



Revenue Proposal Reference Group Meeting Minutes

Date: Thursday 17 September 2021	Start time: 1pm	Finish time: 2.30pm	Venue: Webinar	Meeting no: 13
Chair: Matthew Myers (Powerlink)		Minutes: Sharon Iseppi (Powerlink)		
<u>Attendees</u> <u>RPRG representatives:</u> Georgina Davis (Queensland Farmers' Federation) Mark Grenning (Energy Users Association of Australia) Claire Hamilton (Shell) Robyn Robinson (Council on the Ageing) Henry Gorniak (CS Energy) <u>Guests:</u> Jennifer Brownie (Queensland Energy Users Network) Matthew Ladewig (Shell) <u>Australian Energy Regulator (AER) Consumer Challenge Panel</u> Mark Henley Bev Hughson David Prins <u>AER</u> David Chan	<u>Apologies:</u> Phil Pollard (Queensland Energy Users Network)	<u>Powerlink members:</u> Matthew Myers Jenny Harris Greg Hesse Gerard Reilly <u>Other Powerlink attendees:</u> Dana Boxall Andrew Bannister Jacinta Grech-Holmes Alastair Andrews Cameron McLean Ben Wu Nicole Maguire Kiara Bowles		

1. Demand Management Innovation Allowance Mechanism (DMIAM)

- Matthew Myers, Manager Revenue Reset and Greg Hesse, Stream Lead Capital Expenditure

Summary:

- Powerlink invited Jennifer Brownie and Phil Pollard from Queensland Energy Users Network and Matthew Ladewig from Shell to join the RPRG meeting.
- Powerlink proposes to engage at the 'Empower' level of the International Association of Public Participation (IAP2) Spectrum in relation to whether Powerlink should seek to apply the DMIAM in our 2023-27 regulatory period.
- This means we propose to empower our Customer Panel to make a decision on this matter, which we commit to implement in our Revised Revenue Proposal.
- Powerlink proposed that the Customer Panel consider this matter and provide its decision at our next Customer Panel meeting on 22 October 2021.

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

C. The Customer Panel was comfortable with the initial proposal submitted by Powerlink. However, at the time other consumer perspectives may not have been considered. There are more questions than answers now, and the paper provided by Powerlink is appreciated and is a good starting point for sharing some of this information.

R. We see this session as one of several information-sharing sessions. If the Customer Panel is comfortable with 'Empower' in the IAP2 Spectrum and would like further discussion, we are open to that.

C. 'Empower' in the IAP2 Spectrum approach came as a surprise to the Customer Panel and further discussions with the panel members will be required before submitting a decision.

R. Powerlink has tried to have a 'no-surprises' approach with the Customer Panel. So, surprising you is not something that we try to do. This is an indication of how quickly we have pivoted with the feedback received since our 10 August meeting. We wanted to make sure that coming to you today we were trying to put our best foot forward, and challenge the business and ourselves to continue to step out of our comfort zone when it comes to engagement. I don't think we have ever gone to the 'Empower' level of the spectrum in relation to Revenue Determination financial matters.

C. We appreciate the confidence that Powerlink has with the Customer Panel. It is a challenge for a group to step-up to that decision and we think it is worth a try. The whole approach has been consistent with the spirit of the Statement of Expectations for networks, and we are pushing the bar as we go forward. However, from a Customer Panel perspective it may not be a "yes" or a "no" but a "we can't decide" decision. We'll need



further discussions as a group to get our minds around the implications and the issues that need to be considered. So, thank you for the challenge, it is going to be interesting.

- R. If the Customer Panel is not able to decide, then Powerlink will need to implement something, that is, either a 'yes' or 'no' for the Revised Revenue Proposal.
- Q. Can Powerlink provide a ballpark estimate of the costs of carrying out demand management type activities now, so that we can see what the current spend in 'business-as-usual' (BAU) is versus the allowance?
- R. It is not something we have analysed. It is mostly staff wages, activity, time involved in working groups, discussions, contributions to Corporate Research Centre briefs or directions etc.
- C. Is the DMIAM an efficient initiative that has suddenly been adopted as an approach to introduce an efficiency factor here? Does the industry, as a whole, need to rethink the way they approach these subjects or do you think it is likely that Powerlink will defer back to utilising the DMIAM in the next Revenue Proposal period?
- R. This is the first time the DMIAM is being applied to us and other transmission network service providers (TNSPs). Distribution networks have had access to the DMIAM and also the related Demand Management Incentive Scheme (DMIS), which does not apply to TNSPs. We wouldn't pass comment on any other networks, but in relation to our activities, we have always seen innovation as something that we should be trying to do as BAU. With that said, points raised by customers have made us think about this a bit further, and maybe there are things that aren't necessarily captured in our BAU activities that customers would like to see us doing.
- R. The AER has a rigorous process in terms of evaluating the types of projects that are put forward under the DMIAM and reviewing them from an ex-post perspective. Essentially if projects are not deemed to have been appropriate, then the transmission network, as we understand it, wears that risk and those costs.
- Q. If we see developments on the demand response two-sided market, is it probable that networks will look to see how they can facilitate that part of those reforms, or do you continue along the way you have proposed?
- R. The mention of the two-sided markets and the roles of networks is, in effect, almost the internet of energy and the platform that allows some of those transactions and activities to occur. So, that is a good point.
- C. We would like to congratulate Energy Networks Australia (ENA) for this national rule change as we would not be in this position to talk about DMIAM if it wasn't for them. Thank you to Powerlink for recognising that DMIAM is, in its full essence, consumer funding for a specific task. We are looking at the fact that there is funding, and it is consumer funding specifically and you've given us the option of saying, can we spend it in a specific way. This is really important.

- Q. In that when you say it's consumer funds and how would you like it spent, rather than the BAU that you've been doing, the paper that you put out was interesting, but it was largely not specific on projects. Now, I do recognise the AER doesn't require you to put forward your projects when you're submitting your Revenue Proposal. It's a post-ante process. But when we look through that document, which is largely not specific, I think what we're having problems with is demand management is three things; you've got demand response, energy efficiency, and strategic load growth. If you're going to empower us to make decisions then we need to know, from Powerlink, what projects you're proposing, who with and which part of those three sub-groups do they come under?
- C. Powerlink's paper tells us what partnerships you're working with, which is very interesting, because our proposal to Energy Queensland was knocked back because of a lack of funding. We worked with the Australian Energy Market Operator (AEMO) through the Forecasting Reference Group and the Wholesale Consultative Forum and every time an energy consumer advocate discusses money with AEMO, it comes back that we would like to do that, but we don't have the money for the research. So, the partnerships that you're dealing with on demand management are with AEMO and Energy Queensland yet they're both saying they don't have the money.
- C. You would be empowering us if we are able to have a look at the projects that you would like to put up - and I understand you don't have to put up, because they're not part of the proposal - but as others have said, it's never happened before, that has got to be a triple tick to Powerlink for exploring this pathway. But I think if we're going to try this approach we have to get a lot more down into the details of who you are working with, what projects are they and are they demand response, energy efficiency or strategic load growth.
- R. To be clear on the scope of this meeting - the decision Powerlink is discussing is what do we do for the Revised Revenue Proposal. The empowerment is about the first hurdle decision of should Powerlink, in its Revised Revenue Proposal, go back and seek to apply the DMIAM in the next period or not seek to apply the DMIAM. As to reviewing projects, if we were to apply the DMIAM within the next period, I think that's a next-order question. If we were to apply the DMIAM in the next regulatory period, we would engage with our Customer Panel on that activity. We also don't have specifics on individual projects at this stage of the Revised Revenue Proposal.
- C. The Customer Panel will need to meet and discuss the empowered approach to consider what their view will be.
- C. What Powerlink is doing concerning DMIAM will be of interest to other networks but does not set up in any way to shape and inform others. The AER has been clear about what the rules are with DMIAM and therefore each business will need to apply the rules to their circumstances as they see fit.
- C. From a Consumer Challenge Panel viewpoint, it seems there are two different parts of the AER guidelines that need to be considered. The first, are the DMIAM rules being applied, and is the process reasonable, given that DMIAM is reasonably well specified? And, that the AER is keen to see consumer engagement being undertaken by network businesses, and that the AER will be reviewing Table 3 in the assessment framework and how this works. The empowerment strategy is at the right-hand end of the IAP2 Spectrum and is in keeping with what the AER's looking for through customer engagement.



- C. Powerlink's proposal that DMIAM is determined by customers, I believe both sets of considerations, DMIAM guidelines and consumer engagement intent, can be met by this. It is an interesting strategy.
- Q. There was some confusion at the last meeting when discussing DMIAM between a) whether we will always fund things if they're going to be efficient and therefore we don't need the DMIAM and b) the fact that DMIAM is supposed to be, as we understood it, for things that aren't proven to be efficient. We feared a lost opportunity for things that wouldn't get into the normal capital and operating expenditure.

We had several questions around that. Was Powerlink's proposal because of a lack of creative thinking? Was it because you were being magnanimous and even funding yourselves things that might not be efficient? Was it a concern about sharing with others, which you're suggesting absolutely not, from the document you provided us as pre-reading? Is Powerlink's reasoning for not applying the DMIAM that the overall scheme is too burdensome for a relatively small amount of money and therefore just do it without the scheme?

Then, on the other hand, the fact that it was in the Framework and Approach (F&A) and we didn't recall any knockback at the F&A stage from Powerlink to the DMIAM. So, we were left thinking that it's all very nice for Powerlink to say, no thank you, we don't need to spend this money from customers, we'll save the customers this money, isn't that good for customers? That's the surface response but is there any more to it and things that are being missed that shouldn't be missed by not putting it in?

Is there something that comes before the Revised Revenue Proposal, which none of us has seen except for possibly anybody in the room from the AER, which is of course the Draft Decision to which the Revised Revenue Proposal will respond? I doubt that there is an opportunity at this stage for anybody on the call from the AER to go back to the AER and change at this stage what is in the Draft Decision, given that it's being published in two weeks. I think it's important bearing in mind that we don't know what the decision will be and that's what you'll be responding to.

- R. Powerlink is particularly conscious that engaging at the 'Empower' level of the spectrum means we need to provide sufficient time for the Customer Panel to have regards to the Draft Decision. Hence us looping back around at the next meeting on 22 October, we are hoping this has provided sufficient time. From our perspective, regardless of what the Draft Decision says, in the Revised Revenue Proposal we will need to respond in some way that can reflect the Customer Panel's views. Hopefully through this process, the questions will be answered.
- C. From Powerlink's perspective, we wanted to assure the panel that we are not double-dipping on incentives or anything else. This is something we tried to point out under other arrangements and therefore don't seek other arrangements as well.

This also goes to the fundamental basis of our Revenue Proposal, which was to achieve capable of acceptance, mindful of affordability. But it also goes to our strategic objective of getting to world-class whilst continuing to drive value for customers. We are mindful in this context not to be asking for any more funds than we think is necessary. As others have pointed out, where we think we have an idea that is maybe not as efficient in the first instance or inefficient, we would prefer to look for a way to make it efficient. If it is providing benefits for customers, we are going to do it anyway, because we think we have an obligation to do that. If it provides benefit, we can do it efficiently and it drives value for customers, all three of those things.



The other consideration is that we were very mindful about consulting versus engaging. Now, from our perspective, whether or not the panel decides it will make a decision or even if it decides they are not comfortable to make the decision, we think there is something we have heard and that it would be of interest to our customers to be consulted on projects and engaged. We will take this from the meeting and encourage our business to engage with our customers on projects as part of BAU, whether or not we have the DMIAM applied.

- Q. What are the boundaries of the DMIAM? This is a pretty important point, as relevant to the current Revenue Proposal. Does that limit it, because there might be a perception that there's quite a bandwidth of projects that could fall under that, or does it have to directly tie in with the Revenue Proposal?
- R. Powerlink does not have to propose projects as part of the Revenue Proposal and/or Revised Revenue Proposal. It is a question of should it be applied or not and set the financial parameters, based on the maximum allowed revenue that's set through that Revenue Proposal process. For the actual projects themselves, we can say with almost certainty that at this point we wouldn't be putting up details of projects in the Revised Revenue Proposal. There's unlikely to be the time to fully consider those and put them forward. But we certainly would be looking outside of the revenue determination and Revenue Proposal processes to undertake that if the DMIAM is applied.
- R. Before the Revised Revenue Proposal, the AER will set out their views and their position in the Draft Decision, which won't necessarily constrain but may frame or help influence how a response might unfold.
- C. It is all part of the discovery process that I think we are all going through at the moment. It is getting clearer in our minds what is in, what is out and how it works.
- Q. If DMIAM doesn't cover capex, how will Powerlink conduct grid-scale battery trials if it is limited to operating expenditure only?
- R. Yes, it is limited to operating expenditure only. The paper Powerlink provided didn't go into deep detail about the work we are currently doing with battery energy storage systems. But fundamentally, through the expression of interest, it is targeted at those proponents who would be looking to construct, install and connect new battery systems in any event. We would also see if there are opportunities for them to locate where there may be opportunities for future network services, which we might be able to conduct a small-scale trial on that then-existing battery installation. So, rather than everyone wants to build a battery in, say, South East Queensland, if there was at least one battery located in Central Queensland, we might be able, for some modest amount of money, set up some communications and a little control algorithm, to test whether coordination of batteries at either end of a major transmission line could enhance power system performance and extend the network capability.
- So, not that we're going to own a battery system ourselves, that's not the proposition that we're talking about, but it's more about can we get batteries and encourage batteries to locate in areas where we might then be able to try some other things beyond that at relatively modest cost.



- R. If the DMIAM is included, it doesn't necessarily mean the full amount will be spent by Powerlink. If we receive the DMIAM, and we continue to fund those projects as BAU, then the DMIAM could be underspent at the end of the regulatory period. The scheme has a mechanism in the subsequent regulatory period for any unspent funds to be returned to consumers, considering the time value of money.
- C. We draw the comparison with the Network Capability Incentive Parameter Action Plan (NCIPAP) component of the Service Target Performance Incentive Scheme (STPIS). When that was first introduced, there were things highlighted that would be eligible to be part of that scheme. But Powerlink was already doing some of these things as BAU. Powerlink identified those things – for example where we undertook activities to relieve a constraint as part of BAU as it is good business practice and customer-focused to do so. So, we've never put forward things like that as part of our NCIPAP project. As discussed last time, your approach to the DMIAM can be heavily influenced by where you are already as a business and what you're currently doing, and what's already part of your business strategy.
- Q. Back to the fundamental understanding of how the DMIAM works, is this amount of money dictated by the Revenue Proposal and is there a maximum amount?
- R. The calculation of the allowance is explained on the last page in the slide pack. The DMIAM is 0.1 percent of MAR plus up to \$200,000 (to fund independent endorsement of projects). For Powerlink 0.1 per cent of MAR is approximately \$3.3 million to be applied to the 2023-27 regulatory period.
- Q. Would that mean that customers could expect to see a 0.1 per cent increase in the costs that end up being charged to customers?
- R. We understand that it would be part of the revenue collected.
- Q. Do you feel like there are extra activities that you could do? We can hear that you're saying very strongly that you wouldn't be double-dipping, anything that you're already doing wouldn't be paid for by this additional funding. This would help us decide whether we think it would be worthwhile for you to apply for it. Is there a list of things that you can already see that, if you had extra funding, this is what you would be getting after?
- R. Powerlink does not have a definitive answer to that. Regarding our consultation and engagement approach, it is one of those things where at one level we might even be interested in going to, as I say, are there things that you think we should be doing that would be worthwhile? However it would need to fit with our skillset and our capability. But I think we would need to work through a process on how we generate a long list and how do we get a shortlist to prioritise the things that would be funded under the DMIAM within the period.
- R. At this point there's nothing that we would have put forward, otherwise, we would have spoken about that in the Revenue Proposal itself.
- C. We did invite several subject matter experts to come along to this meeting. Unfortunately, they couldn't be here because of a couple of conflicting priorities. There are several other areas of the business that have input to this process, in terms of the ideas. We are probably more

looking at it just from that Revised Revenue Proposal lens and collating the information for you. So I'd certainly want to liaise with them about that.

- R. Just thinking back to where the conversation started and different RPRG members saying that we probably will need to have an extra discussion, that would probably be useful to hear from those team members around what are the types of things that you could investigate.
- C. To be very practical about this, we don't think we are short on things that we could do. There is already a deep bucket in terms of potential things that we could look at further. We are simply trying to prioritise the work that needs to be done to meet our existing obligations and key things that we think will provide the most benefit, in terms of managing demand as mentioned earlier, issues with minimum demand etc. I think there are a few things already in the bucket for us to explore a bit further.
- C. Powerlink is also mindful that we don't have a monopoly on good ideas. If any of our customers have a good idea, we would be happy to also add it to the bucket. But we are also mindful that we think things that can provide the most value through our assessment can be done and prioritised sooner rather than later. We're saying, sure, if somebody wants to throw extra money at us, fantastic, but that doesn't necessarily mean we're going to spend it, because we have a finite set of resources and we're still very mindful, within the business, not to have to spend any more money than we think is necessary.
- Q. If you did get the maximum allowance, it would be helpful for the Customer Panel's decision-making process over the next few weeks if you were to provide a list and outline of those projects.
- R. Given the timeframes that we're working to, the initial conversation that we're trying to have with the Customer Panel is whether, in your view, it should be applied. If applied, that's when we would go to look at what are the details of the projects that we can potentially get moving. That's a process that would take a while, not just between now and the Revised Revenue Proposal. It is also being conscious that there is that mechanism of if the money is not spent then it's returned to consumers at the end of the period too. I wouldn't want to be rushing to try to find things to just to inform this decision.
- R. As mentioned earlier, even if we did not get the DMIAM applied to us in the next regulatory period, we've heard from our customers that you want to know what we're doing anyway. So, that's just a different way of approaching it. This is something we can easily come back and engage with further about any demand management related projects we are doing as part of the normal course of business.
- C. The obstacle is consumers don't know how much Powerlink is currently spending on DMIAM. I think this is about, what is the current spend or what is currently being done in terms of demand management generally, as opposed to the DMIAM as a whole. The material provided to the panel was to paint some of that picture.
- C. It's worth noting that consumers have had visibility on Energy Queensland's DMIAM. Energy Queensland stated it didn't have sufficient funding in the last regulatory period, but then underspent in partnerships with AEMO on DMIAM projects that would be enhanced with DMIAM funding.

- C. In response to previous comments, if you can't be specific about projects, it would be helpful to see, even in those three buckets, the types of things that could be considered. It is a bit of a black box for us to know what kind of things you would be considering. It would just be helpful for our decision-making to see either the extension of the activities that you're already undertaking or what new things could be considered, based on what other networks are doing or ideas that already exist within the business. If they could be categorised into those three areas, that would be helpful. It doesn't need to be a clear project plan of these are the things we're going to do and X, Y, Z, and here's the timeline, but would be helpful to give us a sense of the types of activities.
- C. Regarding the comment that Powerlink doesn't want to ask for any funds that it doesn't consider necessary, which is very much appreciated, I know, and that's an understatement on the consumer side. It's just that this is an anomaly. So, it's a sort of different bucket. But we understand how that sounds strange in the overall philosophy of not wanting to spend more than is necessary.
- C. Powerlink is asking for its Customer Panel to decide by 22 October, but I don't agree with that. Because, yes, the DMIAM can be added as a block in the Revenue Proposal. I don't think that anybody's in a position in the next five weeks to come up with what you possibly could be looking at. Quite frankly, what we would come up with in the next five weeks, if we have a disorderly transition of coal, then we will need that money in two years to look at some of these challenges that we haven't picked up right now.

If we just say to include the DMIAM, if Powerlink don't come up with projects that consumers and Powerlink think are worthwhile, then the money does go back to consumers anyway. There is this whole push that we have to make a decision now, we want Powerlink to tell us what they are doing now. Even if Powerlink told us what they thought they might do, that may change if there's a disorderly transition happening. Therefore, I think if you've got the money there, then you've got options. You take the money away and we have no options. This is a win-win for consumers. We've got time. I think this push and this time sensitivity is a little bit overstated.

- R. From Powerlink's perspective, the time sensitivities are related to the Revised Revenue Proposal, which is due early December 2021 and whether we should pursue applying it or not pursue applying it. I agree with the point that we would certainly have time to think about projects if they were applied. The intent is certainly not, from our perspective, to go away and propose things in the next few weeks and have them signed off. I understand that the Customer Panel's also asking for some guidance, in terms of what are the types of things that you might even be able to look at in terms of demand management?

So to be clear, the time constraint from our end is really about the Revised Revenue Proposal and getting that guidance, or an empowered level decision, of how we should treat this within the Revised Revenue Proposal. Should we come back to the AER and say, yes, we seek to apply it, or should we come back and say, no, we don't seek to apply it and for these reasons.

- C. From an engagement perspective, a lot of people say 'Empower' is the easiest level to operate at. It's actually quite challenging, similar to the old saying that with great power comes great responsibility. You want to make the right decision - the best decision you possibly can with the information you've got. There is a responsibility that comes with it when you are operating at this level of the spectrum.

- R. This is recognised and why we are seeking to get as much information as we can to help make the best-empowered decision. But we understand it is a bit of a 'catch 22' here.
- C. We did want to highlight, from Powerlink's perspective, this is a proposal to empower the Customer Panel who have to agree to take on that decision. I think that amongst yourselves, certainly, a conversation is needed. We would encourage that one of you coordinate a discussion with Customer Panel members who aren't here today because we certainly would want to get a view relatively early on, do you want to engage at this level of the spectrum? Are you comfortable making a decision as a Customer Panel or not?
- C. Can we get some clarification from QEUN, on a point made around the general concept of it being possible for the DMIAM to be a win-win for consumers if it was available but didn't get necessarily spent if something didn't come up. Are you suggesting that if consumers were to agree under this empower process for the DMIAM to be applied, it would be on the condition that any projects that could access the DMIAM were first approved by the Customer Panel? I'm trying to gauge the win-win concept here.
- R. We talked about the \$3 million and not the \$200,000 that comes with that panel. If you were talking about large amounts of money that the QEUN committee was very concerned about, was that on top of the \$3 million to look at projects. So, in answer to your question, the way we see the DMIAM as being applied, from the perspective of consumers - because none of us are electrical engineers and let's accept you need to be an electrical engineer to understand some of the challenges Powerlink has now - we do have oversight because of this \$200,000 Advisory Panel. That's our understanding of why that \$200,000 is there, is it's a check on how that \$3 million is spent. Can the AER confirm that this is correct? *[Question for AER]*
- R. It's not compulsory that a business must set up an external body. We thought that it could be of some negative impact on the business to engage in demand management activity. But we highly value that opportunity for some external input. I would say, congratulations on Powerlink getting this stakeholder consultation and we'll be interested to see the Consumer Panel and the Consumer Challenge Panel submission on this following Powerlink's Revised Proposal. *[AER Response]*
- C. Further to the previous comments on the win-win perspective, perhaps another way to look at it is it's somewhat of a 'free' option for consumers, in that if the money is not spent, then obviously it gets returned to consumers as part of the next revenue determination process. The risk is on Powerlink because it's an ex-post assessment, so if even in the best of faith we took a project that we thought held out the prospects of long-term benefits for consumers, if it didn't pass muster with the AER assessment, after we'd spent the money, then it's not counted as part of the DMIAM. Therefore, we can't include it and it comes off our normal operating expenditure line. You might even think of it as, if you don't have it, then you've got no access to it. At least if you do have then you give us the prospect of access to it if it's needed.
- Q. Regarding projects and whether the \$200,000 is needed, would the Advisory Panel prioritise projects? How would Powerlink consider a list of priority projects from the Advisory Panel?
- R. I don't think we've turned our minds to exactly what the operations of the Advisory Panel would be at this stage.

- R. Powerlink will take those questions on notice. It is not anything that we would turn our mind to just yet. Regardless of what the formation of the Advisory Panel is, we would still be speaking with and working with our Customer Panel in any case.
- R. The \$200,000 for the Advisory Panel is up to \$200,000. It's not a definite. So if we could do it for \$200, we would.
- C. Transmission businesses may also pool their funding together to have one common panel and the same for the DMIAM expenditure. It is not restricted to just one business. [AER response]
- C. To clarify, we are consumer advocates, not experts in maintaining a power system. If we were going to prioritise a project, yes, we would need independent advice. The QEUN committee says they don't think it's worth \$200,000. The AER advised that this is the cap, you don't have to spend \$200,000. If we have an Advisory Panel, who are they advising - consumer advocates or consumer advocates and Powerlink? Because if they were advising consumer advocates and then consumer advocates would go to Powerlink and say, these are the projects that we would like to do. Have I got it wrong or right there?
- R. Advising the network business is our understanding of the scheme. The advice is about whether it is a worthwhile project for the business to undertake. Regardless, and we haven't turned our minds to what the governance might ultimately look like on this, but our initial thinking is that our Customer Panel would have a large part to play in any event.
- C. What I was trying to do was de-risk that point that you just brought up, that because this is post-ante approval of the expenditure, there is the risk to Powerlink that they could take on a project which then doesn't get approved for DMIAM expenditure. So, if the Advisory Panel was operating efficiently, then it would be saying, these are the projects that are supported by consumer advocates. It doesn't mean that the AER doesn't knock them back, it is a safety catch to everybody in Queensland, Powerlink, and consumers are happy with these projects and therefore there shouldn't be that risk later on, that you don't get that expenditure back.
- Q. Is there a chance at the Transmission Network Forum to discuss the DMIAM further?
- R. We can certainly socialise it further. However, it will really depend on what is in the Draft Decision as to what we need to talk about and if there are any other matters more critical to discuss.

Action:

- **Customer Panel members to consider whether they are able to provide a decision at the 'Empower' level of the IAP2 Spectrum in relation to DMIAM.**
- **If able, Customer Panel to consider the appropriate application of the DMIAM and provide its decision at the next Customer Panel meeting on 22 October 2021.**



3. Business Narrative update

- Gerard Reilly, General Manager Communications, Customer and Engagement

Summary:

- An updated version of the Business Narrative document is underway and a draft should be available in a couple of weeks.
- Feedback received from the Customer Panel in the first document has been considered in the revised version.
- The Business Narrative is intended to be a BAU publication updated on an annual basis.

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

Q. When will the document be released?

R. We don't have a specific date however, it will be prior to the Revised Revenue Proposal and will be provided to the panel to review prior to it being published.

Action:

- **Powerlink to circulate the draft Business Narrative to the Customer Panel for feedback. Updated version to be published in October 2021.**

4. General business

Summary:

- Our next meeting of the Customer Panel is 22 October 2021.
- The AER's Draft Decision on Powerlink's Revenue Proposal is due at the end of September 2021.
- The Transmission Network Forum date has changed to 15 November.

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

5. Meeting closed 2.30pm