

PACCC MEETING SUMMARY

Tuesday 16 March 2010

CitiPower and Powercor Board Room, Melbourne

ATTENDEES: Shane Breheny - CEO CitiPower and Powercor (Chair)
John Pye - Victorian Farmers Federation
Gavin Dufty – St Vincent De Paul
Vivienne Filling – Australian Industry Group
Christine May - Rural representative
Peter Brown – City of Moreland
Brendan Bloore – General Manager Customer Services
Garry Audley – General Manager Electricity Networks
Brian Sullivan – Gen. Manager Human Resources & Corporate Affairs
Phil Gardiner – Manager Energy Metering Solutions – AMI
Matthew Serpell – Manager Network Pricing – Regulation
Hugo Armstrong – Corporate Affairs Manager (Committee Secretary)
Ursula Naughton – Administrative & Events Officer (Minute Secretary)

PRESENTERS: Matthew Serpell – Manager Network Pricing
Vivienne Filling – Australian Industry Group
Phil Gardiner – Manager Energy Metering Solutions – AMI

APOLOGIES: Robert Lorenzon – Australian Industry Group

The meeting was advised that the Customer Service Strategy has been finalised and was being implemented.

The Network Tariff Strategy incorporating 2011-15 Electricity Distribution Pricing Review (EDPR) and Advanced Metering Infrastructure (AMI) was tabled. Matthew Serpell told the meeting a move away from 'postage stamp' pricing to nodal pricing was unlikely as retailers were not keen for any divergence from current tariff approaches, as changes were hard to manage and could create too much risk. Changes to customer consumption patterns were discussed and Matthew Serpell explained there were two main factors. The first is price signals – in this case critical peak pricing, with high charges for small periods of the day and much lower prices at other times. The second is access to technologies that support energy consumption management, such as direct load control facilities, in-home displays, and thermostats. The industry will need to incorporate incentives for behavior change and innovation.

Vivienne Filling spoke about the Australian Industry Group's preliminary response letter to the Australia Energy Regulator's review of electricity network service proposals in Victoria, noting the AIG's priorities included certainty on tariffs, time to analyse and respond to tariff changes, and effective communication to industry about any changes. In response to queries on how CitiPower and Powercor could help business manage short term outages she said the business can help guide members, providing them with advice on managing their supply. The AIG has also set up a help desk to answer queries.

Phil Gardiner tabled and spoke to a presentation providing an update on the AMI Smart Metering Project. There was discussion about the current media coverage of smart meters, Government leadership on the public debate and upcoming issues.

The Business Performance Report was tabled and discussed. It was noted that there was a growing number of escalations in response to network outages such as storms - 2008 (8), 2009 (15), and year to date in 2010 (12). It was also suggested the committee be given a copy of the worst performing feeders report.

In other business - the milder fire season was noted, it was suggested a tour of the new South Bank Substation is to be organised for committee members.