

OTTER CUSTOMER CONSULTATIVE COMMITTEE

MINUTES

MEETING NO. 2/2022 - THURSDAY 15 SEPTEMBER 2022

By MS Teams

10:30 am Meeting commenced

1. Welcome and apologies

Present

Mr Stephen Durney (TasCOSS)
Mr Geoff Fader (Tasmanian Small Business Council)
Mr Jack Gilding (Tasmanian Renewable Energy Alliance)
Mr Charles Scarafiotti (Property Council of Australia - Tasmania Division)
Ms Liz Dimmlich (TasNetworks)
Ms Kate Cox (Ombudsman Tasmania)
Mr Michael Mulley for Linda Kelly (TasWater)
Mr Don Woodrow (TasNetworks)
Mr Ben Morris (Local Government Association of Tasmania)
Mr Giles Whitehouse (Aurora Energy)
Mr Heath Gilmour (Aurora Energy)
Mr John Gabbedy (TasWater)

In attendance

Mr Joe Dimasi (Tasmanian Economic Regulator)
Mr Chris Lock (Director, OTTER)
Ms Kirstan Long (Director Designate, OTTER)
Mr Tristan Patterson (Manager, Regulatory Compliance and Performance, OTTER)
Mr David Richardson (Specialist Policy Analyst, OTTER)
Ms Julia Ma (Senior Research Officer, OTTER)
Ms Estella Walker (Executive Officer, OTTER)
Mr Finn Churchill (Assistant Research Officer, OTTER)

Apologies

Mr Glenn Bounds (Assistant Director, OTTER)
Ms Linda Kelly (TasWater)
Mr Ray McKendrick (Ombudsman Tasmania)

2. Ratify minutes from July 2022 meeting

The minutes from the meeting of 15 July 2022 were ratified.

3. Tasmanian Ombudsman Update

Ms Cox provided an update on complaints received by the Ombudsman in relation to energy issues.

A Quarterly Report was not provided as the most recent report for the quarter ending 30 June 2022 had already been provided to committee members.

A Retailer of Last Resort process for the customers of Elysian Energy was initiated by the AER after the entity was placed under external administration. All remaining Tasmanian customers have been transferred to Aurora Energy. The Ombudsman's Office has received four complaints regarding Elysian Energy since the rollover, with discussions held between the Ombudsman's Office and the external Administrator for Elysian Energy.

It was noted that the number of complaints to the Ombudsman regarding delayed billing by Aurora Energy has fallen. Complaints were exacerbated by a lack of contact between senior Aurora employees and the complainants. Aurora is enacting a process to remedy this.

Ms Cox indicated that she would identify a suitable representative from the Ombudsman's Office to attend the next OCCC meeting to discuss issues relating to water and sewerage.

4. TasNetworks - 2024-29 revenue reset

Mr Don Woodward delivered a presentation on the TasNetworks' 2024-29 revenue reset. TasNetworks presented graphs that showed its prices would remain largely unchanged over the period in real terms under current conditions. However, TasNetworks then explained that under different interest rate assumptions and after allowing for potential large projects, the outcome would be different.

Following a question, TasNetworks advised that it will offer time-of-use network prices only from the commencement of the next regulatory period. Mr Dimasi advised the OCCC that this does not require Aurora Energy or other retailers to cease to offer non time-of-use tariffs such as general useage tariffs.

TasNetworks has forecast growth in electric vehicles over the next eight years and estimates that network stability will be maintained over this period. A Future Networks Group has been established to monitor electric vehicle trends.

Following the meeting, Mr Fader submitted a follow-up question, as he was unable to ask the question during the meeting due to technical difficulties. Mr Fader's question related to electric vehicle charging infrastructure and billing in apartment blocks. TasNetworks' response, provided on 23 September 2022 is attached.

5. Aurora Energy- New billing system transition and disconnections

Mr Giles Whitehouse and Mr Heath Gilmour delivered a presentation on Aurora Energy's new billing system transition.

It was noted that some accounts required manual intervention, leading to delays in distribution to customers. Only a small portion of customers have received multiple bills in quick succession. Aurora Energy continues to work with affected customers by offering options such as extended payment terms.

Mr Whitehouse provided an overview on the number of disconnections recently undertaken by Aurora Energy.

6. TasWater- unaccounted for water

Mr John Gabbedy delivered a presentation on TasWater's high level of unaccounted for water, including water losses and the projects being undertaken by TasWater to identify and reduce unaccounted for water.. The Regulator emphasised the ongoing importance of this issue and that TasWater's progress will be closely monitored.

7. Projects on the Go

The committee members noted OTTER's Projects on the Go for September 2022.

8. Other Business

There was no other business.

The meeting closed at 12.52pm.

Attachment

TasNetworks' response to Mr Fader's question regarding electric vehicle charging infrastructure and billing in apartment blocks:

"Tasmania just passed 1 000 EVs state-wide, that number is expected to grow to around 7 000 by 2025 and around 60 000 by 2030. Forecasts are conducted on a national scale by CSIRO yearly, and can change year-on-year based on a range of external factors. We actively monitor these forecasts, and make our own based on localised network growth data, to inform our asset management decisions.

However, forecasts are only one side of the coin. The impact that EV charging will have on network demand is still an active area of research; the average increase in maximum demand can range anywhere from 250 W to 7 kW based on which study is read. It is a difficult number to predict and is why we are participating in research of our own (such as the EV Grid trial - <https://www.evgrid.com.au/>) to help determine the impact on the network in the future and how this should be managed. Regardless, even when using the higher estimates, we are not forecasting any widespread network constraints due to Electric Vehicles (EV) in the near future.

Regarding the specific example with the apartment block. TasNetworks, in our role as the Distribution Network Service Provider (DNSP) in Tasmania, only have jurisdiction up to the meter. The internal electrical network beyond the meter, including new cabling to EV chargers, is generally the jurisdiction of the land owner. Because we manage our network and base our asset management decisions at a level higher, we take in to account the diversity of load when many loads are grouped together (i.e. not everyone will turn their kettle on at exactly the same time). This means that large step changes seen by an individual site (for example, the installation of a charger at each car park) isn't seen as such a large step change to us – simply put, the new load would be "averaged" out with all the other apartment blocks sharing the network."