

CONSUMER ADVISORY PANEL (CAP)

MEETING # 18

NOTES

Date:	Tuesday, 23 February 2021
Time	3:00pm – 4:00pm
Venue:	ElectraNet Board Room + Microsoft Teams
Purpose:	<ul style="list-style-type: none">• Consumer Advisory Panel Membership Update• Project EnergyConnect Status update• Revenue Reset Engagement Plan & Network Vision discussion

1. Welcome and introductions – Rainer Korte

- The CAP confirmed the Minutes of the previous meeting held on 19 November 2021.

2. CAP Charter and Membership Update – Chris Hanna

Reviewing Charter and Membership

- It was noted that ElectraNet had written to officially welcome the new CAP members and advise the outgoing members of changes to the Panel and to thank them for their service.
- The CAP was advised that no major changes are proposed to the CAP charter based on feedback from Members, but a number of minor suggestions were received.
- As requested, an annual meeting schedule has been provided to CAP members for 2021. A site visit is under consideration in the second half of 2021 – potentially a visit to a synchronous condenser.
- In relation to the CAP membership changes, it was noted that separate direct engagement with environmental representatives will continue. This includes land management and sustainability matters.
- It was noted that CAP sitting fees can be made available to Members, on a case by case basis, where it will assist them to better participate in the CAP. Members are invited to reach out to Chris Hanna on this as required.

Panel

- Noted the use of an independent CAP facilitator in the past was a great strength, in particular in keeping in regular contact with Panel members on CAP activities.

ElectraNet

- We will endeavour to ensure this level of contact with Members is maintained.

Panel

- In engaging on issues with the CAP, it is important to identify the appropriate level of detail and be mindful of any technical/industry language barrier. It is also important to focus the engagement on open issues where there is genuine choice, and to be clear on the level of engagement being undertaken.
- Meeting items and papers should be clear on whether they are for noting or for decision.

3. Project EnergyConnect (PEC) Update – Rainer Korte

- ElectraNet provided an update on the Contingent Project Application for PEC and the Financeability Rule Change Request, together with a summary of the recent associated 'material change in circumstances' updated economic assessment.

Q. Hasn't the SA Government already publicly committed to this Project?

A. While the SA Government is fully supportive, the investment requires regulatory approval from the AER, in consultation with stakeholders.

Q. What decision is left for the AER to make on this Project?

A. The AER is now required to determine the efficient costs to deliver the project as the final regulatory approval.

Q. How dependent is the viability of PEC on other ISP projects? E.g. Marinus Link, VNI West.

A. While PEC satisfies the relevant investment test on a stand-alone basis, it is also largely complementary with the remaining ISP projects.

Q. If the AEMC's draft decision of the Financeability Rule Change request is upheld, how will it affect the deliverability of PEC?

A. This is a key matter to be considered by the Boards of TransGrid and ElectraNet. We expect the AEMC's final decision on the rule change request to be consistent with its earlier draft decision.

4. Revenue Reset Engagement Plan & Network Vision discussion – Simon Appleby

- ElectraNet provided an update on its Early Engagement Plan and Network Vision consultation. The Network Vision Consultation is being extended to 12 March 2021 to ensure there is sufficient time for stakeholders to make submissions.

Q. Where does the impact of pending generation retirements fit into the Network Vision?

A. In South Australia, a number of retirements/announced retirements have occurred already. Coal generation is already retired. Torrens Island Power Station is progressively retiring, hence the on-going system challenges and installation of synchronous condensers.

Q. Interested in hearing where the big mining projects may be. Will there be mining loads west and north?

A. There is nothing on the horizon for immediate development of major mining loads. It is understood SACOME remains concerned over the price impact of frequency market events for large loads. It is also understood the State's agenda for infrastructure identifies access to water is a bigger issue for mines than electricity. No major network augmentations or large projects are currently planned for the coming regulatory period.

Q. Will the feedback provided by CAP members be taken into consideration in updating the Network Vision alongside the written feedback from other stakeholders?

A. Yes, all written and verbal feedback provided to ElectraNet will be taken into account in updating the Network Vision.

Q. It is important various inputs to inform the Revenue Reset Plan including this meeting. What expectations are there of the CAP for the next Revenue Reset?

A. Last time around we lifted the bar on engagement – the CAP was more than a sounding board, but a partner in this process. The CAP formed a sub-group, which worked well, in engaging in the detail on ElectraNet's plans and proposals. We intend to build on this approach, but remain open to feedback about the process. We expect to settle our approach for consideration by June 2021, in preparation for the release of a Preliminary Revenue Proposal by July 2021.

Q. Will we be getting the Preliminary Revenue Proposal in June? What engagement will occur in April and May?

A. Engagement with the CAP on the Preliminary Revenue Proposal will commence in April. The engagement is currently focused on the consultation on the Network Vision which informs ElectraNet's directions and priorities, on which we continue to welcome feedback. These directions and priorities will in turn inform the plans and proposals underpinning the Preliminary Revenue Proposal. ElectraNet intends to write to the AER setting out its intended approach to engagement and will share this with the CAP for input.

5. Meeting Close

- Next meeting scheduled for 6 April 2021 in person (Teams available).

**Consumer Advisory Panel Meeting Participants
23 February 20201**

Member	Organisation
Shelley Ashe	Energy Consumers Australia (TEAMS)
Mark Henley	Manager Advocacy and Communication, Uniting Communities
Peter Labropoulos	Policy Advisor, South Australian Chamber of Mines and Energy (TEAMS)
Andrew McKenna	Senior Policy Advisor, Business SA (TEAMS)
Maureen Boyle	Senior Policy Officer, SACOSS
Mark Sutton	Outback Communities Authority
AER Representative	
David Monk	Director, Transmission Capex
ElectraNet Representatives	
Rainer Korte	Group Executive Asset Management
Simon Appleby	Manager Regulation & Investment Planning
Megan Lloyd	Head of Corporate Affairs
Chris Hanna	Government and Stakeholder Relations Advisor
Apologies	
David Headberry	Energy Consumers Coalition of SA (ECCSA)
Vikram Kenjle	University of Adelaide