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Energy Division Essential Services Commission Level 37, 2 Lonsdale Street Melbourne, Victoria 3000 Submitted by website: <u>https://engage.vic.gov.au/</u>

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Timely negotiated electricity connections – Issues Paper

AGL Energy (AGL) would like to take this opportunity to respond to the Essential Services Commission's (ESC) Timely negotiated electricity connections, Issues paper, 30 June 2020.

AGL supports the introduction of additional measures to ensure that electricity distribution businesses maintain their focus on improving and better managing the negotiated connections processes into the future. Such reform is timely, given the intended dissolution of the ESC governance committee this year, which has provided an important oversight function in the implementation of improvements to this process to date.

In our experience, where there have been delays in the initial negotiated connection process with developers, we have observed downstream impacts to retailers and customers seeking to progress connections in the context of new housing developments.

We recommend a combination of public reporting of performance and minimum timeframes be adopted to improve transparency and accountability in distribution networks' performance whilst also providing a greater level of certainty for downstream customers.

Minimum timeframes would facilitate a foundational level of certainty for downstream customers, enabling them to better plan. Given that the negotiated connections process accommodates a diversity of contractual use cases, we suggest the timeframes set a minimum standard if parties cannot agree to their own time lines. We also see value in placing obligations on distribution business to publicly report their performance, in order to incentivise improved performance through benchmarking.

If you have any queries or would like to discuss our response further, please contact Kurt Winter at <u>KWinter@agl.com.au</u>

Yours sincerely *(signed for email transmission)* Con Hristodoulidis

Senior Manager, Regulatory Strategy