

10 October 2022

NSROC submission on the Ausgrid Draft Plan 2024-29

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

The Northern Sydney Regional Organisation of Councils (NSROC) thanks Ausgrid for consulting with its stakeholders and we are pleased to make this submission on the Ausgrid Draft Plan 2024-29.

About us

The Northern Sydney Regional Organisation of Councils (NSROC) is a voluntary association of eight local government authorities in Sydney. Our members are Hornsby, Hunter's Hill, Ku-ring-gai, Lane Cove, Mosman, North Sydney, Willoughby City Councils and the City of Ryde. NSROC assists member councils to collaborate on key issues and activities to develop regional solutions that generate benefits – social, environmental and economic – for their communities and for the region as a whole.

NSROC member councils service an area extending from the Hawkesbury River in the north to Sydney Harbour in the south, west to Meadowbank on the Parramatta River. The NSROC region is home to 633,000 people, 420,000 jobs and 80,000 businesses. The Gross State Product (GSP) for NSROC is estimated at 12% of the state's GSP.

NSROC welcomes the opportunity to consult with Ausgrid on its Plan for the 2024-29 period. This is particularly timely as we are likely to see an increase in investments by governments, industry and households to reduce emissions and to adapt to the impacts of climate change.

Net Zero

All our member councils are committed to the Net Zero by 2050 goal with many councils aiming to be Net Zero by 2030. Six of our member councils have also signed the Climate Emergency Declaration. To achieve these goals, all councils have resilience and environmental sustainability plans in place under which they are pursuing a variety of actions to make the region more resilient and sustainable. As a Distributed Network Service Provider, Ausgrid will be critical to achieving our goals on resilience and environmental sustainability.

In addition to councils pursuing Net Zero goals in their own operations, our member councils are also assisting our community to participate in emissions reduction activities. Some of these actions are sourcing green energy, investing in rooftop solar generation, adopting more efficient equipment for high energy use equipment around the house such as water heaters and swimming pool pumps.

Our councils are assisting industry in investigating and trialling local community batteries and public electric vehicle (EV) charging infrastructure. Our councils have also invested in public electric vehicle charging stations and will continue to play an important role in the creation of a viable EV charging infrastructure for owners residing in strata developments and renters who need assurance of availability of a network of charging locations in the vicinity of their homes. Ausgrid's role in supporting two-way flow of electricity and putting in place policy settings that encourage these investments by industry and communities is important.

Street lighting

As part of the portfolio of initiatives, councils are actively partnering Ausgrid in the Street Light Improvement Program. Ausgrid's policy settings are an important area of interest for councils as it has substantial implications for council finances.

Emergency response

Ausgrid also has an important role especially in terms of responding to emergencies and restoring power to business and residents expeditiously.

Ausgrid's actions and policy settings within the regulatory framework are important determinants of the pathway to emissions reductions and the cost of the transition towards Net Zero. These aspects require careful deliberation, and it is important to take the community on this transition journey in a fairly and equitably. While this is stating the obvious, it is important to recognise that Ausgrid is a monopoly supplier of distributed network services and that information asymmetry between Ausgrid and its stakeholders is heavily in favour of Ausgrid.

Some specific observations on the Ausgrid Draft Plan 2024-29 are:

- NSROC endorses the critical role that Ausgrid will play in the achieving a Net Zero future and supporting councils' and the communities' objectives to reduce emissions.
- NSROC applauds Ausgrid's recognition of its active role in enabling deployment of smart technologies to support a low emissions/zero emissions future.
- NSROC is disappointed by Ausgrid's lukewarm commitment to *fairer pricing* on feed-in tariffs (page 38 of the draft plan) as Ausgrid has signalled its commitment to *fairer transition* instead. NSROC strongly believes that it is important to provide a fairer price signal to the market to encourage their investment in emission reduction technologies, services and practices. Further, NSROC recommends that Ausgrid should not impose an export charge as any electricity fed into the network, especially during peak load times, will alleviate the need for investment in the distribution network.
- Councils are able and willing to work with Ausgrid and its partners to deploy newer technologies and integrate consumer (industry and household) investments, be it community batteries, consumer battery, charging infrastructure, environmental monitoring investment as part of street lighting upgrades or any other technology. In all cases, our member councils are willing partners to assist Ausgrid to navigate planning rules and regulations and to help in resolving conflicting concerns of the impact of investment in emissions reductions on safety, urban amenity and impact on streetscape.
- NSROC strongly advocates investment in public EV charging infrastructure specially to cater to residents in multi-unit dwellings. We recognise that installation of EV charging infrastructure in new developments of residential units will be incorporated in the Building Code of Australia in 2023, however retrofitting this infrastructure in existing developments is still a work in progress and is not included in current development control plans.
- NSROC supports LED upgrades public lighting and the incorporation of smart sensors so that the lighting infrastructure can be used to enable Smart Cities functions. In doing so, we urge Ausgrid to work on a costing structure in a transparent manner so that the costs of this investment match with the benefits received by various stakeholders including users of data collected by the sensors. Councils are ready to work with Ausgrid to develop agreements to cover the investment in and use of smart controls and associated data and communications elements that also reflect fair sharing of the burden of investment between beneficiaries.

NORTHERN SYDNEY REGIONAL ORGANISATION OF COUNCILS

Member Councils: Hornsby; Hunter's Hill; Ku-ring-gai; Lane Cove; Mosman; North Sydney; Ryde; Willoughby
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- Ausgrid has correctly recognised the current economic environment and the relative difficulty of users to manage their demand for energy in the short term. To alleviate price pressures on our community, we support Ausgrid’s commitment to further build on cost reductions implemented since 2015 (page 38). We encourage Ausgrid to add in a clause that the reductions in operating costs will be shared equitably with consumers (industry and households) in a transparent manner.
- NSROC supports Ausgrid’s initiatives to enhance resilience of the electricity network. These efforts need to be multi-faceted covering increased resistance to adverse climatic events, prompt disaster/emergency response and securing Ausgrid’s information systems especially from cyber-attacks etc.

NSROC commends Ausgrid on its broad approach to stakeholder engagement, including establishment of the Reset Consumer Panel and the Voice of the Community program. NSROC is ready to work with Ausgrid on all issues involving local government to support investment in smart controls, charging infrastructure, distribution energy resources and emerging technologies that help to ease transition to Net Zero and alleviates the impact on the network and on consumers.

If you require further information, please don’t hesitate to contact me on 0401 640 823 or by email at mmontgomery@lanecove.nsw.gov.au.

Yours sincerely



Dr Meg Montgomery
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