
AusNet Greenfields Negotiated Electricity Connections

Progress Report for the Essential Services Commission

1 July – 31 December 2023

28 February 2024

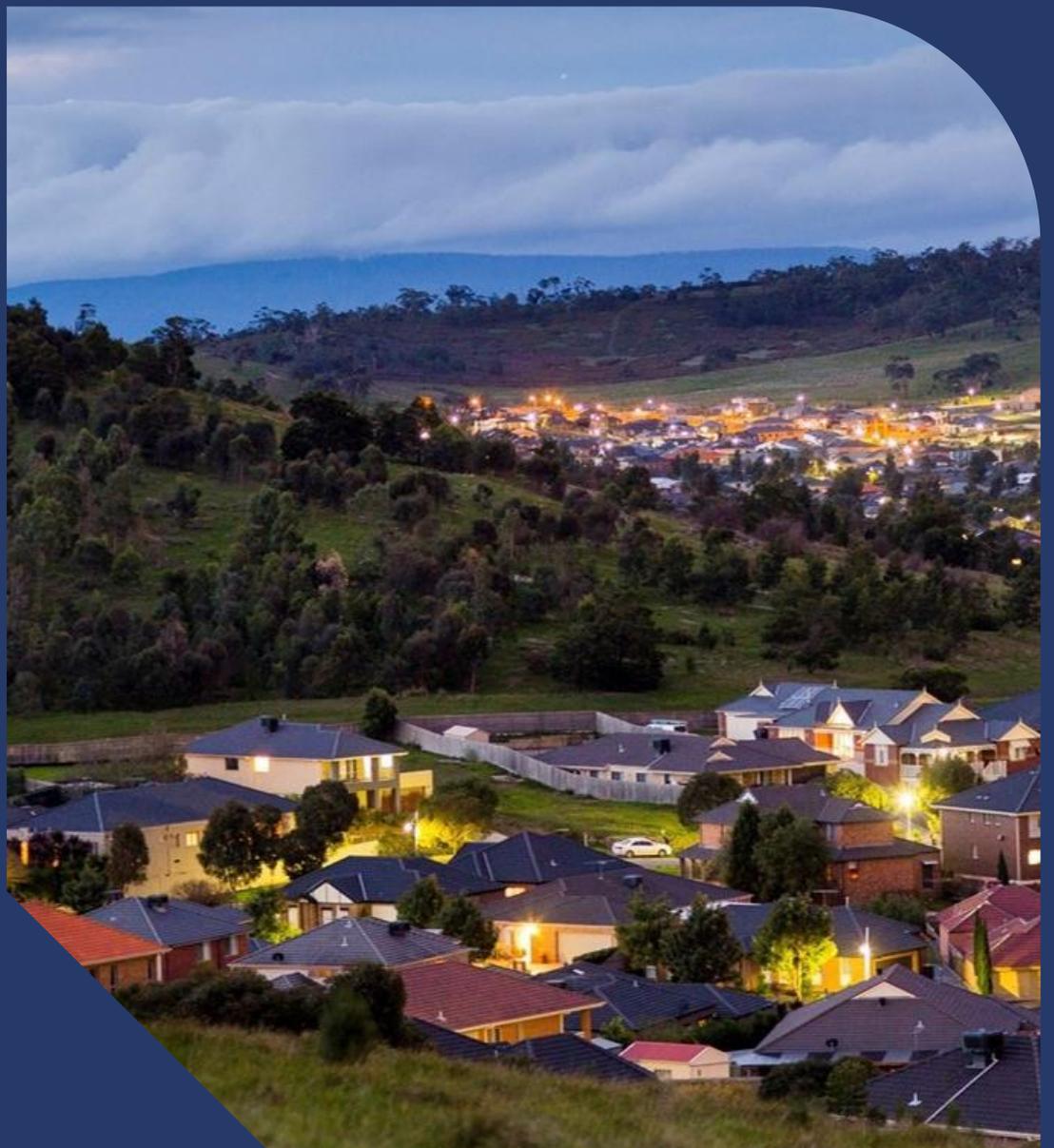


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Introduction

AusNet remains dedicated to enhancing customer experience of our services. As greenfield development lots continue as the primary source of new connections for our distribution networks, residential greenfield developers remain an important customer group for us. In an approach that is unique among distribution businesses, we actively encourage the contestable industry to handle this work - our role focuses on managing the quality and safety of delivered assets. Our collaboration with housing developers and industry associations is subsequently highly valued.

In our last report we welcomed the decisions outlined in the 'Resetting the Greenfields Negotiated Electricity Connection Customer Service Standards,' which came into effect from April 1, 2023. Our last report also highlighted the maturity of our engagement with residential greenfield developers.

In the 6 months July – December 2023 we continued to work on maintaining high levels of engagement and a constructive relationship with this customer group, and amid broader environmental changes associated with the energy transition. Our focus remains on understanding the needs and priorities of property developers, their consultants, and contractors in the greenfields negotiated electricity connections process amid the evolving landscape of the energy transition.

On 1 January 2024, the Victorian Government regulated our voluntary targets by updating our distribution licence condition.

During this time of change, we remain committed to meeting or exceeding standards for customer service in greenfields negotiated electricity connection space. Furthermore, we remain committed to open, honest and genuine engagement with the industry, having seen the benefits to developers and AusNet alike since we implemented the original Standard.

About this document

This document and its appendices include the following elements, for the period July – December 2023, as per the Essential Services Commission's (ESC) requirements.

- a report of our progress against commitments in the Customer Outcomes Statement
- minutes of consultative committee meetings, in AusNet's case, DCC meeting minutes
- details of our performance, reported against measures included in our Customer Service Standard
- initiatives the distribution business has taken to improve the service, or an update on any initiative taken.

During the reporting period AusNet met or exceeded targets for three performance measures.

A full copy of AusNet's current [Customer Service Standard](#) is available via the ESC website.

Customer outcomes statement and summary of actions

The following table presents outcomes, and summarises actions taken to deliver on them, during the period July - December 2023. These complement AusNet's previous actions, as outlined in [reports](#) to the ESC.

Maintain current high standards for connections timeframes	Maintain publicly reporting on our performance	Maintain channels for proactively identifying and resolving issues with, and sharing information on, the greenfield connection process
<p>During the reporting period, AusNet continued its focus on maintaining high standards for connection timeframes. Further information is provided below in the section <i>Quarterly Performance for Key Metrics</i>.</p>	<p>Aggregated audit results and trends continue to be presented and discussed at quarterly DCC meetings. A summary of these discussions is shared publicly via DCC minutes on Community Hub.</p>	<p>We held our third Industry Briefing on 23 November on the <i>Move to all electric estates</i>. This generated considerable interest and engagement from the industry, including:</p> <ul style="list-style-type: none"> • More than 250 attendees on the day • 38 downloads of the Q&A from Community Hub following the Briefing • 4 requests to join the DCC. <p>Industry members' direct contact with subject matter experts in AusNet's Delivery & Design Compliance Team continued throughout the reporting period, via DCC meetings, and affiliated pages on Community Hub. Additional contacts were shared via the DCC as needed.</p> <p>Online engagement with DCC content via Community Hub attracted more than 150 visits from more than 110 visitors between July – December 2023. This is an increase of approximately 100% on the 6 months prior.</p> <p>Offers to contact AusNet continue to be made at each DCC meeting (as evidenced in meeting minutes). Members can contact AusNet at any time, and contact channels are detailed via Community Hub and in DCC meeting materials.</p> <p>Attendance at DCC meetings has continued to be strong. The number of attendees per meeting in the 6 months to December 2023, was consistent with the same period in 2022.</p>

Progress against commitments and metrics

AusNet has continued to productively engage with the industry and meet or exceed all our performance targets. Links to meeting minutes and slide packs from our Developer Consultative Committee meetings, which provide further detail, are included in the appendix.

Summary of topics engaged on

DCC MEETING #9 (JUL 2023)	DCC MEETING #10 (OCT 2023)	OTHER ITEMS
<ol style="list-style-type: none"> 1. Welcome Actions from past meetings 2. Safety moment Look up and live app 3. Metrics Quarterly performance April to June 2023 4. Process Change Trial - Multiple updates on a single plan revision 5. Victorian Government's General Exemption Order 2022 (GEO) Update & discussion 6. Open floor with developers 7. Next steps & Close 	<ol style="list-style-type: none"> 1. Welcome Actions from past meetings 2. Safety moment An early start to the fire season 3. Metrics Quarterly performance July to September 2023 4. Victorian Government's Gas Connections ban 5. Copper wire theft on estates 6. Open floor with DCC members 7. Next steps & Close 	<p>As noted in the January – June 2023 report, discussion on the Process Change Trial at the July 2023 DCC meeting resulted from an issue one developer had with AusNet's three-strikes policy. Very positive feedback from the ESC, the developer and the Property Council of Australia on how productively we had worked together to resolve the issue resulted in this change becoming BAU.</p> <p>Increases in copper wire theft were observed by AusNet staff and contractors. Following discussion, information about this issue and preventative measures that could be taken was proactively shared with DCC panel members in October 2023. The positive response to this item saw it shared with more than 250 industry members at Industry Briefing 3 in November.</p>

Quarterly performance for key metrics

Between July and December 2023, AusNet received 165 applications for 4031 greenfield development lots on our electricity network. For the same period in 2022 AusNet received 170 applications for 5,674 greenfield development lots on our electricity network. This indicates that the development trend continues to soften, particularly compared to 2021, when AusNet received applications for 9250 greenfield development lots on our electricity network between July and December.

During the current reporting period, **AusNet met or exceeded all its performance targets across all 3 process steps:** Design reviews (approvals); As built plan review; Pre-commission network audits.

As outlined in the [DCC Meeting #11 Minutes](#), we are aware that between October and December 2023 the rejection rate for As Built Plan Reviews is 45% (compared to 19% in October – December 2022). Changes to drafting standards are thought to underpin this increase. We are working with electrical industry to educate them on the updated safety and quality standards. Design changes were communicated with developers in advance of taking effect ([See DCC Meeting #9 Minutes](#)). It is anticipated that this rate will decrease in future.

Key metric performance: July – September 2023

As outlined below, AusNet exceeded all performance targets during this period.

Process step	Description	2023 Target	Quarterly performance	Target met?
Design reviews (approvals)	This stage includes Design reviews and Master Plan reviews.	90% completed < 15 clear business days	QTR Performance: 96% Volume: 563 Rejected: 16%	ü
As Built Plan Review	Review of Cable Detailing quality to ensure compliance with Dial Before You Dig licence obligations	95% completed <3 clear business days	QTR Performance: 100% Volume: 722 Rejected: 48%	ü
Pre-commission network audits (audit before we energise)	Our accredited auditors assess the accuracy of the staged audits. Developers are provided with a pass/fail result.	95% completion within 10 clear bus. days	QTR Performance: 100% Volume: 140 Failed: 19%	ü
Final network audit	Our accredited auditors assess the tie-in work to ensure it meets compliance and safety standards. Sites can be energised ahead of this stage.	95% completion within 10 clear bus. days	QTR Performance: 100% Volume: 195 Failed: 14%	ü

Note: Rejections for design or as-built reviews are a result of designs not meeting AusNet's technical standards. Rejections for audits are outlined in the audit trends section.

Key metric performance: October - December 2023

AusNet exceeded all performance targets during this period.

Process step	Description	2023 Target	Quarterly performance	Target met?
Design reviews (approvals)	This stage includes Design reviews and Master Plan reviews.	90% completed < 15 clear business days	QTR Performance: 96% Volume: 664 Rejected: 15%	Ü
As Built Plan Review	Review of Cable Detailing quality to ensure compliance with Dial Before You Dig licence obligations	95% completed <3 clear business days	QTR Performance: 100% Volume: 800 Rejected: 45%	Ü
Pre-commission network audits (audit before we energise)	Our accredited auditors assess the accuracy of the staged audits. Developers are provided with a pass/fail result.	95% completion within 10 clear bus. days	QTR Performance: 99% Volume: 151 Failed: 19%	Ü
Final network audit	Our accredited auditors assess the tie-in work to ensure it meets compliance and safety standards. Sites can be energised ahead of this stage.	95% completion within 10 clear bus. days	QTR Performance: 98% Volume: 158 Failed: 9%	Ü

Note: Rejections for design or as-built reviews are a result of designs not meeting AusNet's technical standards. Rejections for audits are outlined in the audit trends below.

Audit Trends

In April 2022 network auditors requested that AusNet provide more granular information and reporting on audit non-conformance. Starting in July 2022, more detailed information has been provided to developers for further discussion at the DCC meetings. We continued this approach throughout 2023, as demonstrated by the slides below.

July - September 2023

Audit trends

Update on key audit trends for the period July – September 2023

URD Network audits completed on Accredited service providers in the third quarter of 2023.
301 were compliance audit pass
 51 were nonconforming.

Total Major – Minor non-conformance items July – September '23

98

Breakdown of total non-conformance items

Major non-conformance	1
Minor non-conformance	97
Major safety non-conformance	0
Minor safety non-conformance	0

Identified findings

- Civil / Kiosk
- Electrical
- Design / Detail
- Public Lighting

Public Lighting

DESIGN / DETAIL ISSUES

ELECTRICAL ISSUES

CIVIL / KIOSK ISSUES

CONFIDENTIAL

Audit trends

Detailed non-conformance for the period July - September 2023

Trending **Civil / Kiosk non-conformance** items:

- Conduit installation Over depth (2) Separation to assets (4)
- Reinstatement Concrete (3) Backfill (15 various Tie-in, Poles, Public Lighting, Pits)
- Kiosk Reinstatement (3)
- Leadin installed across 2 properties was the Major Non-Conformance

Trending **electrical non-conformance** items:

LV terminations

- Public Lighting Leaning (3)
- Termination (3 Public Lighting loose, 3 Wrong cable installed Lighting,)

Trending **Detail / Design non-conformance** items:

- Design Approved (3) Changes not updated as part of Approval process.
- Labels (1)

- Current issue with Sicame Submersible 8amp inline fuses and no availability until January.
- Mainly used for Major traffic works – doesn't affect the URD space.
- Communication will be sent out on Tuesday regarding interim allowance for replacement.

Next steps

As Victorian communities transition toward renewable energy sources, understanding what is important to property developers and their consultants and contractors in the greenfields negotiated electricity connections process remains a priority.

As in the past, feedback and collaboration with the DCC and Industry Briefings remains valuable. Arguably, communication between developers and AusNet that is open and honest has become even more important as we progress through the energy transition. Since the DCC's inception in 2021 we have worked hard to improve our engagement with developers.

This report highlights that we are:

- meeting targets
- open to hearing about issues, ideas or improvements, and
- proactively sharing insights and learnings of value to the industry.

Looking forward our focus is **maintaining** the uplift in our engagement with developers since the original Standard came into place, and **monitoring** to ensure our approach remains appropriate and fit-for-purpose. As the environment and industry around us evolve, we remain focussed on maintaining efficient connection processes for new housing developments with extensive contestability options for design, construction, and connection. We will retain our approach that encourages the contestable industry to perform this work with our role being that of managing the quality and safety of delivered assets.

We welcome the ongoing contributions of our DCC members and new members alike and in the six months ahead will continue to work with them and industry colleagues more broadly to:

- Continue to help the development industry understand the changing policy and technology environment for the transition to net-zero emissions, particularly as it relates to the infrastructure needed in new developments.
- Continue to listen to and work with developers on the investigation and implementation of process improvements.
- Continue to liaise with the ESC and industry members as we implement our updated service standards.
- Continue the current quarterly frequency and formatting of reporting on our metrics.
- Continue expanded reporting of our metrics to include comparison of quarterly metrics to the average (as calculated from all data since 2021)
- Continue to hold quarterly meetings with the DCC, including a review of members to ensure appropriate balance and representation.
- Share knowledge of emerging issues and trends, from across AusNet's wider business, and of relevance to the industry, as was done with issue of copper cable theft.
- Ensure DCC meetings continue to feature an 'open floor' item, where members can raise any questions or concerns in an open and honest way for discussion.
- Plan to hold at least one Industry Briefing during 2024 on a topic of interest and relevance to the broader industry. Note Industry Briefings are only held where it is worthwhile to do so. AusNet will continue testing potential topics with the DCC prior to convening the industry for briefings to ensure we are using the industry's time efficiently.

Appendices

Appendix 1 – Meeting minutes

Materials from meetings held in the reporting period can be found via the following links, and via the [DCC](#) and [Industry Forums](#) pages on Community Hub:

- **DCC Meeting #9 (July 2023)**
 - [Minutes](#)
 - [Slide Pack](#)
- **DCC Meeting #10 (October 2023)**
 - [Minutes](#)
 - [Slide Pack](#)
- **DCC Industry Briefing 3 – The move to all-electric estates (November 2023)**
 - [Q&A](#)
 - [Slide pack](#)

Appendix 2

End-to-end greenfield connection process and associated metrics

