

AusNet Services'

Innovation Advisory Council (IAC)

Minutes of Meeting

Details

Meeting No.	Meeting #1
Date	Wednesday 9 February 10.00am (2.0 hours)
Location	MS Teams
Chair	Tom Hallam

Attendance

Participant	Company	Role
Dean Lombard	Renew	Attended
Greg Camm	Customer Forum	Attended
Emma Chessell	Brotherhood of St Laurence	Attended
Scott McKenry	Eastern Alliance for Greenhouse Action	Attended
Heather Smith	Chair, Coalition for Community Energy	Attended
Darren Gladman	Clean Energy Council	Attended
Nando Ochoa Pizzali	University of Melbourne	Attended
Heidi Sick	ARENA	Attended
Greg Hannan	Citipower/PowerCor/United Energy	Attended
Andy Dickinson	Jemena	Attended
Rachael Quigley	AusNet Services	Attended
Tom Hallam	AusNet Services (Chair)	Attended
Fran Duiker	AusNet Services	Attended
Justin Harding	AusNet Services	Attended
Tian Ting	AusNet Services	Attended
Jon Theunissen	AusNet Services	Attended
Rod Jones	AusNet Services	Attended
Lucy Holder	AusNet Services	Attended
Sacha Albert	AusNet Services (Minutes)	Attended
Apologies		
Not applicable		

Agenda

3.00pm	Welcome and Customer Moment
10 mins	Introduction to IAC Members and AusNet team
15 mins	About our network
10 mins	Role of Innovation Advisory Committee
10 mins	Introduction to our projects
4.30pm	Next steps and Close

Minutes

Welcome and Customer Moment

AusNet welcomed members to the first meeting of the Innovation Advisory Committee.

AusNet presented a Customer Moment, providing an overview of one of the innovation trials already underway, the Mallacoota Grid Storage project. The presentation included some early performance metrics.

Discussion points:

- Service - The Mallacoota grid storage can service the entire Mallacoota township (approx. 1,000 customers)
- Cost – the trial is part funded through innovation allowance program in Thomastown. The cost to re-establish system and upgrade, while significant, is outweighed by the benefits received through reliability and performance that the township will receive.
- Benefits - trial looks at what some of the thresholds of the storage are. For many similar towns, generation is not a stumbling block, due to the increased uptake in community and individual DER over the last 5 years or so. Storage is the hurdle and the key going forward.

Introduction to IAC members and AusNet team

AusNet introduced the team to the group. Each of the IAC members introduced themselves to the group, giving details of who they are, where they are from and their interest in the innovation space and the IAC.

About our network

AusNet provided an overview of the electricity network and the key challenge of the diverse area, discussing the mix of terrain, growth corridors and bushfire risk areas. – AusNet discussed key trends on the network, including the increasing uptake of DER (solar, batteries) uptake, with up to 43% of customers installing systems. The speed of the transition is fast, meaning there is a lot of work and effort in staying ahead of it and identifying opportunities along the way. The projects to be presented to the IAC are focussed on trying to solve some of these challenges.

AusNet also provided a quick snapshot of the business strategy and the drive to connect with communities through energy, support changing customer needs and enable the transition to a more sustainable future.

Role of Innovation Advisory Committee

AusNet presented on role of the Innovation Advisory committee, including why it was established, the principles, and details in relation to the funding of the initiatives within the program of works.

The group also looked at the IAC Terms of Reference, which were provided to members for review prior to the session.

Discussion points:

Terms of Reference (ToR)

- Members asked about 2. Terms of Reference > Role of the IAC > point 6 - Communication to the broader industry and how this will be done. AusNet advised publishing findings will be key to the communication. There would also be direct customer communication where required, and this would be on top of some of the annual communications that are already undertaken. AusNet will share with members where documentation will be published and request input as to whether distribution is wide enough.
- Members suggested, that while not in the ToR itself, it might be good to table a future evaluation of the committee itself by undertaking a review of what is working, what needs to change etc. This could also assist where there is a need to refresh the committee and/or reporting on the involvement of the committee. AusNet advised that the intention is to use the AusNet Customer Consultative Committee (CCC) for the oversight of the IAC but felt that a review of what is working and what might need to change would be a good idea.

General comments

- Members asked about agenda topics for meetings as the committee moves forward. They would like to see more information on timeline of spend, quantity of projects that need to be completed in the period, the role of IAC in next reset, etc. AusNet responded to say that future agenda items will be shaped with committee members at the end of each meeting.

Introduction to our projects

AusNet provided a high-level overview of the progress of innovation at AusNet to date, introduced current and future innovation projects and discussed the overall DER roadmap driving the focus areas for innovation.

Discussion points:

- Members thought that it would be valuable to measure the success of innovation initiatives against the guiding principles in the ToR e.g. did this project deliver benefit to customers, did it meet customer expectations, can this be understood by customers. It would help create a framework that shows which projects may be easier or more difficult to identify and possibly need to be looked at more closely.
- Members discussed the merits of understanding innovation more broadly at AusNet, versus focussing only on the \$7.5m innovation allowance. AusNet advised that this initial meeting will focus on providing context on the whole innovation landscape prior to the deep dives that will follow in future meetings.
- Members discussed the role of the committee in interrogating AusNet's decision making, for example over half of the \$7.5m funding is being repurposed from projects no longer going ahead to existing projects. AusNet discussed the role of the committee is to challenge the logic being applied. Going forward AusNet would like input from the committee on how much funding to apply to operationalising initiatives post innovation and trials.
- AusNet noted that they would like the committee to challenge the criteria for the projects, ask whether they meet the guiding principles and to also raise any other projects that they feel AusNet should be thinking about. Members suggested that a workshop where the criteria is matched against the principles might be a good place to start.
- Members asked, in relation to the DMIA if all networks receive this funding if they create projects and apply for funding or do they receive the allowance anyway. AusNet responded to say that all networks receive it but that it is on a use it or lose it basis (not retained if you don't use it). Not every network uses it, but AusNet has a strong track record of fully utilising this allowance over the last 10-15 years that it has applied.
- Members said that they would like to see what other innovation projects were happening across AusNet more broadly. AusNet responded to say that they will share more information on how the innovation allowance fits into the broader innovation activities happening in the business. AusNet also noted that they are investigating tariff trials and will provide an update on this to the group.
- Members suggested it would be good to see where these projects/initiatives fit into projects being undertaken by the rest of the industry. AusNet noted that there is strong alignment between this suite of projects and other DBs current undertakings.
- Members suggested that it would also be good to see an assessment, not only of what is being prioritised, but also an assessment of what is being deprioritised so that the group can see what hasn't worked and the perspective behind this.

Next Steps and Close

AusNet summarised the meeting discussions and then asked the group what they might like to see at future meetings.

Future topics:

- Deep dives on the two projects coming up in 2022-23
- Explore how AusNet innovates and the networks changing role

- Social licence

Discussion points:

- The group had further discussions around customer engagement within communities, individuals, other institutions, and retailers including the solar industry and how this group could provide input into these areas.
- Members suggested it would be good to see how useful data and information could be fed into other projects going on both inside and outside the industry itself e.g. ISP and what can be done with the technology being used in the innovation projects.

AusNet thanked everyone for attending the first meeting of the IAC and for their input into the meeting. There was also a reminder to the group that they can reach out at any time if they have further questions, thoughts, or feedback.

Decisions Made

Terms of Reference (ToR) – Approved following clarifications.

Actions

1. **Glossary of Key Terms /Acronyms** – AusNet will provide the group with a Glossary of key terms/acronyms in the next meeting.
2. **Distribution of slides** – AusNet advised that slides can be shared, noting that the information is in draft and fluid.
3. **Broader view of innovation landscape** – AusNet to provide group with an overview of all innovation work in the business, including tariff trials.
4. **More information on projects under innovation allowance** – AusNet to provide further detail on what projects are continuing and what projects have been deprioritised and why.