
Issues Paper Response – Endeavour Energy

CCP26 Advice to AER re 2024-29 Endeavour Energy
Regulatory Proposal and AER Issues Paper

Consumer Challenge Panel (CCP) Sub-Panel CCP26

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Acknowledgement of Country

We acknowledge the Traditional Custodians of the various lands on which NSW and ACT electricity networks own and operate their networks and facilities. We honour the customs and traditions and special relationship of those Traditional Custodians with the land as well as those lands where this report is being prepared. We respect the elders of these nations, past, present and emerging.

Confidentiality

To the best of our knowledge this report does not present any confidential information.

1. Overview

As one of the first network businesses to be part of the Early Signal Pathway process, and also responsive to the “Better Resets Handbook”, we consider that Endeavour has built an engagement program that has delivered a responsible regulatory proposal that has included advice from a diversity of customers. The Reset Reference Group (RRG), while taking some time at the ‘forming’ stage of group development, worked extremely well as a team, and collaborated with Endeavour to explore key issues in depth, with clear respect being shown to each other by all participants. The RRG has played a strong role in challenging Endeavour’s expenditure proposals and has contributed to a consumer focussed and value for money culture being embedded within the business.

In considering the “breadth and depth” of engagement, Endeavour’s customer engagement program has been very broad. There has also been commitment to identifying the topics on which consumers could have the most impact and exploring these in depth. The early mapping of projects that could be most effectively influenced and a commitment to engage at ‘collaborate’ and ‘empower’ levels on these topics is exemplary. The intent of the Handbook has been genuinely applied,

Of considerable value has been the Early Signal Pathway process that has enabled CCP26 the RRG, AER and Endeavour to explore progress and concerns, on a regular basis, including thought the ‘progress reports’ prepared by CCP26. We had some concerns early in the process, which were the subject of some careful exploration. We then observed a highly functioning and extensive engagement process that was the subject of regular, frank and honest review. The result is a regulatory proposal that has been widely supported as capable of acceptance at draft determination stage.

At the heart of the Better Resets Handbook is an assumption that monopoly network service providers will deliver better services for their customers by listening to them. Since our appointment in November 2021, the Consumer Challenge Panel 26 (CCP) members have observed hundreds of hours of consultation conducted by the three NSW and one ACT distribution businesses. Across all four consultative processes the wisdom of customers has been consistently displayed. In rooms full of technical and regulatory experts, customers offered useful and original insights about their needs and expectations of electricity distributors.

2. Background

2.1 Context

CCP26 members are acutely aware of external factors that have had impact on developing the regulatory proposals for NSW and ACT electricity distribution businesses, including:

- a. The COVID 19 pandemic which has impacted on electricity use and on methods for engaging with consumers.

- b. Natural disasters, specifically fires then floods in many parts of NSW with some communities being impacted by multiple events. We also recognise that recovery is still underway for many households, small businesses and their communities.
- c. Climate change and the transition to net zero emissions are forcing network businesses to adopt new approaches to demand forecasts and network investments.
- d. Rising electricity costs coupled with other cost of living pressures have resulted in growing numbers of households and businesses experiencing financial stress.
- e. The AER's draft decision of the 2023-24 Default Market Offer¹ is for an increased reference price in the range of a 14.1% -15.4% annual increase for NSW residential customers without controlled load. This reflection of rising electricity costs coupled with other cost of living pressures have resulted in growing numbers of households and businesses experiencing financial stress.
- f. In November 2020, the NSW Government released the NSW Electricity Infrastructure Roadmap (the Roadmap)². The Roadmap is the State's 20 year plan to transform the electricity system into one that is cheap, clean and reliable. Implementation of the Roadmap is driving new investments in electricity network infrastructure in NSW. It has been determined that costs associated with the Roadmap will be recovered from NSW electricity consumers through network distribution charges. At present, the full extent of the expected Roadmap costs over the next regulatory period are unknown, however they are expected to have a substantial impact on network charges in the 2024-29 period, heightening affordability concerns for many customers.

In identifying these factors, we understand that they all influence the nature of engagement and customer expectations. We also recognise and commend the considerable efforts made by staff and contractors of energy network businesses to support impacted communities, households and business; many having been directly impacted themselves.

2.2 CCP involvement

The CCP26 subpanel was appointed in November 2021 with the primary role of providing advice to the AER on the effectiveness of NSW/ACT electricity distribution businesses' engagement activities with their customers and how this is reflected in the development of the proposals. CCP26 observed a representative sample of Endeavour's pre-lodgement consumer engagement activities (see Appendix 1 for details). Overall, CCP26 has observed about 70 hours of Endeavour's consumer engagement activities.

The role of the Consumer Challenge Panel³ is *"to assist the AER make better regulatory determinations by CCP members advising us on issues that are important to consumers."*

This includes *"CCP members will use their expertise to provide challenge to network businesses' proposals and the way we (AER) approach issues."*

¹ [AER - Draft determination - Default market offer prices 2023-24 - 15 March 2023](#)

² <https://www.energy.nsw.gov.au/nsw-plans-and-progress/major-state-projects/electricity-infrastructure-roadmap>

³ [Consumer Challenge Panel - Fact Sheet 1.pdf \(aer.gov.au\)](#)

In carrying out our role, we strive to be robust, challenging, fair and always consumer focussed.

We note the following with respect to the CCP's observations of Ausgrid's consumer engagement:

1. The CCP was appointed around 6 months after Endeavours' consumer engagement commenced. This meant the CCP did not observe the co-design of the engagement framework and engagement program.
2. This submission is heavily focused on phases 2, 3 and 4: explore, prioritise and refine.
3. Endeavour has committed to undertake a fifth phase, "Confirm" to its engagement since it lodged its Regulatory Proposal on 31 January 2023. This post-lodgement engagement is checking on the currency of consumer views expressed earlier in the engagement noting that circumstances are changing rapidly, particularly cost of living pressures, their 'confirm' phase CCP26 continues to observe these engagement activities.

This submission offers CCP26's views on Endeavour's consumer engagement based on our direct observations of their consumer engagement activities. In doing so, we are guided by the expectations set out in the Better Resets Handbook, released in December 2021. In line with our contractual arrangements, CCP26 is asked to respond to the engagement-related questions and the AER's position on targeted reviews identified in the AER's Issues Paper⁴, as well as any non-Handbook topic area issues. As such we are responding to Issues Paper questions 1, 2, 3, 6, 7, 8, 9, 15.

3. Early Signal Pathway

Question 1. What are your views on our assessment of Endeavour's proposal on the early signal pathway? Are there any aspects of the proposal that require deeper review?
Question 2. Do you consider that we should accept Endeavour's proposal at the draft determination stage?

Key points

- **The AER's inclination "to accept Endeavour's proposal at the draft determination stage" is endorsed.**
- **Endeavour's proposal is supported through high quality consumer engagement as being able to be accepted at the draft determination stage.**
- **The application of the early signal pathway has been effective.**

Discussion

⁴ AER, Issues Paper, *Essential Energy Electricity Distribution Determination 1 July 2024 – 30 June 2029*, March 2023

The Better Resets Handbook outlines the option of an “early signal pathway⁵” (ESP) described as:

“To further encourage the development of high-quality regulatory proposals through genuine engagement, this Handbook introduces a new process – the early signal pathway. This offers an alternative process for networks to engage with us, allowing them to get earlier formal feedback on aspects of their regulatory proposal – such as at the issues paper stage, in exchange for certain commitments.”

An important aspect of the ESP process is “targeted review”, described as follows in the Handbook.

“If a business satisfies the capital expenditure expectations, we anticipate a targeted review of the capital expenditure proposal. This means a focus on select outstanding issues that are likely to be on projects and programs:

- that are driving the forecast*
- have strategic significance in the proposal*
- that relate to a change from business-as-usual practices*
- that are a new category or program of works”*

Opex selection criteria for targeted review are given as:

- “has strategic significance (either within the context of the proposal or more broadly)*
- has been identified by consumers as an issue that would benefit from detailed AER assessment.*
- could have a material impact on our alternative estimate of total opex*
- deviates from the base-trend-step approach and/or expectations set out above – in particular for electricity distribution, where the base year proposed has an efficiency score less than 0.75 and the efficiency adjustment (including no adjustment) is less than suggested by the AER’s latest benchmarking analysis*
- has not been supported by consumers or discussed as part of the customer engagement undertaken by the network business.”*

Endeavour Energy and Essential Energy were accepted as the first two businesses to participate in the ESP process and to be subject to targeted review (see sections 5 and 6.)

Through the ESP process, CCP26 has provided two progress reports and a conclusions report dealing with Endeavour’s consumer engagement in the lead up to lodging their regulatory proposal. This submission draws on those reports.

Question 1

The AER says in the issues paper that “

“Based on our initial assessment (and resolution of the few issues we have flagged) we are inclined to accept Endeavour’s proposal at the draft determination stage in September.”

⁵ <https://www.aer.gov.au/system/files/Better%20Reset%20Handbook%20-%20December%202021.pdf> – page 5

CCP26 has observed an engagement program that built strongly over the course of the engagement with a well-informed, fair and appropriately challenging Reset Reference Group supporting and guiding the engagement. Endeavour Energy senior staff, CEO and Board members have been regular participants in engagement activities. The business has been open to input, questioning and advice from a diverse range of customers and customer advocates and has conducted an extensive consumer engagement program.

We have witnessed robust debate and observed, particularly in face- to-face sessions a genuine respect and some humour, particularly between RRG members and Endeavour staff.

For these reasons we conclude that the engagement program has been consistent with best expectations of the Handbook and that the AER's assessment of the appropriateness of Endeavour's early signal pathway approach is soundly based.

Question 2.

Endeavour report in their Engagement Summary Report, October 2022 that 90% of their Customer Panel members agreed that Endeavour Energy's Draft Proposal reflects consumer priorities and preferred outcomes and is in the long term interest of consumers.

The RRG (who were also described as the Independent Members Panel) third report released in March 2023 noted that the Independent Report undertaken by Clare Petre had concluded that they *"were seen as informed, robust, unafraid to push back, and challenging"*.

That Independent report also stated that "Endeavour Energy has approached the development of its proposal in an honest, open and genuine way. Throughout the process, Endeavour Energy has listened to, taken on board and responded to feedback from the Independent Members Panel as well as its Customer Panel and other stakeholders. As a result, we support the process that Endeavour Energy has undergone to develop its Proposal and we consider that the Proposal generally reflects consumer perspectives. We leave it to the AER to assess whether the proposed expenditure is prudent and efficient."

CCP26 observations of the engagement process confirms these points:

1. The (about 90) members of the Customer Panel were supportive of the Endeavour Draft Proposal.
2. The RRG was robust and challenging.
3. The RRG was supportive of the revenue proposal that was lodged in January 2023.

We recognise that the key groups actively engaged in the Endeavour engagement process have accepted the regulatory proposal, subject to AER expert review, so are supportive of acceptance at the draft determination stage. We affirm their assessment.

4. Consumer engagement approach

Question 3. Do you think Endeavour's consumer engagement meets the expectations set out in the Handbook in delivering a consumer-centric proposal? Please give examples

Key points

- **The engagement program was extensive and sought to hear from the diversity of Endeavours' customer base.**
- **Codesign specifically focused on expenditure areas that could be most effectively influenced by consumers. The highest impact topics were agreed and were the subject to engagement at the collaborate and empower levels of the IAP2 spectrum**
- **The engagement program significantly shaped the regulatory proposal.**

Discussion

Endeavour Energy report the following 'headline engagement measures in their regulatory proposal':⁶

- 129 unique engagement events or opportunities.
- 1813 individuals directly engaged.
- 124 organisations engaged.
- 646 hours of face-to-face engagement with Board and executive participation
- 2,400 hours of 'face-to-face' engagement by Endeavour Energy overall.

These figures appear to us to be a fair summary of the extent of the engagement program. The engagement process has been implemented over 5 phases, initially intended as 4 phases. Endeavour undertook preparation for their engagement between October 2020 and March 2021, with the following phases thereafter:

- Phase 1 - Discover: April 2021- September 2021
- Phase 2 – Explore: October 2021- April 2022 CCP26 was formed in November 2021 and started observing Endeavour's engagement process in that month
- Phase 3 – Prioritise: May 2022 – October 2022
- Phase 4 – refine: November 2022 – January 2023 The current phase ending with lodgement of their regulatory proposal
- Phase 5 – Confirm: February 2023 – July 2023 This phase has recently been added, as part of reviewing the co-designed process and encompasses the "targeted review" stage of the Early Signals Pathway. This is discussed in section 9 of this report.

Key elements of the program have included:

- Establishment of the RRG (Reset Reference Group) to drive the engagement from a customer perspective.
- Establishment of a Customer Panel that reflected the diversity of Endeavour's customers and communities.

⁶ Table 5.4 page 69

- Regional Forums.
- Topic specific ‘deep dives’ and ‘mini deep dives’ over shorter time periods
- Local Government workshops
- Retailer reference group
- Site visit to Western Sydney, a region for major growth for RRG members and interested parties.

A very useful chart developed through the engagement process was the co-designed chart given as appendix 2 that plots expenditure measures against their impact on maximum allowed revenue (y axis) and ability to influence. This chart, colloquially referred to as the ‘bubble chart,’ enabled informed mapping of priority topics for engagement and also was used to identify those topics that were best subject to ‘collaborate’ and ‘empower’ levels of engagement, using the IAP2 spectrum. This chart was referred to regularly throughout the engagement period.

Question 3

The early signal pathway process has provided the opportunity for CCP26, and others, to challenge Endeavour’s engagement as it has unfolded. Challenges that CCP26 has raised in the progress reports have been:

- Responding to the affordability challenges that were raised by many people.
- Concern that focussing the breadth in the final months of engagement might prove difficult. The depth and focus of engagement was however achieved.
- Extent to which the “empower” level topics from the ‘bubble chart’ were being engaged on, at the higher of engagement, particularly through on-line approaches.
- How Endeavour used the significant data generated from a range of engagement activities to focus key action in the regulatory proposal.
- Continuing to build capacity and breadth of RRG (identified early in the process)

We were initially concerned about aspects of Endeavour’s engagement and have been able to track the progress of the engagement programme and Endeavour’s responsiveness over 18 months. All challenges that we raised have been effectively addressed, for example, it took some time to consolidate membership of the RRG, but once achieved this group was outstanding in their challenge and linking Endeavour to relevant customer groups.

The regular review of the engagement program and the decision to add a fifth phase, “confirmation” have been excellent examples of Endeavour’s realisation that energy markets and socio-economic conditions are far from static. So re-checking consumer perspectives through and beyond the development of original perspectives has reflected a deep understanding of consumer needs, interests and changing circumstances and for us was a prime example of demonstrated genuineness in engagement by Endeavour. This is coupled with the fact that the CEO, senior executives and Board members were active participants and carefully listening in every activity that we observed.

We are satisfied that Endeavour’s consumer engagement has met the expectations set out in the Handbook in delivering a consumer-centric proposal.

We also commend the efforts of the Customer Panel -with no 'drop out' over the life of the Panel (this is extraordinary), other participants, the RRG members and Endeavour staff for participating in a high quality, well informed and deeply respectful discussion for the duration of the engagement.

5. Capital expenditure

Question 6. What do you think about the proposed scope of targeted review?
Question 7. At an overall level, is Endeavour's capex forecast capable of acceptance at the draft determination stage?

Key points

- **The capital expenditure proposal is lower than for past periods.**
- **Consumers engaged have supported the capital forecast as capable of acceptance at the draft determination stage.**
- **The AER's proposed 'targeted review' approach is affirmed.**

Question 6

The targeted review of capex proposed in the Issues Paper is:

"We propose to undertake a targeted review on a small proportion of capex - representing about 15 % of Endeavour's total capex forecast. This will comprise:

- examining the investment timing and demand forecasts related to the Endeavour's proposed projects and programs for the Western Sydney Aerotropolis, as well as a couple of major projects in other growth areas that might be sensitive to demand*
- a high-level assessment of DER-related and resilience-related capex and cyber ICT. These are new and emerging areas relevant to a number of current regulatory proposals. In the case of Endeavour, we acknowledge that the proposed capex associated with these categories is less than 10% of its forecast. We also note Endeavour's efforts to apply a top-down challenge to these forecasts."*

CCP26 was able to observe detailed discussion about capex issues and one member joined in a site visit to Western Sydney.

The Endeavour capex proposal is (surprisingly) modest, particularly given the scope of work required in Western Sydney. We have asked questions about this and are satisfied that the capital contributions policy applied by Endeavour, a growing customer base and sound and responsible planning mean that there is no material additional cost burden for existing customers. DER, Cyber and ICT costs have also been the subject of detailed engagement and exploration of options. (The increase in the regulatory revenue proposal, compared to the current period is largely explained by rising cost of capital)

We are satisfied that the capex engagement outcomes and the modest size of the capex proposal validate the targeted review approach as proposed.

Question 7

In our response to question 2 we recognised that the key groups actively engaged in the Endeavour engagement process have accepted the regulatory proposal, subject to AER expert review. To our observation this includes the forecast expenditure for capex. So we again affirm that engagement has concluded that the capex forecast is capable of acceptance at draft determination stage.

6. Operating expenditure

Question 8. What do you think about the proposed scope of targeted review?
Question 9. At an overall level, is Endeavour's opex forecast capable of acceptance at the draft determination stage?

Key points

- **4 Step changes are proposed, two are in line with industry approaches and are accepted, two are supported as the subject for targeted review**
- **Engagement about operating costs was robust and detailed**

Question 8

The proposed scope for the targeted review is:

"We intend to undertake a targeted review of the two step changes related to Endeavour's Consumer Energy Resources (CER) integration strategy: the 'Network visibility' step change (\$14.2 million) and 'Solar Soak / Off-Peak conversion' step change (\$5.8 million). These step changes represent 0.9% and 0.4% of total forecast opex, respectively.

We propose to prioritise these step changes for targeted review due to:

- *the novelty of the relevant issues, and the strategic significance and potential precedent value of our decision,*
- *interactions with an area of capex targeted review (the CER integration strategy)*
- *the commonality of issues with similar step changes proposed by the other NSW network service providers."*

It is proposed that targeted review not be undertaken for:

- *"Insurance – \$36.6 million (\$2023–24)*
- *Demand management – \$3.4 million (\$2023–24)."*

The Issues Paper states that while Insurance and demand management step changes are material, they are in line with prevailing expenditure and proposals from other network businesses and so are reasonable. Targeted review of the CER integration and 'solar soak / off peak conversion' step changes are more bespoke to Endeavour and while actively discussed, merit closer review.

As with considerations of the appropriateness of engagement and the reasonable level of allowance sought in the regulatory proposal, the proposed targeted review is in line with engagement expectations from our observations.

Question 9

We again affirm (refer responses to questions 2 and 7) that the Endeavour proposal has been observed to be supported for acceptance at the draft determination stage.

7. Tariffs

Question 15. Do you consider there are any aspects of Endeavour's proposed TSS that requires adjustment before our acceptance?

Key points

- **Recent reports have supported the momentum built by Endeavour in their tariff considerations, particularly later in 2022.**
- **Endeavour, and their customers have grappled with a mix of consumer attitudes to tariffs.**
- **Continuing engagement on tariffs would be appropriate as part of the targeted review process.**

We have observed Endeavour and their customers openly grappling with tariffs issues throughout the engagement leading up to the revenue proposal. There are industry pressures for tariffs that better reflect costs for the use of the distribution network, on a time and sometimes seasonal basis, for example through time of use tariffs. There are also questions about how tariffs most fairly and responsibly enable the transition to renewable energy and in particular how small scale roof top solar is integrated into the electricity network.

When Endeavour asked their customers about tariffs, they received mixed responses. Customers regularly said that they needed predictable bills so that they could accurately budget. Some customers said that they liked the idea of being able to reduce their bills by changing some of their electricity use. Others said that they expected ready access to the network for their solar exports.

One of the actions undertaken by Endeavour was to commission SEC Newgate to undertake a review of the customer responses to tariff questions. A report "Cost-reflective Tariffs – Customer Insights Knowledge Review" was circulated in March 2023. A neat summary of responses is given on page 14 of that report under the heading "Key barriers and motivators identified."

Motivators:

1. *Monetary savings and a sense of control*
2. *Prosocial values (environmental, community, health)*
3. *Social proof during times of change*

Barriers

1. Preference for predictability and certainty in bills
2. Concerns about ease of behaviour change
3. Awareness of attitudes to and affordability of devices which may help
4. Lack of understanding (and trust in) the energy sector
5. Complex tariff designs

The RRG in their third report, also from March 2023 made the following comments in introducing the “Tariffs and tariff strategy” discussion:

“Endeavour Energy provided a draft version of its Tariff Structure Explanatory Statement to the Independent Members Panel on 2 December 2022, after we delivered our second report. We had limited time to carefully review the document (which was over 100 pages), and we did not see a draft version of the Tariff Structure Statement before it was submitted to the AER.

Cost reflective network tariffs are a complex and challenging area on which to engage customers and seek their feedback. While we recognise that DNSPs are required to consult with customers on their Tariff Structure Statement, they are not necessarily the best positioned actor to undertake such engagement given they do not share a direct relationship with consumers and their tariffs do not and should not target consumers directly. This is further complicated by the different roles of network and retail tariffs under a choice framework. Consumer preference for ‘opt-in’ cost reflective network tariffs should be taken as a strong endorsement of further oversight and potentially regulation to ensure consumer choice of retail prices (including flatter prices), in conjunction with more efficient, mandatory cost-reflective network tariffs at a network level.”

While Endeavour could have commenced their more detailed considerations of tariffs earlier, including tariff trials, they have listened closely to the mixed views from customers and have developed good momentum on the topic moving into the time of lodging their revenue proposal. We suggest that this momentum be maintained with further discussion and engagement with customers and consumer advocacy groups in the post lodgement period to confirm, or amend, the positions given in the regulatory proposal, utilising the targeted review process.

8. Systemic consumer engagement issues across NSW/ACT

Customer Service Incentive Scheme

It is now three years since the AER introduced the CSIS scheme. During the NSW/ACT regulatory resets we have observed a range of customer responses to proposed models and different levels of sophistication in approaches to designing a scheme. It is too soon to commence a formal review of the scheme, but we do consider that it may be useful to provide an opportunity to reflect on the strengths and weaknesses of models that have

been adopted and what emerging best practice might look like. In particular we are interested in how models can be designed to align with strategic initiatives and produce concrete, forward-looking benefits to customers.

Good governance

In the *Better Resets Handbook*, the AER places a strong focus on ensuring the independence and integrity of consumer engagement processes. The Handbook sets out the following expectations to ensure independence⁷:

- Consumer representatives should clearly declare any interests that may be perceived to conflict with those of the consumers they are representing and provide details on how they're managing any conflicts of interest;
- Networks and consumer representatives should transparently set out all governance arrangements covering their interactions in the development of a regulatory proposal, including arrangements in place to ensure the independence of consumer representatives;
- Networks should publicly declare all remuneration arrangements, benefits and financial support provided to consumer representatives.

CCP26 strongly support these expectations which we believe form the bedrock of good governance for the engagement process and serve to instil confidence in its integrity. However, we note that not all of the businesses we have observed prioritise compliance with these expectations. In our view, best practice requires that documentation of governance arrangements including remuneration arrangements, and conflict of interest declarations are developed and maintained, and are available in the public domain.

Endeavour largely complies with these requirements. The Terms of Reference for the Reset Reference Group were agreed and reviewed with RRG members.

Business-As-Usual engagement

The *Better Resets Handbook* expects networks to engage with consumers as an ongoing business-as-usual process, rather than a one-off process only undertaken in preparing for regulatory resets. Each of the NSW and ACT network businesses developed bespoke engagement processes to help inform their regulatory proposals. These processes typically operated in parallel with regular business-as-usual processes, varied widely and included a diversity of methods including citizens jury processes, deliberative forums, focus groups and one-off discussion groups. In all of these settings we observed groups of passionate, thoughtful, committed customers who were able to absorb sometimes quite complex material, and make valuable and insightful contributions to the network business's service offerings and future plans. We challenge all businesses not to waste these valuable assets, and to consider how to harness the knowledge, insights and interest built up through the various customer and stakeholder groups established to participate in engagement activities

⁷ AER, *Better Resets Handbook, Towards Consumer Centric Network Proposals*, December 2021, p. 14

for the current regulatory reset, with a view to creating new mechanisms for deeper ongoing customer engagement as a regular part of their ongoing business operations.

Use of independent research budgets

Despite research budgets being available to various customer panels during the NSW/ACT regulatory resets, we have not observed any panels making use of this funding. Given the novel issues raised during this round of resets we consider it unlikely that there was no need for expert advisory services. We are therefore unsure why these opportunities are not being pursued. If this trend continues, we encourage a conversation with consumer representatives to explore what other steps could be put in place to support and equip them to engage with regulatory reset engagement processes.

Value for money in engagement programs

The CCP26 has observed engagement programs growing significantly in scale and cost. We have not seen any business report on the total cost of their programs, and as such we can not offer a view on the value for money derived from the various engagement programs. It would be useful if the Handbook offered guidance on whether engagement programs ought to demonstrate value for money.

Appendix 1 – CCP26 observations of Endeavour’s pre-lodgement engagement

Activity	Date	Format	Hours	Observer(s)
Briefing on Endeavour engagement plan	13/12/21	Online	1 hour	Mark Henley
High energy users workshop	2/2/2022	Online	2 hours	Mark Henley
Non system and opex -RRG “mini deep dive”	17/2/2022	Online	2 hours	Mark Henley, Robyn Robinson
System investment & depreciation - RRG “mini deep dive”	2/3/2022	Online	3 hours	Robyn Robinson
Future Grid Workshop	3/3/2022	Online	3 hours	Mark Henley
Meet RRG (Reset reference Group) Chair	18/3/2022	Online	1 hour	Mark Henley
Check in with Endeavour	25/3/2022	Online	1 hour	Mark Henley
RRG	31/3/2022	Online	2 hours	Mark Henley, Robyn Robinson
RRG and CSIS discussion	6/4/2022	Online	2 hours	Mark Henley, Robyn Robinson
RRG workshop	13/4/2022	In person	4 hours	Mark Henley
Retailer Reference Group meeting	13/04/2022	Online	1 hour	Robyn Robinson
NSW F&A forum (for all 3 NSW db’s)	27/4/2022	Online	2 hours	Mark Henley
Pilot customer focus group (testing deliberative forum materials with customers)	2/5/2022	Online	3 hours	Mark Henley
Check in with Endeavour	6/5/2022	Online	1 hour	Mark Henley
Deliberative forum, wave 1 part 1	11/5/2022	Online	2 hours	Mark Henley
RRG meeting and western Sydney tour	16/5/2022	In person	7 hours	Mark Henley
Deliberative forum, wave 1 part 2	18/5/2022	Online	2 hours	Mark Henley
Guided tour of recollective platform	10/6/2022	Online	0.5 hours	Mark Henley
RRG	14/6/2022	Online	1.5 hours	Mark Henley
Deliberative forum, wave 2 part 1	15/6/2022	Online	2 hours	Robyn Robinson
Deliberative forum, wave 2 part 2	22/6/2022	Online	2 hours	Mark Henley, Robyn Robinson
Early Signals Pathway Progress Report 1				Elissa Freeman
Deep Dive - Tariffs	8/8/2022	In person	5 hours	Robyn Robinson

RRG	9/8 2022	Hybrid	3 hours	Robyn Robinson (in person), Mark Henley (online)
Resilience mini deep dive	17/8/2022	Online	2 hours	Mark Henley
Retailer reference Group	26/8/2022	Online	1.5 hours	Mark Henley
ICT and insurance “mini deep dive”	6/9/2022	Online	2 hours	Mark Henley
RRG and Business Case review	13/9/2022	In person	6 hours	Mark Henley
Quant survey overview	19/9/2022	Online	1 hour	Mark Henley, Robyn Robinson
Deliberative forum - wave 3, closing the loop	21/9/2022	Online	2 hours	Mark Henley
Progress report 2 with RRG and Endeavour	27/9/2022	Online	1.5 hours	Mark Henley, Robyn Robinson
Retailers Forum	6/10/2022	Online	1 hour	Mark Henley, Robyn Robinson
RRG re Draft Plan	11/10/2022	Online	3 hours	Mark Henley
IT Briefing	18/10/2022	Online	1 hour	Mark Henley
Draft Plan Launch	28/10/2022	Online	1 hour	Robyn Robinson
RRG re TSS and Innovation fund	8/12/2022	Online	2 hours	Mark Henley

Appendix 2

“Bubble Chart” identifying revenue topics most able to be influenced.

Our commitment to co-design

Level of IAP2 Spectrum	
	Description
Empower	To place final decision-making in the hands of customers and stakeholders
Collaborate	To work together with our customers and stakeholders to formulate alternatives and incorporate their advice into final decisions to maximum possible extent
Involve	To work directly with customers and stakeholders to ensure their concerns and aspirations are directly reflected in the alternatives developed
Consult	To obtain feedback on alternatives and draft proposals
Inform	To provide balanced information to keep customers and stakeholders informed

