



4 October 2022

Submission via consultation website: <https://yoursay.ausgrid.com.au/draft-plan-2024-2029>

Ausgrid Draft Plan 2024-29

Thank you for the opportunity to comment on the draft plan, and for your willingness to engage with SSROC and councils. Making the draft available for feedback is a significant step in improving Ausgrid's engagement with its stakeholders.

Southern Sydney Regional Organisation of Councils Inc (SSROC) is an association of twelve local councils in the area south of Sydney Harbour, covering central, inner west, eastern and southern Sydney. Together, our member councils cover a population of about 1.8 million, one third of the population of Sydney, including Australia's most densely populated suburbs. SSROC advocates for the needs of our member councils and bring a regional perspective to the issues raised.

One of SSROC's functions is to coordinate and facilitate council collaboration on matters of particular importance, including non-member councils where appropriate. SSROC's Street Lighting Improvement (SLI) Program has been a major project since it began in 2003, gradually expanding in scope to include 29 councils across the area where Ausgrid operates. The provision of street lighting is the responsibility of councils as the road authority, using the services provided by Ausgrid. This project has allowed SSROC's team insights into councils' priorities and concerns in relation to Ausgrid's role service levels beyond the scope of strictly public street lighting.

Ausgrid's role in facilitating the transition to Net Zero

SSROC strongly supports Ausgrid's actively contributing to a net zero future by preparing the grid for the range of technologies that are part of that future. Ausgrid's plan rightly acknowledges that, as a distributed network service provider (DNSP), it is integral to transitioning the grid to a sustainable model. In this context, a sustainable grid will promote environmental, social and economic benefits, which includes making the grid resilient to sudden shocks and chronic stresses and accounting for intergenerational equity.

In today's conditions, the impacts of anthropogenic climate changes are increasingly and directly manifesting in more frequent and severe storms, changing temperature patterns and more intense bushfires. Such events can have serious effects on the grid, and therefore on the people it serves. Current responses include both adaptation to the ongoing change and mitigation of carbon emissions across all facets of society.

The nexus between these and Ausgrid specifically means adaptation to accommodate those essential responses. This includes:

- Integrating solar PV and other Customer Energy Resources (CER),
- Community batteries and embedded networks,
- EV charging,
- Increasing network resilience.

Most of this work needs to be aligned with local strategic planning statements and controls so that new infrastructure can be accommodated into the local area without inappropriate or perverse outcomes for the community, environment, or streetscape.

Working with Councils to transition

SSROC therefore emphasises the need for Ausgrid to work with councils to achieve a smooth transition to renewable energy and energy efficiency, while avoiding negative impacts on local communities as a result of inappropriate delivery.

To illustrate the role of Councils, they are generally very supportive of the uptake of solar PV, and respect the role that Ausgrid necessarily has in connecting installations to the grid, as well as the way that Ausgrid has adapted to the two-way flow of electricity. The role that councils have in applying local planning controls to solar PV installations, such in heritage areas, is increasingly understood.

This sort of regulation applies equally to other aspect of the transition. For example, the implementation of EV chargers is recognised as essential to the take-up of EVs, and supported by Ausgrid through its partnership with JOLT. From a council perspective there are many related issues that have to be resolved both at a policy level and with each installation where it affects the public domain:

- Policies on the use of public domain for EV charging infrastructure, associate parking space use, revenue, parking restrictions, compliance management, social equity and visual amenity;
- Line-marking, signage and set-back standards;
- Ongoing cost implications for maintenance and enforcement;
- Communications and training.

Even private chargers are in some cases councils' concern. The issue of EV charging in strata property raises multiple issues, and development controls may not yet cover the provision of charging infrastructure.

Similar considerations apply to other initiatives such as community batteries. Again, councils are supportive of community battery initiatives as a service to the community, such as by enabling tenants or owners without solar PV to benefit from renewable electricity. But councils must also manage all the impacts of the infrastructure on the local environment and community. Councils are therefore willing to work with proponents of community battery projects, and the proponents must work with councils to understand and comply with relevant local development controls. It is unclear exactly what "support" (Ausgrid Draft Plan p32) Ausgrid as a proponent of community battery projects seeks or needs councils to provide: SSROC would be willing to work with Ausgrid to understand the support needs and to develop a mechanism for collaboration on local energy solutions.

It will be critical for Ausgrid to collaborate with local councils to deliver optimal social, environmental and economic outcomes for all concerned. Potential conflicts and complexities can be avoided by working closely with councils throughout planning for these interventions.

Urban Amenity and Streetscape

Councils have an obligation to their communities to achieve local amenity and an environment that is conducive to health and wellbeing, and which promotes the liveability of the area. These obligations are delivered through a range of planning controls, but often require conflicting priorities to be resolved. Practical and functional benefits may need to be reconciled with visual, environmental or cultural benefits.

Physical infrastructure such as telecommunications equipment, green pillars, EV charging stations and community batteries can all be very beneficial to the community in practical ways. They also affect the availability of public space, and may be detrimental to the streetscape. While each one may have little impact, councils must also be concerned with the cumulative and ongoing effects of all the installations, particular where older equipment is not removed when new equipment is added.

SSROC strongly recommends that Ausgrid works with councils to support the delivery of liveable localities. Ausgrid's Voice of Community Panel is a very good innovation which has tremendous potential. Ausgrid's efforts could achieve further gains by systematically sharing plans for all local infrastructure enhancements and additions with councils. This would enable councils to understand the cumulative impacts on the local area, and reveal likely issues well in advance of implementation. This should cover, for example:

- power poles, street lights and multi-function poles,
- any pole-mounted equipment, such as that for telecommunications (5G) and EV charging,
- standalone EV chargers,
- batteries,
- any infrastructure with advertising,
- green pillars,
- removal or replacement of existing infrastructure.

These all have impacts on the public space available, potential to block footpaths, cycleways or access, and are therefore appropriately subject to controls. In combination, the impacts can be greater, and the cumulative impacts on streetscape, visual amenity and clutter are important to the community and therefore to councils.

SSROC also supports the notification and, where possible, coordination of physical works through council and with other utilities.

Enabling Smart Cities

SSROC has had a key part in facilitating the relationship between Ausgrid and councils that has resulted in LED upgrades to public lighting on local roads, and developing the next phase to upgrade public lighting on main roads. This initiative by Ausgrid is very welcome.

SSROC also welcomes the incorporation into the main roads lighting upgrade of smart controls and Zhaga ports. Smart controls, or light point controllers, will enable a range of new functionality including automated notification of lighting outages, and the ability to dim or trim lighting.

Streetlight is an ideal and perhaps lowest cost place from which to perform many smart city sensing tasks. Public lights are ubiquitous, often appropriately located for many sensors and communication, and a secure piece of existing, powered infrastructure. Relevant standards are now in place for a Zhaga-enabled significant part of smart city infrastructure: Zhaga and the DALI Alliance standards bring standardised communication between sensors and luminaire under a global certification regime. The relatively recent Book 18 Edition 3 allows ANSI/NEMA-based light point controllers with Zhaga-D4i based smart city sensors, including control devices, photocells, motion sensors and all sensor categories.

With these technologies to come on line over the next three years, and investments committed, it is increasingly urgent to agree the mechanisms, commitments, and operating models. Therefore, SSROC urges Ausgrid to continue to work with SSROC to develop agreements to cover the efficient and effective operation and use of smart controls and Zhaga ports, and for the related data and communications.

Resilience of Ausgrid Infrastructure

SSROC supports the continued participation of customer advocates in developing resilience. The electricity grid infrastructure is essential to the effective functioning of society today, and in some instances is critical to human health. Its resilience is of great importance and SSROC is generally supportive of improvement measures.

However, we understand that compromises (often due to cost) are unavoidable; so Ausgrid necessarily must find a reasonable balance between target outcomes and financial viability, and customer input on this balance is essential.

In emergency situations, Ausgrid's plan for up to 5 community resilience vans is supported, providing a very basic but important level of supply. Ausgrid might also consider working with councils to incorporate those vans into the local emergency response plans. The role could be extended to permit Ausgrid's on-site team the authority to direct Ausgrid resources to address locally dictated priorities in collaboration with the local council.

Ausgrid Core Information Systems

Information and communication technologies (ICT) are core to any business to enable it to function effectively. For Ausgrid in an emergency outage, timely and accurate information effectively communicated to those affected by the outage is a very high priority, and needs to be addressed alongside re-establishing supply.

Therefore, investments in protection from and resilience to cyber-attacks are extremely high priorities, which SSROC supports.

Ausgrid notes (Appendix A, p8) that a sophisticated cost benefit analysis tool is used in formulating forecast climate resilience capex, and that it models the underlying risks and

customer value of millions of assets. The increasing sophistication of this model is essential as Ausgrid adapts to increasingly sophisticated climate and resilience modelling. Benefits and costs which are not easily measured in dollar values are nonetheless very important to assessing the level of investment appropriate for a given risk. SSROC is not familiar with Ausgrid's modelling tool, but notes that intangibles (such as the benefits to a local community of charging phones at a community resilience van in the aftermath of a bushfire) can be a significant element in investment justification.

Regulatory Framework

SSROC understands the necessity for regulation of Ausgrid's DNSP business, and that Ausgrid has limited control over regulated matters. The following points are therefore made for broad consideration by Ausgrid:

- the regulatory framework is slow to respond to rapidly changing circumstances such as the need to respond to changing norms. Some metrics could be changed or new ones added e.g. System Average Interruption Duration Index (SAIDI) does not reflect customers' actual experience of prolonged outages. The increasing number and scale of Major Event Days (MEDs) due to climate change should perhaps be included in reliability performance, so that the reliability measured by SAIDI is balanced by the resilience indicator MEDs.
- The Australian Energy Market Commission (AEMC) has a specific interpretation of the National Energy Objective (NEO), which has not been adjusted in response to new information about climate change. The NEO is "to promote efficient investment in, and efficient operation and use of, energy services for the long term interests of consumers of energy with respect to price, quality, safety, reliability and security of supply of energy." Safety remains a key consideration, and is affected by MEDs, lending further support to recognising the importance of this indicator. With the clearly proven causal links between carbon emissions, climate change and extreme weather events and bushfires, the AEMC's narrow interpretation of "long term interests of consumers" is not appropriate.
- Resilience is not specifically included by the NEO, but with today's knowledge resilience is clearly a characteristic of "quality, safety, reliability and security of supply of energy".

Customer Service Incentive Scheme

A customer service incentive scheme would in principle help to encourage improvements to customer services. The proposed revenue at risk seems to be a small percentage, but it is acknowledged that it could provide an incentive.

Further comment would require more information, such as the targets for improvement, and how scores are calculated. In particular, the Unplanned Outage Management measure, "Website – Service Resolution Score" is a good key performance indicator but needs to encapsulate effectiveness, extent of outage and duration of outage per household.

Street Lighting

Please refer to SSROC's separate submission on Ausgrid's Our Public Lighting Services for 2024-29 consultation draft.

Conclusion

In conclusion, SSROC welcomes Ausgrid's efforts to consult with its stakeholders and respond to stakeholder concerns. In particular, this consultation on the draft plan is appreciated, and we look forward to the issues raised being addressed in future.

The draft plan is very wide-ranging and extends to many issues that have not been directly addressed in this letter: into micro-grids, community batteries, cable-bundling, street trees, energy conservation, resilience, emergency response and more. These are all matters that councils and SSROC are trying to facilitate through our various plans and strategies including development control plans, local strategic planning statements, green grid plans, sustainability strategies etc.

SSROC's major concern is therefore for Ausgrid to continue its efforts to collaborate in a spirit of partnership with councils, recognising that councils support many of Ausgrid's plans, but also that they are required to represent and promote the interests of their local communities.

Thank you for the opportunity to comment on Ausgrid's Our Draft Plan for 2024-29. Please note that, in order to meet the deadline for submission, it has not been possible for this submission to be formally received and endorsed at a meeting of SSROC. Should any issues arise as a result, I will be in touch.

SSROC is very keen to continue to have a role in facilitating the dialogue between councils and Ausgrid, and to develop common policies where appropriate. Should you have any further enquiries in relation to this letter, please contact me at ssroc@ssroc.nsw.gov.au.

Yours faithfully

A handwritten signature in black ink that reads "H Sloan".

Helen Sloan
Chief Executive Officer
Southern Sydney Regional Organisation of Councils

Cc:

Dr Meg Montgomery, Executive Director, Northern Sydney Regional Organisation of Councils.

Attached: Summary of Key Issues

Summary of Key Issues

SSROC:

1. strongly supports Ausgrid's actively contributing to a net zero future by preparing the grid for the range of technologies that are part of that future.
2. emphasises the need for Ausgrid to work with councils to achieve a smooth transition to renewable energy and energy efficiency, while avoiding negative impacts on local communities as a result of inappropriate delivery.
3. strongly recommends that Ausgrid works with councils to support the delivery of liveable localities.
4. supports the notification and, where possible, coordination of physical works through council and with other utilities.
5. welcomes the residential roads and now main roads LED public lighting upgrade initiatives.
6. a) welcomes the incorporation into the main roads lighting upgrade of smart controls and Zhaga ports.

b) urges Ausgrid to work with SSROC to develop agreements to cover the efficient and effective operation and use of smart controls and Zhaga ports, and for the related data and communications.
7. supports the continued participation of customer advocates in developing resilience.
8. suggests that Ausgrid considers working with councils to incorporate the community resilience vans and other Ausgrid resources into the local emergency response plans.
9. supports investments in protection from and resilience to cyber attacks.
10. notes that intangible benefits can be a significant element in investment justification where a costs benefit ratio may not be strong.
11. acknowledges that the proposed customer service incentive scheme could provide an incentive, although the proposed revenue at risk seems to be a small percentage.