

Minutes

AGN Retailer Reference Group | Meeting 5

Date

Monday, 01 August 2016

Where

Via Teleconference

Time

9.30am – 11.30am (10.00am Melb AEST)

Attendees

James Barton (Simply Energy)	Craig de Laine (Chair)
Sean Greenup (Origin Energy)	Vicky Knighton
Constantine Noutso (Lumo Energy)	Anna Mitchell

Apologies

Reference Group	AGN
Geoff Hargreaves (Energy Australia)	Peter Bucki
Karly Train (Energy Australia)	
Elizabeth Molyneux (AGL)	
Sallie-Ann Proctor (Lumo Energy)	
Paul Mullan (Alinta Energy)	
Patrick Whish-Wilson (AGL)	
Stefanie Macri (Lumo Energy)	

Minutes

The meeting commenced at approx. 10.00am AEST

1. Welcome

AGN, Craig de Laine (CdL) welcomed the Retailer Reference Group (RRG) and thanked them for their attendance and reiterated the importance of the RRG in AGN's overall stakeholder engagement program.

2. Review of Minutes from previous meetings and action items

CdL noted that the meeting minutes for meeting 4 have been circulated. Taken as noted.

3. AGN's Draft Plan

- AGN's Draft Plan was released on 6 July for stakeholder comment and is available on the stakeholder website <http://stakeholders.agnl.com.au/have-your-say/>
- AGN is interested in any feedback (included how it is written, does it meet its objectives of facilitating better stakeholder engagement?). AGN will use this Draft Plan as a basis for developing the AA Proposal at the end of the year.
- Feedback from the RRG was that AGN got the balance right and has pitched the Draft Plan at the right level. One member commented that on operational expenditure in particular, in their view, the AER's approach appears to be pouring data into a model and seeing what comes out at the end.
- CdL commented that the AER have a preferred model, however on capital expenditure, AGN had a good process with the AER in SA, there was a lot of Q&A between AGN and the AER (a lot of behind the scenes work that stakeholders wouldn't see), this in turn allowed AGN to almost predict the AER's response/final decision and balance competing interests. Obviously in regards to the SA final decision, there were decisions that AGN were disappointed about i.e Mount Barker and the Two Wells Projects, but AGN has accepted these decisions.
- AGN has applied key learnings from the recent SA decision and has made a conscious decision not to have the same debate with the AER in Victoria. AGN is genuinely looking to submit a plan to the AER for Victoria and Albury that is capable of being accepted. AGN has tried to incorporate the same methodologies used for SA and roll them out for Victoria. One exception is the Output Growth Factor (which AGN use the incremental cost per customer approach, unlike the AER).
- One member commented that they thought this was a constructive attitude and it was refreshing to hear AGN's views on this. CdL commented that out of the seven outcomes handed down by the AER on 26 May, AGN was the only business not to appeal the AER Final Decisions.
- Another member commented that they will raise their issues in their submission on the Draft Plan. CdL asked if the RRG were planning on making any submissions on the Draft Plan. One member commented that they were likely to be, others would submit only if they find any contentious issues, or were resource constrained at the moment.
- CdL reminded the RRG that submissions were due on the Draft Plan to AGN by 16 August, however, that was flexible if members required additional time.
- AGN, Vicky Knighton (VK) also highlighted to members, there is a short [survey](#) sitting alongside the Draft Plan on the website which is designed to facilitate feedback. Members can respond to areas they would like to provide AGN feedback on only as the questions within the survey are not compulsory.
- CdL referred members to the circulated Draft Plan Stakeholder Workshops Program and asked for feedback on the topics AGN were suggesting presenting/further engaging on which have been identified as key issues by stakeholders. CdL requested feedback on the proposed program ASAP and reiterated that AGN would be happy to extend the 16 August feedback deadline for the RRG.

Actions:

RRG to provide any feedback on proposed workshop schedule/topics to AGN ASAP.

AGN to issue invitations to Stakeholder Workshops ASAP.

4. Terms and Conditions

CdL commented that the way AGN worked with this group in SA on Terms & Conditions and Tariffs was very positive engagement. In SA, there were several rounds of review, for Victoria and Albury, AGN has worked off the AER decision for SA.

AGN, Vicky Knighton (VK) spoke to AGN's response to Retailers comments (as circulated prior to the meeting) stopping throughout for comment and questions. Key points noted by VK included:

- The process for developing these has; incorporated Albury, made changes to reflect legislation changes, adopted issues AER identified in AGN's SA Terms and Conditions (again, AGN has made a conscious decision not to have the same debate with the AER in Victoria), with a view to aim for uniformity across the states wherever possible.
- AGN received two submissions on their proposed Terms & Conditions.
- Discussion on Clause 12.8 Authorised Conveyance
 - AGN confirmed that this clause reflects only the NSW (Albury) networks
- Discussion on Clause 20.2 Liability for charges
 - Another member expressed similar concerns made to AGL around the sites where there is no end customer which presents an ongoing challenge for retailers regarding decommissioning sites
 - VK confirmed that AGN will amend clause 20.2(b) to include similar language to that used in clause 22.1 – that is “... the NERL or the NERR (once they are adopted in the relevant jurisdiction).
- Discussion on Clause 24.1
 - AGN confirmed that, this Clause deals with a proposed capacity charge as opposed to dealing with future energy consumption.
- Next Steps:
 - Next version of Terms and Conditions has been issued to the RRG, **AGN is seeking any additional comments or feedback by 16 August.**
 - VK encouraged any RRG enquiries on both the Terms and Conditions and the Draft Plan.

Actions:

AGN to seek clarification with AGL on their issues relating to Clauses 20.2, 29.5, 35.5

Members wishing to access information referenced in the RRG Terms & Conditions presentation to notify AGN

AGN to resend current version of Terms and Conditions to RRG for any additional comment

RRG to provide feedback on Terms and Conditions together with Draft Plan responses by 16 August.

5. Other business

- As there was no other business, CdL raised the question regarding members' interactions with AGN to date.
 - One member commented that AGN had provided ample opportunity for retailers to be engaged in the process, and they had been appreciative of the opportunity.
 - Comments were supported.
 - CdL reminded members that they could provide that type of feedback, specifically on the engagement process, as part of any additional Draft Plan comments, and would be appreciated by AGN.

6. Thanks and close

CdL thanked all for attending.

Next meeting: Meeting 6: Thursday 8 December 2016, 2.00pm – 4.00pm

7. Action Items

Retailer Reference Group	Who	When
One week after circulation: Provide feedback on meeting minutes	AGN	19 Aug 2016
Provide feedback on proposed Draft Plan Workshop schedule/topics to AGN ASAP.	All	ASAP
Those wishing to access information referenced in the RRG Terms & Conditions presentation to notify AGN	As required	ASAP
Provide feedback on Terms and Conditions to AGN, together with Draft Plan responses by 16 August.	All	By 16 August
Advise potential agenda items (at least three weeks prior to meeting)	All	Ongoing

AGN	Who	When
Circulate draft meeting minutes	Anna Mitchell	9 Aug 2016
Issue invitations to Stakeholder Workshops	Anna Mitchell	Complete
Seek clarification with AGL on their issues relating to Clauses 20.2, 22.3, 29.5, 35.5	Vicky Knighton	By 16 August
Resend current version of Terms and Conditions to RRG for any additional comment	Anna Mitchell	Attached to meeting minutes