

Draft Minutes

Customer Advisory Panel – Meeting #2

Meeting	
Date	Wednesday 23 July 2025
Time	9:00am-4:30pm
Location	Market Street, Melbourne
Members	Philip Cullum (Chair), Hilary Newstead (Deputy Chair), Dean Lombard, Helen Bartley, Gavin Dufty, Helen Bartley
Attendees	CPU: Renate Vogt (General Manager Regulation), Lauren Fetherston, (Head of Regulatory Policy and Compliance), Mark de Villiers (Head of Network Pricing and Modelling), Adam Nason (Head of Customer, Community & Communication), Angelica D’Amelio (Regulatory Engagement Lead), Alexandra Antich (Graduate), Dan Bye (Head of Connections), Tegan Miller (First Peoples Engagement Lead), Bea Cleeve (Principal Regulatory Analyst)
Apologies	Natalie Collard

Item	Item
1	Outstanding items - Renate updated the CAP on action items from the previous CAP and remaining outstanding items - It was noted that the hot water trial is on-going and it will be several months before the final outcomes are known - The federal government project on <i>Better energy customer experiences(BECE)</i> should be added to the policy engagements tracker - There was a request for a future CAP meeting to discuss the evolution of the distribution system operator role and the businesses’ position. CPU is considering the critical questions to inform a future meeting about the CER roadmap - There was a discussion about whether the CAP should prepare a report on the revised proposal. The business may ask the CAP to produce a further report particularly responding to instances where the AER has noted that the businesses have not engaged sufficiently with customers
2	Future of the CAP - Renate discussed plans for a review of the CAP at the end of 2025. The business remains committed to having an effective CAP, with a remit beyond the reset process - Positive feedback was received on new CAP newsletters - Skills and representation diversity on the CAP remains essential. It was noted that rural and regional representation was limited - There was discussion whether subgroups could be used in the future to bridge skill gaps and draw on the expertise as and when required. Ausnet’s examples of subgroups were seen as beneficial and enabled a deeper dive in different issues - It was noted the networks will always face ebbs and flows in engagement workflow due to the coincidence of reset periods, but the CAP can perform an important role in all stages of the regulatory cycle - It was suggested that there could in future be network subgroups i.e. one for each of the three networks
3	Vulnerability strategy - Angelica introduced the vulnerability strategy objectives and focus - There was a discussion about the businesses’ purpose in having a vulnerability strategy

	CAP members' comments included: • Strategy needs to set out what the business is offering customers and to focus on consumer and community needs. • Whilst the business may not have the ability to offer unique services, its place in the market is unique which may position the businesses in the best place to offer the services • The business has important locational reach and proximity to customers - unlike retailers, it's delivering services directly in communities • The strategy must not be a 'bolt on' but instead be connected with all aspects of the business in terms of service design and delivery and also inform its input to policymaking processes • The strategy should seek to consider, anticipate and avert vulnerability, not just act as a welfare package • The strategy must be owned, deliverable and achievable by the businesses • The strategy needs metrics (outcomes) to keep the businesses accountable • It was highlighted that small businesses can also be vulnerable and should be part of this important initiative • Vulnerability can be complex – but the strategy needs to be focused, actionable, and underpinned by a clear consistent definition and understanding of the networks' role
4	First People update • Jeremy Nikora introduced himself as new employee responsible for the Reconciliation Action Plan (RAP). He will work closely with teams across the business and develop partnerships with First Peoples communities • Tegan presented all the activities undertaken so far this year and what is planned for the remainder of 2025 • It was proposed that Tegan conduct a one-hour cultural awareness session with CAP members • Philip provided an update on his introductory meeting with the new First Peoples Advisory Committee (FPAAC) chair Pauline Ugle and explained the arrangements for how the two committees aim to work together. It was noted that Keisha Day has stepped down from FPAC, and CAP members thanked her for her valuable contribution to both FPAC and the CAP
5	Customer Assistance Package Points made by CAP members included: • Package focus should consider who is not able to manage the energy transition • Managing long term outages in areas that are more vulnerable should be considered in a more holistic way • Eligibility criteria should tie in with the vulnerability strategy • There should be a focus on vulnerabilities created by the network itself or by the regulatory framework • The impact of 'double' vulnerabilities should be a focus e.g. renter in the Otways • Needs to be cautious of over prescription. There needs to be clear criteria for eligibility but an option to consider 'case by case' situations • Timeline for the vulnerability strategy needs to consider integration with the Customer Assistance Package • Needs to be on-going monitoring and reporting of performance and effectiveness of the Customer Assistance Package programs • Customers should be engaged in effectiveness reviews to assess performance of the program. • Consideration should be given to having year 1 of the Customer Assistance Package as a trial to determine what can be most effective in future years. The CAP could then be involved in the year 1 evaluation process
6	Network pricing review • Mark presented the businesses' views on the status of the Pricing Review. He highlighted that different market participants have different views on what the review is about. Businesses' view is it should be about who tariffs are designed for

	• A key objective of the Pricing Review is to provide customers subscription-based offers. It should not matter who the customer agent is offering the service • The view was presented that network tariffs need only be cost reflective and the market will do the rest • Retailers want to be billed on their aggregate profile within each network e.g. AGL's CitiPower profile and then they will work with that • Retailer has to offer a VDO/DSO or a subscription service based on a profile. That is where customer groups and the AEMC are moving. The focus is on the need of flexibility for customers • AEMC is not focused on the network tariffs. Retailers are the service/product entities, not networks • The absence of a robust customer protection framework and any consideration of network stability was raised as a major concern in the direction that the Pricing Review was heading
7	Customer contributions • Mark presented on the tax issues arising from large customer connections and the businesses' proposal to levy future tax liabilities on the connecting customer rather than larger customer base • Members expressed some reservations about applying tax liabilities to all large connections but could also see the inequity in applying it only to data centres • The majority of members were supportive of small customers not incurring future tax liabilities associated with larger customer connections • An option was raised whether the large customer could pay the tax liability over time (the life of the connection assets) • Concerns were raised about discriminating between different types of energy users including data centres and what sort of precedent this would create
	Innovation fund governance • Lauren presented on the new governance framework to support the Innovation Fund • Members questioned whether the business would separate the Fund across three networks or if synergies would be lost • Members questioned whether the businesses' internal project evaluation process is appropriate to apply to the Fund. It was clarified the businesses would be applying internal evaluation processes to Fund projects given it is innovation • Members raised the possibility of collaborative projects with other organisations, and asked how lessons learned will be shared across the industry • Members asked how risk and resourcing will be managed under the Fund • The Fund governance might benefit from academic expertise. • Question raised as to who owns the IP at the end of project. Businesses noted that IP would be shared across all market participants • Should the businesses be observers on other networks advisory panels for their innovation funds and the businesses include other networks on its proposed advisory fund? • Should the Fund be more overt in prioritising projects related to energy transition and use of new technologies • The Fund needs to be more flexible on the efficiency criteria, as if the project was efficient, it would not need the Fund • New evaluation criteria needed to ensure projects do not receive duplicate funding from multiple sources e.g. ARENA • There was a debate whether members of the Fund should be able to advance projects and if so would this be a conflict of interest? • The role of Fund members was also debated. It was advised the businesses considered members' role to 'tyre kick' projects before they were presented to the AER. There was then further debate on the role of the AER vs Fund members • The business needed to be cleaner and crisper on the role of Fund members in terms of what they can and cannot do, especially around approval, decision making and ideas generation

	The differences in the AusNet and AusGrid equivalent Funds were highlighted with one seeking pre-approval from the AER and the other not.
	Customer engagement 2026 planning - Angelica talked through the 'customer list' concept and the 2026 engagement plan - Members wanted more socialisation of engagement outcomes with other market participants. Focus on policy makers. Briefing AER, ESC and DEECA etc - A request was made that once a year the businesses share what has been learnt from customers and shared with external agencies - Future engagement should entail more opportunities for dialogue rather than listening - Future engagement needs greater levels of Executive participation - Members supported on-going engagement with customers to understand changing needs and preferences in the community - Members questioned whether the business is seeking through the customer list to conduct research or engagement. There was a general belief that a customer list could have a bias if not carefully managed and this could particularly impact research projects - Members expressed some confusion around what a customer list is versus a customer panel - There was some discussion on the use of data to inform future engagement including the Hilda project, Census data and Mosiac
	IDSP - Bea presented a summary of the business' position on the proposed IDSP Rule change - There was limited feedback received from members. There was not strong support for the Rule change but some comments received on the potential costs surrounding further data provision - Consideration required for C&I customers where this type of information was already reported on from businesses to the ESUE, however data was not accessible by CPU. This initial reporting may limit desire to engage with CPU for IDSP purposes - One member commented that engagement is good practice and could be undertaken regardless of rule change - Members expressed concern on the purpose of the Rule change as it was not obvious
	Transmission - Lauren presented a summary of recent transmission developments arising from the draft Victorian Transmission Plan and the AusNet draft proposals, especially the impact on customer bills - Whilst members expressed some concern at the bill impacts, it was suggested that the business should only take an active role in this area if it can establish that theirs is a direct impact on its core role as a distributor.