

September CAP meeting: pre-read & agenda

Developed for: Customer Advisory Panel members

Date: September 2026



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Meeting agenda



Agenda

Timing	Item	Key questions	Who is responsible	IAP2	Level of development
9:00 – 9:30am (30mins)	• Pre-brief	• N/A	• Hilary Newstead, CAP Chair	N/A	N/A
9:30 – 9:35am (5mins)	• Welcome • Acknowledgment of country	• N/A	• Hilary Newstead, CAP Chair	N/A	N/A
9:35 - 9:40am (5mins)	Outstanding items	• Are there any other outstanding items or questions?	• Angelica D’Amelio, Regulatory Engagement Lead	Collaborate	N/A
9:40 – 10:00am (20mins)	Subcommittee update	• Update on subcommittee agenda items and discussion	• Jo Witters, Subcommittee Chair	Inform	Finalised
10:00 - 10:30am 30mins	Customer Group	• Presentation and Q&A with Scott Russell	• Scott Russell, General Manager of Corporate Affairs, Customer and Strategy	Inform	N/A
10:30 - 11:30am 60mins	AEMC review: Incentives & Anticipatory investment	• Does the CAP agree with making incentive schemes more flexible? • Does the CAP support incentive schemes that target customer outcomes? • Does the CAP support targeted anticipatory investment to enable household electrification?	• Tim McNamara, Regulatory Manager • Lauren Fetherston, Head of Policy and Compliance	Involve	Mid
11:30 - 11:45am	Morning tea (15mins)				
11:45 - 12:15pm (30mins)	AEMC review: Demand Management & innovation	• <i>Questions to come</i>	• Lauren Fetherston, Head of Policy and Compliance • Bea Cleeve, Regulatory Policy Principal	Involve	Mid
12:15- 12:30 (15mins)	Update from CAP CER taskforce	• N/A	• Gavin Dufty, CAP member	N/A	N/A
12:30 - 1:10 (40mins)	Service fuse operations & response	• How can we best communicate awareness of customer obligations? • Feedback on our proposed escalation pathway, are there any changes or additional aspects that should be considered? • Are the proposed measures of a customer charge and/or short term outage to address repeat incidents fair and effective? • Are there any other mechanisms that may be fair and effective to address the issue?	• Emma Tyner, Head of Media and Stakeholder Engagement	Consult	Mid

Agenda cont.

Timing	Item	Key questions	Who is responsible	IAP2	Level of development
1:10 - 1:40pm	Lunch (30mins)				
1:40 - 2:20pm (40mins)	EDCoP review	- Does the CAP think that customers will benefit from third parties having an enforceable regulator via the ESC? - Who is best placed to enforce the role that is likely to achieve the best outcomes for customers? - What are the risks and opportunities of allocating this role to another body that may affect customers? - What considerations should we think through prior to engaging with customers and stakeholders?	- Winona Bonne, Regulatory Analyst - Angelica D'Amelio, Regulatory Engagement Lead	Involve	Advanced
2:20 - 3:00pm (40mins)	Customer Export Curtailment Value (CECV)	- Do you agree with our position that the AER should develop a customer impact value of flexible demand? - What other considerations should we be thinking through to ensure we understand customers' value for flexible demand?	James Mitchell, Senior Regulatory Analyst	Involve	Early
3:00-3:10pm (10mins)	Afternoon tea (10mins)				
3:10 - 3:50pm (40mins)	Distribution Ring-fencing Guidelines	- What risks concern you the most with respect to competition? - Should and where should flexibility remain in the ringfencing framework? - What evidence would provide you comfort the current ringfencing framework is operating effectively? - Where change is considered, how should the trade offs be assessed?	Bea Cleeve, Regulatory Policy Principal	Collaborate	Advanced
3:50 - 4:30 (40mins)	Independent submission time	<i>CAP only</i> <i>Time for CAP to give feedback on independent AEMC submission developed by the subcommittee (this is being sent separately via Jo Witters)</i>	Jo Witters, Subcommittee Chair	N/A	Mid
4:30 - 5:00pm (30mins)	Post-meeting briefing	N/A	Hilary Newstead, CAP Chair	N/A	N/A

Outstanding items



Outstanding items

Key:  Outstanding Completed

Topic	Responsibility	Status
Hot water load	Lauren	- Overall the trial went as smoothly as we could hope, but it raised a few concerns: - Load shifting was more likely to create undervoltage events than solve overvoltage - A meaningful cohort of participants reported reduced hot water availability - Participants (broadly) did not trust changes would be performed in their interests and didn't believe there were any benefits - Our hot water controlled load fleet is smaller than we thought and shrinking quickly. - It is now up to retailers to pass on financial benefits to customers - Need to ensure consumer protections/supervision support benefits being passed to customers and risks don't arise i.e. reduced hot water availability - Need customer awareness/sign up (NSW and SA retailers changed terms and conditions rather than informing customers/having customer opt in, as meter provider i.e. intellihub has control over the HW and passes this on to the retailer)
AEMC pricing review	Mark	- The AEMC final report was published, but it backed away from the AEMC initiating any rule changes - Another party would need to submit a rule change - Energy Consumers Australia appears to be working towards a proposed rule change. - A CAP discussion would be triggered when they lodge a proposal however, timing is unknown
DSO engagement	Gen / Angelica	- There are clearer DSO engagement expectations included in the appendix - Please note that this may change depending on advancements in DCCEEW rule change. - We anticipate will be submitted in November 2026 to the AEMC
Business engaging the AER on reset engagement plans early	Angelica	AEMC package #2 - we have included feedback that the AER should be engaging more with the business and customers; this was supported in the subcommittee meeting
CAP request to provide broader customer context to support CAP feedback	Angelica	- PESTLE analysis included in the appendix - Policy context, customer and stakeholder insights are provided in newsletters

Customer Group update



Our core business – delivering for customers then and now

As much as things change, they stay the same – we have adapted to each emerging, social, technological, customer and community need over a long period of time to deliver a reliable and affordable essential service

Then



Now



Our core business – delivering what matters to customers

Our technologies and equipment have evolved, our safety practices have strengthened and how we engage with our customers has modernised, but our core business focus and fundamentals are consistent



We focus on our performance for the things that matter most to customers – their ‘durable’ needs - reliability, keeping costs low / delivering value for money

We know we are in a traditionally low-engagement sector, and whilst this is changing for some, many of our customers have little interest in us and the industry in general, but this does not mean they have high expectations of service that we must live up to



Unprompted awareness of distributor

CP: 23% PAL: 36% UE: 30%



Prompted awareness of distributor

CP: 51% PAL: 72% UE: 55%

It is our role to ensure we earn our social licence and act in customer’s interests, proactively and regardless of their level of engagement

Community Response

We know we need to be at our very best when we can't deliver our core services. Our ability to respond to faults, build resilience and effectively communicate with our communities has both been refined over time, and continues to be a priority for our reset funding

Responding during outage events

Residential and SMB customers consistently tell us it is how we respond when things go wrong that is most critical to them:

Customer Research: Most important service (common priorities across networks)

1. Accurate and timely restoration times
2. Accuracy of outage information provided
3. Number of outages and minutes off per year
4. Power quality (voltage)

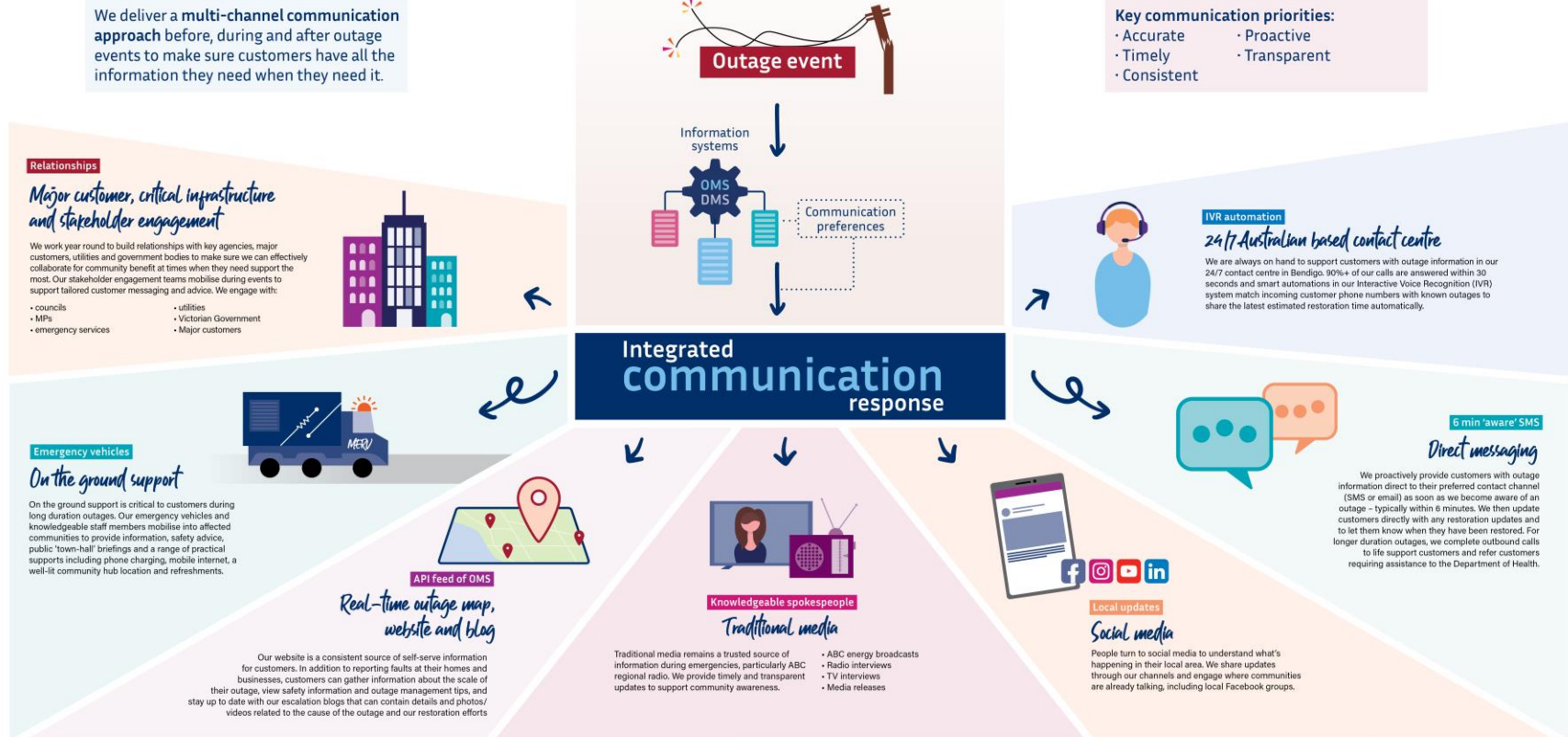
Our first priority is to restore power to as many customers as possible, as quickly as possible.

- In house (CP/PAL) field force and engineering expertise

Our second priority is ensuring customers are informed and supported before during and after outages.

- Maturing multi-channel communications plan that prioritises direct, personalised and proactive interaction whilst also offering modern broadcast and social alternatives
- Not just for outages, but for customer impacting topics – e.g. current service fuse issue

Communication during escalated outage events



Addressing vulnerability within our communities

We prioritise our efforts on initiatives and services that benefit all of our customers, however, we also tailor our services to meet the needs of individuals, and are pleased to be expanding this approach through our Vulnerability Strategy this reset period

Customers Experiencing Vulnerability

As an essential service provider, we see firsthand how deeply electricity connects to safety, wellbeing and opportunity. We also recognise that some of our customers will need additional support at different times to safely and confidently manage their energy.

Whilst our understanding of vulnerabilities impacting people is improving, we acknowledge that we are not experts in this space.

Our approach, particularly through our new programs within our Customer Vulnerability Strategy is to utilise the vulnerability expertise within our local community areas, while we deliver our expertise in distribution services to the benefit of customers experiencing vulnerability;

- **Energy Care** connects us with local organisations already completing work with vulnerable cohorts in our communities to assist improve energy literacy
- **Vulnerable Customer Assistance Program** allows us to provide support specifically in our wheelhouse – reducing hardship by lowering barriers to electrification and providing the direct funding support that is needed

We are excited by what can be achieved in this reset period through these programs that strengthen our overall approach to customers experiencing vulnerability

Working directly with the Energy & Water Ombudsman of Victoria (EWOV) as part of its Board also offers insights into hardships and vulnerability being experienced across the industry



AEMC review into network regulation (ENRR) – Part 1

Incentives & anticipatory investment

Summary

Item	Content
Background	- We are continuing to engage in the AEMC a two-year network regulation review that started mid 2026 - This is the first major review of network regulation since 2005 - We are now working through package #2. Further details on the review package #2 is included in the pre-read foler
What we engaged with you/CAP last time on	The CAP have also been engaged in our March meting with feedback including: - Some agreement with the overarching principles to the network regulation review. - A major concern of the AER framework was the engagement weight on decision making. - Concern was had on the time and effort that customers and stakeholders have taken to engage in the process that was not influencing outcomes. - The AER needs to show why they did not accept customer evidence and why the contrary decision was made. - It was imperative for the AER to have accountability with customers, so it influences an internal culture to respond. It is clear that the AER has accountability on affordability outcomes. - Consider emphasising quantitative research to respond to AER review of customer insight. - There needs to be clarity on what prudent means and how this influences decision making. Prudent and efficient are the lens which proposals are reviewed by with lack of clarity in how 'prudent' is reviewed. - Concerns about lack of transparency, accountability and consistency from AER. - Frustration with misaligned timelines and short-term focus. - There was acknowledgement that the AER does not have to accept everything proposed by the business. Relevant meeting minutes can be found here
What has happened since	- The subcommittee meeting was held on 24 August engaging on topics relating to the AEMC package #2, specifically: - Customer voice and process in regulatory reset process - DSO and incentives - The subcommittee has also been asked to develop an independent submission specifically on the customer voice and process in the regulatory reset based on experiences of the last reset and to provide recommendations. - In this CAP meeting (September 26), Jo Witters, Chair of the subcommittee will provide: an update on the subcommittee meeting outcomes, there will also be time later in the session for the CAP to provide feedback on the independent report. The independent report has been sent via an email from Jo Witters . Minutes of the subcommittee meeting can be found in the pre-read folder. - This agenda item is to obtain feedback on incentive schemes. In addition to the information provided, further background information can be found in chapter 3 of the AEMC consultation paper. This is saved in the pre-read folder
What we're now looking for feedback on	- Does the CAP agree with making incentive schemes more flexible? - Does the CAP support incentive schemes that target customer outcomes? - Does the CAP support targeted anticipatory investment to enable household electrification?
Stage of decision making cycle	Mid
IAP2 engagement level	Involve
Next steps	Leverage CAP feedback in package 2 submission

Summary of the review



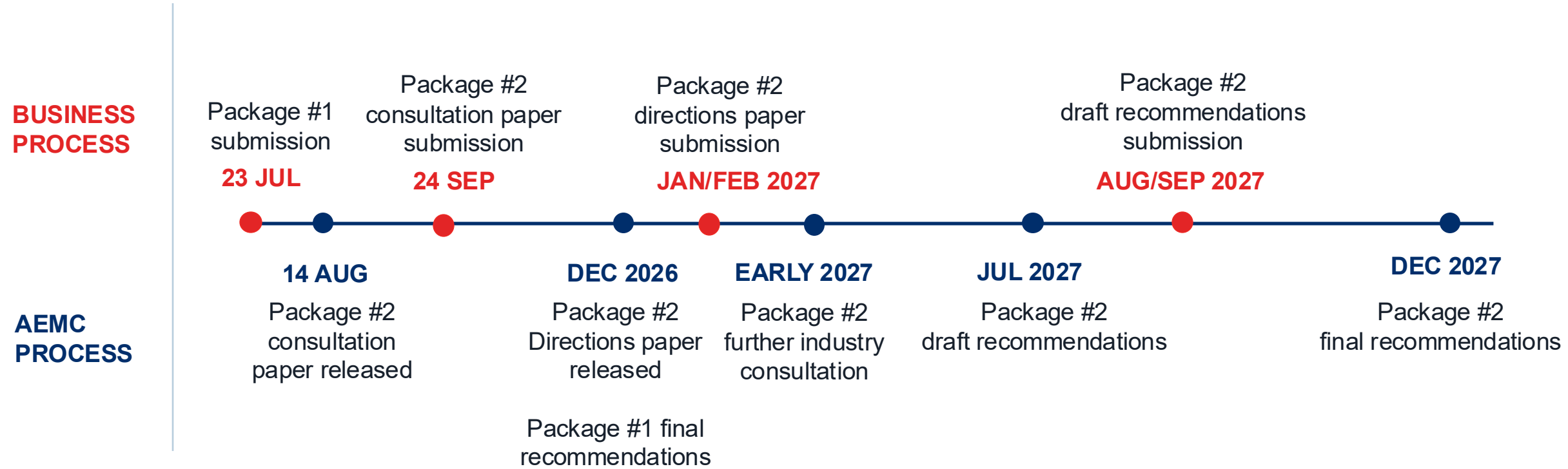
The AEMC review provides a platform to undertake a fundamental review of the regulatory framework

The AEMC review will provide recommendations on the regulatory framework and how it needs to adapt to meet future needs. This will include considering:

- | | |
|---|---|
| 1 Service classification
what services networks should and should not be able to provide | 5 Innovation
what improvements can be made to drive greater levels of innovation |
| 2 Incentive frameworks
whether current incentives drive efficient expenditure, innovation and customer outcomes | 6 Anticipatory investment
whether the framework supports investment ahead of future demand and transition needs |
| 3 DSO
balancing obligations and incentives to support DSO functions | 7 Rate of return & compensation
how networks are compensated for capital investment and bearing systematic risk |
| 4 Utilisation
whether improvements in utilisation can be incentivised to deliver customer value | 8 Customer preferences
further clarity on how customers views influence decisions |

Item 1 is being covered under Package 1 of the review while items 2-8 are being covered under Package 2 of the review

Timeline for the review



Package #2 CPPALUE positions for testing

The following slides are for CAP feedback that will be leveraged for our upcoming submission



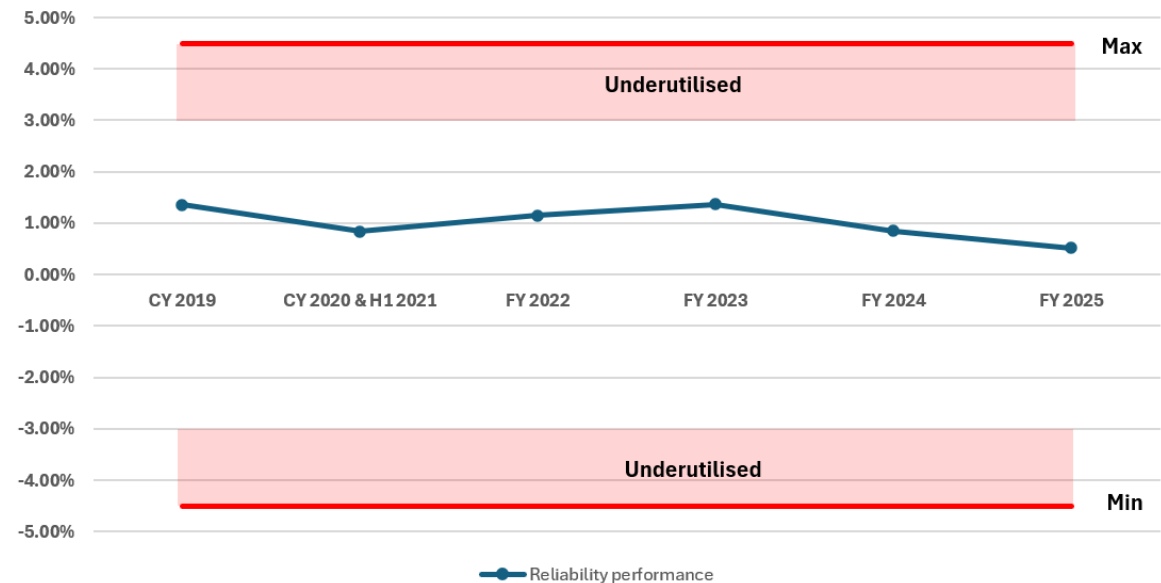
There is room to make incentives schemes more flexible, particularly where further improvement is limited

RATIONALE

Further reliability gains are approaching an efficient ceiling

- The Service Target Performance Incentive Scheme (STPIS) has delivered significant improvements in reliability of supply, but for networks such as CitiPower an efficient ceiling is approaching. On average customers experienced just 23 minutes off supply in FY25
- Fluctuations in outcomes and therefore the STPIS have become small, underutilising the available incentive scheme
- This underutilised portion of the scheme could be used more flexibly to incentivise alternative customer outcomes (see next slide)
- The scope and incentive rates attached to the scheme would remain unchanged i.e. ensuring each minute on or off supply earns the same reward and penalty as it currently does
- Limiting the STPIS to 3% of annual revenue would have had no impact on CitiPower's STPIS outcomes over the past 6 years (see chart right)

EVIDENCE | CitiPower STPIS boundaries and performance



HOW IT WORKS

01 Reduce unused limits

Reduce the scheme limits given the extremes are unlikely to be utilised

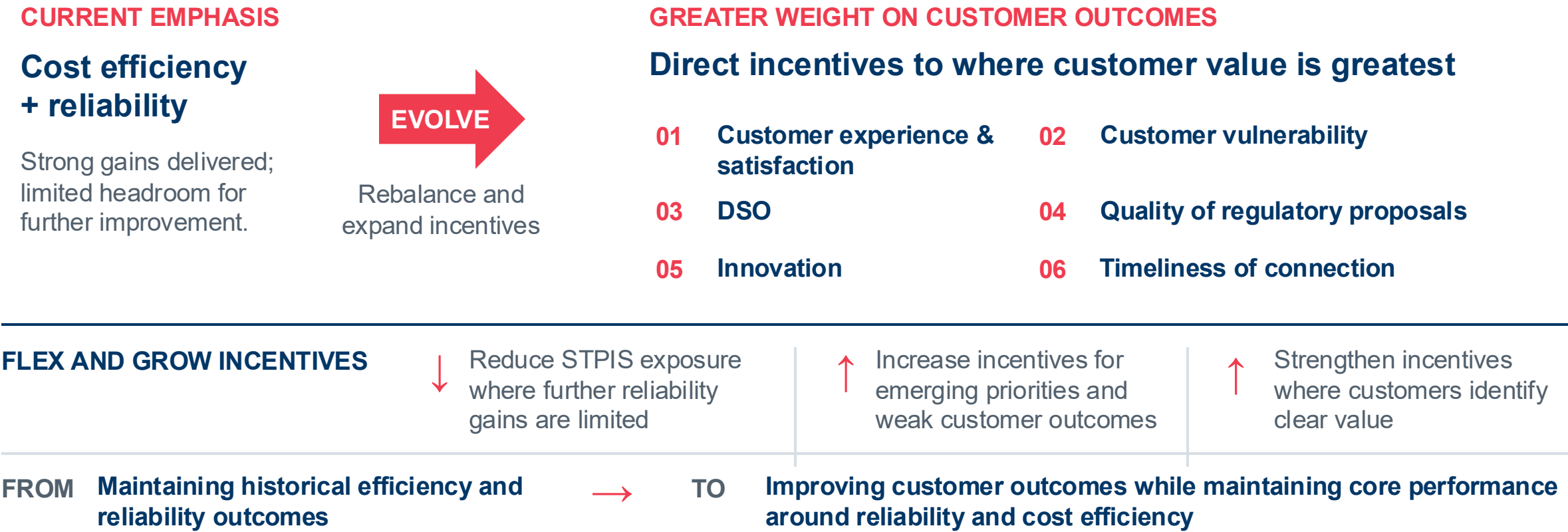
02 Redirect headroom

Use the released part of the incentive scheme to target alternative customer outcomes

Question for the CAP: Does the CAP agree with making incentive schemes more flexible?

Incentive frameworks should evolve from cost efficiency to customer outcomes

- Efficiency and reliability incentives have worked. As networks approach the efficient limit, future schemes should shift weight toward customer outcomes and be sufficiently flexible to address network specific priorities
- Continue to incentivise efficiency and reliability but direct effort and investment to where customers see value.



Question for the CAP: Does the CAP support incentive schemes that target customer outcomes?

Anticipatory investment can efficiently deliver improved customer outcomes

Anticipatory investment involves proactively investing ahead of demand where it will benefit the long-term interests of customers

CONTEXT

Household electrification depends on timely capacity

- Without proactive investment household's may be unable to receive the full benefits of electrification
- Delayed investments can lead to customer outages, poor performance and constraints on EVs, solar and batteries
- Timely access to reliable network capacity is critical to customer experience and confidence in the energy transition



CONSTRAINT

The current framework reacts too late

- Demand certainty requirements drive reactive, just-in-time decisions focused on the next regulatory period
- Household electrification makes the timing and location of constraints harder to predict, however this is a question of when not if the investment will be needed
- Waiting for demand certainty is not appropriate for the energy transition



RESPONSE

Programmatic proactive investment lowers lifecycle cost

- Systematic proactive upgrades lower whole-of-life cost versus ad hoc augmentation
- Address service issues before customers experience them
- Coordinate workforce and workload planning
- Touch the network once and avoid repeat works

PROPOSED CHANGES

01 Expenditure factor
Require the AER to consider anticipatory investment when it is more efficient than reactive, just-in-time delivery

02 AEMC intent and guidance
Signal that targeted anticipatory investment is a legitimate tool for enabling the energy transition

03 Additional reporting
Balancing upfront investment with increased transparency on delivering customer outcomes

Question for the CAP: Does the CAP support targeted anticipatory investment to enable household electrification?

Package #2 Further CPPALUE positions

The following slides are shared for information, and to give the CAP a fuller understanding of the positions being considered in our next submission.



We are seeking to balance efficient solutions and process integrity

TOPIC	CONTEXT	POSITION
Capex and opex neutrality	The framework should support efficient choices between network and non-network solutions. Opex treatment can constrain otherwise efficient alternatives.	Strengthen incentives for efficient non-network solutions, including a higher DMIS incentive rate (to maintain neutrality between network and non-network solutions) and recognition of whole-of-system benefits.
Determination process review	The determination process is resource-intensive, creating opportunities for efficiency. However, any reform should preserve robust scrutiny, transparency and procedural safeguards.	Retain a robust determination process while examining targeted efficiencies that do not reduce transparency or accountability. In particular, supporting early engagement from the AER on key issues prior to the determination process, so that networks can shape their customer engagement programs and businesses cases to meet the requirements of the AER.

And support innovation, customer outcomes and consistent risk treatment

TOPIC	CONTEXT	POSITION
Innovation	Current arrangements are not delivering the pace or breadth of innovation needed for the energy transition. More agile mechanisms could support solutions to system-wide challenges.	Expand innovation pathways through an enhanced DMIAM, a competitive central fund for NEM-wide challenges, and a more agile DMIS.
Customer preferences	Customer engagement should have meaningful weight when efficient expenditure and service outcomes are assessed. Earlier regulator participation can improve shared understanding.	Encourage earlier AER participation in customer engagement and make better use of economic valuations of outcomes customers support and are willing to fund. CAP sub-committee is drafting a response based on its experience with AER customer engagement
Rate of return	The review is considering whether transmission and distribution networks face sufficiently different risks to warrant separate rate-of-return mechanisms.	Maintain a shared mechanism for TNSPs and DNSPs, supported by a transparent review process for the rate-of-return instrument.

Package #1 CPPALUE positions

Package 1 has already been submitted

The following slides are shared for information, and to give the CAP a fuller understanding of the positions being put forward by the business.



Our submission to Package 1 supported reform at the boundary of the regulatory framework without defaulting to tighter ring-fencing

Package 1 of the review is focused on the issue of service classification and where the boundaries of the regulatory framework should sit. Our key messages to this package included:

1 Fix classification, not ring-fencing

Issues stem from not being able to dynamically consider who should provide emerging services rather than a lack of protections when distributors provide these services

2 Enable network participation

Allow distributors to deliver emerging services where customer and whole-system benefits are demonstrated.

3 Recognise the DSO role

Clarify DSO responsibilities and favour outcome-based incentives rather than rigid separation of the DSO role

4 Reform transmission interfaces

Improve joint planning, accountability and competition in transmission connection services. The current transmission framework does not adequately hold transmission businesses to account.

5 Back practical EVCI delivery

Support DNSP-led EV infrastructure where it can address deployment gaps, with competition at the customer interface.

Where distributors can deliver positive customer outcomes and equitable participation in the transition they should be able to participate in the market

AEMC review into network regulation (ENRR) - Part 2

Demand management & innovation

Slides to come



Service fuse operations



Summary

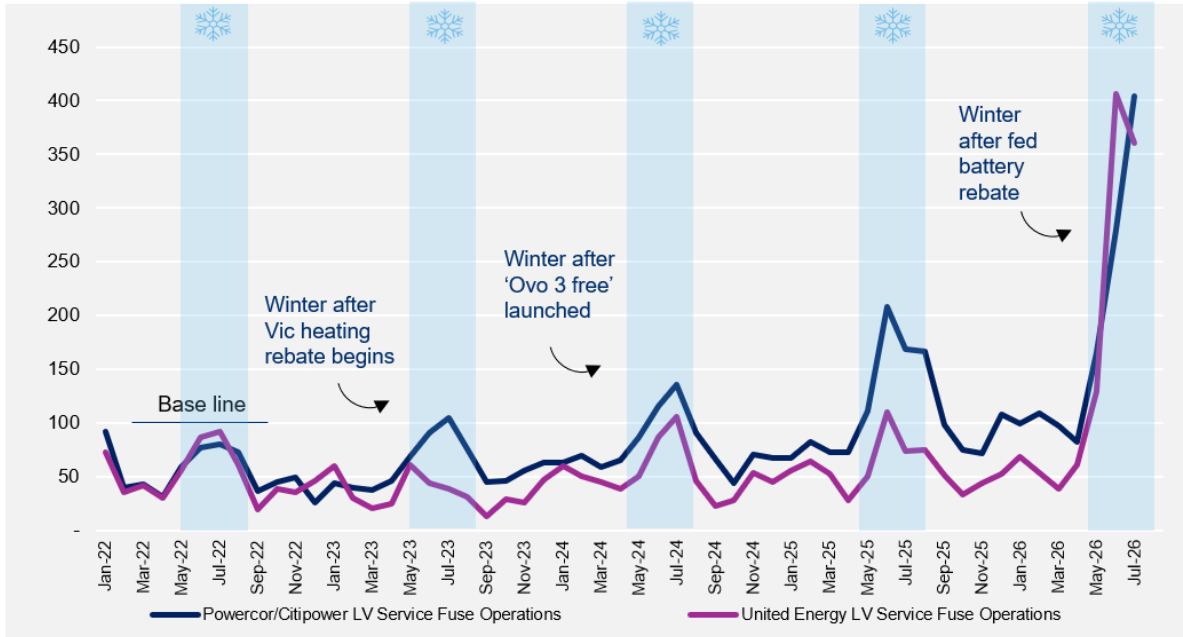
Item	Content
Background	• Service fuses are safety devices that connect a customer’s property to our network which are on the DNSP side of a customer connection (not the customer fuse box). We are seeing more service fuses operate as customers use more electricity at the same time, particularly during free electricity periods. When this happens, customers lose power and our crews need to attend before supply can be restored. The fuse operates (blows) when excessive current is drawn through it. • Increasing use of household electricity is influencing this issue. More customers are using electric heating, EV chargers, batteries, heat pumps and other high demand appliances. Free electricity periods are adding to the issue by encouraging customers to use several high demand appliances at the same time. Our data shows around five times more service fuse operations during the 11am to 2pm free energy window. • Service fuses play an important safety role. They protect customers, their electrical installations and the network when demand exceeds safe limits or unsafe conditions emerge. Typically a fuse shouldn't operate due to high levels of demand, this would typically trip the customer's circuit breaker and a customer could resolve this by turning off their appliances and flipping their mains switch. However, when a customer's circuit breaker has been upgraded, but the service fuse has not as the registered electrical contractor has not alerted the relevant network, this will lead to the service fuse operating. Replacing the existing fuse with a larger one to solve the problem is not always the answer. A qualified electrician needs to assess the wiring, switchboard and electrical installation before any change occurs. • Customers are typically unaware of their obligations and the impacts of using too much energy at the same time.
What we engaged with you last time on	• N/A
Your response	• N/A
What has happened since	• Rapid increase (5x) in fuse operations in this winter (2026) has happened because of the combination of household electrification (heating, batteries, EVs) and increasing popularity of free power periods increasing use of electricity in the middle of the day. • Significant operational resources from our team have been responding; this is redirecting our field crews from other issues and potentially increasing fault response times. • We have outlined a customer communication and escalation pathway and are seeking CAP feedback on the proposed process.
What we’re now looking for feedback on	• How can we best communicate awareness of customer obligations? • Feedback on our proposed escalation pathway, are there any changes or additional aspects that should be considered? • Are the proposed measures of a customer charge and/or short term outage to address repeat incidents fair and effective? • Are there any other mechanisms that may be fair and effective to address the issue?
Stage of decision making cycle	• Consultation
IAP2 engagement level	• Collaborate
Next steps	• Refine and implement customer communication and escalation pathway

Emerging Issue: Service Fuse Operations

Free retailer energy periods combined with increased uptake of batteries, EVs and heating load is driving rapid spikes in demand – exceeding service fuse limits

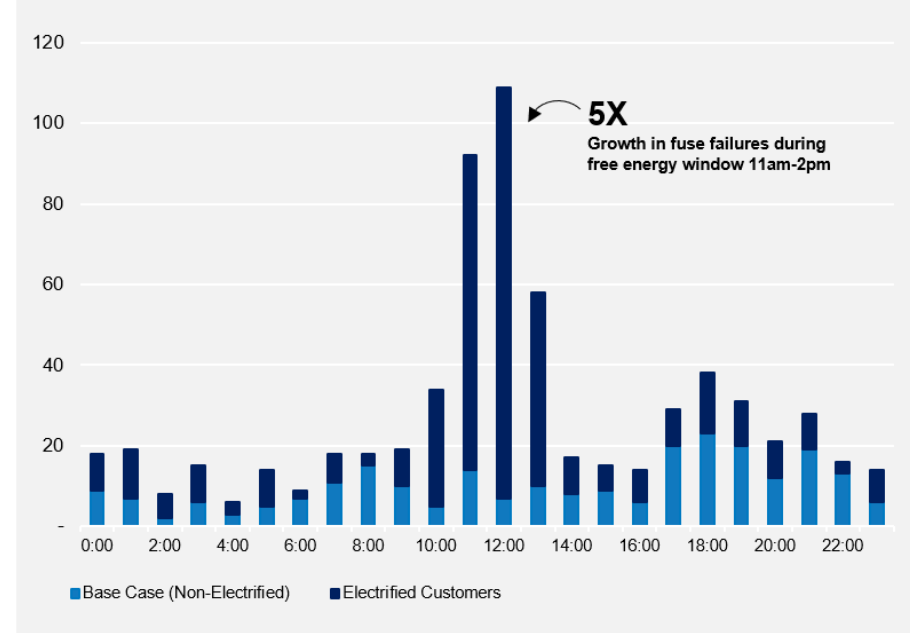


Customer LV service fuse failures (count) (Monthly January 2022- July 2026)



- Currently a distinctly winter driven issue:
 - Uptick in conversion of gas heating to electrical heating
 - Low PV output (where customers have it), combined with large increases in demand sees fuse limits exceeded
- Increased prevalence of EV chargers at home
- Increased prevalence of home batteries
- Given current economics of battery rebates and free energy periods – it is possible we might see this situation become a summer issue too, with households with a battery but no PV drawing significant demand charging batteries, EVs and utilising air conditioning on hot days during free energy periods

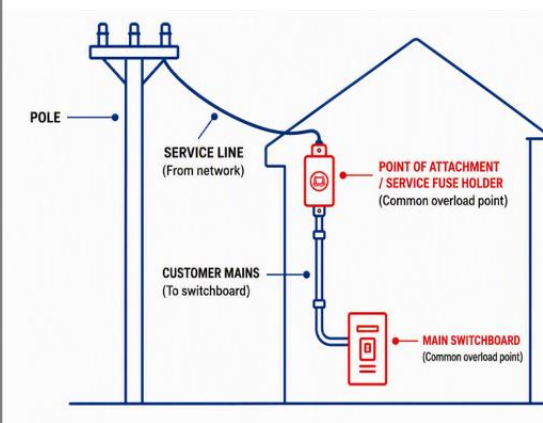
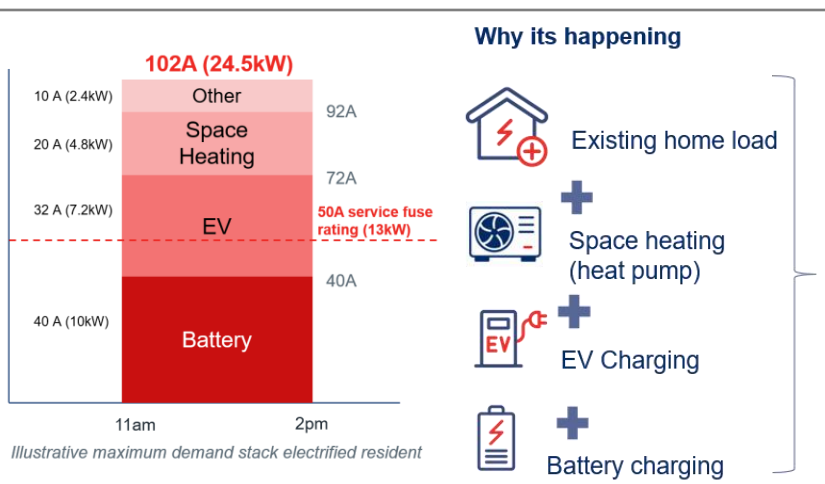
Service fuse failures by time of day for all networks (June 2026)



- Fuse blows for June 2026 peak during the 11am-2pm window – the free power period offered by several retailers in Victoria
- Households are causing spikes in demand via charging batteries, EVs, utilising space heating and general appliances - all at the same time
- **This concentrated timing issue (which is the key problem) will be exacerbated in 2027 as the Victorian Government mandated Victorian Midday Power Saver initiative will be active** whereby most retailers in Victoria will be required to offer three hours of free power as an opt-in program to their customers

Emerging Issue: Service Fuse Operations

Home electrical connections are emerging as a key safety risk in the electrification transition



- ⚠ Switchboard and or fuse capacity exceeded
- ⚠ Risk of fuse failure and installation damage increase

Each time a new device is connected RECs should check switchboard capacity and if capacity upgrade is required from network

Industry actions is needed
We need to ensure that when electricians upgrade a switchboard they also arrange for the service fuse to be upgraded by our crews.

Our service fuse acts as a short circuit protective device, and a point to disconnect the installation from the network if required



Recent comment from the field
"Customer mains burned out between point of attachment and meter panel. EV charger on site, suspected overload by charger"



Electrification must not outpace electrical safety. Switchboard capacity assessments should be completed before new technologies are connected.

We are communicating directly with our customers

Customer engagement process

1st fuse blow

- Crews provide customers with an information brochure, including details about fuse size and reasons why the fuse may have blown.

2nd fuse blow

- Send text messages and email, reinforcing steps the customer should take to minimise the risk of future fuse blows. Where we don't have mobile details, we are sending letters.
- This information will inform them that further fuse blows may lead to them being charged a fuse replacement fee.

Following 1st fuse blow

- Team will analyse why fuse has blown.
- If found to be related to increased electricity use, further information will be provided to the customer via direct text and email or letter.

3rd fuse blow

- Send text and email advising them to take immediate steps to address the multiple fuse blows. We will also inform them they will be charged to cover the cost of replacing this fuse and for any further fuse blows.

We are also providing customers information via:

- Our website, with a dedicated page
- Dedicated customer contact centre
- MyEnergy portal (digital platform for connection requests, including battery and solar connections).

A broader education campaign will be developed for external channels, including social media and sites where people seek advice when electrifying.

We will also be sharing information directly with solar and battery customers about how to manage electricity demand and what steps people can take to make sure their home electrical set up is ready.

We are also sharing information with:

- Electricians and battery installers
- Energy Safe Victoria (ESV)
- Energy Services Commission (ESC)
- Energy and Water Ombudsman of Victoria (EWOV)
- DEECA
- Retailers
- Consumer advocates

Our communications will evolve based on feedback and our response.

The broader energy industry has a responsibility to make sure customers have the information and advice they need as they electrify their homes and businesses.

Customer escalation – service charge and temporary disconnection options



Service charge calculation

- Approved charges exist for standard and complex alteration works, but fuse replacement is not explicitly included within the current alteration categories.
- Average time taken for replacing a fuse is 1.04 hours
- Propose to charge our standard alteration <60 minute rates

Temporary disconnection/short term outage

For repeat instances we are also investigating pre-emptively disconnecting customers for a short interval (~15 minutes).

This aims to avoid a further fuse operation occurring (which would result in a 4-6 hour customer outage and additional field crew visit).

Service description	Business hours (inc GST)
CP standard alteration <60 minutes	\$784.30
PC standard alteration <60 minutes	\$910.80
UE standard alteration <60 minutes	\$787.60

# fuse operations per NMI	# Customers	Proportion of total
1	3297	90.68%
2	271	7.45%
3	49	1.35%
4	10	0.28%
5	7	0.19%
6	2	0.06%

Repeat fuse operation analysis 1st June - 26 August 2026

Electricity Distribution Code of Practice



Summary

Item	Content
Background	- The Electricity Distribution Code of Practice (EDCoP) is enforced by the Essential Service Commission (ESC) and sets out a range of obligations in which Victorian distribution business must comply with to ensure that customers receive safe, reliable and efficient services - The ESC is undergoing a review of the EDCoP early next year - Ahead of the formal review of the EDCoP, we are looking to engage with the ESC to propose our initial positions and to shape the final decision - We have planned and commenced a program to prepare for our proactive review of the EDCoP and engagement with the ESC
What we engaged with you last time on	- In our June meeting, we engaged with the CAP on broad themes initially identified by the business to consider within the review. This include topics such as: - Written vs. electronic communication - Tenant's obligations - Misalignment between distributors, retailers and third parties - Disconnection of supply - Clarity across documents relating to customer obligations - Growing complexity in CER
Your response	Drafted CAP minutes are included in the appendix.
What has happened since	- CAP feedback was brought into the business across the respective workstreams to further consider reform positions - We have started to better articulate our positions and areas to put forward and have three areas in particular we wish to engage on further, prior to deciding the course of action. These four areas include: - Third party obligations - Customer non-compliance - Customer communications
What we're now looking for feedback on	- Third-party obligations: Do you think customers will benefit from third parties having an enforceable regulators via the ESC? - Customer non-compliance Are there any considerations we should think through prior to pursuing engagement and research on this topic? - Customer communications: Do you agree with our hypothesis to be tested with stakeholders and customers?
Stage of decision making cycle	In development
IAP2 engagement level	Involve
Next steps	Align business on engagement program and secure budget

Reminder on our program objectives

To influence the evolution of the EDCoP obligations that enables the business to operate effectively as a DNSP and developed fit-for-purpose services that meet the changing needs and expectations of customers.

1. Develop a clear, evidence based and customer-led EDCoP reform position to the ESC and stakeholders
2. Ensure obligations are unambiguous
3. Ensure obligations correspond to future customer needs and service expectations
4. Embed equity in proposed positions
5. Influence obligations to support practical, efficient business delivery

We are looking for feedback across three key areas

1. Third - party obligations

Context

The energy system is increasingly reliant on third parties such as OEMs (manufacturers of equipment like batteries and solar), aggregators, battery operators, VPP providers, home energy management providers and Registered Electrical Contractors.

These parties can directly influence customer outcomes, network performance and compliance obligations; however, the EDCoP largely places accountability on distributors and customers.

In addition to informed organisations, other third parties such as building managers and body corporates are restricting access and causing both operational delays and impacting service outcomes.

The business is increasingly being held accountable for customer outcomes and compliance obligations that are driven by parties outside our control. We are currently putting exemptions into the ESC, and operationally is causing inefficiencies, compliance risk and challenges in delivering customer outcomes.

Business current position

- ESC have enforceable authority over third parties to regulate

Question for the CAP:

- Does the CAP think that customers will benefit from third parties having an enforceable regulators via the ESC?
- Who is best placed to enforce the role that is likely to achieve the best outcomes for customers?
- What are the risks and opportunities of allocating this role to another body that may affect customers?

Example clauses

Issue	Suggested reform
17.2.1 Reconnection of supply	
• Body corporate and access barriers can delay reconnection • Even after a customer has resolved a non-compliance issue, reconnection can still be delayed where access to the property is restricted (e.g. locked buildings or body corporates not providing access details).	• Consider recognising these practical barriers so reconnection timeframes remain achievable in multi-occupancy buildings.
7.3.2 & 7.3.4 Customers must provide convenient and unhindered access	
• Sometimes access is controlled by other parties including: building managers, owners or body corporates. • This creates operational and legal risk where access delays affect restoration and business compliance	Revise clause to include that all parties are required to give access to assets including: building managers, owners and body corporates within the code
(new) Power quality obligations	
	Create explicit exemptions where DNSP non-compliance is caused by third-party actions, devices or services in instances third parties do not deliver services relating to DSO, batteries etc.
3.6 Small embedded generation – reporting breaches	
The current clause does not clearly recognise the growing role of OEMs, aggregators and VPP providers.	Consider clarifying responsibilities where energy resources are managed by third parties to ensure accountability is appropriately allocated and customers are not incorrectly directed to distributors for issues outside their control.

Third party obligation case study

Restricted access to substation within apartment complex

Background

A kiosk substation supplying multiple customers is located within a secured apartment complex, with access controlled by the building manager and body corporate.

Access constraint

- Fault crews attending an outage were unable to gain immediate access to the substation after hours
- Multiple attempts were required to contact the responsible party and obtain site access

Operational impact

- Fault investigation and switching activities were delayed while access was arranged
- Network control was unable to isolate and restore supply using the preferred operating configuration
- Additional resources and coordination were required to manage the incident

Customer impact

- Restoration of supply to affected customers was delayed
- Customers experienced extended outage durations despite crews being available and ready to restore supply
- Critical network operations were dependent on the availability and responsiveness of third parties controlling access

Regulatory gap

- Distribution businesses often rely on building managers, body corporates and site operators to provide access to critical network infrastructure
- Current customer obligations can be difficult to enforce where access is controlled by a third party
- Lack of immediate access can directly impact service delivery, reliability and restoration outcomes for customers

Desired outcome in the EDCoP: Customers, owners corporations, body corporates, building managers and any party controlling access to network assets must provide distributors with convenient and unhindered access at all times necessary to safely operate, maintain, inspect and restore the electricity network

We are looking for feedback across three key areas

2. Recurring customer non-compliance

Context

We are experiencing cases of the same customers continuing to be non-compliant. There has traditionally only been one mechanism in place for addressing re-occurring customer non-compliances, which is disconnecting the whole site. The business does not have an appetite for this method and this practice is not addressing customer behaviour change.

Current pathways being deployed includes:

- Multiple warning letters for items such as harmonic non-compliance
- Distributors having to fix the issue to avoid being in breach however, these works are not being cost recovered
- Wasted truck visits relating to 'connections' can be charged for, however the business has not pursued this. The ability to charge for other wasted truck visits area, could be more clearly articulated in the Code.

Current business position:

- Progressive consequences for recurring non complying customers, supported by information and education from the business

Question for the CAP: The CAP generally supported other consequences for continuing non compliance prior to resulting to complete disconnection in our last meeting. We are clearer now that this issue is about 'recurring non-compliance' customers only. We will next be seeking to engage with industry and consumers on this position.

Are there any considerations we should think through prior to undertaking research and engagement program with stakeholders and customers?

Example clauses

Clause	Issue	Reform
15.4 Non-compliance by customers	• For re-occurring customers non-compliances where we have undertaken all necessary actions to address the situation, distributors should be exempted from any breaches that is caused by customers	• Strengthen links between customer obligations and consequences for reoccurring non-compliances
16.2.1 Disconnection for non-compliance	Alternative options for Distributed Energy Resources (DER) e.g. solar, home battery, EVs; not just disconnection • Current provisions are defaulted to disconnecting the whole premises One-off vs reoccurring non-compliance • The current Code does not distinguish between a one-off and repeated non-compliance	• Consider whether alternative compliance options should be available for DER customers e.g. solar or battery disconnection/export restriction) where the non-compliance relates only to embedded generation requirements. • Consider a staged approach rather than moving directly to full supply disconnection.
21.6 Small embedded generation, CER	• Business is reluctant to disconnect customers; however disconnecting Consumer Energy Resources (CER) is likely to have a lower impact to customers while avoiding/responding to adverse network impacts.	• Potential for new network powers to disconnect CER explicitly
7.2.2 Customer "best endeavours" not to adversely affect others supply, not to use/receive another customers supply	• A greater weight needs to be given to clause • A key example is energy theft, which can result in significant electricity losses, is illegal and creates additional costs that may be recovered from all customers.	Replace "best endeavours" with "must" for critical customer obligations, as they relate to serious matters where customer non-compliance can create reliability, operational and cost impacts.

We are looking for feedback across three key areas

3. Customer communications

Context

There’s a hypothesis that majority of customers expect communications through digital channels such as SMS, email and online services.

Digital communications have the potential to improve customer experience, deliver more timely information and reduce administrative costs.

However, not all customers are digitally connected. We hypothesise that elderly customers, some vulnerable customers and those with lower digital literacy may continue to rely on traditional written communications and could be disadvantaged by a transition to digital-first approaches.

The business therefore faces a decision between proposing reform to change communications and ensuring accessibility for customers who continue to rely on traditional channels.

Business position

Hypothesis that:

- Personalisation of communications is wanted, with the majority wanting the default to be digital
- Customers with low digital literacy, elderly, vulnerable and / or culturally and linguistic diverse customers may prioritise written communication

Question for the CAP: We engaged with the CAP on this issue in the June meeting, and want to pursue to ensure communications are getting to the right customer/person at the right time, in a format that they want.

Are there any considerations we should think through prior to undertaking our research and engagement program with stakeholders and customers on this item?
See next slide for overview of approach

Example clauses

Clause	Issue	Suggsted reform
11.5.1 – customer notifications	• Notifications to customers are hard-copy as default	• To be informed by customer insights
13.3.2 – annual notification	• Required to notify customers in writing of our role and contact details each year • Wanting clarification that ‘in writing’ includes electronic communication • 3% of customers don’t have electronic comms preferences	• Include electronic comms as ‘in writing’ • Where we have no customer information or undeliverable addresses, information can be on our website and our contact details are on retail bills. • Could still offer hard copy but want to be able to exclude ‘undeliverable’ customers
3.6 Ongoing DER connection	• Customers may not understand their ongoing DER/CER responsibilities, particularly when moving into a property with existing equipment. May also be unaware of the DDC. • Reform to share information with customers	Clarify customers' ongoing DER obligations and communicated at move-in
11.5.2 (a) – planned interruption notifications	• Some customers during planned interruptions are only off supply for a short amount of time but still receive the full outage timeframe in their notifications	• Allow a planned outage "window of opportunity" notification, so customers don’t think they are off supply for the whole time if the business is confident they will be off supply for less

Our engagement program to test reform positions and hypothesis will be delivered via a tailored program

Please note that program is in draft format whilst we seek internal alignment and could include the following.

Engagement and research objectives

- Test the hypothesis and implications of proposed EDCoP reforms from customer and stakeholder perspective
- Identify any risks, or opportunities associated with proposed reform positions to refine business position
- Understand the impacts of proposed reforms across different customer groups
- Provide evidence to support the development of a customer-informed EDCoP submission to the ESC

Positions to engage/research

- All three items (third-party obligation, customer recurring non compliance and customer communication preferences) will be tested in roundtable settings
- Quant program will test customer communication preferences only

Stakeholder roundtables

Approach

- Three x 2 hour roundtables in total:
- Two in-person sessions:
 - Powercor
 - CitiPower / United Energy (central location)
- One online session

Participation

- Approximately 30 stakeholders in total

Stakeholder representation

Participants may include:

- Consumer advocacy organisations, including representatives for customers experiencing vulnerability and older customers
- Local government and community representatives
- Sustainability organisations
- Academic experts and researchers

Customer engagement and research

Qualitative engagement

- In-depth interviews with customers who we hypothesis not to prefer digital communication channels
- 4 - 6 roundtables, delivered through a combination of online and face-to-face formats to maximise accessibility and participation

Participation size:

- ~50 participants in total

Quantitative validation

10 minutes survey to validate qualitative findings and provide a quantitative understanding of communication channel preferences by content type
~ n=900 customers

Note: Customers with low digital literacy will be not be represented in a survey-based approach and therefore we will focus their engagement via qualitative approach.

Customer segments

- Residential customers
- Small-to-medium business customers
- Customers experiencing vulnerability, including culturally and linguistically diverse communities, low digital literacy and older customers (this is the focus of the in-depth interview part of the program)

Customer Export Curtailment Value

Summary

Item	Content
Background	• In August, the AER consulted on the CECV's methodology for the first time since its initial publication in 2022 • CECVs value the avoided marginal cost of generation resulting from additional CER export. DNSPs can 'stack' additional value on top of the CECV, such as the avoided cost of network augmentation, avoided generation and transmission investment, emissions reduction and avoiding the customer impact of export curtailment • The AER sought to understand whether CECVs remain fit for purpose to value export, and whether they can be extended to value flexible demand. • Our response was that CECVs are largely fit for purpose to value the marginal generation cost of flex demand but require two key reforms. 1: an AER-led process to establish the customer impact of flex demand (the detriment associated with load curtailment), or clear methodological criteria and expectations to support DNSPs to produce their own values if the AER does not want to pursue a national value 2: a centralised process to market model avoided generation and transmission investment that seeks to leverage the whole-of-system model undertaken by AEMO to support the Integrated Systems Plan.
What we engaged with you last time on	We haven't engaged to date
What we're now looking for feedback on	We are seeking CAP views on: • Do you agree with our position that the AER should develop a customer impact value of flexible demand? • What considerations should we be thinking through to ensure we understand customers' value for flexible demand?
Stage of decision making cycle	Consultation stage
IAP2 engagement level	Involve
Next steps	• CAP feedback will feed into our engagement with the AER during additional consultation. We expect this to be a longer-term process that extends to consultation on the Distributed Energy Resources Integration Expenditure Guidance – the framework that guides DNSPs to calculate the value streams supporting export (and in the future, flexible demand) business cases.

The AER is considering expanding the CECV to value flexible demand

- **Today, CECVs provide a common system-cost value for additional CER export**, primarily reflecting avoided short-run generation costs, FCAS effects and network losses. The DER Integration Expenditure Guidance allows DNSPs to supplement this with additional value streams where relevant.
- **The AER's review recognises that this does not capture the full system consequence of additional export or emerging services such as flexible demand.**
- **We support broadening the CECV's methodology**, including an AER-led process to calculate the value of avoided utility-scale generation and transmission investment values to ensure they are more widely applied.
- **Flexible demand introduces an additional challenge because it changes when customers consume electricity.** Demand reduced in one interval may return in another, so its system value depends on the complete load-shift profile.
- **More importantly for customers, providing flexibility can mean giving up convenience or control.** EV charging, hot-water heating or heating and cooling may be delayed or externally controlled even where the customer ultimately consumes the same amount of energy.
- **There is currently no standard value for that customer impact.** We propose expanding the Consumer value framework and developing an AER-administered methodology informed by customer research.

Key question 1: Do you agree with our position that the AER should develop a customer impact value of flexible demand?

The CECV may expand from valuing a loss of export value to valuing the detriment of deferred appliance use

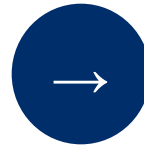
Export enablement mostly affects the value of CER access. Flexible demand asks customers to change when and how they use electricity.

Today

Export enablement

Customer impact is mostly indirect

- Foregone export revenue – observed through energy bill
- Lower realised value from CER investment
- No change to household appliance use



DSO future

Flexible demand

Customer impact is a direct participation detriment

- Appliance use – EV charging, hot water heating, space heating and cooling – is shifted
- Requires external control of appliances
- Impact will vary by notice given, frequency of load curtailment, duration and time of day

The market doesn't set customer impact value of flex demand. The customer's cost has no system value or market price to fall out of. It must come from customer engagement.

Curtailed export has a value already: whatever the energy was worth.

Where a customer impact value would sit flexible demand business case

Seven steps to produce a flexible demand business case

1 Establish the base case

2 Establish customer impact value
Value for the detriment associated with representative flexible-demand services.

3 Quantify size of the dependable response

4 Develop the load-shift profile

5 Quantify value streams

6 Quantify option costs

7 Compare options and sensitivities

Evidence required to feed in to step 2

Engage customers

Understand how customers experience flexible service conditions

Decide material variables

Frequency, duration, notice, appliance, opt-out. Determine what matters / is capturable

Develop representative scenarios

Variables bundled into a set of representative service conditions.

WTA market research

Scenarios valued via a willingness-to-accept survey.

Where the customer value is used

Step 5: quantify value streams

Customer impact cost is netted against avoided energy at risk, avoided generation, avoided augmentation, and emissions reduction

Step 6: Option costs

DNSPs must determine the value of the incentive required to support a dependable response. Is it the willingness to accept (WTA) value, or WTA + a premium?

What should shape a customer impact value for flexible demand?

Representative scenarios should vary only the conditions that materially change convenience, control and service.

1 What is affected

Appliance or service

Does impact differ across EV charging, hot water, heating and cooling?

Extent of restriction

How far is the appliance curtailed? Does the EV charger charge at a lower rate, or not at all?

Timing

When is flexibility least tolerable: time of day, season, weekday or weekend?

2 How the event forms

Duration

How long before inconvenience or loss of service becomes material?

Frequency

How often can events recur before repetition changes acceptability?

Notice

Is a no-notice event materially different from a forewarned one?

3 What agency a customer has

Choice & override

Can the customer opt in, override an event, or exit without penalty?

Service guarantee

Is service restored by a deadline?

Customer circumstances

Which households find the same event far more disruptive than others?

Question for the CAP

What other considerations should we be thinking through to ensure we understand the customer impact value of flexible demand?

Distribution ring fencing

Slides to come



Appendix



Update on:

Ongoing customer listening



Overview of customer listening program

Background on program need

1. Leverage strong existing evidence base across strategic pillars

Over the last regulatory reset period, we have built a significant evidence base through business-as-usual and regulatory reset engagement programs, providing deep customer and stakeholder insights across affordability, equity, reliability, resilience, and the energy transition

2. We want to maintain an ongoing view of customer sentiment

This program is designed to ensure we build on our understanding of customer needs and preferences, and track insights over time, ensuring the business has a current understanding of changing expectations

3. We want to support customer-based decision making

The program will provide a structured forum for some decision making across policy, regulatory reset, pricing, strategic projects, and planning teams

Program objective

Maintain a current view of future customer needs, preferences and sentiment across strategic pillars

Approach

1. Program design (Aug/Sep)

2. Questionnaire programming and fieldwork (Sep/Oct)

- Start continuous data collection

3. Reporting and presentation

4. Questionnaire review to ensure design remains fit for purpose (every 6 months)

Note: Reports will be shared with the CAP to maintain a current view on customer insights being captured

Scope

Survey Length

- 10min online survey
- 5min flexible module used as needed, 1 x per year

Sample size

- n=100 customer completes per month, per network
- n=1200 annually, per network

Addressable market

Representation of customer population

Representation across:

- Age
- Gender
- Postcode
- Regional / Rural
- CALD
- Vulnerable
- Low income and digital literacy
- Residential (rental vs home owners)
- Small to medium business

Long term program

- Anticipated to be delivered over the next 5+ years
- We can also leverage this program to build additional 5 min modules or qualitative engagements

PESTLE analysis



Customers are living in a complex environment

A macro-environment review has been undertaken to strengthen our understanding of the broader context which customers operate and provides greater insight into the factors shaping their needs and expectations.

Political

What is happening

The energy transition is increasingly being shaped by government policy, including emissions reduction targets, electrification initiatives, renewable energy investments and incentives.

There is uncertainty around future policy settings and government priorities, particularly with a state election in 2026. Political parties have different approaches to energy policy, renewable investment, transmission development and the role of gas within the energy mix. Changes in government can alter policy priorities, funding arrangements and the pace of the energy transition.

What this could mean for customers

- Increase in gas supply will change business and residential decision making relating to machinery/appliance investments and could change competitiveness and affordability for customers significantly
- Incentives and rebates can alter the decisions to uptake electric appliances, solar, batteries and electric vehicles

Economic

What is happening

Increasing financial pressure is resulting from rising living costs, housing affordability challenges and broader economic uncertainty.

Participation in the energy transition is increasing which requires significant upfront investment in technologies such as solar, batteries, electric vehicles and electrified appliances. While these technologies can reduce long-term energy costs, the ability to access these benefits varies. There is additional costs resulting from transmission and distribution investments to support the transition.

As electricity becomes a larger component of household and business expenditure through the electrification of transport, heating and industry, there is increasing focus on ensuring the costs and economic benefits of the transition are shared fairly.

What this could mean for customers

- Increasing focus on maximising value from energy investments
- Financial barriers will prevent some customers from accessing transition benefits

Social

What is happening

Community trust and social licence are becoming critical to the success of energy infrastructure and transition initiatives. There have been significant issues with the social licence in regional and rural areas relating to new transmission assets.

Demographic and lifestyle changes, including an ageing population and increasing levels of remote and hybrid work, are driving greater reliance on electricity to support health, wellbeing, productivity and everyday living.

There is also recognition and greater importance on fairness, transparency and inclusion, with growing expectations that the benefits of the energy transition are accessible to all members of the community.

What this could mean for customers

- Increased reliability and reliance on electricity for health, wellbeing, productivity, daily life and business productivity
- Stronger demand for fairness and supporting customers in vulnerable circumstances

Technological

What is happening

Businesses are increasingly adopting AI and data-driven decision making, while growing reliance on cloud computing, digital services and online platforms is driving significant growth in data centres and digital infrastructure. This requires a significant amount of energy to operate.

Customers are becoming increasingly connected through smart devices, real-time information and digital experiences, creating higher expectations for convenience, accessibility and personalisation. As critical infrastructure becomes more digital, there is also increased focus on cybersecurity, privacy and data protection.

Specifically in the energy sector, there is a significant change from the networks operating in a one-way directional flow, to bidirectional flow of energy.

What this could mean for customers

- Increased reliance on data, connectivity and online platforms for work and everyday life
- Growing exposure to cybersecurity, privacy and data security risks
- Increased demand for resilient infrastructure to support digital lifestyles, critical services

Legal

What is happening

The legal and regulatory environment is evolving to support a more decentralised, digital and low-carbon energy system. New rules and standards are being introduced to manage the growing integration of customer energy resources, maintain system reliability and ensure customers can participate safely and fairly in the energy transition. However, there lacks a coherent whole-of-system foresight and planning approach across the energy supply chain.

Regulators are placing greater emphasis on consumer protections, data privacy, cybersecurity and equitable access to energy services. Evolving climate, sustainability and energy market obligations are also increasing the focus on transparency, accountability and long-term system outcomes.

What this could mean for customers

- Greater protections for customers relating to data access and privacy
- Clearer standards governing the installation and operation of customer energy technologies
- Increased confidence in the safety, reliability and fairness of energy services
- Increased complexity as new rules are introduced

Environmental

What is happening

Climate change is increasing the frequency and severity of extreme weather events, including heatwaves, bushfires, storms and flooding, which can impact both customers and network infrastructure.

Governments, businesses and communities are pursuing emissions reduction targets and greater renewable energy integration to support the transition to a lower-carbon economy. Commitments made to reduce 43% of emissions by 2030, 62-70% by 2035 and zero carbon by 2050.

What this could mean for customers

- Customers are increasingly exposed to the impacts of extreme weather and associated power disruptions with resilience becoming a higher priority
- Customers are being encouraged to adopt lower-emission technologies and reduce their carbon footprint
- Interest in batteries, backup power will support customer homes and businesses
- Customers expect energy providers and businesses to contribute to emission targets

DSO engagement expectations



DSO engagement expectations – DCCEEW rule change

Please note that this may change depending on advancements in DCCEEW rule change we anticipate will be submitted in November 2026 to the AEMC

Overarching notes

- We need social license and consumer trust to be a DSO
- We need to allow the value of CER and DER to be captured from all customers - regardless of whether they own CER or not
- Consumer impacts and protections are considered

DSOs must engage customers and stakeholders

We must engage with:

Industry

- Customer agents RECs, installers, aggregators
- AEMO
- TNSPs
- Jurisdictions
- Other stakeholders

Customers

- We need to have customers who have CER and do not have CER as key segments
- Other stakeholders i.e. informed customer groups

We must engage on the DSO Plan

The plan has 7 areas and includes:

1. Operating context
2. Scope of DSO activities
3. Transition pathway and timeframes
4. Tools, systems and capabilities
5. Coordination and interfaces
6. Risk management and reliability
7. Cost benefit considerations

Expectations:

- Demonstrate how feedback was considered into shaping the Plan
- Ensure DSO tools and capabilities align with customer needs and experiences of CER providers as markets evolve
- Engagement is expected to align with the reg reset proposal, however it also needs to also consider the pace of change to CER and DER so more frequent engagement might be needed
- Its also expected that DNSPs collaborate with other DNSPs and share learnings to promote consistent customer and market participant experiences

EDCoP drafted minutes from June meeting

Minutes from June meeting

Topic: EDCoP review

Electricity Distribution Code of Practice (EDCoP) review

The business presented the review of the EDCoP and initial themes that have been raised by the business for feedback.

Member feedback included:

Main sentiment for the EDCoP review:

- Ensuring the right person or entity is notified and able to act on an obligation
- Ensuring customers are informed through whatever method works for them
- The person listed on a bill may not always be the right contact for ongoing communications
- Concerns that customers may be penalised for non-compliance where they are not the party responsible for remedying the issue
- Customer obligations are becoming more complex, particularly in relation to CER, dynamic operating envelopes, export and load management, and third-party responsibilities

Topic-specific feedback

Written versus electronic communication

- Consideration needs to be given to who the best person is to receive and respond to communications
 - If someone's name is on the bill does not mean they are the best contact for ongoing communications
 - For commercial and industrial customers, one individual on the bill may receive communication for multiple sites, and the communication may not be relevant to their role
- How customers want to be communicated with should be thought through both inbound and outbound
- An idea was raised to include communication preferences and the ability to nominate contact details
 - This could be actioned, for example, in the annual notification email
 - For life support customers, consider if a carer can also be nominated
 - Accessibility needs should also be worked into capability
- Although there was significant discussion on the method of communication, the main intention is ensuring that people are informed through the method that works for them
- In cases such as a bushfire where electricity is out, a text may not be the right method
- Some raised it may be better to over-communicate, without risking confusion
- Written communication is reliant on another party, such as Australia Post where some letters have been seen to not reach customers i.e. in the case of a vacant lot. This was not seen as a good use of customer money

Minutes from June meeting cont.

Topic: EDCoP review

Tenant obligations and responsible parties

- Challenge seen that the customer may be penalised, while the landowner is not receiving notification that the site is non-compliant
 - Many tenants do not know who the owner of the home is
 - An idea was raised whether this could be addressed at the point of connection
- Clarity raised that the issue is not necessarily about talking to the landlord about the tenant, rather about notifying the registered owner where they are responsible. Concern was had that tenants do not want to interact with landlords
- Reference was made to the water industry where both the owner and tenant may be billed for different matters
 - For example, change the framing to refer to the “title holder” or “registered owner”
 - Although discussion was had that this model does not necessarily mean it is fit-for-purpose
- Family violence considerations need to be seriously considered in approach
- An idea was raised to whether retailers could support in sharing information when connecting

Commercial and industrial (C&I) customer considerations

- Members noted there is added complexity in for C&I customers which needs to be thought through
- Consultants may support larger organisations with bespoke systems, meaning the context is not the same as residential customers

Disconnection, de-energisation and restriction of supply

- Consideration given to controlled load and who is responsible for compliance with dynamic operations i.e. whether specific connection points, controlled load, inverters or export load could be restricted rather than disconnecting the whole customer
 - An example was given to the emergency backstop arrangements which is a restricted service and if a similar arrangement be applied
 - Using ‘pause’ or other term could be referenced
 - Framing as ‘prospect of future supply’, rather than customers being permanently disconnected
 - An example in the water industry was noted, where supply can be restricted while some essential water was continued to being supplied
- De-energisation has a financial cost and specific for C&I customers, they would seek to avoid this

Minutes from June meeting cont.

Topic: EDCoP review

Clarity of obligations in the EDCoP and NER

- Who the customer is across documentation was not clear and not the right entity for all obligations
- Reviewing the terms and considering if 'connected entity' would be more appropriate
- Customers may not understand that they have obligations, with or without the Code
- Review needed to consider consumer protection laws and the need for clarity in terms and conditions
- Clear language would be needed for customers to understand what they are responsible for, with a fact sheet being suggested
- Information could be provided in a practical way, such as being kept in the meter box
- Members noted that, in some contexts, the distributor's customer is the retailer
- Consideration was needed where some notifications may need to go to tenants, while items such as solar-related matters may need to go to the owner
- Greater clarification needed between transmission and distribution

Growing complexity around CER and future issues

- Some future issues for the business to consider included:
 - provisions for below-standard connections
 - farming connections
 - harmonics
 - undervoltage
 - increased consumer energy resources (considering the amount of CER that is being connected behind the metre)
 - CER regulator
- It was questioned who regulates installers and suggested engaging with DEECA on this topic would be needed

Energy Care Grant

Community Foundation partnership opportunity for Energy Care



Summary

Item	Energy care
Background	Energy Care is a key initiative under the Vulnerability Strategy, focused on improving energy literacy.
What we engaged with you last time on	We sought CAP feedback on partnership models to support Energy Care delivery, including the details we were considering included in the Expression of Interest (EOI) process to identify suitable partners.
CAP response	• Target funding toward measurable customer and community outcomes • Items to include in the EOI • Consider promotion of collaborative community partnerships to apply together
• What has happened since • What we did with this information	We undertook further investigation into Community Foundations Australia triggered by a connection Linda (C4GS) connected the business with. This supported us in answering some key questions we are still working through, relating to curating the expression of interest
What we're now looking for feedback on	• N/A update
Stage of decision making cycle	Early stage of conversations and due diligence of Community Foundations Australia
Next steps	Refine the EOI approach based on CAP feedback

Community Foundation partnership opportunity for Energy Care

What Community Foundations do

Community Foundations Australia connects and supports community-led philanthropic organisations so that the field can operate more effectively and efficiently, and create lasting social change in communities.

Their mission is to catalyse collaboration, participation and innovation within the community philanthropy movement to create a fairer, more sustainable Australia.

They work with the whole field—community groups, community foundations and other forms of community-led philanthropy, partners and government—to advocate for community governance models, and to empower local communities to determine their own futures.

Locations they operate in aligned to our networks

CitiPower:

- Queen Street (formerly the Lord Mayor's Charitable Foundation)
- Northcote

United Energy:

- Mornington Peninsula Foundation

Powercor:

- Ballarat
- Geelong
- Shepparton

Through CAP member Linda, we were introduced to Amanda from the Greater Shepparton Community Foundation, who also serves as a Director on the board of Community Foundations Australia.

Community Foundations offer a unique model that combines:

- Broad regional reach through connections across community foundations across Australia
- Localised implementation capability through established relationships with community organisations
- Experience working with other organisations supporting customers in vulnerable circumstances. Greater Shepparton Community Foundation shared some of their local connections that included:
 - Family support services
 - Financial counselling services
 - Community and welfare organisations
 - Salvation Army
 - Primary Care Connect

When considering Community Foundations Australia as a potential partner of the Energy Care grant; we can see many benefits

A Community Foundation partnership could provide:

- Reduced administration and establishment costs by leveraging existing community networks and delivery capability
- Access to a range of organisations delivering the program (compared through one community organisation delivering the program)
- Avoidance of external grant administration costs (e.g. SmartyGrants indicative costs of approximately \$150,000 over five years)
- Consistent evaluation and reporting format, despite delivery happening across networks
- Consistent program oversight while enabling localised delivery approaches
- A scalable model that could support future program expansion, if successful

Next steps

We are going to undertake due diligence, and if this aligns and the CAP is supportive, an example proposed approach has been mapped:

1. Co-design an expression of interest process with Community Foundations Board
2. Invite Community Foundation regions to submit proposals to deliver energy literacy programs aligned to the network
3. Select foundations across priority areas within our network footprint, where teams have the capability and capacity to deliver
4. Deliver a common program framework with flexibility for local community needs
5. Implement consistent reporting, evaluation and governance arrangements, supported by Community Foundation Board oversight

We will keep the CAP updated on our progress

End.

