

Customer & Stakeholder Engagement Summary Report: Developing a customer-centric Draft Plan through genuine engagement

A woman with blonde hair, wearing a dark blue sweater, is cooking in a kitchen. She is standing at a counter, stirring a large black wok on a gas stove with a wooden spoon. In the background, there is a white wall and a window. The image is overlaid with a semi-transparent blue filter.

Prepared for Australian Gas Networks
*Five Year Plan for the South Australian
Network (AA 2026/27—2030/31)*

12 June 2025

Introduction

Background

Australian Gas Networks (AGN) is one of Australia's largest energy infrastructure business, delivering gas to more than two million homes and businesses across Australia. AGN is part of the Australian Gas Infrastructure Group (AGIG) and owns and operates the gas distribution network that delivers gas safely and reliably to more than 486,000 South Australia homes and businesses.

AGN operates 8,510 kilometres of natural gas distribution networks across population centres in Adelaide and the greater Adelaide region, including Barossa, Gawler, Port Pirie, Whyalla and Mount Gambier.

AGN is the only gas distributor in South Australia and customers do not have a choice on their distributor. As a monopoly business, AGN is regulated by the Australian Energy Regulator (AER) and is required to submit a future plan (formally known as an Access Arrangement proposal) for the regulator's approval every five years. The plan sets out AGN's prices, investment proposals and spending that it intends to make.

This customer and stakeholder engagement report has been prepared to inform the development of AGN's **future plan for the July 2026 – June 2031 period**. AGN's investment priorities and services for the referenced five-year period will be documented in the Final Plan due to the AER on 1 July 2025.

This report

AGN has expressed its commitment to placing customers at the centre of its plans, ensuring they are reflective of customer and stakeholder needs now and into the future. This AGN Summary Engagement Report explores how AGN has held a series of iterative workshops with key customer groups to help it develop proposals that align with customers' needs and expectations.

AGN held three rounds of workshops with customers across the state leading into the development of its Draft Plan, with several key themes arising from this customer engagement. In the final Phase 3 customer and stakeholder engagement workshop, AGN reported back to customers on how their input has been incorporated into its Draft Plan. AGN's objectives are to develop a plan that **delivers for current and future customers, is underpinned by effective stakeholder engagement and is capable of being accepted by its customers and stakeholders**. In accordance with these objectives, this report will highlight the engagement approach and methodology AGN harnessed across the workshops.

KPMG's Role

KPMG has supported AGN's program as an independent facilitator of the customer engagement workshop program and reported on customer engagement activities. Working with AGN to design and deploy innovative consultation techniques that foster genuine engagement with customers and stakeholders, helping to foster community trust and rapport.

KPMG did not:

- Advocate for or act on behalf of AGN, or assume decision-making responsibility
- Provide advice on regulatory matters
- Develop or present workshop materials relating to AGN's Plans
- Express an opinion on or conduct an independent review of AGN's actions, including fulfilling the role of preparing an independent customer report as defined in Section 3.4.2 Independent consumer support for the proposal of the AER's Better Resets Handbook.

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Summary Report Disclaimer

This report provides a summary of KPMG's findings during the course of the work undertaken for Australian Gas Networks' under the terms of the engagement letter/contract dated 30 July 2024. The contents of this summary report, in conjunction with the respective Phase 1 Report (Customer-Centric Business Planning: Leveraging Insights for Improved Decision-Making) and Phase 2 Report (Phase 2 Customer Workshops: Delving deeper on topics that matter most to customers), represent our conclusive findings. This summary report is provided solely for the benefit of the parties identified in the engagement letter/contract and is not to be copied, quoted or referred to in whole or in part without KPMG's prior written consent. KPMG accepts no responsibility to anyone other than the parties identified in the engagement letter/contract for the information contained in this summary report.

Inherent Limitations Disclaimer

This report has been prepared as outlined with Australian Gas Networks in the Scope Section of the engagement letter/contract 30 July 2024. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently no opinions or conclusions intended to convey assurance have been expressed. The findings in this report are based on a qualitative study and the reported results reflect customer perceptions, but only to the extent of the sample surveyed, being Australian Gas Network's approved representative sample of customers. Any projection to the wider customer base is subject to the level of bias in the method of sample selection. No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, Australian Gas Networks and its customers consulted as part of the process.

KPMG has indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report. KPMG is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.

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This report is solely for the purpose set out in the Scope Section and for Australian Gas Networks' information, and is not to be used for any purpose not contemplated in the engagement letter/contract or to be distributed to any third party without KPMG's prior written consent.

This report has been prepared at the request of Australian Gas Networks in accordance with the terms of KPMG's engagement letter/contract dated 30 July 2024. Other than our responsibility to Australian Gas Networks, neither KPMG nor any member or employee of KPMG undertakes responsibility arising in any way from reliance placed by a third party on this report. Any reliance placed is that party's sole responsibility.

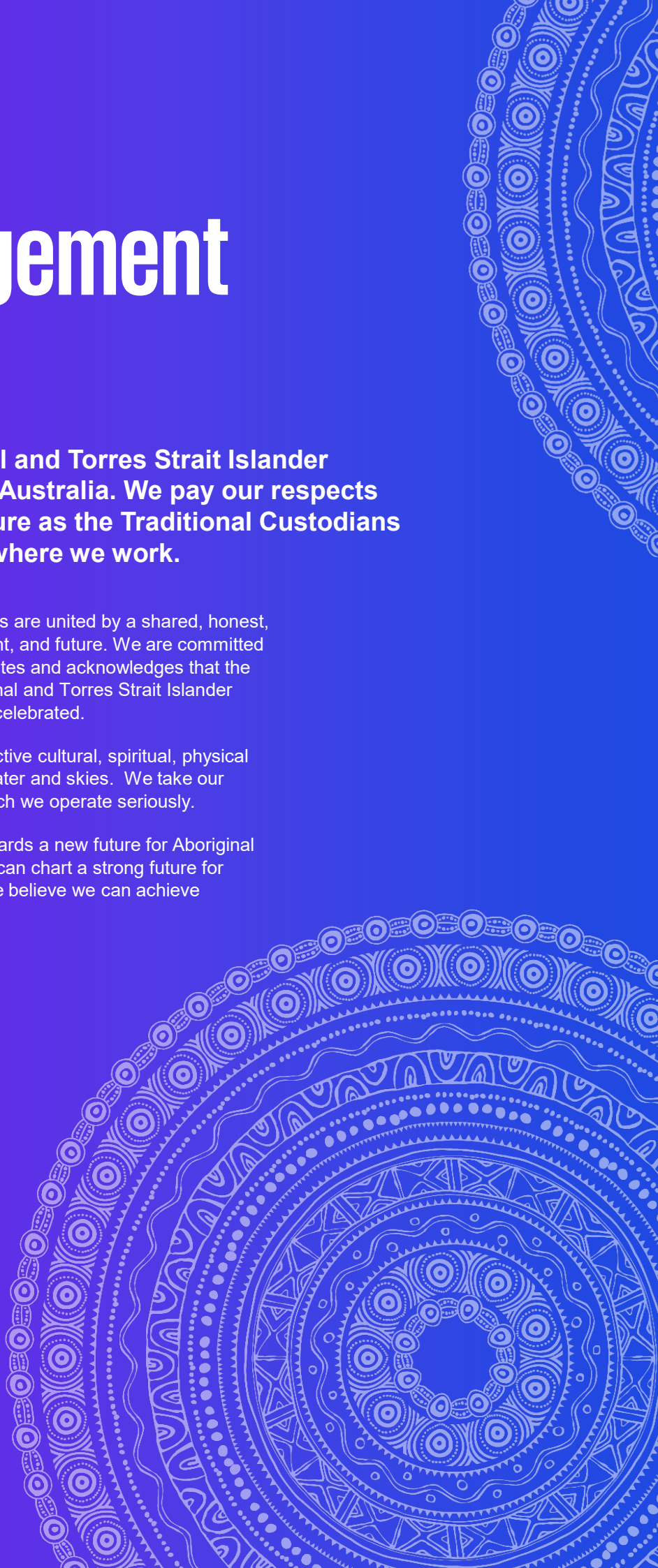
Acknowledgement of Country

KPMG acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia. We pay our respects to Elders past, present, and future as the Traditional Custodians of the land, water and skies of where we work.

At KPMG, our future is one where all Australians are united by a shared, honest, and complete understanding of our past, present, and future. We are committed to making this future a reality. Our story celebrates and acknowledges that the cultures, histories, rights, and voices of Aboriginal and Torres Strait Islander People are heard, understood, respected, and celebrated.

Australia's First Peoples continue to hold distinctive cultural, spiritual, physical and economical relationships with their land, water and skies. We take our obligations to the land and environments in which we operate seriously.

We look forward to making our contribution towards a new future for Aboriginal and Torres Strait Islander peoples so that they can chart a strong future for themselves, their families and communities. We believe we can achieve much more together than we can apart.



01

Executive Summary

This section summarizes the overall report, providing information on the context of the engagement program, high-level identified key insights and customer feedback.

Adopting a customer centric approach to business planning

Australian Gas Networks (AGN) has conveyed its commitment to thorough and effective engagement with customers and stakeholders to ensure its business delivers on what is most important to them. This commitment is at the core of AGN's planning and development for its future investment priorities for its South Australian gas distribution network.

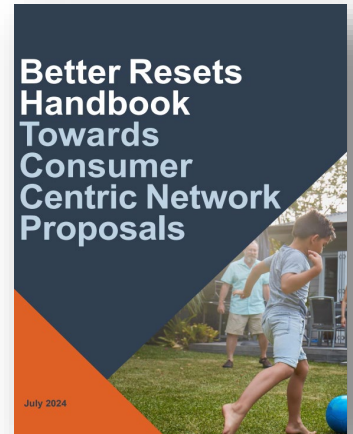
AGN's investment priorities and services for the next five-year period from 2026-2031 will be documented in the Final Plan, which is subject to review and endorsement by the AER. The final plan is due to the AER on 1 July 2025.

AGN's key objectives are to develop a Final Plan that **delivers for current and future customers, is capable of acceptance by customers and stakeholders and is underpinned by effective engagement**. These objectives are stated in its Customer and Stakeholder Engagement Plan October 2024 "*Engaging Customers and Stakeholders for a Sustainable Future*" (Customer and Stakeholder Engagement Plan), which sets out a comprehensive approach to engagement when shaping its future plans. In seeking to meet these objectives, and in line with its engagement approach of placing customers at the centre of its plans, AGN has designed and delivered an iterative workshop engagement program to support the development of its investment plans for the South Australian natural gas distribution network for the 2026-2031 period. AGN has sought to adopt the AER's best practice approach to engagement for its customer workshops, as contained in the *Better Resets Handbook*, which looks to ensure decisions and plans made by businesses reflect the long-term interest of customers—achieved through genuine, sincere, and effective engagement.

AGN values and relies on feedback from its customers and stakeholders to refine its planning process from the Draft Plan to the Final Plan and set out to deeply understand the views and priorities of its customers to develop a plan that is reflective of customer and stakeholder needs.

This report presents the findings and insights from AGN's multi-stage customer engagement program, giving residential and small business customers the opportunity to provide input and feedback on a range of topics to help inform the development of AGN's plans for the 2026-2031 period.

Image 1. Phase 3 Barossa Workshop 'engaging in discussions'



AER – Better Resets Handbook
Towards Consumer Centric Network
Proposals July 2024

Continuously improving engagement through iterative and responsive workshop design and delivery

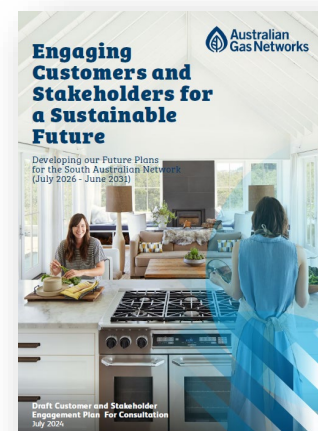
AGN's commitment to ensuring its business plans address the needs and concerns of its stakeholders and customers, as stated in its *Customer and Stakeholder Engagement Plan*, is reflected in its responsive approach to the design and delivery of the workshop program.

AGN's guiding Engagement Principles contained in its *Customer and Stakeholder Engagement Plan* emphasise the importance of listening and responding to customers, continuously improving consultation and involving customers and stakeholders in an ongoing and meaningful way.

Across the three-phased workshop program, AGN listened, responded and tested proposals with customers, involving customers in the key stages of the business planning process. Reflecting AGN's genuine approach to listening to customers, AGN adopted a feedback loop at each Phase of the engagement process, responding to customer views and preferences on key elements of the workshop such as delivery, content and information as well as the interactive activities

The focus on a continuous improvement style of engagement enabled AGN to refine, respond and pivot according to the feedback it received. By focussing on a model of continuous improvement, AGN was able to quickly adjust and respond to customer feedback at every key stage of engagement. This approach was well received by customers, with most customers stating they felt heard and listened to throughout the process.

Infographic on the Iterative Engagement Strategy adopted in all three phases of the engagement program.

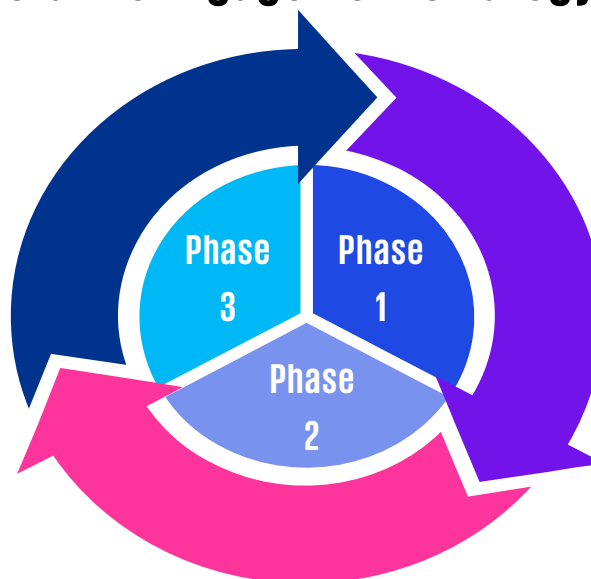


AGN - 'Engaging Customers and Stakeholders for a Sustainable Future' Final Customer and Stakeholder Engagement Plan October 2024

Iterative Engagement Strategy

Refine

Active listening and refinement of workshop materials across all phases to ensure maximum understanding for customers and enhance engagement



Engage

Meaningful engagement with customers, enabling open discussions and engagement

Listen

Capture and analysis of customer feedback post workshops across all phases to inform future design

Aligning AGN's plans with customers' needs and expectations

AGN developed a deliberative engagement approach over a nine-month period involving 135 residential and business customers across South Australia. This entailed three phases of structured engagement, with workshops designed to build upon customers' foundational knowledge of AGN through each phase, helping to create an understanding of more complex and technical topics as workshops progressed.

Customers who participated in Phase 1 workshops were invited to return to participate in the Phase 2 and Phase 3 workshops, building on their foundational knowledge gained in Phase 1 and strengthening the connection between AGN and its customers. Holding workshops with the same group of customers underscores AGN's iterative engagement approach to developing and refining its plans. This helped to ensure customers were equipped with enough information to enable them to genuinely engage and provide feedback aligned to their preferences, supporting AGN with its aim of shaping customer-centric business plans.

Phase 1 workshops were centred on discussing and understanding the key issues and priorities of importance for customers, while Phase 2 was designed to build on the foundational knowledge customers had gained in the first phase – enabling participants to them to genuinely provide feedback on topics. Phase 3 was aimed at sharing and seeking feedback on AGN's Draft Plan.

AGN remained transparent with information and detail provided throughout all phases of the engagement program, reminding customers that their feedback and input would be used as directional input to its business planning process for the 2026-2031 regulatory period.

Table 1. Three phased engagement program logistics

Consultation Phase	Consultation Period	Locations (consistent across all phases)	Participants (total)
Phase 1 Listen & Understand 	August 2024 – September 2024	Adelaide Metro & surrounds	181
Phase 2 Engage & Align 	October 2024 – November 2024	Adelaide North & surrounds Adelaide South & surrounds Barossa & Gawler surrounds	153
Phase 3 Test & Refine 	March 2025 – April 2025	Port Pirie & Whyalla surrounds	135

Aligning AGN's plans with customers' needs and expectations (cont.)

The key topics identified for engagement were set out in *AGN's Customer and Stakeholder Engagement Plan* and evolved over the course of the three phases of the engagement program.

Key topics on which AGN engaged across all three phases are detailed below and will be explored in further detail on the following page.

- **Price and affordability** – understanding the importance of pricing as informed by customer discussions, explaining in-depth and seeking feedback on AGN's proposal of -0.9% (after inflation) to maintain stable prices for customers.
- **Public safety** – explaining AGN's current approach to achieving a high standard of public safety and seeking customer feedback on its proposals to maintain the safety of the network and the public.
- **Reliability** – understanding whether and why maintaining gas reliability is important to customers and seeking feedback on customer satisfaction for AGN's plans to retain high levels of reliability.
- **The future of gas** – understanding why environmental sustainability is important to customers and presenting on AGN's journey to transitioning to a sustainable energy future.
- **Maintaining and growing the gas network** – understanding customer expectations on growing the gas network and seeking feedback on AGN's plans to continue maintenance of the gas network and future development plans.
- **Customer experience and services** – exploring preferred communication channels, understanding what 'good' looks like to customers and seeking feedback on AGN's plan to maintain its efficient and high-quality customer service delivery.
- **Depreciation** – gather customer feedback on AGN's modelling approach for the depreciation of its assets, and test customers' level of comfort on AGN's proposed approach to further consultation on the subject.

Image 2. Phase 3 Adelaide Metro workshop



Feedback and insights from customers were explored in-depth as consultation progressed

The table below showcases the progression of findings across the three workshops. Detailed analysis of findings from Phase 1 and 2 are available in their respective reports.

Table 3. Phase 1 & 2 insights and the outcomes for Phase 3

Phase 1		Phase 2	Phase 3
Consultation Period	August 2024 – September 2024	October 2024 – November 2024	March 2025 – April 2025
Key Objective	Listen & Understand: To listen and understand customer views and priorities in the context of gas.	Engage & Align: To engage and align with customers through purposeful discussions, feedback and extension of education on topics of interest identified in Phase 1.	Test & Refine: To test and refine AGN's proposals in the Draft Plan through meaningful discussions and customer feedback.
Outcome for AGN's 2026 – 2031 Planning Process	Assist in the development of customer-centric proposals that align with customer interests and priorities.	Gather feedback on its early price forecasts and proposals to inform the development of AGN's Draft Plan.	Further testing and refinement of AGN's proposals to inform the Final Plan.
Key Topic	Phase 1 Key Insight	Phase 2 Key Insight	Phase 3 Outcomes
Price & Affordability	Amidst the backdrop of a high cost of living environment, customers equate gas affordability of with steady and stable prices.	Customers expressed a high level of support for AGN's proposed approach to maintaining current safety and reliability levels.	Customers support AGN's Draft Plan proposals across key priority areas, including pricing, safety and reliability, customer service, growing the network and investing for a sustainable future.
The Future of Gas	Customers stated that AGN's commitment to supplying cleaner energy was important to them. A large portion of customers expressed curiosity and interest on the shift from natural gas to renewable gas, with many interested in learning more about the Future of Gas.	Customers want to better understand the network's proposed shift to renewable gas, as well as more information on the personal impact that shifting to renewable gas would have.	Customers had the opportunity to learn more about AGN's renewable energy plans, expressing a desire to stay informed on the topic.
Maintaining and Growing the Gas Network	Customers are interested in knowing more about AGN's future growth and development plans, with Maintaining & Growing the Network ranked the third highest topic of further interest for future sessions.	Most customers indicated they were satisfied with the information provided on how AGN is continuing to grow the gas network, however some customers said they wanted more information.	Customers support AGN's plans to grow the gas network and showed interest in learning more on the topic.
Public Safety	Customers expect public safety to always be front of mind for AGN.	Customers expressed their support for AGN's proposed approach to maintaining gas safety and are satisfied with the company's approach to maintaining reliability.	Customers trust AGN's ability to deliver gas safely and reliably and anticipate that these high standards to continue.
Reliability	Customers were highly satisfied with the reliability of their gas supply and expect continued high performance in this area.		
Customer Experience & Services	Customers expect and value clear communication and simple service that is resolution-focused when interacting with AGN.	Customers were satisfied with AGN's proposal to maintain customer service levels, specifically AGN continuing its Priority Services Program.	Customers indicated they value quality customer service and expect AGN to continue delivering high levels of customer service.
Depreciation	Depreciation was not a topic of focus in Phase 1.	A small number of customers said they would like to discuss depreciation and cost determinations in more detail.	Most customers understand enough about depreciation, and support AGN's approach to consult further if the depreciation figure was \$40 or more.

We have identified seven key insights from the customer engagement workshops

The below insights have been formed from the three phases of customer engagement and reflect AGN's Draft Plan. Further detail and information on each insight is provided in the [Key Insights](#) section of this report.

**Note key findings are not in order of importance.*



Customers support AGN's Draft Plan proposals based on stable prices

Customers stated they were supportive of AGN's commitment to maintain stable prices for the next five-year period and were pleased to see that their feedback on key priority areas had been incorporated into the proposal.



Customers expect AGN to sustain its excellent safety and reliability track record

Customers overwhelmingly support AGN's plans to continue its high levels of safety and reliability in the future and expect continued high performance in both areas.



Customers value a high standard of customer service

Customers indicated they value quality customer service and expect AGN to continue delivering high levels of customer service.



Customers are satisfied with AGN's network growth plans

Customers displayed considerable interest on the topic of the growth of the South Australian gas network and support AGN's future growth developments.



Maintaining price affordability is a top priority for customers

Customers view gas affordability as their number one priority, with the majority of customers expressing satisfaction for AGN's proposal to maintain stable pricing via a hybrid declining block tariff approach.



Fostering a sustainable energy future is important, and customers want to be kept up-to-date on AGN's renewable energy plans

Customers value a sustainable future and want to be kept informed on AGN's investment plans for decarbonising South Australia's gas supply.



Customers largely understand depreciation in the context of regulation and want to stay informed

Customers understand depreciation based on the information that was shared and want to be kept informed on any significant changes to the final depreciation amount before the Final Plan.

Customer feedback reflected a positive engagement experience throughout all three phases

Across all three phases of the engagement program, customers consistently expressed an average satisfaction score of at least 90% across the key feedback criteria. This result exceeds AGN's targeted engagement benchmark of +80%, as stated in its *Customer and Stakeholder Engagement Plan*.

Feedback provided from customers consistently expressed appreciation on the **interactive and informative** nature of the workshops. They valued the ability to ask questions directly to knowledgeable presenters, the clear and concise delivery of information, and the thoughtful integration of the feedback they had provided through the discussions. Overall, participants enjoyed the professional and personable approach, which made them feel comfortable and valued in AGN's consultation process.



93% of customers in Phase 3 were satisfied/very satisfied that the workshop information provided by AGN was clear, relevant, and accurate¹

92% of customers in Phase 3 were satisfied/very satisfied with having felt genuinely listened to and heard¹

93% of customers in Phase 3 were satisfied/very satisfied with having the opportunity to have their say¹

Image 3. Phase 3 Barossa Workshop



¹Based on Phase 3 survey results



What we heard from Phase 3 participants:

What did you enjoy the most about today?



Very professionally run as always. I enjoyed the use of QR codes again and being able to type responses. I think they made it a very smooth experience. And also, better allows for thoughtful, anonymous responses.



Great transfer of information to us directly from AGN personnel. Informative & knowledgeable speakers who provided insights not normally available to the public.



The time spent by all of the presenters to re-educate us on topics talked through in past. The topics presented were easy to understand.

02

Engagement Approach

This section will cover the approach taken to inform workshop development and execution of all three phases.

AGN displayed a commitment to deliberative and responsive engagement with customers

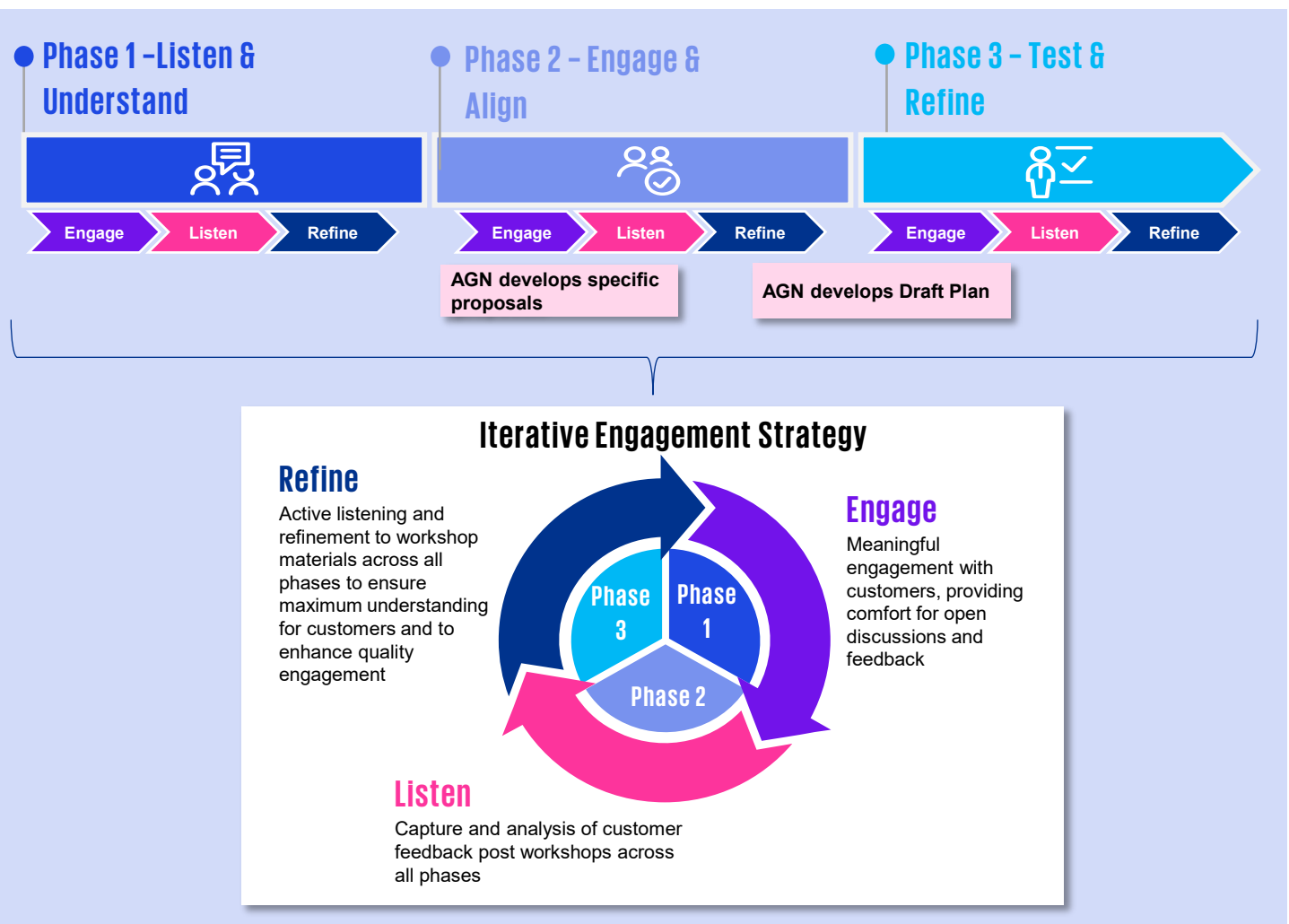
AGN adopted a flexible, open and responsive approach to engagement, informed by its *Customer Engagement Strategy* and the *AER's Better Resets Handbook*.

This commitment was reflected through an open feedback loop that encompassed all three customer workshops, with AGN proactively seeking to understand feedback throughout the phases and adapting any component of the design or delivery that was proving ineffective.

A key example of AGN's responsive and iterative approach to customer engagement was displayed in the Phase 3 Mt Gambier workshop. AGN dedicated time for open discussion and conversation with Mt Gambier participants at the end of the workshop. Combined with the written feedback received from participants, AGN determined it needed to pivot and adapt components of its workshop content and delivery to improve the overall customer consultation experience.

Some adjustments were made to key consultation topics and questions, including the more complex topics of depreciation and price structure. This was undertaken after the feedback showed some Mt Gambier customers said they found some of the topics confusing. AGN quickly responded to this feedback, and additional time was allocated to the more complex topics for the remaining workshops. Slight content adjustments were also made and some additional context-setting slides added in, ensuring sufficient information was shared to enable customers to genuinely engage on options. The responses captured from Mount Gambier participants have been individually analysed throughout this report (refer to [Appendix C: Mount Gambier Content](#) for details on key changes).

The infographic below outlines the timeline of each consultation phase, and the corresponding iterative engagement strategy adopted.



We engaged with a diverse mix of customers & stakeholders across AGN's network in South Australia

Ensuring a diverse mix of customers were consistently heard and consulted with was an important part of the design of AGN's three-phased engagement program.

The engagement process ensured recruitment of a diverse sample of participants including people of different ages, gender, income, and living arrangements. The sample also included small-to-medium business customers, residential customers, metropolitan and regional customers, and culturally and linguistically diverse customers and communities (CALD).

Customer recruitment was designed to capture customer perspectives and feedback across different geographic regions in South Australia, ensuring diversity of ideas and viewpoints. The insights and findings presented in this report are intended to provide AGN with directional feedback and form part of AGN's broader consultation program to inform the development of its Final Plan.

In total, 23 consultation workshops were held with up to 181 customers and stakeholders across four locations, comprising of seven to eight workshops in each of the three phases. This included the additional online workshops both held in phases 1 and 2 to ensure equal representation across all geographies.

AGN's executives and subject matter experts were also present at workshops to provide relevant and accurate answers to their questions and to actively listen and engage with customers in meaningful conversations.

Where we
consulted in
SA



Table 3. Comparison of Phases 1, 2 and 3 participant return rates



	Participants	Metro (Incl. CALD)	Regional customers	CALD customers
Phase 1	181	121	60	25
Phase 2	153	95	58	20
Phase 3	135	91	44	20*
Return Rates % (Phase 2 – 3)	88%	97%	76%	100%

* Note 20 customers attended the Phase 3 CALD workshop, however there are a small number of consultation questions where 22 responses were provided. The discrepancy is viewed as a potential misunderstanding from two observers who participated in some questions.

Consultation questions were progressively refined and tailored to align with customer views and feedback

Each phase of workshops was developed based on information and feedback received from the preceding workshop. Each workshop had its own set of objectives to ensure customers were equipped with enough information to enable them to genuinely engage and provide feedback on proposals aligned to their preferences.

The table below showcases how consultations evolved, with the questions being posed to customers becoming progressively more specific to elicit deeper and meaningful conversation.

Table 3. Evolution of consultation questions across the three phases

	Phase 1	Phase 2	Phase 3
Key Objective	Listen & Understand: To listen and understand customer views and priorities in the context of gas.	Engage & Align: To engage and align with customers through purposeful discussions, feedback and extension of education on topics of interest identified in Phase 1.	Test & Refine: To test and refine AGN's proposals in the Draft Plan through meaningful discussions and customer feedback.
Outcome for AGN's 2026-2031 Planning Process	Assist in the development of customer-centric proposals that align with customer interests and priorities.	Gather feedback on its early price forecasts and proposals to inform the development of AGN's Draft Plan.	Further testing and refinement of AGN's proposals to inform the Final Plan.
Price & Affordability	We understand that price is important to our customers. What does affordability mean to you in the context of gas?	Do you have any questions? [customers were invited to share their feedback verbally and ask questions]	From what you have just heard on price structure, tell us which option you'd prefer. Should we charge for service abolishment's?
Public Safety	What does public safety for gas supply mean to you?	Are you comfortable with our proposed approach to maintaining gas safety? Why or why not?	From what you heard tonight on our Draft Plan, tell us; do you think we have understood and applied what you have told us is important?
Reliability	Why is gas reliability important to you or your business? How satisfied are you with the current reliability of your gas supply? Why & how could it be better?	Are you comfortable with our proposed approach to maintaining gas reliability? Why or why not?	
The Future of Gas	We are striving to supply cleaner energy to our customers. Is this important to you? What would you like to know in terms of the future of gas and renewable gas from AGN?	N/A	Activity: What do you remember about renewable gas from the prior workshops?
Maintaining and Growing the Gas Network	N/A	Do you require any further information on how we are continuing to grow the gas network in SA?	From what you heard tonight on our Draft Plan, tell us; do you think we have understood and applied what you have told us is important?
Customer Experience & Services	What does a great interaction with AGN look like to you?	N/A	
Depreciation	N/A	N/A The focus on this topic was further educating customers and introducing the concept of depreciation.	Does the concept of depreciation make sense to you? Are you comfortable with the modelling approach we are taking to depreciation? We are yet to finalise the amount of depreciation, but we will come back and consult with you if the depreciation amount per customer is \$40 per year or more. Do you support this approach?

Tailored consultation techniques were utilised to generate rich customer feedback and insights

A key focus of AGN's customer engagement program was on breadth and depth of engagement – an important engagement consideration under the AER's *Better Resets Handbook*.

The customer workshops were designed to align with the engagement expectations of the AER, as well as the International Association for Public Participation's (IAP2) spectrum of engagement. The workshops focused on all components of the IAP2 engagement spectrum (Inform, Consult, Involve, Collaborate), ensuring customer input and feedback was heard and incorporated into the decision-making process.

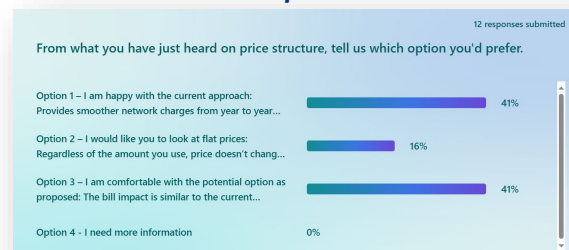
To achieve meaningful, inclusive and genuine engagement, a range of engagement methods and techniques were used, as detailed below.

- ✓ **Individual worksheets (refer to [Appendix E: Workshop Activities & Worksheets](#))** – to encourage personal reflection and structured feedback. Worksheets provided customers with the opportunity to have their say and share their thoughts without influence from other participants. Customers were given the options of filling in a physical worksheet, or alternatively, scanning a QR code and responding to the worksheet digitally;
- ✓ **Small group discussions** – to enable collaboration between customers, creating an inclusive, inviting and comfortable environment for customers to share their perspectives and feedback;
- ✓ **Availability of AGN subject matter experts and leadership** – to answer questions and explain technical elements and in further detail as customers requested, helping to strengthen customer trust, credibility and rapport;
- ✓ **Facilitation of whole group discussions and Q&A** – enabling customers to provide their immediate feedback on information shared in real-time allows testing of ideas and for AGN subject matter experts to answer any customer concerns avoiding miscommunication of information shared;
- ✓ **In-session interactive activities** – helped to proactively initiate customer interaction and feedback in an engaging and collaborative way;
- ✓ **Visual online word cloud** – to analyse what is resonating with customers in real-time, allowing AGN to pivot and respond to customer interests and feedback;
- ✓ **Interactive digital engagement through OrbViz** – presents the information contained in the Draft Plan in an engaging and interactive way, enabling customers to explore areas of the Draft Plan that are of interest and provide feedback quickly if they wish to do so.

The infographic below showcases the various types of engagement techniques utilised across the engagement program.



Image 4. Sample screenshot of live word cloud and customer poll



Innovative engagement tool OrbViz trialled to complement Draft Plan consultation

AGN introduced a new digital version of the Draft Plan in the Phase 3 workshops, enabling customers to navigate information and proposals in an engaging and interactive way.

AGN has stated that it seeks to promote breadth and depth of engagement in accordance with the AER's *Better Resets Handbook*, with OrbViz acting as another customer channel to deliver accessible, transparent and clear information on the Draft Plan.

OrbViz is a data visualisation tool that presents the Draft Plan information in an engaging and interactive way, enabling customers and stakeholders to focus on the aspects of the Draft Plan that are of particular interest. Furthermore, it enables customers to provide additional feedback on the Draft Plan quickly and easily if they wish to do so. Interaction with the OrbViz platform was first introduced to AGN's stakeholder reference group and was trialled at workshops with customers from Mount Gambier, Adelaide South, CALD communities and Adelaide Metro, with customers having the opportunity to explore the digital and interactive version of the Draft Plan on iPads provided.

A link to the interactive Draft Plan via OrbViz was provided to customers at the end of the respective workshops and sent to them through the third-party recruiters to encourage customers to continue the consultation journey with AGN. Overall, customers (73) rated the use of OrbViz in the Phase 3 engagement an average of **4.2 out of 5**.



4.2 / 5 was the average satisfaction score given by customers who trialled OrbViz

Image 5. Mount Gambier Customers exploring AGN's Draft Plan through OrbViz during the workshops



Image 6. CALD Customers exploring AGN's Draft Plan through OrbViz during the workshops



Feedback and insights from customers were explored in-depth as consultation progressed

The table below showcases the progression of findings across the three workshops. Detailed analysis of findings from Phase 1 and 2 are available in their respective reports.

Table 3. Phase 1 & 2 insights and the outcomes for Phase 3

Key Topic	Phase 1 Key Insight	Phase 2 key insight	Phase 3 outcomes
Price & Affordability	Amidst the backdrop of a high cost of living environment, customers equate gas affordability of with steady and stable prices.	Customers expressed a high level of support for AGN's proposed approach to maintaining current safety and reliability levels.	Customers strongly support AGN's Draft Plan proposals across key priority areas.
The Future of Gas	Customers stated that AGN's commitment to supplying cleaner energy was important to them. A large portion of customers expressed curiosity and interest on the shift from natural gas to renewable gas, with many interested in learning more about the Future of Gas.	Customers want to better understand the network's proposed shift to renewable gas, as well as more information on the personal impact that shifting to renewable gas would have.	Customers had the opportunity to learn more about AGN's renewable energy plans, expressing a desire to stay informed on the topic.
Maintaining and Growing the Gas Network	Customers are interested in knowing more about AGN's future growth and development plans, with Maintaining & Growing the Network ranked the third highest topic of further interest for future sessions.	Most customers indicated they were satisfied with the information provided on how AGN is continuing to grow the gas network, however some customers said they wanted more information.	Customers support AGN's plans to grow the gas network and felt their feedback on the topic had been adequately reflected in AGN's Draft Plan.
Public Safety	Customers expect public safety to always be front of mind for AGN.	Customers expressed their support on AGN's proposed approach to maintaining gas safety and are satisfied with the company's approach to maintaining reliability.	Customers trust AGN's ability to deliver gas safely and reliably and anticipate that these high standards will continue.
Reliability	Customers were highly satisfied with the reliability of their gas supply and expect continued high performance in this area.		
Customer Experience & Services	Customers expect and value clear communication and simple service that is resolution-focused when interacting with AGN.	Customers were satisfied with AGN's proposal to maintain customer service levels, specifically AGN continuing its Priority Services Program.	Customers indicated they value quality customer service and expect AGN to continue delivering high levels of customer service.
Depreciation	Depreciation was not a topic of focus in Phase 1.	A small number of customers said they would like to discuss depreciation and cost determinations in more detail.	Most customers understand enough about depreciation and support AGN's approach to consult further if the depreciation figure was \$40 or more.

03

Key Insights

This section explores the key insights derived from all 23 workshops across the three-phased customer engagement program.

Summary: The seven key insights identified from the customer engagement workshops

As previously mentioned, the below insights have been generated from the three phases of customer engagement and reflect AGN's Draft Plan. This section of the report will go into further detail of each key insight.

**Note key findings are not in order of importance.*



Customers support AGN's Draft Plan proposals based on stable prices

Customers stated they were supportive of AGN's commitment to maintain stable prices for the next five-year period and were pleased to see that their feedback on key priority areas had been incorporated into the proposal.



Customers expect AGN to sustain its excellent safety and reliability track record

Customers overwhelmingly support AGN's plans to continue its high levels of safety and reliability in the future and expect continued high performance in both areas.



Customers value a high standard of customer service

Customers indicated they value quality customer service and expect AGN to continue delivering high levels of customer service.



Customers are satisfied with AGN's network growth plans

Customers displayed considerable interest on the topic of the growth of the South Australian gas network and support AGN's future growth developments.



Maintaining price affordability is a top priority for customers

Customers view gas affordability as their number one priority, with the majority of customers expressing satisfaction for AGN's proposal to maintain stable pricing via a hybrid declining block tariff approach.



Fostering a sustainable energy future is important, and customers want to be kept up-to-date on AGN's renewable energy plans

Customers value a sustainable future and want to be kept informed on AGN's investment plans for decarbonising South Australia's gas supply.



Customers largely understand depreciation in the context of regulation and want to stay informed

Customers understand depreciation based on the information that was shared and want to be kept informed on any significant changes to the final depreciation amount before the Final Plan.

Customers support AGN's Draft Plan proposals based on stable prices



Customers stated they were supportive of AGN's commitment to maintain stable prices for the next five-year period and were pleased to see that their feedback on key priority areas had been incorporated into the proposal.

A substantial portion of the third customer engagement workshop was dedicated to sharing AGN's Draft Plan proposals, with customers given detailed information and rationale around key investments for the next five-year period. A key occurring trend from Phase 1 and 2 from customer feedback was the importance of maintaining stable, affordable and transparent pricing now and into the future. Based on customer feedback from earlier phases, AGN came back to customers in Phase 3 with a proposal to maintain stable prices of -0.9% (after inflation) within its Draft Plan, noting the proposed price was amid the backdrop of a rising cost of living environment. In addition to price, AGN shared information on how it intended to continue investments in the below priority areas in the context of maintaining operational excellence and stable prices:

- **Customer Experience & Services**— encompassing its commitment to the Priority Services Program and investments into digital smart meters;
- **Maintaining & Growing the Gas Network**—including extending its network to new residential developments in outer northern Adelaide and installing meters to connect around 31,000 new residential and commercial customers;
- **Public Safety and Reliability**—including AGN's medium risk Multi-user service renewal and replacement of old steel mains reducing lost gas in the network;
- **Future of Gas**— including the various ways AGN are readying its networks for renewable gas supply.

Consultation on these proposals was thorough, with sufficient time provided for Q&A with AGN leadership and subject matter experts as well as group discussion before customers were invited to provide their feedback. Across the six workshops; Adelaide Metro, South, North, Barossa, CALD and Port Pirie all 111 customers stated AGN had understood and applied what is important to them in the context of public safety and reliability, while 109 (98%) said AGN had understood and applied what is important to them in the context of customer experience and services. 106 customers (95%) said AGN had understood and applied what is important to them in the context of maintaining and growing the gas network.

The infographic below showcases the breakdown of customer responses for AGN's Draft Plan (excluding Mount Gambier)

Yes. AGN has understood and applied what is important to me



They have done a good job responding to the feedback. – Phase 3 participant

Customers support AGN's Draft Plan based on stable prices (cont.)



When introducing its Draft Plan for customers, AGN emphasised the importance of reflecting customer feedback in its proposals.

AGN shared that it listened to customer views throughout all phases of engagement, recapping with customers key recurring themes it had identified through feedback which were:

- **Keeping prices stable**
- **Maintaining a high level of safety and reliability**
- **Continuing its strong track record of customer service**
- **Investing for a sustainable future**

AGN recapped the composition of a typical residential and business gas bill so customers could understand the impact of their feedback in the context of AGN's proposed price proposal. With price affordability and maintaining stable prices identified as a top priority for customers, AGN spent time explaining that it was delivering a Draft Plan based on stable prices. This follows on from feedback in earlier phases whereby customers stated that they associate affordability with steady and stable prices. AGN told customers that its 0.9% proposed nominal price cut was the equivalent of a 3.5% real price cut, represented to customers as a total capital and operating expenditure budget as well as in terms of the average residential customer's bill (e.g. \$6). Explaining the real-world impact of the 0.9% price cut— with AGN noting that this was the equivalent to a standard cup of coffee, helped make the Draft Plan pricing proposal more tangible for customers when considering options and feedback for AGN.

Mount Gambier

The Mount Gambier workshop had a slightly different question when testing AGN's Draft Plan approach and therefore the data has been analysed separately to ensure fairness across all workshops within the engagement program (refer to [Appendix C: Mount Gambier Content](#) for further detail). Data from Mount Gambier indicates that most customers stated they support what AGN are proposing for each of the three priorities spoken on, with only 3 out of 17 stating they'd like further information.



The Draft Plan looks really promising and appears feedback is being implemented. – Phase 3 participant

Image 7. Phase 3 Mount Gambier workshop 'discussions'



Customers expect AGN to sustain its excellent safety and reliability track record



Customers overwhelmingly support AGN's plans to continue its high levels of public safety and reliability in the future and expect continued high performance in both areas.

Across Phase 1 and 2, customers expressed the high value they place on safety and reliability. Customers communicated they value an uninterrupted supply of gas to both their homes and business; with many customers noting they have never experienced a disruption to their gas supply. In Phase 1, customers ranked reliability of supply as their second highest priority and noted they were highly satisfied with the current levels of gas reliability. It was established that regional customers place higher importance on reliability when compared to their metropolitan counterparts, while public safety and reliability was noted as being essential for businesses with some business customers expressing a strong reliance on gas supply to run their business and maintain product quality.

In Phase 2, customers were asked whether they support AGN's proposal to maintain the current standards of safety and reliability. Customers overwhelmingly indicated support for AGN's proposed approach to maintaining current levels of safety and reliability, with confidence underpinned through the company's proactive and strong safety track record.

Phase 3 provided attendees with the chance to hear how AGN had incorporated their feedback on both safety and reliability into the Draft Plan. Customers learned of AGN's plans for the safety and reliability of the gas network for the upcoming five-year period, with AGN sharing that it planned to spend \$314 million on public safety and reliability of its gas network. This equates to 32c in the dollar for. AGN shared with customers the main areas where it plans to focus its spend across public safety and reliability, detailed below:

- Medium risk Multi-user service (MUS) renewal following the completion of highest risk MUS renewals in the current regulatory period;
- Replacement of old steel mains reducing lost gas in the network;
- Ongoing integrity dig-ups and pipeline modification for inline inspection and corrosion management.

Once the information on AGN's Draft Plan proposals were shared, which included gas safety and reliability proposals, the following question was posed to customers:

1. "From what you have heard tonight on our Draft Plan, tell us; do you think we have understood and applied what you have told us is important"

On the topic of public safety and reliability, **100% (111 of 111)** customers indicated that 'yes, AGN had understood and applied what was important to them', with no customers indicating they required further information on AGN's public safety and reliability plans.



I think it's a good plan. Keeping everyone safe and informed without raising the overall price dramatically is most important to me. – Phase 3 participant



* Results excl. Mount Gambier

Mount Gambier

The question posed to customers on the Draft Plan was worded slightly different for the Mt Gambier workshop, with Mt Gambier customers asked to respond to the following question on priority areas, including gas safety and reliability.

1. "From what you have heard tonight on our Draft Plan, tell us; do you support what we are proposing for each of the 3 priorities?"

Almost all customers from the Mt Gambier workshop said they supported AGN's safety and reliability plans. Sixteen (94%) customers said they supported what AGN were proposing for safety and reliability, however one customer in Mt Gambier noted they needed further detail on the topic.



Customers value a high standard of customer service



Customers indicated they value quality customer service and expect AGN to continue delivering high levels of customer service.

In the first phase of workshops, customers conveyed that effective communication, a focus on prompt resolution, and speaking directly to 'a real person' were important components of a positive customer experience.

In Phase 2, customers were presented with information and a proposed budget breakdown across key customer service areas which included AGN's Priority Services Program (PSP), a program designed to support customers in South Australia who are experiencing vulnerability. AGN's Customer Service Centre, where customers can request support and make connection requests, was also referenced. Other customer service areas span public safety, network growth and network operations.

In Phase 3, AGN shared it planned to spend \$218 million on Customer Experiences and Services. The key investment areas would be focused on:

- **Continue Priority Services Program**
- **Ongoing enhancements to customer relationship management**
- **Continued maintenance of local call centres**
- **Investments into digital smart meters**

Once the information on AGN's Draft Plan proposals were shared, customers were given the chance to provide their feedback.

The following question was posed to customers:

1. *"From what you have heard tonight on our Draft Plan, tell us; do you think we have understood and applied what you have told us is important"*

On the topic of Customer Experiences and Services, 109 (98%) customers indicated that 'yes, AGN had understood and applied what was important to them', with five customers indicating they required further information on the topic.

On AGN's Customer Experiences & Services proposals, two customers stated they required further information. When asked what further information they required, one customer in Adelaide Metro said 'I noticed customer experience had a significant chunk of the budget. How has AGN delved into identifying cost efficiencies in customer experience?', while a customer in Adelaide North wanted to understand the breakdown of costs that are needed to maintain local call centres.

Mount Gambier

The question posed to customers on the Draft Plan was worded slightly different for the Mt Gambier workshop, with Mt Gambier customers asked to respond to the following question on priority areas, including gas safety and reliability.

1. *"From what you have heard tonight on our Draft Plan, tell us; do you support what we are proposing for each of the 3 priorities?"*

All Mt Gambier attendees said they supported what AGN were proposing on Customer Experiences and Services, with no customers indicating they needed further information on that aspect of the Draft Plan.



**Results excl. Mount Gambier*



I would like to know more about customer care and support, particularly what support might be available to all customers. – Phase 3 participant

Customers are satisfied with AGN's network growth plans



Customers displayed considerable interest on the topic of the growth of the South Australian gas network and support AGN's future growth developments.

While the majority of customers across all eight workshops indicated Price & Affordability, Reliability and the Future of Gas were most important to them, Maintaining and Growing the network was not rated as highly among attendees.

Despite this, customers expressed they were interested in knowing more about AGN's future growth and development plans, with Maintaining & Growing the network ranked the third highest topic of further interest for future sessions. There were some comments and questions expressed across the earlier workshops about growing the gas network in regional and rural areas, while other customers wanted to know more about proposed plans for gas connections to new land and housing development areas. In response, AGN delved deeper on the topic in Phase 2, presenting their proposal to spend around 18c in every dollar to connect new customers and new areas to the network. Each workshop included tailored information on any specific growth plans targeted for the specific location of where the workshop was being held, with AGN sharing insight on factors that go into decision-making for establishing new gas connections.

In Phase 3, AGN shared it planned to spend \$174 million on maintaining and actively growing the gas network. The key investment areas would be focused on:

- Laying reticulation mains and services, and installing meters to connect around 31,000 new residential and commercial customers;
- Expand our network in Angle Vale and Seaford to accommodate sustained growth and safeguard service levels;
- Extend our network to new residential developments in outer northern Adelaide;

Once the information on AGN's Draft Plan proposals were shared, which included its plans for maintaining and actively growing the gas network, customers were given the chance to provide their feedback.

The following question was posed to customers:

1. *"From what you have heard tonight on our Draft Plan, tell us; do you think we have understood and applied what you have told us is important"*

On the topic of maintaining and actively growing the gas network, 106 (95%) customers indicated that 'yes, AGN had understood and applied what was important to them', with five customers indicating they required further information on the topic. The nature of the additional information required was mainly centred on wanting to know where the planned growth locations areas as well as what the timeframes are for the new areas to be connected.

Mount Gambier

The question posed to customers on the Draft Plan was worded slightly different for the Mt Gambier workshop, with Mt Gambier customers asked to respond to the following question on priority areas, including gas safety and reliability.

1. *"From what you have heard tonight on our Draft Plan, tell us; do you support what we are proposing for each of the 3 priorities?"*

Fifteen attendees said they supported what AGN were proposing to maintain and actively grow the gas network, however two customers in Mt Gambier noted they needed further detail on the topic.

95%



Responded 'Yes. AGN have understood and applied what is important to me' [Maintaining & Growing the Gas Network]

5%

Responded 'I require further information'

*Results excl. Mount Gambier

Maintaining price affordability is a top priority for customers



Customers view gas affordability as their number one priority, with the majority of customers expressing satisfaction for AGN's proposal to maintain stable pricing via a hybrid declining block tariff approach.

With the majority of customers ranking Price & Affordability as their number one priority in Phase 1, a large portion of the Phase 3 workshop was on seeking feedback from customers on AGN's proposed pricing avenues.

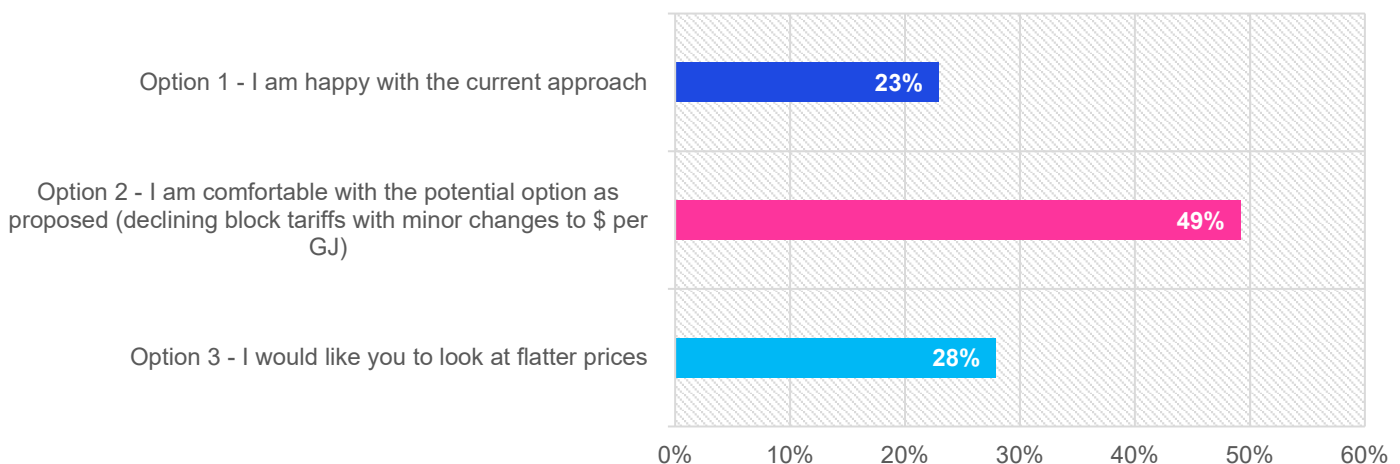
At the start of the Phase 3 workshop, AGN presented its Draft Plan proposal centred around the context of stable gas prices. This is in keeping with customer insights on pricing in Phase 1, with customers having stated that they associate affordability with steady and stable pricing. Phase 2 workshops built on this feedback, with emphasis placed on educating customers on AGN's proposed pricing model. AGN's Draft Plan proposal of maintaining stable prices for customers over the next five years with a 0.9% decrease (after inflation) was in keeping with stakeholder feedback and aligned to AGN's commitment to delivering a sustainable future for its South Australian customers. To ensure AGN are delivering on these values to customers and stakeholders, AGN sought feedback from customers on two key price-related proposals in Phase 3:

- 1. Price structure** – looking at flattening prices and what bill impacts it would have on customers, and;
- 2. Charge for permanent disconnection of gas (abolishment charge)** – understanding whether customers should pay the costs for permanent disconnections when they leave the network and how much.

In the first topic, 'Price Structure', AGN explained the concept of a declining price block structure before introducing its proposal to flatten prices in the next regulatory period. Customers were shown a graphic detailing annual gas consumption and costs alongside the different pricing options, including AGN's current declining block structure and proposed flatter structure. Customers were invited to tell us what option they'd prefer from the information just shared with them and participate in a 'dotmocracy' activity (voting with sticky dots). To ensure customers clearly understood the options presented to them, AGN subject matter experts were readily available to answer any further questions customers had. Print outs of the impact to customer bills were also available and time for small group discussions was integrated in this activity. Additionally, some customers would refer to their bills to check how they fared against the average gas consumption displayed.

Across all six workshops excluding Mount Gambier, the majority of customers 59 out of 120 (49%)* stated they were comfortable with AGN's proposed approach 'declining block tariffs with minor changes to \$ per GJ'. The graph below outlines the remaining 51% of votes, with 23% of customers in favour of the current declining block structure approach, whereas 28% wanted AGN to look at a flatter pricing model (refer to [Appendix D: Additional Phase 3 Graphs](#) for a breakdown of votes per region/workshop).

Price Structure Preferences 6 workshops [N = 120]



*Note: 2 participants in the Adelaide North workshop gave split votes (half dots) resulting in 0.5 data results. Option 1 (27.5/120), Option 2 (59/120) and Option 3 (33.5/120)

Maintaining price affordability is a top priority for customers (cont.)



To aid in customer feedback and understanding of AGN's price structure proposal, additional time was allocated to small group discussions where customers could clarify any of their questions with AGN representatives.

Within these discussions, customers generally shared thoughts and comments around the different impacts on the price structure proposals to low-income people, comparison and similarities of the options and overall cost impacts on customers' own household bills. Two customers who supported a flatter pricing commented that they considered that this option would have improved environmental outcomes, while a participant in Mt Gambier who agreed with the new hybrid approach stated that they did not agree with commercial premises being charged less per GJ than residential.

What we heard from customers in Phase 3:



I like option 2 in that it will not encourage excessive gas use but am concerned the cost increase will fall on those who can least afford it.



Not just for price reduction for a lower user, but also as an incentive to put it on the people to do the right thing for the environment.

Mount Gambier

The consultation questions and content delivered to Mt Gambier customers was slightly different from the other six workshops (refer to [Appendix C: Mount Gambier Content](#)). An additional pricing topic 'Price Paths' was presented to Mount Gambier customers, however, was later removed in the remaining six workshops due to customer feedback around the complexity of the topic and reflections on whether customer input could be used in this topic (refer to [Appendix C: Mount Gambier Content](#)).

In comparison to the six workshops, the majority of customers in Mount Gambier **10 of 18 (56%)** stated they preferred **option 1; I am happy with the current approach (declining block)**, followed by:

- **2 of 18 (11%)** for option 2 – I would like you to look at flatter prices
- **5 of 18 (28%)** for option 3 – I am comfortable with the potential option as proposed (new approach)
- **1 of 18 (6%)** for option 4 – I need more information

Customers were also given the opportunity to provide any additional comments or questions they had, 3 in which provided some comments around their preferences (i.e. declining with some changes, fixed charges, commercial vs residential).

Image 8. Phase 3 Barossa Workshop 'Price structure discussions'



Maintaining price affordability is a top priority for customers (cont.)



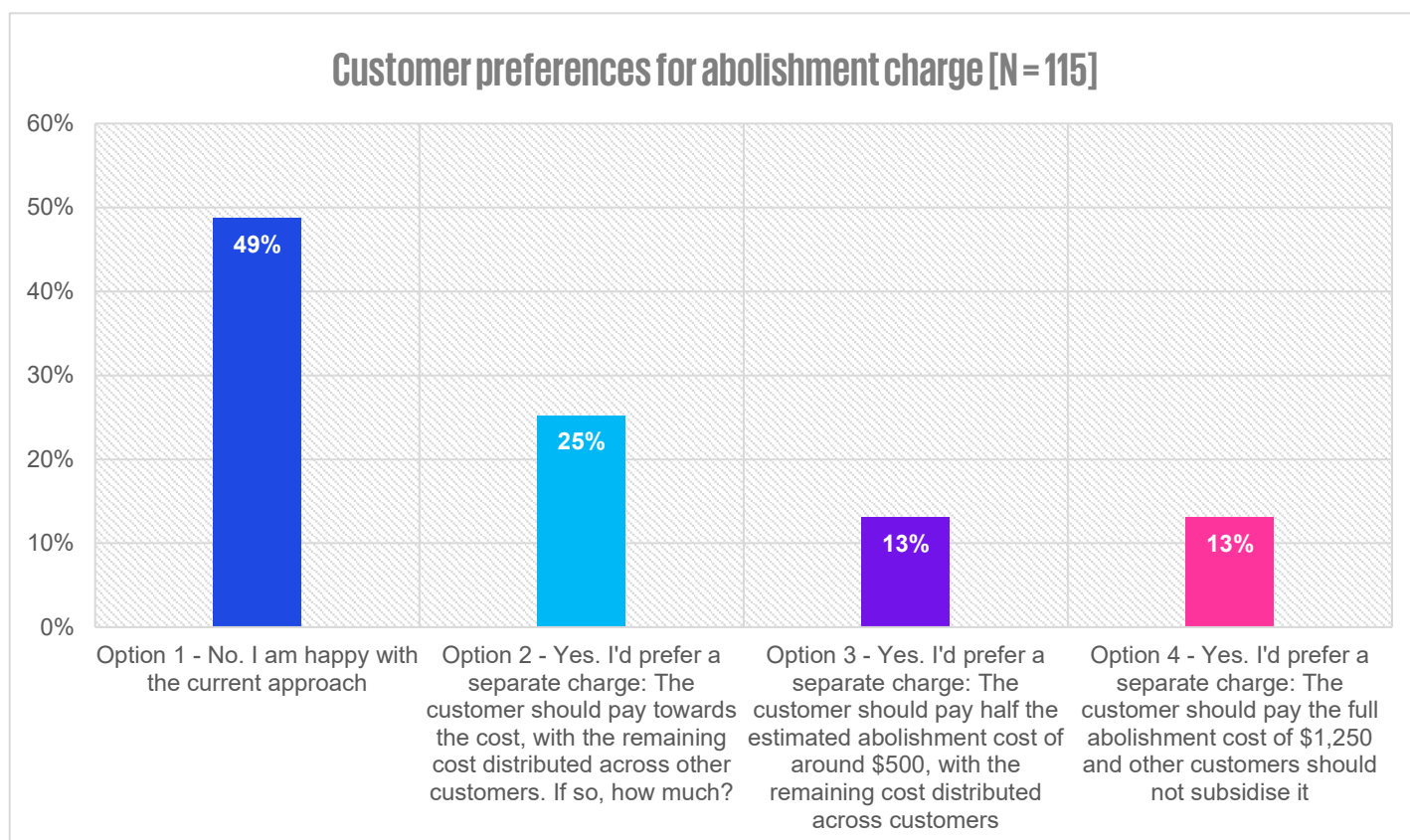
AGN also sought customer input on its proposal concerning whether customers should pay the costs for permanent disconnections when they leave the network, and if so, how much.

Within the Maintaining Affordability section of Phase 3 consultation, AGN sought to consult with customers on their preferences towards the introduction of an abolishment charge. An abolishment charge differs from a disconnection as an abolishment is permanent and a disconnection is only temporary (refer to [Appendix B: Phase 3 Workshop](#) for further information on the content presented to customers). AGN expressed to customers the need to maintain safety and that most customers generally choose to reconnect to the gas network.

Historically, AGN haven't charged customers for the cost of a service abolishment, and thus only charge customers \$85 to remove the meter. If a customer chooses to permanently leave the network, AGN is required to abolish gas services for safety reasons (the average cost of abolishing a services is \$1,250).

Through this section of the consultation, AGN wanted to further understand whether they should be recovering more of the costs associated with a service abolishment (including dig-up, de-energising, capping at both ends, removal of all above ground assets [meter regulator and upstand] and reinstatement of pavement and nature strips). Customers were invited to tell AGN which of the four options they'd prefer (refer to [Appendix B: Phase 3 Workshop](#) for further detail on the worksheet). From the analysis of customer responses, a majority of customers **56 out of 115 (49%) stated they were happy with AGN's current approach towards abolishment.**

Graph 2. Customer preferences (excluding Mount Gambier) on abolishment charge



Maintaining price affordability is key for customers (cont.)



Customers were given the opportunity in one of the feedback options to provide a dollar value on how much they believed was reasonable for an abolishment charge, with dedicated time provided for any additional comments, questions or concerns on AGN's abolishment proposal.

Out of the 115 customer responses, 13 of those provided a suggested dollar figure to an abolishment charge. With the majority (6 of 13) of the responses suggested a figure between \$100-\$249.

Forty-four (38%) of the 115 customers who provided some additional comments that fell within five key themes when considering an abolishment charge:

- **Fairness of charges:** Several comments emphasised that it is fair for the customer requesting abolishment to bear the cost, especially if they are making a choice to disconnect for personal reasons or due to development projects.
- **Safety considerations:** There is a common theme that safety-related abolishment should be treated differently, with some suggesting reduced or no charges in such cases to encourage safe practices.
- **Economic impact:** Comments reflect concerns about the potential financial burden on customers, particularly those facing hardship, and some suggested a reduced fee or payment plans to mitigate this impact.
- **Community impact:** Maintaining the current approach is deemed important for the community, as it ensures that abolishment is conducted safely and that the costs are not unfairly passed on to other users.
- **Encouraging proper procedures:** The comments highlighted the need for clear information and literature on why charges are necessary and the importance of following proper abolishment procedures to prevent unsafe DIY attempts.

What we heard from customers in Phase 3:



I think there should be special considerations if gas is required to be abolished for safety reasons. In that case, the customer should not pay. But in most cases, the customer should pay a portion for the choice to disconnect as part of the cost of why they are leaving and should encourage people to do the right thing for safety reasons.



I don't see why other customers should have to pay for someone else's choice to disconnect from gas.



It would depend on the reason for abolishment. Perhaps different prices for different reasons, e.g. development of a property for units or for safety reasons.

Mount Gambier

The content delivered and response options customers could pick between for the abolishment charge proposal differed slightly in Mount Gambier in comparison to the other six workshops (refer to [Appendix C: Mount Gambier Content](#) for full details). The wording adaptations presented to customers on abolishment were adjusted, resulting in the following preferences from Mount Gambier customers:

- **5 out of 17 (31%) – stated they were happy with the current approach**
- **2 out of 17 (13%) – stated they'd prefer a separate charge of \$250 with the remaining cost distributed to other customers**
- **4 out of 17 (25%) – stated they'd prefer a separate charge of \$500, with the remaining cost distributed to other customers**
- **5 out of 17 (31%) – stated they'd prefer a separate charge of \$1,250. The customer paying the full cost of abolishment.**

Fostering a sustainable energy future is important, and customers want to be kept up-to-date on AGN's renewable energy plans



Customers value a sustainable future and want to be kept informed on AGN's investment plans for decarbonising South Australia's gas supply.

With a majority of customers stating that AGN's commitment to supplying cleaner energy was important to them, customers have consistently expressed a high degree of interest and curiosity on the networks transition from natural gas to carbon-neutral gas.

Early customer consultation revealed considerable interest in the topic of lowering carbon emissions, with customers wanting to understand how the gas network could contribute to reducing emissions. In Phase 1, the focus was on educating and informing customers on key areas, and AGN representatives explained AGN's clean energy initiatives. An overwhelming number of customers stated that AGN's commitment to supplying cleaner energy was important to them, with customers ranking the Future of Gas the third most important priority overall. However, some customers stated that while environmental considerations are important, the affordability of gas remained a key consideration, with some commenting that the supply of cleaner energy was important, but it should be affordable for the end user. When customers were asked to write down what they would like to know more about in terms of the future of gas, customers were curious to know what the personal cost implications and impacts of the renewable gas transition would be should the supply of renewable gas increase.

In Phase 2, AGN delved deeper on the Future of Gas topic, which also explored the concept of depreciation. The focus was on building an understanding and familiarity on these core topics through sufficient information sharing and educating, enabling customers to genuinely engage on options. This was then followed by sharing information on AGN's renewable gas ambitions. Customers in Phase 2 expressed a high degree of curiosity on the topic of renewable energy, with 32% expressing interest in wanting to learn more on the gas networks' proposed role and approach to transitioning to a new energy future. This included seeking more details on the timeframe for rolling out renewable gas infrastructure. In Phase 3, AGN responded to customers' request for further information on its renewable energy plans, elaborating on its commitment to a renewable future, with the Draft Plan focusing on:

- Ensuring its networks are renewable gas ready;
- Enabling renewable gas projects to connect to its network in a safe, reliable and efficient manner;
- Exploring renewable gas project opportunities;
- Including a placeholder amount of \$17 per customer per year in the Draft Plan for potential policy support to help deliver the Hydrogen Park Adelaide project (HyP Adelaide).

Image 9. Phase 3 Adelaide Metro Workshop 'Renewable energy targets'



Fostering a sustainable energy future is important, and customers want to be kept up-to-date on AGN's renewable energy plans (cont.)



In addition to sharing information on its renewable energy commitments in its Draft Plan, AGN dedicated a portion of the Phase 3 customer workshops to exploring the future of the gas network in further detail.

Customers were invited to share what they remembered on renewable gas from the earlier workshops, with customers promoted to scan a QR code and answer the question “*What do you remember about renewable gas from the prior workshops?*”. The key words that customers shared to this question were then displayed on the screen in a live ‘word cloud’ format as they were submitted, enabling customers to feel re-engaged on the topic from the start. The interactive activity prompted some general discussion on audiences’ thoughts and feedback with AGN representatives, with many customers selecting ‘hydrogen’ as the main element they recalled on the topic from previous sessions. This activity was not undertaken at the Mt Gambier workshop due to time constraints.

What we heard from customers in Phase 3: [What do you remember about renewable gas from the prior workshops?]



Polyethylene pipes can support hydrogen gas, Hydrogen Park Adelaide, and suburbs have different mixtures.



Hydrogen being split and implemented into the system, and new appliances being implemented to support it.



We discussed hydrogen and biogas. How they are created and what the effects would be on the infrastructure.

AGN then moved onto recapping what renewable gas is, before sharing detail on its Net Zero emissions goals. AGN then provided further detail on its proposed Hydrogen Park project in Adelaide, highlighting that it had included a placeholder amount of \$17 per customer per year over the next regulatory period for potential policy support to help deliver the project. While specific customer feedback was not requested from customers this topic, dedicated time was reserved for Q&A to enable customers to ask follow up questions on AGN's renewable energy plans. Many customers expressed their continued interest in the topic, and expressed a desire to stay informed on AGN's plans for renewable energy going forward.

Customers’ continued interest in decarbonising gas supply was further identified in the final workshop activity—the 2-Minute Paper—an interest also expressed in phase 1 and 2. In Phase 3, the primary focus of the 2-Minute Paper was on ensuring all topics and issues important to customers were covered in the final phase of the engagement program and ascertaining whether any additional information was required (refer to [Appendix B: Phase 3:2-Minute Paper](#)). When asked “*Is there anything else you would like more information on?*” as part of the 2-Minute activity, 59 (45%) customers responded that they would like some further information. The future of gas in the energy transition was a key theme of further interest, with comments extending into two sub-categories:

Renewable gas: Through the consultation and extended education around renewable gas, customers are interested in receiving more information about the composition of gas as a future energy source, particularly hydrogen and biogas, and the benefits of this gas. There is a consensus that customers want a better understanding of what renewable gas would cost to utilise as well as the general implications on the broader gas supply chain. There were also some customers who wanted to understand more on the type of infrastructure required for renewable gas, with some customers expressing safety concerns around existing appliances and safety standards.

Future development opportunities: Customers expressed further interest in the proposed Hydrogen Park Adelaide project, timelines for development and how to keep updated with any other future projects.

Customers largely understand depreciation in the context of regulation and want to stay informed



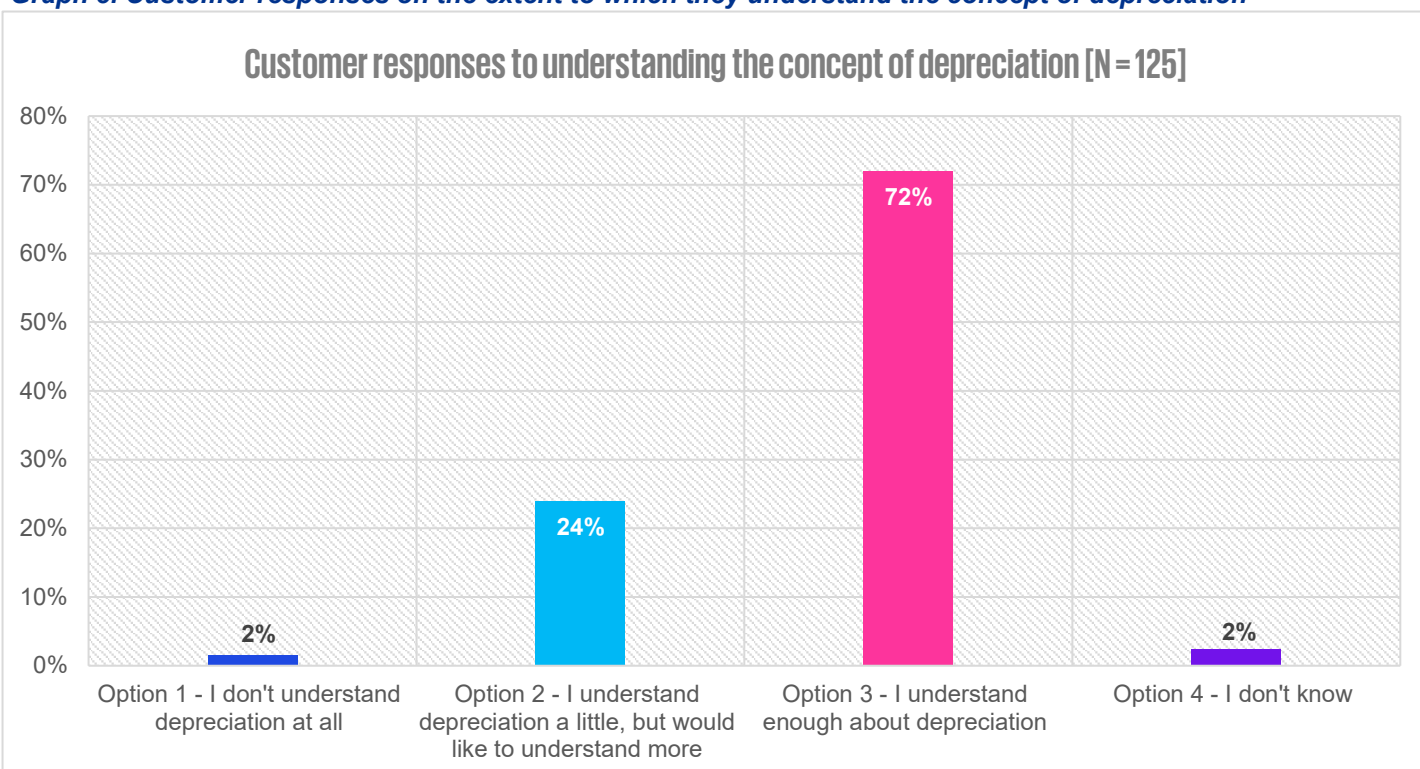
Customers understand depreciation based on the information that was shared and want to be kept informed on any significant changes to the final depreciation amount before the Final Plan.

There was a dedicated section for consulting on depreciation in Phase 3, building on the understanding customers had gained on the topic in the prior phase. In Phase 2, AGN focused on creating an understanding and familiarity on core topics such as how it should manage the depreciation of its assets so customers could genuinely engage on options. This included AGN sharing information on regulation and competition and how this impacts AGN and customers in the context of depreciation, before sharing its placeholder figure of \$80 per year on customer bills. AGN emphasised that this figure was not finalised, stating that it would continue to consult on the approach and test the amount in future phases of consultation.

In Phase 3, AGN shared the updated modelling and cost estimates for depreciation with customers to ensure complete transparency on the topic. Earlier in the process, some customers expressed they would like to discuss depreciation and cost determinations in more detail. In line with this feedback, AGN dedicated the first section of depreciation to delving deeper on the topic, recapping what regulatory depreciation is in the context of AGN's gas network business and explaining the difference risk balances between network owners and customers. To assess customers' understanding of the basic concepts of regulatory depreciation following the information provided by an AGN subject matter expert, customers were invited to provide their feedback on their level of understanding through the question *"Does the concept of depreciation make sense to you?"*.

In response to the question, 72% of customers stated they understood enough about depreciation, while 2 (2%) said they did not understand depreciation at all. One of the two customers who said they did not understand depreciation suggested the term should be changed and explained in simpler terms. After a customer in an earlier workshop voiced that it wasn't the type of depreciation they were familiar with, AGN updated its talking points to refer to the term as 'regulatory depreciation'. Of the customers, 30 (24%) said they understood depreciation a little, but would like to know more. A small number commented they would like further information on how depreciation directly impacted their household, while a few customers noted they needed more in-depth information and time to grasp the concept better.

Graph 3. Customer responses on the extent to which they understand the concept of depreciation



Customers largely understand depreciation in the context of regulation and want to stay informed (cont.)



The second part of AGN's depreciation engagement across the Phase 3 workshops was educating customers on its approach to depreciation modelling.

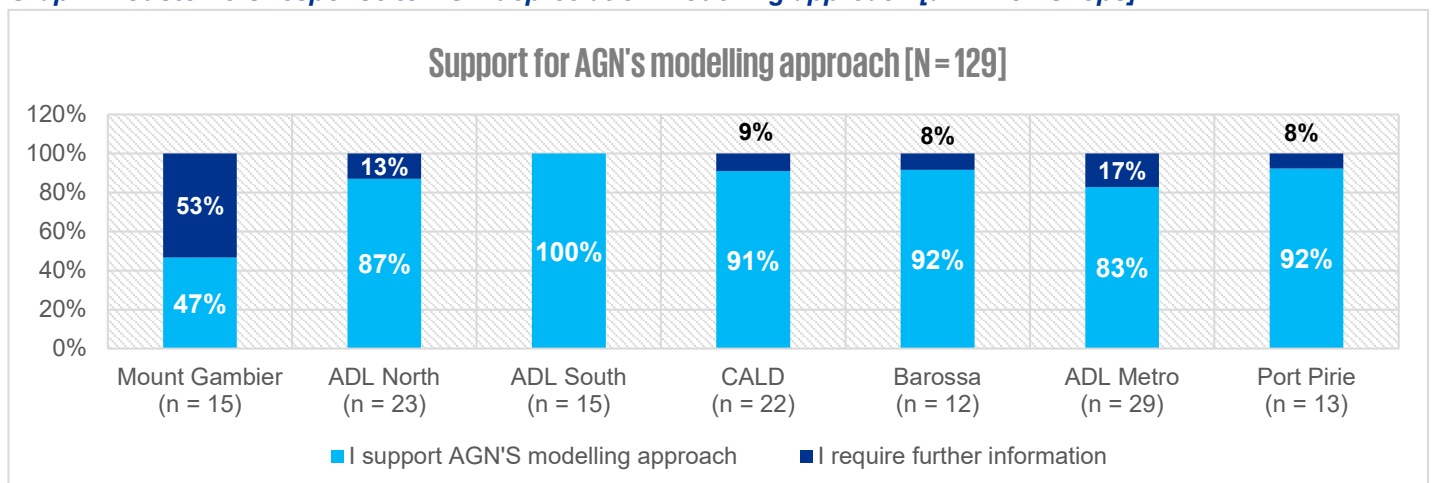
An AGN subject matter expert elaborated on the purpose of AGN undertaken modelling before presenting a slide showcasing different depreciation modelling scenarios to help customers understand how AGN as a regulated business recovers its network investments within an emerging competitive market. A detailed explanation was provided on the key steps it follows when undertaking depreciation modelling, highlighting that it aims for maximum transparency in the process. Following this, AGN communicated to participants that it did not yet have a depreciation figure, but noted there would be one in its Final Plan. The AGN subject matter expert paused to invite questions throughout, with customers engaging in open discussion through questions and general comments on the information provided. Following discussion time, customers were prompted to provide their responses to the following questions:

1. "Are you comfortable with the modelling approach we are taking to determine depreciation?"

2. "We are yet to finalise the amount of depreciation, but we will come back and consult with you if the depreciation amount per customer is \$40 per year or more. Do you support this approach?"

In total, 85% of customers said they supported AGN's modelling approach to determine depreciation, with the remaining customers stating that they required further information. The small number of customers requesting further information provided mixed comments, with one attendee noting they would like another session on the topic while another customer stated they would like further detail on costs and underlying assumptions. On the second question, customers broadly supported AGN's commitment to return based on the depreciation figure being above \$40. Forty-four (35%) of customers said they strongly supported AGN's approach to consult further if the depreciation figure was \$40 or more, closely followed by 43 (34%) of total participants stating they were somewhat supportive of this approach. Twenty-five (20%) were neutral, while 4 (3%) of customers were somewhat opposed and 1 (1%) strongly opposed. This customer did not provide a response on why they chose this option (refer to [Appendix D: Additional Phase 3 Graphs](#)). Customers were invited to provide their reasoning to their response, with some customers stating they appreciated AGN's commitment to transparency, noting that the modelling seemed robust. However, some customers stated they would like to know a depreciation figure and looked forward to learning the final figure. Through the 2-Minute Paper activity, depreciation was one of two key topics that a portion of customers required further information on, with customers expressing interest in gaining a deeper understanding on depreciation modelling and costs.

Graph 4. Customers response to AGN depreciation modelling approach [all 7 workshops]



What we heard from Phase 3 participants:



It's a hard one to have much input on as it's a complex topic. I trust the experts!



As long as the overall bill doesn't change (significantly) I don't feel the need to know if the depreciation component of my bill increases.

04

Customer Feedback on the Engagement Program

This section synthesises customers' feedback on the design and delivery of Phases 1, 2 & 3 in the engagement program.

Customers expressed satisfaction towards informative, engaging and knowledge-building sessions

Customers were encouraged to provide their feedback at the end of each phase of consultation via a feedback form to help AGN ascertain whether they had met customer expectations and performed against its Engagement Principles.

Customers provided feedback on a variety of workshop elements, including workshop delivery, the relevance of information provided, whether they felt listened to and heard, and how accessible and inclusive they felt it was. Across all three phases of the engagement program, AGN maintained an average score of at least 90% satisfaction for all feedback questions, equating to **an average satisfaction score of at least 4.5 out of 5**. Notably, on average, across all three phases, **93% of all customers^{2,3}** said they **felt genuinely listened to and heard**, reflecting the sincere nature of engagement as stated in the *Better Resets Handbook*.

Throughout each phase of engagement, many customers expressed enjoyment around engaging with AGN subject matter experts, with participants describing the sessions as very informative, professional and engaging. Furthermore, many attendees noted they left the engagement program feeling more informed on AGN's business and the broader gas industry in South Australia.

Graph 5. Overall comparison of Phase 1, 2 and 3 feedback (inclusive of all ratings)

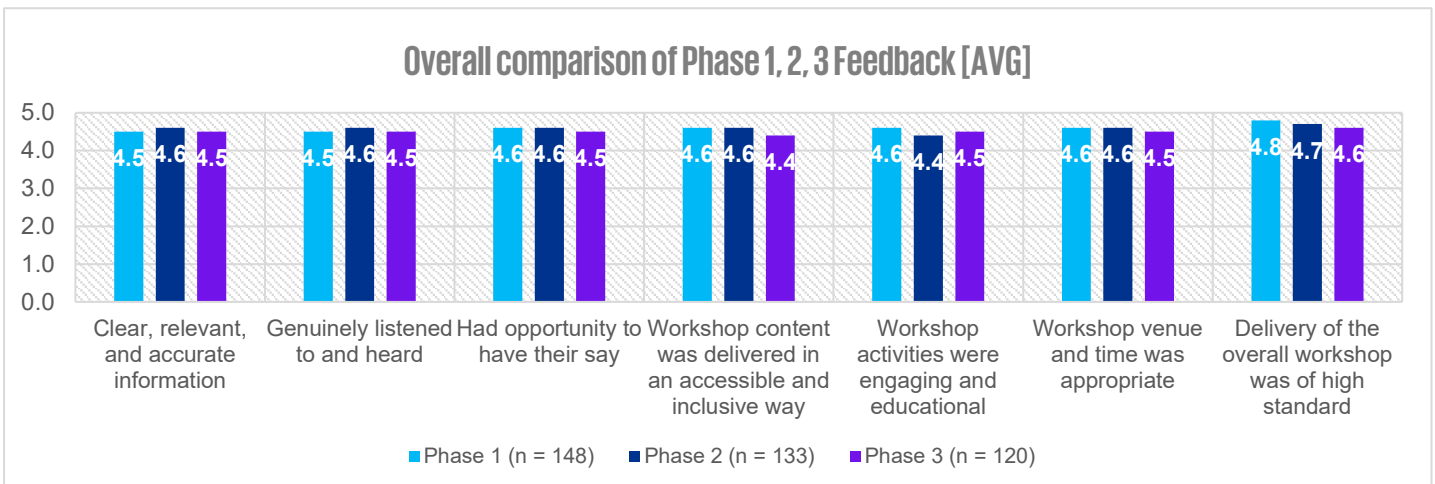


Table 4. Overall actual results across phases 1, 2 and 3 in comparison to AGN's engagement benchmarks²

	The workshop information provided by AGN was clear, relevant and accurate	I felt genuinely listened to and heard	There was an opportunity to have your say	The workshop content was delivered in an accessible way	The workshop activities were engaging and educational	The workshop venue and time was appropriate	The delivery of the overall workshop was of high standard
AGN Engagement Target (%)	+80%	+80%	+80%	+80%	+80%	+80%	+80%
Phase 1 Actual Result (%)	96%	93%	95%	93%	97%	97%	100%
Phase 2 Actual Result (%)	98%	95%	95%	97%	89%	95%	97%
Phase 3 Actual Result (%)	93%	92%	93%	92%	92%	93%	93%

²Table 4 actual results were derived from respondents who indicated "Satisfied" or "Very Satisfied"

³Note: Number of responses varied per phases 1, 2 & 3.



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Customers expressed satisfaction towards informative, engaging and knowledge-building sessions (cont.)

A focus was placed on the consistent delivery of workshops across online and in CALD communities in all three phases of the engagement program.

In accordance with phases 1 and 2, an online workshop was conducted in Phase 3 for Port Pirie / Whyalla customers. Slight adjustments were made to the online workshop to ensure the activities were just as engaging for the online participants as they were for customers who attended in-person workshops.

Across all three phases, an average score of **4.5 out of 5³** across all feedback criteria was achieved for the online workshops (including additional online workshops in phases 1 & 2).

What we heard from Phase 3 online customers:



[I enjoyed..] the discussions about how our views have been accounted for in the Draft Plan.



[I enjoyed..] using the QR codes, was quick and easy.

CALD Workshop Feedback

Customers from the Phase 3 CALD workshop expressed they enjoyed learning about AGN, engaging with AGN representatives and the opportunity to discuss what was important to them. An average score of **4.5 out of 5** was achieved in the Phase 3 CALD workshop, while an overall average score of **4.6 out of 5³** across all three phases of CALD workshops.

What we heard from phase 3 CALD customers:



[I enjoyed..] the detailed presentations and the depth of knowledge each presenter had. Each question was answered to the best they could, with patience and kindness.



[I enjoyed..] the opportunity to participate in the decision making.



What we heard from Phase 3 participants (all workshops)

What did you enjoy most about today?



Succinct and informative. Listened to the feedback from sessions 1 & 2.



The analogies and examples as they explained the concepts. Loved the food and I enjoyed the presenters!



Becoming more knowledgeable about gas and its future.



I enjoyed the process of all the different stages from beginning to end.

What could be improved for future sessions?



Recap information beforehand. Other than that, the session ran really well.



When AGN members are answering questions, make sure to project voice so everyone can hear clearly. Some slides could be simplified for ease of viewing, especially the segment towards the end.

Any other comments?



Very much enjoyed participating, and keeping abreast of developing technology and the thorough ways it was comprehensively explained in laymen terms.



Very good, I always learn at and enjoy these sessions.

³Note: Number of responses varied per phases 1, 2 & 3.

05

Conclusion

This section will cover the concluding analysis of the three-phased engagement program.

Conclusion

AGN's innovative, multi-stage engagement program reflects AGN's commitment to developing investment proposals that align with customers' needs and expectations.

Through ongoing and targeted engagement with customers across the three phases of consultation workshops, AGN has sought to engage customers in the regulatory decision-making process, concurrently building long-term and trusted relationships with customers.

AGN has stated its key objectives for developing a Final Plan are as follows:

- Delivers for current and future customers.
- Is underpinned by effective stakeholder engagement; and
- Is capable of being accepted by customers and stakeholders.

To sincerely develop plans that reflect customer preferences and are capable of acceptance, AGN collaboratively sought input from a broad cross-section of customers over a nine-month period from August 2024 through to April 2025. The findings and insights from the Customer Engagement Program will help inform AGN's development of the Final Plan for the 2021-2026 period, due to the AER on 1 July 2025.

AGN's *Customer and Stakeholder Engagement Plan* expresses a commitment to ongoing engagement, ensuring customers remain involved and informed in a meaningful way. Through the conclusion of the Phase 3 workshops, a portion of customers stated that they would like to continue to receive information on AGN's planning journey, particularly on the topics of depreciation and the future of gas in the energy transition. The genuine interest and connection that AGN has fostered among customers reflects its commitment to sincere and quality engagement and represents a positive opportunity to keep customers informed on its plans and developments as they evolve.

KPMG provides this report as a key mechanism through which AGN considers customer views, input and feedback as part of its development of its Final Plan.

Further detail about AGN's broader Customer & Stakeholder Engagement Strategy can be found at the following sites:

- [AGN's website](#)
- [Gas Matters](#)—AGN's online engagement platform

To explore AGN's Draft Plan via OrbViz, please access the link below:

- [Welcome | AGIG](#)

Image 10. Discussion taking place at the Phase 3 CALD workshop



06

Appendices

Refer to this section for the following:

A: Methodology Phase 1, 2 & 3

B: Phase 3 Workshop attendance, participants, agenda, activities,
worksheets & additional content

C: Mount Gambier Content

D: Additional Phase 3 Graphs

A. Methodology: Phase 1, 2 & 3 workshop schedule

Three phases of workshops were held with customers across the course of six months, from August 2024 to April 2025.

Table 5. Phase 1, 2 & 3 workshop schedule

Location	Customer segment	Phase 1		Phase 2		Phase 3	
		Date (2024)	No. Participants	Date (2024)	No. Participants	Date (2025)	No. Participants
Adelaide Metro	Residential & Business	20 Aug	30	28 Oct	30	10 Apr	29
Adelaide South	Residential & Business	21 Aug	23	11 Nov	19	07 Apr	16
Mount Gambier	Residential & Business	22 Aug	20	30 Oct	18	31 Mar	18
Port Pirie & Whyalla	Residential & Business	02 Sept	19	13 Nov	13	14 Apr	15
Barossa, Gawler & Surrounds	Residential & Business	03 Sept	16	14 Nov	12	09 Apr	12
Adelaide North	Residential & Business	10 Sept	23	29 Oct	26	02 Apr	25
Adelaide Metro	Culturally and linguistically diverse	12 Sept	25	04 Nov	20	08 Apr	20*
Regionally agnostic online workshop	Residential & Business	24 Sept	25	05 Dec	15	-	-
Total			181		153		135

* Note 20 customers attended the Phase 3 CALD workshop, however there are a small number of consultation questions where 22 responses were provided. The discrepancy is viewed as a potential misunderstanding from an observer who participated in some questions.

A. Methodology: Phase 1, 2 & 3 participants (1 of 2)

Recruitment

Participants were recruited through a third-party, had nominated to participate in market research activities, and were provided a financial incentive for attending.

General cohort participants were recruited through a specialist third-party provider, while CALD participants were recruited by Multicultural Communities Council of South Australia (MCCSA).

All participants were encouraged to continue their attendance throughout the three-phased engagement program and were offered an additional bonus incentive at the end of Phase 3 for doing so. While not all attendees were able to maintain involvement throughout the engagement, this is attributed to a range of factors including:

- Multiple competing priorities (including work, study, family commitments, holidays and other activities)
- The six-month timeframe over which the engagement program took place, making it likely that travel and other plans were made

Non-participant attendees

Non-participant attendees varied across workshops and the three consultation phases, but typically included two KPMG facilitators and:

- At least one AGN executive
- Several AGN subject matter experts to provide technical information and answer customer questions
- AGN observers with roles relevant to the consultation process (engagement team, etc)

Sometimes, representatives from APA Group, the AER's Consumer Challenge Panel (CCP) and members from AGN's Stakeholder Reference Group (SARG) were in attendance only at the workshops in an observatory capacity.

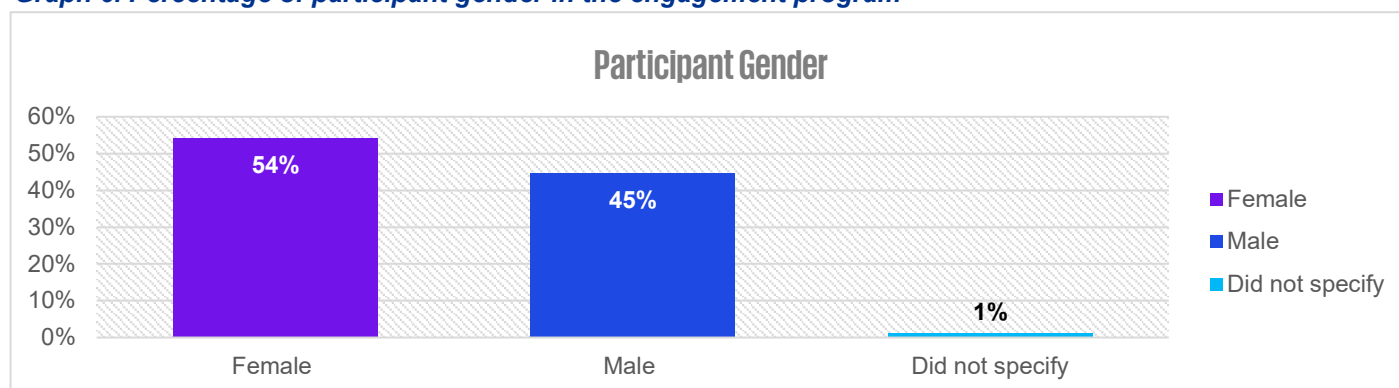
A. Methodology: Phase 1, 2 & 3 participants (2 of 2)

Recruitment

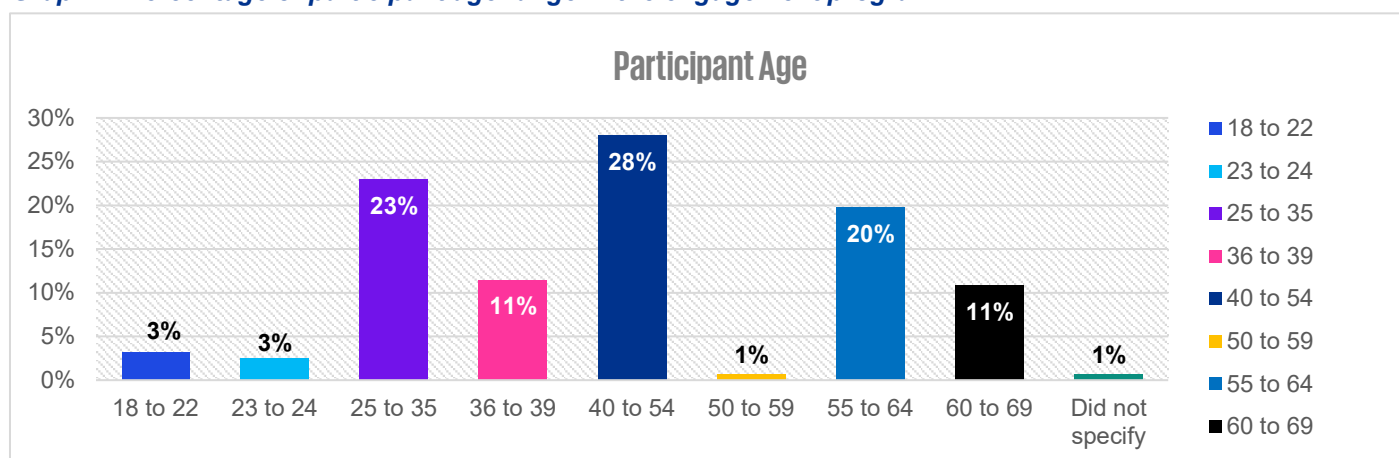
Ensuring representation across a broad range of customers was an important part of the three phased engagement program.

Throughout the customer engagement program, a diverse sample of participants were recruited, including people from different ages, gender, incomes and living arrangements.

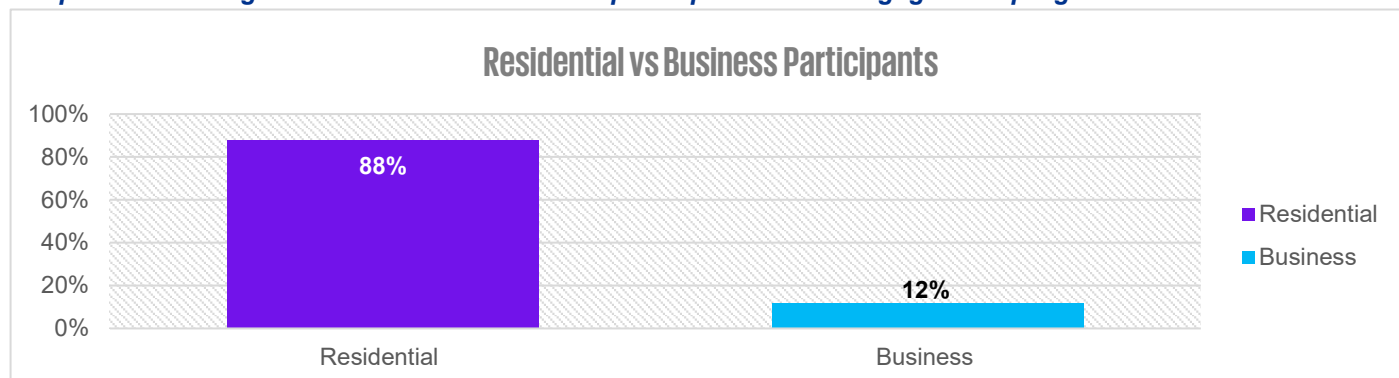
Graph 6. Percentage of participant gender in the engagement program



Graph 7. Percentage of participant age range in the engagement program



Graph 8. Percentage of residential vs business participants in the engagement program



⁴Note: The percentages in the graphs have been derived from Phase 1 participant recruitment. Participants were re-recruited from Phase 1 into the following phases of this engagement program.

B. Phase 3 Participant Recruitment & Attendance

Customer recruitment

Participants from Phases 1 & 2 were re-recruited by KPMG through a third-party panel and as per Phases 1 & 2 had volunteered to take part in market research, receiving a financial incentive for their participation.

Of the Phase 3 participants across the workshops conducted (excluding CALD), 99 were residential customers, and 16 were small business customers. There were those who may or may not also have had a gas connection at home.

Table 6. Phase 3 Customer & Stakeholder Workshop Logistics

#	Workshop	Date & Time	Location	Number of Attendees
1	Mount Gambier	Monday 31 March 2025, 6:00PM – 8:00PM	Wulanda Recreation Centre, Mount Gambier	18
2	Adelaide North (northern suburbs)	Wednesday 02 April 2025, 6:00PM – 8:00PM	Mawson Lakes Hotel	25
3	Adelaide South (southern suburbs)	Monday 07 April 2025, 6:00PM – 8:00PM	St Francis Winery, Reynella	16
4	Culturally and Linguistically Diverse (CALD)	Tuesday 08 April 2025, 6:00PM – 8:00PM	Multicultural Communities Council of SA Inc. Adelaide	20*
5	Barossa, Gawler & Surrounds	Wednesday 09 April 2025, 6:00PM – 8:00PM	Novotel Resort, Barossa Valley	12
6	Adelaide Metro (metro suburbs)	Thursday 10 April 2025, 6:00PM – 8:00PM	The Terrace Hotel, Adelaide	29
7	Port Pirie & Whyalla	Monday 14 April 2025, 6:00PM – 8:00PM	MS Teams (Online)	15

* Note 20 customers attended the Phase 3 CALD workshop, however there are a small number of consultation questions where 22 responses were provided. The discrepancy is viewed as a potential misunderstanding from an observer who participated in some questions.

B. Phase 3 AGN representative participation

Presenter and Facilitator Attendance

Non-participant attendees varied across workshops but typically included one KPMG facilitator, one KPMG facilitation support, at least one AGN presenter and several AGN representatives to monitor, answer customer questions and engage in workshop activities where needed.

Table 7. AGN Representatives Phase 3 Customer & Stakeholder Workshops Attendance

Role at AGN	Workshop						
	1	2	3	4	5	6	7
Chief Executive Officer			✓		✓		
Executive General Manager, Corporate & Regulation		✓		✓		✓	✓
Head of Regulation	✓	✓			✓		✓
Head of Customer and Community	✓						
Head of Network, Strategy and Planning	✓		✓	✓			✓
Head of Economics		✓	✓	✓	✓	✓	✓
Senior Asset Management Engineer		✓			✓	✓	
Manager, Regulation Strategy			✓	✓		✓	
Manager, Customer and Community		✓	✓	✓			
Manager, Stakeholder Engagement	✓	✓	✓		✓	✓	✓

B. Phase 3 Workshop Agenda

Phase 3 Customer & Stakeholder Engagement Workshops Agenda

The workshops were designed to incorporate a balance of explanation, engagement and alignment with customers to cultivate meaningful discussions and feedback. In this phase in particular, the agenda was aimed to consult with customers on AGN's proposed approaches in its Draft Plan.

The below agenda was used for all 6 workshops, with some variation to the workshop held in Mount Gambier. Adjustments to timing were also made to accommodate online workshops and areas of interest and discussion with customers.

Table 8. Phase 3 Customer & Stakeholder Workshops Agenda (6 Workshops)

#	Agenda Item	Duration
1	Welcome & Introductions	10 minutes
2	Our Draft Plan – Getting the basics right	20 minutes
3	Maintaining affordability – Pricing (Price Structure & Abolishment Charge)	35 minutes
4	Let's Talk Future: Depreciation & Renewable Gas in the Energy Transition	40 minutes
5	2-Minute Paper & Feedback: Bringing it all together	10 minutes
6	Thank you & Close	5 minutes
Total		120 minutes

B. Phase 3 Abolishment Content

Content on potential charges for permanent disconnection of gas was presented to customers in phase 3.

The aim of this section in the workshop was to understand whether customers should pay the costs for permanent disconnection when they leave the network and how much.

An AGN representative presented on content centred around:

- Understanding the differences between an abolishment and a disconnection
- The percentage of customers who request an abolishment each year (less than 1%)
- AGN's current approach to a service abolishment (\$85 charge to remove the meter)
- The current practice AGN apply, reflecting the need to maintain safety and that most customers choose to reconnect to the gas network
- The average cost of abolishing a service is \$1,250

In addition, three scenarios were posed to customers to consider:

1. **Free abolishment:** No barrier of exit from the network which promotes the highest safety outcome. Remaining users fund customers leaving the network through higher network tariffs.
2. **Hybrid:** Is there a scenario where safety and cost recovery are balanced?
3. **Full cost of an abolishment:** Potential barrier of exit from the gas network which may result in a customer avoiding cost, resulting in a poor safety outcome.

Below showcases the slides presented to customers in the phase 3 workshops (excluding Mount Gambier):

Abolishment charges

- Abolishment of your gas connection is different from a disconnection
- Abolishment is permanent, whereas a disconnection is only temporary
- Less than 1% of our customers request a service abolishment each year

Historically, we haven't charged customers for the cost of a service abolishment, only the \$85 charge to remove the meter. We want to know from customers:

- Should we be recovering more of the cost associated with a service abolishment (including dig up, de-energising, capping at both ends, removal of all above ground assets [meter, regulator and upstand] and reinstatement of pavement and nature strips)?

Important to remember:

- If a customer chooses to permanently leave the network, we are required to abolish the service for safety reasons. A disconnection is not appropriate in this scenario.
- The average cost of abolishing a service is \$1,250
- Scenarios:
 - **Free Abolishment:** No barrier of exit from the network which promotes the highest safety outcome. Remaining users fund customers leaving the network through higher network tariffs.
 - **Hybrid:** Is there a scenario where safety and cost recovery is balanced?
 - **Full cost of abolishment:** Potential barrier of exit from the gas network which may result in a customer avoiding cost, resulting in a poor safety outcome.

Scenario Comparison:

Scenario	Cost
Free	\$0
Hybrid	Between \$0 and \$1,250
Full cost of abolishment	\$1,250

B: Phase 3: 2-Minute Paper (1 of 2)

The role of the 2-Minute Paper across all three phases was to help AGN identify areas of further interest from customers and ensuring all topics important to customers were adequately covered.

Throughout the three phases of the engagement program, questions within the 2-Minute Paper were slightly adjusted to ensure they were aligned to the phase and content delivered. Phase 1 focused on identifying areas that were of interest to customers to explore further in the upcoming sessions, Phase 2 was about 'bringing it all together' through ensuring all the issues and topics important to customers were covered and whether there was anything further they'd like to explore.

In Phase 3, the primary focus of the 2-Minute Paper was on ensuring all topics and issues important to customers were covered in the final phase of the engagement program and ascertaining whether any additional information was required.

Towards the end of the Phase 3 consultation workshop, customers were invited to provide their responses to the following questions:

1. *"Have we covered all the issues and topics that are important to you?"*
2. *"Is there anything else you would like more information on?" (explored in the following page)*

Although the phrasing of the questions invited an open-ended response, 79% (104) of customers answered a definitive 'yes' to AGN covering all issues and topics important to them. Out of the 131 customer responses, only 1 (1%) did not provide an answer to the first question. 11% (15) of customers responded with an alternative answer that reflected AGN had covered the issues and topics deemed important (i.e. *'absolutely and more', 'more than I anticipated', 'very interesting and detailed', 'pretty much', etc.*)

What we heard from Phase 3 customers:



[Yes.] I understand much more than I did prior to this. It has inspired me to find out more from the report. – Phase 3 participant



Due to time constraints, we couldn't discuss the investment in renewable energy. Everything else was discussed. – Phase 3 participant (Mt Gambier)



[Yes.] I am quite happy how the sessions were held. I am looking forward to the changes to green gas. – Phase 3 participant

There were six customers (5%) that answered a definitive 'no' to having all issues and topics addressed. Most of these customers (5) who responded with 'no' were from Mount Gambier, as it is important to note that due to time restraints AGN was unable to consult on 'The Future of Gas in the Energy Transition', resulting in customers requesting further information on this topic. The remaining 5% (6) customer responses were alternative responses such as comments or questions not directly related to the question asked.

B: Phase 3: 2-Minute Paper (2 of 2)

It was also important to capture and understand any additional information customers required.

Customers were given this opportunity in the second question asked in the 2-Minute Paper activity:

- *“Is there anything else you would like more information on?”*

From the 131 responses, 39% (51) answered a definitive ‘no’ on further information required, 9% (12) provided an alternative response (i.e. comment or thanks), and 8% (10) did not provide a response. The remaining 45% (59) of customers responded that they would like some further information, which included customers who stated AGN had covered all the issues and topics important to them. From these 59 responses of the 59, there were 2 key themes derived:

1. **The future of gas in the energy transition:** A reoccurring trend from customers is the growing interest in continuing to develop their understanding of the future of gas in the energy transition.
2. **Depreciation:** Through the introduction and education on depreciation to customers in Phase 2, customers have expressed an interest in understanding more details on depreciation modelling and costs post the continued information provided by AGN in Phase 3.

Through the 2-Minute Paper, customers have expressed their continued interest in understanding AGN’s plans for the South Australian gas network, especially in the context of the renewable energy transition. This has been consistent across the three phases, with growing the gas network and depreciation cropping up as other topics customers would like continued information on.

At the conclusion of the Phase 3 consultation, customers were provided a link to access AGN’s Draft Plan and for ‘Gas Matters’ to keep up-to-date with AGN’s journey.

B: Workshop Activity: Price Structure 'Dotmocracy'

This activity was aimed at understanding which price structure option customers prefer based on AGN's presentation of its declining block structure, their proposed approach to flatten prices and what this could mean for customer bills.

To deliver on this activity, customers were invited to participate in a 'dotmocracy' voting activity. Below outlines the instructions for this activity:

- Each customer was given one dot to vote against their preferred option
- **Option 1 – I am happy with the current approach (declining block tariffs)**
- **Option 2 – I am comfortable with the potential option as proposed (declining block tariffs with minor changes to the \$ per GJ)**
- **Option 3 – I would like you to look at flatter prices**
- Customers were also given the opportunity to provide any additional comments or questions they had regarding to price structure
- There was also time given to customers to engage in small group discussions at their tables with AGN representatives to better understand the content presented to them on price structure. Ensuring customers felt confident in their understanding of price structure and their vote.
- Hand outs of the price structure table 'how each option impacts customer bills' was also made available on tables for customers to refer to.

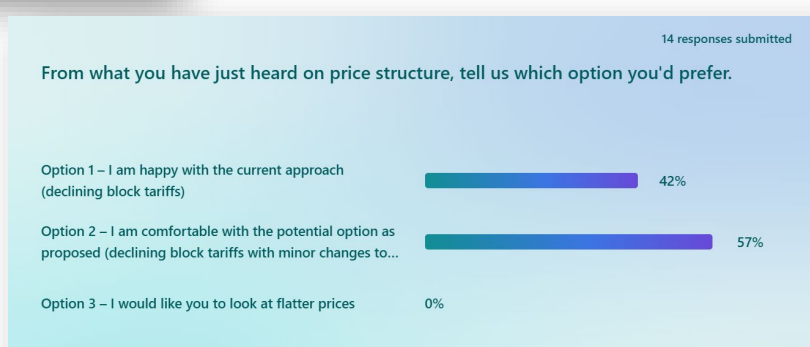
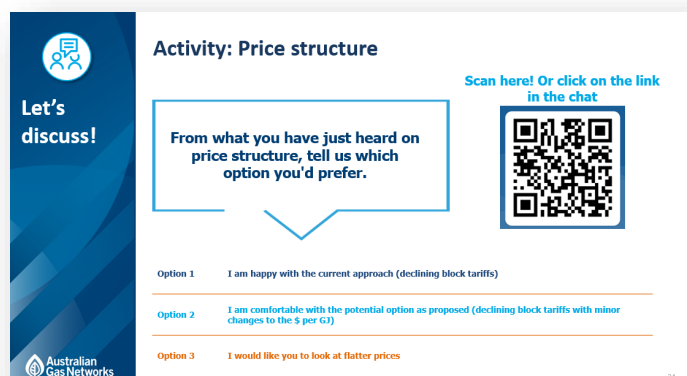


B: Workshop Activity: Price Structure online workshop

To ensure the price structure activity was consistent in the interactivity and engagement as the in-person workshops, the use of live polling was displayed on screen for customers and AGN staff to engage with.

To deliver on this activity:


- Customers were invited to scan the QR code or click the link via the chat function to participate in the live polling.
- Responses presented to customers was the same as the in-person workshops:
 - **Option 1 – I am happy with the current approach (declining block tariffs)**
 - **Option 2 – I am comfortable with the potential option as proposed (declining block tariffs with minor changes to the \$ per GJ)**
 - **Option 3 – I would like you to look at flatter prices**
- Customers were also given the opportunity to provide any additional comments or questions they had regarding to price structure
- To maintain consistent engagement, time was allocated to open discussions between customers and AGN representatives.
- A screenshot of the price structure table 'how each option impacts customer bills' was also made available to customers via the chat function.




B: Workshop Activity: Renewable Gas 'Word Cloud'

This activity was aimed at understanding how much information customers remembered across the past two workshops on renewable gas. Below outlines how this activity was delivered:

- Customers were invited to scan the QR code presented on screen or printed out on their table answering the following question: 'What do you remember about renewable gas from the prior workshops?'
- As customers were entering their answers, the live results were presented on screen via a 'word cloud' to showcase the key themes each customer remembered on renewable gas.
- By presenting the live results on screen, customers could engage in small group conversations and AGN staff / KPMG facilitator could further engage with customers.



Let's discuss!




Activity: Renewable Gas

What do you remember about renewable gas from the prior workshops?

Instructions:

- Scan the QR code
- Answer the question above
- Have a discussion at your tables

Scan here!





What do you remember about renewable gas from the prior workshops?

Change adapter friendly ready pipes Requirements
supply Hydrogen ready hydrogen and methane
gas network **Hydrogen** gas burns hotter
mix renewable gas bio gas long term
percentage of gas Hydrogen is mixed Green
proportion term is more affordable

B: Worksheet 1 – Our Draft Plan

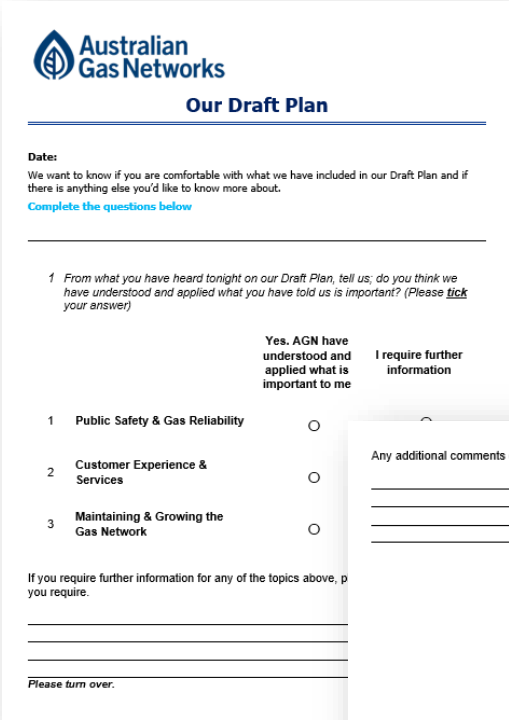
Customers were invited to provide their feedback and insights on what they had just heard in the session on AGN's Draft Plan proposal for three key areas:

1. **Public safety and reliability of the gas network**
2. **Customer experience and services**
3. **Maintaining and growing the gas network**

Customers were asked to answer the following question:

- *From what you have heard tonight on our Draft Plan, tell us; do you think we have understood and applied what you have told us is important?*

Customers could provide their responses via an online QR code or a physical worksheet.



Australian Gas Networks

Our Draft Plan

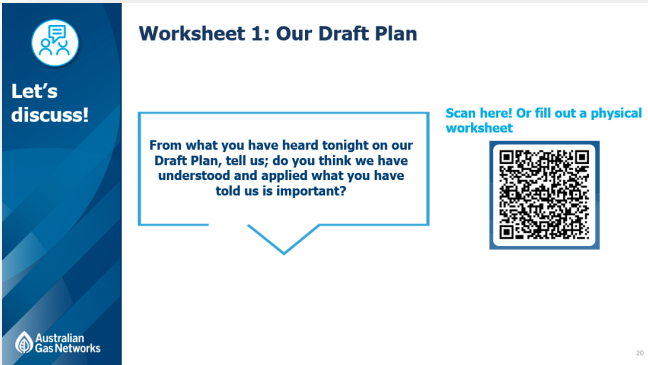
Date:
We want to know if you are comfortable with what we have included in our Draft Plan and if there is anything else you'd like to know more about.
[Complete the questions below](#)

1 From what you have heard tonight on our Draft Plan, tell us; do you think we have understood and applied what you have told us is important? (Please tick your answer)

	Yes. AGN have understood and applied what is important to me	I require further information
1 Public Safety & Gas Reliability	<input type="radio"/>	<input type="radio"/>
2 Customer Experience & Services	<input type="radio"/>	<input type="radio"/>
3 Maintaining & Growing the Gas Network	<input type="radio"/>	<input type="radio"/>

If you require further information for any of the topics above, please provide details below.

Please turn over.




Worksheet 1: Our Draft Plan

Let's discuss!

From what you have heard tonight on our Draft Plan, tell us; do you think we have understood and applied what you have told us is important?

Scan here! Or fill out a physical worksheet



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Any additional comments (Optional)

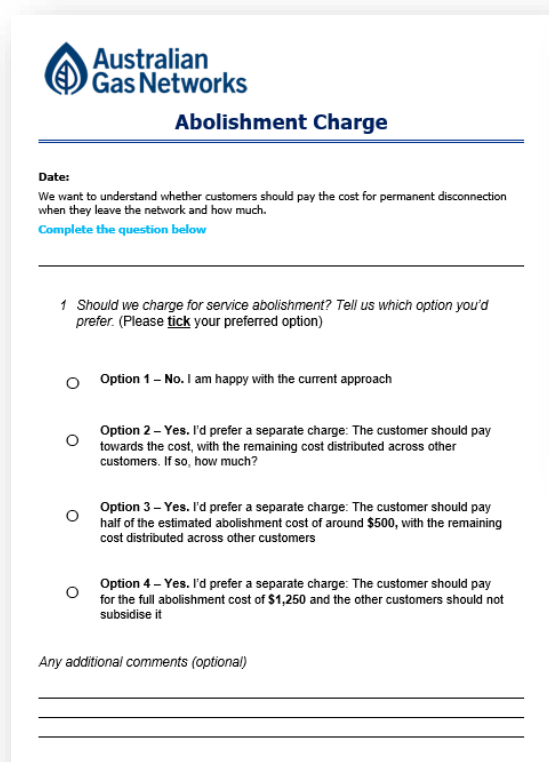
B: Worksheet 2 – Abolishment Charge

Customers were invited to provide their feedback and preferences on which option they'd prefer in terms of a potential abolishment charge.

The options below were presented to customers for the following questions *'Should we charge for service abolishment? Tell us which option you'd prefer'*:

- **Option 1 – No. I am happy with the current approach**
- **Option 2 – Yes. I'd prefer a separate charge: The customer should pay towards the cost, with the remaining cost distributed across other customers. If so, how much?**
- **Option 3 – Yes. I'd prefer a separate charge: The customer should pay half of the estimated abolishment cost of around \$500, with the remaining cost distributed across other customer**
- **Option 4 – Yes. I'd prefer a separate charge: The customer should pay for the full abolishment cost of \$1,250 and the other customers should not subsidise it**

Customers were also given the opportunity to provide any additional comments or feedback. Customers could provide their responses via an online QR code or a physical worksheet.



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Abolishment Charge

Date:
We want to understand whether customers should pay the cost for permanent disconnection when they leave the network and how much.
[Complete the question below](#)

1 Should we charge for service abolishment? Tell us which option you'd prefer. (Please tick your preferred option)

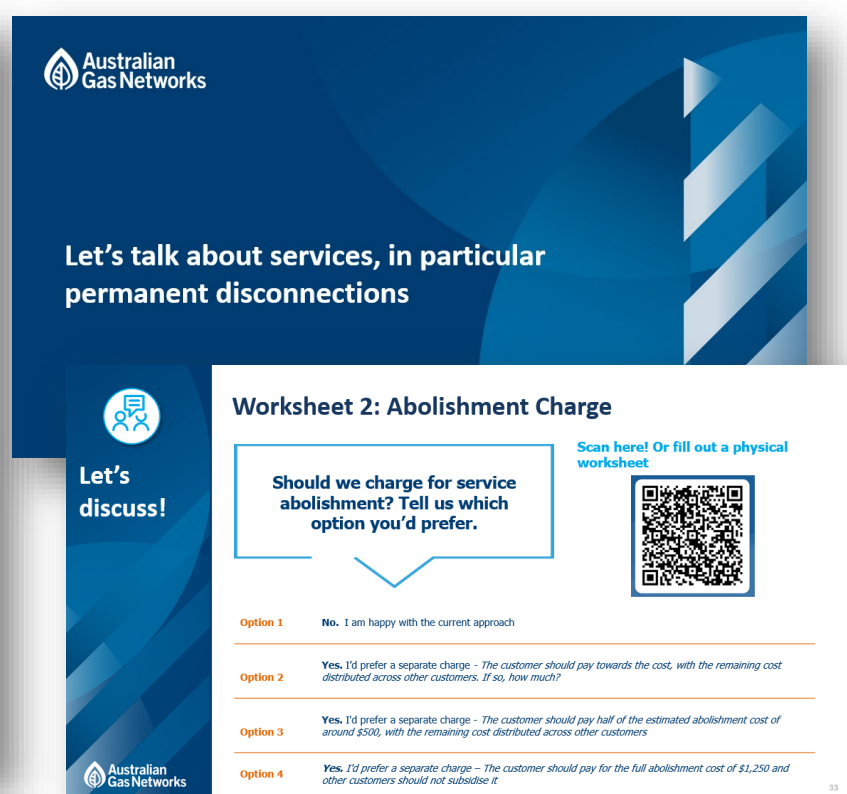
☐ Option 1 – No. I am happy with the current approach

☐ Option 2 – Yes. I'd prefer a separate charge: The customer should pay towards the cost, with the remaining cost distributed across other customers. If so, how much?

☐ Option 3 – Yes. I'd prefer a separate charge: The customer should pay half of the estimated abolishment cost of around \$500, with the remaining cost distributed across other customers

☐ Option 4 – Yes. I'd prefer a separate charge: The customer should pay for the full abolishment cost of \$1,250 and the other customers should not subsidise it

Any additional comments (optional)



Australian Gas Networks


Let's talk about services, in particular permanent disconnections

Let's discuss!

Worksheet 2: Abolishment Charge

Should we charge for service abolishment? Tell us which option you'd prefer.

[Scan here! Or fill out a physical worksheet](#)



Option 1 No. I am happy with the current approach

Option 2 Yes. I'd prefer a separate charge - The customer should pay towards the cost, with the remaining cost distributed across other customers. If so, how much?

Option 3 Yes. I'd prefer a separate charge - The customer should pay half of the estimated abolishment cost of around \$500, with the remaining cost distributed across other customers

Option 4 Yes. I'd prefer a separate charge - The customer should pay for the full abolishment cost of \$1,250 and other customers should not subsidise it

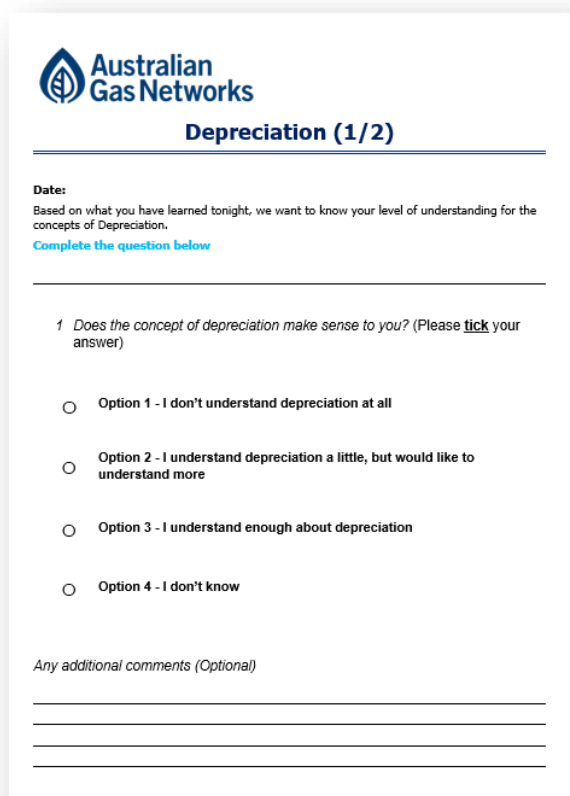
33

B: Worksheet 3 – Depreciation 1 of 2

To ensure customers understood the basic concepts of depreciation, they were invited to provide their feedback on their level of understanding through the question *‘Does the concept of depreciation make sense to you?’* the options were as follows:

- **Option 1 – I don’t understand depreciation at all**
- **Option 2 – I understand depreciation a little, but would like to understand more**
- **Option 3 – I understand enough about depreciation**
- **Option 4 – I don’t know**

Customers were also given the opportunity to provide any additional comments or questions. They were provided an online QR code or a physical worksheet to provide their response.



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Depreciation (1/2)

Date:
Based on what you have learned tonight, we want to know your level of understanding for the concepts of Depreciation.
[Complete the question below](#)

1 Does the concept of depreciation make sense to you? (Please **tick** your answer)

☐ Option 1 - I don't understand depreciation at all

☐ Option 2 - I understand depreciation a little, but would like to understand more

☐ Option 3 - I understand enough about depreciation

☐ Option 4 - I don't know

Any additional comments (Optional)



Australian Gas Networks

Let's talk future: Depreciation

Worksheet 3: Depreciation

Scan here! Or fill out a physical worksheet

Does the concept of depreciation make sense to you?

Option 1 I don't understand depreciation at all

Option 2 I understand depreciation a little, but would like to understand more

Option 3 I understand enough about depreciation

Option 4 I don't know

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B: Worksheet 4 – Depreciation 2 of 2

Following the presentation on AGN's approach to depreciation modelling, customers were invited to provide their level of support for the following questions:

1. *Are you comfortable with the modelling approach we are taking to determine depreciation?*

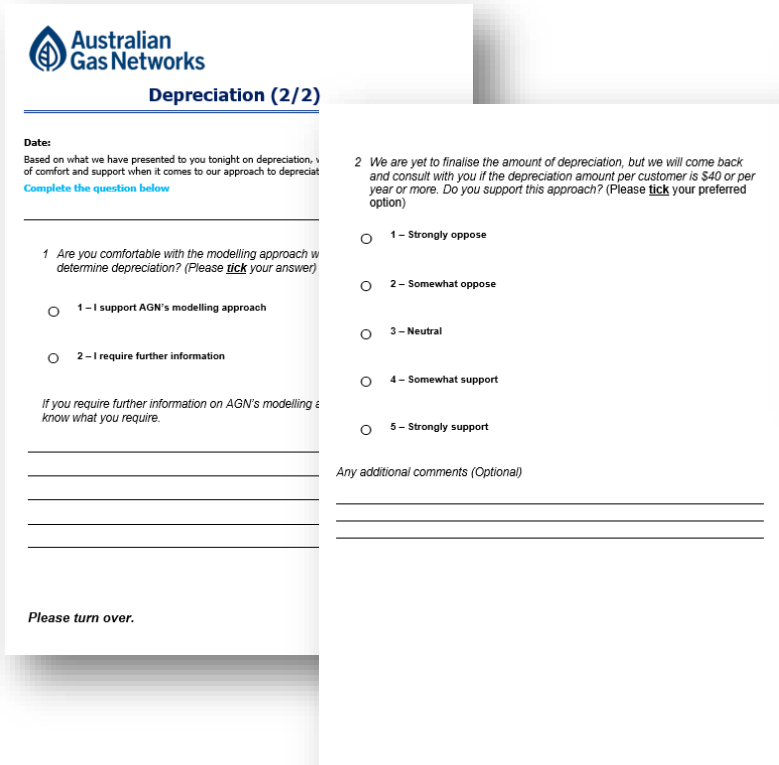
- **1 – I support AGN's modelling approach**
- **2 – I require further information**

If customers required further information, they were asked to provide an additional response to understand what information they required.

2. *We are yet to finalise the amount of depreciation, but we will come back and consult with you if the depreciation amount per customer is \$40 per year or more. Do you support this approach?*

- **1 – Strongly oppose**
- **2 – Somewhat oppose**
- **3 – Neutral**
- **4 – Somewhat support**
- **5 – Strongly support**

Customers could provide their responses via an online QR code or a physical worksheet.



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Depreciation (2/2)

Date:
Based on what we have presented to you tonight on depreciation, your level of comfort and support when it comes to our approach to depreciation is:

Complete the question below

1. Are you comfortable with the modelling approach we are taking to determine depreciation? (Please **tick** your answer)

☐ 1 – I support AGN's modelling approach

☐ 2 – I require further information

If you require further information on AGN's modelling approach, please let us know what you require.

Please turn over.

2. We are yet to finalise the amount of depreciation, but we will come back and consult with you if the depreciation amount per customer is \$40 or per year or more. Do you support this approach? (Please **tick** your preferred option)

☐ 1 – Strongly oppose

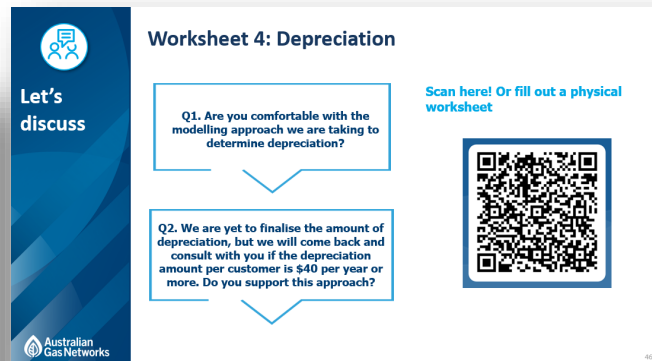
☐ 2 – Somewhat oppose

☐ 3 – Neutral

☐ 4 – Somewhat support

☐ 5 – Strongly support

Any additional comments (Optional)




Worksheet 4: Depreciation

Let's discuss

Q1. Are you comfortable with the modelling approach we are taking to determine depreciation?

Q2. We are yet to finalise the amount of depreciation, but we will come back and consult with you if the depreciation amount per customer is \$40 per year or more. Do you support this approach?

Scan here! Or fill out a physical worksheet



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B: Worksheet 5 – 2-Minute Paper

The 2-Minute paper invited customers to provide their feedback and insights into whether all the topics and issues important to them were covered in the session and if they required any additional information.

Customers were invited to provide their responses to the following questions:

1. *Have we covered all the issue and topics that are important to you?*
2. *Is there anything else you would like more information on?*

Customers could provide their responses via an online QR code or a physical worksheet.

The image shows two versions of the '2-minute paper' worksheet. The top version is a physical printout from Australian Gas Networks, titled '2-minute Paper: Bringing it all together'. It includes a 'Date:' field, an introductory paragraph, and two questions with lined spaces for answers. The bottom version is a digital graphic with a blue and white geometric background, also titled '2-minute paper: Bringing it all together'. It features the same two questions in speech bubble boxes and a QR code with the text 'Scan here! Or fill out a physical worksheet'.

Australian Gas Networks
2-minute Paper: Bringing it all together

Date:
 We want to know if we have missed anything from the last session and if there is anything else you'd like more information on.
Complete the questions below (allow 1 minute per answer):

Question	Answer
1 Have we covered all the issues and topics that are important to you?	
2 Is there anything else you would like more information on?	

2-minute paper: Bringing it all together

Is there anything we have missed from the last session?

Have we covered all the issues and topics that are important to you?

Is there anything else you would like more information on?

Scan here! Or fill out a physical worksheet

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B: Worksheet 6 – Phase 3 feedback form

The final worksheet invited participants to provide feedback on their experience of the workshop, which would then be used to continuously improve the design of the delivery of future sessions.

The following feedback criteria was provided to customers:

1. The workshop information provided by AGN was clear, relevant, and accurate.
2. I felt genuinely listened to and heard.
3. There was an opportunity to have your say.
4. The workshop content was delivered in an accessible and inclusive way.
5. The workshop activities were engaging and educational.
6. I enjoyed learning more about AGN's Draft Plan through OrbViz
7. The workshop venue and time was appropriate.
8. The delivery of the overall workshop was of high standard.

Customers were invited to answer the additional questions:

1. What did you enjoy the most about today?
2. What could be improved for future sessions?

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Feedback Form

Date: _____

We value your feedback!

Please take a few moments to share your feedback with us. It helps us ensure our workshops run smoothly and that you have the best opportunity to have your say.

How satisfied were you with today's session? (Please tick the relevant box)

	Very dissatisfied	Dissatisfied	Neutral	Satisfied
The workshop information provided by AGN was clear, relevant, and accurate				
I felt genuinely listened to and heard				
There was an opportunity to have your say				
The workshop content was delivered in an accessible and inclusive way				
The workshop activities were engaging and educational				
I enjoyed learning more about AGN's Draft Plan through OrbViz				
The workshop venue and time was appropriate				
The delivery of the overall workshop was of high standard				

Please turn over.

What did you enjoy the most about today?

What could be improved for future sessions?

Any other comments:

Feedback: Bringing it all together

We value your feedback!

Please share your views before leaving via the QR code or a physical worksheet

Scan here! Or fill out a physical worksheet

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Thank you!

C: Mount Gambier Content: Table of key changes

The table below showcases the detail of key changes and adaptations made to the Phase 3 consultation content following the Mount Gambier workshop.

Table 9. Key changes and adaptations to content in Mount Gambier compared to remaining workshops.

Topic	Key changes / adaptations
Our Draft Plan	Mount Gambier participants were asked about their level of support for AGN's Draft Plan, whereas the remaining workshop participants were asked about whether the Draft Plan reflected their views and feedback.
Price Paths	Mount Gambier participants were provided additional information on the topic of 'Price Paths' and were provided an opportunity to give their feedback. Upon reflection of this topic, it was then removed from the remaining 6 workshops. (refer to the next page for results on this topic)
Price Structure	There was a slight adjustment to the information presented to Mount Gambier participants, however the overall essence and messaging of this topic was the same in the remaining 6 workshops. Mount Gambier participants provided their feedback via a physical or online form, whereas the remaining 5 workshops (excl. Port Pirie online) participated in a 'dotmocracy' activity to provide their preferences.
Abolishment Charge	<p>There was slight adjustments to the wording and visual of the abolishment slides presented to Mount Gambier participants. The messaging and essence of the topic was generally the same as the remaining 6 workshops.</p> <p>The worksheet options were slightly different as Mount Gambier participants were given dollar figures for an abolishment charge and the remaining 6 workshops were given the opportunity to provide their preferred dollar figure for an abolishment charge.</p>
Depreciation	There was a slight variation to the information presented to Mount Gambier participants on depreciation. After reflection of customer feedback, some additional information was added to the remaining 6 workshops to ensure content was easily digestible for participants.
Renewable Energy	This topic was not presented to Mount Gambier participants due to time constraints. Following reflections and feedback, an additional word cloud activity was added to this section for the remaining 6 workshops.

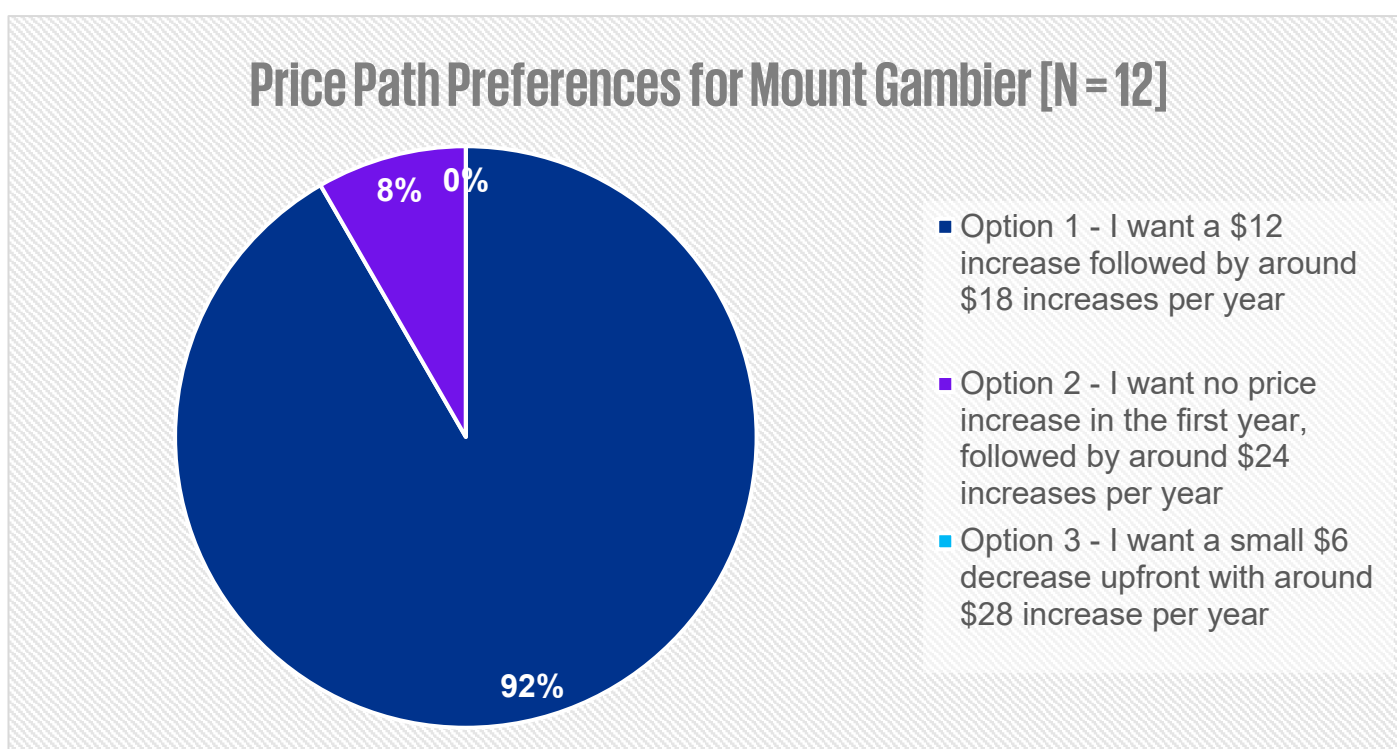
C: Mount Gambier Content: Price Paths customer response data

The topic of Price Paths was presented to Mount Gambier customers with the objective to understand customers comfort level with the price path AGN have chosen to best balance their needs, or if they think AGN should be considering a different option.

The graph below represents customer responses (n = 12) to the proposed question:

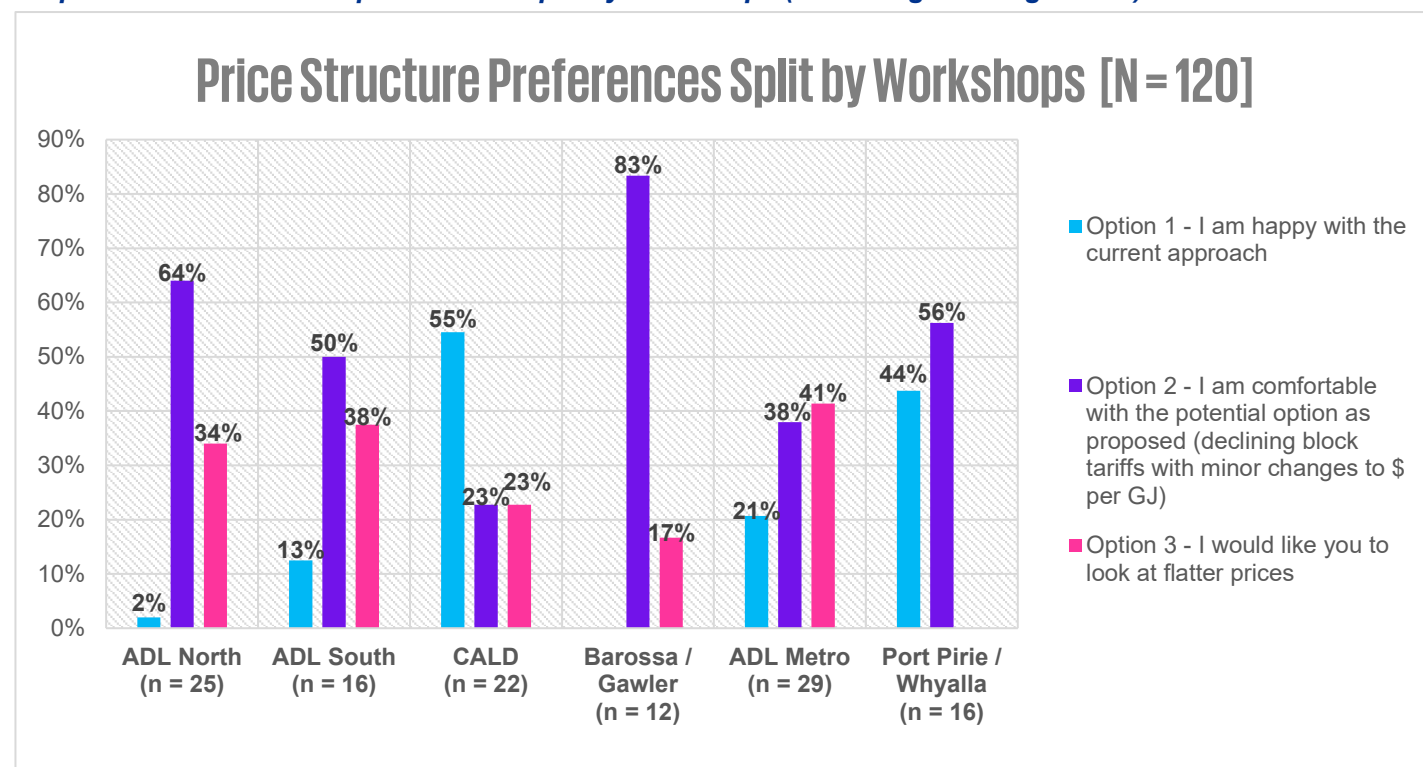
- *From what you have just heard on our price paths, tell us which option you'd prefer. Over five years all options recover the same cost*

Graph 9. Mount Gambier customer responses to price path preference

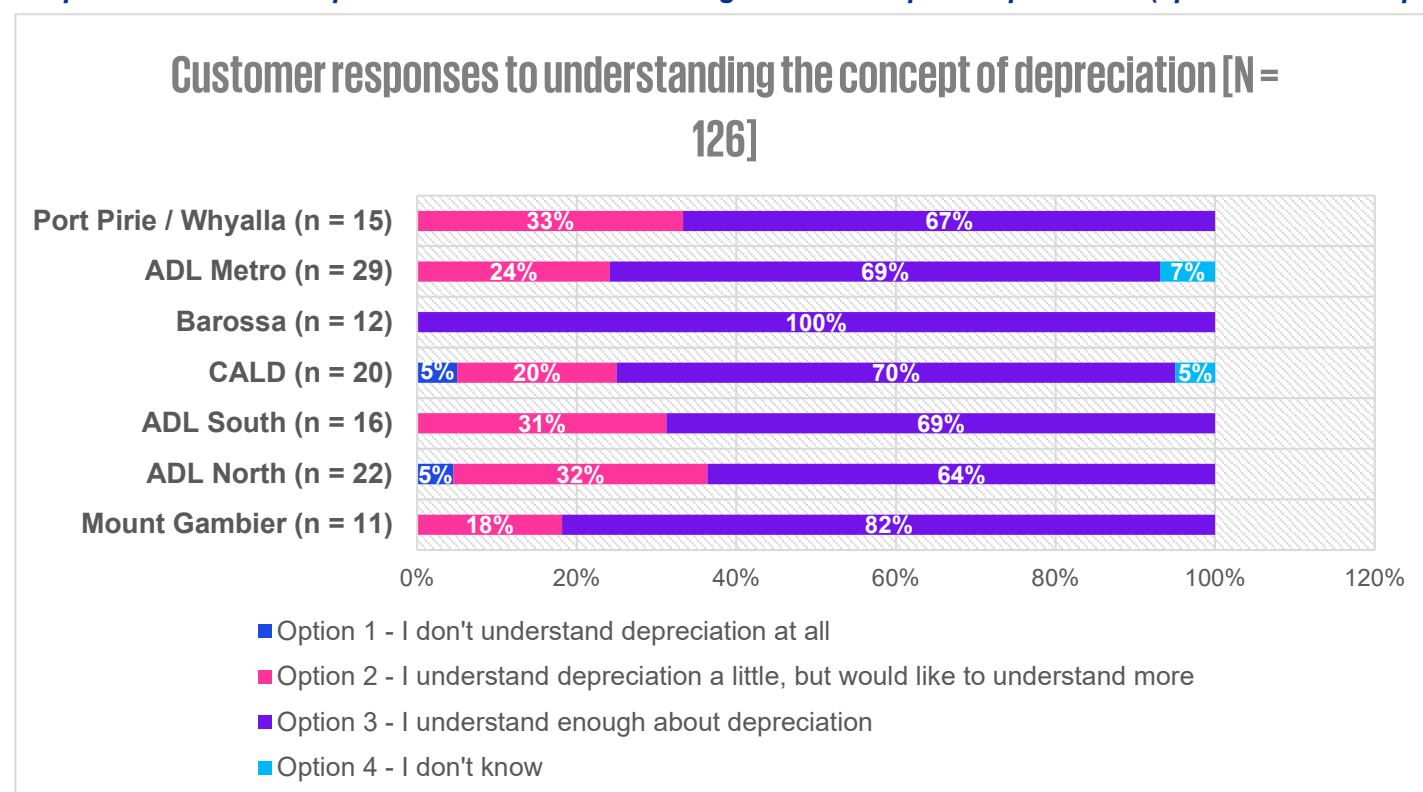


D: Additional Phase 3 Graphs

Graph 10. Price Structure preferences split by workshops (excluding mount gambier)

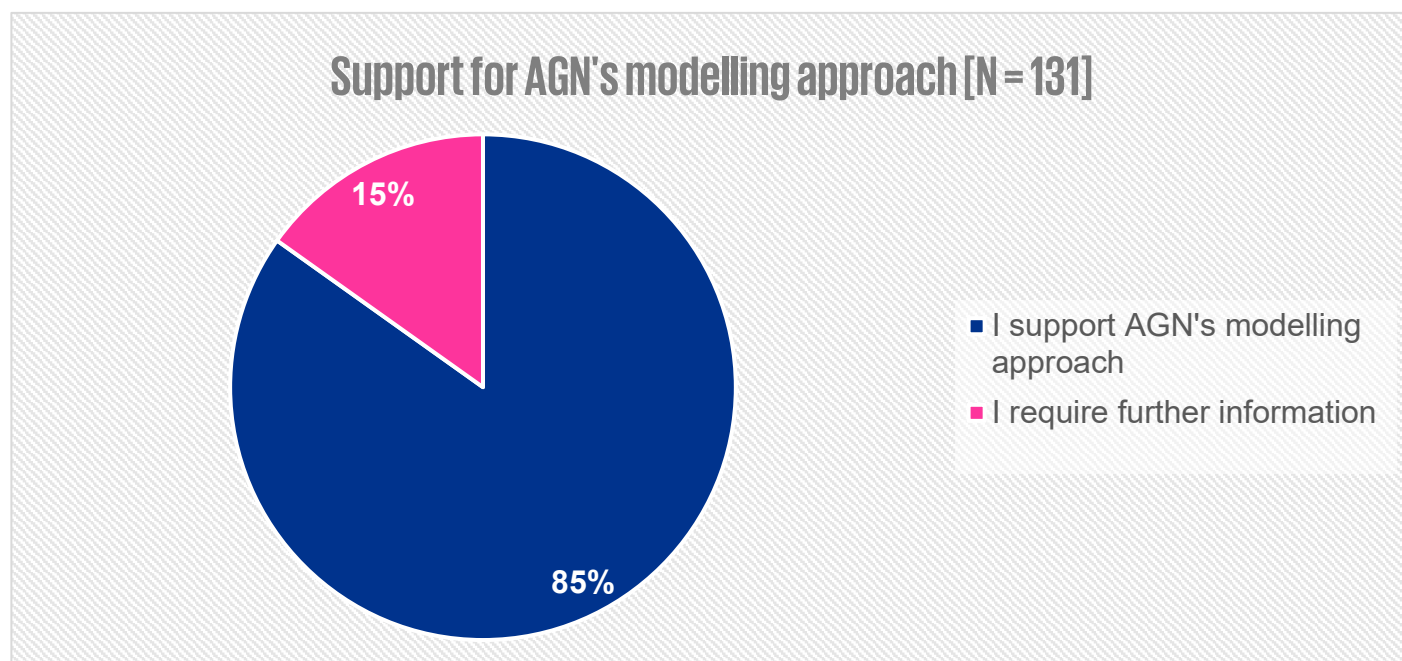


Graph 11. Customer responses to their understanding of the concept of depreciation (split all 7 workshops)

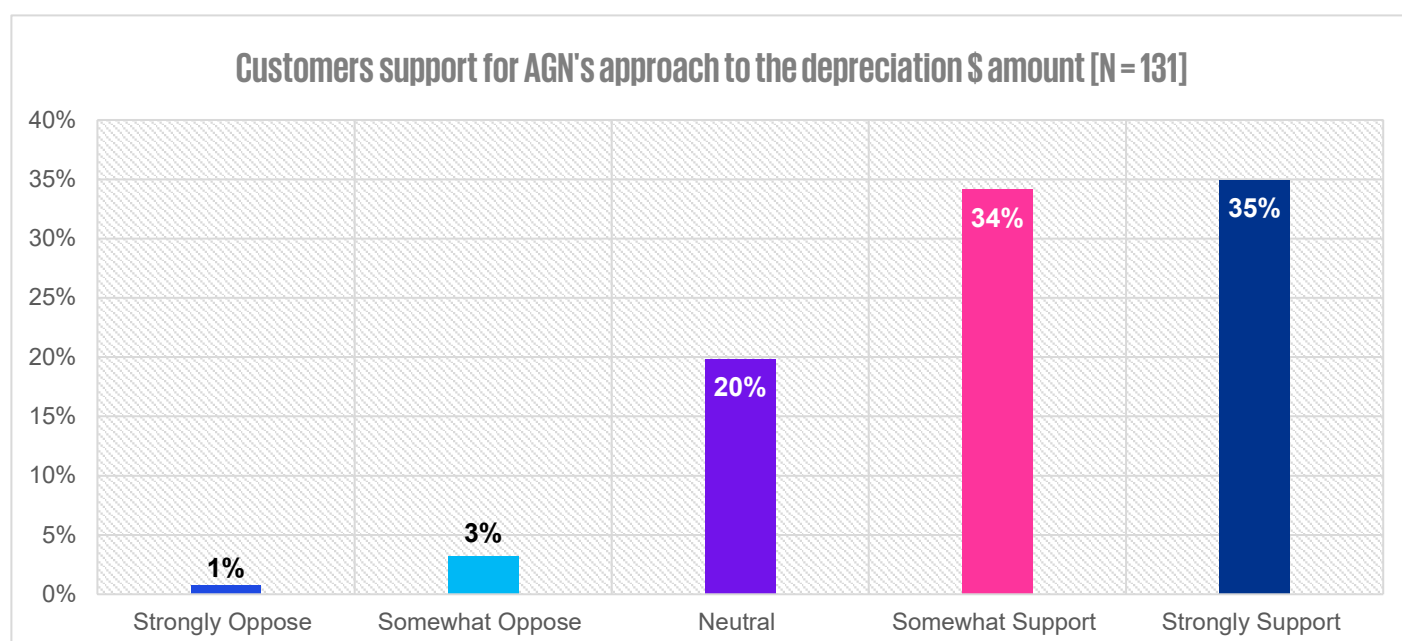


D: Additional Phase 3 Graphs

Graph 12. Customer responses on their support for AGN depreciation modelling approach (all 7 workshops)



Graph 13. Customer support for AGN approach to the depreciation \$ amount 'We are yet to finalise the amount of depreciation, but we will come back and consult with you if the depreciation amount per customer is \$40 per year or more. Do you support this approach?' [All 7 workshops]





Contacts:

Louise Pogmore

KPMG Partner – Community &
Stakeholder Advisory, Energy Sector

E: lpogmore@kpmg.com.au

Matt Pearce

KPMG Partner – Sector Lead,
Energy, Mining and Property

E: mpearce1@kpmg.com.au

KPMG.com.au



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