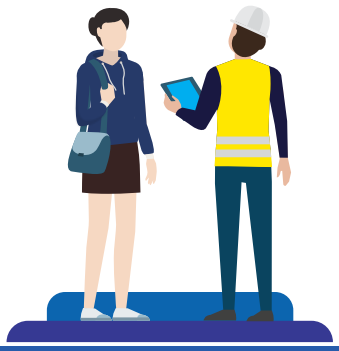


EDPR 2026-31

All-in forum

Summary Notes

Details	Attendees	AusNet Staff
12.30pm to 4.30pm Thursday 6 November 2025 **In-person** **Facilitator:** Peter Eben, Chair of EDPR Coordination Group **Secretariat:** Finalised by Peter Eben based on draft prepared by AusNet	Chris Harvey Darren McCubbin Dean Lombard Emily Peel Gavin Dufty Helen Bartley Jeff Nottle John Mumford Kieran Donoghue Mark Grenning Peter Eben Piang Lilian Prof. Nando Ochoa Pizzali Dr Tricia Hiley Blake Edwards George Trojan Leigh Clemow Liam Jones Tim Sheridan Maxime di Petta **Observers** Gus Mandigora - AER Cameron Martin - AER David Prins - CCP **Apologies**: Tony Robinson Kate Hansen Emma Birchall Jonathan Kneebone Robyn Robinson Mark Henley Nick Mason-Smith	Andrew Linnie – EGM of Distribution Charlotte Eddy – GM Strategy & Regulation (Distribution) Rod Jones – GM Network Management Stephen Thomson – GM Customer & Community Lucy Holder – Customer Engagement Manager Robert Ball – Manager, Regulation Samuel Morris - Manager, Network Performance & Resilience Angella Nhan – Principal Economist Daniel Chen - Strategy & Regulatory Lead (Digital) Eliza Cochrane – Senior Policy Advisor Kyle Olsen – Senior Engagement Specialist Astro Sakalis – Regulatory Economist Lia Mavrias – Engagement Specialist

Key outcomes

This meeting marked the final opportunity for stakeholders to engage with AusNet's proposed responses to the AER's Draft Decision ahead of the submission of the Revised Proposal in early December. The workshop provided a structured forum to work through five major topics that either required further engagement or had been significantly reduced in scope by the Draft Decision. These topics were Reliability, Resilience, Customer Experience Opex, Digital Expenditure, and the Customer Service Incentive Scheme (CSIS). Across these areas, participants contributed constructive feedback and reached a number of clear positions verbally and through their respective worksheets. Prior to delving into the larger topics, the group affirmed AusNet's position that large connections, like data centres, should be responsible for funding their own tax and operational costs, to avoid cross-subsidisation across the broader customer base and suggested all commercial customers should bear their own tax and operational costs.

On **reliability**, participants broadly supported AusNet reproposing the 10 Worst-Served Feeders (10WSF) and Euroa–Benalla upgrades, even where these may not meet economic efficiency requirements. While participants broadly understood AusNet's intention to not include the Regional Reliability Allowance in its Revised Proposal, they fed back it is incumbent on AusNet to continue to advocate for reliability improvements for regional customers. Attendees acknowledged the reputational risks associated with unmet community expectations and encouraged AusNet to maintain transparency and advocacy in its communications to the AER and government.

Regarding **resilience**, the consensus was to remove community hubs from the Revised Proposal due to a low likelihood of regulatory approval, while continuing to explore longer-term options. Participants highlighted the need for tailored solutions that reflect the unique needs of different communities, and suggested alternative models such as mobile hubs or utilising EMMA vehicles instead. There was strong support for AusNet's ongoing role in resilience planning, particularly in partnership with local governments and communities.

In relation to **customer experience opex**, attendees unanimously supported a narrower scope for the proposed step change, with a focus on tariff communications. While there were some questions about the value-for-money of the relationship manager roles, participants agreed that AusNet should provide clearer justification and demonstrate broader customer benefits in its Revised Proposal.

Finally, the group strongly endorsed AusNet's **digital customer experience expenditure and its original Customer Service Incentive Scheme (CSIS**). Attendees urged AusNet to quantify the benefits of its digital programs and to re-propose the CSIS using benchmark data, despite the AER's rejection. There was widespread concern about the lack of evidence supporting the AER's alternative approach, and participants encouraged AusNet to stand firm on principle and consider a delayed start to the scheme to address data concerns.

The session was closed and the Co-ordination Group then moved into a meeting to debrief and discuss their independent report to the AER.

Purpose & Agenda

AGENDA ITEM	PRESENTER	TIMING
Arrivals		12:15pm | 25 mins
Welcome, agenda & introduction	Andrew Linnie & Peter Eben	**12:40pm** | 10 mins
Overview of the Draft Decision and our intended response	Charlotte Eddy	**12:50pm** | 40 mins
Reliability	Samuel Morrison & Peter Eben	**1:30pm** | 35 mins
Resilience	Samuel Morrison & Peter Eben	**2:05pm** | 40 mins
Afternoon Break		2:45pm | 15 mins
Customer Experience Opex	Stephen Thomson & Peter Eben	**3:00pm** | 40 mins
Digital & CSIS	Stephen Thomson, Charlotte Eddy & Peter Eben	**3:40pm** | 35 mins
Thank you & Close | Most attendees departed and some stayed to observe the Co-ordination Group meeting	Peter Eben	**4:15pm** | 15 mins
Co-ordination Group Meeting	Peter Eben	**4:30pm** | 30 mins

Summary of discussion

Topics	Discussion points
1. Welcome, agenda and introduction	Andrew Linnie, AusNet's Executive General Manager of Distribution, opened the session with a Welcome to Country and acknowledged participants for their time and contributions. He provided a brief overview of the AER's Draft Decision and outlined AusNet's intended response, before handing over to Independent Chair Peter Eben, who introduced the agenda and outlined the activities planned for the session.

2. Overview of the Draft Decision and our intended response	Charlotte Eddy, AusNet's General Manager of Strategy and Regulation, built upon Andrew's introduction to the Draft Decision, talking to the significant decisions the AER made and how AusNet is responding on items that were of interest to customer advocates but did not require further engagement, including demand forecasts, low voltage augmentation program, tariffs and pricing, and the use of VCRs and Quantifying Customer Values (QCVs).
	Discussion on the AER's draft decision and AusNet's positions in the Revised Proposal included:
	• Clarifying discussion to confirm:
	  ◦ Updates to peak demand will have an impact on trend opex, but not to a degree that would materially increase it beyond the initial proposal.
	  ◦ The proposed zone substations (ZSSs) for the northern and eastern growth corridors will be delivered, as they are critical to meeting current and projected demand.
	• On the Quantifying Customer Values study, Coordination Group (CG) members commented that:

- AusNet should challenge the AER's rationale for discarding the QCV study. The Co-ordination Group member felt the AER had not been sufficiently transparent about its methodology and, as a researcher, would expect more evidence to justify the rejection of AusNet's study which was more transparent.
- While the AER might like to have consistency in methodology across the NEM and use its own values, that they could take a more nuanced approach to valuing customer reliability by network rather than using broad climate zones.

Connections tax threshold for data centres | The AER specifically asked AusNet to engage on whether data centres should fund their own tax (and opex):

- The group felt strongly that all commercial customers (not just data centres) pay their own tax and opex costs (rather than these costs being subsidised across the broader customer base).
- Regarding setting a threshold above which commercial customers will fund their own tax and opex, it was confirmed that most large connections are connecting to the sub-transmission network (which may be an appropriate threshold), but an attendee noted it would be important to check this change doesn't create a market distortion and impact where parties connect.

On a proposed change to the Capital Efficiency Sharing Scheme (CESS)

- One attendee suggested including electric transport connections (e.g., large-scale EV chargers, bus depots) as exemptions from the scheme.
- AusNet confirmed there is no precedent to defining exceptions. While one attendee questioned whether networks should align on such matters, another argued that alignment could limit innovation and result in poorer outcomes.
- It was confirmed that AusNet still has a commercial incentive to deliver connections efficiently, even if they are not included in the CESS, as they are largely subject to commercial negotiation. Importantly, the broader customer base does not bear the associated risk.

2. Reliability (worst served customers)

Samuel Morris, AusNet's Manager Network Performance & Resilience, gave a brief (5 minute) overview of the AER's draft decision and the approach AusNet is proposing to take on reliability for worst served customers in the Revised Proposal pending further engagement today.

Attendees worked in table groups to complete the following worksheet:

Workshop activity for Reliability AusNet

Question: Do you have any feedback on AusNet's decision to remove the Regional Reliability Allowance (and instead rely on minimum standards)? **Comments and feedback:**	**Question:** Do you support AusNet pursuing Option B – *contesting the AER's decision and proposing a similar case with stronger evidence* – for the 10 worst-served feeder program and the BN11 Benalla - Euroa express feeder? **Comments:** **Answer here** (Circle) Yes or No **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	**Question:** Given that two or three of the projects are not economically justified, should we still include them in our Revised Proposal on principle, even if there's a risk the AER may reject them? **Comments:** **Answer here** (Circle) Yes or No **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	**Question:** We've engaged widely on these reliability programs, raising community expectations. If projects are cut (by AusNet or the AER) it could cause disappointment and erode trust. Any advice on managing this risk? **Comments and advice:**

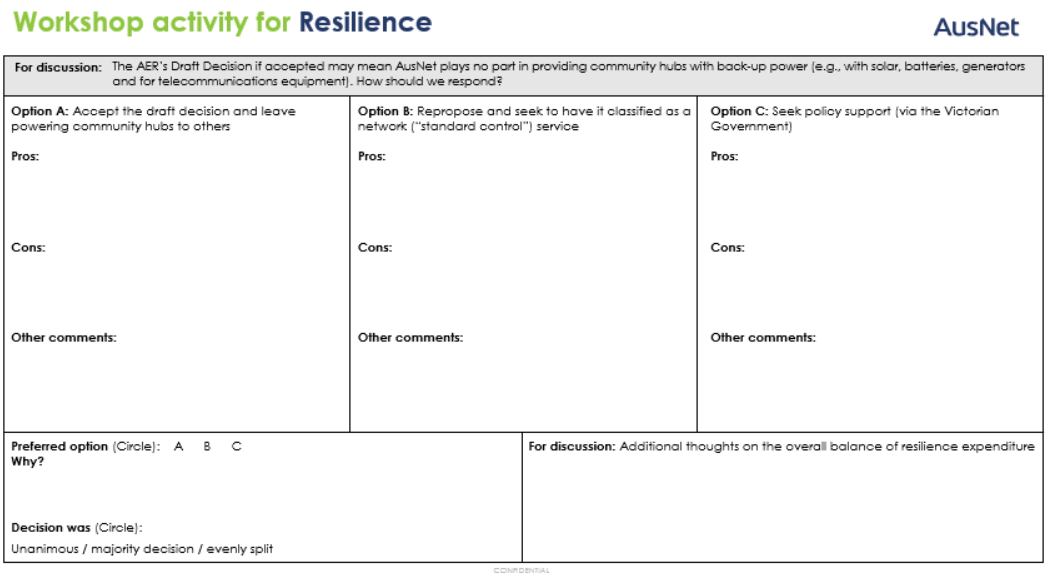
The findings were then played back to the group and Peter summarised the key themes:

- ***"AusNet should repropose the 10WSF program but do more to improve regional reliability – don't just let it slide. AusNet is better placed to plan value-for-money reliability improvements than the government – needs to keep advocating."***
- **The group agreed the with AusNet's proposed option to remove the RRA and rely on minimum standards given the low chance of success with the AER,** but noted:
  - Broad reservations about the "minimum standards" approach being taken by the Victorian Government, highlighting that while details are not yet available, it may lack the rigour, flexibility and community buy-in that an AusNet-designed and AER-overseen program would offer.
  - That the AER has previously proposed a $10 million allowance for Endeavour Energy to improve reliability for worst-served customers without defined projects, indicating precedent.
- **The group mostly supported AusNet re-proposing the 10 worst-served feeder (10WSF) and Euroa-Benalla improvements**, even if they aren't economic:
  - There was broad support for retaining AusNet's proposed list of 10 worst-served feeders rather than adopting the AER's definition. One table group noted that AusNet had undertaken a good faith process in collaboration with the Availability Panel to define "worst-served feeders," deliberately excluding major event days to avoid overlap with resilience programs. This was identified as the key difference between AusNet's and the AER's definitions.
  - The group agreed that on principle, the non-economic feeders should be included as long as it doesn't put the whole proposal at risk, on the basis that the 10WSF program was originally designed to address the persistent under-investment in areas where economic efficiency tests don't stack up.
  - The group suggested AusNet do what it can to address and demonstrate how it has responded to the AER's criticisms, in order to maximise the likelihood of success at the Final Decision stage.
- **The groups discussed how AusNet should approach managing disappointment in the communities who might've thought they were receiving upgrades but aren't (pending the AER's final decision),** noting that engagement creates an expectation that the community's feedback will be actioned. There was clear agreement that this risk is very real and will be damaging to AusNet (and less significantly the AER's) reputation.
  - "Transparency" in showing the regulator's decisions was emphasised.
  - "The risk is real. Loss of trust starts in this room. AusNet needs to take on the fight with the AER."
  - "It sits best with AusNet to do this work. Need to fight."
  - "Be clear with the community on why you can't do it. Minimum standards might be a mixed bag but if done right, it might address some of the issues."
  - Two groups suggested lobbying with government and the AER on their decisions to serve in the best interests of their communities.

3. Resilience

Samuel Morris, AusNet's Manager Network Performance & Resilience, gave a brief (5 minute) overview of the AER's draft decision and the approach AusNet is proposing to take on resilience in the Revised Proposal pending further engagement today.

Attendees worked in table groups to complete the following worksheet:



Workshop activity for Resilience

AusNet

For discussion: The AER's Draft Decision if accepted may mean AusNet plays no part in providing community hubs with back-up power (e.g., with solar, batteries, generators and for telecommunications equipment). How should we respond?		
Option A: Accept the draft decision and leave powering community hubs to others **Pros:** **Cons:** **Other comments:**	**Option B:** Repropose and seek to have it classified as a network ("standard control") service **Pros:** **Cons:** **Other comments:**	**Option C:** Seek policy support (via the Victorian Government) **Pros:** **Cons:** **Other comments:**
Preferred option (Circle): A B C **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	**For discussion:** Additional thoughts on the overall balance of resilience expenditure	

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The findings were then played back to the group and Peter summarised the key takeaways and validated them with the group:

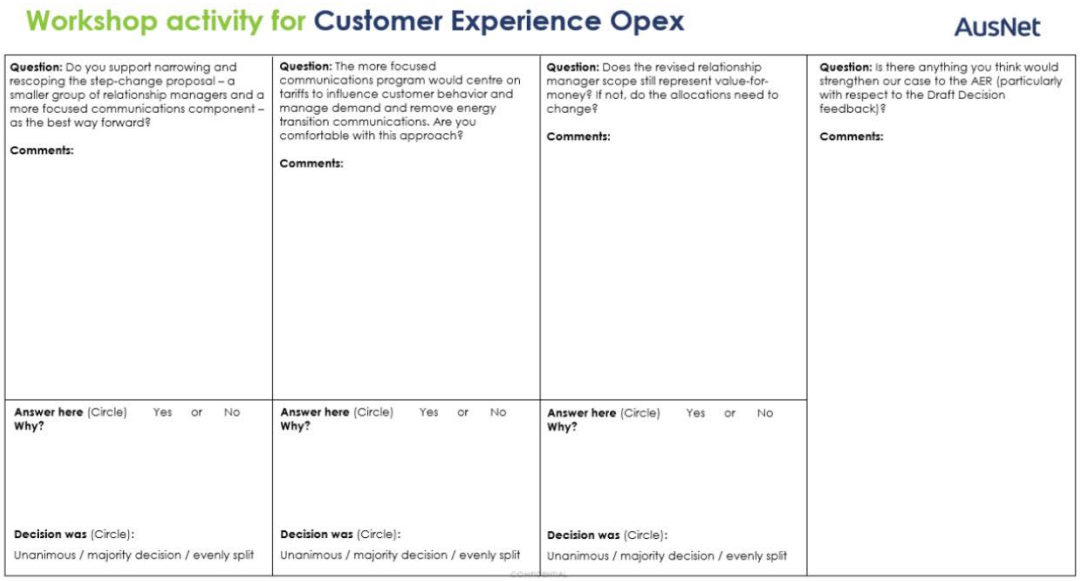
- Views varied across the groups on the approach AusNet should take to community hubs but the overarching perspective was: ***"Drop community hubs for the Revised Proposal but don't give up longer-term and keep the conversations going with others involved in supporting community resilience."***
- Additional discussion included:
  - It shouldn't be binary (all or nothing) and the shared responsibility for community resilience, but the variance in approaches to community hubs and access to funding across local government areas (LGAs).
  - AusNet is currently supporting the community via the Energy Resilience Community Fund grants which the community loves, and value being empowered to determine their own support needs.
  - There is a risk that community hubs don't happen at all if AusNet doesn't play a role.
  - There is a low likelihood of success in reclassifying community hubs as a Standard Control Service (SCS), which could increase costs and introduce rigidity, making it more difficult to meet customer needs. AusNet confirmed that costs would be socialised under an SCS model. One attendee suggested an Alternative Control Service (ACS) model, where the benefiting party funds the service. This could be achieved by councils securing grants from the Victorian Government and then paying AusNet to deliver the community hubs.
  - There was discussion around whether a more rapid response model (e.g., EMMA vehicles) might be a more effective way to support smaller, less-resourced towns. This approach could be preferable to establishing multiple community hubs, especially since larger towns are already well resourced and may not need additional support.
  - An attendee suggested AusNet commit staff to the EMMA vehicles or withdraw the capex for more vehicles approved by the AER in its draft decision.
  - That success looks different for each community. Resilience solutions can't be one size fits all.

- That AusNet should focus on improving network resilience and it shouldn't be reactive in response.
- There needs to be greater partnership between AusNet, community and Victorian Government when it comes to overall resilience, and AusNet should continue advocating for this.

4. Customer experience opex (communications & relationship managers)

Stephen Thompson, AusNet's General Manager Customer and Community, gave a brief (5 minute) overview of the AER's draft decision and the approach AusNet is proposing to take on customer experience opex in the Revised Proposal pending further engagement today.

Attendees worked in table groups to complete the following worksheet:



Workshop activity for Customer Experience Opex

AusNet

Question: Do you support narrowing and rescoping the step-change proposal – a smaller group of relationship managers and a more focused communications component – as the best way forward? **Comments:**	**Question:** The more focused communications program would centre on tariffs to influence customer behavior and manage demand and remove energy transition communications. Are you comfortable with this approach? **Comments:**	**Question:** Does the revised relationship manager scope still represent value-for-money? If not, do the allocations need to change? **Comments:**	**Question:** Is there anything you think would strengthen our case to the AER (particularly with respect to the Draft Decision feedback)? **Comments:**
Answer here (Circle) Yes or No **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	**Answer here** (Circle) Yes or No **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	**Answer here** (Circle) Yes or No **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	

The findings were then played back to the group and Peter summarised the key themes:

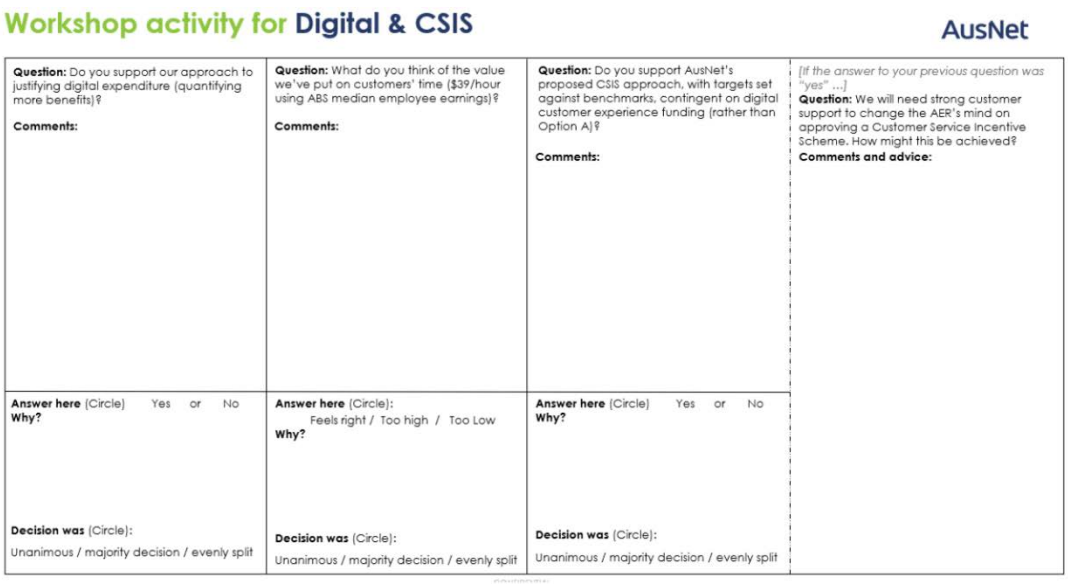
- ***"There's support for proposing the customer experience opex step change (communications & relationship managers) with a narrower scope but with an expectation that AusNet provides more detailed supporting information to the AER than was provided in the session, beefing up and selling the benefits to all customers better."***
- **All four tables unanimously supported AusNet re-scoping and reproposing the customer experience opex step change proposal**, updating both the communications and relationship manager components.
- **On re-focussing the communications component** to be only about tariffs, attendees variously noted:
  - Cost-reflective tariffs are so important and the AER wants to see action in this space. The step-changes covers a range of customer information needs and both customers and the network should see benefits.
  - Benefits likely won't be realised until the next regulatory period (i.e. there will be a lag).
  - The role of retailers should be considered.
  - The importance of communication on tariffs from networks given the Victorian Government is making cost-reflective tariff assignment opt-in, and no others are communicating this.
  - AusNet should commit to monitoring, evaluation and learning if this step change is approved.

- **On re-focussing the relationship manager component**, most groups did not feel they could comment on whether the areas prioritised in the revised scope represented value-for-money (as they did not have the evidence), variously noting:
  - The importance of communicating the benefits of these roles in the Revised Proposal.
  - That AusNet is the best judge of what is needed and should provide evidence in the Revised Proposal of why it is nominating the areas it is.
  - That AusNet should lift "social obligations" to strengthen the case to the AER.

5. Digital Expenditure & CSIS

Stephen Thompson, AusNet's General Manager Customer and Community, gave a brief (5 minute) overview of the AER's draft decision and the approach AusNet is proposing to take on digital customer experience capex in the Revised Proposal pending further engagement today. Eliza Cochrane, AusNet's Senior Policy Advisor then spoke to the AER's draft decision on AusNet's proposal Customer Service Incentive Scheme (CSIS).

Attendees worked in table groups to complete the following worksheet:



Workshop activity for Digital & CSIS

AusNet

Question: Do you support our approach to justifying digital expenditure (quantifying more benefits)? **Comments:**	**Question:** What do you think of the value we've put on customers' time ($39/hour using ABS median employee earnings)? **Comments:**	**Question:** Do you support AusNet's proposed CSIS approach, with targets set against benchmarks, contingent on digital customer experience funding (rather than Option A)? **Comments:**	*[If the answer to your previous question was "yes" ...]* **Question:** We will need strong customer support to change the AER's mind on approving a Customer Service Incentive Scheme. How might this be achieved? **Comments and advice:**
Answer here (Circle) Yes or No **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	**Answer here** (Circle): Feels right / Too high / Too Low **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	**Answer here** (Circle) Yes or No **Why?** **Decision was** (Circle): Unanimous / majority decision / evenly split	

The findings were then played back to the group and Peter summarised the key themes:

- ***"Quantify the benefits of your digital programs. Repropose the CSIS noting the AER hasn't provided any evidence that their alternative STPIS-based program is better-aligned with customers' interests."***
- **Attendees were supportive of AusNet re-proposing the digital customer experience expenditure, quantifying additional benefits to demonstrate economic efficiency to the AER.** Additional discussion included:
  - There was unanimous agreement with AusNet reproposing its digital experience program and quantifying additional benefits, noting the AER will have its own set of guidelines but that the things customers value should be reflected in the business case.
  - All agreed with placing a value on customers' time and thought the value AusNet is proposing ($39/hr using the ABS median employee earnings) looked reasonable. One table noted businesses would likely place a higher value on employees' time than their hourly wage.

	• **Attendees felt very strongly that AusNet re-propose its original CSIS with targets set using benchmark data, despite the unknown chance of success.** Additional discussion included:
	  • Attendees were unanimously and vehemently opposed to the AER's decision to reject AusNet's proposed CSIS scheme and felt the AER had not provided any evidence to support its alternative STPIS-based approach being better-aligned to customers' long-term interests, which particularly upset them.
	  • Despite AusNet being unable to address all the AER's Draft Decision feedback, attendees felt strongly AusNet should re-propose the scheme on principle.
	  • An attendee suggested AusNet propose a delayed start to its CSIS scheme to enable more benchmark data to be collected (and help satisfy the AER's concerns).

Thank you & close	Peter Eben closed the session by thanking attendees for their time, contributions, and engagement throughout the process. He reminded the group that this was the final formal meeting for the EDPR and that participants would be notified once the Final Decision is released. Following the close of the session, some attendees departed while others remained to observe the Co-ordination Group meeting held immediately afterwards.