

Agenda & Minutes

Innovation Advisory Committee | Meeting #6

Wednesday 4 October 2023

3:00pm – 4:30pm (1.5 hours)

Microsoft Teams

Attendees:

Emily Perrin, *Clean Energy Council*

Nando Ochoa Pizzali, *University of Melbourne*

Scott McKenry, *Eastern Alliance for Greenhouse Action*

Heather Smith, *Energy and climate change specialist*

Tom Bakker, *Aurecon*

Apologies:

Theodora Karastergiou, *Jemena*

Greg Hannan, *United Energy*

Dean Lombard, *Energesis*

AusNet representatives:

Charlotte Eddy, *General Manager Regulation & Policy (Distribution)*

Ana Erceg, *Future Network Programs Manager*

Asal Ahmadlou, *Future Network Engineer*

Edwin Chan, *Pricing Manager*

Vince Frandina, *Senior Engineer Distributed Energy*

Michaela Jackson, *Engagement Specialist*

Emma Ferrie, *Engagement Officer*

Item	Time	Topic	For	Presenter
	3:00pm	Welcome , customer moment & actions from meeting #5	Information & discussion	Charlotte Eddy
1	3:05pm	Tariff Trials 2024 Neighbourhood battery and BESS	Information & discussion	Edwin Chan
2	3:30pm	Innovation pipeline Update Electri-fair-cation – Understanding the impacts of electrification in households experiencing vulnerability Project update and discussion	Information & discussion	Ana Erceg Asal Ahmadlou
3	4:00pm	NMIs, customer numbers and data modelling	Information & discussion	Vince Frandina
4	4:15pm	IAC & EDPR Alignment and membership	Information & discussion	Charlotte Eddy
5	4:25pm	Other business and close	Information	Charlotte Eddy

Welcome, customer moment & actions

Charlotte Eddy, General Manager of Regulation and Policy (Distribution) from AusNet welcomed participants to the meeting and gave an Acknowledgement of Country. Action items resulting from IAC meeting #5 were taken as read.

Ana Erceg, Future Network Programs Manager from AusNet provided an overview of how they are working with water networks to increase resilience.

Item 1 | Tariff Trials 2024

Edwin Chan, Pricing Manager from AusNet provided an overview of the proposed tariff trials that AusNet plans to conduct in 2024. The learnings from these trials will be used to inform AusNet in the design and development of their next Tariff Structure Statement (TSS). The trials will help to complement the energy transition and align to the AER's support of tariff strategies to explore innovative tariffs in a controlled way. AusNet clarified that customers who have a battery connection up to the size of 1MW are eligible for this trial.

Discussion

- A member asked if the tariffs will change if the battery owner had a bilateral contact and was providing AusNet with services. AusNet responded by saying it will depend on how customers consume energy from and operate their battery. AusNet went on to inform that there will be a 2-way pricing structure that customers will need to abide by. However, AusNet will work with particular customers who have separate arrangements, to complement the customers battery operation. AusNet clarified that the purpose of the trial is to put forward a certain pricing structure with various price signals to incentivise customers to charge at a particular time of the day or discharge at another time. The purpose of this is to avoid putting strain on the network.
- A member asked what the thinking was behind not putting a cost or price on energy exports during the day. AusNet responding by saying that they were trying to align with the Victorian Government's thinking in terms of export pricing. However, there has been a shift where AusNet could implement an export price as long as there is consent given by the customer that's connected to that tariff structure.
- Another member asked if AusNet would feel confident to provide a spread of prices, noting that with behind-the-meter incentives, there's \$0.18 difference between AusNet's off-peak rates and peak rates. AusNet responded that there is more work to be done regarding setting the different price levels, which will occur after the current round of testing.

Item 2 | Innovation pipeline & Electri-fair-cation

Ana Erceg and Asal Ahmadlou from AusNet provided an update on the Electri-fair-cation program. This has involved AusNet allocating \$1.5m to understanding the network and customer challenges and opportunities of vulnerable customer electrification, as we transition towards renewable energy.

Discussion

- A member asked about AusNet's process to select households to participate in the Electri-fair-cation trial, and what the implications are for the budget and scale of the project. AusNet responded by saying that their aim is to electrify around 45 to 60 homes but the final number will depend on the cost of electrification. AusNet is working to a rough estimate of around \$25k – 35k per home, depending on the scope of work that needs to be completed.
- A member encouraged AusNet to talk to organisations with experience in moving towards 100% renewables. The member noted that Merri-bek Council has been working on communicating and encouraging residents to electrify their homes and become more energy efficient. The Council has encountered some challenges working with traditional suppliers who are not yet ready for the transition to renewables and electrification. The member also suggested that AusNet engage with social welfare groups who deliver home energy audits and who are experienced with explaining energy consumption to customers. AusNet responded by saying that they will look into the mentioned alliances and community groups and will chose the best and most applicable options. AusNet noted that education is a part of their goal as it is important for their customers experiencing considerable disadvantage.

- AusNet asked the group if there was any feedback on the selection criteria for the trial. An attendee asked if audits looking at insulation and thermal upgrades would be included in the scope. AusNet responded by saying that they are not 100% sure yet but will consider it.
- A member raised that AusNet's strategy for working with landlords needs to be quite different to renters. AusNet responded by saying they won't limit selection criteria, noting that renters have less autonomy in electrifying their homes, and are therefore more vulnerable to increased energy costs. AusNet noted that they do have a backup list of customers, in case if their first group of customers aren't responsive.

AusNet asked IAC members how they would like to engage on the trial going forward. This was regarding what kind of information panel members would like to see, what kind of opportunities panel members would like to participate in, and how often they would like these opportunities.

- A member stated that they were comfortable with the way things have been going and appreciated having opportunities to test ideas with the broader group.
- Another member said they support AusNet expanding their stakeholder base on the *Electri-fair-cation* project because there are so many different groups who would be interested in the outcomes of this project. AusNet encouraged panel members to let them know of any organisations that would be appropriate to attend future meetings.
- A member raised that it would be useful to receive ongoing updates on milestones and challenges on IAC initiated projects that AusNet is working on. The panel member noted that discussing problems that have been encountered and asking for advice would be a good use of the advisory committee. AusNet responded by agreeing with this comment and suggested that they could provide regular updates on the IAC page on Community Hub. Panel members agreed with this approach.

Item 3 | NMs, customer numbers and data modelling

Vince Frandina, Senior Engineer, from AusNet provided an overview of AusNet's smart meter analytics capability, and how AusNet is using this information to understand customer energy usage behaviours and implement service improvements.

Discussion

- A member asked what AusNet's process is for informing customers that they might get disconnected. AusNet responded by saying that this follows the planned outage process, so customers receive an application one month in advance.
- A member asked if AusNet had any sense of how often they actually attend or to what extent things need to deteriorate before a crew is sent to upgrade specific areas. AusNet responded by saying that is a decision driven by their network planners, noting that there is a sliding scale on which transformers need to be attended too. Some transformers may have only just gone over the threshold and are still perfectly ok, whilst others are completely out of the threshold and would need to be looked at quite early in the piece. A panel member furthered this by asking what proportion of transformers get attended to annually, noting that there is increasing concern for the low voltage network with residential electrification. AusNet responded by saying that they usually sit around 3-5% of the total number of transformers.

Item 4 | IAC & EDPR

Following on from a conversation in IAC Meeting #5 9 June 2023) AusNet discussed the need for more IAC members that represent broader customer groups and demographics.

Discussion

- Members recommended AusNet engaging with Brotherhood of Saint Laurence or asking some of the people who are currently on AusNet's EDPR panels to become members of the IAC.
- Other organisations that were recommended by members that AusNet could engage with included; Indigo power, Totally Renewable Yackandandah, Energy Consumers Australia, Councils. AusNet said they would take these recommendations into consideration.

- Charlotte Eddy from AusNet provided an overview of how they see the IAC interacting with the EDPR panels. Charlotte asked if the EDPR panel members who sit on the IAC would be happy to provide updates from what is discussed in the EDPR panel meetings to the IAC. The EDPR panel members agreed.

Item 5 | Other business & close

AusNet will send out calendar invitations for 2024 in December. Frequency and duration will be the same as per 2023.

Action items				
Action	Assigned to	Status	Due date	
AusNet to update the IAC page on Community Hub with regular updates on related projects.	AusNet R&E Team Ana Erceg & Asad Ahmadlou	To start	Ongoing	
AusNet to consider suggestions for new IAC members and issue invitations for new members, commencing 2024.	AusNet R&E Team	In progress	February 2024	
AusNet to send calendar invitations for 2024 IAC meetings	AusNet R&E Team	To start	15 December 2024	
IAC members who also belong to EDPR 2026-31 Engagement panels to provide update at future IAC meetings.	IAC members who also belong to EDPR 2026-31 panels	In progress	Ongoing	