



Customer Panel Meeting Minutes

Date: Thursday 28 May 2020	Start time: 1pm	Finish time: 3pm	Venue: Webex videoconference	Meeting no: 17
Facilitator: Gerard Reilly (Powerlink)		Minutes: Nicole Maguire and Tanya Fowler (Powerlink)		
Attendees: Andrew Barger (Queensland Resources Council) Ian Christmas (Edify Energy) Georgina Davis (Queensland Farmers' Federation) John Gardner (CSIRO) Henry Gorniak (CS Energy) Mark Grenning (Energy Users Association of Australia) Chris Hazzard (St Vincent de Paul Society) David Hiette (BHP Billiton) Robyn Robinson (Council on the Ageing) Powerlink panel members: Jenny Harris Norike Ganhao Chris Evans	Apologies: Erin Bledsoe (Shell) Kerry Connors (Energy Consumers Australia) Jordan Hosie (Shell) Sam Pocock (Energy Queensland) Steve Straughan (Aurizon)	Powerlink presenters: Kevin Kehl Stewart Bell Gerard Reilly Matthew Myers Narelle Fortescue Daniel Andersen		
Attachments will include all documents provided to panel members at the meeting including: PowerPoint presentation and pre-reading documents				

1. Welcome and introductions

- Gerard Reilly, General Manager Communications

2. Update from Revenue Proposal Reference Group (RPRG)

- Henry Gorniak, Customer Panel and RPRG member

Summary:

- Powerlink's efforts to engage through the RPRG are appreciated. The comprehensive preparation and post-meeting follow-up are working well as the group navigates the upcoming Revenue Determination process.
- Powerlink is clear on what is proposed and discussed and there is an openness to questions. Some are challenging, enlightening and informative. If Powerlink cannot immediately answer questions, their responsiveness is second to none.
- Powerlink provides comprehensive minutes of each meeting as well as a one-page version.
- An overview of key items discussed at the 26 March 2020 RPRG meeting, including a presentation from Powerlink's Chair Kathy Hirschfeld on risk management, COVID-19 impacts, network capital expenditure (capex) and seeking feedback on the RPRG's function and implementation.
- COVID-19 is impacting all of us. There is useful sharing of information to enable customers to go away to do their job better. Key challenges include the impact on forecasts, insights and capabilities on the business, as well as the duration and impact on the way we work.
- There has been a lot of discussion on replacement expenditure (repex) and operating expenditure (opex). The Repex Model and framework has been extremely insightful and we recognise the challenges with this. It has been a solid education process.
- We understand that Powerlink will consider publicly releasing cost estimates for proposed enhancements to the Queensland-New South Wales interconnector (QNI).
- Powerlink continuously seeks feedback from the RPRG and strives to employ very sound governance structures underpinned by transparency.

Comments (C), questions (Q) and Powerlink response (R)

Q. Is the Revenue Determination process being delayed or modified due to COVID-19?

R. No, Powerlink is not intending to revise the timeframes for our Revenue Proposal lodgement. So we're still working towards lodging our Revenue Proposal in January 2021.

Q. We all acknowledge how face-to-face engagement seems to be a better dynamic. The last three months, we've engaged in web-based communication. Do you believe that that dynamic is working effectively?

R. I think it is working and we're still receiving feedback, but certainly it's not without its challenges in terms of managing the technology and making sure we're able to provide the right information and we pick up on any of those signals which can be a bit difficult without people directly in the room.

Q. I know there was quite a bit of discussion on the Framework and Approach (F&A) paper and I feel it emerged in a very positive light. Is that the impression Powerlink got from the feedback received?

R. I think so and we're anticipating the Australian Energy Regulator (AER) will release its final F&A paper in July.

Q. Was the authorisation of the proposed enhancement related to the QNI medium?

R. No this authorisation was for the initial QNI upgrade, not the QNI medium.

3. Update on Revenue Determination process

- Matthew Myers, Manager Revenue Reset

Summary:

- RPRG sessions are valuable and all meetings are open to Customer Panel members. We thank RPRG members for their ongoing support and participation.
- Powerlink's Cut 2 forecasts were discussed with the RPRG on 30 April 2020.
- Expenditure Forecasting Methodology is due to be lodged with the AER in June 2020 and a draft version will be circulated in coming weeks.
- Preliminary Positions and Forecasts Paper (PPFP) is due to be published end July 2020. An outline will be provided to the Customer Panel in the near future for their input.

Comments (C), questions (Q) and Powerlink response (R)

Q. There's a lot of discussion at the moment about inflation and changes to the timing of various processes, because we're waiting on different estimates of inflation. There seems to be different views as to how inflation impacts proposed revenue. There are some views that if inflation is

higher, then revenue is lower and I've heard others say if inflation is higher, then revenue is higher. Is there a simple explanation that somebody can share?

R. I can point you to the Cut 2 forecasts (the very last slide of the Cut 2 presentation from the 30 April RPRG meeting), which has an explanation there in terms of inflation rate impact on revenue, particularly as it relates to depreciation. So our view is that a higher inflation assumption results in lower revenues – from the way that the re-valuation of the asset base is actually calculated. It will have other impacts on capex and operating expenditure but the primary impact that we see is really through that revaluation calculation.

C. I'll just add a bit to that. That's true for a one-period model, not over a number of five-year reset periods. A lot of the debate previously on this issue and no doubt it will re-occur this year, is that the proper evaluation of it is in a multi-period model. All the modelling for the Consumer Challenge Panel (CCP) showed that with a minor impact on depreciation in the first year, those impacts on revenue levelled out in a multi-period model and the way they incorporate expected inflation gave networks the real rate of return, which is what the framework targets. So while it might have overestimated expected inflation versus the actual outcome of reduced revenue in one period, it balances out over the long term. So that led to discussions between – or proposals from networks – which will no doubt be more the focus of the review this year about whether or not the framework should target a real rate of return, or things such as real equity return and nominal debt return. They will be our hot topics for discussion this year.

R. I know your question largely relates to the future and my comment largely relates to what is actually happening now in the current regulatory period. I think the key thing we're finding a particular challenge at the moment is as you may be aware that when the AER gives us an allowance for opex, for example, we don't actually know what our opex target is for the year until after the year ends. Inflation is picked up in things like the Efficiency Benefit Sharing Scheme (EBSS) and Capital Expenditure Sharing Scheme (CESS), but for the EBSS in particular, it's an incentive scheme and we don't even know what target we're trying to hit until after the year ends. So that's turning out to be a particular problem for us and I'm sure that's the same with other businesses. Because the AER inflation adjustment occurs after the year ends we think our opex might be this number for the year and we try and plan, rearrange and reprioritise work in order to achieve that. Yet it could turn out to be a different number once the Consumer Price Index (CPI) figures come out. That's a particular challenge including for future regulatory periods. It might be useful if we provide a simple one-pager about how inflation is captured in the regulatory framework and how it impacts. I think that would be useful for internal purposes as well. The main thing from Powerlink's perspective is that we want to make sure whatever methodology the AER chooses to use, we want that methodology to result in an inflation outcome that is as close as possible to actual inflation. It's when we have huge variations between what's assumed for regulatory purposes and what actual inflation turns out to be that creates the problem.

C. And it can go both ways, so if the expected inflation rate is higher than the actual outturn inflation rate, that reduces revenue. But if it's the other way, it decreases revenue.

R. That's correct, it goes both ways, you're right.

C. You have the option that if you don't believe the AER's expected inflation rate, if you think that's too high you have the option to plan your opex on what you think the actual outturn inflation rate is.

R. Yes, we could do that. I'm also mindful that the regulatory framework is a big overlay on our business and we're mindful that we're going to be monitored and assessed under the regulatory framework, budgeting and against forecasts to government. Ideally we're trying to make it as simple as possible.

Q. Regarding step changes – is there a materiality threshold that you consider?

R. There's not a set figure that we consider. What we've proposed within Cut 2, is that there's six listed, one of them is the transmission ring fencing review which has been deferred at the moment. There's not a set threshold that we apply to it. We do a sense-check in terms of materiality, but there's not a set number that we nominate.

Q. I notice the step changes that have been listed are all positive. Have you found any negative step changes?

R. We did identify one and further analysis revealed we actually think that it has probably been integrated already into base year. So what I have committed to do - and I know that this is something that's sitting with me at the moment - we are providing a list to the RPRG and Customer Panel of all the different step changes that we've looked at. So the ones that are included in slide 29 are just the ones that we are doing further deeper analysis on. There are others that sit in the background as well. Some of those we may have already made a call on to say either it's in the base year or no, we're not proceeding with it. Others we're still working through. And that one was associated with some *Planning Act* changes that came in in 2016.

Actions:

- ***Powerlink to provide further information to the full RPRG and Customer Panel on all the different step changes that we've explored.***
- ***Powerlink to prepare a simple one-pager about how inflation is captured and can impact under the regulatory framework.***

4. Energy Charter Disclosure Statement – Maturity Model

- Narelle Fortescue, Customer Strategist

[Conflict of interest - Please note that Customer Panel member Mark Grenning of EUAA was not sent pre-reading information on this agenda item to ensure compliance with conflict of interest requirements and departed meeting for this discussion.]

Summary:

- Overview of the Energy Charter Maturity Model to be used by all 19 signatories.
- The model assesses where we are now, where we want to progress to and on what timeline. It will also help us to plot how we can improve on what we need to do to get to the next maturity level.
- Powerlink sought feedback on the proposed current maturity levels for the five Energy Charter Principles.
- Powerlink will submit our Disclosure Statement on 30 September 2020 and will continue working with the Customer Panel to seek their input and endorsement of the document as it is finalised.

Comments (C), questions (Q) and Powerlink response (R)

Q. I think most of these classifications would be 'emerging', 'evolved' or a hybrid of those two. With your customers, compared to a distributor, how do we improve the customer experience and customers facing vulnerable circumstances? That's an area I don't understand fully and assume Ergon, Ergonex and your major customers and the like are your customers – but why have you marked yourself as elementary in that part of the model?

R. Principle 5 is the one that we will always struggle with to a degree, because of the nature of who we are as a transmission business. So just like you picked up, we're not a distribution network, we're not a retailer, and don't have day-to-day contact with householders dealing with many people who are facing vulnerable circumstances. So what we can directly do in our everyday business to support customers facing vulnerable circumstances is really limited and probably always going to be quite limited. So I think it would be highly unlikely that we will ever hit the top end of the scale on that particular principle, but that's probably okay given the business we're in. That doesn't mean we can't do anything.

Q. Customers who are directly connected to our network also face vulnerable circumstances and I think we do have a role and actively engage ourselves with customers who are in those circumstances. So I guess my question is whether this is just to capture end-users, small households of customers facing vulnerable circumstances, or any customers.

R. The wording that sits behind Principle 5 in relation to the Maturity Model is largely focused on the household level. That's why I would say we're probably never going to be at the exceeding the end of the scale on this one. But you're absolutely right, businesses large and small, our directly connected customers, can all face vulnerable circumstances. Everyone can, every business, every organisation of any size. There are

things we can do to work with our directly connect customers who may be in vulnerable circumstances. One of the topics for discussion later today is about what we're doing as part of our COVID-19 response and the things that we're doing there to help businesses. So there are things we can do. But we're probably never going to hit the far end of the scale on the Maturity Model because it is largely focused on the end-user.

Q. For the measures we've got in place there, are you suggesting that we would want to hit 'exceeding' for all of the parameters, except Principle 5, where it might be a step or two back?

R. We need to engage with Powerlink's Executive Team on where they want to target. The discussion amongst the signatories has been that no one is currently at that exceeding end of the scale on the maturity model. We're working across the supply chain so that customers aren't impacted adversely. We're not there yet as a sector, no one's going to be there in the near future. We do need to make some decisions on how far we want to go and on what timeline as well.

C. I would also suggest that we do work hard with Energy Queensland, given their relationship with mums and dads, small commercials and residential businesses. We do interact with them to align things like our transmission charges and charging arrangements with distribution tariff structures, which in the end is trying to help all customers, including those in vulnerable circumstances.

Q. Can I put another perspective on customers? I am representing generation and in the news we see across the National Electricity Market (NEM), it's not just unique to Queensland, the challenge is for connections to the network. Would you deem those parties as a customer? What we read is not always the whole story and that's what makes it difficult to define this model. For instance, sensationalism in the news can say proponents have been trying to connect without articulating their contribution to the delays. Arguably when you do an assessment you believe you've done "this" which pushes to the middle or the right-hand side of the model. Whereas, if you took what you're seeing in the news and other forums at face value, people could ask "how can you say that that's the case?". I see that's going to be a huge challenge for you. I'm not saying you have to be defensive, but be ready to respond to that.

R. There are always two sides to every story. That connection service experience comes under Principle 3 in the Maturity Model. The headings are probably somewhat misleading, but the connection process actually comes under "we will provide energy reliably". So people look at "reliable" and say "Powerlink's network and supply of energy is very reliable, why are we only there?". That's because it includes the connection, and service provision. So there are actually a lot of detailed statements that sit behind a score in a box. You're right, any successful customer relationship has two parts to play in it.

C. I think it's important to note that when we present this in our Disclose Statement it won't just be boxes with no context. We will explain under each principle a narrative to demonstrate why we think we're at that potential level of maturity now and what we're going to be doing to move up, if that's what our end goal is. I know it's hard just to look at these boxes and say "I'm not sure it's there", there is going to be a lot more

information and context around the principles plotted. It's not about getting two Disclosure Statements side by side and doing 'apples with apples' comparison. But it's about giving customers and other readers some level of consistency about how all the different businesses are looking at their maturity levels from a customer perspective. I think that's something important to note. I'm really keen to hear from the Customer Panel about if you think at this stage there are no red flags. Or is there something in particular that you think we're kidding ourselves about. We're interested in hearing what your initial gut reaction is.

C. My gut feeling is you're underestimating your position currently to a degree. Frankly, that's probably preferable that you do that than you overestimate.

C. I've had the first pass over the document and I felt pretty comfortable with what you've presented here. Then I started looking for those supporting documents, so I think that's the next step in the process.

C. If I could circle back to Principle 5, basically putting yourself in the bottom box is saying you're doing the bare regulatory minimum, so you're basically not breaking the law. That seems a bit harsh to me. The other thing that jumps out is it seems a bit weird that your core job sits under the three aspects of Principle 3, getting energy safely, sustainably and reliably. To not be allowed to do better than 'evolved' under safety seems really odd, because at the end of the day, if you start killing people that's your worst possible KPI. So it seems like a very uncomfortable template that you're trying to jam your business into.

R. That's a really interesting one and I'll comment on both separately. So in terms of Principle 5, it was really hard to put us in the bottom box. I don't particularly want to be putting us in the bottom box for anything. The Energy Charter is not about doing the regulatory minimum though, it's about aspiring to be greater than that. If I look at the detail of Principle 5 and what 'elementary' means, it is no or limited policies or processes to support customers facing vulnerable circumstances, other than those required by regulation. So we do have some processes, certainly that have evolved in recent times, as our directly connected customers have been facing difficult circumstances and these processes should be holistically interwoven through everything that we do. So it's not that we've got nothing, it's not that we're just ticking the box by being at the 'elementary' level. We do have more than the bare basics, but we're probably not at that point where it's interwoven through everything that we do. That's just because it's a relatively recent journey for us.

In terms of safety, there were lots of discussions on this when the Maturity Model was being created, on whether it was appropriate to have safety stop at 'evolved'. I think our view is that safety doesn't stop at evolved, but in terms of the Energy Charter assessment of it, that's where the Maturity Model stops now. That doesn't mean our commitment to safety or our activities around safety stops at that 'evolved' level. For us, 'Safe For Life' is one of our key driving factors, so that will always continue to be a focus and an ongoing area of improvement.

Q. In regards to Principles 1 and 2, when you were doing the assessments did you find yourself on the border of 'evolved'? Or were you solid 'emerging', similar to what you've spoken about before? Are you marking yourselves a bit low?

R. I had changed that several times before I sent it around. I would say there's probably only a few things we would need to do to be a solid 'evolved' on those two. If I'm being purely fair, we aren't fully 'evolved' but we are close.

C. Do we split Principle 5 somehow for the different customer segments to reflect the support we give to directly connected customers who get themselves into vulnerable circumstances, versus to what we can do at a household level which is very different. Maybe that's a way that we can represent that information. We would rather be marking ourselves too hard than not hard enough, just to ensure that we continue to have that drive on improvement. This is something we've done for the first time, so we are really happy to get feedback. This won't be the last time you see our Maturity Model, we want to show more detail about our Disclosure Statement over the coming months.

Q. If we're applying a score to all of our customer segments, you could question whether all of those segments are really vulnerable if we're comparing large corporates with individual end-users.

R. Yes, the definition of the customer for the Energy Charter for Powerlink is broader than just households. One of the new additions we'll have this year in our Disclosure Statement is what our different customer segments are, what are their characteristics, and unique needs and wants. So that'll actually be brought out early on in our Disclosure Statement, because one of the main items of feedback we got from last year's process is that too many signatories were just referring to 'customers' at a very homogenous level. People didn't really go to the next level about trying to demonstrate the different segments and what their needs are.

C. I appreciate this is supposed to be from the customer perspective and it's about continuous improvement. But I think with such a simple model, it really does run the risk of having consumers and consumer advocates actually looking at these things and using them in comparison almost to benchmark. Not just for transmission network service providers (TNSPs) but with other organisations that have a different function. I think you probably have been a little bit harsh marking some of those capabilities, I think you are slightly higher up. The risk is that those TNSPs that we know don't consult with customers to the same extent that Powerlink does, will probably be sitting in a room right now without any customer input, probably marking themselves higher. I think it's a real risk that you could be unduly benchmarked.

R. I think Powerlink is trying to make this as authentic and real as possible, so I think that's what's driving us. But there is always a risk when you do these sorts of tables that it does lead to benchmarking or a lead table and Powerlink is rated at 17 out of 19. But I think for us we will still focus on the bigger game here. If we can use this to drive change internally, that then flows through to better outcomes externally, which is the key thing here.

Actions:

- **Powerlink to provide supporting information in more detail regarding maturity level rankings, as part of the Customer Panel review process for the Energy Charter Disclosure Statement.**
- **Investigate splitting Principle 5 into different customer segments.**

5. Australian Renewable Energy Agency (ARENA) study on renewable integration and system strength update

- Stewart Bell, A/Executive General Manager Strategy and Business Development
- Daniel Andersen, Manager Network Strategy

[Conflict of interest - Please note that Customer Panel member Ian Christmas of Edify Energy flagged a conflict of interest and departed the meeting for this agenda item.]

Summary:

- Powerlink has partnered with GHD, Sun Metals and Pacific Hydro to undertake an Australian Renewable Energy Agency (ARENA) study about managing system strength during the transition to renewables.
- The report covers three areas of remediation:
 - Increasing supply of system strength
 - Improving the flow of system strength
 - Managing with low system strength.
- We are currently undertaking additional work around grid forming inverters which will conclude in late 2020 and be shared at a later stage.
- Discussion on Powerlink's response to the system strength shortfall notice at 275kV Ross Substation issued by the Australian Energy Market Operator (AEMO) in April 2020.

Comments (C), questions (Q) and Powerlink response (R)

Q. So all Queenslanders are paying for the solution to remediate the North Queensland shortfall?

R. Yes, it's a system strength shortfall so it relates to all Queensland customers.

Q. Isn't the system strength issue because of or contributed to by the failure of those three plants that are affected, to provide the system strength requirements when they initially connected to the grid?

R. In the case of North Queensland, it's because we've actually updated our models, based on our better understanding of system strength. When we've done that, we've identified that there was actually a shortfall. So that's irrespective of situations like, for example, Pacific Hydro which identified they must bring a synchronous condenser as part of their connection, which is due to arrive next year. They've got to pay for that themselves. Similarly, Sun Metals have got to put together a system strength remediation arrangement as well, which would be at their cost. So this is on top of the system strength remediation that those customers have to provide.

Q. So your revision of your models has resulted in those three renewable generators having to spend more money themselves, as well as Powerlink spending more money, which is spread across all consumers. So lots of increased expenditure?

R. Yes and it's just as we've learnt more about system strength, particularly operating at the far end of our network. But it's also understanding the interactions that we're getting from the various inverters, so as the models have evolved we've learnt more and realised there wasn't as much headroom in North Queensland as we thought.

Q. So what do you expect the total cost to be and how much is shared between all of Powerlink's customers and the three generators?

R. We're working through costs are part of the Expression of Interest (EOI) process at the moment, so I can't give you some numbers there yet as it's commercial in confidence. But a component of that cost will be borne by all Queensland customers as well as connecting renewable generators, when they bring forward their system strength remediation. They're having to pay for all of that themselves.

Q. So we're looking at future proponents providing their own stability at their own cost, is that what we're looking for?

R. Yes.

Q. This is, as you said, probably just the beginning of the way forward, because we've seen the parasitic effect come in and chew up that headroom you were talking about a minute ago. However, one of the inefficiencies that emerges, if those proponents are not generating due to outages, and I don't know the commercial obligations, but if they're not obligated to leave that synchronous condenser connected, I'm sure that they're some of the dynamics we would like to work with from a holistic point of view.

R. Ideally you'd say yes, you should be a good corporate citizen. For example, a solar farm has a synchronous condenser that when the sun goes down wouldn't turn off. However, they might say there are running costs of keeping that synchronous condenser in operation overnight, and the cost of turning it off is much less than that. Then because it's their synchronous condenser, they paid for it, they would turn it off and say if there's value to be had on it then they might say who's going to pay for that value? To which we say if there's benefit for customers, then yes, but if there's no benefit then we wouldn't be paying and they would probably turn it off. It's a bit like what the coal synchronous generators would do when you talk about frequency control. So if nobody's paying for it, we're not going to set our generators to provide it.

C. My response would be that the good consumers of Powerlink in Queensland are providing system strength themselves, that had the equations been better five years ago they wouldn't have had to pay. So they're being cross-subsidised.

R. I think where you've got generators who have come in and used up some of that latent capacity, so they said we're all good, we just came first, we've had that capacity, it's all good. They're the first mover advantage. Then you've got other people who've come a little bit later, system strength has been all used up and they have to pay and bring their own system strength. So we're now at that point in quite a number of parts of our network.

When they bring the synchronous condensers – and these things aren't necessarily cheap, with connection costs and other things you could be talking \$50 million in round terms – they're saying hang on, I've paid for this, this is mine and unless somebody's going to be paying me money, I'm not going to make it available.

C. It's probably worthwhile to note, that this was the focus of the Australian Energy Market Commission (AEMC) system strength guidelines framework review that closed at the start of this month. It was quite a comprehensive paper that the AEMC put out to really address those 'who pays' issues. But also looking at the frameworks to actually manage that over a range of different spaces, be it through the provision of regulated and non-regulated system strength effectively.

C. Watch this space.

R. I think you're right, there's that AEMC review. We continue to refine our models, we continue to find some opportunities and then sometimes when things go against us we just continue the system strength journey.

Action:

- ***Powerlink to meet with interested Customer Panel members to further discuss system strength and QNI medium in more detail. Meeting to be held via Microsoft Teams on Tuesday 9 June 2020.***

6. Powerlink's customer response to COVID-19

- Kevin Kehl, Interim Chief Executive

Summary:

- The COVID-19 pandemic has significantly impacted our customers and the communities in which we operate.
- Our team has responded as COVID-19 has been evolving. Our response planning is aimed at ensuring we maintain a secure and reliable electricity supply for the four million Queenslanders we know are relying on us.
- As a signatory to The Energy Charter and aligned with our Corporate Value of *Customer*, we are undertaking a range of activities to help our customers and local communities during this time.
- We have a dedicated recovery strategy and are harnessing the disruption in the current environment to develop and embed new work practices, technology and cultural changes to improve our business.

Comments (C), questions (Q) and Powerlink response (R)

Q. I know that as part of the Energy Charter working group, you have been involved in a number of discussions about the impact of the COVID-19 virus on various consumer cohorts nationally. There are some very important insights being drawn out of that information. Could you just share with us how that information is channelled back into Powerlink?

R. It's interesting because there's so much data out there at the moment that it's almost data overflow. But interestingly, in my role as the Chair of the Industry Working Group for the Energy Charter I attend fortnightly meetings with 15 to 25 different consumer advocates from across Australia. We use these meetings as a way to share their experiences and data insights about what is actually happening. It was interesting because we had a call today and while a lot of the initial indicators are showing that it has not been as bad as what we initially thought, I think the big risk is that there's a lag, obviously electricity bills only come in on a quarterly basis. So I think what we keep on talking about is we can't accelerate the recovery too much and get back to 'business as usual' and take away some of those support networks until we see what actually comes. This is going to be a long tale, so as part of regular Energy Charter communication, there's a weekly report circulated to signatories which contains a lot of information. From a transmission business perspective, again, because we are a bit removed, we probably aren't as heavily involved in that data as probably what the retailers and the distributors are.

The other thing I'll mention is that Kev was talking about the important role that the energy industry will play in the economic recovery, because we have been one of the industries that haven't been as impacted as others. But I think we've also got to temper that with making sure the investments that we make are prudent and justified. And it's not about spending just to try and get a short-term economic uplift, because we're very aware of the longer term implications for our investment decisions, so we are mindful of that as well.

Q. Powerlink's Business Development team are in regular contact with our existing directly connected customers, to talk through any aspects or challenges that they are facing at that time. What's the business development area doing in terms of interactions with customers?

R. The Business Development team is responsible for managing the relationship with existing directly connected customers and also with project applicants who are looking to connect to the transmission network. Our model for dealing with these customers is that we have dedicated Connection Development Managers that look after these customers from the early enquiry phase, all the way through application, construction and then the ongoing operation and maintenance of those assets. So we have that one-on-one contact and consistent contact point. Through the COVID-19 process we've been contacting our customers, understanding their situation and just seeing what we can do to help where we can.

Q. How is that information channelled through Powerlink?

R. The Energy Charter Chair updates myself and others and I think we have published some information about how we're helping those that we can in the ways that we can. To be quite honest, I feel a bit frustrated as a transmission business, because we don't have that direct linkage to customers per se. That goes to what we're doing with assisting with Energy Queensland and those communities, because we can't reach every customer, our action is only through others.

I also take the information that passes through in those discussions to my weekly, now two-weekly, Government Owned Corporation CEO meeting here in Queensland. We all share information we're getting about what areas of our communities are suffering hardship and if there's anything we can do to help and any contact we've had. So sharing information is one thing and doing what we can to help communities, but also making sure that we're all aware of it. We also give our Board a bi-weekly update on our COVID-19 activities and impacts, including what we're doing with our customers.

I am very upfront in providing my views about what I hear from the End User Consultative Group (EUCG) and Kev can vouch for that. My other strategy is to make sure it goes straight to the top so that it can filter down through other ways. Kev knows that we've had a lot of interesting conversations because it's been a challenging time. It's been hard working through a 'whole of industry' response to this, because we are conscious that it's not something that just the retailers or generators can solve by themselves. Delivering the best outcomes relies on all components of the supply chain doing their part –which is what has happened and what needs to continuing happening as well.

7. Meeting closed 3.00pm