



TransGrid

Powering Sydney's Future Stakeholder Monitoring Committee

December 2018

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1. Overview

Energy Consumers Australia and TransGrid have agreed to create the Stakeholder Monitoring Committee (PSF SMC) to provide consumer oversight of the costs and timelines for the implementation of the Powering Sydney's Future project. The PSF SMC is an innovative and pro-active approach putting the interests of consumers at the forefront of important decisions.

The PSF SMC is a transparent consumer consultation committee. In its capacity as an advisory group, the Committee is provided in-depth review of matters relating to the implementation of the PSF project and the opportunity to make recommendations to TransGrid based on this review. The Committee is not a decision making forum/body.

2. Members

The PSF SMC is chaired by Energy Consumers Australia Chief Executive Officer, Rosemary Sinclair, and is made up of three other members who represent energy consumers.

1. **Energy Consumers Australia**, Rosemary Sinclair, Chief Executive Officer (Chair)
2. **Australian Industry Group**, Tennant Reed, Principal National Advisor - Public Policy
3. **Energy Users Association of Australia**, Andrew Richards, Chief Executive Officer
4. **Public Interest Advocacy Centre**, Craig Memery, Energy and Water Team Leader

TransGrid provide the secretariat function to the PSF SMC, and attend meetings to provide information and presentations to the PSF SMC.

3. Meeting summary and outline

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|--------------------|--|
| Date | 5 December, 2018 |
| Venue | TransGrid Ultimo Office, 180 Thomas St, Haymarket NSW |
| Time | 12.00pm – 2.00pm |
| Chairperson | Rosemary Sinclair, CEO – Energy Consumers Australia |
| Secretariat | Robert Ephraums, Stakeholder Engagement Specialist – TransGrid |

PSF SMC attendees: **Rosemary Sinclair**, Chief Executive Officer - Energy Consumers Australia
Ali Rahman, Public Policy Advisor - Australian Industry Group
Andrew Richards, Chief Executive Officer - Energy Users Association of Australia (dialled in)
Craig Memery, Energy and Water Team Leader - Public Interest Advocacy Centre

TransGrid attendees: **Caroline Taylor**, Executive Manager Policy and Corporate Affairs
John Howland, Manager, Infrastructure Planning
Colin Mayer, Powering Sydney's Future Program Manager
Michael Lloyd, Community Engagement Lead

Report distribution

Distribution date: December 2018

Distribution list: All of the above.

4. Meeting notes

| Summary | Actions and questions |
|---|--|
| 4.1 Welcome and Introduction | |
| <p>The Chair welcomed all members to the first meeting of the PSF SMC. The Chair extended thanks to Tony Meehan of TransGrid (absent) for his work in supporting the creation of the PSF SMC.</p> | Actions <ul style="list-style-type: none">> Nil |
| 4.2 SMC Charter | |
| <p>The Chair opened discussion on the PSF SMC Charter (previously circulated), asking members for their feedback on the document.</p> <p>A minor word changes was suggested by members to section 2(c). No contest to suggested changes.</p> | Actions <ul style="list-style-type: none">> TransGrid to circulate amended Charter |
| 4.3 Non-disclosure Agreements | |
| <p>The Chair raised the signing of previously circulated non-disclosure agreements (NDA) to the members, providing endorsement for the presented NDA as a way to ensure an open and transparent discussion.</p> <p>Members committed to review NDAs internally and return signed NDAs to TransGrid.</p> <p>It was agreed that for the first meeting, verbal commitment to confidentiality would be acceptable. All members registered their verbal commitment to maintaining confidentiality for items discussed in the course of the meeting.</p> | Actions <ul style="list-style-type: none">> Members to sign NDAs and to return to TransGrid. |
| 4.4 Update on Powering Sydney's Future project | |
| <p>John Howland, Colin Mayer, and Michael Lloyd entered meeting to provide an update to members on the PSF project.</p> <p>PSF drivers</p> <p>TransGrid provided an update to members on the core drivers of the PSF project (demand growth and cable asset condition).</p> <ul style="list-style-type: none">> Current cable failure rates of oil-filled cables and changes in cable technology to be implemented for PSF project (cross-linked polyethylene cables) was discussed. <p>TransGrid provided the most recent demand forecast to members.</p> <ul style="list-style-type: none">> Demand forecasts still indicate that the project will be needed in the planned timeframe as loads come onto the system.> Members were interested to discuss the different assumptions that underpin demand forecasts. TransGrid committed to discussing this at the next meeting. <p>The impact of Value of Customer Reliability (VCR) was discussed in light of the current review by the Australian Energy Regulator (AER).</p> | Actions <ul style="list-style-type: none">> TransGrid to provide a deep dive to members into the calculation of demand forecasts for next meeting> Discuss AER VCR review and any impact on PSF project at the next meeting.> TransGrid to circulate PSF Route Selection Report to PSF SMC members |

Recommended that impact of AER review on PSF be discussed at the last meeting.

Non-network request for tender

TransGrid updated members on the results of the tender process for demand management (DM) options for the planned one-year deferral of the PSF project. Twenty companies responded to the Expression of Interest, however only seven companies responded to the Request for Tender (RFT). TransGrid provided details as to follow-up to the 13 companies that did not respond to the RFT so as to understand why.

- > PSF SMC members noted that the current result was still a good result.
- > Interest in further understanding the rationale for companies not proceeding to the RFT stage so as to better understand how to encourage solutions.

PSF timeline

TransGrid updated members on the project timeline, providing details as to the various stages for regulatory and environmental approvals, supplier management, design and construction steps currently being undertaken, and on considerations in route selection.

- > PSF SMC members asked questions about the tendering processes, main cost areas at the current project stage, and on the laying of cables.

4.5 Environmental Impact Statement & Community Engagement

The PSF SMC and TransGrid discussed the Environmental Impact Statement (EIS) and community engagement process currently being undertaken for the PSF project. TransGrid provided details to the PSF SMC on the process for the EIS, engagement with the community to date and current planning considerations and opportunities.

Actions

- > Nil

4.6 Meeting closed

The Chair brought the meeting to a close and invited final comments from PSF SMC members.

- > Members provided their thanks to TransGrid and feedback that the session had been comprehensive and informative, with the provision of substantial and useful information.
- > The Chair proposed that the proposed agenda become a standing format, with a member highlighting that the continued inclusion of a 'what has changed' section would be helpful.

The Chair closed the meeting and thanked members for their participation and TransGrid for its support and transparency.

Actions

- > Agenda for meeting be used as a standing format for future meetings.

CEO Energy Consumers Australia

8.8.19