

Mr Sebastian Roberts
General Manager
Australian Energy Regulator
GPO Box 520
Melbourne, Victoria, 3001

10 August 2020

Dear Mr Roberts,

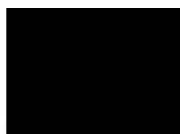
Evoenergy Access Arrangement 2021–26

ActewAGL welcomes the opportunity to provide comments to the Australian Energy Regulator (AER), in relation to Evoenergy's 2021–26 regulatory proposal, which was published on 10 July 2020. The proposal is for Evoenergy's gas distribution network, located in the ACT and Queanbeyan-Palerang region of NSW.

ActewAGL has included its views on several aspects of Evoenergy's proposal which are relevant to the ongoing operational relationship between the distributor, retailer and end-use customer.

If you wish to discuss any aspect of this submission please contact [REDACTED] at [REDACTED]

Yours sincerely



Rachael Turner
General Manager Retail

1. Evoenergy's 2021–26 plan

Tariff classes and charge components

Evoenergy proposes several changes to its network tariff structure as part of the 2021–26 Access Arrangement. These include:

1. Abolishing tariffs that have zero or few customers assigned to them
2. Combining residential and small business tariffs into one tariff
3. Simplifying the process for Demand customers to reset their chargeable demand
4. Making ancillary service charges more cost-reflective.

ActewAGL is supportive of the proposed changes given they reduce complexity and administration costs, while maintaining compliance with Evoenergy's high level pricing objectives¹.

Abolishing tariffs that have zero or few customers assigned to them

ActewAGL supports abolishing the VRH, VBS, VBM, VRG and DBG tariffs, given the limited number of customers utilising them.

In making any changes to tariff design, ActewAGL encourages adequate industry and customer consultation to ensure relevant supporting education or guidance is developed ahead of changes.

Combining residential and small business tariffs into one tariff

Combining the residential and small business tariffs is supported by ActewAGL as a simplified approach.

Simplifying the process for Demand customers to reset their chargeable demand

ActewAGL is supportive of the proposed process for demand customers to reset their chargeable demand. The proposal will benefit consumers who have made changes to their business processes with the intention of permanently reducing their demand on the network. Under this proposal, lower demand charges will be signalled to the customer more quickly, when compared with the current approach.

Making ancillary service charges more cost-reflective

ActewAGL is supportive of the proposed changes to ancillary service charges, which bring the structure into line with the size of meters being installed in residential and business premises.

¹ Section 10.6.2

Miscellaneous fees and charges

ActewAGL notes Evoenergy has proposed minor changes to its miscellaneous fees and charges, for the 2021–26 regulatory period. ActewAGL is supportive of Evoenergy continuing to separate reconnection and disconnection fees, as this ensures customers are charged only for services they have received.

2. Reference service agreement

In its proposed Reference Service Agreement, Evoenergy has included the following:

Disconnection and abolishment of delivery points

1. Where Evoenergy's costs exceed the applicable Ancillary Charge for the disconnection, reconnection or abolishment of a Demand Customer Delivery Point, Evoenergy's may recover from the User its additional costs reasonably incurred in disconnecting, reconnecting or abolishing the Delivery Point.

ActewAGL considers it would be valuable to provide further clarification in this clause, specifically as regards the process to recover "additional costs". ActewAGL recommends the clause be amended, or expanded, to state that any additional costs need to be agreed by the User prior to works commencing. This will ensure transparency and minimise potential customer harm.