

# **Endeavour Energy 2022 High Energy Users Workshop**

'Your Power, Your Future, Your Say'  
2024-2029 Revenue Reset Project  
Final Report

Revised August 2022



## Prepared for:

### Jacqueline Crompton

Stakeholder & Communications Manager

**E** Jacqueline.Crompton@endeavourenergy.com.au

**T 02 9853 6574**



## Prepared by:

### Sue Vercoe

Managing Director

**E** sue.vercoe@secnewgate.com.au

**T 02 9232 9500**

### Julie Sheather

Director

**E** julie.sheather@secnewgate.com.au

**T 02 9232 9500**

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## Findings at a glance

### Reliable electricity is a non-negotiable critical business input

Without reliable electricity, high energy users can't operate their businesses and the safety of staff and customers is compromised.

- Better communication around outages is an area for improvement

### Collaboration is the preferred way forward

High energy users are seeking a more collaborative and accessible relationship with Endeavour Energy.

- They want bespoke account management and more transparency in BAU communications
- Their ideal scenario is working as a trusted partner with Endeavour Energy so they are not blind-sided by risks or miss out on opportunities to benefit from the energy transition (eg. Benefiting from demand management)
- Connections is a pain point

### There is strong awareness of the external challenges that must be addressed

Resilience was a strong theme among participants.

- They are very aware of growth pressures and climate-related threats and want to know what Endeavour Energy is doing to address them.
- They want access to early thinking about Endeavour Energy's plans for infrastructure investment and new technologies that may impact on their operations

### Endeavour Energy should facilitate their participation in the Future Grid

Interested in the opportunities presented by new technologies, high energy users do not want to be constrained by network limitations.

- They expect the network to be ready to accommodate two-way flows of electricity without any reduction in reliability
- They are interested in using existing network data to inform investment decisions
- They believe tariff reform is needed to incentive DER and demand response

### Affordability is seen as a core competency rather than a service

These customers expect to pay no more than necessary for the safe, reliable secure electricity they use.

- They tend to focus more on the financial, opportunity and safety costs incurred when supply is disrupted than on the cost of supply.
- They are interested in increasing efficiencies through new technologies
- Further engagement with procurement decision-makers is planned to check these findings adequately capture views from across these organisations.

# Introduction

## Background and Objectives

Endeavour Energy conducted a workshop with a cross-section of high energy users as part of its exploratory customer engagement program to inform its 2024-2029 Revenue Reset Proposal development process. This program also included focus groups with residential and small business customers (undertaken in 2021).

The aim was to obtain early contextual insights about key customer issues and values that can inform initial thinking about the draft revenue reset proposal, as well as the design of future engagement activities.

More specifically, Endeavour Energy's key brief was to:

- Explore high energy users' experiences in working with Endeavour Energy;
- Understand what existing services and outcomes they value most; and
- Explore what services and outcomes they anticipate wanting from Endeavour Energy in future.

## Methodology

Eleven high energy users attended a two-hour, online workshop on 2 February 2022, independently facilitated by SEC Newgate Research Managing Director Sue Vercoe.

They represented diverse organisations that operate in various areas of Endeavour Energy's catchment including Western Sydney, the Southern Highlands and the Illawarra/Shoalhaven regions, including Port Kembla Steelworks, NSW Health, Sydney Metro, Coles and Woolworths, and Shoalhaven City Council.

This workshop was originally planned as a face-to-face workshop in December 2021 but was rescheduled and the format changed in response to customer availability and Covid-19 issues.

Invitations were sent to 109 high energy users from Endeavour Energy's database, reflecting a broad range of sectors including mining, major manufacturing, heavy industry, health, retail, state and local government and transport. Regulatory Reference Group (RRG) member Mark Grenning, as a representative of the Energy Users Association of Australia (EUAA), also assisted in recruiting some participants and this was much appreciated.

The workshop was attended by Endeavour Energy's Chief Customer and Strategy Officer Leanne Pickering as well as members of the regulatory and engagement teams. It was observed by three representatives of Australian Energy Regulator's Consumer Challenge Panel (CCP) and four members of Endeavour Energy's Regulatory Reference Group (RRG).

Feedback from the RRG following the workshop suggested that participants were primarily operational and/or engineering staff and that further engagement should be pursued with financial/commercial personnel from Endeavour Energy's high energy user customers who could be expected to be more focused on cost. Following the workshop, Endeavour Energy contacted several customers from this latter category. Given the confidential nature of their businesses, all but one declined to be formally interviewed. The summary of that interview is attached at Slide 25. Other feedback has been gathered via less formal conversations designed to build trust and a deeper understanding of their strategic priorities.



# What outcomes are currently most important to high energy users?

What high energy users value most about Endeavour Energy's services

What outcomes are most important to high energy users	How Endeavour Energy is currently performing
<p><b>1. Reliability.</b> Reliable electricity is business-critical for these high energy users. Several participants spoke about the costs incurred when supply is disrupted, both in terms of financial impacts and effects on their ability to meet their commitments to their own customers. Without electricity, mining and manufacturing stops, healthcare and transport can be compromised and the safety of staff and customers can be put at risk.</p>	<ul style="list-style-type: none"><li>• <b>Generally satisfied with the overall level of reliability provided by Endeavour Energy.</b></li><li>• Those who also operated in other distribution areas saw it as being largely on par with other networks.</li><li>• Would like to see more flexibility and communication around scheduled outages to accommodate their business needs.</li><li>• No appetite for any reduction in reliability. Several stakeholders expressed concern about future reliability and wanted reassurance that Endeavour Energy was undertaking sufficient planning, investment and adoption of new technologies now to ensure reliability is maintained into the future.</li><li>• One participant wanted to Endeavour Energy to better manage voltage supply across the day in response to solar peaks.</li><li>• Another participant reported a lack of feedback regarding root cause analysis (RCA) for network disturbances.</li></ul>
<p><b>2. Direct fast access to personal Endeavour Energy contact.</b> Because of the importance of reliability, high energy users value a 'go to' person who understands the nature of their business, can be proactive in providing information about planned and unplanned outages, power quality, and quickly respond to questions in times of emergency.</p> <p>Reliable electricity is business-critical for these workshop participants. They simply can't operate without it and, while they understand outages occur, they want them minimised as far as possible and to be kept informed so they can respond appropriately to meet their business needs.</p>	<ul style="list-style-type: none"><li>• <b>Opinions on access to information in relation to outages are mixed..</b></li><li>• Those who talk with the control room are relatively satisfied and feel they get quick access to information on any outage issues. Some also mentioned good customer service experiences from account managers and the 'back office'.</li><li>• Others - particularly multi-site low-voltage customers such as supermarkets and local government - are dissatisfied with the current approach in this area and say they don't have a 'go to person'. They are keen for a personalised account manager who (a) proactively provides them with information about outages rather than them having to seek it from the control room, and (b) can ensure the network is aware of customer priorities in restoring electricity to critical areas first, and (c) can proactively advise them of network developments.</li><li>• Other areas where participants identified room for improvement included being kept up-to-date about changes in account management, and the use of social media to communicate about outages.</li><li>• It is important to note that communication was seen as a challenge across multiple DNSPs, with some performing better than others. Those mentioned favourably for their approach to account management included Essential Energy and SAPN.</li></ul>

# What outcomes are currently most important to high energy users?

(continued)

What outcomes are most important to high energy users	How Endeavour Energy is currently performing
<b>3. Resilience:</b> Closely linked to reliability, these high energy users placed a high value on network resilience and Endeavour Energy's ability to quickly respond to emergencies and extreme weather events to minimise disruptions to their operations.	<ul style="list-style-type: none"> <li>• <b>There is little visibility of what Endeavour Energy is doing to enhance network resilience.</b></li> <li>• High energy users would like to know more about what Endeavour Energy is doing now to increase network resilience in the event of climate-related emergencies (eg. undergrounding major infrastructure in bushfire zones).</li> </ul>
<b>4. A business partnership in planning for the future:</b> Beyond business-as-usual discussions, high energy users are also interested in working with Endeavour Energy in planning for future growth.	<ul style="list-style-type: none"> <li>• <b>Few customers area currently engaging with Endeavour Energy in relation to planning for the future</b></li> <li>• Most workshop participants are keen to work in partnership with Endeavour Energy to give them greater clarity and input into network expansion plans.</li> <li>• They want the opportunity to identify ways to use the network more efficiently to avoid costs (for example, through demand management which some are already implementing in other network areas).</li> </ul>
<b>5. Future grid;</b> The need for Endeavour Energy to adopt 'modern thinking' about the future of the grid was raised numerous times during the workshop. Future planning and new technologies are seen as priorities both in terms of improving the network's resilience and in enabling cost savings for customers, especially through greater integration of renewables such as distributed resources and demand management.	<ul style="list-style-type: none"> <li>• <b>Endeavour Energy is seen as moving slowly on the right path.</b></li> <li>• While some were pleased that Endeavour Energy seemed to be moving towards a more 'modern way' of thinking (for example through the use of microgrids, batteries and stand-alone power systems) others felt that it was taking too long to adopt new technologies and that it is lagging behind other networks.</li> <li>• Mention was made of Ausgrid's work in microgrids and AusNet Services providing incentives for demand management. In this context, tariff reform was also mentioned as an area where they see Endeavour Energy falling behind its peers.</li> </ul>
<b>6. Efficiency and cost</b>	<ul style="list-style-type: none"> <li>• High energy users rated efficiency and delivering electricity services in the most affordable way as their 6th priority among current services.</li> <li>• We note that this wasn't raised during discussions, with one participant stating that in his technical role, he had "no visibility" of costs.</li> </ul>
<b>6. New connections</b> was raised by participants as a pain point across DNSPs, with Endeavour Energy doing no better or worse than others.	<ul style="list-style-type: none"> <li>• Participants reported continuing long delays – and difficult negotiations – over new connections, with a lack of certainty about what steps to follow.</li> <li>• The connections process was described as "obscure" and "a significant pain point when trying to do something like connect a large solar array".</li> </ul>

## In their words....

"Reliability is super key. Losing power comes at considerable cost and impacts life safety systems."

"What is Endeavour Energy doing with network quality? Are we improving? We have no information. We'd like to know what you are doing."

"Flexibility re planned outages. We don't get a lot of notice around de-energising and would like to improve flexibility on outage times. The communications are still there, but the service itself is lower, there's a reduction in service."

"The connections process is fairly opaque. That's not unusual but it's a significant pain point."

"DER tariffs. The ability to signal through tariffs would help us prioritise investments in sustainable technologies. Ausnet is a good example. There is no incentive to invest in renewables. Endeavour Energy is the last we look to for DER tariffs."

"Get microgrids, new technology off the ground."

"What is Endeavour Energy doing to improve overall network quality - I don't get any sort of feedback on how they are performing and what are they doing about it?"

"We get good feedback from [the] Endeavour Energy [control room] about disturbances. We get responses within six hours which we do appreciate."

"We don't get account management - we are not considered a larger user because we are low voltage. But multi-site low voltage operations should be considered larger users."

"Resilience is a requirement for the 20-year horizon. What are you doing to improve network resilience. We have to prepare a portfolio of properties to be resilient. What is Endeavour Energy doing to help keep stores up?"

"We don't have anyone we can talk to to get an ETA on power being restored. Others are very active on social media and Twitter."

"We want a more collaborative approach to solving network problems."

"Collaboration. Information up front from Endeavour Energy would be much more productive. It should be clear, concise and visual."

# What outcomes will be most important in the future?

High energy users want more services from a highly resilient and reliable network in the future

What outcomes will be most important to high energy users in the future	Implications on what they'll want from Endeavour Energy
<b>1. Continued need for reliable and safe electricity that is delivered affordably</b>	<ul style="list-style-type: none"><li>• Sufficient infrastructure and technology in place to affordably maintain reliability in the face of extreme weather events.</li></ul>
<b>2. Enhancing network flexibility to cater for increased demand due to organisational growth and new technologies</b>	<ul style="list-style-type: none"><li>• A network able to adapt to rapid change and increased demand so they are not constrained by network limitations.</li><li>• Network capacity to enable large new high voltage connections.</li><li>• A network ready to accommodate two-way flows of electricity without any reduction in the level of reliability they have today to enable electric vehicles, distributed resources, virtual power plants and demand-response when they want to use it.</li><li>• More certainty and streamlined processes for new and additional large network connections.</li><li>• Clarity about roles and responsibilities in the new energy market.</li></ul>
<b>3. Tailored, collaborative approach to solving network issues</b>	<ul style="list-style-type: none"><li>• More network support services at a site and portfolio level</li><li>• Increased communication keeping customers informed of where constraints and opportunities are so they can target their investments.</li><li>• Deep data analysis and sharing to inform decision-making.</li><li>• To be an enabler and facilitator of the clean energy transition, leading the way in opening up new opportunities as the market evolves, without reducing reliability.</li></ul>
<b>4. The ability to more actively manage their load to reduce costs</b>	<ul style="list-style-type: none"><li>• Tariff reforms that enable customers to make the most of new technology to help them save money.</li><li>• Bespoke account management</li><li>• Flexible tariffs</li><li>• New ways of charging for services and supply</li><li>• The ability to offer – and be rewarded for – demand response</li></ul>

# What actions would high energy users like to see Endeavour Energy take?

High energy users who participated in the workshop would like to see Endeavour Energy move from what some described as a **'transactional'** approach to a more **'collaborative'** relationship, relying on key, accessible contacts. This applies to both short-term dealings in relation to emergencies and outages, and maximising the benefits of the energy transition.

Those who raised this issue wanted more transparency about planned investments and enhancement to the network, and the adoption of new technologies, so they can factor them into their own planning and seek to influence Endeavour Energy's thinking where necessary.

Throughout the workshop, it was clear that high energy users would appreciate being treated as a trusted partner in planning for the future, rather than being told what Endeavour Energy was doing and adjusting their operations to fit. They want a seat at the table and account management that considers their individual needs.

In the same way they see a future of two-way energy flows, they want a greater focus on two-way information flows for mutual benefit. Examples given included working together on issues such as:

- How to facilitate grid-expansion and connections to meet forecast higher demand (from both themselves and others) and future grid issues while maintaining current levels of reliability.
- Building resilience to ensure continued reliability, including issues such as stand-alone power systems, microgrids, undergrounding infrastructure to minimise bushfire risk and sharing generators with customers across the network to enable a more efficient response to longer-duration outages.
- Sharing the data Endeavour Energy has on what's happening on the network to allow for a more collaborative approach to network planning for all parties. For example, mapping the best parts of the network for the development of fast-charging stations for electric vehicles and providing this information up-front to inform investment and reduce risk to those parts of the network that are already congested.



**Words used to describe current (above) and desired future (below) relationship with Endeavour Energy**



# Final thoughts



*"We need to think about then future and build the future strategy. We are going through a big transition and we want to prepare for that. The relationship will have to change but, most importantly, we need to keep those costs under control."*



*"There is a lot to happen with reliability, renewables and resilience. We encourage Endeavour Energy to work towards progressing new technology."*



*"This [regulatory period] looks to the end of the decade - a long time. But we need to be flexible as we aren't yet sure what will be needed by then."*



*"Don't knock yourselves too hard, you're by far the easiest [network] to deal with."*



*"Work on that customer contact. We don't have a choice of DNSP - so we're looking at you to build relationships and communications."*



*"Reliability, reliability, reliability."*



*"Communication is the big one for me - communication in times of need."*





# Appendices

- **Appendix 1: Summary by key themes**
- **Appendix 2: Comparison of customer priorities of core services**
- **Appendix 3: Comparison of customer priorities for possible future services**
- **Appendix 4: Workshop participants**
- **Appendix 5: Post-engagement evaluation survey results**



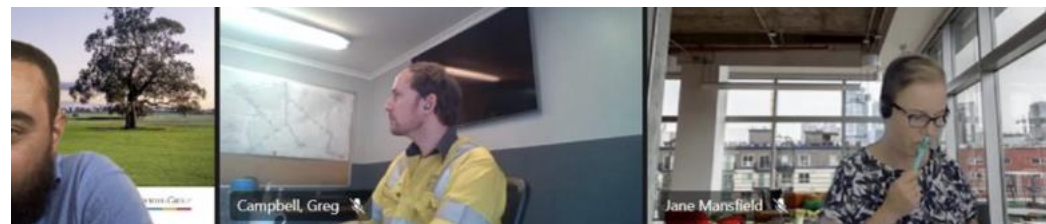
# Appendix 1: Summary by key theme

Endeavour Energy is capturing feedback from its exploratory research phase according to theme; this section of the report adds high energy users to the existing document

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
<b>Reliability</b> <i>In modern societies, the vast majority of economically productive activity depends, at least to some extent, on electricity. While self-generation may be becoming more prevalent in some countries, electricity provided from the national electricity grids continue to form the bulk of electricity supply. Though electricity is provided with a high degree of reliability across Australia and other developed nations, with only infrequent and limited disruptions, it is clear that such disruptions can result in very high costs to society where they do arise. On the other hand, maintaining a high level of security of supply is costly, and no system can ever be 100% secure. The economically efficient level of security of supply is where the marginal benefit of an additional unit of supply security is equal to the marginal cost of maintaining that level of supply of security.</i>	<ul style="list-style-type: none"> <li>What level of reliability do customers want?</li> </ul>	<p>RESIDENTIAL AND SME</p> <ul style="list-style-type: none"> <li>Reliability is highly valued. Most customers are satisfied with the current number and length of outages they experience.</li> <li>Those in peri-urban areas are less satisfied and appear to have more outages as a result of storms and other natural disasters, as well as planned outages for repairs.</li> <li>Vulnerable customers and residential customers from the Assyrian community were more likely to prioritise affordability over reliability, though reliability remained important.</li> </ul> <p>HIGH ENERGY USERS</p> <ul style="list-style-type: none"> <li>Reliable electricity is a non-negotiable critical business input for high energy users. Without electricity, they can't operate their businesses and the safety of staff and customers is compromised.</li> <li>While they see increasing pressures on the electricity supply as a result of growth, climate change impacts and new technology, they expect the current level of reliability to be maintained.</li> </ul>
<b>Risk appetite</b> <i>Our risk appetite in the long-term interests of customers reflects the Group Board position on key risks. This includes the risk tolerability from a safety, network, finance, compliance, customer, reputation, environmental and industry positioning perspective.</i>	<ul style="list-style-type: none"> <li>What value do customers place on electricity?</li> <li>What do customers understand of our external environment and challenges?</li> <li>How can this inform the narrative?</li> <li>How should Endeavour Energy's business narrative be communicated?</li> </ul>	<p>RESIDENTIAL AND SME</p> <ul style="list-style-type: none"> <li>A reliable electricity supply is more highly valued than in previous studies.</li> <li>Customers see external challenges (the pandemic, natural disasters, escalating costs) as challenges for themselves and haven't considered any implications for the network. Endeavour Energy's narrative would therefore best be communicated as sharing a mutual understanding of the challenges we're all facing.</li> </ul> <p>HIGH ENERGY USERS</p> <ul style="list-style-type: none"> <li>Zero appetite among high energy users to put the reliable supply of electricity at risk.</li> <li>They understand the external challenges and want to work collaboratively with Endeavour Energy to address them for mutual benefit.</li> </ul>

# Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
<b>Resilience</b> <i>How networks and infrastructure providers are considering and managing climate risk in its plans; this can involve proactive capex programs to improve network automation and resilience, reactive outage response and insurance opex and risk allocation balance between networks and customers via pass-throughs.</i>	<ul style="list-style-type: none"> <li>Do they want EE to invest now to ensure the resilience of the network in the face of climate change, including increased natural disasters?</li> </ul>	<p><b>RESIDENTIAL AND SME</b></p> <ul style="list-style-type: none"> <li>Participants generally saw resilience as being more about quick restoration to their energy supply than about climate change.</li> <li>Climate change and increasing extreme weather events are seen as a given and certainly a reason to prioritise investment in this space. Customers had not previously thought about this issue or who would pay. Some think the cost of responding to emergencies in general is paid for by governments and hadn't made a connection to increased electricity costs via their bill.</li> <li>Concern was higher among innovators and lower among SMEs though both expected that ensuring the network was fit for purpose was largely BAU for a network.</li> </ul> <p><b>HIGH ENERGY USERS</b></p> <ul style="list-style-type: none"> <li>Resilience was a strong theme among participants. They clearly see climate-related threats and want to know what Endeavour Energy is doing to address them.</li> <li>The desired response includes infrastructure investment (such as undergrounding), new technologies (such as microgrids), improved communication around outages, and greater collaboration (such as sharing generators).</li> </ul>



# Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
<b>Affordability</b> Energy affordability is a consistent key concern for customers, customers should pay no more than necessary for a safe, reliable and secure supply of electricity.	<ul style="list-style-type: none"> <li>How do customers feel about affordability of electricity?</li> <li>How do they perceive the value from Endeavour Energy's part of their bill?</li> <li>How do customers value the core services EE provides?</li> <li>Do the current services reflect their priorities?</li> <li>Which services would they pay more for?</li> </ul>	<p><b>RESIDENTIAL AND SME</b></p> <ul style="list-style-type: none"> <li>Customers want access to reliable, affordable energy. Most would like to reduce their electricity bills in the context of cost of living expenses and are conscious of trying to reduce their consumption where possible without impacting their lifestyle (such as not using air-conditioning on hot days). But while affordability is important (particularly in the face of additional financial pressures during COVID-19 lockdowns), most customers are not willing to compromise reliability to save money.</li> <li>When shown the proportion of their bill that goes to Endeavour Energy, most felt it was justified based on the information provided about its role. Before this information most would have been unable to express an opinion.</li> <li>The core services most highly valued (and prioritised) are reliability, restoring power after emergencies, and network efficiencies including the development of new technologies which will ultimately save money. The core services least valued were answering emergency telephone calls within 30 seconds, fast-tracked connections/disconnections, meter reading and streetlights. While these are not seen as priorities, in most cases this is because they are hygiene factors (what they expect) rather than being unimportant. In the case of meter reading, many were surprised that this was still done manually. Trade offs were not explored in this stage of the research. Vulnerable customers, and some SMEs were more likely to prioritise affordability over reliability.</li> </ul> <p><b>HIGH ENERGY USERS</b></p> <ul style="list-style-type: none"> <li>Affordability is seen as a core competency rather than a service. It is assumed and expected that they are paying no more than necessary for the safe, reliable and secure electricity they use.</li> <li>Efficiencies are important, and high energy users want to work with Endeavour Energy to explore ways to do things more efficiently and use new technologies such as demand response and distributed energy resources to reduce their energy costs.</li> <li>They value a reliable service and tend to focus more on the costs incurred when supply is disrupted, both in terms of financial impacts and impact on their ability to meet their commitments to their own customers. Without electricity, mining and manufacturing stops, healthcare and transport can be compromised and the safety of staff and customers put at risk.</li> <li>Following a suggestion by RRG member Mark Grenning, Endeavour Energy proposes to do more work in this area to examine whether the opinions on affordability expressed by workshop participants reflect high energy users more broadly. This is expected to include one-on-one discussions with a broader range of high energy users, including procurement specialists.</li> </ul>

# Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
<b>Customer service</b>	<ul style="list-style-type: none"> <li>See resilience and reliability</li> </ul>	<p>RESIDENTIAL AND SME</p> <ul style="list-style-type: none"> <li>Discussion suggested customers thought of customer service from Endeavour Energy as an outcome of reliable performance, with accessible and timely advice re outages and expected restoration times also valued and appreciated.</li> <li>Once prompted, most customers also valued efforts made by Endeavour Energy to protect vulnerable consumers and expected the network to be taking steps to facilitate emissions reduction. Low awareness of network limitations meant that constraints on solar or EV were not well identified as customer service issues.</li> <li>Only a handful, typically SMEs, noted that answering emergency calls within 30 seconds was important.</li> <li>SMEs were more engaged with the possibility of having Endeavour Energy assist them in reducing consumption and therefore costs than other segments. Some in-language residential customers commented about not understanding how to read their bills and wanting to be educated on how to make cost savings.</li> </ul> <p>HIGH ENERGY USERS</p> <ul style="list-style-type: none"> <li>A high priority area. Because of the importance of reliability, high energy users value a 'go to' person who understands the nature of their business, can be proactive in providing information about planned and unplanned outages and quickly respond to questions.</li> <li>A range of services metrics – such as increased communication, bespoke account management, extra services and access to new technology – were given higher priority among these customers than others.</li> </ul>
<b>Innovation &amp; choice</b>	<ul style="list-style-type: none"> <li>How do customers want to be able to engage with energy markets in future?</li> <li>What do they want to be able to do?</li> <li>What choices do they want to have?</li> <li>Does the community want to see Endeavour as a leader or follower in the Future Grid space?</li> </ul>	<p>RESIDENTIAL AND SME</p> <ul style="list-style-type: none"> <li>Customers would like to keep their options open when it comes to engaging with electricity and be able to choose whether to 'set and forget', get more involved, or indeed dip in and out of that direct control when they need to (such as increased cost pressures during COVID-19). They want access to the tools and data that help them make decisions. The Future Grid is most relevant to consumers if it directly benefits them by reducing costs, increasing reliability and/or reducing emissions.</li> <li>Customers felt Endeavour Energy should be responsive to the energy transition underway and act to ensure they are not responsible for holding up introduction of the services customers are looking for.</li> <li>Discussion suggested customers felt the future services explored would be a natural fit for Endeavour Energy based on their understanding of its role, but responsibilities were not explored in detail.</li> <li>Innovators and SMEs are more interested in innovation and choice than other segments. Vulnerable customers are least likely to want to play an active role.</li> </ul> <p>HIGH ENERGY USERS</p> <ul style="list-style-type: none"> <li>Full engagement as a trusted partner in navigating the future is the preferred position of high energy users. They don't want to be blind-sided by risks or miss out on opportunities to benefit from the energy transition.</li> <li>Endeavour Energy is expected to be an enabler of how they will engage in the Future Grid.</li> </ul>

# Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
<b>Role of data</b> <i>Improving business analytics and commercial opportunities from the effective use of data will underpin efficient and innovative delivery of electricity services, the role of improving data will provide an overarching objective and impact on our plans.</i>	<ul style="list-style-type: none"> <li>Which of a series of actions that Endeavour Energy could do in this area do customers see as the greatest priority?</li> </ul>	<p>RESIDENTIAL AND SME</p> <ul style="list-style-type: none"> <li>Customers are interested in accessing their own data if it will help provide insights to help them manage their energy costs.</li> <li>Although not explicitly discussed, the strong importance placed on reliability is likely to mean that data that enables the network to manage outages would also be highly regarded. Similarly, the prospect of network efficiency that ultimately reduces costs for all customers would also be well received. This is supported by other research that SEC Newgate has recently conducted for the AEMC's metering review.</li> <li>The role of data is seen through the lens of affordability and reliability. Affordability is key for vulnerable customers; reliability is the priority for others.</li> </ul> <p>HIGH ENERGY USERS</p> <ul style="list-style-type: none"> <li>These users see data as a service and would like Endeavour Energy to share the data it has about what's happening on the network to help inform investment decisions and their own future planning.</li> </ul>
<b>Safety</b>		<p>RESIDENTIAL AND SME</p> <ul style="list-style-type: none"> <li>Safety is a priority but for most it appears to be largely assumed as a given or hygiene factor. Though important, responding to emergencies was prioritised more for reliability than safety reasons. Keeping the network safe is seen as one of the reasons Endeavour Energy exists.</li> <li>In-language participants were particularly interested in safety and in this context also placed more importance on streetlights.</li> </ul> <p>HIGH ENERGY USERS</p> <ul style="list-style-type: none"> <li>These customers gave safety a lower priority than others, but discussion suggests it is important but seen as a hygiene factor.</li> <li>Some mentioned the risks to safety for their own staff and customers if electricity supply is disrupted.</li> </ul>

# Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
<b>Sustainability/Livability</b> <i>We heard about customers' concerns about the sociological and environmental impacts of our industry. Sustainability was highlighted by customers to be in the long-term interests of customers. The sustainability theme will provide an overarching objective in our plans.</i>	<ul style="list-style-type: none"> <li>Where do sustainability issues sit in the community's hierarchy of concerns?</li> <li>Of a series of actions that Endeavour Energy could do in this area, which do customers see as the greatest priority?</li> </ul>	<p>RESIDENTIAL AND SME</p> <ul style="list-style-type: none"> <li>Customers accept that a transition to use of more renewable sources of energy is underway and are interested in ways they can support this and reduce their own emissions. Note however that their focus on reducing costs is more important for most than reducing emissions - but these priorities align when it comes to support for ensuring access to solar PV and community batteries.</li> <li>Most believed Endeavour Energy should be working to reduce its own emissions but they felt this was a BAU requirement and not something that customers should necessarily pay more for.</li> <li>The most interest in addressing environmental impacts came from Assyrian and Vietnamese in-language residential customers, but this same group was the least interested in sociological impacts such as planning for the future.</li> </ul> <p>HIGH ENERGY USERS</p> <ul style="list-style-type: none"> <li>Would like to know that Endeavour Energy is doing what it can to reduce its emissions, but understand its role as a DNSP so regard this in the same way they look at social and environmental responsibility for other business partners.</li> <li>Also want confidence that the network will be able to offer the services they need to reduce their emissions (eg. distributed energy resources).</li> </ul>
<b>Vulnerable customers</b> <i>Vulnerable customers reflect those who can't actively engage with the energy market or have difficulty, or those who rely on supply more critically than others (ie. life support). Support for vulnerable customers in terms of payment, information, support by the network is a key role we play.</i>		<p>RESIDENTIAL AND SME</p> <ul style="list-style-type: none"> <li>The importance of protecting vulnerable customers was apparent among all groups.</li> <li>With the exception of ensuring supply for life support customers, most customers believed that the primary responsibility for interacting with vulnerable customers lay with retailers.</li> <li>There was strong support for Endeavour Energy's 'knock before disconnect' program.</li> </ul> <p>HIGH ENERGY USERS</p> <ul style="list-style-type: none"> <li>This was not explored in detail with these customers and did not come up in discussions</li> <li>It was not given top 5 priority by any high energy user participant.</li> </ul>

# Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
<b>Energy security</b> <i>Energy security is an increasing concern for customers due to closure of fossil fuel generation, with increasing renewable sources that are exposed to weather.</i>		<b>RESIDENTIAL AND SME</b> <ul style="list-style-type: none"> <li>There was limited awareness of energy security issues, with concern focusing around the increasing amount of variable renewable energy entering the grid.</li> <li>Customers want and expect the network to deliver reliable energy to them. They want this to be increasingly clean energy, but there is limited awareness of what this will require of the network.</li> <li>Innovators, SMEs and the general community are more aware, and more concerned, than others.</li> </ul> <b>HIGH ENERGY USERS</b> <ul style="list-style-type: none"> <li>High awareness of the energy transition but security risks were not mentioned, despite the high value placed on reliability.</li> </ul>
<b>Fair access</b> <i>The distribution network is shared amongst all customers; the cost of new assets is borne by both new customers and existing customers; solar customers and non-solar customers; ensuring an appropriate balance and access to all types of customers (new, existing, prosumer, consumer etc.) is a delicate balance.</i>	<ul style="list-style-type: none"> <li>What does intergenerational equity mean to customers when it comes to investment in the grid?</li> </ul>	<b>RESIDENTIAL AND SME</b> <ul style="list-style-type: none"> <li>This was not directly discussed in the focus groups given the complexity of the issue and the time available.</li> <li>However, when compared to research conducted in 2017 there also appeared to be stronger interest in both the environmental and social sustainability of the network going forward to deliver services not only for them but for their communities, those more vulnerable and future generations.</li> </ul> <b>HIGH ENERGY USERS</b> <ul style="list-style-type: none"> <li>Not discussed nor raised as an issue.</li> </ul>

## Appendix 2: Comparison of customer priorities for current core services

Participants in the high energy users workshop, residential and SME focus groups and in-language consultation, were given a list of core services that Endeavour Energy provides and asked to identify the most important to them (or their organisation). The list was tweaked slightly to reflect the offerings to different customers' groups. The overall priority order of current core services for residential and SME customers (as determined by the number ranking the service across all focus groups in their top five services) is presented in the second column below. The third column shows the results from the High Energy Users workshop. Those in **green** were prioritised comparatively higher by High Energy Users; those in **red** were given a lower priority.

PRIORITY	RESIDENTIAL AND SME	HIGH ENERGY USERS
1	Providing a <b>reliable</b> supply of electricity to all customers by building, maintaining and managing the substations, poles and wires, underground cables and other equipment.	Providing a <b>reliable</b> supply of electricity to all customers by building, maintaining and managing the substations, poles and wires, underground cables and other equipment.
2	<b>Responding to emergencies</b> like storms which bring down power lines and poles to reduce the safety risk and restore power as quickly and safely as possible.	<b>Keeping customers informed</b> of planned and unplanned outages to minimise disruption to operations.
3	Managing the <b>network efficiently</b> to deliver electricity services in the most affordable way.	<b>Responding to emergencies</b> like storms which bring down power lines and poles to reduce the safety risk and restore power as quickly and safely as possible.
4	Researching, trialing, and installing <b>new technologies</b> such as batteries to improve efficiency of infrastructure investment where possible, helping contribute to long-term affordability of electricity bills.	<b>Providing business partners</b> for key customers to help them manage their existing or future service, usage and costs.
5	Managing <b>safety-related issues</b> to reduce risks to the community by monitoring infrastructure, trimming trees to maintain safety clearances, managing bushfire risk and preventing blackouts caused by falling trees.	<b>Planning for the future</b> by building the infrastructure to accommodate growing suburbs, new connections and industries
6	<b>Planning for the future</b> by building the infrastructure to accommodate growing suburbs and industries.	Managing the <b>network efficiently</b> to deliver electricity services in the most affordable way.
7	<b>Keeping customers informed</b> (via SMS for all customers plus mailbox drops for life-support customers) of planned and unplanned outages to minimise disruption.	Providing <b>prompt connections and disconnections</b> when required, including new services, large energy connections, embedded networks and solar connections.
8	Helping <b>vulnerable customers</b> to keep the power on when things go wrong or when they need medical equipment to preserve life (life support customers).	<b>Reading electricity meters</b> and sending the data to retailers so your electricity bills are accurate.
9	Providing customers with <b>tools to help manage electricity usage</b> and costs via telephone, text and website	<b>Answering emergency telephone</b> calls within 30 seconds.
10	Installing and <b>maintaining streetlights</b> to keep communities safe.	Researching, trialing, and installing <b>new technologies</b> such as batteries to improve efficiency of infrastructure investment where possible, helping contribute to long-term affordability of electricity bills.
11	<b>Reading electricity meters</b> and sending the data to retailers so your electricity bills are accurate	Managing <b>safety-related issues</b> to reduce risks to the community by monitoring infrastructure, trimming trees to maintain safety clearances, managing bushfire risk and preventing blackouts caused by falling trees.
12	Providing <b>prompt connections and disconnections</b> when required, including new services and solar connections.	Installing and <b>maintaining streetlights</b> to keep communities safe
13	<b>Answering emergency telephone</b> calls within 30 seconds	Helping <b>vulnerable customers</b> to keep the power on when things go wrong or when they need medical equipment to preserve life (life support customers).
14		Providing customers with <b>tools to help manage electricity usage</b> and costs via telephone, text and website.

# Appendix 3: Comparison of customer priorities for possible future services

The table below shows the full list of potential future services with the overall priority order determined by the number of participants ranking the service in their top five. The priorities of residential and SME customers are shown in column two below, and the priorities of High Energy Users are shown in column three. **Red** and **green** statements indicate where the priorities provided by High Energy Users were comparatively higher or lower.

PRIORITY	RESIDENTIAL AND SME	HIGH ENERGY USERS
1	Provide the necessary technology so that anyone who wants to use <b>solar panels</b> to generate their own electricity and export what they don't use into the grid can do so	Invest in infrastructure and / or new technology so the current levels of <b>reliability (number of blackouts and speed with which they are fixed) can be maintained as the climate changes (e.g. if there are more floods and fires).</b>
2	Invest in infrastructure and / or new technology so the current levels of <b>reliability (number of blackouts and speed with which they are fixed) can be maintained as the climate changes (e.g. if there are more floods and fires)</b>	Ensure the grid is able to cope with the <b>increased demand</b> likely to come from an influx of <b>electric vehicles</b> , hydrogen or other new technologies.
3	Provide households with an option to send any <b>excess energy from their solar panels to a battery shared with neighbours</b> so they can trade electricity with each other. This would also help make the grid more efficient and keep downwards pressure on bills.	Provide businesses <b>more tailored approaches to account management</b> and different levels of support depending on their needs and size.
4	Introduce a <b>new way of charging</b> so that customers can save money by changing the time of day they consume electricity or export solar to match the changing supply and demand in the grid	Provide customers <b>more accurate and timely information about unplanned and planned disruptions.</b>
5	Ensure the grid is able to cope with the <b>increased demand</b> likely to come from an influx of <b>electric vehicles</b>	Introduce a <b>new way of charging</b> so that customers can save money by changing the time of day they consume electricity or export solar to match the changing supply and demand in the grid.
6	<b>Help cut greenhouse gases</b> and set targets to do this by 2040 through investment in new technology	Offer businesses a range of <b>different services and prices</b> so they can choose what they want in terms of reliability, account management and customer service.
7	Help customers to understand and manage their electricity consumption and costs through <b>education and data</b>	Help <b>cut greenhouse gases</b> and set targets to do this by 2040 through investment in new technology.
8	<b>Help customers save money</b> if they choose to reduce their energy consumption during a heatwave so more equipment doesn't need to be built, helping keep prices down for everyone in the longer term	Provide <b>extra services</b> (such as fast-tracked processes) to those who are willing to pay for them, instead of all customers contributing.
9	Replace above ground wires with <b>underground cables</b> to reduce fire risk and improve public amenity (note that this would cost customers significantly more and often takes longer to find faults)	Replace above ground wires with <b>underground cables</b> to reduce fire risk and improve public amenity (note that this would cost customers significantly more and often takes longer to find faults).
10	Provide customers <b>more accurate and timely information about unplanned and planned disruptions</b>	Provide the necessary technology so that anyone who wants to use <b>solar panels</b> to generate their own electricity and export what they don't use into the grid can do so.

## Appendix 3: Comparison of customer priorities for possible future services (cont'd)

The table below shows the full list of potential future services with the overall priority order determined by the number of participants ranking the service in their top five. The priorities of residential and SME customers are shown in column two below, and the priorities of High Energy Users are shown in column three. **Red** and **green** statements indicate where the priorities provided by High Energy Users were either higher or lower.

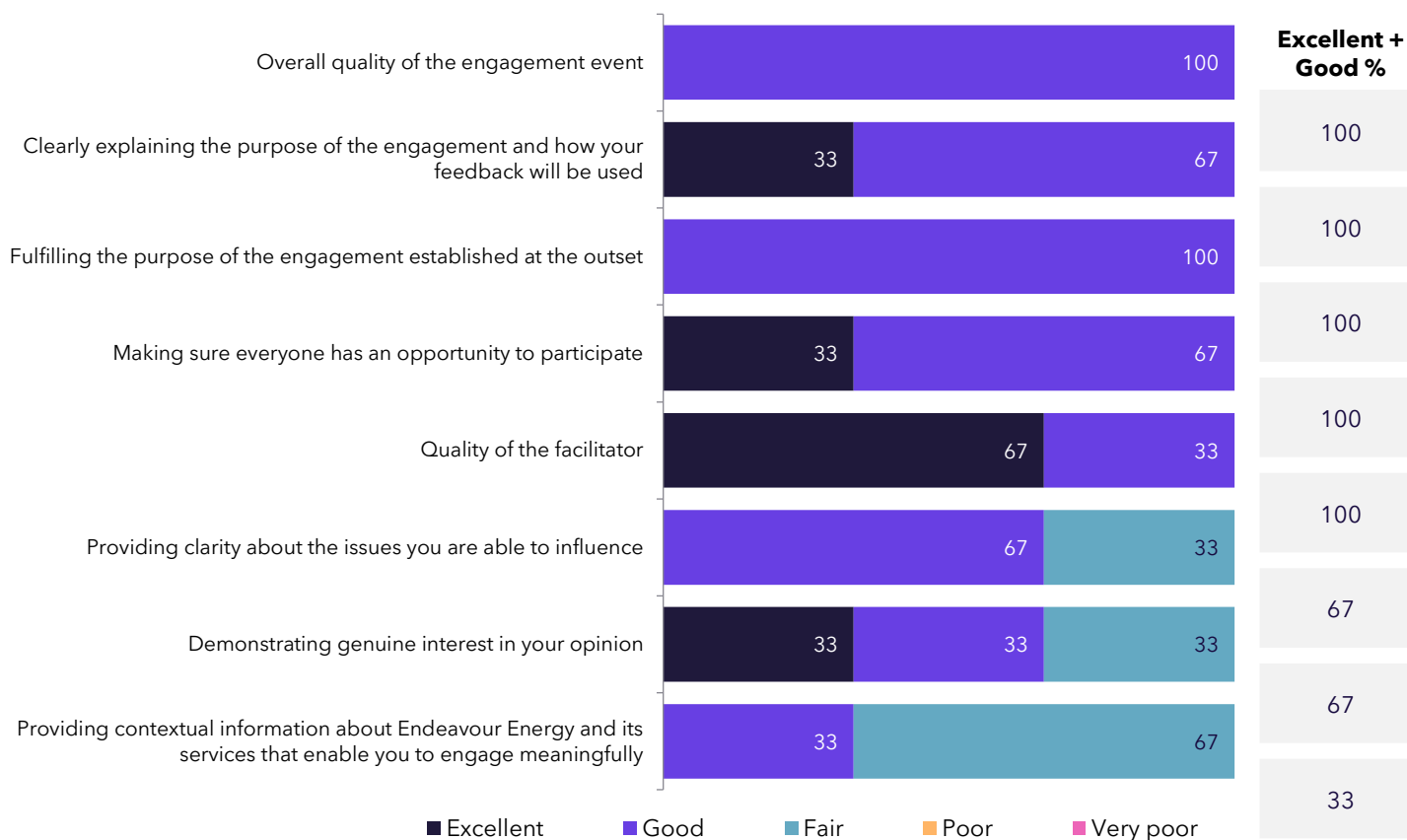
PRIORITY	RESIDENTIAL AND SME	HIGH ENERGY USERS
11	<b>Increase digital security</b> to protect customers' personal data related to their energy usage	Help customers to understand and manage their electricity consumption and costs through <b>education and data</b> .
12	Provide <b>extra services</b> to those who are willing to pay for them, instead of all customers contributing	Provide households and businesses with an option to send <b>any excess energy from their solar panels to a battery shared with neighbours</b> so they can trade electricity with each other.
13	<b>Fast-track the connection</b> of new business and housing developments so our region can grow rather than invest 'just in time'	<b>Fast-track the connection</b> of new businesses and housing developments so our region can grow rather than invest 'just in time'.
14	<b>SME only:</b> Provide small and medium businesses more <b>tailored approaches to account management</b> and different levels of support depending on their needs and size.	<b>Increase digital security</b> to protect customers' personal data related to their energy usage.
15	<b>SME only:</b> Offer small and medium businesses a range of different services and prices so they can choose what they want in terms of reliability, account management and customer service	

## Appendix 4: List of participants and observers

- Andrew Dowsley - CSR Bradford - looks after high voltage facilities, main consumption is a glass furnace
- Greg Campbell - electrical engineering manager at Appin mine (6 x 66KV connection points; talking about a lot of extra connection points)
- Andrews McVey and Darren O'Connell - Shoalhaven Council Water pumping, streetlights, solar, SAPS, etc. (EE critical infrastructure provider)
- David Williams - main steelworks at Port Kembla (plus engineering manager) - deal with EE daily
- Tony Kong - Sydney Children's Hospital Network
- Rajesh Lekhwar - energy manager BOC (Port Kembla)
- Michael Shelley - Woolworths - 250 sites in EE area
- Peter Robertson - Sydney Metro - main interest is reliability of supply
- Jane Mansfield - Coles
- Mark Grenning - EUAA - RRG observer
- Anthony Cooper - Business Australia - RRG observer
- Bruce McClelland - Business Western Sydney - RRG observer
- Adam Cramp - NSW DPIE - RRG observer
- Mark Henley - AER Consumer Challenge Panel observer
- Elissa Freeman - AER Consumer Challenge Panel observer
- Rob Nicholls - AER Consumer Challenge Panel observer

# Appendix 5: Post-engagement evaluation survey results

## Post-engagement evaluation survey results n=3 (%)



"What I enjoyed most about the session was hearing from other high-end customers about their experiences with Endeavour Energy."



"I thought it was a very well-run webinar forum."

# Appendix 6: Follow-up interview summary

Feedback from a follow-up interview with a commercial/financial manager of a high energy user customer was consistent with the overall workshop findings

## As a large, multi-site customer, key priorities are reliability, managing energy needs and efficiency

### Reliability is the baseline

- The first 3-hour window during outage is critical.
- Early communication helps making decisions on when to get a generator to continue operations.
- Would like to see improved notification system for planned outages, and better online information.
- Planned outage app is ok but would prefer Twitter for updates on unplanned outages.

### Energy efficiency is a priority

- A 5-10% energy saving represents a big financial saving for the business.
- Focus areas are energy metering and optimising energy performance (eg LED / HVAC settings which can be centrally set avoid site-based adjustments that can erode baseline efficiencies).
- Covid-related changes have increased energy demand.

### Current relationship

- Typically engages with Endeavour Energy re new connections
- Relationship is good. Great to have a point of contact to funnel into right part of EE business.

### Future focus

- Need to build a partnership model - ability to work better together to deliver outcomes in both businesses.
- Opportunity for collaboration in rolling out solar. Early discussions on solar pipeline of solar installations within the right areas of the network.
- DER optimisation and Electrical Vehicles are emerging challenges and opportunities.
- Would like to know how EE plans to get more involved in the energy transition, and sees lots of opportunity with DER, peer to peer trading, community batteries and EVs.



## Contact

SEC Newgate Australia Pty Ltd ABN 38 162 366 056  
Level 15, 167 Macquarie Street  
Sydney NSW 2000  
T +61 2 9232 9500

E: [sydney@secnewgate.com.au](mailto:sydney@secnewgate.com.au)  
W: [secnewgate.com.au](http://secnewgate.com.au)

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