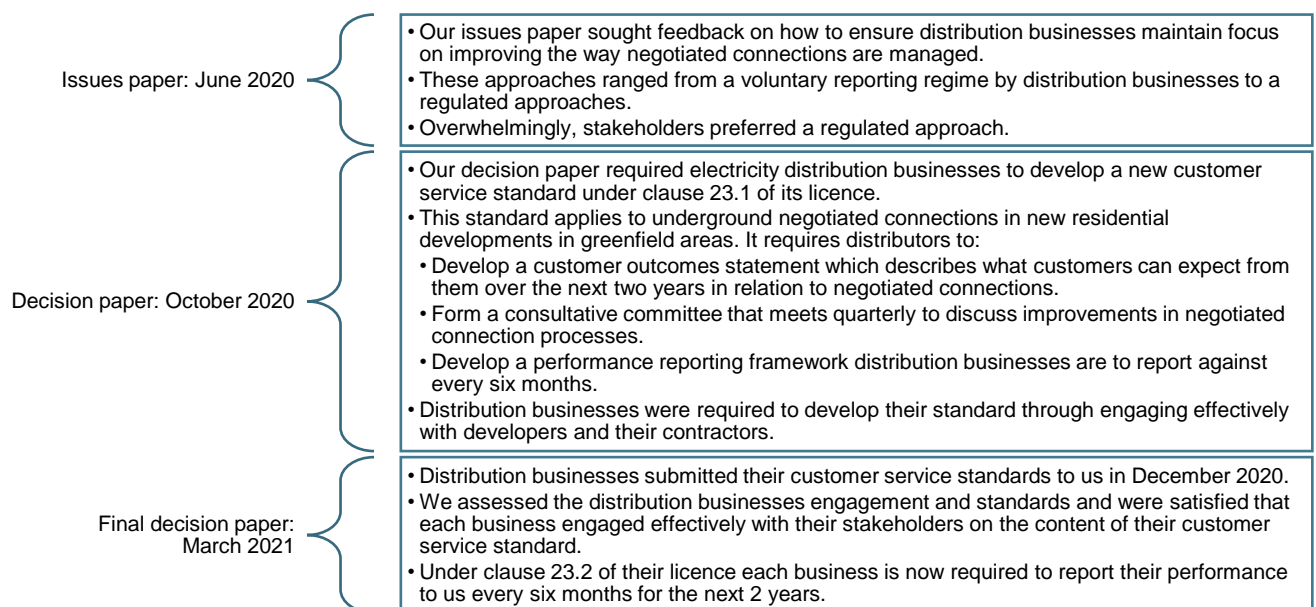


# Public engagement summary: Timely negotiated connections

## Project background

In 2018, the Minister for Finance asked us to review why there were delays in connecting new developments in Melbourne’s greenfields areas to the electricity distribution businesses’ networks. We developed solutions to address the delays. One solution was a service improvement commitment the distribution businesses agreed to implement. We established a governance committee to oversee the implementation of this commitment.

Since then there have been some improvements to the negotiated electricity connections process. Stakeholder concerns about whether the electricity distribution businesses would continue to improve and manage the negotiated connections processes well once the governance committee ended in 2020 led to this review.<sup>1</sup>



<sup>1</sup> We established a governance committee comprising the commission, development industry bodies, distribution businesses and the Victorian Planning Authority to oversee implementation of the service improvement commitment. The committee’s role finished in October 2020.

## How we engaged



### Key dates

- 7 May 2020: commission seeks feedback from governance committee on possible approaches
- 29 June 2020: issues paper released and first stage of consultation opened
- 30 July 2020: online public forum held to get stakeholder feedback
- 7 August 2020: consultation on the issues paper closed
- August to September 2020: one-on-one meetings with stakeholders
- 14 October 2020: decision paper released and second stage of consultation opened
- 13 November 2020: second stage of consultation closed
- 4 December 2020: distribution businesses submitted proposed standards to the commission for review
- December 2020 to January 2021: one on one meetings with stakeholders
- 12 January 2021: consultation on customer service standards for distribution businesses opened
- 9 February 2021: consultation on customer service standards for distribution businesses closed.



### Methodology

- feedback and submissions via Engage Victoria and directly from stakeholders for each paper
- one-on-one meetings with stakeholders
- stakeholder forum on the issues paper
- survey of developers and contractors about their experiences and suggestions – feedback from the survey was provided to distribution businesses to assist them in developing their standards.
- testing ideas at governance committee meetings.



### Number of participants

- 1,015 views of our Engage Victoria consultation page by 527 visitors
- approximately 30 people attended our public forum on the issues paper including representatives from:
  - Powercor
  - AusNet Services
  - Jemena

- Urban Development Institute of Australia (Vic)
- Property Council
- Victorian Planning Authority
- Energy Safe Victoria
- Department of Environment Land Water and Planning
- Australian Energy Regulator
- meetings with key stakeholders including:
  - AusNet Services
  - Powercor/United Energy
  - Jemena
  - Urban Development Institute of Australia (Vic)
  - Housing Industry Association
  - Property Council of Australia
  - City West Water
  - Melbourne Water
  - South East Water
  - Department of Environment Land Water and Planning
  - developers and contractors
- governance committee meetings.



#### **Number of submissions received (written, verbal)**

- issues paper: 8 written submissions
- decision paper and customer service standards: 4 written submissions
- verbal submissions were provided throughout the consultation process in meetings and at the July public forum.

## Summary of key feedback

We asked	What stakeholders said	What we did
<p>Are there still issues with the negotiated electricity connection process and if so, what are they?</p>	<ul style="list-style-type: none"> <li>Stakeholders reported varying levels of improvement in the negotiated electricity connections process in the previous two years.</li> <li>The development industry advised us that distribution businesses had improved the ways in which they interacted with customers. However, issues remained and there was still a need for improvement.</li> <li>The development industry told us that that despite some improvements, delays in the negotiated connections process still occurred. They identified stages and issues resulting in routine delays.</li> </ul>	<p>We acknowledged that there were still issues with the process for negotiated connections and that further reform was required.</p>
<p>We proposed four approaches to resolving these issues:</p> <ol style="list-style-type: none"> <li>1. Allowing distribution businesses to report on their performance voluntarily.</li> <li>2. Requiring distribution businesses to publicly report their performance.</li> <li>3. Requiring distribution businesses to regularly review and improve the way they manage the negotiated connections processes.</li> <li>4. Regulating the timeframes required for the negotiated connections process.</li> </ol>	<ul style="list-style-type: none"> <li>All stakeholders preferred a regulated approach to improve the timeliness of negotiated connections over continuing with the voluntary approach under the service improvement commitment.</li> <li>Two distribution businesses noted that under the voluntary approach improvements had been made and this approach was less costly and more flexible.</li> <li>All stakeholders thought there was a need to require distribution businesses to publicly report on their performance in relation to negotiated connections.</li> </ul>	<p>We decided that a regulated approach was required. Key elements of the feedback we adopted were the need for transparency and accountability about timeframes and the need to improve working relationships between distribution businesses and developers. We also decided to require each distribution business to engage with stakeholders to develop a customer service standard. This customer service standard would give distribution businesses the flexibility to be able to address the issues that are specific to them and their developers. It is also suited to the unique nature of negotiated connections.</p>
<p>We proposed that each distribution business engage with stakeholders</p>	<p>All stakeholders supported our proposal to require distribution businesses to develop a customer service standard following</p>	<p>We adopted developers' suggestions that the standard should also include a customer outcomes statement.</p>

<p>to develop a customer service standard.</p>	<p>engagement with developers and their contractors. Some developers felt the customer service standard should include the outcomes of the customer service standard. It is also useful for these outcomes to be public and transparent to all stakeholders (including those who may not actively engage through future consultative committees).</p>	<p>Our decision paper requires the customer service standard to include the following elements:</p> <ol style="list-style-type: none"> <li>1. a customer outcomes statement</li> <li>2. consultative committee meetings</li> <li>3. a performance reporting framework.</li> </ol>
<p>We asked for feedback from distribution businesses and developers on the engagement processes adopted by distribution businesses following the decision paper and the content of the customer service standards.</p>	<p>Developers and their contractors were satisfied with CitiPower, Powercor and United Energy's engagement on the customer service standard and content of their standard.</p> <p>Developers and their contractors thought that AusNet Services and Jemena should consider a boarder range of targeted measures.</p>	<p>We accepted CitiPower, Powercor and United Energy's customer service without further amendment.</p> <p>We met again with AusNet Services and Jemena and explained stakeholder concerns. We followed up and explained stakeholder concerns in writing. After amendment we accepted AusNet Services and Jemena's customer service standards.</p>

## Our engagement events

### Our public forum online on 30 July 2020

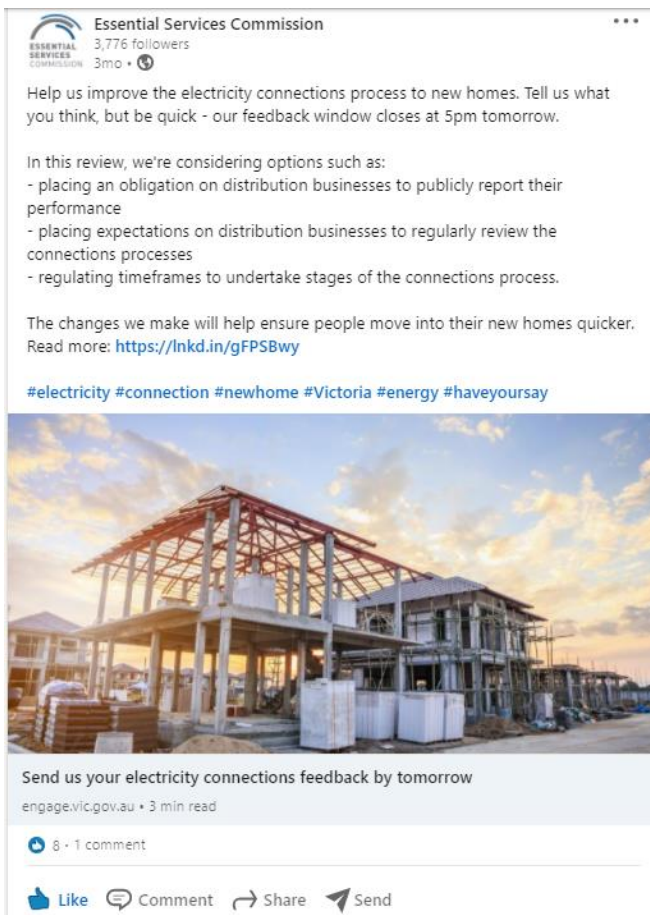
A recording is available on [YouTube](#).



### Online engagement

A sample of our social media posts.

#### LinkedIn



## Twitter



## Engage Victoria

A snapshot of our [Engage Victoria consultation page](#).

ENGAGE VICTORIA

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Essential Services Commission

## Improving the wait time on electricity connections at new properties

The Essential Services Commission is reviewing how to improve the time frames for electricity connections at new properties and wants your views.

### Overview

We are looking at how to ensure faster and more transparent electricity connections at new Victorian housing developments.

### How this affects you

In December 2020, we received proposed new standards in customer service from electricity distribution businesses. We are now consulting with stakeholders to get their views on those standards.

### Feedback on customer service standards

We invited feedback on whether:

- the distribution businesses gave you an opportunity to meaningfully engage with them on their standards for customer service
- the standards tackle the issues that are important to you
- you think the reporting framework for performance will help achieve more timely electricity connections.

### Updates

[Consultation on customer service standards for distribution businesses opens](#)

The Essential Services Commission now wants stakeholders' views on the customer service standards that distribution businesses have developed.

11 January 2021

[New greenfield electricity connection standards to support new investment](#)

The Essential Services Commission's timely connections decision paper was published today.

14 October 2020