

Minutes

Electricity Connections – Governance Committee Meeting #11

Time and date: 2.00-3.30 pm, 15 October 2020

Location: Through Teams channel

Committee Members Present

Name	Organisation	Name	Organisation
Sarah McDowell	Essential Services Commission (Chair)	Matt Thomas	Powercor
Justin Betlehem	AusNet Services	Scott Harvey	AusNet Services
Adam Gellie	United Energy	Alex Harvey	Property Council of Australia
Roy Kinston	Powercor	Chris Masson	Jemena
John Forbes	Urban Development Institute of Australia (Victoria)		

Apologies

John Hamill– Essential Services Commission

Nathan Hollow- Property Council of Australia

Paul Cassidy Victorian Planning Authority

Committee Support

Aaron Yuen – Essential Services Commission

Merryn Wilson – Essential Services Commission

Felix Karmel - Essential Services Commission

The chair welcomed participants to the final Governance committee meeting.

Agenda items

Service Improvement Commitment and Performance Reporting Updates

Powercor/United Energy

Powercor reported on its performance data and said that its measures were tracking steadily. However master plan review was 15 days, and the aim was to reduce this timeframe. Powercor added that they had taken proactive steps to change the process to approve public lighting. This has resulted in a time saving of 2-4 weeks. The Urban Development Institute of Australia commented that they appreciated the time reduction. Powercor noted that this was a good example of the collaborative approach being effective.

United Energy reported that its volume of greenfield projects was low. Nevertheless, United Energy have insourced its contestable works and this change has had good feedback from stakeholders. United Energy has also updated their website, assisted Powercor update their guidelines, and worked to improve the times for consent and statement of compliance and streamlined the reimbursement process.

The chair asked how many more resources were employed to support the insourcing. United energy said it would employ an additional two people on top of the two already in place. United Energy said its website updates made processes clearer and this was necessary particularly when volumes increase and there tends to be more inexperienced project managers and contractors working on projects.

The chair asked Powercor for their reflections over the past two years. Powercor reported that key developments over the past two years were the establishment of the online portal and the contestable works team. Both of which puts these types of developments into sharp focus.

AusNet Services

AusNet Services did not provide a specific update on the service improvement commitment instead they made some reflections on last two years. They added that they were aiming to make reporting a part of business as usual and that they had met their performance reporting targets. AusNet Services also noted that their customer portal had enabled them to provide quality data to developers on the progress of their projects.

AusNet Services said that they had undertaken a tender process to increase the number of auditors available to audit construction works. The chair thanked AusNet Services for their reporting over the past two years.

Jemena

Jemena reported that over the past two years it had made significant investments in its online portal and would continue to do so in an ongoing sense. With future developments increasing the capabilities of the portal.

Jemena added in terms of performance its was on target, and this was notable considering capital expenditure was the highest it had been in four years. This largely being driven by state government spending and greenfield development.

The chair asked commission staff for their reflections. Staff responded by saying that they were pleased by how the distribution businesses had delivered against the initiatives in the service improvement commitment and this would set them up well for success under the customer service regime.

Technical standards committee – Powercor

Powercor reported that the committee had issued a draft for commentary and that the draft was due for wider release on 16 October. After then field trials will take place where contractors build to the standard and report back any issue to the committee. Once the field trials are complete the aim is to finalise the standards by 27 January 2021 with a rollout on 29 January 2021.

The Urban Development Institute of Australia asked whether the trials were open to others, Powercor responded that others could be involved. Powercor added that they had received positive feedback about the operation and goodwill of the committee and members and that it could be a good model to progress other issues.

Overview of commission decision

Commission staff presented an overview of the decision paper. A key element of the decision is the requirement for distribution businesses to engage effectively with developers to prepare meaningful customer service standards.

United Energy commented that the decision gives a robust process that is flexible and suitable for these types of connections rather than a one size fits all. The only concerns were the tight timeframes to complete the engagement and the applicability of the decision to CitiPower and United Energy that have low numbers of greenfield developments. Powercor echoed United Energy's comments. Commission staff added that this work should leverage off the work already done under the service improvement commitment rather than begin from scratch. Staff commented that it was important for the development industry to remain engaged.

AusNet Services and Jemena both commented that the decision was a good initiative but timeframes for effective engagement were tight. AusNet Services added that the submission date clashed with key dates for the EDPR.

The Property Council of Australia asked how would the customer service standards be enforced? Staff responded that the standards were prepared as a condition of the distribution businesses licences and were enforceable through a range of enforcement tools.

Reflections on the governance committee

The chair asked members for their reflections on the governance committee- what worked well and what could we do differently if we were asked to run a similar forum in future. The chair added they felt the committee had achieved a lot and they personally enjoyed the openness and frankness displayed at meetings. The chair concluded saying the committee had achieved a lot and was a great forum for sharing challenges and ideas for improvements.

The Urban Development Institute of Australia noted it was positive to end this phase of the work, but felt the difficult work lay ahead.

United Energy noted that the engagement through the committee had been good. And that members had moved from being defensive at the beginning to more open as time moved on. They also observed that when members left, the lack of continuity at was challenging. However, this should be addressed if membership of the consultative committees under standard remains relatively constant. They added that the customer service standard gave developers an opportunity to be more definitive about what they consider are reasonable timeframes for connections.

AusNet Services commented that the work done at the start was very important in identifying the problem. This good work enabled stakeholders to understand where the bottlenecks and delays were. They added this provided the foundations for improving relationships between distribution businesses and developers.

Powercor added that the success story was developing the right relationships between developers and distribution businesses.

Commission staff commented that the committee was a forum to progress difficult issues and promote continuous improvements. They added the new customer service standard provided a platform for these types of conversations to continue.

United Energy thanked commission staff for pushing the committee along and sticking with the process from end to end. The chair gave a shout out to commission staff for all the work they had done to take the project to this point.

The chair finished by encouraging members of the committee to contact commission staff if they had any questions as they moved into the next phase of this work under the customer service standard.