



Small business customers

Who are small and medium sized enterprises?

A small and medium-sized enterprise (SME) is one classified as employing from 1–200 people. Through our engagement we have spoken to both individual businesses and organisations representing small and medium businesses.

Through the early stages of engagement, we heard:

- The cost of energy is a top priority for SME's. This was compounded by the pandemic.
- Owners are highly sensitive to loss of income, revenue, bookings or reputation as a result of outages.
- Small businesses want more direction and advice during an outage. Not just information on when and how long, but what to do and where to go.
- Many business owners don't own their premises. This creates barriers for them to adopt energy efficiency measures and DER. There is a desire to build co-investment in rooftop solar into leasing agreements.
- Small businesses want to feel as valued to Ausgrid as large customers and assisted to find the best approach for their retail plans, customer service and move to net zero.
- Businesses feel bills are hard to read and understand, which makes it hard to compare and figure out if they're getting a good deal or not.



Engagement about the draft plan

We tested key elements of the draft plan with individual small businesses and peak business groups, and they told us that:

- Improvements to customer service are a priority not just during outages but also when trying to interpret and understand bills. They want to speak to real people and be able to communicate through different channels.
- Many businesses didn't feel knowledgeable about cyber-security but are happy to invest if it was needed. (Most interviews were conducted before Optus attack)
- Some business owners are not convinced that the approach to net zero was practical, particularly in Cessnock.
- Changes to peak windows and the impact it could have on bills varied between the type of business and their operating hours. Many businesses have to run equipment such as fridges 24 hours a day therefore changes to peak/off peak won't make a difference.
- Businesses are very conscious about increasing costs and cash flow. Most preferred an even increase on their bills across the five-year period. There was also an assumption that if prices jumped steeply they would not come down.
- Almost every business thought the draft plan and associated costs (i.e. \$38) represent value for money. However, some businesses commented that value for money couldn't be assessed until the end of the proposed plan.





Lived experience customers

Who are lived experience customers?

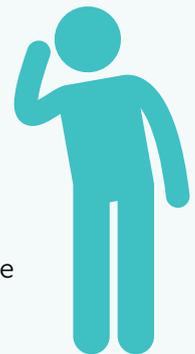
People who may experience vulnerable circumstances including those related to:

- Geography: edge of the network and event prone
- Life circumstance: income, age, housing tenure and disability
- Health: life support customers
- Youth
- Extreme weather events

Through our engagement we have spoken to both individual customers and organisations representing vulnerable customers and responding to extreme events.

Through the early stages of engagement, we heard:

- Low-income households pay proportionally more for energy and are sensitive to price change.
- Customers at the edge of the network experience lower levels of reliability.
- The impacts of outages are much greater on people in vulnerable circumstances, particularly at edge of network where outages can be more frequent and longer, and which are further away from services.
- Prolonged power outages affect access to emergency services. Residents rely heavily on electronic devices to receive updates from emergency services and request assistance.
- Renters and those on low incomes have limited options to keep bills low through energy efficiency measures, solar panels and batteries.
- The current system is complex and is becoming more complex. This disadvantages people who can't engage with billing or customer service systems for reasons of accessibility, crisis, language or literacy.



Engagement about the draft plan

We tested key elements of the draft plan with peak organisations and those that respond to extreme weather events and they told us that:

- We should prioritise reducing the number and length of outages and invest in areas where extreme weather impacts the most and invest in areas with low income, low employment, with older, culturally diverse and indigenous customers.
- The majority of participants we spoke to at our climate response roundtable told us that they were comfortable with our proposed investment of \$110-153 million in net zero measures and thought the increase of solar hosting capacity was the best feature of community batteries.
- Peak representative groups told us that investment in community batteries was not only practical but symbolic for local communities.
- Approximately 1/3 of peak group representatives were comfortable with Ausgrid's shift to mandatory export tariffs.
- A large number of participants across both groups agreed that the draft plan is value for money.





Culturally and linguistically diverse customers

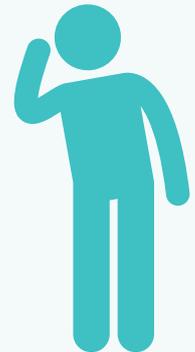
Who are Culturally and linguistically diverse (CALD) customers?

People who were born overseas, have a parent born overseas or speak a variety of languages.

Through our engagement we have spoken to both individual CALD customers and organisations representing CALD customers. CALD groups engaged were Vietnamese, Mandarin and Arabic speakers.

Through the early stages of engagement, we heard:

- Cost is the highest priority for most.
- Transition to renewables should be encouraged the transition to net zero will work better with houses, and not with apartments or large complexes. This needs a solution.
- It's fair to maintain and upgrade the grid/network and every household should share the cost.
- Ausgrid needs to communicate proactively about planned outages and weather events. Text message and social media were frequently mentioned.
- Customers should be able to easily get access to interpreting services when they contact Ausgrid.
- Clear bills are important, to improve trust and transparency, show where we spend money and improve efficiency.
- Community batteries are appealing to many, in particular among Mandarin speakers.
- People were unhappy with the concept of export pricing and thought that the tariff was too low and unfair.



Engagement about the draft plan

We tested key elements of the draft plan with individual CALD customers and they told us that:

- The draft plan is value for money, in particular improving climate resilience and prioritising innovation and supporting net zero.
- Customers thought investing in building networks back better after weather events and preventing outages is of most importance.
- There should be a transition to feed-in tariffs. They raised concerns that a feed-in tariff felt like it would discourage people from taking up solar.
- An even price increase sounded safer to some customers. However, others were not supportive of any increase.
- Communicating by text message in clear and simple language and offering in-language customer service staff to simplify and speed up enquiry resolutions was highly valued.





Commercial and industrial customers

Who are commercial and industrial (C&I) customers?

Ausgrid services 4000 commercial and industrial customers including hospitals, universities and schools, businesses such as government agencies and industries such as data centres, factories and manufacturers.

We interviewed a number of large customers across a range of industries.

Through the early stages of engagement, we heard:

- Unexpected outages can cause significant costs and can also cause damage to systems and machinery.
- Rising electricity costs often impact C&I customers first as they are more exposed to the shifts in wholesale prices.
- They are supportive of the broader shift to net zero by ensuring that Ausgrid plays an enabling role.
- Customers become frustrated when it takes a long time to schedule Ausgrid connection works, and when those works take longer than envisaged.
- Ausgrid should invest to improve resilience in impacted locations and share the cost.



Engagement about the draft plan

We tested key elements of the draft plan with our commercial and industrial customers, and they told us that:

- The plan seems reasonably well balanced.
- Improving information flow around outages both planned and unplanned, and improving communications around the connection process is a key priority.
- There was a fairly even split between customers who noted that the price path scenarios would either have little impact on their business or who preferred the even increase to allow for better budget planning.
- Electrification is a key priority for most customers, and they want to partner with Ausgrid to enable this transition and understand the longer-term cost and infrastructure implications.
- Grid investments are great – they unlock potential for future savings, and are a small portion of the overall costs.
- Some noted a communication and resourcing problem with the connections process across all distributors, including long time frames and a lack of resourcing at different stages.
- The focus on minimizing impact and building resilience are seen as adding the most value. Looking at co-investment with other large customers is a model that could be investigated.

