Consumer Advisory Panel Meeting #41 – 20 May 2026 Minutes

ATTENDEES		
Name	**Affiliation / Title**	**Attendance**
	CAP Members	
Leanne Muffet	Independent Facilitator	Attended
Andrew Richards	Energy Users Association Australia	Attended
Catherine Mooney	SACOME	Attended
Craig Wilkins	Consumer Representative	Attended
Georgina Morris	SACOSS	Attended
Greg McCarron	Central Irrigation Trust	Attended
Cathi Buttfield	SA Business Chamber	Attended
Kelly-Anne Saffin	Cross Border Commissioner	Attended
Mark Henley	Consumer Representative	Attended
Simon Maddocks	Primary Producers SA	Attended
Vikram Kenjle	University of Adelaide	Attended
	ElectraNet Representatives	
Simon Emms	Chief Executive Officer	Attended
Claus Repenning	Executive Strategy	Attended
Simon Appleby	Director Energy Policy & Strategy	Attended
Colleen Luck	Manager Sustainability	Attended (part)
Nidhi Karanam	Business & Project Support Officer	Attended
Nick Meseldzija	Head of Strategic Engagement & Corporate Affairs	Attended (part)
Bec Malhotra	Manager Regulation	Attended (part)
Jeremy Tustin	Head of Regulatory and Economic Strategy	Attended (part)
Luke Wines	Senior Energy Economist	Attended (part)
Brad Harrison	Head of Network Strategy and Investment Planning	Attended (part)
Ralf Ricciardi	Head of Major Projects	Attended (part)
	Guests	
Eddie Thanavelil	Future Networks Innovation Manager, SAPN	Attended (part)
Leo Jones	Future Networks Engineer, SAPN	Attended (part)

1. Welcome, Acknowledgement of Country

Leanne Muffet (CAP Independent Facilitator) opened the meeting and led the Acknowledgement of Country.

Leanne Muffet welcomed Catherine Mooney as the newest CAP member.

Catherine outlined her experience in the energy sector (including AGL), prior experience in the mining sector, and experience in local government. She noted she was looking forward to contributing to CAP discussions.

2. Approval of Minutes, Action Items + updates

The minutes of the previous CAP meeting of 23 February 2026 were approved with minor edits.

Members also considered the form and length of the minutes and agreed that a detailed record of proceedings was appropriate. The risk of attributing comments from individual Members and ElectraNet representatives on the public record was also raised. Leanne Muffet confirmed a shift toward *generic attribution* in the Minutes moving forward to ensure appropriate anonymity on publication.

Action items were reviewed. Progress was confirmed with some items being addressed in the meeting. Completed actions were formally noted.

Leigh Creek – RIT-T and engagement approach

Claus Repenning (Executive Strategy) advised that the Leigh Creek RIT-T process is expected to commence soon with the release of a Project Specification Consultation Report outlining future supply options. He noted the project is being progressed jointly with SAPN and that a broader community engagement strategy is being developed for both Leigh Creek and Neuroodla.

ElectraNet proposes to keep the CAP informed but does not anticipate a deep dive into the project as part of core CAP business. CAP members were invited to engage individually outside the CAP as desired, and ElectraNet offered a separate briefing once the engagement approach is further developed.

A CAP member provided observations based on engagement with First Nations Clean Energy Network, noting interest in First Nations representation across both SAPN and ElectraNet and querying progress since prior discussions. It was noted that early and proactive engagement is important, with a perception of limited engagement with local community members to date.

ElectraNet acknowledged two separate issues: (1) project-specific engagement planning in relation to Leigh Creek, including First Nations engagement and (2) ElectraNet's broader First Nations engagement approach and how insight on this is provided to CAP (discussed further under Item 8 below). It was noted that the Leigh Creek engagement strategy is being developed with SAPN and information will be shared as it is developed.

A CAP member asked for an update on actions from the joint SAPN/ElectraNet CAP meeting from October 2025, specifically regarding the establishment of a working group and CAP representation.

ElectraNet confirmed that collaboration with SAPN is underway and it would explore linking CAP representatives directly to the project team to provide input to the engagement approach, noting that better coordination could improve stakeholder engagement outcomes.

Discussion included questions regarding precedents for similar projects (noting there is no precedent), and considerations of ownership and operations/maintenance responsibilities across options. It was noted SA Power Networks would be the operational party responsible for any Stand-Alone Power System (SAPS) if found to be the most economic solution.

A CAP member raised questions regarding removal of aged transmission infrastructure and noted that positive examples from prior projects may support social licence, given community sensitivity about end-of-life infrastructure and residual materials left in the ground.

ElectraNet agreed that removal of any disused line infrastructure would be the objective.

ACTION 1: ElectraNet to develop a formal community engagement strategy for the Leigh Creek project, including First Nations engagement.

ACTION 2: ElectraNet to offer the CAP a briefing on the Leigh Creek project and engagement plan once developed.

Revenue reset – current period capex update

Claus Repenning advised ElectraNet now expects to overspend the current capex allowance in order to deliver the capital program, driven by escalating costs and unforeseen emergency projects. He noted these increasing cost pressures are relevant to the upcoming revenue proposal.

A CAP member queried the regulatory mechanism for dealing with overspend, including whether an ex post review is anticipated and whether a reopener is being sought (a reopener being a mechanism allowing material capex overspend to be recovered, with AER approval).

ElectraNet advised it is not seeking a reopener but expects an ex post review may occur. ElectraNet continues to emphasise the importance of rigorous economic analysis for each project. It was noted ex post review timing does not align with the upcoming revenue reset and would occur at the following revenue reset.

Data Centres – guideline, demand implications and watching brief

Simon Appleby (Director Energy Policy and Strategy) outlined the data centre guideline recently released by the Technical Regulator and its "do no harm" framework. The guideline is principles-based, will be applied case-by-case and requires each new data centre to obtain a certificate of approval from the Technical Regulator.

The document contains three "do no harm" requirements:

- Technical impacts on the network, based on meeting various network access standards;
- Augmentation impacts, with data centres expected to fund augmentations they drive;
- Energy requirements, with proponents expected to bring their own energy and firming.

National-level consideration of similar issues (including energy sourcing) was noted.

Discussion highlighted the scale and pace of proposed data centre connections, including direct transmission connections for large loads, with smaller loads typically connecting to distribution. It was noted that a large new data centre connection could shift a material portion of Transmission Use of System (TUOS) charges from residential customers to the data centre, subject to augmentation requirements and overall network capability, helping to spread networks costs and bring down average charges.

As an indication of the size and speed of these projects, Simon Emms noted a proposed ~900 MW data centre—the first of its scale—along with additional projects in the order of 1–1.5 GW are very advanced, underscoring the rapid emergence of very large, transmission-connected loads.

ElectraNet noted that data centres have more defined use cases and offtake arrangements than other emerging loads such as hydrogen, and this may also materially influence the timing and scale of renewable generation requirements and firming.

A CAP member suggested circulating the recent AEMO Forecasting Reference Group analysis on projected data centre demand.

ACTION 3: ElectraNet to circulate AEMO data centre demand analysis slides.

It was noted this topic remains a watching brief and should be revisited as new information arises.

Demand forecast table

Leanne Muffet reiterated that the demand forecast reference table (Energy Quest) is intended as an ongoing tool to frame meeting discussions and support comparison over time, including an opportunity discussion of any updates or developments at CAP meetings. It was noted that emerging loads (including data centres) may materially influence demand forecasts and that using a stable reference point supports disciplined discussion.

3. Project Energy Connect update

Brad Harrison (Head of Network Strategy and Investment Planning) presented an updated Project Energy Connect (PEC) benefits assessment in response to the CAP's request to review whether, in changing markets, PEC is delivering as expected. Brad noted that although many things have changed since early PEC analysis, the key drivers of benefits remain broadly consistent with original assumptions.

Key changes include:

- Energy consumption is slightly below earlier forecasts;
- Maximum demand is tracking higher than anticipated (with recent demand close to historic records);
- Rooftop PV is supplying around 22% of energy (above earlier forecasts); and
- Gas prices are broadly within the range considered historically, with discussion of higher "net back" forecasts and associated uncertainty.

It was noted that the updated analysis continues to indicate PEC delivers a large reduction in wholesale prices and a small uplift in network costs, which results in material net annual bill savings for consumers.

Members queried the treatment of 'savings,' specifically asking if figures are averaged over the forecast period and how the 'ramp-up' phase is assessed in costing. They also asked whether additional New South Wales costs were included and how inter-regional TUOS and energy flows could influence cost allocation.

ElectraNet confirmed the analysis focuses only on SA customers and assumes wholesale price reductions are passed through to consumers, noting market dynamics may affect actual outcomes.

It was confirmed that the timing of costs and benefits was matched to the commissioning timeframe, expected to commence in October, with testing and validation to follow (subject to market conditions) and overall completion anticipated within approximately 12 months.

In response to questions from CAP members, indicative figures were highlighted showing an annual network cost uplift per residential customer of approximately $16 compared to estimated wholesale cost savings of around $113, producing net annual savings of $97 noting the inherent uncertainty in projecting wholesale outcomes given hedging, liquidity, and retail market behaviour.

4. Revenue Reset Reference Group update

Greg McCarron provided an update on RRRG engagement since the February CAP meeting:

- The RRRG's role is to support CAP in responding to the revenue proposal, ensuring a strong consumer lens is applied and that CAP's concerns and the rationale for ElectraNet's decisions are clearly articulated.
- The RRRG's advice (via the CAP) will focus on the extent to which consumer preferences and priorities are reflected in the proposal, and whether proposed expenditure aligns with those priorities.
- The RRRG is not required to determine an "exact prudent number", but to assess the robustness of the process and the consumer outcomes achieved.
- The overall scale of proposed investment represents a significant step change, driven in part by ageing asset replacement and increasing system complexity.
- RRRG meetings were held on 24 March and 13 April 2026. The March session focused on capex/repex, including asset investment drivers and project selection and prioritisation methodologies, supported by detailed walk-throughs of a range of example projects Discussion explored how decisions are made on project inclusion, the rationale for prioritisation, and the application of decision frameworks across investments.
- The April session focused on Opex methodologies, including base year selection, trend and step changes. RRRG discussed the proposed use of FY27 as the base year, noting it was considered by ElectraNet to represent a more stable (and expensive) operating environment. Members discussed how the Opex case is developed for AER purposes, including consideration of current expenditure patterns and whether factors such as capex overruns may influence baseline assumptions.
- Further discussion included six detailed opex examples, including both initiatives that proceeded and those that did not, supported by a prioritisation ("traffic light") approach. Examples included:
    - Live substation work (enabling maintenance without full outages)
    - High impact outage management
    - Synchronous condenser maintenance
    - Insurance costs and market cycle impacts
- These examples highlighted the operational drivers, risk considerations, and cost implications underpinning expenditure decisions.

- The overall opex remains smaller relative to capital investment, but is still significant, with discussion referencing approximately $900 million in opex. It was noted that the methodology applies AER expectations of base year, trend changes, and step changes, with no material downward movements identified in current assumptions.
- RRRG engagement has extended to Technology and IT – both sustaining existing systems and enabling new capabilities. Proposed IT expenditure represents a material uplift from approximately $160 million (current) to $330 million (proposed) with half attributed to sustaining existing systems and the remainder to new and expanded capabilities.
- RRRG members noted the value of information provided, including the summary "dashboard".
- While members appreciated the level of transparency, it was acknowledged that the volume and complexity of the information requires further time to fully consider.

Discussion recognised that engagement to date has been largely information-heavy, with a strong focus on building understanding of methodologies, cost drivers, and investment rationale. It was noted that the next phase of engagement will require greater focus on trade-offs, including prioritisation of investments, delivery considerations, and areas of uncertainty.

A CAP member suggested explicitly considering how uncertainty is identified and allocated, including who ultimately bears the associated costs, which was noted.

5. NTx Reference Group update

Kelly-Anne Saffin provided an update on NTx Reference Group discussions, noting two meetings had been held focused on the PADR, corridor selection and community engagement. It was noted that ElectraNet introduced a fifth corridor option and shifted from identifying a preferred route to not publishing a preferred corridor at this stage, instead seeking community feedback prior to final decision-making. Members noted this as a shift from earlier engagement and reflective of increased responsiveness to stakeholder feedback.

It was noted that the next six-week period is critical for NTx, including PADR submissions due by 11 June 2026, the AEMO ISP due 25 June 2026, and ElectraNet indicating a preferred corridor is likely to be released in late June 2026. Discussion highlighted that ISP outcomes will determine project actionability, and that any CAP submission in response to the PADR remains a CAP decision rather than a Reference Group decision, to be progressed out-of-session given timing constraints.

Discussion clarified that "actionability" is linked to maintaining optionality through early works (e.g. easements and approvals) prior to committing to construction.

ElectraNet noted early works are intended to preserve optionality and maintain modest project momentum, noting that if the project is paused beyond current activity, funding would support only ~6 months of continued work, with potential loss of ~18 months in delivery timing. It was noted that transmission delivery timeframes are typically ~5 years, making early progress critical.

CAP members discussed social licence and communication, noting that community sentiment can shift rapidly and that engagement requires ongoing effort. It was observed that ElectraNet's inclusion of an additional corridor was perceived as a direct response to community's concerns and valued by many community members. However, a number of key issues (e.g. biosecurity and or compensation) remain to be resolved.

Two CAP members disclosed a potential conflict of interest, noting that Southern Corridor 1 would directly impact their property. It was noted this had been transparently communicated, and that the members are not involved in decision-making, with discussions remaining advisory in nature.

Discussion highlighted opportunity costs associated with delay, including potential escalation in costs and impacts to consumers. It was noted that easement costs could significantly increase if early works and corridor preservation are not progressed. Members also noted broader risks including construction cost escalation and potential impacts to wholesale electricity prices if network development is delayed.

ElectraNet noted it is observing demand signals strengthening, with **~**25% of total forecast load considered *firm*, and broader estimates suggesting ~30–50% of demand may be progressively *firming*. Emerging demand sources include industrial expansion, hydrogen-related activity, and up to ~1.2 GW of data centre load identified in planning scenarios. It was noted that while uncertainty remains across demand drivers, multiple decisions are becoming clearer, and no single binary event is expected to fully resolve uncertainty.

Discussion reiterated that uncertainty is an inherent feature of long-term network planning, and that decision-making must balance this against the risks of inaction. It was noted that failure to progress the project could result in higher long-term costs and inefficiencies, while over-commitment risks stranded asset outcomes, requiring careful balancing of timing and optionality.

It was noted that further early works funding is contingent on ISP actionability, and that the PADR process itself does not provide a funding pathway. ElectraNet noted that without ISP actionability, regulatory approval and funding mechanisms (including AER processes) may be constrained.

Leanne Muffet will coordinate a meeting with CAP members to progress a decision out-of-session on whether the CAP wishes to provide a submission on the PADR by the 11 June deadline. ElectraNet indicated it would work with CAP to ensure any position is communicated appropriately to external stakeholders (including AEMO and government), noting that CAP input may help reinforce perspectives on maintaining optionality and informing broader decision-making.

ACTION 4: Leanne to work with the CAP to determine whether it will submit a response to the PADR (due by 11 June).

6. Demand Management Innovation Initiative

Simon Appleby introduced the concept of utilising the Demand Management Innovation Allowance Mechanism (DMIAM) funding of up to $2.2 million, with an additional $200,000 available for independent assessment, on the following project:

- A proof-of-concept innovation initiative to develop demand management capability with SA Power Networks to help address increasing system challenges including demand variability, a more complex operating environment, and growing load;
- It would leverage the opportunity presented by South Australia's world-leading penetration of rooftop solar, batteries, and other customer energy resources (CER) to reduce network costs and defer network augmentation.
- It would involve developing a "flexibility marketplace" as an exchange-style platform where ElectraNet and SA Power Networks would publish transmission and distribution constraints and procure demand management and flexibility services from providers, such as Virtual Power Producers (VPPs), aggregators and batteries.

- Potential services include peak-lopping, voltage management, minimum demand management, and relieving interconnector constraints, with the aim of reducing network investment and placing downward pressure on electricity prices.

SA Power Networks representatives Eddie Thanavelil (Future Networks Innovation Manager) and Leo Jones (Future Networks Engineer) provided further context, highlighting:

- The rapid uptake of CER and electrification trends in South Australia, including increasing EV adoption and battery uptake.
- While net residential energy demand is declining, peak demand remains critical and continues to grow, requiring network capacity to be maintained for short duration peak events (e.g. 5–10 hours per year) despite lower overall energy consumption.
- In this context, traditional augmentation may be inefficient, and coordinated demand management presents a potential alternative.
- Modelling indicates a potential doubling of peak demand by 2050 under uncoordinated CER uptake scenarios at the distribution level.
- Approximately 730 MW of battery storage capacity already exists on the distribution network, representing around half of average demand in South Australia, demonstrating the scale of available flexible resources.

ElectraNet provided examples of augmentation deferral opportunities referenced in its Transmission Annual Planning Report and Distribution Annual Planning Report published by SA Power Networks, including multiple connection points expected to reach capacity within the coming regulatory period. Two case studies were discussed:

- Mount Barker South, with a forecast capacity shortfall by 2033 and a planned second transformer estimated at ~$30 million.
- Blanche / Mount Gambier, involving forecast industrial load growth and planned augmentation works estimated at ~$12.5 million, required before summer 2030–31.

It was noted that services procured through the flexibility marketplace could potentially defer these investments by shifting augmentation timing, improving asset utilisation and delivering cost savings where feasible.

CAP members discussed the potential merits of this initiative, noting that:

- Even incremental deferral of network investment would provide efficiency benefits and reduce immediate capital expenditure requirements.
- The initiative is not purely technical but also highly dependent on consumer behaviour and participation. Members highlighted the importance of understanding behavioural drivers, customer incentives and participation barriers.
- Participation is not driven solely by price signals and is currently limited to approximately 20% uptake of VPP-enabled batteries under existing schemes. Behavioural research will therefore form a key part of the trial.
- The flexibility marketplace would operate as a network support service (rather than a wholesale market service) providing an additional revenue stream to flexibility providers while reducing network costs.

- Opportunities for regional and local government engagement should be explored, including demand aggregation in thin markets and participation by regional communities.
- Collaboration between transmission (ElectraNet) and distribution (SAPN) is a novel feature of the proposal, as is use of small-scale distributed assets (e.g. household batteries, EVs) to provide system-level services, rather than relying on large, centralised assets.
- Augmentation planning is based on peak requirements which occur infrequently, and the proposed approach seeks to improve efficiency by using flexibility to manage both peak and minimum demand extremes, reducing reliance on traditional network builds.

The CAP agreed the concept is worth further investigation and expressed its support to proceed to a formal proposal, noting the potential for innovation, cost savings and improved efficiency.

ElectraNet confirmed it would further develop the proposal, seek independent engineering validation and return to CAP at the August meeting for formal consideration. ElectraNet noted the potential co-funding from ARENA was also being explored given the novelty of the approach.

ACTION 5: ElectraNet to develop a detailed "flexibility marketplace" demand management proposal and return to the CAP in August for formal consideration.

7. SA Business Chamber – Survey

Cathi Buttfield presented the SA Business Chamber survey results (December 2025 quarterly survey with supplementary energy questions). Cathi highlighted that:

- 73.2% of businesses reported electricity bills increased in 2025.
- The respondent profile includes small businesses (majority under 50 staff) and wide industry representation across manufacturing, healthcare, professional services, hospitality, construction and agriculture.
- While bill increases were widespread, the most extreme bill increase spikes reduced relative to the prior year.
- 50% of respondents reported energy costs negatively affecting their ability to meet business goals and strategies, impacting competitiveness.
- Approximately one in eight respondents indicated energy costs were impacting their ability to keep the doors open, and that this question related specifically to energy (not general cost increases).
- Respondents reported operational disruptions from outages, including staff downtime, with challenges for businesses when outage duration estimates are inaccurate.
- An emerging theme from the commentary is the mental health impacts of outages and disruptions, including stress, uncertainty and loss of sleep.
- 36.3% of businesses reported no energy-related improvements and many respondents were unlikely to invest in the next 12 months. Investment barriers included upfront cost and financial constraints and site/landlord limitations. Network upgrade costs can also undermine electrification business cases.

ACTION 6: Cathi Buttfield to provide further sector level insights on business impacts of energy costs and reliability.

8. RAP & Sustainability

Colleen Luck (Manager Sustainability) provided a sustainability update, noting that sustainability at ElectraNet is framed across environmental, social and economic pillars and the value is in the intersection of these pillars.

Colleen outlined ElectraNet's sustainability journey, including emissions reduction targets, Reconciliation Action Plan (RAP) development, human rights and diversity and inclusion frameworks, environmental, social and governance frameworks, supply chain work, and preparation for mandatory climate disclosures.

Colleen noted ElectraNet's RAP progression from Reflect to Innovate. Discussion noted cultural awareness training activity and development of procurement strategy. Colleen discussed climate risk and resilience modelling (including scenario-based analysis) which will be updated annually.

Discussion by CAP members clarified that ElectraNet is not part of the safeguard mechanism, and that scope 1 emissions are primarily driven by SF6 (noted as the majority component) and scope 2 by transmission losses. SF6-free switchgear was noted as a key abatement initiative. Colleen noted fleet electrification ambitions (additional EVs over the next period) balanced by operational constraints for full fleet electrification given travel/operational requirements.

ACTION 7: ElectraNet to provide visibility of its broader First Nations engagement approach.

9. Community Investment Program

Nick Meseldzija (Head of Corporate Affairs and Strategic Engagement) presented ElectraNet's proposed community investment approach. Nick highlighted that:

- The program is intended to strengthen social licence and trust and support ElectraNet's strategy, with a focus on connecting with communities at both broad state level (through major partners) and more targeted local activity as projects are delivered.
- The proposed framework consolidates five pillars under a single umbrella: strategic partnerships (multi-year legacy partners), community grants, project community engagement activities, RAP/First Nations alignment, and employee engagement.
- The program is funded through consolidation of existing budgets, with an annual envelope of up to $1.5m and project-related spend funded through project budgets.

CAP Members discussed the program and offered the following initial insights and observations:

- Broader community benefit is required beyond landholder benefits and short-term sponsorship "sugar hits" may not deliver lasting benefit.
- Standard project obligations (e.g. landholder payments) should be thought of as BAU and instead focus on benefits to communities beyond directly impacted landholders.
- Suggestions included community-led grant governance (community or citizens juries/reference groups) and ensuring investments are additive (do not replace local council/government funding).
- Community needs vary over time and by region, every community is different and clarity on quantum and scope is important to manage expectations.

ACTION 8: CAP to provide further feedback on Community Investment Strategy by 29 May.

10.Wrap Up

The next CAP meeting date of 20 August 2026 and the forward work program were discussed, noting that the following 24 November meeting coincides with the Board session. The February 2027 date is to be confirmed.

The upcoming EUAA annual conference was discussed, including free access for consumer representatives. A final discussion noted expected network cost increases for residential consumers in 2026–27 and the importance of clearer communication of price paths given anticipated growth in asset values and investment.

ACTION 9: CAP members to provide feedback on topics for 12-month forward work program.

Action Items

No	Action	Responsible
1.	Develop formal community engagement strategy for the Leigh Creek project, including First Nations engagement	Nick Meseldzija
2.	Offer the CAP a briefing on Leigh Creek project and engagement plan once developed	Claus Repenning + Nick Meseldzija
3.	Circulate AEMO data centre demand analysis slides	Simon Appleby + Brad Harrison
4.	Determine whether CAP will submit PADR response (due 11 June)	Leanne Muffet
5.	Develop a detailed "flexibility marketplace" demand management initiative and return to the CAP in August for formal consideration	Brad Harrison + SA Power Networks
6.	Provide further sector level insights on business impacts of energy cost and reliability	Cathi Buttfield
7.	Provide visibility of broader First Nations engagement approach	Colleen Luck
8.	CAP members to provide feedback on Community Investment Strategy by 29 May	CAP Members + Nick Meseldzija
9.	CAP members to provide feedback on topics for 12-month forward work program	CAP Members + Leanne Muffet