

Minutes

Customer Advisory Panel – Meeting 3/2023

Meeting	
Date	Tuesday June 27 2023
Time	8:00am—12:00pm
Location	RACV Goldfields Resort, Creswick + online
Members	Philip Cullum (Chair), Hilary Newstead (Deputy Chair - online), Natalie Collard, Helen Bartley, Winnie Waudou, Emma Lucia, Lynda Osborne, Gavin Dufty, Tennant Reed, Dean Lombard
Attendees	CPPALUE: Renate Vogt (General Manager Regulation), Brent Cleeve (Head of Regulatory Policy & Compliance), Jeff Anderson (Head of Regulatory Strategy), Adam Nason (Head of Customer Experience), Zahra Crocker (Manager Regulatory Projects), Chris Gilbert (Regulatory Lead), Jildau Schotanus (Senior Regulatory Analyst), Kaitlin Pisani (Project Coordinator). Apologies: Joanne Pafumi (General Manager Corporate Affairs), Scott Russell (General Manager Strategy and Customer Group)
Apologies	N/A

Item	Who	Item
1	Philip Cullum	<p>Feedback from CAP member private session</p> <ul style="list-style-type: none"> CAP members are keen to understand the business’s timeline for when decisions need to be made to shape the draft regulatory proposal Recommendation for the business to move away from inform topics and focus on topics that urge harder edged discussions with the CAP.
2	Renate Vogt	<p>Actions update</p> <ul style="list-style-type: none"> The business agreed to share the 2026-2031 regulatory reset governance paper with the CAP prior to the next meeting on 24 August The business agreed to conduct an analysis on its tariff trials and share the outcomes of the analysis with the tariff sub committee The business is planning a half day workshop with C&I customers in August and will also be conducting one-on-one interviews with C&I customers The business advised that a decision has not yet been made as to whether or not it intends to pursue the early signal pathway The business agreed to explore more topics specific to CitiPower and United Energy with the CAP.
3	Janine Mackey (Forethought) Brent Cleeve	<p>Regional community issues</p> <p>Forethought presented initial findings from the forum held on the previous day, which two CAP members had attended in full and other CAP members joined for the final session.</p>

The CAP noted that the Regional Summit was a success, with stakeholders actively participating in the session, being highly engaged, and extremely focused on outcomes and benefits for their communities.

Key issues raised by participants at the Regional Summit based on Forethought's findings

- Many participants were not supportive of export tariffs
- Many participants considered reliability and capacity 'foundational pieces' which other topics are built around. These issues are unique to Powercor compared to CitiPower/United Energy where affordability predominates
- Some exporters felt their ability to sell goods had been impeded by a lack of access to renewable energy and the necessary 'green credits' required to access European markets
- Many participants noted that poor reliability is so significant in some regional areas that it would require a community effort to rectify. Many participants also believed that poor power quality was just as detrimental as poor reliability
- Many participants noted that poor reliability has significant impacts on animal welfare. It also impacted the future growth potential of regional communities and in some cases their gradual decline
- STPIS was identified by many participants, and some CAP members, as an impediment to tackling reliability in regional communities (i.e., STPIS targets the 'average' customer, rather than worst and/or lesser served)
- Many participants felt concepts such as triple and quadruple bottom lines needed to be considered in the assessment of future investment including the viability of three phase upgrades.

Regional Summit understanding and insights provided by CAP members

- Some CAP members believed export tariffs had been misrepresented, which could lead to perception issues with government representatives present at the summit. If the business had provided further background to participants, potentially, it might have had a different response. For example, the application of export tariffs could be packaged with a reward, customers are charged an export tariff when exporting in the middle of the day and charged a rebate when exporting in the early evening
- Some regional participants felt they had been excluded from conversations about renewables and they were not able to share proportionally in the benefits from the energy transition (i.e., major infrastructure to support renewables passes through their communities, but they have limited capacity to export or access 'green' energy from this infrastructure)
- It was noted that there are so many interconnected issues in regional communities that customers do not see energy as an isolated issue (i.e., market access, access to education, and the ability to work from home)
- Many of the issues raised at the Regional Summit participants felt require longer term solutions beyond the restrictions of a 5-year

		<p>regulatory period (i.e., 3-phase upgrades were seen as projects requiring 15–20-year timeframes to complete, but need to start now)</p> <ul style="list-style-type: none"> • It was acknowledged that without reliability and capacity improvements, the energy transition would struggle to gain traction in regional communities and may further widen the energy poverty divide • There was debate that the temporal nature of the distribution price review had been lost in the discussion. That is, the discussion reflected current issues rather than those that might arise in 2026-2031. <p><i>Opportunities for further engagement</i></p> <ul style="list-style-type: none"> • The business was asked how the Regional Summit fits with the broader engagement program. The engagement must not simply be a ‘sugar hit’, with a more sustained approach needed to demonstrate the richness of engagement required to satisfy the AER • There needs to be further conversation with a broader range of customers and stakeholders to assess their willingness to contribute toward regional concerns.
3	<p>Jeff Anderson Zahra Crocker</p>	<p>Bushfire mitigation</p> <p><u>Points raised by individual CAP members included:</u></p> <ul style="list-style-type: none"> • Experience with extreme weather events (e.g., bushfires) drives perception of the importance of expenditure to minimise these risks • Recommendation was made to the business to consider further the elements of bushfire mitigation that customers can influence, noting the business has no risk appetite for activities causing bushfires • The ability to prepare for some extreme weather events is limited, so reactive actions following the occurrence of an extreme event may be more cost effective • Some CAP members questioned what CPPALUE bushfire insurance includes, and it was clarified that this covers third-party liability • The concept of build back better vs build back fast was discussed. A trade-off recognised between the speed of restoration and creating a more resilient network • Some CAP members considered energy storage solutions essential for supporting customer supply.
	<p>Brent Cleeve</p>	<p>Update on the Joint Victorian Distributor workshops</p> <ul style="list-style-type: none"> • The joint Victorian distributor workshops now include customer vulnerability, framework and approach, mass market tariffs and resilience • The second workshops for customer vulnerability (TBA) and framework and approach (9 August) are being held in early August • The first mass market tariff workshop is scheduled for 14 August (subsequently changed to 10 August). BD Infrastructure will facilitate • The first resilience workshop is still being determined and will be supported by Nation Partners • CAP members will be invited to all workshops.
6	<p>Gavin Dufty</p>	<p>Update on the CAP stakeholder engagement sub-committee</p>

		<ul style="list-style-type: none"> • The next stakeholder engagement sub-committee meeting is scheduled for 10 July • The meeting will focus on the draft engagement implementation plan and engagement strategy • Representatives from PwC have been invited to observe the meeting.
7	Emma Lucia	<p>Update on CAP resilience sub-committee</p> <ul style="list-style-type: none"> • The first resilience sub-committee meeting was held on 31 May • The meeting focused on how the business proposes to engage with the sub-committee and issues that will be explored.
8	Lynda Osborne	<p>Update on CAP tariff sub committee</p> <ul style="list-style-type: none"> • The first tariff sub-committee meeting was held on 30 May • The meeting focused on the business's approach and timelines for the Tariff Structure Statement • The next meeting is scheduled for July 11 and will focus on C&I tariffs. • There will be a people's panel on tariffs in February next year.
9	All	<p>Actions and additional items for discussion</p> <ul style="list-style-type: none"> • The business agreed to share the 2026-2031 regulatory reset governance paper prior to the next CAP meeting on 24 August • The business agreed to share the agenda and pre-reading materials for all sub-committee meetings one week in advance of the meetings • The business agreed to send CAP members placeholders for all future sub-committee meetings, joint Victorian distributor workshops, deliberative forums, and people's panel forums • The business agreed to review the future CAP meeting schedule to align with the engagement implementation plan • The business agreed to explore more topics specific to CitiPower and United Energy with the CAP.