Stand Alone Power System Community Engagement Framework

May 2023

Ausgrid

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1. Introduction – Who is Ausgrid

Ausgrid's network of substations, powerlines, underground cables and power poles across Sydney, the Central Coast and the Hunter Valley is a shared asset that connects our customers and their communities.

Our core business is to provide distribution network services, we do this by building and operating network infrastructure and delivering non-network solutions to ensure our customers have safe and reliable access to electricity at an efficient and reasonable price.

The network has delivered electricity to power the lives of our customers for over a century. Our customers' expectations and needs have changed over this time and will continue to change as technologies evolve.

Ausgrid's Vision is for communities to have the power in a resilient, affordable, Net Zero future. Through a better understanding of our customers' needs and expectations we can work to better deliver services and to gain their trust. Trust that we are working in their interests to deliver services affordably, while maintaining a safe and reliable network.

The delivery of Stand Alone Power Systems (SAPS) is a part of a broader program of flexible solutions to improve resiliency for communities in remote parts of the Ausgrid network.

2. Purpose

This Framework has been developed to provide an overview of our approach to engagement for customers and communities we serve. Some information has been taken from existing SAPS engagement guidelines to ensure consistency in approach for customers. Engagement is more than just sharing information. By engaging with the community, Ausgrid works in good faith to communicate openly and clearly to ensure people are informed about our activities and decisions. Our engagement process provides opportunities to involve people in the decisions that affect them.

3. What is a Stand Alone Power System?

A stand-alone power system operates independently of the grid to supply continuous power 24 hours a day, using a mix of solar and battery storage and backup generation. The stand-alone units are energy efficient using solar and batteries and a low noise back-up generator to ensure reliability of supply.

SAPS are modular and can be sized to suit landowner requirements to maximise solar and battery storage and minimise generator run times. Ausgrid will work with landowner to identify the most suitable location for the SAPS, taking into consideration a number of factors (see section 8 and 9.3).

Installed SAPS will operate at no additional cost to the customer and customer participating and will have the same level of service, reliability, and tariff as they did previously.

The SAPS will be owned and operated by Ausgrid. SAPS will meet the relevant Australian Standards for its components and installation (for example, AS 3000, AS 4509.1: 2009), including environmental regulations for diesel storage.

SAPS do not emit any higher electric and magnetic fields (EMF) than common household appliances such as microwave ovens and any EMF emissions will be undetectable within the home. For safety reasons, the SAPS will be securely fenced.

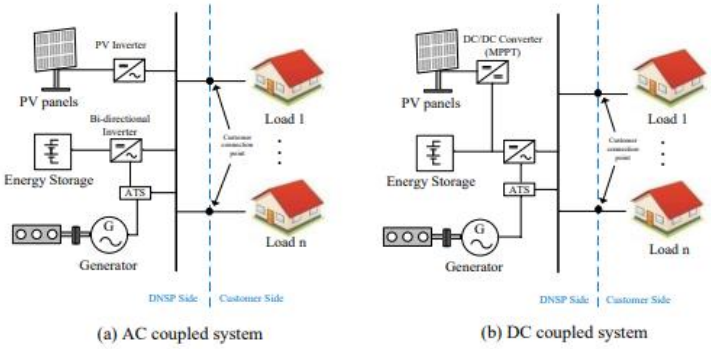


Figure 1: Example SAPS Configurations: (a) AC coupled and (b) DC coupled systems

Image Source: ENA National Guidelines for Distribution Network Service Provider-led Stand-Alone Power Systems

Picture of an Ausgrid SAPS

The term SAPS used in this Guideline refers to (Distribution Network Service Provider) DNSP-led SAPS (Priority 1 SAPS based on Australian Energy Market Commission (AEMC) terminology) that generate and supply electricity to less than five Small Customers. For the purposes of this Guideline, SAPS are agnostic to technology, however this Guideline aligns to typical configurations for SAPS.

4. Why is Ausgrid deploying SAPS in our network

Ausgrid is deploying Stand Alone Power Systems (known as SAPS) in a phased approach to;

- Identify cost savings for all customers
- Provide a safer network for customers and our work force
- Understand reliability improvements for remote customers
- Support the transition to renewable energy.

Between March 2021 and January 2023 we undertook phase one of a trial SAPS program where Ausgrid offered targeted landowners, primarily the Hunter and Upper Hunter, the chance to be part of this innovative program. Those customers who live in hard to access or remote environments and where the supply of electricity is likely to be more efficient via a Stand Alone Power System.

This resulted in the successful agreements with landowners and the installation of 3 SAPS.

Ausgrid will be providing a report on the outcomes of this trial, and learnings have already informed the next phase. In January 2023 we commenced the second phase of our program with the identification of sites being built from cost benefit analysis.

Results of these two trial phases and feedback from customers will be evaluated. This will help with the broader roll-out of SAPS to remote areas of the Ausgrid network over time.

The installation of SAPS is a local solution that allows customers and the wider community to share in the multiple benefits that stand-alone power systems can provide.

BENEFITS

- **Reliability and power quality**: Removing the geographic and weather associated risks for customers currently located on poor performing lines may reduce the frequency of outages and extreme voltage swings.
- **Reduced environmental impact**: All systems primarily use renewable energy sources to produce and store energy.
- **Better value**: Drives down network costs, which benefits all customers when more cost efficient than replacing and maintaining long feeder lines.
- **Modular and adaptable**: Each unit can be designed to fit and augmented to adapt to a customer's changing energy requirements.
- **Bushfires**: Lowers risks initiated by electricity infrastructure in regional areas impacted by bushfires.
- **Reduction in asset footprint**: Asset footprint in most cases will be reduced from kilometres of poles and wires infrastructure to the SAPS footprint, which is dependent on the generation capacity required to meet the customer load. However, it may take up a larger footprint than poles and wires on the customer's property.
- **Reduction in land access:** when the poles and wires are decommissioned there will only be a requirement to access customers land where the SAPS is located.

Source: ENA National Guidelines for Distribution Network Service Provider-led Stand-Alone Power Systems

5. Engagement Overview

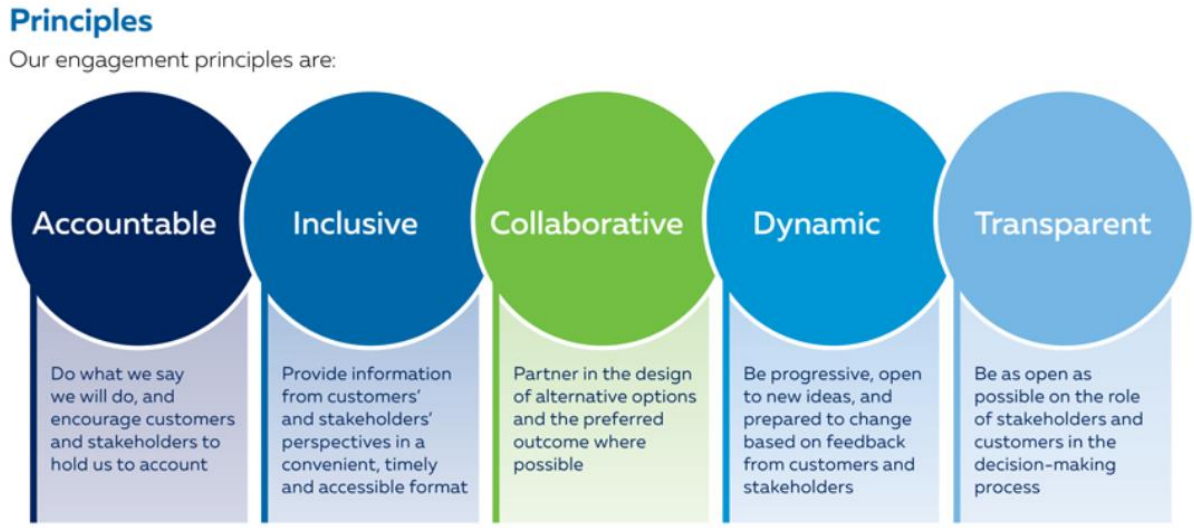
Planning	Site and landowner identification	Landowner engagement	Council and Community engagement	Evaluation
Community and stakeholder engagement plan prepared. Community and stakeholder research completed. Issue / risk overview completed reflecting analysis and inputs. Confirmation of program messages and materials (fact sheets, FAQs etc). Establish project webpage, channels for community input. Identification of site landowners. Initial Landowner call Initial stakeholder engagement to advise project benefits, timelines	Landowner engagement on installation arrangements. Site visit and safety assessment. Energy Audit. Identification of location on property and system design. Final discussions Landowner agreement signed. Site Confirmed. Agreement execution. Ongoing engagement with broader stakeholders.	Landowner Liaison for construction and commissioning access. Installation of monitoring devices. Issue statutory notifications. Ongoing stakeholder engagement.	SAPS installed Meter and monitoring installed. Communicate installation and commissioning with key stakeholders.	Survey of trial participants. Monitoring of SAPs operation. Maintenance communications with customers.
Outcomes				
Engagement plan Stakeholder audit Program materials, fact sheets, FAQ, Web text, briefing materials.	Site confirmation Landowner agreement.	21 day notification 40 day notification Technology procurement Stakeholder update.	Technology installed and operating.	Project reporting with Participant feedback. Lessons learnt and applicable program adjustment.

6. Engagement Objectives and principles

Ausgrid engagement objectives:

- **Build trust -** Allow open dialogue which challenges Ausgrid's approach and practices.
- **Build confidence** - Enhance customer confidence in how Ausgrid invests and delivers services.
- **Identify customer preferences** - Review and shape customer research to identify customer preferences and views on current and future energy services.
- **Inform service design** - Support the development of services that address customer needs and preferred level of engagement.

Ausgrid Engagement principles



7. Communication and Engagement Approach

Our approach to engaging customers and stakeholders is informed by the Public Participation Spectrum developed by the International Association of Public Participation (IAP2) and widely adopted as a framework for structuring consultation.

Ausgrid will work with internal and external stakeholders to develop comprehensive, community-friendly materials to outline program activities, community and customer benefits. Customers and landowners will receive the information they need to be make an informed decision to participate in the program, if they chose.

Informed by our Engagement Principles and SAPS Engagement objectives outlined in the National Electricity Rules (Clause 5.10.2), we will ensure that all communication is clear and accurate, also respectful and use simple language and formats. We aim facilitate early engagement to ensure a 'no surprises' approach.

An engagement approach that is regular and starts early is proposed. This approach builds trust, causes minimal disruption, and leaves nothing to surprise.

A desktop social economic analysis of all locations is the starting point for engagement to inform our approach from a landowner and community perspective. All interactions with stakeholders will be

recorded, managed, and monitored so engagement is conducive to stakeholder needs and the project requirements.

8. Role of Ausgrid and our customers

Historically Ausgrid as a Distribution Network Service Provider (DNSP) owns, maintains and operates the distribution network which is connected to the national electricity market. DNSPs are focussed on asset elements on the network side of the connection point to ensure a safe, resilient, and reliable power supply to all customers.

SAPS can provide an alternative to a grid connection. Therefore, Ausgrid will maintain responsibility for the SAPS supply side of the connection point, with any customer-side integration, load management or electrical installation quality needing to be considerate of this fact.

Customers of SAPS are entitled to the same considerations as all grid connected customers. Ausgrid considers that property owners and electrical loads may change. Customers may have an existing supply which is single, split, two or three-phase. Therefore, consideration of the customer's electrical supply, installation and appliances are incorporated into the SAPS design to ensure compatibility.

Ausgrid is not responsible for the customer installation. Connection of supply to a customer installation generally places responsibility on the customer to ensure that their installation is electrically safe and meets the appropriate minimum safety standards.

Customers should engage a licensed electrical contractor to undertake customer-side electrical work and ensure the connection is compliant. Typically, a new SAPS installation will be connected to a customer connection point or a series of customer connection points. This connection point typically denotes the boundary between the customer owned elements of the electrical installation and the Ausgrid owned elements. Ausgrid will clearly demarcate this connection point for the purposes of a SAPS.

To ensure we can carry out routine maintenance of the SAPS, we will require the creation of an agreement to allow access to the unit. This agreement is similar to the rights Ausgrid has in relation to overhead powerlines and poles on private land.

The above segment is a direct extract from the *ENA National Guidelines for Distribution Network Service Provider-led Stand-Alone Power Systems* For more information on supply responsibilities please see segment 1.3 Supply entity principles.

9. Engagement stages

9.1. Communication and engagement planning

Community and stakeholder engagement plan development

This Engagement Plan will outline key stakeholders, engagement approach, project opportunities, channels, maintain project and engagement objectives and to continue to build social licence to operate within the communities we serve.

This Engagement Plan will cover the following elements:

- *Community and Stakeholder matrix* - Mapping existing stakeholders including landholders, property owners, Local and State Government agencies, community groups and organisations

- *Initial background research*, use insights from surveys already completed, high level community sentiment analysis, engagement reporting
- *Issue / risk overview* completed reflecting analysis and inputs - Mitigate social risk and recognise opportunities
- *Identification of project channels* - Point of contact for the community and other stakeholders on behalf of Ausgrid for enquiries via phone, email and on site during the trial separate to providing specific fault information and support which would be managed by Ausgrid or the Supplier (if maintained and operated)
- *Confirmation of program messages* and materials (fact sheets, FAQs etc)
- *Landowner engagement processes, practices and procedures*
- *Engagement timeline*
- *Engagement tracking and reporting and evaluation.*

9.2 SAPS site and landowner identification

Customers that are selected for transition to SAPS are identified based on SAPS being a more technically and financially viable supply option than poles and wires by Ausgrid. This assessment is based on the actual and forecast network lifecycle costs including Ausgrid's asset replacement strategy, the falling costs of renewable energy technology and customer reliability.

SAPS customers are typically identified following a review of:

- single or small clusters of customers located in the regional and remote sections of the network which are due for network asset replacement and/or have high network operating costs;
- the cost of replacing network assets and/or ongoing network operating costs compared with providing modular SAPS supply to these properties;
- the historical network operating characteristics;
- the reliability of supply at the customer's connection point;
- the customer load profile;
- network topography;
- vegetation clearing costs and environmental approvals;
- geographic location, access to site and distance to a major service centre;
- operational activities associated with the line or in proximity to the line;
- environmental factors;
- maintenance requirements; and
- area bushfire risk profile.

The above segment is a direct extract from the *ENA National Guidelines for Distribution Network Service Provider-led Stand-Alone Power Systems*

9.3 Landholder engagement

Activity	Description
Initial contact with the customer to advise they are a SAPS candidate	• Initial information shared with identified customers to explain what the SAPS opportunity is, the impacts for their property and electricity connection including the benefits of moving onto a DNSP led SAPS. • Book a site visit to assess viability of the property and complete site visit elements
Customer site visit	Meet customer on site (if possible) and undertake the following: • Provide a basic overview of SAPS – benefits and potential risks • Install metering/monitoring, if required • Collect meter data if available • Undertake energy appliance/usage audit including assessment of large loads (air conditioner units, compressors, pumps, shearing equipment, etc) and assessment of load diversity • Identify any measures for energy efficiency, such as replacing energy intensive appliances with more efficient ones • Discuss with customer any site-specific requirements, constraints, or opportunities (for example: existing customer solar PV, existing connection configuration, any specific equipment that should run at certain times of day, opportunities for behavioural change, load shifting and support schemes that could help support energy efficiency activities, potential changes). • Undertake a safety audit of the electrical installation of the customer's premises, including customer switchboards to ensure safe connection of a SAPS. • Identify with the customer and gain in principle agreement of any potential SAPS site location, cable trench route and connection location • Assess need for soil relocation; spoil or fill as required • Understand existing site services that may be located in or adjacent to site. • Assess any potential vegetation, soil type impacts, environmental, heritage and native title impacts the customer is aware of • Gain understanding of land ownership/responsibilities related to the site.
If selected, follow up call to customer to advise their property will be eligible for SAPS	Advise customers that a SAPS asset is a viable alternative solution to the grid and we would like to progress with transitioning their power supply to SAPS. Ausgrid will provide the landowner with an agreement which outlines detailed design of SAPS location, access path, components, connection point, sizing, etc. Advise customers that there will be ongoing communication on when the SAPS installation process starts, and the next steps in the process including approximate timeframes and who will be attending the property for the purposes of providing the SAPS. Advise of any customer-side requirements – upgrades for safety or energy management/energy efficiency.

Site works and installation of SAPS	Customer to be notified of date of site works and installation of SAPS, which includes: • Civil works and fencing, where required, to prepare the site for SAPS installation • SAPS installation and commissioning.
SAPS Commissioning	Customers to be notified of date of commissioning, including outages, operation and safety checks to ensure the SAPS is operating within design requirements.
Operation and Maintenance checks	Ausgrid and/or our equipment supplier will undertake regular checks and maintenance on the SAPS. Customers will be informed of these checks prior, including ad hoc refuelling and vegetation management where necessary.
Ongoing Management	Contact landowner for feedback or check in as part of the SAPS experience. Key items to discuss may include changes in load, changes to property ownership, significant changes needed for the system (for example equipment upgrade/replacement, etc.)
Decommissioning of poles and wires	Customers to be notified of dates for the removal of de-energised redundant lines or other DNSP assets.

The above segment is a direct extract from the *ENA National Guidelines for Distribution Network Service Provider-led Stand-Alone Power Systems*

9.4 Council and community engagement

Following finalisation of an agreement with identified landowner and provisions under Part 5 of the Environmental Planning and Assessment Act 1979, which requires us to issue a notice to the local government authority for the area who have 40 days to respond and issue a notice to immediate neighbours who have 21 days to respond.

Community members are invited to submit question to Ausgrid via innovation@ausgrid.com.au. Every effort will be made to minimise disruption to the landowner and community. Please also see Attachment A - the Ausgrid Good Neighbour Protocol.

10 References

- National Electricity Rules - https://energy-rules.aemc.gov.au/ner/434/197953#clause_5.10.2
- ENA National Guidelines for Distribution Network Service Provider-led Stand-Alone Power Systems

11 Program information

For more information on the Ausgrid SAPS program along with Frequently Asked Questions please see our website.

Attachment A – Good Neighbour Protocol

Good neighbour protocols

Ausgrid is committed to being a good neighbour

It is the responsibility of everyone involved in Ausgrid works to contribute through their day-to-day activities to building and maintaining productive relationships with the community.

Ausgrid seeks to be a good neighbour by:

- Letting our neighbours know in advance what is happening and when, so there are no surprises.
- Looking for ways to minimise the impact of our activities and working together with neighbours to address any issues.
- Delivering on any commitments made to the community.
- Responding quickly to enquiries and complaints.

All project staff can help Ausgrid maintain goodwill with our neighbours by:

- Being friendly and polite.
- Considering the needs of neighbours around our sites.
- Dealing with complaints or concerns immediately through the complaints handling process.
- Working in line with project plans for the site's operation.

What are neighbours likely to be concerned about?

There are common issues raised by the community relating to construction across Ausgrid's area of operations. The following site protocols have been developed to address these issues.

Property

- Take care of private property (buildings, driveways, lawns, plants and vehicles).
- Don't enter private property without permission (this includes using garden taps).
- Avoid storing materials on in public places, including residential nature strips and in parking spaces, particularly for extended periods.
- Clean and tidy site.

Poor housekeeping around work sites is a common cause of complaints.

- Keep the work site and surrounding area clean and clear away rubbish.
- Make sure site signage is clearly visible and in good condition.
- Restore the worksite and surrounding area to its original condition, or better, after work is completed.

Safe access

- Keep driveways clear at all times, or if this is not possible make arrangements with property owners in advance.
- Maintain safe access around the work site for pedestrians and road users.
- Limit the number of vehicles taking up residential parking in streets near the work site.

Noise and lighting

- Turn off machinery that is not being used.
- Direct lights and locate noisy equipment away from neighbours.
- Avoid speaking loudly and playing music on site.

Commitments

As well as these general protocols, sometimes we need to make special arrangements with individual neighbours to respond to their concerns and reduce the impact of our work.

Details of any special arrangements should be included in site inductions and toolbox talks. It is very important that we honour these commitments to avoid complaints and help build trust.

Connecting communities, empowering lives

Ausgrid