



GAAR 2028-33

GAAR Development Panel (GDP)

Summary Notes | Meeting #3

Details	Members	AusNet Team
9am to 1pm Friday 1 May 2026 In-person only Chair: Jacob Clifton (Acting) Secretariat: AusNet	Damian Sullivan David Prins Gavin Duffy Nicole Wallis Shelby Macfarlane-Hill (attended on behalf of Andrew) Observers: Apologies: Kellie Larsen Andrew Richards Nickolas Innes (AER observer)	Jacob Clifton, <i>GM Public Affairs (Chair)</i> Moyo Tian, <i>GM Strategy & Regulation (Gas)</i> Eliza Cochrane, <i>Price Review Manager</i> Ben Ryan, <i>Manager Policy & Regulation</i> Jade Park, <i>Senior Research Specialist</i> Kyle Olsen, <i>Senior Engagement Specialist</i>

Key outcomes

The GDP:

- Provided feedback on AusNet's Reference Service Proposal, including reviewing the views from the discussion with the Gas Stakeholder Roundtable.
- Supported the design of AusNet's customer segmentation survey by providing feedback on the wording and framing of key questions, as well as suggesting new questions.
- Worked with AusNet to design the structure of its customer workshops, including on locations, participants, format, and topics.

Purpose & Agenda

Time	#	Item	Outcome	Facilitator/s
9:00	1	Welcome & opening remarks		Moyo Tian & Jacob Clifton
9:10	2	Gas Stakeholder Roundtable playback and finalising our Reference Service Proposal (RSP)	Provide an overview of the Gas Stakeholder Roundtable discussions and seek feedback that views are reflected in our RSP	Eliza Cochrane
9:50	3	Update on demand forecasting	Provide an update on demand forecasts	Ben Ryan
10:05	4	Designing our customer segmentation research	Seek feedback on the framing and wording of the customer segmentation research questions	Jade Park
11:00	5	Designing customer workshops	Collaborate and agree on various design aspects of customer workshops	Kyle Olsen
12:20	6	Open floor, next steps & close		Chair
12:30		Lunch		

Summary of discussion

Topics	Discussion points
1. Welcome & opening remarks	Moyo Tian provided an update that the GDP Chair – Andrew Dillon – had stepped down from his position due to a change in employment, and that a new Chair would be appointed soon. Acting Chair Jacob Clifton welcomed the group and noted the main purpose of today's meeting – in particular, for the panel to provide feedback on AusNet's customer segmentation survey and to plan the structure of customer workshops.
2. Gas Stakeholder Roundtable playback and finalising our Reference Service Proposal (RSP)	Eliza Cochrane provided an overview of the Gas Stakeholder Roundtable session held in mid-April, highlighting key outcomes and the high-quality of discussion from a diverse group of attendees. GDP members Nicole and David shared their reflections on the Roundtable, noting strong engagement from participants through the meeting chat, online tool 'Menti' and verbal comments and questions. They observed that the variety of Stakeholders in attendance was valuable and they made informed contributions. They also noted feedback from the Roundtable that the consumer benefits of a hybrid price cap need to be more clearly explained. Eliza then outlined AusNet's proposals for the Reference Services Proposal as presented to the Roundtable, including maintaining declining blocks but indicating flattening, no change to approach to set connection charges, and alignment with the AEMC's rule change for abolishments through an upfront, cost reflective charge. In response to Roundtable feedback, Eliza explained an updated description of the customer impacts of moving to a hybrid price cap prepared by AusNet which used more customer-facing language. Eliza noted that where usage remains within the expected range the hybrid mechanism is the same as the price cap, and that if usage reaches the proposed 5% threshold customers would pay more or less than they would on a price cap. The indicative annual impact would be up to \$10 in a given year for an average customer. GDP feedback was sought on whether this explanation was clear and customer friendly. Discussion: - On flattening of tariffs, the GDP noted that network tariff structures are not consistently passed on by retailers and that changes to price signals may get lost. The GDP discussed that this is particularly true in gas as customers often face difficulties trying to compare different gas offers from retailers, compared to electricity offers, due to the lack of smart meter data. A GDP member also noted that concessions can also mask price signals. - GDP members provided feedback on AusNet's explanation of how moving to a hybrid cap is in the interest of consumers, feedback included: - General comfort with the summary provided as an improvement on the original description. - A view that less emphasis should be placed on arguments about incentives for networks to encourage higher gas usage, as it's unclear how removing this incentive would change networks' behaviour in practice. - Comments that this level of detail may not be required for end-use customers, with any potential engagement better focused on

informing customers of the change and the impacts it has on them, with a balance between simplicity and accuracy.

- A suggestion to outline impacts at both an overall customer level as well as for individual customers.
- Observations that a hybrid cap approach appears to already be favoured by the AER based on recent decisions and may therefore not require further detailed engagement with customers.
- A suggestion to emphasise the point that there would be no material impact where usage aligns with the demand forecast, and that where it does not, risk is shared.

AusNet agreed to take the GDP's feedback into future presentations on the hybrid price cap to customers and consider whether any changes to the engagement plan are needed.

3. Update on demand forecasting

In response to an action from the previous GDP meeting, Ben Ryan provided an overview of AusNet's gas demand forecast from the last GAAR, the AER's assessment of the demand forecasts and how it has compared with actual usage within the current AA period.

Ben noted that average usage per customer has been significantly lower than forecast, as some customers have electrified their gas appliances or otherwise reduced their gas usage. However, overall customer numbers remained higher than forecast, as fewer service abolishment requests and higher connections numbers have occurred than was anticipated.

Ben also provided an update on the demand forecasting work being undertaken for this GAAR and the associated timeline.

Discussion:

- It was noted that there has been a large decline in usage in the highest tariff block along with variations in usage across different regions. Higher usage is generally observed in colder regions such as Ballarat and Ballan, with lower usage in areas closer to Melbourne and the lowest usage in coastal areas.

4. Designing our customer segmentation research

Jade Park introduced AusNet's research approach for the GAAR process, with a particular focus on the customer segmentation survey. The research aims to build a deeper understanding of household differences, using real customer data to inform demand forecasting.

GDP members were provided with a draft version of the survey ahead of the meeting. Prior to the session, AusNet incorporated several refinements based on feedback received on this draft. Jade briefly outlined these pre-meeting updates at the start of the discussion, before inviting GDP members to provide further comments and suggestions during the meeting.

Feedback incorporated prior to the meeting

- Ahead of the meeting, AusNet had already:
 - Refined Section 4. Electrification to more clearly capture customers' motivators, barriers and any previous actions taken to replace gas appliances, providing a clearer view of the customer journey.
 - Added a new question to capture whether customers are more likely to replace gas appliance proactively (before end of life) or reactively (when it fails).
 - Added 'wood space heating' as an option in the appliance list.

Discussion:

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- General feedback and discussion included:
 - Broad agreement on the value of capturing appliance usage intensity, particularly for heating, to strengthen demand forecasting (e.g. every day, most days, only on the coldest days).
 - Considerations of how best to frame a question on willingness to pay question, noting that customers may leave the mains gas network through a range of pathways, including electrification as well as other alternatives (e.g. switching to LPG). GDP members expressed a preference for framing the question around what level of incentive would motivate customers to stop using mains gas, rather than limiting it to a rebate for switching gas appliances to electric alternatives.
 - A suggestion to include a question to capture recent household or living situation changes that may have affected gas usage, to help explain changes in consumption not driven by appliance replacement.
 - A suggestion to include a question for customers who have already started making changes, capturing which gas appliances were replaced with alternatives and the timing of these changes, to inform demand forecasting.
 - Noting that responses to customer surveys may be influenced by the time of year, e.g. after higher gas usage during winter months.

AusNet took an action to reflect agreed GDP feedback into the customer segmentation survey.

5. Designing customer workshops

Kyle Olsen provided an overview of AusNet's proposed approach to engaging end-use customers through a series of customer workshops. This overview covered how the GDP would be engaged throughout the workshop design, planning and delivery process, as well as the proposed format for the workshops:

- 2-3 rounds in three locations in AusNet's network (metro, rural, regional)
- Specific approaches to engaging with small business owners (through targeted interviews) and CALD communities (through a BAU advisory committee).
- The proposed format, purpose, and approach to selecting topics.

Discussion:

- AusNet confirmed that the intention is for customer workshops to complement findings from other research and engagement activities, including the customer segmentation and pricing surveys, but that they would not necessarily be used to validate other research results.
 - The GDP noted that customer workshops held in late November would coincide with the state election.
 - The GDP agreed that one regional, one rural and one metropolitan location provides an appropriate balance, and suggested AusNet consider holding two separate metropolitan workshops, with potentially one in a growth corridor and the other in an older area, if budget allowed. The GDP would not recommend trading a regional or rural location for a second metropolitan location, if budget would not allow.
 - The GDP provided some commentary on which locations AusNet should and shouldn't consider from the proposed shortlist.
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- The GDP were comfortable with the proposed approach for small business and CALD communities' engagement.
- The GDP provided specific suggestions based on observed best practice including, hours, child-minding, accessibility, and council involvement.
- The GDP suggested that a final 'close the loop' session with all workshop participants would be appropriate as a third round.

AusNet took an action to finalise the plan for customer workshops incorporating GDP suggestions and feedback to be shared with the appointed external consultant.

AusNet took an action to update the publicly available engagement plan once customer workshop plans are finalised.

6. Open floor, next steps & close

Moyo gave an overview and summary of the AEMC rule changes for information. Jacob noted the forward agenda and closed the meeting.

Action items

Action	Assigned to	Status	Due	Date raised
1 Reflect agreed GDP feedback into the customer segmentation survey.	AusNet	In progress	11 May	1 May
2 Finalise the plan for customer workshops incorporating GDP suggestions and feedback to be shared with the appointed external consultant.	AusNet	In progress	11 May	1 May
3 Update the publicly available engagement plan once customer workshop plans are finalised.	AusNet	In progress	GDP meeting #5 (15 July)	1 May
Possible future agenda items:				
4	AusNet & Chair	Ongoing	Ongoing unless marked otherwise	Various
• A site visit/s				
• Forecasting the main points of political contention and policy uncertainty in the lead-up to the 2026 state election.				
• Debriefing on the AER's Final Decisions for AGN SA and EvoEnergy (due May 2026).				
• AEMC presenting its Gas networks in transition options paper.				