



The Gas Network - Our 5 Year Plan

Community Consultation Summary

On 19 February 2015, ActewAGL Distribution released a consultation paper outlining our plans for the gas network over the next five years. For the next six weeks, ActewAGL held discussions with a range of community and business organisations to gather feedback on the five year plan.

What we heard during this consultation program provides an important contribution to our planning for the future. In June 2015 ActewAGL Distribution is required to submit our plans for the years **2016-17 to 2020-21** to the Australian Energy Regulator. The Australian Energy Regulator will use our submission as an important part of reviewing the operations of our business and determining gas prices for the next five years.

Four meetings with community and business representatives were held during March and February. In total 25 participants provided their input into our plans for the gas network. In addition, three briefings and discussions have been held with the Energy Consumer Reference Council, which is an independent body representative of a range of local business and community organisations, to provide continued input to the operations of ActewAGL Distribution.

YOU TOLD US YOU:

- value reliability and safety
- want price stability and certainty
- want to support vulnerable customers
- are interested in what the long-term energy infrastructure looks like for the ACT
- are keen to be involved in future energy discussions

What did we hear?

Community representatives provided us with the following feedback:

- Reliability and safety are valued, but are worried about the affordability of gas.
- Concern about the general confusion across the ACT community about the distinction between retail and distribution services provided by ActewAGL and the impact of each on the final household energy bill.
- Believe it is important that current customers are not subsidising new customers, or that existing customers were not being burdened with the costs of paying for infrastructure that is for the long-term and therefore the benefit of future customers.
- Suggested consideration should be given to have only a usage-based charge, and no fixed charges within the Distribution tariffs.
- Concern about vulnerable gas users and ensuring the Canberra residents are able to stay warm in winter.
- Interested in working with ActewAGL to better understand the long-term energy resources and infrastructure requirements of our city as energy sources change in the future. Keen to ensure the long-term viability of ActewAGL and don't want to see us invest in infrastructure that may be obsolete in the long-term future. Questioned if the growth of the gas network, by increasing the number of customers, the right long-term strategy?

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for you



What did we hear?

Business representatives provided us with the following feedback:

- Long-term price stability and certainty are important.
- Value ActewAGL Distribution's commitment to safety.
- Keen for earlier and regular engagement with both gas and electricity network providers.
- Noted that gas installation is not thought of early enough in the development application approval process by the developers.
- Important to find a better solution for accessibility of gas in high-rise residential apartments.
- Infrastructure planning for the city as a whole needs to be done earlier and be better connected across the utilities and the government planners. Need longer planning timeframes of 20-30 years.
- Encourages ActewAGL to provide better information to the community on the efficient use of energy to ensure consumers can make informed purchasing decisions.
- Concerned about the long-term viability of ActewAGL as the energy market changes.

The Energy Consumer Reference Council was involved in more detailed discussions and provided the following feedback.

- Support the position of a smooth price path that follows the revenue requirement for a steady increase from year-to-year for the next five years.
- Keen to ensure that vulnerable customers are supported. Do not believe this can be achieved through pricing mechanisms or tariff structures alone.
- Concerned about 'boundary metering' of high-rise apartments as this may limit consumer choice and reduce incentives for individual households to be energy efficient.

- Certainty of pricing is important, particularly for the business community. It was noted that a very large proportion of Canberra's businesses are very small or micro-businesses and as such may be identified as residential customers by ActewAGL.
- Encourage a long-term engagement with the community over ActewAGL Distribution's business operations and the long-term planning for gas and electricity networks. Recognise this may require capacity building and education to develop an increased understanding within the community of the nature of the networks business.
- Interested in having a broader conversation with ActewAGL Distribution about the long-term business model for ActewAGL to deliver the best energy resources to the Canberra community beyond the next five years.

Next steps

ActewAGL Distribution's conversations with the community continue and ActewAGL would like to thank the community for their interest and valuable input. Further information on the proposed structure of tariffs and suggested prices will be made available through ActewAGL's website and directly to those involved in the consultation activities outlined in this brief summary. A full consultation report is being prepared with information on specific feedback from each meeting and the stakeholders. This report will be made available to participants and through the ActewAGL website.

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