

AusNet

AusNet Greenfields Negotiated Electricity Connections

Progress Report for ESC

1 January – 30 June 2024

Friday, 30 August 2024

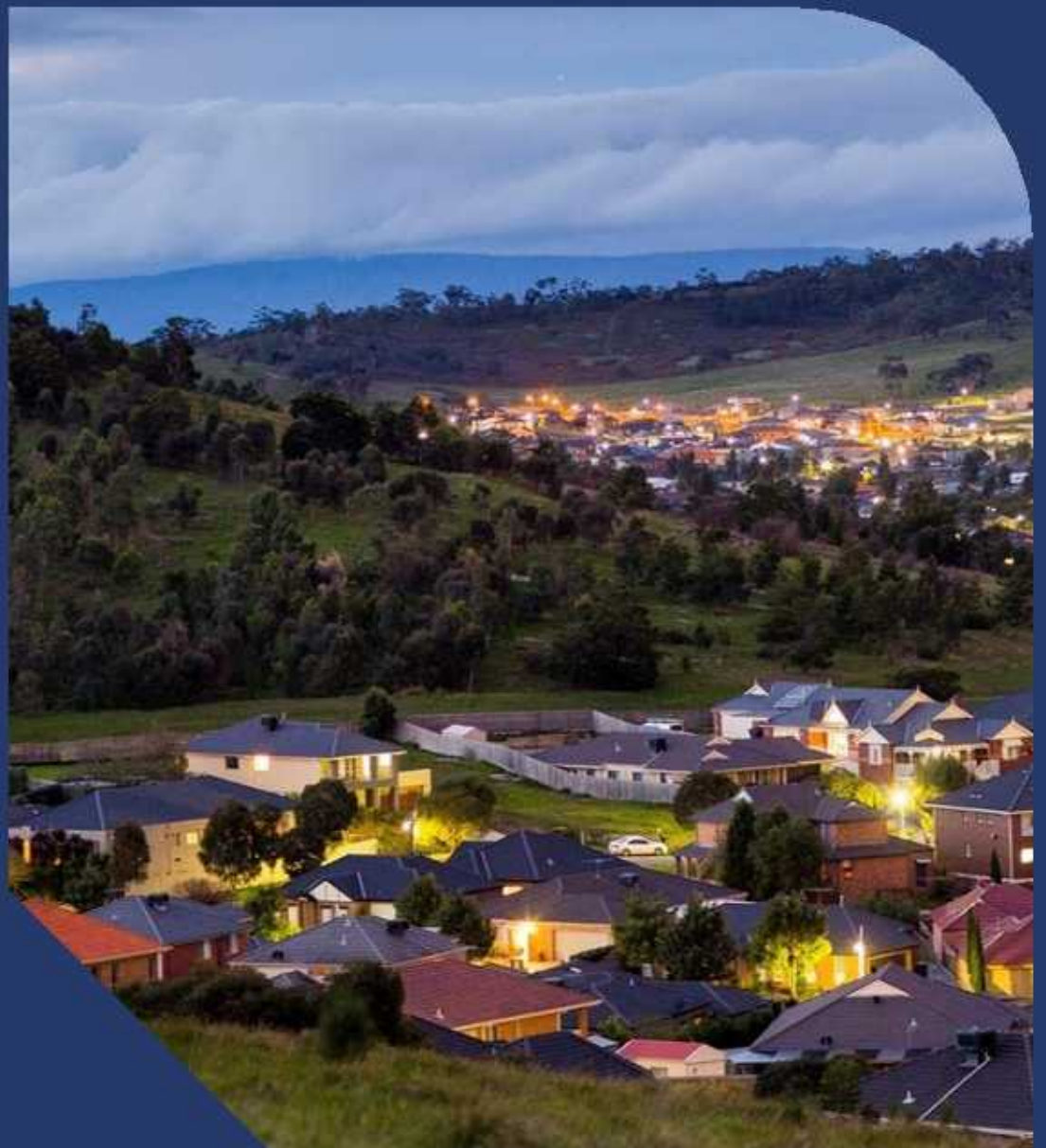


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Introduction

We remain committed to enhancing our customers' experiences with 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.

Following the Essential Services Commission of Victoria's (ESC) 2022 review of the Customer Service Standard for Greenfields Negotiated Electricity Connections, we welcomed the decisions detailed in the report 'Resetting the Greenfields Negotiated Electricity Connection Customer Service Standards,' which took effect on 1 April 2023.

In the 6 months January – June 2024, we have continued to prioritise maintaining strong engagement and a constructive relationship with developers connecting into our electricity distribution network. Our focus remains on understanding the needs and priorities of property developers, their consultants and contractors in the Greenfields negotiated electricity connections process within the evolving landscape of the energy transition.

The Victorian Government's ban on new gas connections has come into effect since 1 January 2024, which will impact developers' energy designs for future builds. During this time of change, we remain dedicated to meeting or exceeding customer service standards in the Greenfields negotiated electricity connection space. Additionally, we are committed to maintaining open, honest and genuine engagement with the industry, having witnessed the mutual benefits for both developers and AusNet.

About this document

This document and its appendices include the following elements, for the period January – June 2024, as per the Essential Services Commission's (ESC) requirements.

- a report of our progress against commitments in the Customer Outcomes Statement
- minutes of Developer Consultative Committee (DCC) meetings
- 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 four performance measures.

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

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.

Note that in keeping with developers' desire to only call broader industry briefings when warranted (i.e. we have something to discuss that is of sufficient importance), we did not schedule any industry briefings in the first half of 2024. We will continue to put regular calls out to the industry for topics they would like briefings on and proactively look for opportunities for these ourselves.

Summary of topics engaged on

DCC MEETING #11 (FEB 2024)	DCC MEETING #12 (APR 2024)	DCC MEETING #13 (AUG 2023)	OTHER ITEMS
<ul style="list-style-type: none"> Welcome Actions from past meetings Safety moment Overhead & Underground Auditing Metrics Quarterly performance September to December 2023 Forecasting the energy mix in new estates Open floor with developers DCC in 2024 Terms of reference, future agenda items Next steps & Close 	<ul style="list-style-type: none"> Welcome Actions from past meetings Safety moment Fatigue Metrics Quarterly performance January to March 2024 Construction compliance Field audit & build quality trends Design criteria for new estates Reminder HV schedule rebates Update Open floor with DCC members Next steps & Close 	<ul style="list-style-type: none"> Welcome Actions from past meetings Safety moment Cable theft causing damage to assets AusNet Updates EV Charging & AusNet internal updates Metrics Quarterly performance Construction compliance Field audit & build quality trends URD development trends AusNet sharing insights from development data Open floor with DCC members Next steps & Close 	<p>AusNet engaged with the industry via a large survey on developers' gas reticulation plans to inform our gas and electricity network processes and planning. We have shared these insights back with the industry.</p> <p>AusNet has continued to update and answer developer's questions around the changes in design criteria for new electric estates, as seen in Meeting #12. This remains a topic of interest for developers as the ban on new gas connections comes into effect and will impact future development projects.</p> <p>Projections of Electric Vehicles and the impact that will have on AusNet's design criteria has continued to be another example of productive engagement. Discussion around this topic has allowed AusNet to inform developers of their plans to allow for the increase in demand in electricity, which Electric Vehicles will play a key role in. Developers have been able to share their opinions on the projections and potential impacts on customers.</p>

Quarterly performance for key metrics

Between January and June 2024, AusNet received 128 applications for 4384 greenfield development lots on our electricity network. For the same period in 2023 AusNet received 346 applications for 5,777 greenfield development lots on our electricity network. This indicates that the development trend continues to soften.

During the current reporting period, **AusNet met or exceeded all its performance targets across all 4 process steps:** Design reviews (approvals); As built plan review; Pre-commission network audits.

There was discussion around developments, with the tripling of failure rates from October – December 2023, to January – March 2024, as outlined in [DCC Meeting #12 Minutes](#). We advised that reasons for the increase included labelling and reinstatement issues. We informed developers that they can encourage their contractors to contact us directly for their individual data. Due to privacy concerns, we are unable to provide the contractors individual data to another party. This information will help identify specific reasons for failing the final network audit and allow contractors to improve their processes, thereby reducing rework for themselves and developers.

Key metric performance: January – March 2024

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: 92% Volume: 534 Rejected: 19%	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: 647 Rejected: 42%	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: 108 Failed: 22%	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: 95% Volume: 132 Failed: 27%	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: April - June 2024

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: 99% Volume: 625 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: 959 Rejected: 34%	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: 162 Failed: 16%	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: 99% Volume: 164 Failed: 13%	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 2024, as demonstrated by the slides below.

January - March 2024

Audit field trends

Update on key audit trends for the period January – March 2024

URD Network audits completed on Accredited service providers in the fourth quarter of 2023:

278 were compliance audit pass
238 were nonconforming.

Total number of Findings from Network Audits

257

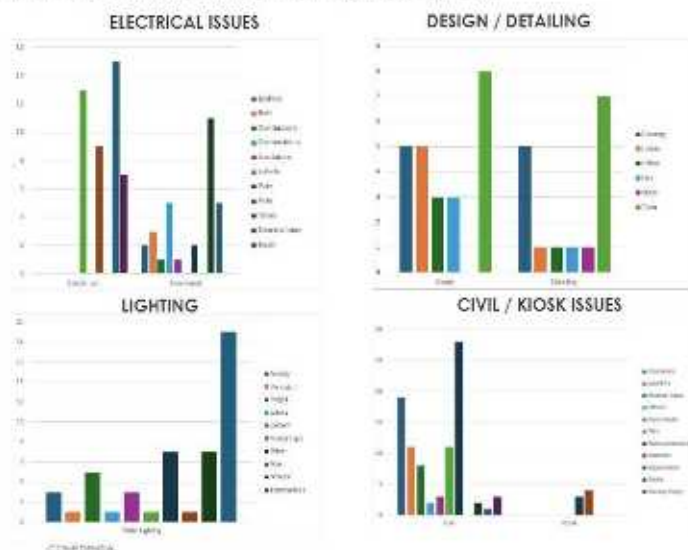
January – March '24

Breakdown of total non-conformance items

Major non-conformance	(15)
Minor non-conformance	(235)
Major safety non-conformance	(7)
Minor safety non-conformance	(0)

Identified findings

Civil	(88)	Kiosk	(7)
Electrical	(44)	Overhead	(30)
Design	(24)	Detail	(16)
Public Lighting	(48)		



Audit field trends

Detailed non-conformance for the period January - March 2024

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

- Pits (11) Lead-in conduit (11)
- Reinstatement (28) Concrete (19) Marker Tape (8) Survey (3)
- Kiosk Reinstatement (4) Reserve (4)
- Major Non-Conformance: Couldn't find Marker Tape Protective covers (Regulatory Requirement)



Trending **Build quality** (Electrical / Overhead / Public Lighting non-conformance) items:



- Public Lighting: Height (5) Offset (7), Door access (3) Terminations (19)
- Electrical: Labels (13) Pole (9) IPC (4)
- Electrical terminations: (15) Missing Neutral tags (2) Wrong type of HV term (1)
- Overhead: Stay (11) Connections (5) Terminations (5) Bedlog (2)



Major Non-Conformance: Submersible fuse connection pulled free. Pit not terminated

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

- Various issues
- Labels (6) Discrepancy between Design / As built (5) Tie-ins (Total 15, Design 8 Detail 7)

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Audit field trends

Detailed non-conformance for the period April - June 2024

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Trending **Electrical non-conformance** items:

- Public Lighting (18). Largely twisted brackets and neutrals not installed.
- Offsets (12). Largely P/L columns.
- Electrical Labels incorrect or missing(6)

7 Major Non-Conformances: Largely associated with cables not installed or terminated.

3 Major Safety Non-Conformances: Slabs not installed or not installed correctly.



Trending **Civil non-conformance** items:

- Pits not level/trip hazard(19), Encasement (16), Lead ins (7), Reinstatement (7)
- Marker Tape Depth(8)
- Reinstatement (7)
- 3 Major Non-Conformances: 2 at incorrect depth, one no tape installed.



Trending **Detailing non-conformance** items:

- Detail / As-built plans do not match asset installation (13)



Trending **Design non-conformance** items:

- Unapproved construction changes (13)



Trending **Developer non-conformance** items:

- Final Levels (5)
- Survey Issue (4)
- Vegetation (trees) (2)



Next steps

As Victorian communities transition to renewable energy sources, understanding the priorities of property developers, their consultants, and contractors in the Greenfields negotiated electricity connections process remains essential. Feedback and collaboration through the DCC and Industry Briefings continue to be invaluable. Open and honest communication between developers and AusNet has become even more critical as we advance through the energy transition. Since the DCC's inception in 2021, we have worked diligently to enhance 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.

We know both AusNet and the development industry find value in our engagement approach from the feedback we receive and continued strong interest and participation in our various activities, including our DCC forum.

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.
- Hold an Industry Briefing during the second half of 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 #11 (February 2024)**

- [Minutes](#)
- [Slide Pack](#)

- **DCC Meeting #12 (April 2024)**

- [Minutes](#)
- [Slide Pack](#)

- **DCC Meeting #13 (April 2024)**

- [Minutes](#)
- [Slide Pack](#)

Appendix 2

End-to-end greenfield connection process and associated metrics

