

Customer Advisory Panel – Meeting Minutes

Meeting	
Date	Monday October 13 2025
Time	9:00am -5:00pm
Location	40 Market Street
Members	Philip Cullum (Chair), Hilary Newstead (Deputy Chair), Helen Bartley, Gavin Dufty, Dean Lombard, Natalie Collard
Consumer Challenge Panel	David Prins
Attendees	CPPALUE: Renate Vogt (General Manager Regulation), Lauren Fetherston (Head of Policy and Compliance), Jeff Anderson (Head of Regulatory Strategy), Adam Nason (Head of Customer, Community and Customer Services), Dan By (Head of Customer Connections and Requests), Chris Gilbert (Regulatory Manager), Angelica D'Amelio (Regulatory Engagement Lead), Winona Bonne (Customer and Corporate Graduate), Tim McNamara (Regulatory Manager), Anush Ahuja (Graduate Engineer).
Apologies	N/A
Pre-reading	1. CAP pre-read materials – October 2025

Item	Topic
1.	Revised proposal The CAP received a presentation on the AER's draft determination of the CitiPower, Powercor and United Energy regulatory proposal, as well as initial positioning on what the business is accepting and challenging. - Acceptance of modelling was felt to be a main concern of the AER. Questions raised relating to this included: - whether the business is leaving modelling inside the 'Black box' or sharing more openly - understanding the difference in unit rates used between distributors for modelling i.e. for Ausnet and for VPN. - Consideration should be given to Government mandates on climate action and resilience solutions. These included: - this is specific to initiatives including resilience, bushfire, regional and rural - discussion was had to confirm that CPU were addressing the right resilience issues - it was felt that the AER has made an error in trying to solve some of the resilience issues and who would be best to solve these, potentially through partnerships - there was an emphasis on how everyone has a role in resilience including agencies. - Further feedback and views on the AER's approach to assess proposals included: - that the AER is likely to accept small step changes rather than large step changes - inconsistency felt in decision making and acceptance on proposals across networks. - With regards to tariffs, it was suggested the value proposition the businesses offer should defer transmission costs. CPU could also argue how it benefits the supply chain, as there is uncertainty about its deliverability Weight of engagement in revised proposal decision making

There was a significant discussion on the weight customer engagement had in determining business cases and outcomes for customers in the draft decision. It was noted that the AER documents repeatedly say that positive customer views are not enough to support AER decisions, but AER rarely, if ever, produces its own customer insights.

Feedback from the CAP included:

- the AER does not understand fully how to assess customer engagement and it conducts very little real consumer engagement itself
- further consideration is required on the balance between customer needs, the viability of doing nothing, and customers' willingness to pay
- some regulatory proposals' elements can be 'abstract', which makes it difficult for the AER to assess them, especially when this involves accounting for customers' views
- there can be a significant cost to customers to attend engagements:
 - the same customers may re-attend meetings due to their needs not being addressed as a result of the AER decisions, even when CPU has reflected those views in business cases
 - engagement needs to be strategic as the networks may not have the opportunity to engage with certain customers again due to experiencing engagement fatigue
 - CPU may have to explain to customers that their concerns may not be addressed by the AER
- AER suggested at the public forum that the Better Reset Handbook should be revisited by the AER
 - the Better Reset Handbook already considers how customer engagement fits into the decision-making framework
 - it was felt that the AER looks at what is efficient first then prudent and if both avenues are addressed, then they consider if proposals have customer engagement support – which might bring marginal proposals over the line

Step change initiatives

The following discussion was had:

Community liaison officers

- how can the networks ensure they build knowledge over time and align what the business can provide with what communities need.

Customer assistance package

- it was emphasised by the CAP that the AER's argument that other agencies already provide support doesn't mean that all vulnerable customer needs are being addressed and there is still more that can be done, including by the three networks.

Customer service incentive scheme (CSIS)

- the AER's decision on CSIS, and its alternative approach i.e., GOS and connections (another version of STPIS), lacks any customer evidence
- CAP members support the AER's critique of the proposed call answering measure
- the business should develop benchmarks now to allow the creation of better measures on issues that matter to customers (e.g. accuracy of restoration estimates) in subsequent resets
- a suggestion was made to separate measures and targets.

DSO vision

Following a presentation on the networks' DSO vision, the following feedback and considerations were shared:

- engagement on the DSO vision will be important and the CAP is ready to play its part in this
- the vision would benefit from being more focused on customer outcomes
- The current draft doesn't sufficiently draw out how it differs from the current role of a network
- the DSO vision is well positioned in showing the efficiency of what the networks are proposing. However, the networks may be missing the continuing thread between prudence and efficiency as well as considering how this can be tangibly communicated easily to customers
- vision principles should be included in the document
- highlight underlying assumptions
- should be clear on how the business plans to execute the vision.

Undervoltage

Following a presentation on the customer-driven electrification in relation to the draft determination and the business' initial positioning, the following feedback was shared:

- the engagement undertaken was conducted with customers aware of the issue, which may affect the results. It might be useful to ask the wider population too. The networks explained that the engagement approach undertaken was the most effective way to identify individuals with an undervoltage issue and understand their lived experiences
 - ongoing engagement was said to be a good step in understanding the impact of undervoltage further
- it is important for the networks to consider the impact the system has on the wholesale market. Questions included:
 - whether there is a liability issue on the network and if customers can sue the network or seek compensation. The CAP was wanting to understand: what is the cost of fixing this problem and how does this compare with the compensation cost?
 - whether there are any system security cascaded issues in instances where the voltage problem continues
 - whether the tariff proposal (solar soak from 11-4) will make the voltage issue worse
 - whether the business found a geographic concentration in its analysis.
- It was suggested that the business articulate a narrative clearly and express what this means if it doesn't address undervoltage. A few examples included:
 - undervoltage impacts, including stats and percentages to provide evidence behind certain statements
 - ask customers to report their additional costs to address undervoltage and include these as case studies
 - include safety risks and leverage research examples
 - include warranties for appliances, to show the level of appropriate voltage compliance
 - clarity on how the costs are allocated and who is bearing the harm.

Regional and rural electrification

Following a presentation on the regional and rural electrification draft determination and the business initial positioning for the revised proposal, the following feedback was shared:

- Customers expressed strong views on this issue. There is a risk of undermining the value of engagement when clear and consistent customer views are not reflected in final decisions. Customers may feel the businesses are not listening and therefore view engagement as meaningless

- it was suggested the business should raise this with the AER following the revised proposal
- the business should look at regional economic plans when referring to costs and ensure the revised proposal articulates:
 - what this means for businesses and the economy and what do affected regions contribute to the wider economy
 - social factors and climate change impacts, if Powercor does not address these issues during this reset.

Resilience

Following a presentation on the resilience draft determination and the business' initial positioning, points made included:

- how this is significantly affecting people's lives
- how mental health insurance claims have gone up by 30 percent with regards to climate change matters, where the costs of this are only getting more expensive
- the extent to which resilience should come from lots of sources - it shouldn't just be coming from the community as everyone has a responsibility, including businesses and infrastructure.

Vegetation management

Following a presentation on the vegetation management draft determination and the business' initial positioning, points raised included:

- how the AER's decision has impact on the networks' insurance
- whether households are at risk
- and a recommendation that the business has grounds to argue the impact on insurance if vegetation management is not maintained to current standard.

There was concern that the AER's draft decision may result in a lack of safety for customers.

Tariffs

Points made included:

- the importance of incorporating what is known about how people behave
- improved understanding of instances when customers don't respond to certain tariffs
- the extent to which alternative tariffs are not considered on an individual level. If the business considers this, it could make assumptions on how customers are likely to respond based on the time of the day
- what cross subsidies look like with customer driven electrification and how these will increase without tariff reform. The business should consider customers who are not involved in the electrification transition who may be cross subsidised.

The following suggestions were raised to include in the revised proposal:

- relay the tariff position and the impact on voltage, which means lifting up the undervoltage element of the proposal and explaining how tariffs respond to the impacts
- review any cross subsidies

CSIS

Points made included:

- the STPIS is not a customer centric scheme as it is not incentivising something that can be accountable to customers
- the CSIS is not perfect but it is an opportunity for customers to have a say on what they expect from the business

	- the business could have undertaken further engagement using more of a collaborative / co-creation approach - one of the challenges with the CSIS is responding to customers when they ask why the business should be rewarded just for providing a core service - strong support for the business' commitment to create new benchmarks to support the development of better customer services measures in future resets
2.	Vulnerability strategy The CAP supports the vulnerability strategy. It recommends that the business demonstrates clearly to the AER how customers were engaged in its development. Points made included: - there was some discussion about whether 'vulnerable customers' is the optimal terminology for the strategy. Feedback was given to ensure the definition is more focused on customer circumstances rather than just an individual's characteristics - there was a suggestion to use the word 'agency' within the approach - evaluation principles should be developed - confirmation sought that there is a link to the organisational mission - lessons from the strategy is shared more broadly across the business and the wider sector - the business could show how the strategy informs activities such as tariff design and outage notifications. Customer assistance package Points made included: - make it clearer that even if CPU undertakes similar activities as other agencies, the organisation is still helping customers. There is more work needed to support customers in vulnerable circumstances - when identifying potential partners, the business should seek to understand more about vulnerable customers are across the networks, and identify agencies within particular areas or who work with particular groups - a suggestion was made to explore how different agencies are funded and understand how they provide services. Detailed cost breakdowns were presented to the CAP for feedback relating to the Vulnerable Customer Assistance Package. There was consensus on the proposed costs by the CAP, with feedback primarily focused on: - evaluation of program success being assessed in the governance process outlined in the Customer Vulnerability Strategy - another consideration was raised as to whether concentrating on a smaller number of initiatives and delivering them to a higher standard could achieve greater overall impact for customers. It was agreed that if the number of customers being supported does not meet vulnerable customer demand, this will be reviewed and addressed through the scheduled CAP review sessions as outlined in the networks' strategy.
3.	CBD Security of Supply (SoS) There was a discussion about the value and purpose of the CBD SoS proposal for engagement and initial planning. Points made included: confirmation wanted to understand locations that were initially flagged for security upgrades i.e. why North Melbourne was targeted and whether the CBD will be the load centre during a system reset (black start)

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| | <ul style="list-style-type: none">• CitiPower should be using the risk to train transport as a key argument, seeing value in securing this service for customers.• CitiPower could consider engaging on the CBD definition with customers/stakeholders. |
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