



ElectraNet Customer Engagement Journey Reflections

This note provides brief reflections on ElectraNet's customer engagement journey and a summary of Consumer Advisory Panel (CAP) meetings held since the CAP was established in 2015.

Background

From the beginning, the CAP and its broad range of customer representatives has been the primary focus of customer engagement for ElectraNet, in addition to its relatively small number of directly connected customers. The CAP advised and supported this as fit for purpose approach for an electricity Transmission Network Service Provider (TNSP) given its indirect relationship with most customers served by the transmission network.

In 2016, ElectraNet co-designed and developed its revenue reset early engagement approach in partnership with the CAP. This involved the first publication of a Preliminary Revenue Proposal to support early engagement with customer representatives, the AER, and other stakeholders on expenditure plans for the next regulatory period prior to commencement of the formal regulatory process with submission of a Revenue Proposal.

ElectraNet's approach set a new benchmark for the industry and ElectraNet was subsequently recognised in November 2017 for outstanding leadership in consumer engagement by receiving the Energy Consumers Australia inaugural Energy Network Consumer Engagement Award.

Following the last revenue reset the CAP's primary interest turned to the three major projects ElectraNet was progressing through the RIT-T and contingent project processes – the Main Grid System Strength (synchronous condenser) project, the Eyre Peninsula reinforcement, and Project EnergyConnect each of which were subject to public consultation processes. Collectively these projects represented the most significant investment in transmission infrastructure in South Australia in the last 30 years.

Current Revenue Reset Engagement Approach

In 2020 ElectraNet engaged regulatory experts Harding Katz to review and provide advice on electricity network best practice customer engagement. This built on the original advice provided by Harding Katz in 2016 which informed the co-design of the early engagement approach with the CAP.

Harding Katz found that since 2016 TNSP customer engagement practice had matured building on ElectraNet's early engagement approach, but ElectraNet's approach was still in line with good practice. They recommended refinements to this approach for the next revenue reset. The CAP was engaged to help develop refinements to ElectraNet's revenue reset customer engagement approach in the second half of 2020 based on these findings.

In the second half of 2020 ElectraNet also commenced engagement with the CAP on a refresh of its Network Vision that considers the future requirements for electricity transmission services in South Australia and provides directions and priorities to guide our planning and operation of the network. The Network Vision was also subject to public consultation in early 2021.

Our engagement, including public consultation, on the Network Vision commencing in late 2020 was the beginning of early engagement on the shaping of ElectraNet's Revenue Proposal for

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submission in January 2022. This engagement has intensified since publication of ElectraNet's Preliminary Revenue Proposal on 14 July 2021 with a subset of CAP members forming a CAP Working Group for the purpose of more detailed engagement on ElectraNet's expenditure proposals.

Reflections on Current Engagement

ElectraNet has found its engagement with the CAP Working Group (and the AER) to be very valuable in helping to shape its expenditure plans for the Revenue Proposal to be submitted in January 2022.

We remain committed to effective ongoing engagement and learning from our engagement experiences and those of others as to how we can do better.

In line with this commitment, we recently engaged IAP2 professional Darren Keenan to conduct Engagement Essentials training for about 30 leaders at ElectraNet. Most of the ElectraNet Group Executives participated in this training. We also had Darren facilitate a reflections session on the current engagement process and recommend suitable candidates for an independent facilitator for future CAP engagement.

One reflection is that the ongoing impact of COVID-19 has made face to face meetings with all CAP Working Group members present impossible, and general logistics more challenging. While all participants continued to engage enthusiastically, the lack of face-to-face interaction creates a different engagement experience. Wherever possible, we would support more 'in room' engagement and discussion than online meetings.

In reflecting on the current engagement process more generally we have identified the following improvement opportunities:

- Reinstatement of an independent facilitator to run meetings and work with CAP members to ensure ElectraNet and consumer expectations are met during meetings and engagement and to facilitate full and open discussion.
- Meeting presentations and supporting information to be provided to participants well in advance of meetings.
- Greater involvement of the CAP (or a CAP Working Group) earlier during the development of the Preliminary Revenue Proposal.
- Ongoing engagement of the CAP in ElectraNet's annual planning process with the introduction of twice yearly sessions in say March and September that would provide insight and the opportunity for input on the development of network and asset plans, including the Transmission Annual Planning Report.
- Offer to fund optional independent training for Working Group members with minimal/no experience in understanding network proposals or network business operations to get the most from their unique experiences and expertise.
- Face-to-face meetings as much as possible for greater collaboration opportunities.
- Develop measurable success criteria that are less subjective and open to interpretation.

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We look forward to engagement with the CAP Working Group later in November to explore these and other improvement opportunities and how we best engage post the Revenue Proposal.

We have attached the completed AER Framework for Considering Public Engagement table included on page 12 of the Preliminary Revenue Proposal, which we consulted on with the CAP prior to finalising and seeking support from the AER for our proposed early engagement approach (refer to attached letter to the AER dated 3 May 2021).

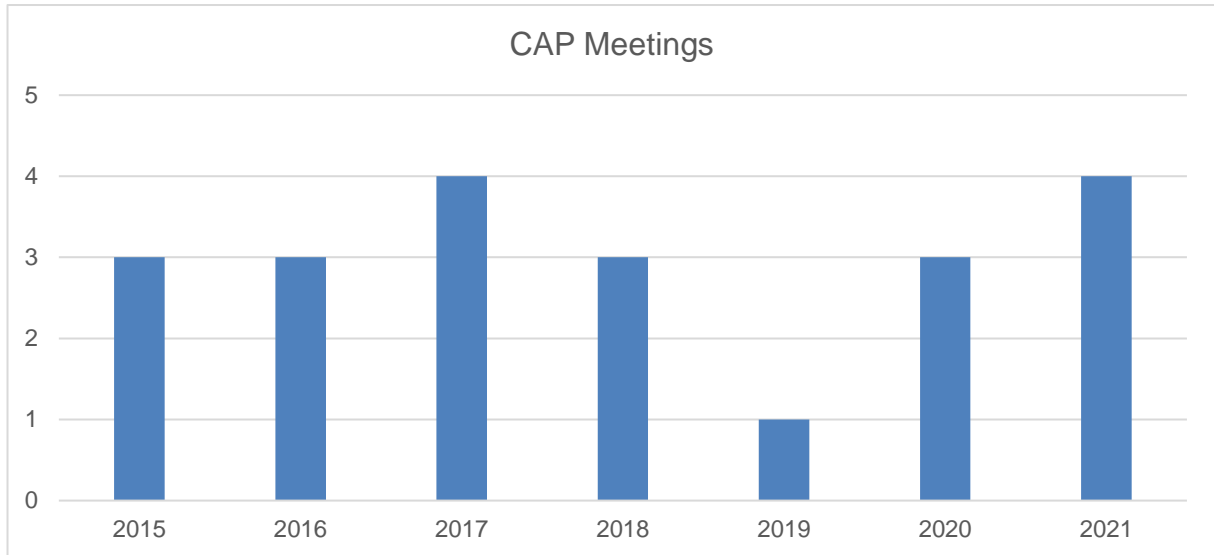
We intend to undertake a self-assessment against what we said we would do prior to the CAP Working Group meeting later in November to discuss ongoing engagement.

10 November 2021

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Appendix: Summary of Consumer Advisory Panel Meetings

The following chart and table provide a summary record of CAP meetings held to date (excluding CAP Working Group meetings and other engagements).



Note: Less meetings were held in 2019 because CAP members felt they were sufficiently engaged via several public forums held that year on major projects like Project EnergyConnect, including stakeholder forums held in Adelaide and Sydney, and individual briefings and bilateral meetings.

Date	CAP Meeting	Summary
14 Sep 2021	21	<ul style="list-style-type: none"> • ElectraNet provided an overview of engagement activities for the Preliminary Revenue Proposal, including feedback and submissions. • The CAP Working Group provided a status update on engagement on the Preliminary Revenue Proposal, consulting on progress with the broader CAP. • ElectraNet advised the CAP of minor schedule delays for Project EnergyConnect (PEC) leading to the deferral of some expenditure to the next regulatory period.
2 Jul 2021	20	<ul style="list-style-type: none"> • ElectraNet provided an update on the major projects, EP Link, PEC, and synchronous condensers. • Gordon Jardine and Steve Masters, ElectraNet Chairman and Chief Executive, shared their perspectives and commitment to genuine engagement. • ElectraNet outlined its revenue reset early engagement plan for further consultation and shared the response from the AER formally committing to the early engagement approach. • The CAP agreed to form a Working Group for engagement on ElectraNet's Revenue Proposal.

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Date	CAP Meeting	Summary
6 Apr 2021	19	<ul style="list-style-type: none"> • ElectraNet provided an update on the economic assessment for PEC following changes in the NEM. • Following the release of the Network Vision discussion paper in February 2021, ElectraNet provided a progress report and summary of feedback. • ElectraNet provided an early overview of the developing Preliminary Revenue Proposal for discussion. • Early engagement was discussed in terms of a proposed schedule and key topics of likely interest, and feedback was provided on a draft letter formalising the early engagement approach with the AER.
23 Feb 2021	18	<ul style="list-style-type: none"> • ElectraNet provided an overview of changes made to the CAP membership • ElectraNet provided a PEC including financeability Rule change proposal update. • The key feedback themes from the Network Vision Stakeholder Forum were presented. • An update was provided on Revenue Reset early engagement thinking.
19 Nov 2020	17	<ul style="list-style-type: none"> • A review of the CAP charter and membership was discussed • ElectraNet provided a PEC update, including a financeability Rule change proposal • CAP was engaged to develop a proposed Revenue Reset customer engagement approach building on the approach codesigned with the CAP in 2016 with proposed refinements based on a Review of Consumer Engagement Practices by electricity networks undertaken by Harding Katz dated 15 May 2020 • ElectraNet presented and sought feedback on revised Network Vision directions and priorities
18 Sep 2020	16	<ul style="list-style-type: none"> • ElectraNet provided an update on the PEC Contingent Project Application and economic assessment. • A status update was provided on EP Link for the Contingent Project Application and engagement. • An indicative early engagement program for the Revenue Proposal was provided for discussion.
29 Apr 2020	15	<ul style="list-style-type: none"> • ElectraNet gave an overview of the EP Link Contingent Project Application and an update on regulatory approval for PEC. • An indicative Revenue Reset Timetable was presented to the CAP for discussion. • ElectraNet outlined its Network Relief Package to assist customers experiencing financial stress because of COVID-19.
22 Mar 2019	14	<ul style="list-style-type: none"> • CAP members provided energy-industry updates • ElectraNet provided a major projects update • ElectraNet sought feedback on proposed top level Asset Management Objectives to guide its asset management activities that are aligned to its understanding of what's important to customers. The CAP discussed and provided feedback that shaped the objectives adopted.

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Date	CAP Meeting	Summary
16 Oct 2018	13	<ul style="list-style-type: none"> ElectraNet provided a summary of engagement on the SA Energy Transformation Project (Project EnergyConnect) including an SA Government sponsored early works program. The RIT-T conclusions report outcome for the Eyre Peninsula electricity supply options project was discussed. An update was provided on the Main Grid System Strength (synchronous condenser) project
19 Jun 2018	12	<ul style="list-style-type: none"> The final outcomes of the AER revenue determination were presented. ElectraNet provided an AEMO Integrated System Plan update. CAP was advised of changes to the CAP Executive Officers. ElectraNet provided a major projects update, including for the ESCRI Battery Energy Storage Project. ElectraNet's ongoing engagement with the CAP was discussed including the role of the CAP, meeting frequency, and priorities with the CAP suggesting ElectraNet should set the agenda moving forward.
23 Jan 2018	11	<ul style="list-style-type: none"> ElectraNet provided an overview of the Revised Revenue Proposal submitted in Dec 2017. Update provided on Major Projects. Workshop discussion on the future focus areas and priorities for the CAP in 2018 and beyond.
8 Nov 2017	10	<ul style="list-style-type: none"> ElectraNet provided an overview of the Revenue Reset draft decision, including reflections on consumer engagement. Update provided on Major Projects.
18 Jul 2017	9	<ul style="list-style-type: none"> ElectraNet provided an overview of the outcomes of the AER's engagement on the Revenue Proposal. Update provided on Major Projects and SA Government Energy Plan. Tim Kelly presented to the CAP on best practice environmental management.
10 Apr 2017	8	<ul style="list-style-type: none"> ElectraNet provided a Revenue Proposal update The CAP discussed key policy initiatives and measures in the State Government Energy Plan – Our Energy Future – and potential implications for electricity transmission ElectraNet provided a major projects update.
17 Jan 2017	7	<ul style="list-style-type: none"> ElectraNet provided an update on its Revenue Proposal and other developments. Reviewed feedback on Preliminary Revenue Proposal and proposed responses to issues raised.
31 Oct 2016	6	<ul style="list-style-type: none"> Briefing by CAP Working Group on the outcomes of deep dive workshops. Briefing by AER on progress of early engagement process. Updated status of the Revenue Proposal and recent developments, including request for time extension.

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Date	CAP Meeting	Summary
24 May 2016	5	<ul style="list-style-type: none"> • Reviewed consumer engagement 'listen phase' outcomes. • Explored implications for Network Vision directions and priorities. • Endorsed revenue reset early engagement approach. • Noted AER commitment to early engagement approach. • Agreed to form a Working Group for in depth review of the preliminary revenue proposal through a series of focused deep dive workshops.
23 Feb 2016	4	<ul style="list-style-type: none"> • Discussed revenue reset early engagement approach. • Consideration of advice from UnitingCare (<i>Changing the DNA of Network Tariff Setting</i>) and Harding Katz (<i>An Improved Approach to Network Regulation</i>) in co-design of early engagement approach. • Customer Engagement Plan update. • Briefing on Network Vision consultation feedback.
8 Dec 2015	3	<ul style="list-style-type: none"> • Briefing on the Electricity Transmission Code Review. • Considered broader membership. • Consumer Engagement Plan update. • Discussed Network Vision Development.
6 Oct 2015	2	<ul style="list-style-type: none"> • Discussed priority issues for customers. • Endorsed approach to Consumer Engagement Plan. • Approved the Consumer Advisory Panel Charter.
25 Aug 2015	1	<ul style="list-style-type: none"> • Established the Consumer Advisory Panel. • Workshopped the purpose and operation of the Panel.

AER Framework for Considering Public Engagement

	AER - How This Could Be Assessed	ElectraNet - Our Engagement Approach
Nature of engagement	<ul style="list-style-type: none"> Customers partner in forming the proposal rather than asked for feedback on the proposal. Relevant skills and experience of the customers, representatives, and advocates. Customers provided with impartial support to engage with energy sector issues. Sincerity of engagement with customers. Independence of customers and their funding. Multiple channels used to engage with a range of customers across ElectraNet's customer base. 	<ul style="list-style-type: none"> This Preliminary Revenue Proposal contains indicative expenditure forecasts as the basis of engagement. The engagement approach itself is co-designed with the CAP. CAP Members have a diverse range of skills and experience and will continue meeting on a regular basis throughout. AER technical representatives and CCP members will be involved to directly support impartial engagement. Engagement is intended to be genuine, evidenced by 'no surprises' outcomes. Customer representatives are self-funded, with expenses met where required. Engagement opportunities will include forums, webinars, interviews, submissions, and a series of 'deep dive' workshops.
Breadth and depth	<ul style="list-style-type: none"> Clear identification of topics for engagement and how these will feed into the Revenue Proposal. Customers consulted on broad range of topics. Customers able to influence topics for engagement. Customers encouraged to test the assumptions and strategies underpinning the proposal. Customers were able to access and resource independent research and engagement. 	<ul style="list-style-type: none"> The co-design approach provides guidance and direction on the areas of most interest to customers. The formation of a working group gives customer representatives the opportunity to review and 'deep dive' into topics of most interest, with the level of engagement informed by the IAP2 spectrum. Customer representatives will have access to AER technical advice to support testing of key assumptions and strategies underpinning the proposal. Direct customers will be invited to participate in the engagement process. Access to independent resourcing will also be considered as needed to support effective engagement.
Clearly evidenced impact	<ul style="list-style-type: none"> Proposal clearly tied to expressed views of customers. High level business engagement (e.g. customers given access to ElectraNet's Chief Executive and/or Board). ElectraNet has responded to customer views rather than just recording them. Impact of engagement can be clearly identified. Submissions on proposal show customers feel the impact is consistent with their expectations. 	<ul style="list-style-type: none"> A summary of feedback received and how we have responded in our final proposal will be published as a transparent record of engagement outcomes. An Executive led process will be followed with engagement from key Executives, including the Chief Executive. The working group will be invited to brief the CAP on the outcomes of the engagement process. Submissions will also be used to evaluate the success of the engagement approach.
Proof point	<p>Reasonable opex and capex allowances proposed, for example:</p> <ul style="list-style-type: none"> In line with, or lower than, historical expenditure. In line with, or lower than, the AER's top-down analysis of appropriate expenditure. If not in line with top-down, can be explained through bottom-up category analysis. 	<ul style="list-style-type: none"> Information will be provided in the Preliminary Revenue Proposal and final proposal to support robust and reasonable expenditure forecasts, including historical trends, AER forecasting approaches and relevant metrics. Stakeholder confidence in the final expenditure forecasts on a 'no surprises' basis will be a key success measure of the engagement approach.

3 May 2021

Clare Savage
Chair
Australian Energy Regulator

via email: clare.savage@aer.gov.au

Dear Ms Savage

re: ElectraNet Early Engagement Approach

I write to seek your support for ElectraNet's proposed early engagement approach to the development of its 2022 Revenue Proposal, which builds on the successful early engagement approach established by ElectraNet in the development of its 2017 Revenue Proposal with the support of the AER, our stakeholders, and Consumer Advisory Panel.¹

The AER supported this collaborative approach through providing a member of its Technical Advisory Group (Mark Wilson) to engage in technical aspects of ElectraNet's expenditure proposals and participate in 'deep dive' workshops designed to both help stakeholders understand the regulatory framework and assessment process and to allow for detailed review of our forecasts.

The overall aim of our approach is to develop a well-tested set of proposals that are targeted to the needs of customers and capable of acceptance through the formal regulatory approval process.

This approach offers benefits for customers, ElectraNet and the AER alike. The benefits delivered through this approach for customers include:

- Improved understanding of network service challenges
- More targeted expenditure plans that better reflect customer preferences
- Greater trust and confidence in regulatory outcomes, with 'no surprises'

The benefits delivered through this approach for ElectraNet include:

- Greater understanding of customer concerns
- Improved value of transmission services and enhanced trust in ElectraNet
- Greater trust and confidence in regulatory outcomes, with 'no surprises'

¹ This culminated in a revenue determination in which the AER approved in full the capital and operating expenditure programs proposed by ElectraNet, and national recognition through the inaugural consumer engagement award from Energy Consumers Australia (ECA). The outcomes of the early engagement program are summarised in our [Customer Engagement Outcomes Report](#), March 2017.

The benefits delivered through this approach from an AER perspective include:

- Better informed and targeted regulatory proposals
- Improved use of resources by stakeholders, businesses and the AER
- Greater trust and confidence in regulatory outcomes, with 'no surprises'

Importantly, the early engagement approach does not replace any aspects of the AER's formal determination process, but is designed to better inform this process through ensuring more thoroughly tested plans and proposals are developed, and in ensuring stakeholders have an opportunity to help shape these proposals to ensure the needs of customers are met.

The key elements of our proposed approach include:

- A partnering approach with our Consumer Advisory Panel throughout as both a sounding board on key issues and source of advice in the co-design of our ongoing engagement approach;
- A focus on engagement with customer representative organisations and wider stakeholders as a fit for purpose approach for a transmission business;
- Consultation on an updated Network Vision during January to March 2021 which identifies the key themes, directions and priorities which will guide the management and operation of the transmission network and inform our expenditure plans and programs;
- The development of a Preliminary Revenue Proposal detailing the proposed expenditure programs and revenue and price path outlook for the 2023-2028 regulatory period, for public consultation with stakeholders during July to October 2021; and
- Finalisation of the expenditure plans and proposals based on this consultation and submission of a formal Revenue Proposal by January 2022.

The early engagement approach consists of a range of consultation activities on ElectraNet's regulatory proposals, designed to be targeted, inclusive and transparent, including:

- Publication of a number of key public documents and supporting material by ElectraNet;
- Public consultation with customers and wider stakeholders through forums, interviews, workshops and submissions;
- Ongoing engagement with the Consumer Advisory Panel through regular and special purpose meetings; and
- Detailed engagement with the AER, Consumer Challenge Panel members and customer representatives through a series of technical 'deep dive' workshops.

This engagement will be guided by the principles underpinning the International Association for Public Participation (IAP2) Spectrum to help target the appropriate level of participation at each stage of the engagement program.

The proposed engagement program is described in further detail in the Attachment to this letter, including a timeline of key events.

This includes a summary of the proposed early engagement approach aligned with the AER's *Framework for considering public engagement*².

In May 2020, as part of its ongoing commitment to genuine and meaningful engagement with customers, ElectraNet commissioned economic consultants Harding Katz to undertake an independent review of best practice engagement approaches across energy networks.

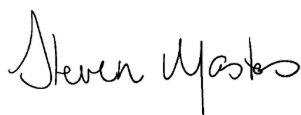
This review confirmed that ElectraNet's overall approach remains appropriate for an electricity transmission business and identified several improvements we are implementing to further strengthen our approach, as discussed with our Consumer Advisory Panel. This consultation has also confirmed that the application of the 'New Reg' model or establishment of a dedicated Customer Forum is not considered necessary or warranted at this time in a fit for purpose approach for ElectraNet.

The success of the early engagement approach depends on the goodwill and commitment of all parties involved. We again seek the commitment of the AER to work with us through this process by making available suitable technical representatives and relevant Consumer Challenge Panel members when possible to engage on our detailed plans and proposals.

We look forward to your support for this process to again ensure the success of the early engagement program.

We would also welcome the opportunity to engage with the AER Board in the near future as we develop our Preliminary Revenue Proposal.

Yours sincerely



Steve Masters
Chief Executive

cc. ElectraNet Consumer Advisory Panel

Att.

² As most recently published in the AER's *Issues Paper: Powerlink Queensland: Electricity Transmission Revenue Proposal 1 July 2022 to 30 June 2027*, March 2021.

Outline of ElectraNet Early Engagement Program

1. ElectraNet Publications

During the course of the early engagement program, ElectraNet has or will be releasing the following key documents:

- *Network Vision Discussion Paper* (Feb 2021) – this paper presents an updated analysis of the key change drivers impacting on transmission services, and the implications for the directions and priorities for managing and operating the network, for consultation and feedback. This provides stakeholders a key opportunity to engage on the directions and priorities that will drive our expenditure plans and proposals.
- *Network Vision* (May 2021) – after considering all feedback received from stakeholders in written submissions and discussion, ElectraNet plans to publish its updated Network Vision, and explain the key issues from submissions and how these have been taken into account in shaping the Vision.
- *Preliminary Revenue Proposal* (Jul 2021) – this document will detail preliminary capital and operating expenditure forecasts and provide an overall revenue and price path outlook for the 2023-2028 regulatory period, as the basis for further engagement with stakeholders.
- *Customer Engagement Outcomes Report* (Jan 2022) – this document will provide an overview of the outcomes of the engagement process, including a detailed summary of the issues raised and the manner in which ElectraNet has responded to those issues.

Other supporting material including information sheets, presentations, workshop materials, minutes and meeting outcomes, and related publications will also be issued during this period as required.

This material is in addition to the range of documents ElectraNet will be producing as required under the National Electricity Rules:

- *Expenditure Forecast Methodology* (Jun 2021) – this document describes how ElectraNet is developing its expenditure forecasts for its capital and operating expenditure programs for the 2023-2028 regulatory period.
- *Transmission Annual Planning Report* (Oct 2021) – this document provides information on the outlook for South Australia's electricity transmission network over a ten-year planning horizon, including demand projections, current capacity and emerging limitations and current and proposed network developments.
- *Formal Revenue Proposal* (Jan 2022) – following the engagement on its Preliminary Revenue Proposal ElectraNet will publish and submit its finalised Revenue Proposal to the AER under the National Electricity Rules.

2. Engagement with customer representatives and wider stakeholders

Consultation with customer representatives and wider stakeholders during the early engagement process will include the following:

- Stakeholder Webinar (Feb 2021) – ElectraNet held a stakeholder forum to commence public consultation on its Network Vision Discussion Paper and provide an opportunity for initial engagement, attended by approximately 50 participants.
- Listen Phase (Feb - Apr 2021) – the consultation period on the Network Vision aimed to identify and test thinking on the key issues impacting on transmission services, to shape the directions and priorities reflected in the updated Network Vision, which in turn drive the plans and programs contained in the Preliminary Revenue Proposal.
- Interpret and Respond Phase (Jul - Nov 2021) – following the release of its Preliminary Revenue Proposal, ElectraNet will hold a series of forums and stakeholder meetings targeted at organisations and areas of interest identified through the initial phase, in order to explain its proposals, how it has taken customer input on board, and seek detailed feedback on its plans.

Additional workshops and briefings will also be held as and when required during this period, based on feedback from stakeholders.

3. Consumer Advisory Panel engagement

Ongoing engagement with Members of the Consumer Advisory Panel throughout the early engagement process will involve:

- Ongoing bi-monthly meetings of the full Panel at which key matters are discussed, including ElectraNet's early engagement plans and approach, Network Vision, engagement outcomes and Preliminary Revenue Proposal.
- An information briefing for Panel Members on key outcomes of consultation on the updated Network Vision and implications for key directions and priorities (Apr 2021).
- An overview briefing for Panel Members of the Preliminary Revenue Proposal (Jun 2021).
- A series of interactive 'deep dive' technical workshops with a subgroup of Panel Members that wish to review the proposal in greater detail and report back to the full group. Areas to be explored might include ElectraNet's asset management decision making framework, risk-cost assessment process for asset replacement decisions, the review of economic cases for key capital projects, and the information technology strategy and program (Jul - Oct 2021).
- Briefing(s) by AER representatives for Panel Members on aspects of the regulatory framework and other key issues, including the outcomes of the 'deep dive' workshops (Jul - Nov 2021).

Additional workshops and briefings will also be held during this period as needed, based on feedback from Panel Members.

4. AER Framework for considering public engagement

A summary of the proposed early engagement approach aligned with the AER's *Framework for considering public engagement* is shown in the following table.

AER Framework for considering public engagement

Criteria	Examples of how this could be assessed	ElectraNet's proposed approach
Nature of engagement	<ul style="list-style-type: none"> Customers partner in forming the proposal rather than asked for feedback on the proposal. Relevant skills and experience of the customers, representatives and advocates. Customers provided with impartial support to engage with energy sector issues. Sincerity of engagement with customers. Independence of customers and their funding. Multiple channels used to engage with a range of customers across ElectraNet's customer base. 	<ul style="list-style-type: none"> A Preliminary Revenue Proposal containing indicative expenditure forecasts will form the focus of the engagement, while the engagement approach itself will be co-designed with the CAP. CAP Members draw on a diverse range of skills and experience, and will continue meeting on a regular basis throughout. AER technical representatives and CCP members would be involved to directly support impartial engagement. Engagement is intended to be genuine, evidenced by 'no surprises' outcomes. Customer representatives are self-funded, with expenses met where required. Engagement opportunities will include forums, webinars, interviews, submissions and a series of 'deep dive' workshops.
Breadth and depth	<ul style="list-style-type: none"> Clear identification of topics for engagement and how these will feed into the Revenue Proposal. Customers consulted on broad range of topics. Customers able to influence topics for engagement. Customers encouraged to test the assumptions and strategies underpinning the proposal. Customers were able to access and resource independent research and engagement. 	<ul style="list-style-type: none"> The co-design approach provides guidance and direction on the areas of most interest to customers. The formation of a Working Group gives customer representatives the opportunity to review and 'deep dive' into topics of most interest, with the level of engagement informed by the IAP2 spectrum. Customer representatives would have access to AER technical advice to support testing of key assumptions and strategies underpinning the proposal. Access to independent resourcing will also be considered as needed to support effective engagement.
Clearly evidenced impact	<ul style="list-style-type: none"> Proposal clearly tied to expressed views of customers. High level business engagement (e.g. customers given access to ElectraNet's Chief Executive and/or Board). ElectraNet has responded to customer views rather than just recording them. Impact of engagement can be clearly identified. Submissions on proposal show customers feel the impact is consistent with their expectations. 	<ul style="list-style-type: none"> A summary of feedback received and how we have responded in our final proposal will be published as a transparent record of engagement outcomes. An Executive lead process will be followed with engagement from key Executives, including the Chief Executive. The Working Group will be invited to brief the broader CAP on the outcomes of the engagement process. Submissions will also be used to evaluate the success of the engagement approach.
Proof point	<p>Reasonable opex and capex allowances proposed, for example:</p> <ul style="list-style-type: none"> In line with, or lower than, historical expenditure. In line with, or lower than, the AER's top-down analysis of appropriate expenditure. If not in line with top-down, can be explained through bottom-up category analysis. 	<ul style="list-style-type: none"> Information will be provided in the Preliminary Revenue Proposal and final proposal to support robust and reasonable expenditure forecasts, including historical trends, AER forecasting approaches and relevant metrics. Stakeholder confidence in the final expenditure forecasts on a 'no surprises' basis will be a key success measure of the engagement approach.

5. Engagement with regulatory and market bodies

Engagement with regulatory and market bodies during the early engagement process is intended to include:

- The release of a Draft Decision by the Essential Services Commission of SA (ESCOSA) on the Review of the Electricity Transmission Code, which sets out the reliability standards that apply to the South Australian transmission network (issued Mar 2021);
- The release by the AER of a preliminary positions paper for the Framework and Approach process, which outlines the manner in which a number of incentive scheme arrangements and regulatory guidelines will be applied to ElectraNet for the purposes of its 2023-28 revenue determination (May 2021);
- The finalisation by the AER of its Framework and Approach paper based on feedback received (Jul 2021);
- The release of a Final Decision by ESCOSA for the Review of the Electricity Transmission Code (Jun 2021);
- The review of ElectraNet's proposed network development projects by the Australian Energy Market Operator (AEMO) and initial Network Capability Incentive Parameter Action Plan proposals, culminating in a preliminary assessment report (Jul - Sep 2021);
- A series of 'deep dive' technical workshops (nominally monthly), possibly combined with those above, with the AER's nominated representatives following the release of ElectraNet's Preliminary Revenue Proposal together with nominated customer representatives and Consumer Challenge Panel members to review ElectraNet's plans and proposals, following an initial kick off meeting to confirm the scope and focus of the review process (Jul - Oct 2021); and
- Final assessment of ElectraNet's network development projects, Network Capability Incentive Parameter Action Plan and proposed contingent projects, culminating in a final assessment report by AEMO (Oct - Dec 2021).

Any further workshops and briefings for the purposes of the assessments above will also be held during this period as needed, based on feedback from these bodies.

ElectraNet Early Engagement Timeline

