



Supporting
document 0.12

Ann Shaw Rungie Opex Deep Dive Workshop report

2020-2025
Regulatory Proposal
July 2018



Operating Expenditure Information Workshop

3 May 2018

Summary Report



July 2018

17-018

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1. Executive Summary

Every five years SA Power Networks (SAPN) submits plans which outline its expenditure to the Australia Energy Regulator (AER) for assessment. The AER determines SAPN's revenue allowance under the National Electricity Rules.

As part of the comprehensive, phased customer engagement program that is informing the development of its draft 2020-25 Regulatory Proposal (Draft Plan), SAPN held a series of 'deep dive' workshops to explore some of its key components. The deep dive workshops are in the third phase of the SAPN Customer Engagement Program.

The deep dive workshops facilitated by Ann Shaw Rungie covered the following topics:

- Levels of Service
- Tariff Structure Statement
- Capital Expenditure (capex) Part 1
- Capital Expenditure (capex) Part 2
- Operating Expenditure (opex)

The workshops shared and discussed detailed information about SAPN's preliminary plans with its consumer representatives and customers. They were designed to enable SAPN to consider the feedback and views of consumer representatives while continuing to develop its Draft Plan, refine it and respond accordingly.

The AER's preferred opex assessment method is the 'base-step-trend' approach. This workshop discussed SAPN's proposed approach to the base-step-trend assessment process, and explored how operating expenditure is managed in relation to vegetation management, network maintenance, emergency response, the Guaranteed Service Level (GSL) scheme, and network and corporate overheads.

This report summarises the Opex Information Workshop held on 3 May 2018. All members of SAPN's Customer Consultative Panel (CCP) and Reference Groups (RG) were invited to attend the workshop, along with AER and Consumer Challenge Panel (CCP14) representatives and invited guests. A total of 23 people attended from these groups; and 20 SAPN staff also attended, as speakers, subject matter experts and table facilitators.

Engagement process

The objectives of this workshop were to deliver an information session that would build understanding of SAPN's obligations and challenges, forecasting methodologies, and proposed operating expenditure breakdown. SAPN also wanted to explore what customers and stakeholders value in relation to several operating expenditure categories; seek feedback on preliminary operating expenditure step change proposals to inform Draft Plan; and identify areas of stakeholder acceptance and areas that require further discussion.

Because this was an information workshop, with 11 presentations, there was generally less commentary from participants, given that the topics discussed were more legislative or regulatory requirements, rather than negotiable aspects of the plan.

Operating expenditure overview

Opex is the expenditure incurred to operate and maintain the electricity network. Opex is largely recurrent and is typically very similar from year to year.

In the overview discussions three main themes emerged: some difficulty in understanding the complexity of the material and therefore contributing effectively to the discussion (although comfort that SAPN had answered questions asked), queries about the base year selected and concern about revenue outlook at approximately 1% above the Consumer Price Index (CPI).

Step changes

SAPN is proposing six step changes and trade-offs for its Regulatory Proposal 2020-25. Two proposed step changes were covered in this workshop: the Information Technology Critical Infrastructure Centre Compliance (CIC) step change and the Customer Engagement Technology (CET) step change. While most people accepted CIC was a legislative requirement and constituted a step change; some queried whether the cost of implementing this legislation should be borne by electricity customers and raised questions about benefit to customers. Most people felt that the CET proposal did not constitute a step change.

Operating expenditure categories

The following opex categories were discussed:

Network maintenance: stakeholders queried how SAPN's ageing assets would influence opex and whether increased spending on inspections would be required.

Guaranteed Service Level (GSL): discussion centred on clarity of the purpose of the GSL scheme, whether SAPN had records of equipment failure rates and reducing inconvenience to customers.

Emergency response: this category covered restoration of supply to customers and restoration of assets in response to unplanned outages. Participants requested a breakdown of \$214m for emergency response.

Vegetation management: Questions and comments on the presentation focussed on the need for more information on costs, a clear business case and the future directions of this category. Participants recognised that good community outcomes are emerging from the Arborist Reference Group and local government working together.

Network operation/management includes the distribution licence fee, asset management planning, asset system management planning, network monitoring, communications and bushfire insurance.

Customer services: Customer service costs include maintaining customer systems, call centre and customer management. Most participants felt this did not constitute a step change.

Corporate costs: This category covers corporate groups such as Finance, Information Technology, Property, and insurance, allocated in accordance with AER-approved Cost Allocation Method (CAM). Participants requested more detail in the discussions around corporate costs.

Summary

Workshop participants valued the open and constructive interactions with senior SAPN staff and appreciated the level of information provided both before and during the workshop and consequently felt they were able to gain a better understanding of opex. SAPN indicated that they would respond to the issues raised including removal of the CET step change and holding a detailed IT technical workshop in June.

2. Background

SA Power Networks (SAPN) operates a distribution network that stretches across South Australia, comprising thousands of kilometres of powerline and hundreds of substations.

Every five years SAPN submits plans which outline its expenditure to the Australia Energy Regulator (AER) for assessment. The AER determines SAPN's revenue allowance under the National Electricity Rules.

As part of the comprehensive, phased customer engagement program that is informing the development of its 2020-25 Regulatory Proposal, SAPN held a series of 'deep dive' workshops to explore some of the key components making up the Regulatory Proposal. The deep dive workshops are in the third phase of the SAPN Customer Engagement Program, shown in Appendix 1.

In November 2017, Ann Shaw Rungie was appointed by SAPN as an independent facilitator to assist with the design and development of the agendas for several deep dive workshops, to facilitate the workshops and to provide an independent report of proceedings.

The workshops shared and discussed detailed information about SAPN's preliminary plans with consumer representatives and customers. The workshops were designed to enable SAPN to consider the feedback and views of consumer representatives while continuing to develop its draft plan, refine it and respond accordingly.

All members of SAPN's Customer Consultative Panel (CCP) and Reference Groups (RG) were invited to all workshops, along with the AER and Consumer Challenge Panel (CCP14) representatives.

The workshop topics and dates facilitated by Ann Shaw Rungie are listed below:

- | | |
|------------------------------|------------------|
| • Levels of Service | 21 November 2017 |
| • Tariff Structure Statement | 19 March 2018 |
| • Capex Part 1 | 6 April 2018 |
| • Capex Part 2 | 12 April 2018 |
| • Opex | 3 May 2018 |

This report summarises the Operating Expenditure (opex) Information Workshop held on 3 May 2018. Because of the regulatory nature of the topics being covered there was less opportunity for detailed discussion than in the deep dive workshops held earlier; and the term deep dive was not used following feedback from participants.

2.1 Objectives for this workshop

The objectives for this workshop were to build understanding of SAPN's:

- obligations
- environment and challenges
- forecasting methodologies
- proposed operating expenditure breakdown.

SA Power Networks also wanted to:

- explore what customers and stakeholders value in relation to several operating expenditure categories
- seek feedback on preliminary operating expenditure step change proposals to inform the Draft Plan
- identify areas of stakeholder acceptance and areas that require further discussion.

2.2 Acronyms

A list of acronyms used in this report is included in Appendix 2.

3. Engagement process

The Opex Information Workshop was part of SAPN's 2020-2025 Regulatory Reset Customer Engagement Program. The discussions and feedback will inform and help shape SAPN's Regulatory Proposal for 2020-25 which will be lodged in January 2019.

This workshop discussed SAPN's proposed approach to the base-step-trend assessment process, and explored how operating expenditure is managed in relation to vegetation management, network maintenance, emergency response, the GSL scheme, and network and corporate overheads. Very preliminary numbers were presented for discussion.

Outstanding questions that arose in the previous capital expenditure (capex) workshops were answered during the opex workshop. Each session was outlined by the independent facilitator who introduced SAPN's subject matter experts to provide the expert technical background on each topic as the basis for discussion. This was followed by facilitated table discussion at five tables.

All participants had supporting material, including pre-reading documentation and worksheets with guiding questions for some discussions. SAPN's table facilitators recorded discussion and each table reported back to the room after discussion on each topic. Worksheets were completed by participants during the session or returned later to SAPN. Additional question and answer sessions were included in this workshop in response to requests arising from the previous workshops.

Because this was an information workshop, with 11 presentations, there was generally less commentary from participants, given that the topics discussed were more regulatory requirements, rather than negotiable aspects of the plan.

Summary data from both the recorded discussions and from the completed worksheets is included in each section of this report. Complete data sets are held by SAPN for more detailed review, as required.

Expectations

Before the technical presentations, participants were asked to consider their preliminary expectations for this workshop on a scale of 7 to 1, where 7 is a high expectation and 1 is low. The reason for discussing expectations is that expectations tend to influence behaviours and inputs, which in turn influence outcomes.

The conversation about expectations at the start of the workshop then enabled a discussion at the end of the workshop (see page 18 Evaluation) about whether expectations had been met or exceeded, and participants considered they had been exceeded.

3.1 Who was in the room?

A total of 23 people attended from SAPN's Customer Consultative Panel (CCP) and reference groups (RG), the AER, Consumer Challenge Panel (CCP14) members and invited guests. Twenty SAPN staff also attended, as speakers and expert advisers, including five table facilitators.

Attendance at the workshop is listed in Appendix 3.

3.2 SAPN Customer Consultative Panel and Reference Groups

SAPN has a consultative framework which consists of a Customer Consultative Panel (CCP) and four reference groups (RG). All CCP and RG members were invited to attend the workshops.

The CCP and RG framework include the following:

- Customer Consultative Panel (comprising a representative from each of the reference groups below, plus other consumer representatives)
- Renewables Reference Group
- Community Reference Group
- Business Reference Group
- Arborist Reference Group

Appendix 4 details the organisations which make up the membership of each of the Reference Groups.

4. Operating expenditure

Every five years SAPN develops a business plan (Regulatory Proposal) which is submitted to the AER for approval. The AER approves a total expenditure allowance for SAPN, comprising both capital and operating expenditure.

4.1 How operating expenditure is assessed

The AER's preferred opex assessment method is the 'base-step-trend' approach. However, when appropriate, the AER may also assess some opex categories using other forecasting techniques (such as bottom up reviews) to derive an efficient benchmark amount. It is important to note that the AER's preferred assessment is made in regard to total forecast opex and not about particular categories or projects in the opex forecast.

4.2 Operating expenditure overview

Opex is the expenditure incurred to operate and maintain the electricity network. Opex is largely recurrent and is typically very similar from year to year.

The key components of opex include:

- network maintenance
- vegetation management
- emergency response
- network operation/management
- Guaranteed Service Level
- customer services, and
- corporate costs.

These components were considered in more detail later in this workshop.

Workshop participants were introduced to the regulatory building blocks to provide context for how opex impacts on revenue and prices. As an indication of how opex impacts on revenue and prices, every \$10m of opex equates to +/- \$10m of annual revenue and affects the annual residential bill by +/- \$7.

Figure 1 also shows the opportunities for customer engagement as part of this process as well as detailing the rule-based methods that determine the other building blocks.

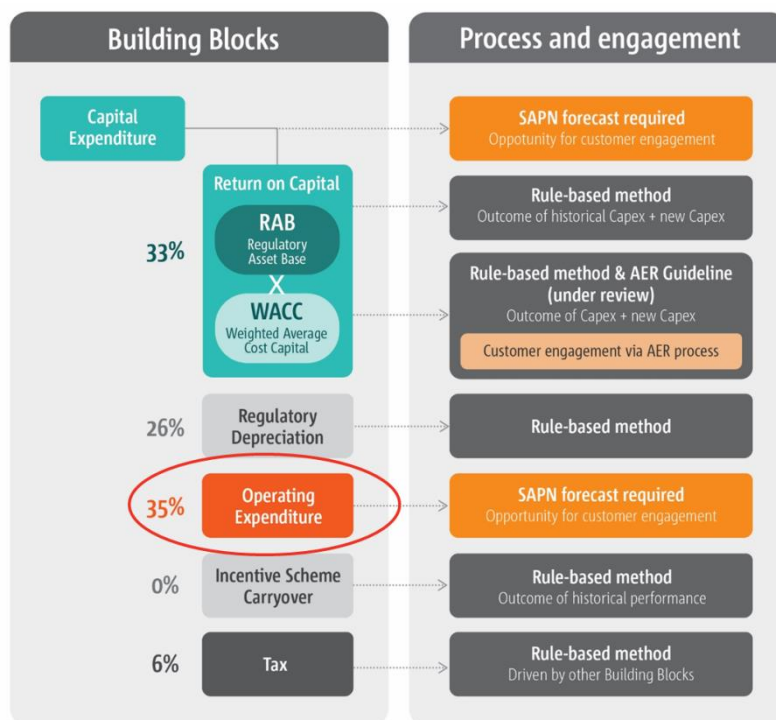


Figure 1: How opex impacts revenue and prices

4.2.1 Operating expenditure proposal

The incentive-based regulatory framework ensures that distribution businesses are incentivised to provide, and are compensated for providing, electricity services efficiently so that consumers receive the level of service they expect at the lowest long run cost.

It also rewards distributors for maintaining service standards while spending less in a regulatory control period than the expenditure allowance determined. Customers and the distributor share the benefits of the lower opex, the distributor by retaining savings for five years, and customers through lower ongoing opex.

SAPN indicated that the opex build up is based on current expenditure levels and that fewer step changes are proposed than in 2015-20. The total revenue outlook presented was approximately 1% above CPI.

Figure 2 provides a summary of the components of the opex forecast by expenditure category.

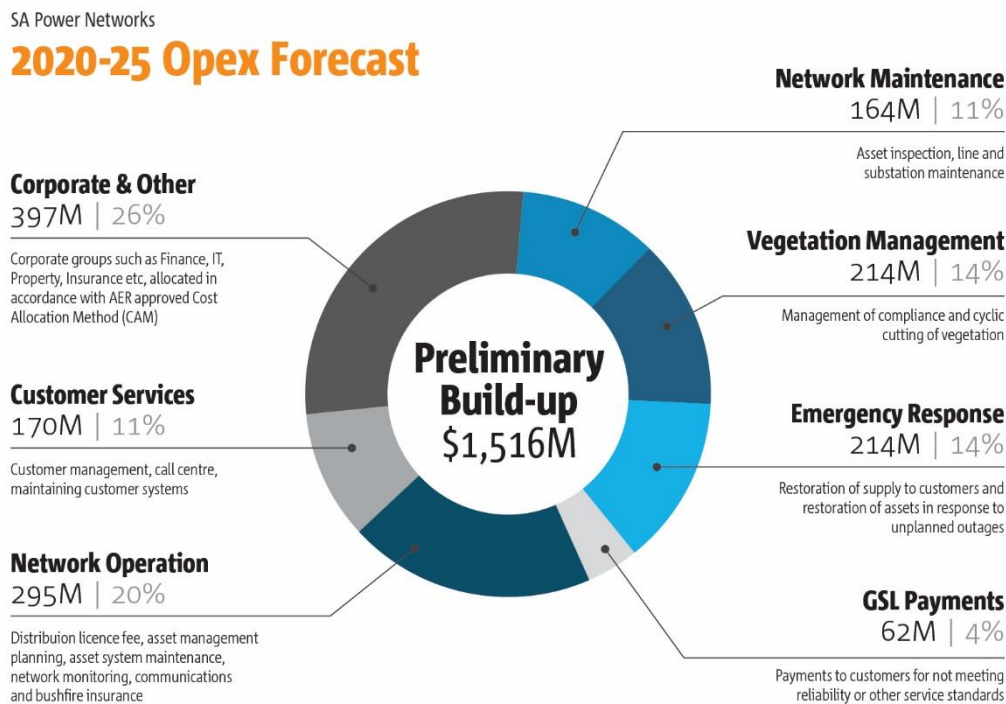


Figure 2: Operating expenditure preliminary build-up

4.2.2 Operating expenditure methodology

The individual components of the AER's preferred Base-Step-Trend Methodology were outlined. Figure 3 provides a breakdown of the components and costs that have been forecast for 2020-25.

The AER's Base-Step-Trend methodology comprises:

- Base refers to a recent year reflective of indicative costs
- Step refers to regulatory or legal changes, or efficient capex-opex trade-offs

- Trend refers to real movements in input costs

Under the Base-Step-Trend methodology the AER will assess whether the selected year meets the opex criteria and if so, the base opex will be set equal to actual expenditure.

SAPN has followed this methodology to determine its opex forecast, with 2018/19 to be nominated as the base year.



Figure 3: Operating expenditure Base Step Trend Methodology

It was noted that these are preliminary expenditure values which are indicative of the forecast for 2020-25. They are subject to change depending on customer engagement outcomes and revisions in the lead up to the submission of the proposal to the AER in January 2019.

Step changes apply to costs not compensated in either the base year or the rate of change calculation. Two of the proposed step changes were discussed at this workshop and are recorded in Section 4.3.

Following the presentations introducing operating expenditure (opex), the opex proposal and outlining opex methodology, workshop participants discussed their views at their tables. The following is a selection of comments recorded by the table facilitators.

Discussion on opex methodology

Three main themes emerged from opex methodology discussions: some difficulty in understanding the complexity of the material and therefore contributing effectively to the discussion, although comfort that SAPN had answered questions asked, queries about the

base year selected, and concern about revenue outlook at 1% above CPI. Comments were also made in relation to the cost of labour, in particular increases above CPI, and whether a productivity factor should be applied to SAPN. There was also some general concern about the AER's assessment process.

Complexity of material

- Comfortable that SAPN answered the questions identified in earlier sessions and questions that have been raised today.
- This was a bit over my head. Not enough knowledge to comment.
- Feel way out of my depth as am not a financial expert. Feel questions asked have been relevant and have been answered very honestly.

Price increase not higher than CPI

- CPI +1% question – how can this be justified given situation of people trying to afford their electricity bills?
- CPI +1% - always an increase, never a decrease. It should be just below CPI.
- CPI price escalators are not realistic for customers on the same income as 20 years ago.
- If it was CPI minus 1%, or CPI minus 2%, what would this look like?

Base year

- Base year should be lower than 2018/19. Looking for more information that 2018/19 is the right year and why.
- How did you get to the base case as at 2018/19? Why is it always the most expensive one? It should be either a lower base year, or there should be productivity savings.

4.3 Step changes

Step changes relate to costs not compensated for in either the base year or the rate of change calculation. Efficient trade-offs represent costs that are currently capitalised, but will be expensed to achieve overall benefits and cost efficiencies. SAPN proposed six step changes and trade-offs for its Regulatory Proposal 2020-25. Two proposed step changes were covered in this workshop: the Critical Infrastructure Centre Compliance (CIC) step change and the Customer Engagement Technology (CET) step change.

Following presentations on these two topics, workshop participants discussed their views at their tables, using a worksheet. This was followed by a question and answer session.

4.3.1 Critical Infrastructure Centre Compliance

New federal legislation was passed in April 2018 which seeks to manage the national security risks of foreign involvement in Australia's critical infrastructure. This imposes new requirements and costs on Critical Infrastructure Providers such as SAPN.

Following a presentation on the CIC step change, workshop participants discussed their views at their tables. A worksheet asked the question: *What are your thoughts on the legislated Critical Infrastructure Compliance (CIC) step change?*

The following is a selection of comments from the worksheets. While most people accepted this was a legislative requirement and constituted a step change; some queried whether the cost of implementing this legislation should be borne by electricity customers and raised questions about benefit to customers.

Costs of implementation should not be totally borne by customers

- Would like further information on exact obligations placed on SAPN and why customers should pay for operational changes imposed on us by Federal government. Would like to look at actual costs as well.
- Maybe some capacity for commonwealth to offset some implementation costs.
- Total burden should not be borne by customers. Clearly SAPN must comply; but is this solution is prudent and efficient, or justified?
- Encourage ENA (Energy Networks Australia) to put this on the COAG (Council of Australian Governments) Energy Council meeting agenda. This increases costs to consumers, while we are all talking about reducing energy bills.
- Clearly a step change – but is it being done in most efficient way?
- A step change appears reasonable on the basis of information provided, difficult to comment about the cost of change.

Ensure data access for consumers

- Controls must not inhibit consumers and agents from accessing and aggregating data. What is the consumer benefit from this?

4.3.2 Customer Engagement Technologies

In response to customer feedback seeking improved information and service, SAPN is proposing to better manage customer communications by standardising the technology platform (on a subscription model), enabling coordinated and consistent communications across multiple channels.

An overview of the proposed CET step change was presented and workshop participants discussed their views at their tables and filled out worksheets which asked them to consider how supportive they were of the proposed CET step change expenditure, on a sliding scale using: 1 = *do not support*, 3 = *they were uncertain*, or 5 = *strongly support*, and why.

Over 70% of participants completed the sliding scale on the worksheet, with results shown in Figure 4 below. Others only made comments on the worksheets. A summary of key points is listed below.

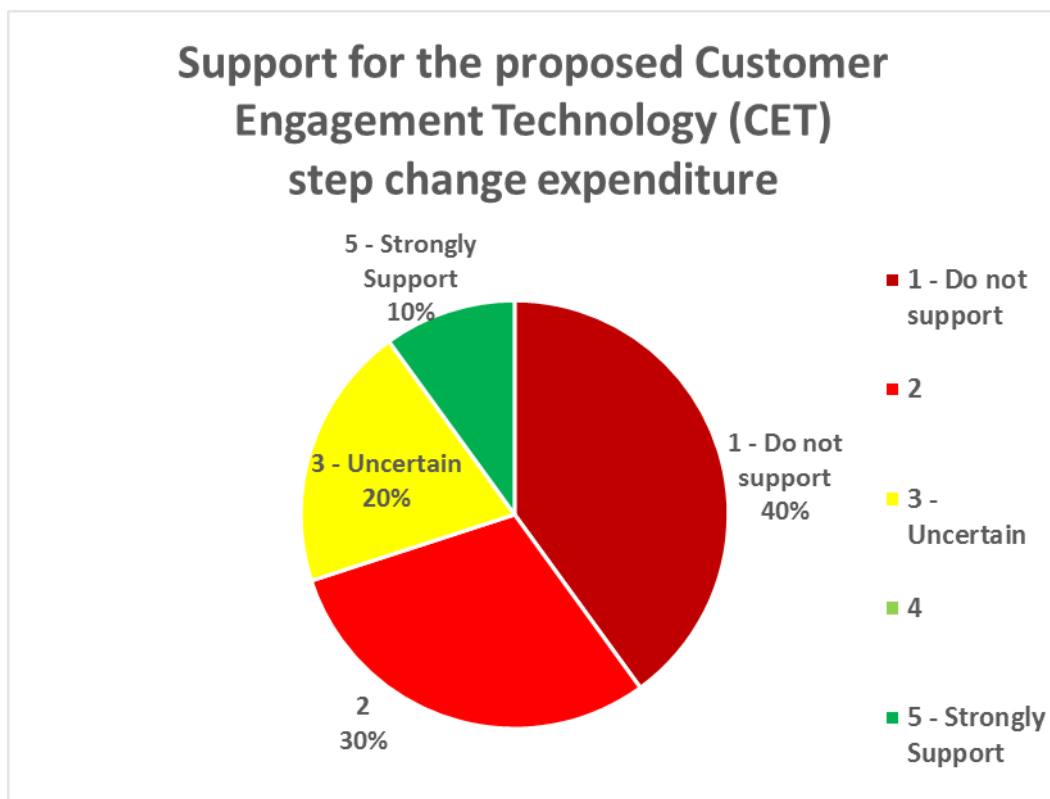


Figure 4: Support for the CET step change

There was not strong support for this expenditure to be considered as a step change. Seventy percent did not support, while another 20% were uncertain and only 10% strongly supported.

Most responses indicated that this did not constitute a step change.

- This doesn't appear as a real step change, more like Business As Usual (BAU).
- Need to better explain - e.g. what's the internal business case?
- More information and justification is required and not sure it is a step change!
- CET arguably does not fit as a step change? Need more clarity on costs.

- This is not a step change as this is an ongoing function, not a dramatic new response to a government requirement for SAPN.
- Language issue – use of the word trade-off is incorrect here. Move away from this language. More option A and B.

Query benefit to customers

- Explanation of capex/opex option, \$4 is a lot of money for customers who would otherwise spend on food etc. Where is there more than \$4 benefit for customers?
- Should consumers pay more to enable you to do the right thing? Servicing customers in the right way doesn't qualify as a step change per se – if you want to do it – need to make a stronger case for it and build into base operations.
- Could SA Power Networks explore the potential efficiencies when customers help each other? There must be some data about the benefits corporates like Apple get when they let customers answer each other's questions with oversight and support from paid staff.

Discussion on step changes

Three main themes emerged:

1. In terms of critical infrastructure compliance, stakeholders generally accepted this was a step change but queried whether the cost of implementing this legislation should be borne by electricity customers.
2. They raised questions about the benefits of these step changes to customers.
3. Most participants felt that the customer engagement technology proposals did not constitute a step change.

4.4 Operating expenditure categories 1

Opex can be broken down into a number of different categories. Following presentations on the following opex categories, a panel with SAPN's staff answered questions. The first set of categories discussed was:

- network maintenance
- Guaranteed Service Level (GSL) payments
- emergency response.

4.4.1 Network maintenance

Network maintenance covers asset inspections, line and substation maintenance. The presentation included information on the annual pre-bushfire patrols, typically via helicopter looking for fire start type defects. Questions included:

- Are you expecting spend on inspections to increase because of ageing assets?
- Can you show average age and how it influences opex?

4.4.2 Guaranteed Service Level scheme

Network reliability standards for SAPN include a GSL Scheme, under which SAPN must automatically make payments to customers in the event that specified service levels are not met. There can be extreme variability in payments from year to year.

Overall questions and comments centred on reducing inconvenience:

- Do you have a record of equipment failure rates?
- No clarity about purpose/intent of GSL scheme - should be quite clear.
- If you removed GSL for Major Event Days (MED), does it change framework for response on MEDs? Do you go beyond minimum labour requirements to meet minimum reliability standards to avoid GSLs?
- Country regions are less well served and have a long wait for GSL payments.
- How to mitigate inconvenience caused, e.g. people leaving their homes or stock losses. If the driver is convenience, then customers should be paid for inconvenience.

4.4.3 Emergency response

This category covers restoration of supply to customers and restoration of assets in response to unplanned outages. Participants requested a breakdown of \$214m for emergency response.

4.5 Operating expenditure categories 2

Following presentations on the following opex categories, a panel with SAPN's staff answered questions. The second set of categories discussed was:

- vegetation management
- network management
- corporate costs
- customer services.

4.5.1 Vegetation management

The vegetation management program objectives are to mitigate bushfire risk, maintain reliability and comply with legislative requirements. There is a longer-term strategy to create a more sustainable environment to minimise the need for tree trimming over time. Consumer education and regulatory amendments are a part of the strategy. Questions and comments on the presentation focussed on the need for more information and the future directions of this category:

More information needed on costs

- How much do you spend on veg removal and what is the carbon footprint?
- What are you doing about monitoring? Essential are using drones and other digitising strategies, helicopters are very expensive.
- To provide information customers can support, is there a business case for drones and removing visual barriers?
- Would be interested to see a breakdown of the veg management costs – how much is being paid to the contractors? More information on increased insurance costs for veg contractors would be useful.

A reference group member shared some points around costs to arborists, including that field costs are increasing – insurance costs are increasing and wage costs are increasing. This might underestimate the actual costs to the business.

Future directions

- Good community outcomes are emerging. A lot of this has come from the Arborist Reference Group and local government working together.
- The presentation was commended. If approach to vegetation management is well explained in your proposal, then the community can support it.
- This has been really useful to see the trend line, and that costs are increasing.

4.5.2 Network operation

Network operation includes the distribution licence fee, asset management planning, asset system management planning, network monitoring, communications and bushfire insurance.

4.5.3 Customer Services

Customer service costs include maintaining customer systems, call centre and customer management. The CET step change proposed improvements to customer communication to provide consistent and coordinated communication across all communication channels, replacing and standardising existing customer and electrician portals and the use of artificial intelligence to answer the more routine questions.

- Most participants felt this did not constitute a step change.

4.5.4 Corporate costs

This category covers corporate groups such as Finance, IT, Property, and insurance, allocated in accordance with AER-approved CAM. The aim is to identify opportunities for automation, efficiency and improvement initiatives in corporate functions. SAPN currently has relatively low industry benchmarked costs per customer. Participants requested more detail in the discussions around corporate costs:

- Does the Corporate Governance of \$64m include the costs of Regulatory appeals?

5. Evaluation

SAPN routinely asks workshop participants to evaluate their experience, including the clarity of information provided, the time allowed for effective participation, the range of topics discussed and the level of satisfaction with how their views were considered. The responses are combined to provide an overall satisfaction rating.

The overall satisfaction rating is shown in Figure 5 below, where 93% of stakeholders who completed an evaluation were satisfied or highly satisfied.

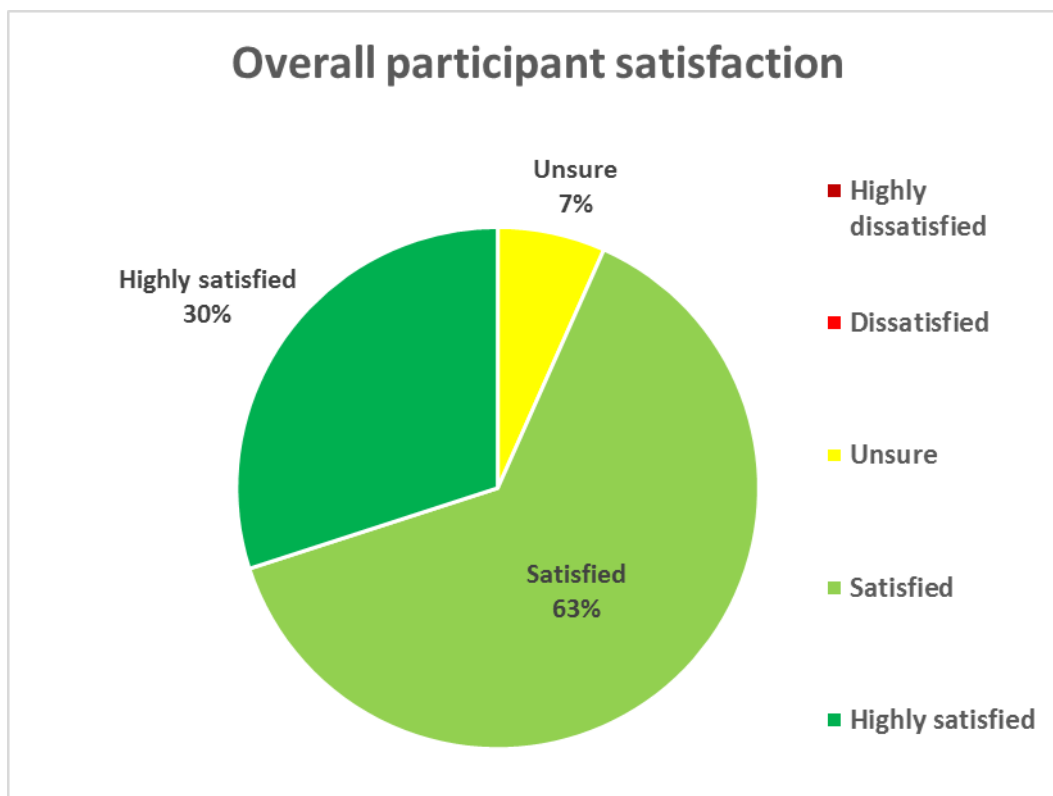


Figure 5: Overall satisfaction rating Opex Information Workshop

Workshop participants appreciated the open and constructive interactions with senior SAPN staff at tables. They felt that the quality of information provided was constantly improving, that they benefitted from the pre-reading provided for this workshop and consequently gained a better understanding of opex. It was suggested this level of information has not previously been seen in consumer consultation and was much appreciated. The discussion was also considered to be open and frank and constructive.

In terms of other comments, it was suggested that it would be valuable for the Essential Services Commission of SA (ESCOSA) to attend a workshop, especially in relation to clarifying questions about the GSL payment scheme.

Expectations commentary

In a discussion on expectations at the beginning of each deep dive workshop participants were asked to consider their preliminary expectations for each workshop on a scale of 7 to 1, where 7 is a high expectation and 1 is low (see page 5).

Expectations have been rising over the course of the workshops. For this opex workshop, 94% of participants rated their expectations between 5 and 7 (higher). Several people

made comments which indicated that their expectations were now much higher than they were at the beginning of the deep dive workshops. Higher expectations have moved from 64% (tariffs) to 79% (capex Part 1), then to 87% (capex Part 2), and to 94% (opex).

6. Reflections

Deep Dive workshops by their nature need to present range of complex and detailed material to workshop participants. To enable effective participation, people need to have the opportunity to develop their 'energy literacy', and they need to feel that they are being heard. Ideally this means one third presentation time and two-thirds discussion time. The SAPN's stakeholder engagement team adopted this as a principle and consciously and effectively worked at improving the ratio by reducing time for presentations and increasing discussion times over the course of the subsequent deep dive workshops.

SAPN has made a significant investment in building the knowledge base of its Reference Group members so that they can participate in a reasonably intense engagement process as part of the 2020-25 Regulatory Reset Proposal. Nevertheless, because of the complex nature of the material and the detail to be discussed, it was still difficult for participants to absorb and discuss some of the information in the time available in the opex workshop.

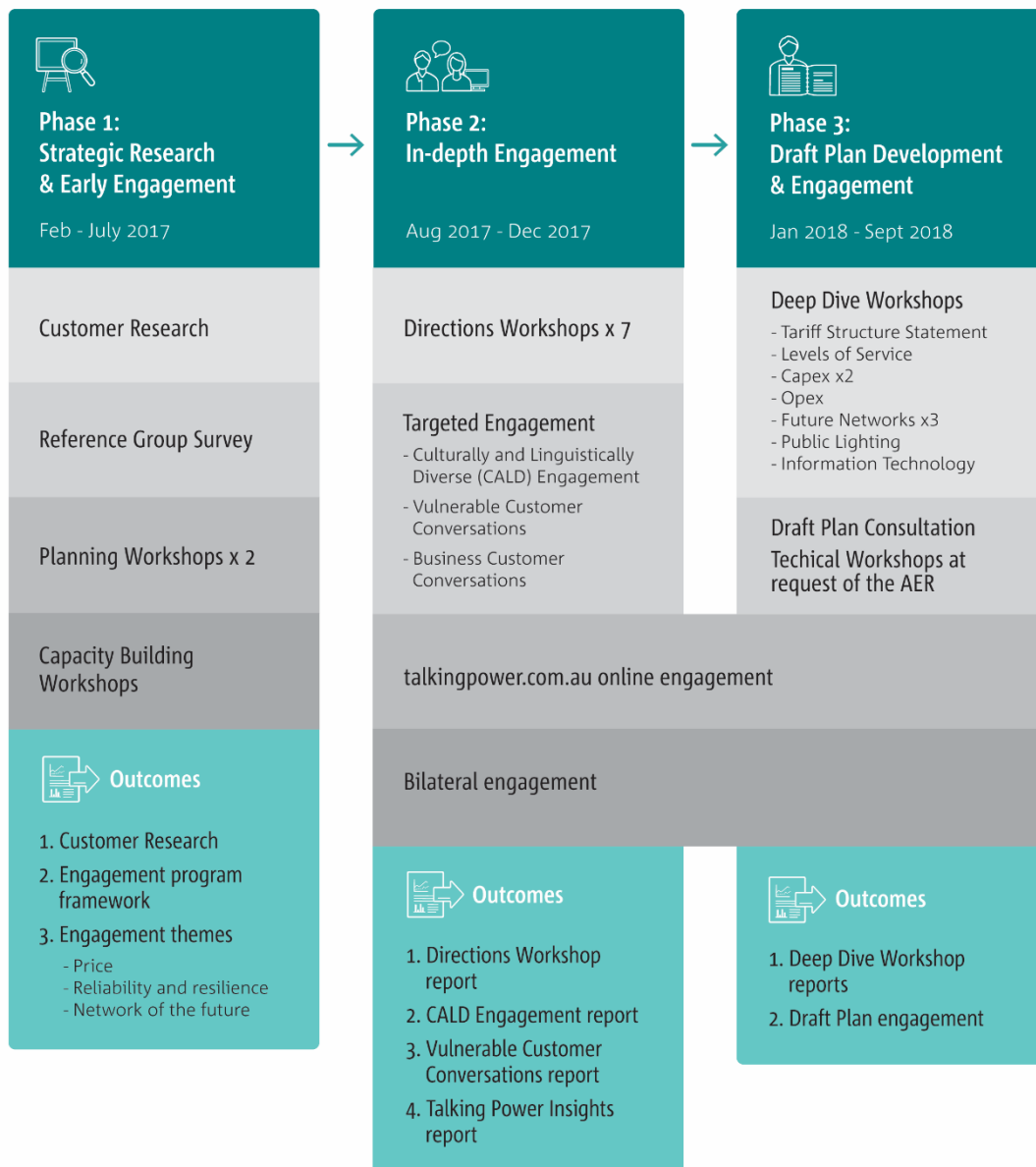
Requests for more information by workshop participants can always be anticipated when dealing with complex topics. When such requests are made in a positive environment, where a degree of trust has been generated in the room, they can be seen as opportunities to continue to invest in and build that ongoing relationship. Of course it is important to quickly manage such expectations and define what will and what will not be possible.

In designing workshop processes and discussion questions for workshops it is important to consider not only what is being asked of participants (reasonably matching their degree of 'energy literacy' with the subject material) but also what kinds of answers might emerge and how the data generated will be taken on board and absorbed.

There was, by observation, a great deal of good will and energy in the room and this was also evidenced by the high overall satisfaction rating participants expressed through the evaluation process. Workshop participants appreciated the detailed questioning pursued by the energy experts in the room, and felt that input gave them opportunities to learn more. They indicated that presenters were responsive and provided good feedback to any queries.

Appendix 1: 2020-2025 Reset Engagement Program

2020-25 Regulatory Reset Proposal Customer Engagement Program



Appendix 2: Acronyms

Opex Acronyms

SAPN	SA Power Networks
AER	Australian Energy Regulator
BAU	Business as Usual
CAM	Cost Allocation Method
CAPEX	Capital Expenditure
CCP	SAPN's Customer Consultative Panel
CCP14	AER's Consumer Challenge Panel
CET	Customer Engagement Technology
CIC	Critical Information Centre Compliance
COAG	Council of Australian Governments
CPI	Consumer Price Index
DNBP	Distribution Network Service Providers
EBSS	Efficiency Benefit Sharing Scheme
ENA	Energy Networks Australia
ESCOSA	Essential Services Commission of South Australia
GSL	Guaranteed Service Level
IT	Information Technology
MED	Major Event Day
OPEX	Operating Expenditure
RAB	Regulated Asset Base
RG	Reference Group
SSF	Service Standard Framework
WACC	Weighted Average Cost of Capital

Appendix 3: Attendance

Attendance

Opex Information Workshop 3 May 2018

Attendance		
Brian Attwood	Consumers SA	Business Reference Group
Debbie Wielgosz	Energy Division, Dept of Premier & Cabinet	Business Reference Group
Heather l'Anson	Primary Producers SA	Business Reference Group
Heather Merran	Uniting Care Wesley Bowden	Community Reference Group
Kym Mercer	Anti-poverty network SA	Community Reference Group
Wendy Shirley	SA Financial Counsellors Association	Community Reference Group Customer Consultative Panel
Mark Henley	Uniting Communities	Customer Consultative Panel
Jenny Marwood	Customer representative	Customer Consultative Panel
Heather Smith	Changing weather	Renewables Reference Group Customer Consultative Panel
John Herbst	Solar advocate	Renewables Reference Group
Kelvin Trimper	Customer representative	Arborist Reference Group Customer Consultative Panel
Marlene Wiese	Community representative	Arborists Reference Group
Monica Oliphant		Special Invite
Chris Marsden	Department of Premier and Cabinet	Special Invite
Beverly Hughson	Representing SACOSS	
Georgina Morris	SACOSS	
Louise Benjamin	CCP14	
Mark Grenning	CCP14	
Claire Preston	AER	
Adam Petersen	AER	
Kellie Wilson	CitiPower/Powercor	Observer
Tina Jelenic	KPMG Banarra	Observer

Shellee Murphy-Oates	KPMG Banarra	Observer
Doug Schmidt	General Manager, Regulation	SA Power Networks
Richard Sibly	Head of Regulation	SA Power Networks
Trevor Gusling	Regulatory Strategy Manager	SA Power Networks
Kelly Bernhardt	Regulatory Analyst	SA Power Networks
Brett Miller	Manager Reset Program	SA Power Networks
Mark Vincent	General Manager, Network	SA Power Networks
Jess Vonthethoff	Manager Stakeholder Engagement	SA Power Networks
Valli Morphet	Reset Engagement Contractor	SA Power Networks
Sara Camarinha	Project Manager	SA Power Networks
Rachel Walker	Communications Consultant	SA Power Networks
Tonya Stevens	Stakeholder Engagement Lead	SA Power Networks
Lisa Ibro	Future Networks Project Coordinator	SA Power Networks
Tina Gillespie	Reset Engagement Contractor	SA Power Networks
Steven Wachtel	Manager Network Asset Management	SA Power Networks
Darren Smith	Chief Financial Officer	SA Power Networks
Brenton Nerlich	Project Manager, Customer Programs	SA Power Networks
Shane Venning	Operational Asset Management Manager	SA Power Networks
Matthew Napolitano	Manager Network Control	SA Power Networks
Grant Cox	Regulatory Affairs Manager	SA Power Networks
Alex Lewis	Stakeholder Engagement Lead	SA Power Networks

Appendix 4: Customer Consultative Panel and Reference Groups

Customer Consultative Panel and Reference Groups

