

AER's Draft Decision

Victorian EDPR

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15 October 2020



‘New Reg’ Agreements Upheld by the AER

OUR CUSTOMER EXPERIENCE COMMITMENTS
Improving the experience that customers have with us



- ▶ The trial of New Reg ensured that our Revenue Proposal reflected the interests of customers.
- ▶ We welcome the AER’s finding that our regulatory proposal was:

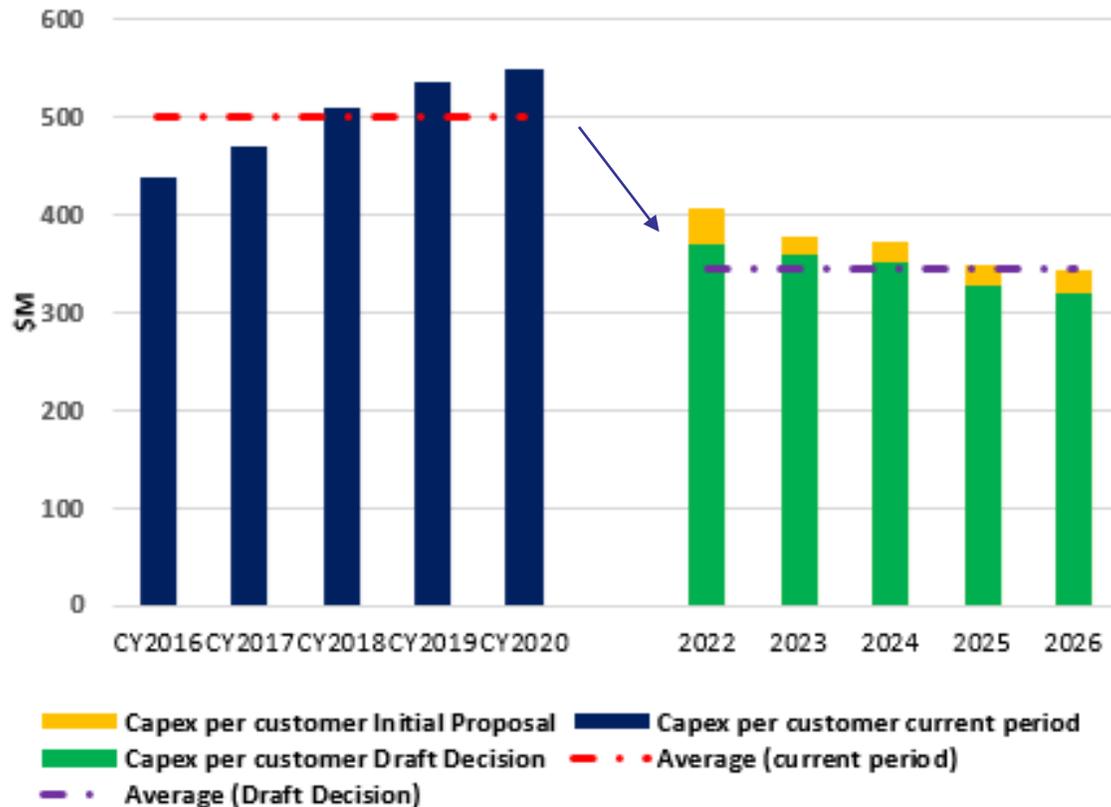
“strongly and directly influenced by its consumers”

“clearly influenced by its commitment to consumer affordability”

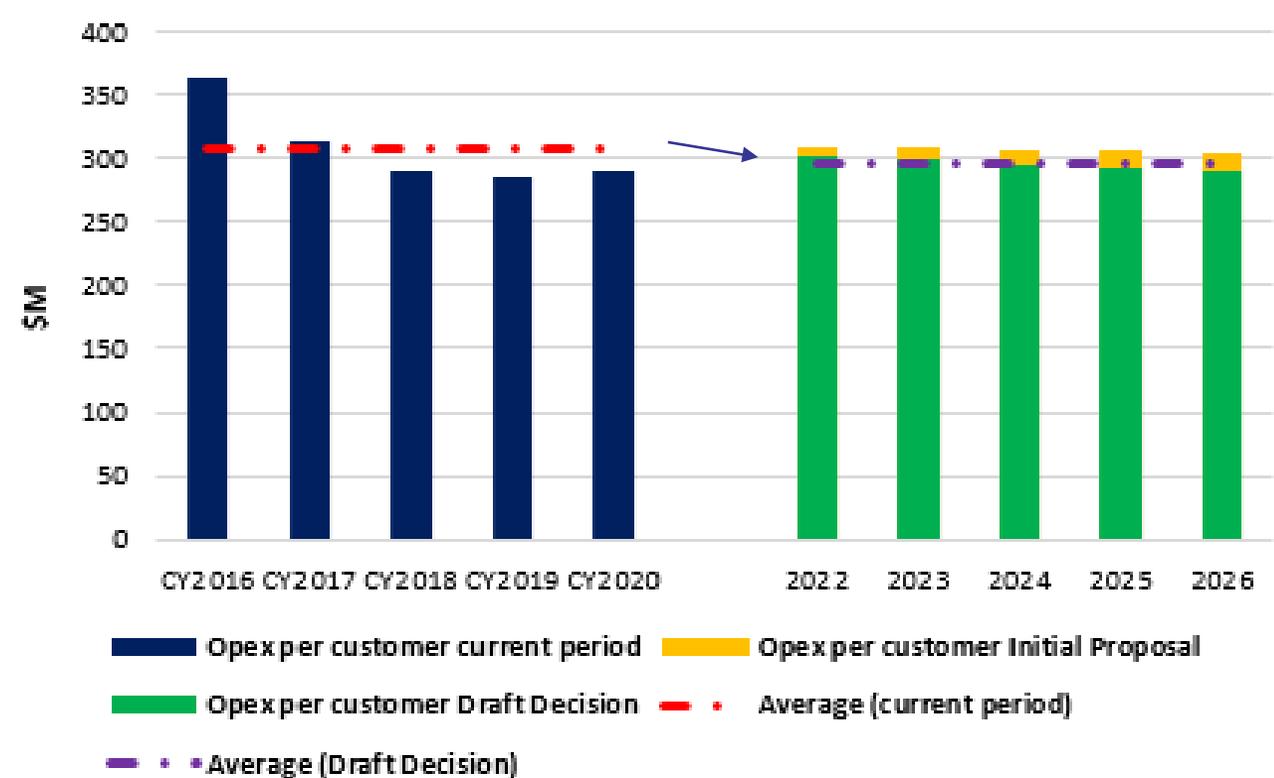
- ▶ Our commitment is reflected in many of the outcomes we negotiated with the Customer Forum (and which the AER has agreed), including:
 - largely accepting expenditure allowances, aside from adjustments due to the impacts of COVID-19
 - applying the new Customer Satisfaction Incentive Scheme

Declining Capex and Opex Per Customer

Capex per customer (real \$2021)

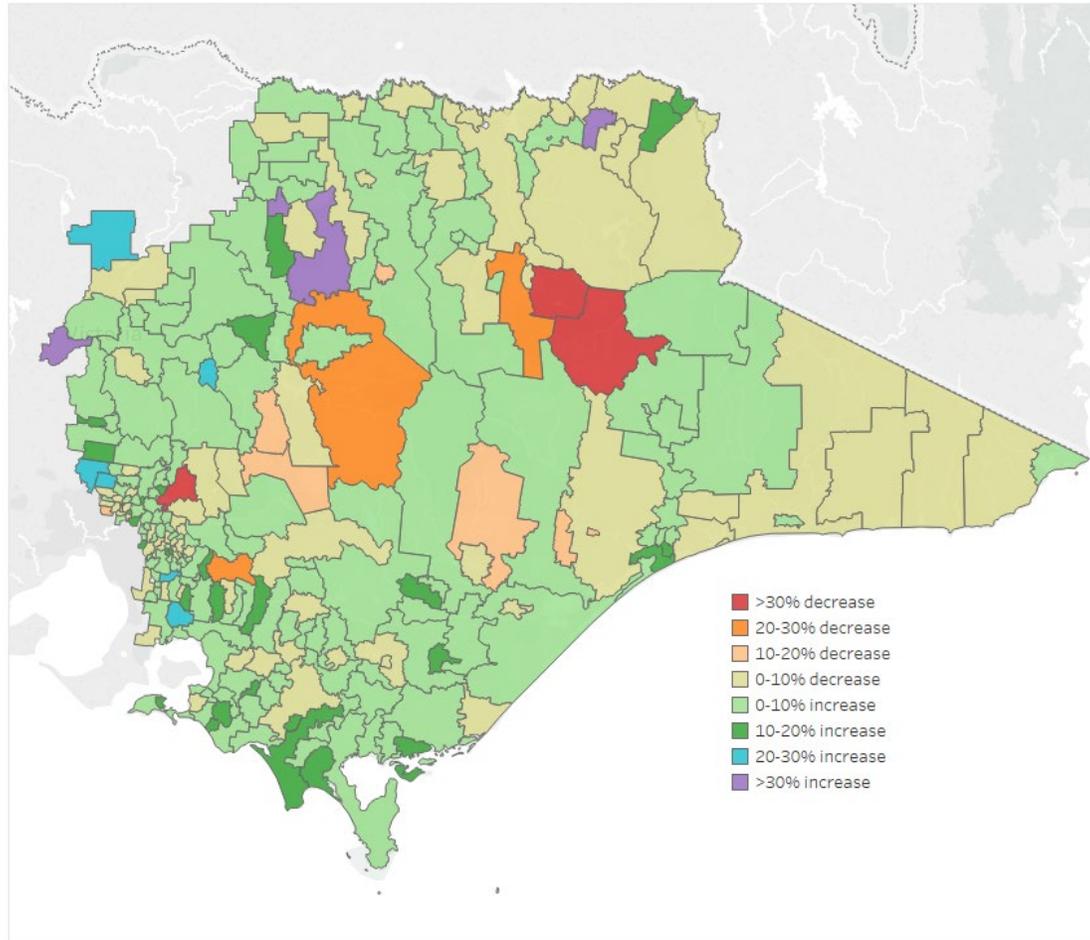


Opex per customer (real \$2021)



Impact of COVID-19 on our Plans

Total change in consumption by postcode (1 Apr – 25 Sept 2020 v. 2019)



- ▶ Impacts of COVID 19 across our network have been diverse.
 - Residential areas have seen strong consumption and demand growth which may continue if there has been a permanent shift in working patterns
 - Businesses have had lower consumption, particularly SMEs.

- ▶ We are considering how the impacts of COVID can be appropriately captured in our revised proposal.

- ▶ Impact of restrictions and economic stimulus packages are uncertain.

Next Steps

- ▶ We will continue to seek customer input in developing our Revised Proposal.
- ▶ This includes:
 - › 20 Oct – Public Lighting consultation session
 - › 27 Oct – EDPR stakeholder engagement session
 - › 6 Nov – AusNet Services' Customer Consultative Committee
- ▶ Please contact ausnetservices.edpr2021@ausnetservices.com.au with any feedback.

