

# Jemena Pricing Engagement

## Advisory Board Meeting Snapshot Report

Jemena Gas Networks (Jemena or JGN) engaged bd infrastructure to deliver a series of customer engagement workshops to support a pricing method review for the 2025-2030 regulatory period. This engagement process was established following the release of an [Issues Paper called Review of gas distribution tariff structures](#) and associated consultation process by the Australian Energy Regulator (AER), related to pricing methods (including forms of control and tariffs).

Before the engagement process is rolled out, Jemena met with Advisory Board members (customer and industry advocates) who were available to provide advice on this topic and had been involved with Jemena's price reset engagement process.

## Advisory Board Meeting Details

		
Thursday 8 June 2023	1:30pmt o 4:30pm	Zoom – online session
5 Jemena representatives	3 bd infrastructure representatives	3 Observers
		6 Advisory Board members

## Purpose

The purpose of meeting with the Advisory Board members was to outline:

1. the AER issues paper purpose and process
2. a deep dive on the tariff structures and price controls currently in place and those outlined in the issues paper
3. pricing principles developed by Jemena
4. the engagement process, purpose, timing and recruitment of participants
5. **and importantly, to obtain feedback on framing the engagement content and questions.**






## Objectives

Reconnect with the Advisory Board members who had previously been involved with Jemena's engagement and price reset engagement processes

- Understand Jemena's current situation and why Jemena is required to conduct consultations on tariffs in line with the Australian Energy Regulator's Issues Paper
- Present an overview off the proposed engagement approach and methods and seek their advice and feedback on whether these are likely to be appropriate and effective given their diverse experiences of customer engagement
- Discuss the project workshop and reporting timeframes to align with the Australian Energy Regulator's requirements of Jemena.

## Key feedback themes

This meeting was purposely held in advance of customer engagement to consider the feedback from the Advisory Board. The key themes that emerged from the Advisory Board discussions included:

Key theme		Advisory Board feedback
	<b>Impacts to different groups of customers</b>	Advisory Board members asked that the Jemena team showed any impact on the entire bill not just the network component when presenting potential impacts to different groups of customers.
	<b>Risk sharing between customers, Jemena and government</b>	Advisory Board members asked that bd infrastructure and the Jemena team consider who bears the risk and what impact each option will have when it comes to setting tariffs.
	<b>How we communicate and consult with customers about the content matter and the uncertainty</b>	Advisory Board members asked Jemena to simplify the remit and consider clear and simple presentation of the content for non-specialist audiences.
	<b>Jemena's pricing principles</b>	Advisory Board members generally supported Jemena developing its own pricing principles but suggested it was important to share these principles with participants involved in the engagement process.
	<b>Recruiting people to participate in the engagement process</b>	Advisory Board members asked that we consider a wide range of criteria when recruiting participants from across NSW to participate in the three online workshops as part of the engagement process.

## Next steps

As agreed during the workshop, the following next steps will be taken:

- bd infrastructure will revise the preamble and remit for Customer Forum participants along with the recruitment criteria.
- Consideration is to be given to participants who will respond to increased prices/ tariffs by electrifying their appliances.
- Doug McCloskey, Andrew Richards, Victoria Jordan and Zubin Meher-Homji (an independent expert with extensive experience in regulation and economics) will be invited to participate in the Brains Trust Workshop on Tuesday 18 July.
- Where possible, bd infrastructure and Jemena are to debrief Advisory Board members in writing following the Customer Forum and Brains Trust sessions.
- If possible, an additional online session with the Advisory Board members is to be scheduled to update them on activities undertaken, feedback from recruited community participants and next steps.
- Debrief sessions are to be held immediately following the two Customer Forum and one Advisory Board online workshops and are to involve bd infrastructure and Jemena staff.