.
AER Inflation review	The AER is reviewing its approach to estimating inflation. In its October draft decision the AER moved from a ten to five year forecasting horizon for estimating inflation. Final decision is expected in mid-December.	Our November submission welcomed the AER's draft position for estimating inflation and sought clarification on several issues relating to the hybrid framework issue.
Pathway to the 2022 rate of return instrument	The AER commenced the process for creating the 2022 Rate of Return Instrument and is publishing working papers in the lead up to formally commencing the rate of return process in mid-2021. On 18 November the AER issued its final return on debt paper.	The AER has proposed changes to the way it uses debt information from businesses that could result in a lower debt allowance in our next determination. The AER has also flagged requesting debt information via a RIN, rather than a voluntary provision of information as it is now.
TransGrid/ ElectraNet rule change	On 5 November the AEMC issued a consultation paper in response to rule change requests received from Transgrid and ElectraNet who are seeking a bespoke regulatory framework to apply to the proposed South Australia – NSW Interconnector (SANI). The rule changes seek to front-load the recovery of the capital investment to make the project financially viable.	The AEMC's decision on this rule change will significantly influence stakeholder views as to the extent to which the current regulatory framework is financeable.
AEMC DER Access and pricing rule change	The AEMC is consulting on rule change proposals from Total Environment Centre/Australian Council of Social Services, St Vincent de Paul Society, and SA Power Networks. The AEMC's preliminary position is to support recognising exports as distribution services, extending incentive schemes to export services, and allowing for the introduction of export charges.	We support the rule change proposal for recognising export services as electricity distribution services and the removal of the prohibition on charging for exports. Ausgrid has been nominated to be a member of the sub-working group to explore how export tariffs can be implemented. This is strategically important as NSW distributors may be the first to propose export charges in their 2024-29 Tariff Structure Statement.
IPART review of distribution reliability standards	The NSW Premier has asked IPART to review the NSW reliability standards. IPART is taking an economic approach to reviewing the standards and is also looking at other issues such as the integration of DER and stand alone power systems (SAPS) on the network.	IPART's draft reliability standards (due to take effect FY25) will lead to investigation and reporting, rather than trigger an investment obligation. IPART has also flagged the introduction of a distributed energy resource (DER) reporting scheme and intends to increase the current \$80 payment for customers that experience long outages. These latter two issues could introduce additional costs to the business.
Ring fencing	The AER is consulting on revisions to its Ring Fencing Guideline. The AER is proposing changes to reflect the changing nature of service offered by distributors, including stand alone power systems and batteries.	In our view, ring fencing arrangements should be flexible and encourage innovation so distributors can offer the new services our customers value.
ESB Data Strategy	The ESB is consulting on a new data strategy for the National Electricity Market. This implements a Finkel Review recommendation, with the review recognising that a data strategy is a critical reform in rapidly changing market.	We are supportive of a coherent and well-structured strategy that benefits consumers, and are supportive of efforts to improve data and visibility of DER. The current breadth of the strategy will require a comprehensive action plan to be developed, that considers the costs to consumers.

# Actions from last CCC meeting

	Action Items	Status	Comments
1	<b>EWON</b> - Meeting to discuss NPS survey	Done 	
2	<b>CALD Customer information</b> – discuss language options to improve first touch response	Underway 	
3	<b>Voltage issue complaints</b> - Review complaints classifications.	Underway 	
4	<b>Inflation Review</b> – EUAA questions	Complete 	
5	<b>Customer Survey with EUAA members</b> – customer service levels	Underway 	
6	<b>Customer Service Incentive Scheme (CSIS)</b> - use to drive continuous improvements – set up session with interested members to identify and progress changes to service incentive scheme	Underway 	February meeting
6	Regulatory Proposal engagement preparation <ul style="list-style-type: none"> <li>- Define Narrative and Objectives</li> <li>- Define Engagement Principles (attached)</li> <li>- Identify topics to engage on (what can be influence what can't)</li> <li>- Identify method of engagement</li> <li>- Set up subgroup to discuss prior to 9 December CCC [action not to be pursued out of session – move to 9 December CCC meeting]</li> </ul>	Complete 	To be discussed at 9 December CCC / Regulatory Engagement Forum and progressed at February meeting