

## **Attachment 2.12**

**Woolcott response to CCP letter of 30 October 2014**

January 2015





### **Response to CCP letter of 30 October 2014**

Woolcott Research and Engagement has reviewed the work that was conducted by us in 2013 and believe that it is sound and valid.

We agree strongly with the response by ENA, in particular about the generic nature of the claims.

It would be beneficial to review the previous letter mentioned by the CCP (16 July 2014) to ascertain whether there is further detail that could be useful for clarification of the points made in the 30 October letter, as it is difficult to respond to the 'broad brush' criticisms put forward.

### **Cost and price implications are not adequately being conveyed**

We believe that a great deal of information was provided, over and above what is normally provided in a survey.

There is no doubt that this is a complex area and as such there was also a qualitative phase conducted before the survey that tested the information that was going to be provided in the survey and the questioning.

### **The methodologies of the majority of willingness to pay surveys are inappropriate**

It is impossible to say whether this criticism is aimed at this survey. However, we believe that the methodology was appropriate in this instance – a mix of qualitative and quantitative research, with much time and information provided in both.

We believe that choice experiments would not have been appropriate for this survey. The variables were not conducive to being formalised in a manner that would allow inclusion in trade off techniques. Additionally, to include all the variables in a trade off question would have made it too complicated and detailed for respondents and doing separate trade off questions for each section would have been too simplistic.

The way the willingness to pay questions were presented was standard practice in market research.

Questions were included about whether consumers would be willing to pay less as well as more for services.

### **Measurement indicators are seriously lacking**

Not for us to comment.

### **Inadequate attention is being paid to thorough stakeholder mapping and recruitment**

We used sampling techniques for the survey that are in line with best practice in market research and included a representative sample.

Online and telephone interviewing were both utilised to ensure inclusivity and businesses as well as consumers were included.

### **NSPs are to be encouraged to work towards creating an environment for in depth discussions with consumers**

We did include discussion groups as well as surveys to enable consumers to engage at a more in depth level. We believe that the research conducted was appropriate for the objectives of the study.

We agree that further in-depth discussions with consumers in the form of deliberative engagement would be beneficial in the future.

Woolcott Research and Engagement specialises in deliberative and participatory engagement techniques so we are well versed in the different techniques that can be used for consumer and stakeholder engagement, and indeed use them on a day to day basis. Deliberative techniques are ideal for enabling meaningful dialogue between participants, exploring complex issues and for getting beyond initial reactions and knee-jerk responses. We have spoken to Ausgrid and Endeavour Energy about these techniques and do believe that they could be used as part of consumer engagement activity in the future.

The techniques involve a range of formats depending on the objectives, including day-long large-scale forums of 100 or more participants, or they can be based on smaller scale workshops or juries which might deliberate in a more focussed sense on more complex issues, sometimes over several days until a solution is reached.

### **It is inappropriate for NSPs to claim increased revenues or continued high revenue allowances based on the current consumer engagement outcomes**

As above.