Minutes

Reset Advisory Group

Meeting 3

Meeting Details

Organiser	Alex Lewis
Date	Wednesday 20 August 2025
Time	9.30pm – 12.00pm
Location	Microsoft Teams

Members

Chris Marsden, Chair
Matt Curnow (RAG Rep on CAF)
Adam Davidson (Deputy - RAG)
Georgie Morris
Mike Leane
Pawan Verma
Jason Huang
Cathi Buttfield

SA Power Networks (SAPN)
Jessica Morris, Chief Customer & Strategy Officer
Alex Lewis, Reset Engagement Manager
Kylie Lush, Minute Secretary
Richard Sibly, Head of Regulation
Megan Grey, Head of Communications & Engagement

Guests/Presenters
Helen White, Manager Revenue & Pricing SAPN
Michelle Howie, Innovation Development Mng SAPN
Elisia Reed, Asset Engineering Manager SAPN

1. Recurring Ordinary Items

1.1. Welcome and acknowledgement of country

Chris welcomed everyone to the meeting and acknowledged the traditional owners of the land. It was noted that Wendy Starr has stepped down from her role on the RAG citing personal time constraints.

1.2. Present & Apologies – Apologies from Pawan Verma, Megan Grey and Adam Davidson were noted.

1.3. Previous minutes & Actions - Minutes from the previous meeting were circulated to members and accepted as an accurate representation of the meeting.

2. Comparative pricing and customer profiles

Helen provided some common household appliance electricity usage and also areas where households use their electricity (ie Heating/cooling 40%, Hot water 35%

Helen presented a comparative analysis of SA Power Networks' pricing against other distribution networks (e.g. Ausgrid, Endeavour, Essential, Energex).

Some key insights discussed:

- SA Power Networks' average residential customer (4000 kWh/year) has a total bill of $2300, with $897 attributed to network charges.
- Differences in geography, customer density, and consumption profiles impact pricing across networks.

- Average consumption varies significantly across networks. Endeavour: 4900 kWh/year vs. Ausgrid: 3900 kWh/year.

Residential customer consumption profiles and data for 2024-25 was presented:

- 53% of usage came from interval meters, with 56% of customers now on interval meters, driven by solar uptake.
- Average annual consumption for accumulation meters: 3771 kWh; interval meters: 4500 kWh.
- Solar customers consume less energy on average, compared to non-solar customers. The disparity between solar, non-solar and solar-battery customers is expected to grow with increased battery uptake due to the federal battery scheme.
- Battery customers have the lowest consumption 3500 kWh/year.

Discussion:

- **Jurisdictional Costs:** Clarified that environmental and jurisdictional schemes are bundled into network costs.
- **Controlled Load Shifts:** Discussion on the potential for government intervention to mandate controlled load shifts to the solar sponge window. Retailer agility and technical barriers were noted as challenges. Concerns were raised about the burden on households to adapt to time-of-use tariffs.
- **Tariff Design Concerns:** Georgina Morris asked if smart meters had resulted in a shifting of load into the solar sponge period and raised concerns about the burden of time-of-use tariffs on households, advocating for a more realistic approach to tariff design that reduces complexity and household pressure. Expecting customers to change lifestyles places all the burden on customers. Whilst concerns were acknowledged, SA Power Networks is required to apply cost-reflective tariffs as mandated by the Australian Energy Regulator. This is a regulatory obligation and SAPN has limited flexibility to deviate from these rules.
  The AER's position is that retailers should develop innovative offers to help customers manage their energy usage and costs. SA Power Networks is not responsible for how retailers structure their plans or pass on network charges.
  Despite these constraints, SA Power Networks is proactively exploring ways to support customers, such as through the Energy Masters project, which aims to understand barriers to behavioural change and identify opportunities to assist customers in shifting their energy usage.
- **Future Tariff Design:** The group acknowledged the need for SAPN to consider alternative approaches for the 2030-35 regulatory period, particularly in light of national reviews on network tariff design and defining cost reflectivity. Links with AEMC pricing review and NEM review.

3. Innovation Operation Model & Pathway

Michelle provided an update on the Innovation Operating Model and pathway, acknowledging the Reset Advisory Group's instrumental role in establishing governance and frameworks for innovation.
The need for innovation to address strategic challenges amidst the rapid energy transition, such as electrification, customer energy resources adoption, and demand flexibility were highlighted.

The Innovation fund was approved by the AER and is designed to address emerging challenges with higher uncertainty during the regulatory period. It complements existing business cases and funding mechanisms, focusing on game-changing initiatives rather than business-as-usual improvements.

The first project being proposed to the Innovation Advisory group is the development an assessment framework for standalone power systems (SAPS), which will be discussed at the IAG meeting on Thursday 22 August.

SAPS are being explored as a potential solution for providing reliable power to areas where grid connections are not feasible or cost-effective. The initial phase of the project will focus on developing a quantitative assessment framework to determine when SAPS are the best option.

Discussion:

- Cathy suggested connecting Michelle with Katie Humes (BHP) to share insights on innovation programs.
- Michelle highlighted ongoing collaboration with SA Water and other networks to share learnings on innovation in regulated utilities.
- The importance of innovation in areas such as tariffs, advocacy, and stakeholder engagement, not just technology was highlighted.
- ToU and customer behaviour v controlled load as a possible innovation project.
- Mike and Jason raised questions about SAPS applications for regional and remote communities. Michelle clarified that the initial focus is on developing an assessment framework, with deployment decisions to follow.
- Cathy flagged the potential for innovation to address challenges related to time-of-use tariffs and customer behaviour, aligning with the customer innovation focus.
- Reset Advisory Group members to work with Chris and Adam to identify and prioritise potential customer innovation projects.
- Michelle will continue engaging with the Reset Advisory Group to ensure alignment and innovation priorities and principles.
- AER allows sandboxing to look at projects. This could be an opportunity for cost reflective tariffs and controlled load.

4. Circuit Breakers for Vulnerable Customers

Georgie presented on potential circuit breakers for vulnerable customers, focusing on energy debt and hardship, with South Australia having the nation's highest average residential debt. Concerns were raised about smart meter rollout costs, which could leave 20% of low-income households without access to solar, batteries, and safety-related power quality data. Advocacy for government action continues, but progress remains slow.

South Australia also has the highest percentage of customers on time-of-use tariffs, often leading to higher bills. Solar and battery owners pay significantly less in network costs, highlighting inequities in cost recovery and the need for pricing reform.

Systemic changes are required to reduce risks from complex tariffs, market volatility, and to implement mandatory energy efficiency standards for existing housing. Reforming the Default Market Offer (DMO) is also critical to ensure fair pricing. Addressing these systemic issues requires coordinated efforts, additional resourcing, and support for key advocates like SACOSS and SAPN, who currently operate with limited capacity. Energy Consumers Australia could play a role in strengthening advocacy and driving meaningful change.

Discussion:

- SA Power Networks to consider how pricing reform can address inequities in cost recovery.
- Continue discussions with DEM to push for action on the smart meter rollout, particularly around associated remediation costs, and energy efficiency standards.
- Draft a joint letter on behalf of CAF including advisory group chairs to the State Government, DEM highlighting the need for action on site remediation costs and equitable access to smart meters. Include input from Matt Curnow who has 'lived experience' in this field.
- Georgie's slides to be shared with the group.
- Mike noted the amount of work required and the burden on SA consumer advocates, impacting their capacity to advocate on all the issues and provide feedback to all the submissions/ rule changes.

5. AER Recommendations and our approach to CBD reliability

Elisia presented SA Power Networks revised $53.1M CBD reliability business case. While the AER approved $30.7M for cable replacement, the automation component was not approved.
The AER emphasised balancing reliability improvements with cost efficiency, recommending a targeted approach to address Adelaide CBD reliability issues and ensure investments deliver value.

SA Power Networks' strategy includes prioritising critical areas, using data analytics to identify reliability hotspots, and exploring cost-effective solutions like automation and network reconfiguration.
Stakeholder engagement with CBD businesses and councils revealed a preference for maintaining reliability without significant network charge increases.
A detailed investment plan will be developed, incorporating innovative solutions and cost-benefit analysis. The $6.2M cable replacement program, scheduled for 2026, will replace 7.2km of ageing cables, which cause 60% of faults. This program aims to improve the Adelaide CBD's SAIDI performance, currently above ESCOSA's 15-minute target, and achieve compliance by 2030. Without intervention, reliability is expected to decline as cables reach the end of their life.
SA Power Networks will align initiatives with AER recommendations, provide updates to the Reset Advisory Group, and assess future energy demands, including electrification and renewable energy integration, to ensure long-term reliability.

Discussion:

- Jess inquired whether there is a plan to implement community engagement strategies for this program. Being proactive could be beneficial, particularly if there are potential customer disruptions.
- The importance of maintaining reliability for critical services in the CBD was emphasised, such as hospitals, businesses, while keeping costs manageable for all customers.
- Matt asked about the cost recovery from copper and how this is factored into projects.
- Is a community engagement strategy being developed for the CBD. Alex and Elisia to catch up offline.
- The group discussed the potential for innovative technologies, such as fault detection systems and automated switching, to enhance reliability without significant capital expenditure.
- ESCOSA are closely monitoring SA Power Networks progress and requires regular reporting on remediation efforts and the use of AER approved funding.
- SA Power Networks has raised concerns with ESCOSA about the lack of funding for automation and is working to optimise outcomes within the approved budget. Alex noted that re-engagement has commenced with ESCOSA with regular catchups scheduled.
- Has the Franklin St bus station project being considered in planning for works?

6. Other Business

Post Implementation Review – Alex provided an update on the post implementation review where SA Power Networks sought funding from Energy Consumers Australia (ECA) for a cross-jurisdictional review with NSW and Energy Queensland. The funding application was rejected, with ECA citing a lack of available funds.
Chris and Alex will meet with ECA representative, Brian Spak, to clarify the decision and explore next steps, including the possibility of Energy Queensland leading a new funding application.
EQ expressed interest in running a joint workshop with their consumer panel and SA Power Networks Reset Advisory Group We are looking at working with EQ to co-design the workshop.
SA Power Networks internal review of the reset engagement process has been completed with stakeholder interviews being completed by SEC Newgate Australia. A draft report will be presented next week with recommendations feeding into planning for the next Reset Engagement 2030-35.

CAF Update

Alex provided an overview of the topics and agenda items discussed at the Community Advisory Forum meeting on 6 August 2025.
The significant incident involving fallen power lines was discussed, which has led to all 68 councils and first responders receiving safety information from SA Power Networks.
A joint meeting with ElectraNet, SA Power Networks and CAF is tentatively scheduled for 15 October 2025. Topics will include demand forecasting and energy resilience in the Upper North.

Mike highlighted the significance of SA Power Networks transition to a DSO, which enables better data utilisation and cost reduction.
Andrew Bills presentation on the DSO transition will be shared with the group and a presentation on the topic will be arranged for the next meeting.
Chris thanked all presenters and participants for their time and engagement, and reminded the group that end of year drinks are scheduled for 12 November at Adelaide Oval.

Actions Arising		**Status**
Add in and share Jurisdictional chart from Helen's pack to include when sending out slide pack. Also add NUOS into the pack.	Kylie	Send with minutes
Michelle to provide a detailed summary of the SAPS project to the RRAG after the IAG meeting.	Michelle	Send with minutes
Michelle to explore opportunities for collaboration with other reset groups in different jurisdictions.	Michelle	In progress
Draft a joint letter on behalf of CAF including advisory group chairs to the State Government, DEM highlighting need for action on site remediation costs and equitable access to smart meters. Include input from Matt Curnow who has 'lived experience' in this field.	Alex	In progress
Enquire about the cost recovery from copper recycling? Ali Purnell Sullivan	Alex	In progress
Share Andrew Bills DSO presentation and discussion topic on next Agenda + DNSP's ECA rule change	Kylie	Send with minutes
Georgie to share her presentation slides to forward to the RAG.	Kylie	Send with minutes
DSO Transition to be an agenda item at November RAG meeting.	Kylie	In progress

Meeting closed at 12.05pm

Next meeting 19 November, Rex Hotel