

Endeavour Energy 2021 Exploratory Customer Research

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

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DISCLAIMER In preparing this report we have presented and interpreted information that we believe to be relevant for completing the agreed task in a professional manner. It is important to understand that we have sought to ensure the accuracy of all the information incorporated into this report. Where we have made assumptions as a part of interpreting the data in this report, we have sought to make those assumptions clear. Similarly, we have sought to make clear where we are expressing our professional opinion rather than reporting findings. Please ensure that you take these assumptions into account when using this report as the basis for any decision-making. The qualitative research findings included throughout this report should not be considered statistically representative and cannot be extrapolated to the general population. This project was conducted in accordance with AS: ISO20252:2019 guidelines, to which Newgate Research is accredited. Project reference number: NGR 2105007. This document is commercial-in-confidence; the recipient agrees to hold all information presented within as confidential and agrees not to use or disclose, or allow the use or disclosure of the said information to unauthorised parties, directly or indirectly, without prior written consent. Our methodology is copyright to Newgate Research, 2021. Newgate Research is a member of the Australian Polling Council and complies with its Code of Conduct as it pertains to the public release of polling data. Newgate Research will supply its clients with a Methodology Disclosure Statement which will include details about the research and how it was conducted. Should research results appear in public, Newgate Research is required to publish the Methodology Disclosure Statement on its website within two business days.





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Executive Summary



Executive Summary

How aware are customers of Endeavour Energy's services? How do they assess its performance?

The customers we engaged with had limited knowledge of Endeavour Energy's services and their main interaction with the organisation has been when they received or sought information about outages or see Endeavour Energy vehicles out and about restoring power after fires and floods. Its delivery of services in both these areas is well regarded.

It is important to note that at the most fundamental level Endeavour Energy is seen as an 'energy company' and so many customers' first thought is cost and what they can do to reduce their bills.

What do customers value most about Endeavour Energy's services?

The value that customers place on electricity, and in particular a reliable supply, appears to have grown over the last few years. This reflects a combination of factors including more people working and studying at home due to COVID-19, experiences of supply issues due to extreme weather events such as bushfires and floods, and an ever-increasing desire for 'mod cons' and connectedness via social media.

There are mixed views about whether the community will use more or less electricity in future, but many point out that likely savings from use of more energy efficient appliances will be more than off-set by greater use of electronic devices, particularly as take-up of electric vehicles accelerates.

When presented with information about the proportion of the energy bill going to different players in the electricity supply chain, Endeavour Energy was perceived to be doing 'the heavy lifting' in network operation and maintenance with some struggling to see how retailers justified their percentage from what some described as 'essentially paper shuffling'.

Many felt Endeavour Energy should do more to explain who it is and what role it plays, noting that they felt it would be a trusted source of information on what actions they can take to reduce their costs in the context of the energy transition.



Executive Summary (cont'd)

What do customers want from Endeavour Energy today?

Reliability: This was a clear number one priority for customers in 2021 for the reasons noted. Most were comfortable with current levels of reliability but some in Western Sydney, the Blue Mountains and the Hawkesbury regions said it was an ongoing problem, with some in the Southern Highlands noting it had been worse recently due to so many storms.

Resilience: Resilience and reliability are very closely intertwined in customers' minds and indeed their comments suggest that many see them as one and the same thing. Storms, fires and floods over the past three years have increased awareness of risks to their electricity supply from extreme weather. Customers appreciate these events are outside of anyone's control, but they do want to see supply restored as quickly as possible and to be kept in the loop on when services are likely to resume. No-one questioned the increased likelihood of these events as a result of the changing climate, and many were interested in reducing emissions.

Affordability: While the cost of living and doing business is high on the list of customer concerns, particularly for businesses impacted by COVID-19 shutdowns, concern about electricity bills appears to have softened since 2017. While the cost of electricity was still raised by many as their first thought on the subject, there was widespread interest from customers in hearing about ways they can save money by changing behaviour. While many would prefer a 'set and forget' approach, others want to have the option of taking more control if and when they choose to, and some are keen to be very hands-on.

Safety: Network safety is largely being seen through the prism of resilience. It is a hygiene factor. They expect the network to be safe and don't have any reason to believe that is not the case.

What do customers think they will want from Endeavour Energy in the future?

More choice and control: The expectation is that customers will have access to grid-connected solar PV and other new technologies if they choose to invest in them, as ways to both save money and increase their sustainability. They are interested in smart meters for the same reason but were not aware that retailers have responsibility for installation. They have not considered that grid constraints could limit their future choices.




Ongoing reliability: Climate change and an increase in severe weather events is seen as a given and something that Endeavour Energy should be able to manage. The expectation is that current levels of reliability and resilience would be maintained as a minimum regardless of external factors. The cost of doing so has not been considered by customers.

New opportunities to save money: The expectation is that Endeavour Energy will facilitate the availability of new technology, providing customers with new ways to save money with more visibility of their consumption patterns as well as access new services such as community batteries, incentive pricing and smart home energy management systems.

Facilitating increased sustainability: While saving money themselves remained a priority for participants, the research suggests increasing 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.

Executive Summary

Difference by segments

	GENERAL RESIDENTIAL	RESIDENTIAL - INNOVATORS	RESIDENTIAL - VULNERABLE	SMEs	IN-LANGUAGE (VIETNAMESE & ASSYRIAN)
CURRENT CORE PRIORITIES 	<ul style="list-style-type: none"> Reliability was the top priority, followed by responding to emergencies and managing the safety-related issues. 	<ul style="list-style-type: none"> Responding to emergencies and maintaining streetlights were of greater importance than other segments. 	<ul style="list-style-type: none"> Compared to all other segments, affordability ranked highest Less focused on new technologies, planning for the future and outage communication than other segments. 	<ul style="list-style-type: none"> Greater emphasis on planning for the future, the provision of tools to manage usage, prompt connections and answering emergency calls. 	<ul style="list-style-type: none"> Residential customers placed greater priority on safety, supporting vulnerable customers, streetlight maintenance, reading meters and connections.
FUTURE SERVICE PRIORITIES 	<ul style="list-style-type: none"> Protecting reliability in the face of climate change was the highest priority, followed by providing access to solar PV and introducing a new way of charging so customers can save money. 	<ul style="list-style-type: none"> Shared community batteries was of higher importance than for other segments. 	<ul style="list-style-type: none"> Improving reliability and resilience by replacing overhead wires with underground cables was more important than for other segments. We note, however, that this segment is the most sensitive to increased costs. 	<ul style="list-style-type: none"> Ensuring the grid can cope with increased demand was more of a priority than other segments, as was helping customers save money if they choose to reduce their energy consumption. 	<ul style="list-style-type: none"> Residential Vietnamese participants expressed greater interest in community batteries with digital security being of higher importance to Assyrian participants.
ENGAGEMENT PREFERENCES 	<ul style="list-style-type: none"> Social media post on Instagram or Facebook Email Face to face community consultation/ focus groups Online surveys 	<ul style="list-style-type: none"> Consistent with the preferred channels mentioned by general residential, as well as an online newsletter. 	<ul style="list-style-type: none"> Consistent with the preferred channels mentioned by general residential. 	<ul style="list-style-type: none"> Face-to-face meetings with an expert panel A personalised service with advice to suit their specific business set-up and requirements. 	<ul style="list-style-type: none"> Residential customers favoured focus groups and online surveys, community radio and networking through community leaders. Business customers preferred email and one-on-one interactions. In-language communication is preferred where possible.



Introduction

Background and Objectives

Endeavour Energy commissioned SEC Newgate Research to undertake a program of exploratory qualitative research and engagement with residential and small business customers as part of its 2024-2029 Revenue Reset Proposal development process.

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 design of future engagement activities.

More specifically, Endeavour Energy's key brief was:

Consider the services we provide

- Obtain customer insights on a list of services that Endeavour Energy currently provides and understand what good looks like for each and how they would prioritise them and why
- Examine a list of services that Endeavour Energy could provide in the future and discuss each to understand how they would prioritise them and why

Focus on expectations around affordability, reliability and safety

- Briefly explore trade-offs
- Explore how customers feel Endeavour Energy should work to enhance network resilience in the face of climate extremes (e.g. paying more to retain reliability or paying the same for lower reliability)

Transition to a low carbon economy to enable customer future energy choices

- Understand how customers feel about issues such as transition to a low carbon economy and how proactive vs reactive networks should be in supporting the transition
- Explore how customers want to be able to interact with energy in the future. Assess how involved they want to be e.g. to what extent do customers want to actively manage their usage to get best value for money vs trust a network to do this on their behalf.



Methodology

- This project involved direct engagement with 92 representatives of Endeavour Energy's customer base. Fieldwork comprised 15 focus groups, each running between 1.75-2 hours, with n=88 Endeavour Energy's end-use customers, together with 4 discussions with Assyrian small business owners lasting 45 minutes each, with customers drawn from across the Endeavour Energy catchment, including Western Sydney, Southwest Sydney, Blue Mountains, Southern Highlands and the South Coast. Due to COVID restrictions, all groups and discussions were held online.
- The fieldwork was conducted between 30 August and 26 September 2021 and comprised:
 - 11 x residential customers focus groups: 9 of these held in English and 2 were held in-language with members of the Vietnamese and Assyrian communities. Within this we also held groups with younger and older customers, vulnerable customers and energy innovators; and
 - 4 x SME customers focus groups held in English and 4 x in-language discussions with Assyrian small business owners.
- The tables below, and on the following page sets out key focus group and Assyrian small business owner discussion specifications:

GROUP	DATE	TIME	LOCATION	SEGMENT	AGE GROUP	NO. PARTICIPANTS
1	Monday, 30 August	5.45pm -7.30pm	Southern Highlands (Bowral, Moss Vale, Bundanoon, Balmoral and Exeter)	General residential	Over 45s	6
2	Monday, 30 August	7.45pm -9.30pm	South-west Sydney (Fairfield, Liverpool, Wollondilly, Camden and Campbelltown LGAs)		Over 45s	6
3	Tuesday, 31 August	5.45pm-7.30pm	North-west (Blacktown, Hills and Hawkesbury LGAs)		Under 45s	7
4	Tuesday, 31 August	7.45pm-9.30pm	Wollongong LGA		Under 45s	5
5	Wednesday, 1 September	5.45pm-7.30pm	Blue Mountains (Katoomba)	Innovators	Mix of ages	6
6	Wednesday, 1 September	7.45pm-9.30pm	Shoalhaven LGA		Mix of ages	5
7	Monday, 6 September	5.45pm-7.30pm	Western Sydney (Great Western Highway corridor including Parramatta, Holroyd, Blacktown and Penrith LGAs)	SMEs	Mix of ages	5
8	Monday, 6 September	7.45pm-9.30pm	North-west (Blacktown, Hills and Hawkesbury LGAs)		Mix of ages	5
9	Tuesday, 14 September	5.45pm -7.30pm	Blue Mountains (Katoomba), and expanding beyond to Endeavour Energy's distribution service		Mix of ages	7
10	Tuesday, 7 September	7.45pm-9.30pm	Western Sydney (Great Western Highway corridor including Parramatta, Holroyd, Blacktown and Penrith LGAs)	Vulnerable	Mix of ages	5
11	Monday, 13 September	7.45pm-9.30pm	Nowra and Ulladulla in Shoalhaven LGA			6

Methodology

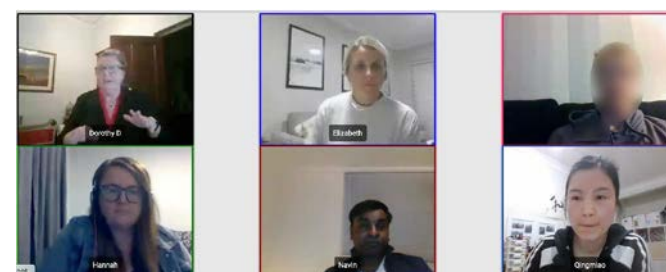
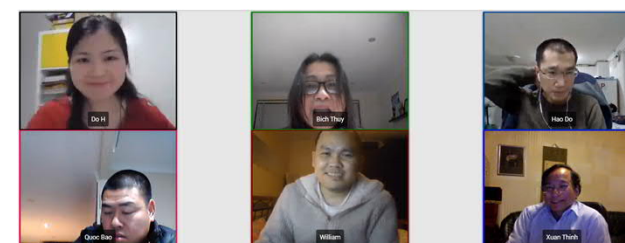
GROUP	DATE	TIME	LOCATION	SEGMENT	AGE GROUP	NO. PARTICIPANTS
12	Monday, 13 September	5 45pm - 7 30pm	Mixed - within Endeavour Energy's distribution area	Innovators	Mix of ages	7
13	Wednesday, 15 September	6pm-7 45pm	North-west (Blacktown, Hills and Hawkesbury LGAs), but could also include Western Sydney (Great Western Highway corridor including Parramatta, Holroyd, Blacktown and Penrith LGAs)	SMEs	Mix of ages	7
14	Tuesday, 14 September	6pm-8pm	Western Sydney (Great Western Highway corridor including Parramatta, Holroyd, Blacktown and Penrith LGAs)	In-language Vietnamese	Mix of ages	5
15	Wednesday, 15 September	6pm-8pm	South-west Sydney (Fairfield, Liverpool, Wollondilly and Campbelltown LGAs) but could also include some from Wollongong LGA	In-language Assyrian	Mix of ages	6

DISCUSSIONS	DATE	TIME	LOCATION	SEGMENT	AGE GROUP	NO. PARTICIPANTS
1-4	Saturday, 25 to Sunday, 26 September	Various	Mixed - within Endeavour Energy's distribution area	SME in-language Assyrian	Mix of ages	4



Methodology

- Platform:** All focus groups were held via VisionsLive, an online interactive qualitative research platform. This was chosen to enable participants to individually complete the prioritisation of core and future services through the interactive whiteboard function. The platform also allowed for multiple observers in a separate 'room' and allowed them to converse with one another during the groups through the observer chat function. The SME in-language in-depth interviews were conducted via Zoom, given they did not require the interactivity for the services evaluation.
- Facilitation:** Facilitation of the English groups was conducted by Sue Vercoe, Julie Sheather and Dorothy Dudley, and note taking was conducted by Peta Hinton. In consultation with the Ethnic Communities' Council of NSW (ECC NSW), facilitation of the Vietnamese in-language group was conducted by Do Ha with note-taking by Phung Ngo. Facilitation of the Assyrian in-language focus group and the in-depth interviews with SMEs was conducted by George Georgees with note-taking by Rageed Tater.
- Observation:** Each of the English language groups was observed by members of Endeavour Energy's Board, Executive and/or other senior team members. Observers included twenty-nine Endeavour Energy senior leaders and managers, six Executive (entire ELT), four Board Directors, five Regulatory Reference Group (RRG) members and one Peak Customer & Stakeholder Committee (PCSC) member. Each of the in-language focus groups and the interviews was observed by SEC Newgate staff including Dorothy Dudley, Brigid Quinlan, Rhana Fleming, Georgia Keogh and Lenda Oshalem.
- Recruitment:** Participants lived/had their business located in the LGAs serviced by the Endeavour Energy network and were the main or joint decision-maker when it comes to buying or using energy in their household/business. Each group comprised a mix of age, gender, life stage and cultural and linguistically diverse backgrounds. Care was taken to include some in each group who had not previously participated in market research. Recruitment specifications were agreed with Endeavour Energy's RRG in advance and SEC Newgate prepared an appropriate screening questionnaire. Recruitment for the English groups was undertaken by independent recruiter Research Connections. Recruitment of the in-language residential groups and SME in-depth interviews was conducted by ECC NSW.
- Incentives:** In line with accepted market research practices, residential participants were incentivised \$100 and SMEs were incentivised \$200, with SME participants in the later groups paid between \$220 and \$250 to ensure commitment for their time, and \$200 to the in-language SME in-depth interview participants.



Regulatory reset engagement approach

The exploratory qualitative research covered in this report is the first step in Endeavour Energy's planned engagement program for its 2024 - 2029 regulatory proposal. The program complements business as usual engagement and will comprise a mix of activities and techniques to make it easy for customers and stakeholders to participate and have a say in a way that suits them. It is expected to include:

State of the Network forum



Forums in Western Sydney and the Illawarra to inform and consult stakeholders on Endeavour Energy's investment plans and priorities for the next 10 years.

One-on-one briefings



Briefings with key subject matter experts and key stakeholder organisations to discuss issues in detail.

Stakeholder deep dives



Four to six-hour forums to allow detailed exploration on complex, difficult to resolve subjects and issues.

Digital and social media engagement



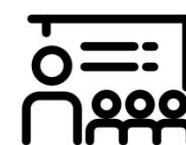
Frequent social media posting and a dedicated interactive website (Engagement HQ) allowing customers to learn, engage and provide feedback on the regulatory reset in their own time.

Workshops



Workshops for Endeavour Energy to engage with high energy users, councils, Accredited Service Providers and other stakeholder groups.

Deliberative workshops



A broad cross section of customers participate in a series of workshops over a period of months. They consider key issues in detail and identify their priorities and preferences.

Formal research



Formal qualitative and quantitative research with customers to understand how customers feel about particular energy issues and to explore their preferences in relation to Endeavour Energy's current and potential future services.

Specialist stakeholder committees



Working with dedicated customer and stakeholder committees to co-design every aspect of the proposal development.

Newsletter



A regular online newsletter providing those who opt-in via the website with important updates and avenues to have their say.

Implications for future engagement

Summary of reflections to inform future engagement on the regulatory proposal development

Be clearer on the role that Endeavour Energy plays in the energy supply chain

- While efforts were made to clearly communicate Endeavour Energy's role, some participants remained confused and made suggestions that were not within the organisation's remit. While this feedback is useful in terms of ability to understand what customers value and the ways in which they'd like to be able to engage with electricity, it does reinforce the importance of a clear foundation to enable meaningful engagement to occur.
- We note that no pre-reading was provided to customers in this exploratory phase as we wanted to explore values and priorities unprompted. The approach is expected to be different in the deliberative phase. In addition to pre-reading, discussion on the role of Endeavour Energy will require appropriate up-front focus and time for Q&As. It would be useful to prepare clear infographics and a video on this point, noting they will also be required for broader community engagement activities.
- This poses a major challenge for broader engagement where customers are invited to share feedback via various mechanisms hosted on Endeavour Engagement HQ.
- **Make it as easy as possible for customers to understand and be able to differentiate between future service options**
- The communication of different future services and options must be clear and simple, exploring one facet at a time. In the focus groups, the way some services were presented made it difficult for those unfamiliar with the content to consider. Several of the statements included multiple facets – e.g. climate change, infrastructure, technology, cost and reliability all in the same service. Detailed analysis of comments made throughout the groups was required to unpack which element they were actually responding to and prioritising.
- Some found the number of services being examined (13 current services and 15 future services) too many to keep straight, reinforcing the need to narrow the focus in future engagement (as planned). This difficulty was no doubt exacerbated by needing to engage online.
- References to sustainability were also confusing as it can have different meanings - environmental sustainability and/or the sustainability of the network over the longer term. This should be clarified for future engagement.

Customers endorsed the plan to use a variety of channels so they can engage as and when they want to

- Participants had little to offer in addition to the channels already being considered – subscribing to email newsletters/updates, social media advertising, more focus groups or face-to-face engagement sessions and online surveys - but thought the variety proposed was important.
- Customers who engaged in-language noted that it was particularly important for culturally and linguistically diverse communities to be able to receive information via trusted and familiar sources such as community leaders and CALD community support services personnel.

Demonstrate transparency by providing feedback on how customer input is being considered throughout the process

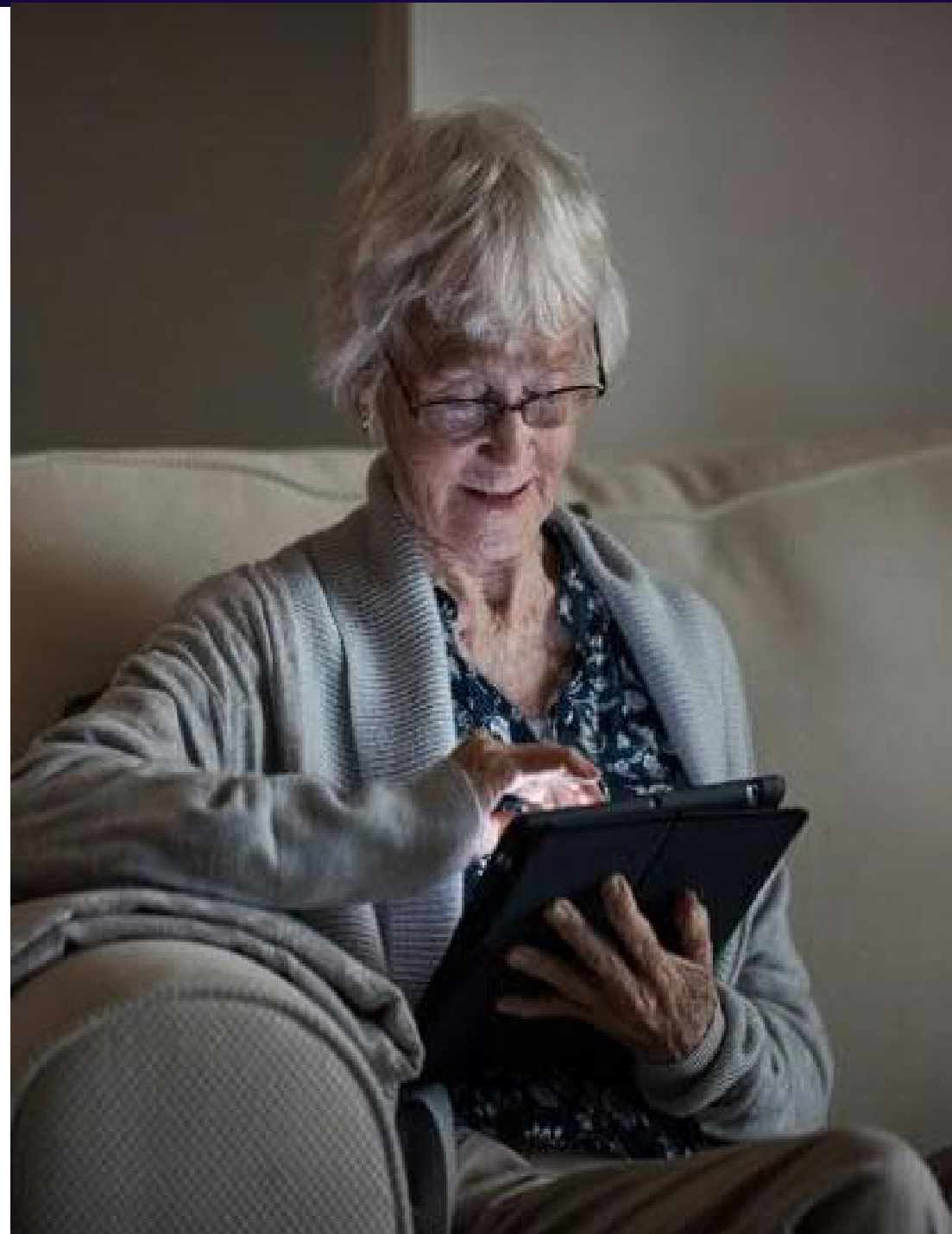
- The offer made to research participants to receive a summary of the findings and how their input would be used was warmly received by most and seen as very different to what they have seen organisations do in the past.

Expectations around engaging in-language

- In-language participants, who were very grateful of being invited into the engagement in their primary language, expressed the importance of ensuring other culturally and linguistically diverse community groups were also engaged throughout the process. This has resourcing implications.

Notes to the Reader

- This research was conducted in accordance with the international quality standard for market and social research (ISO 20252).
- In preparing this report we have presented and interpreted information that we believe to be relevant to achieve the objectives of this research project.
- Where assumptions are made as a part of interpreting the results or where our professional opinion is expressed rather than merely describing the findings, this is noted. Please ensure that you take these assumptions into account when using this report as the basis for any decision-making.
- Please note that qualitative findings included throughout this report should not be considered statistically representative and cannot be extrapolated to the general population. Please note that percentages are based on this sample only and that on single response questions may not total 100% due to rounding, or if the question was multiple response the total may also exceed 100%.
- Verbatim quotes from the research are included in the report to further support and provide evidence of the findings. Quotes are annotated with the relevant segment.
- A Methodology Disclosure Statement is presented in Appendix 8 of the report.



A photograph of two men in safety gear (hard hats and high-visibility vests) reviewing large blueprints on a construction site. In the background, a large metal lattice tower for power lines stands against a blue sky with some clouds. The man on the left is wearing a suit and tie under his vest, while the man on the right is in a work shirt. They are both looking intently at the plans.

Findings in detail

- **Context**
- **Prioritisation of Current services**
- **Prioritisation of Future services**
- **Engaging on the Proposal**



A construction worker is shown in a close-up, working on a metal structure. The worker is wearing an orange hard hat, safety glasses, and a high-visibility orange safety vest over a dark blue long-sleeved shirt. They are wearing green and grey work gloves and a black smartwatch on their left wrist. The worker is holding a metal component with a small metal clip. The background is a blurred outdoor construction site with a blue sky and some greenery.

Context



Context and value of electricity

This year, reliability and resilience are increasingly valued, particularly amid COVID-19 lockdowns

- **Reliability is the top concern and the main lens through which customers view electricity.** In discussing the value of electricity, reliability was the key top-of-mind consideration across all focus groups and was more prominent than in 2017 research. Access to a reliable electricity supply was considered vital to modern life, now more than ever. Perceptions of the value of reliable electricity supply has been reinforced by the increased reliance on digital technology in households and businesses in recent years and further amplified during the COVID-19 pandemic as a result of the centrality of home life with working from home or home-schooling children during lockdowns. Staying connected with family and friends through digital means was also key, with social lives driven by electricity in the absence of face-to-face interaction.
- **In addition to COVID-19, the importance of a resilient network has also been heightened by other external events such as recent fires, storms and floods.** More natural disaster events over the past three years have increased awareness of risks to the network from extreme weather, with no one questioning the increased likelihood of these events as a result of the changing climate. In this context, the resilience of the network is closely entwined with reliability.
- **The pandemic has increased financial pressures within many households and businesses, with cost-of-living concerns and an awareness of rising utility bills top-of-mind for many.** While affordability was still a top-of-mind issue when it comes to electricity, it was less prominent than in 2017, and generally seen as ranking below reliability. In talking about cost, most took aim at retailers who only offered their 'loyal' customers better deals when they threatened to take their business elsewhere. Some vulnerable customers expressed frustration at not being able to easily read their electricity bills. Concern about cost was higher amongst vulnerable participants, those from the in-language groups (Vietnamese and Assyrian communities) and some SMEs who had been affected by COVID-19 lockdowns and were struggling to cut every cost they can.
- **The research suggests a growing focus on sustainability and concern about implications of equity, access and environmental outcomes for the community as a whole.** While affordability remains an important priority, the research shows customers are increasingly interested in long-term sustainability and the energy transition. They also demonstrate greater concern about the need to consider equity in energy access and affordability, not just for vulnerable customers but for future generations.



"You don't really think about electricity until it's not there."

(General Residential, Southern Highlands, over 45s)



"It's cost and the service as well. We do machinery that needs a heavy supply of electricity. We have solar panels, But if the electricity is not sustained or not cheap/affordable it's going to really affect our margin."

(SME, North-west Sydney)



"We need it to be abundant, reliable, efficient... it's important because we're using so much of it now."

(General Residential, SW Sydney, Over 45s)



"With all us working from home a constant reliable supply is 100% essential. When you're working if you're not connected, you're out of it."

(Innovators, Blue Mountains and Western Sydney)



"You worry more when you don't have electricity and then you feel the value of it."

(General Residential, North-west Sydney, Under 45s)

Context and value of electricity

This year, reliability and resilience are increasingly valued, particularly amid COVID-19 lockdowns

- **The need to transition to renewable energy sources was readily accepted.** Although not a burning issue for most, discussion reflected an acceptance that the world is well on the way to transitioning to more renewable source of electricity. A recognition of the need to move to newer generation technologies was tempered by a desire for a smooth transition to minimise the likelihood of unreliable electricity supply into the future.
- Low awareness of Endeavour Energy and the role of networks meant that most participants saw a greater role in emissions reduction for generators and/or retailers, with some awareness of 'green energy packages' being available from their retailer. Many were keen to know what Endeavour Energy could do to **help customers reduce their own emissions and save money.**
- **Energy consumption habits were not considered easy to adjust.** While there was an expressed desire to manage energy use in the household more diligently, motivated mainly by a desire to reduce costs, this was considered challenging in the context of growing numbers of household appliances and technology devices in the home. Participants also noted they were not really sure which appliances and devices used the most electricity. Some with smart meters reported experimenting with the time they used their appliances to reduce costs. Businesses saw even less opportunity to curb their consumption, although some were investigating solar panels, shopping retailers for deals, replacing lighting to more eco-friendly options and placing automated timers on commercial equipment to reduce energy use when businesses are closed overnight, as cost-control measures.



"Getting documents [from retailers] when you're being asked to sign up for whether you'd like to take up the green aspects of the power grid."

(General Residential, Southern Highlands, over 45s)



"Phasing out cars here from gasoline to electric cars, where is the power going to come from? It's more storage. There's more energy than the grid can cope with but it's how we store it."

(General Residential, SW Sydney, Over 45s)



"I care think it's important we are aware of what happens on the other side of the power switch. So try to make ethical choices in power."

(Innovator, Shoalhaven)



"Having a sustainable source for the future and not relying so much on fossil fuel to get electricity... research suggests that going forward it will be cheaper or at least equivalent in terms of price."

(Innovators, Blue Mountains and Western Sydney)



"The electricity price in Australia is high in comparison to other countries. I hope in the future the technology is improved and the cost for solar will become more affordable."

(In-language, Vietnamese)




Awareness and perceptions of Endeavour Energy

Setting the scene about Endeavour Energy's role

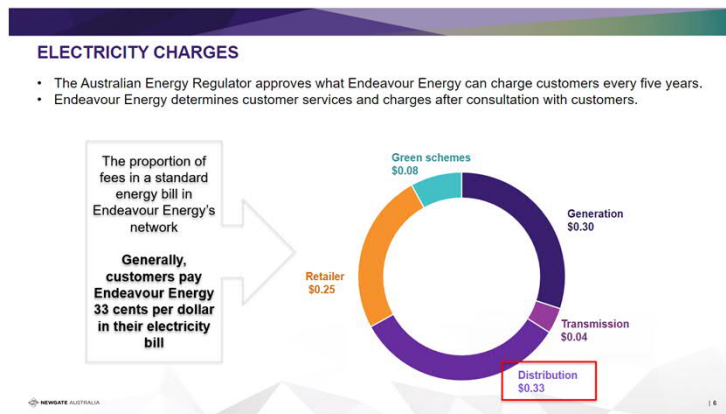
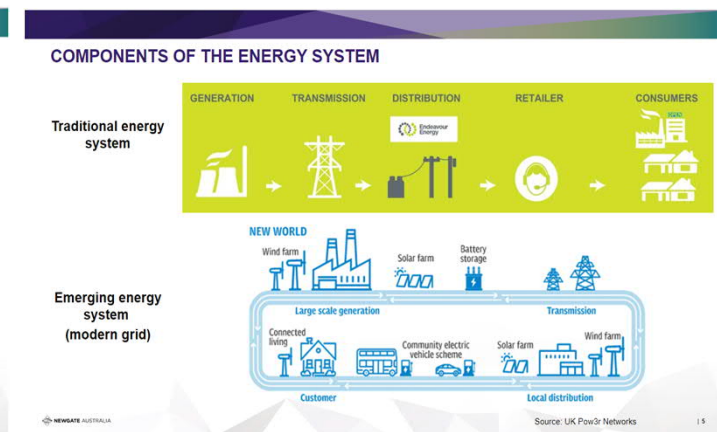
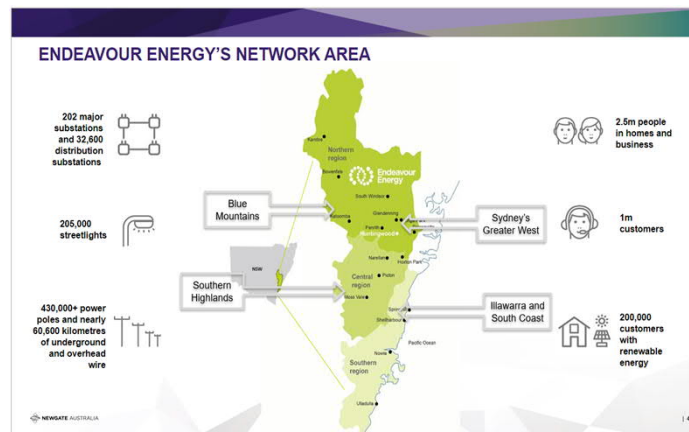
Findings from the 2017 focus group research revealed that participants had low awareness about Endeavour Energy and poor knowledge about its role. Consequently, in the current research the information below was shown to participants after exploring spontaneous awareness and perceptions of the organisation. Different electricity charge information was shown to residential and business participants to reflect the composition of their bills.

ABOUT ENDEAVOUR ENERGY

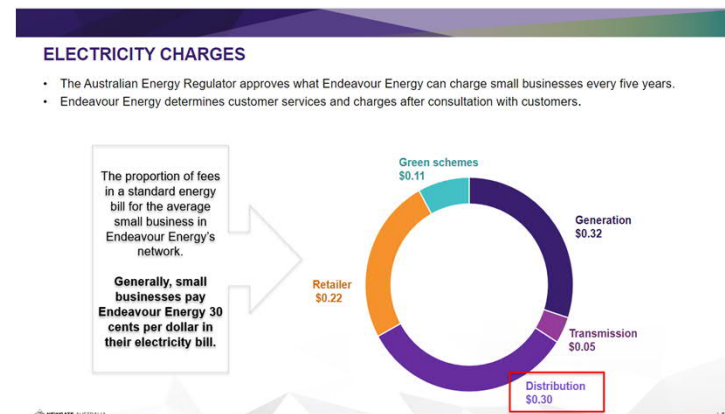
- Responsible for building, maintaining and operating your electricity network
- One of three network operators that service different parts of NSW
- Not a retailer who sends you your power bill
- Work to provide reliable, affordable and safe power to our customers
- 50.4% is privately owned with the rest owned by the NSW Government

NEWGATE AUSTRALIA | 3



Residential customer version



Business customer version

Awareness and perceptions of Endeavour Energy

Restoring power after emergencies and planned outages is the basis of both awareness and perceptions

- **There was mixed awareness of Endeavour Energy and its roles.** Unprompted awareness appears to be slightly higher than in 2017 but, consistent with previous studies, retailers were top of mind in terms of energy businesses. Some thought Endeavour Energy was a retailer, or retailers were distributors. The importance of the customer-retailer relationship was underscored by the handful of people who continue to know Endeavour Energy from its time as Integral Energy when the business was also a retailer.
- **Most knew very little about Endeavour Energy unprompted.** Of those who did, awareness of was almost solely based on the role Endeavour Energy plays in the field, especially in emergency response (bushfires and floods) and communication received from Endeavour Energy in managing outages. There was almost no recognition of Endeavour Energy among in-language group participants.
- Once prompted, most participants could **recall accessing or receiving some communication from the network about outages** and this was considered of the appropriate quality. Several mentions were also made of seeing branded trucks out and about and staff trimming trees and attending homes for new connections.
- **Most participants had a neutral view of the network based on knowing only 'a little' about it.** Among those who had formed an opinion, the vast majority were mildly positive, and this opinion was almost exclusively formed on the basis of its role in restoring power after outages. A handful had negative personal experiences with connections or other issues, or negatively recalled the 'gold-plating' of networks in the past.
- **Positive perceptions of Endeavour Energy's role were reinforced when more information was provided.** Once informed of the network's role in the supply chain – and importantly the proportion of the electricity bills that goes to DSNPs versus retailers – many felt that Endeavour Energy was 'doing the heavy lifting' and was the 'unsung hero'. They did not express concern about the proportion of the bill that went to Endeavour Energy. This view appears to be more pronounced than in previous studies, perhaps reflecting the higher value placed on electricity reliability and those who deliver it.



"Sometimes I used to receive a text message from Endeavour and I was saying to myself why am I receiving this message from them as they are not my electricity company. Now everything is clear"
(In-language, Assyrian)



"It's hard to have an opinion about a company you know nothing about."
(Innovator, Blue Mountains)



"Endeavour Energy will come and fix something or replace the smart meter. When the power has gone out that's the place you go to get something sorted out."
(SME, Blue Mountains and Western Sydney)



"When next door's wires came down in a huge storm, [they were] very responsive, got it all cleaned up. [They] come around and tell us what needs doing."
(Vulnerable, Western Sydney)



"The charges are fair given the high cost to generate electricity."
(In-language, Assyrian)

Awareness and perceptions of Endeavour Energy

Importance of reliability and the energy transition increases value placed on Endeavour Energy's services

- **Knowing more about the transformation of the grid** made participants more interested in Endeavour Energy, prompting them to think about the implications for their household or business and what information or services the organisation could offer them. There was a sense amongst some that their relationship with Endeavour Energy would likely increase in the future, with a few wondering whether they could potentially deal with it directly instead of via a retailer.
- Among more informed participants (especially in the innovators groups) concerns were expressed that it would **not be in Endeavour Energy's interests to have more customers generating their own energy** and, as a result, they were suspicious about the network's level of enthusiasm for change.
- **Endeavour Energy was generally seen as a being more trustworthy and more technically-expert than others in the supply chain.** Most participants felt its role would become more important as a result of the energy transformation and increased number of extreme weather events. In contrast, retailers were more often seen as taking large amounts from energy bills for what they saw as little actual contribution.
- **Trust in retailers appears to have eroded** as a result of increased awareness about the need to shop around or threaten to leave unless they get a better deal rather than be treated as a loyal customer. A small number (mostly SME participants) expressed an interest in dealing directly with Endeavour Energy in order to get expert advice on their electricity set-up and perhaps identify some ways to save money. Some went as far as suggesting that they should be able to deal with the energy wholesaler (Endeavour Energy) and bypass retailers altogether. Assyrian SMEs felt that customers with limited English were more likely to feel they were being 'ripped off' by their energy supplier.
- This difference in perceptions was also reflected in expectations of the roles to be played by retailers vs networks in **disconnecting vulnerable customers**. Most felt that the responsibility lay with the retailers but saw the 'knock before you disconnect' initiative as demonstrating good community citizenship by Endeavour Energy and as providing an extra but necessary layer of protection.
- Towards the end of the groups, when asked to give final advice to Endeavour Energy's CEO, **raising the profile of Endeavour Energy** emerged as a consistent theme. Greater transparency and awareness of the network was seen as a way to make customers more comfortable about where their money was going and why.



"I find that [the shift to the new energy supply chain] really interesting. They've moved to a broader, inclusive renewable energy conceptual framework. I am impressed by direction of that but not sure how they're going to realise it. It's quite ambitious. Shows a positive progression."

(Innovator, Blue Mountains)



"I believe the retailer should be responsible for doing the cutting [off] of vulnerable customers]and chasing it up because they're getting 25c in the dollar. Endeavour Energy look like they're doing all the heavy lifting."

(General Residential, Southern Highlands, over 45s)



"I think if Endeavour Energy takes the retailer's place and manage customers billing. That will definitely reduce the cycle and we will notice that in our bills."

(In-language, Assyrian)

Prioritisation of current services



Approach to prioritisation of current core services

Interactive exercise

- As mentioned previously, there was limited awareness and knowledge about Endeavour Energy, its role as a distribution network and the services it offers.
- In order to fully assess customer priorities and perceptions of Endeavour Energy's core services, a series of descriptions with supporting visuals were shown to participants (see English-language examples to the right). There were 13 services examined in total, presented in randomised order across the focus groups. These materials were translated into Vietnamese and Arabic (for Assyrian participants).
- After all the services were described to the group a summary table was shown and each participant was asked to do a ranking exercise. By dropping and dragging the numbers 1 to 5 they indicated their personal priorities by identifying their top five services in order of importance, with '1' put on their top priority service, '2' on the second, and so on down to '5'. Only when all participants had indicated their individual responses were the combined ratings of the group revealed to all (as per the example in the bottom left image). This process removed the influence of peer effect on their rankings.
- The highest rated services were then identified and discussed in turn with the group to understand the perceptions driving their priorities.

4 5	Providing customers with tools to help manage electricity usage and costs via telephone, text and website	1 3	Responding to emergencies like storms which bring down power lines and poles to reduce the safety risk and restore power as quickly and safely as possible
5 3	Reading electricity meters and sending the data to retailers so your electricity bills are accurate	4	Helping vulnerable customers to keep the power on when things go wrong or when they need medical equipment to preserve life (life support customers).
Answering emergency telephone calls within 30 seconds		2 2	Managing the network efficiently to deliver electricity services in the most affordable way.
2 4	Researching, trialing, and installing new technologies such as batteries to improve efficiency of infrastructure investment where possible, helping contribute to term affordability of electricity bills.	2 1	5
3 4	Providing prompt connections and disconnections when required, including new services and solar connections.	3	Keeping customers informed (via sms for all customers plus mailbox drops for life-support customers) of planned and unplanned outages to minimise disruption.
5	Installing and maintaining streetlights to keep communities safe.	1 1	3
		5 1 5	Planning for the future by building the infrastructure to accommodate growing suburbs and industries.
		3 3	Managing safety-related issues 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.

Drag these onto the whiteboard

1 2 3 4 5



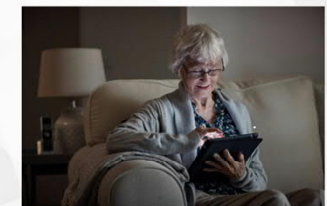
RESPONDING TO EMERGENCIES

Responding to emergencies like storms that bring down power lines and poles to reduce the safety risk and restore power as quickly and safely as possible.



MAINTAINING STREETLIGHTS

Installing and maintaining streetlights to keep communities safe.



TOOLS TO HELP MANAGE ELECTRICITY USAGE

Providing customers with tools to help manage electricity usage and costs via telephone, text and website.



MANAGING THE NETWORK EFFICIENTLY

Managing the network efficiently to deliver electricity services in the most affordable way.



HELPING VULNERABLE CUSTOMERS

Helping vulnerable customers to keep the power on when things go wrong or when they need medical equipment to preserve life (life support customers).

Overview of customer priorities for current core services

Reliability trumps affordability as the key priority for current services

- The overall priority order of current core services (as determined by the number ranking the service across all focus groups in their top five services) is presented in the table below. A more detailed breakdown by overall rank is contained in Appendix 2. Note that Assyrian small business owners did not prioritise services.
- The top two priorities reflect the importance of a **reliable supply** of electricity and supply restoration as quickly and safely as possible in the event of outages.
- Customer priorities regarding **affordability** were communicated through the third and fourth ranked services relating to network efficiency and the use of new technologies to improve efficiency and therefore long-term costs and affordability for customers.
- Safety** issues were also a priority, followed by ensuring that infrastructure is **planned to meet future growth**.
- Middle order priorities related to customer communication around outages, assisting vulnerable customers and providing tools to manage electricity usage.
- Lower tier priorities related to streetlight maintenance, meter reading, prompt connections/disconnections and answering emergency telephone calls in 30 seconds.

OVERALL PRIORITY	TOTAL RANK 1-5	SERVICE
1	66	Providing a reliable supply of electricity to all customers by building, maintaining and managing the substations, poles and wires, underground cables and other equipment.
2	56	Responding to emergencies like storms which bring down power lines and poles to reduce the safety risk and restore power as quickly and safely as possible.
3	48	Managing the network efficiently to deliver electricity services in the most affordable way.
4	42	Researching, trialing, and installing new technologies such as batteries to improve efficiency of infrastructure investment where possible, helping contribute to long-term affordability of electricity bills.
5	37	Managing safety-related issues 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.
6	32	Planning for the future by building the infrastructure to accommodate growing suburbs and industries.
7	25	Keeping customers informed (via SMS for all customers plus mailbox drops for life-support customers) of planned and unplanned outages to minimise disruption.
8	24	Helping vulnerable customers to keep the power on when things go wrong or when they need medical equipment to preserve life (life support customers).
9	21	Providing customers with tools to help manage electricity usage and costs via telephone, text and website
10	16	Installing and maintaining streetlights to keep communities safe.
11	16	Reading electricity meters and sending the data to retailers so your electricity bills are accurate
12	15	Providing prompt connections and disconnections when required, including new services and solar connections.
13	13	Answering emergency telephone calls within 30 seconds

Customer priorities for current core services by segment

Priorities varied between SMEs and residential customers, with in-language residential participants expressing the most divergent views

- The following table examines differences in priorities by the five key customer segments. While the sample size in each segment is small and comparisons should be treated with caution, we did observe several differences – with **red** and **green** colours reflecting higher or lower rankings. A more detailed analysis of the rationale for these choices is contained in the following pages.
- Innovators** top priority was responding to emergencies, with maintaining streetlights also of greater importance. The importance of affordability to **vulnerable customers** was reflected in their top priority of network efficiency delivering affordable services, with prompt connections and disconnections also of higher importance. **In-language participants** placed greater priority on safety, supporting vulnerable customers, streetlight maintenance, reading meters and connection promptness, with less focus on new technologies, planning for the future and outage communication. **SMEs** placed greater emphasis on planning for the future, the provision of tools to manage usage, prompt connections and answering emergency calls, and gave lower priority to outage communication and vulnerable customer support.

OVERALL PRIORITY	SERVICE	General Residential	Residential - Innovators	Residential - Vulnerable	Residential (in-language)	SMEs
1	Providing a reliable supply of electricity to all customers by building, maintaining and managing the substations, poles and wires, underground cables and other equipment.	1	2	2	3	1
2	Responding to emergencies like storms which bring down power lines and poles to reduce the safety risk and restore power as quickly and safely as possible.	2	1	3	2	2
3	Managing the network efficiently to deliver electricity services in the most affordable way.	3	3	1	4	3
4	Researching, trialing, and installing new technologies such as batteries to improve efficiency of infrastructure investment where possible, helping contribute to long-term affordability of electricity bills.	4	4	4	9	5
5	Managing safety-related issues 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.	5	7	5	1	6
6	Planning for the future by building the infrastructure to accommodate growing suburbs and industries.	6	5	6	12	4
7	Keeping customers informed (via SMS for all customers plus mailbox drops for life-support customers) of planned and unplanned outages to minimise disruption.	7	6	8	10	10
8	Helping vulnerable customers to keep the power on when things go wrong or when they need medical equipment to preserve life (life support customers).	8	8	7	5	12
9	Providing customers with tools to help manage electricity usage and costs via telephone, text and website	9	10	10	11	7
10	Installing and maintaining streetlights to keep communities safe.	11	9	12	6	11
11	Reading electricity meters and sending the data to retailers so your electricity bills are accurate	10	12	13	7	13
12	Providing prompt connections and disconnections when required, including new services and solar connections.	13	13	9	8	8
13	Answering emergency telephone calls within 30 seconds	12	11	11	13	9

Exploration of core services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	ENDEAVOUR ENERGY'S PERFORMANCE AGAINST EXPECTATIONS
1	Providing a reliable supply of electricity to all customers by building, maintaining and managing the substations, poles and wires, underground cables and other equipment.	The critical importance of reliability was mentioned unprompted in early discussion in every group. As noted, this is the aspect of electricity that customers said they value the most.	This was the top ranked priority in all groups excluding Innovators and In-language participants. Participants want to be confident that they can turn on their lights, heating and cooling, work and study from home, and maintain connectivity with family and friends. Life in lockdown has crystalised how important access to a continuous electricity supply is given the centrality of the home to all areas of life. Participants also commented that reliability was a common thread to a number of the services described; for example, emergency response, assisting vulnerable customers, and managing safety-related issues. Some CALD and in-language participants had experienced limited or disrupted energy supply in other countries. Assyrian participants ranked reliability lower than Vietnamese participants, as they felt Australia's system was highly reliable in comparison to where they had come from.	Many participants believed that Endeavour Energy was performing well in 'keeping the lights on'. There was a general sense for those in metropolitan areas that the number of blackouts/brownouts had reduced over the past few years, although outages were experienced more frequently in rural areas (e.g. Shoalhaven, Southern Highlands, Blue Mountains). Increased experiences of network damage due to extreme climate events such as storms and floods for affected customers had driven a greater sense of vulnerability. However, even those in urban areas rarely impacted directly themselves were influenced by media coverage of these events in the past two years. There was recognition across the board of the severity of impacts and a general agreement that these events will become more frequent in the future.
2	Responding to emergencies like storms which bring down power lines and poles to reduce the safety risk and restore power as quickly and safely as possible.	In early discussion some participants mentioned they had been personally impacted by floods or bushfires in the past two years, reflecting on the importance of swift service restoration.	This was the top ranked priority among Innovators. This may have been influenced by two of the Innovators groups being held with residents from the Blue Mountains and Shoalhaven where storm/wind/fire damage was more commonplace. It was also the number one service for Assyrian participants, given their experience of increased damage from storms, floods and fires in recent years. As noted elsewhere in the report, most felt resilience was an extension of reliability. It appears more important than found in 2017.	Endeavour Energy's visibility in the field when remediating storm, flood and fire damage in recent years has created a perception of the organisation working well in responding to emergencies. Some participants gave examples of when the restoration time was longer than expected (particularly in more regional settings), however, many were unsure what an appropriate benchmark would be in terms of quick restoration of power, with expectations ranging from 2 to 24 hours. This was particularly the case when the scale of damage caused by these events was not always understood. Some noted that the time estimated on the app for service to be restored was not always accurate.

Exploration of core services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	ENDEAVOUR ENERGY'S PERFORMANCE AGAINST EXPECTATIONS
3	Managing the network efficiently to deliver electricity services in the most affordable way.	Providing customers with affordable electricity was valued highly by many participants, with this issue emerging unprompted in half of the groups. Several SMEs mentioned the need for electricity to be affordable to ensure sustainable business running costs, particularly in the face of COVID-19 and the negative financial impacts to their businesses.	There was a common perception that electricity prices were constantly rising. This was the top ranked service for vulnerable customers, reflecting their focus on affordability. Some vulnerable customers reported purchasing energy-efficient appliances and consciously turning off devices to save money on their power bills. For all other segment groups, affordability remained a key priority but had dropped slightly in prominence compared to 2017.	Participants felt the amount of their electricity bill that goes to Endeavour Energy was reasonable, particularly given the high value it places on keeping the lights on and addressing outages quickly. They were keen for Endeavour Energy to identify additional ways for customers to save money, although they were unsure of what this might entail from a distribution network perspective as distinct from a retailer standpoint.
4	Researching, trialing, and installing new technologies such as batteries to improve efficiency of infrastructure investment where possible, helping contribute to long-term affordability of electricity bills.	Participants responded with interest to graphic showing how the grid is transforming and most clearly had some awareness the role of batteries in storing electricity for when it's needed (both large-scale and for households) and the likely growth of EVs. In-language participants, particularly those from the Assyrian community, had less awareness of the energy market transition underway. Some participants with solar panels mentioned they had investigated batteries for household use, but many were yet to install one, feeling they were too expensive currently to pursue.	This was seen as a priority among residential participants who were primarily interested in how use of technology could reduce their bills. However, for many participants there was a sense that they don't know what they don't know when it comes to new technologies.	Customer expectations about Endeavour Energy's role in adopting new technologies was firmly centred on likely efficiencies delivering more affordable electricity bills. There was limited awareness of the organisation's current role in this area but an expectation that it would need to keep up to date and that efforts in this area would likely expand in light of energy system transformation.

Exploration of core services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	ENDEAVOUR ENERGY'S PERFORMANCE AGAINST EXPECTATIONS
5	Managing safety-related issues 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.	The issue of fallen trees over power lines and bushfires causing blackouts was raised by some participants in early discussion about the importance of reliable supply.	Safety is viewed by most as an essential hygiene factor. It is largely seen through the lens of reliability and resilience. Those in rural and peri-urban areas noted the importance of tree-trimming to maintain safety clearances. It was the highest priority for in-language participants many of whom had witnessed storm damage and fallen trees in the past few years. Some noted that loss of lighting was dangerous and could encourage crime.	There was a clear expectation that Endeavour Energy will ensure people are kept safe by regular and rigorous maintenance of energy infrastructure. Seeing Endeavour Energy teams maintaining lines and tree-trimming fed perceptions that maintenance was an important part of its current role. However, there were a few participants in rural settings who felt tree-trimming efforts were sometimes more aggressive than needed, with concern about damage from over-pruning.
6	Planning for the future by building the infrastructure to accommodate growing suburbs and industries.	The only related issue raised spontaneously in early discussion by participants was undergrounding power lines in new residential developments.	This is not something most participants had considered as it had not directly impacted them. Some SMEs felt it was important in helping facilitate growth in their local area to expand their customer base. This was a significantly lower priority for Assyrian participants with some believing the planning responsibility rested with the government more than the network distributor.	The key expectation was that future infrastructure planning would be efficiently managed by Endeavour Energy to ensure a reliable supply of electricity and reduce the potential for rolling blackouts that had occurred in other Australian states and countries overseas.
7	Keeping customers informed (via sms for all customers plus mailbox drops for life-support customers) of planned and unplanned outages to minimise disruption.	Information from Endeavour Energy about outages was spontaneously raised by some participants in early discussion about the value of reliable supply.	Dealing with outages, whether planned or unplanned, cause disruption to daily life, particularly when customers are working or learning from home. As such they place a lot of value on advance notice and timely information on when service will resume. that could be given was valuable. This was a lower priority for in-language participants who mentioned they would contact their real estate agent or 'the emergency number on the bill' for information on outages.	For many participants, receiving sms messages or using the Endeavour Energy app or website when there is an outage has been their main interaction with the organisation. They were generally satisfied with the service provided, but one or two noted that they weren't receiving text messages. Timeliness and accuracy of information regarding unplanned outages was of most importance.

Exploration of core services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	ENDEAVOUR ENERGY'S PERFORMANCE AGAINST EXPECTATIONS
8	Helping vulnerable customers to keep the power on when things go wrong or when they need medical equipment to preserve life (life support customers).	This was not spontaneously mentioned in discussion.	Participants largely interpreted this service from a social equity standpoint. Most felt it was right for Endeavour Energy to do its part to support vulnerable customers. They felt that everything possible must be done to ensure those on life support have supply maintained. Support for vulnerable customers was given higher priority by in-language participants who felt many of their community members experienced disadvantage and needed support.	For those with first-hand experience of services for life support customers there was high praise for this valuable offering by Endeavour Energy. After learning about the 'knock before disconnect' service in the information provided, participants felt this was an excellent and socially responsible initiative, but that the responsibility for offering payment plans and other support services rested mainly with retailers.
9	Providing customers with tools to help manage electricity usage and costs via telephone, text and website	In early discussion about the importance of affordability some participants mentioned the actions they were taking in to reduce their electricity bills by buying energy efficient appliances and turning off lights and air-conditioning when possible. Some with smart meters felt they gained a better understanding of how to manage their energy use through the available data. Others mentioned programs such as 'Spike' offered by Origin Energy which offers rewards for meeting energy-saving goals during peak demand periods.	Most liked this idea in principle and indicated they would trust Endeavour Energy to provide this sort of information. Participants linked this back to affordability, feeling that if they can control and manage their own electricity usage, they can lower their bill. It was seen as more important among SMEs than residential participants, reflecting their higher concerns with costs.	Any assistance Endeavour Energy could provide in this area would be welcome, but there was no awareness of what tools or services were currently on offer. Some SMEs were interested in a personalised service with advice to suit their specific set-up and requirements. Residential customers also indicated that tailored information would be most useful to them, reducing the effort required to identify ways to save money.

Exploration of core services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	ENDEAVOUR ENERGY'S PERFORMANCE AGAINST EXPECTATIONS
10	Installing and maintaining streetlights to keep communities safe.	This was not discussed spontaneously by participants.	This was a higher priority among Innovators, which may have been a function of the fact that two of these groups were drawn from regional areas which had been more impacted by weather events. The importance of good street lighting was higher for in-language participants as it was seen as a community safety issue, with street lighting allowing safe driving and walking in the local neighbourhood.	There was low awareness that this is a function undertaken by Endeavour Energy, with most participants having no personal experience or knowledge that this occurred.
11	Reading electricity meters and sending the data to retailers so your electricity bills are accurate	No unprompted feedback was given on this issue.	In-language participants gave a higher priority to this than other segments, largely based on concerns that inaccurate meter readings led to inflated electricity bills. Some others noted their surprise that reading meters was still necessary in this data driven age and thought it was very 'old school'.	Those aware of smart meters suggested that Endeavour Energy needed to work harder to rollout smart meters to remove the need for staff to take on this labor-intensive service. We note customers' lack of understanding of the role of distributors when it comes to smart meter installation.
12	Providing prompt connections and disconnections when required, including new services and solar connections.	Not an issue raised spontaneously by participants.	Very little first-hand experience of connections, and no experience of disconnections, meant that this was seen as a hygiene factor rather than a priority. It was seen as more important by SMEs, vulnerable customers and in-language participants.	For the handful of customers who had experienced connections, there were mixed levels of satisfaction with some reporting a good experience and others concerned about connection delays.
13	Answering emergency telephone calls within 30 seconds	This was not raised spontaneously as there was little experience of direct contact with Endeavour Energy beyond sms messaging and life support programs for two participants involved in this program.	This was a lower order priority for all segment groups but more important for SME customers, where downtime from outages has direct operational and financial impacts.	In principle, answering calls within 30 seconds aligned with customer expectations.

Prioritisation of future services



Unprompted customer insights into the future

Using electricity to power more technology, but doing it more efficiently

- Most customers think they will be **using electricity for more things in the future**, but many consider the likely increased prevalence of electrical devices will be offset by growing efficiency and/or lifestyle changes.
- **Those saying they expected an overall increases in usage** typically mentioned use of electricity for physical comfort and utility in terms of running a range of devices as and when desired, and the ramp up in adoption of electric vehicles. Note that most were unsure about the extent to which electric vehicles would become common during the 2024 – 2029 period. For businesses, increased use was forecast due to planned business expansion.
- Those foreseeing a **likely decline in electricity usage** attributed this to a growth in more energy efficient appliances, better building practices requiring less heating and cooling to be run, shrinking household sizes and new tools to help manage consumption such as smart home devices and installation of solar panels. Many are already trying to reduce their consumption to save money wherever possible (e.g. turning off appliances on standby). Some felt that they could pay less by shopping around. Some businesses felt consumption could decline due to staff working from home and adoption of solar.
- The need to transition to **renewable energy sources was spontaneously raised** by some participants but it was not a burning platform for most. Retailers offering 'green energy packages' were mentioned but not all customers felt they could evaluate these offers effectively.
- Recognition of the need to move to **newer generation technologies** was tempered by a desire for a smooth transition to ensure reliable supply without higher costs.
- The value of **new technologies** (with solar still considered 'new' by some participants) as ways to save money, reduce emissions and increase control was raised spontaneously, mainly by those in the Innovators groups and some small business customers.



"I think we'll be using maybe less energy to do the same things. Refrigeration, televisions. They're probably consuming half as what they did earlier. Consuming a lot less with more volume. But price has gone up.
(General Residential, North-west Sydney, Under 45s)



"There are many ways to produce clean energy if we really care about our climate change."
(In-language, Assyrian)



"Regardless of renewables, the main priority must be if there is sufficient electricity. They must maintain a secure electricity grid that doesn't blackout because everyone has their aircon on."
(Innovator, Blue Mountains and Western Sydney)



"Do we pay more to get something better or pay less to get something more abundant but dirtier?"
(General Residential, SW Sydney, over 45s)



"The electricity price in Australia is high in comparison to other countries. I hope in the future the technology is improved and the cost for solar will become more affordable."
(In-language, Vietnamese)

Approach to customer prioritisation of potential future services

Interactive exercise

- Establishing customer priorities for potential services that Endeavour Energy may offer in the future (ie the 'negotiables') was a key objective of this exploratory research, to both guide future engagement parameters and inform initial thinking about the draft revenue reset proposal.
- Focus groups participants were asked early in the discussion about their expectations for electricity use in the future and whether they had any ideas for how they might like to interact with electricity or the grid in future.
- They were asked this again after seeing the overview of Endeavour Energy and doing a ranking exercise on the core services it currently provides.
- Participants were then shown a randomised series of descriptions of services Endeavour Energy is considering offering in the future based on early feedback from customers and stakeholders. They were asked to rank the top five most important to them by dropping and dragging the numbers 1 to 5, with '1' put on their top priority service, '2' on the second, and so on down to '5'. There were 13 services for residential customers and an additional two for SMEs.
- After all participants had indicated their individual responses the combined ratings of the group (as per the example in the bottom left image) were revealed and discussed.

	Provide customers <u>more accurate and timely information</u> about unplanned and planned disruptions	3	3	Invest in infrastructure and / or new technology so the current levels of 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)
2	Provide <u>extra services</u> to those who are willing to pay for them, instead of all customers contributing	3		
2	2	4	1	Provide households with an option to send <u>any excess energy</u> from their solar panels to a battery shared with neighbours so they can trade electricity with each other. This would also help make the grid more efficient and keep downwards pressure on bills.
5	Introduce a <u>penalty of charging</u> 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	4	2	4
1	1	5	3	Provide small and medium businesses more <u>tailored approaches to account management</u> and different levels of support depending on their needs and size.
	Ensure the grid is able to cope with the <u>increased demand</u> likely to come from an influx of electric vehicles	4		Fast-track the <u>connection</u> of new business and housing developments so our region can grow rather than invest 'just in time'
1	Help customers <u>save money</u> 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	5	2	Replace above ground wires with <u>underground cables</u> to reduce fire risk and improve public amenity (note that this would cost customers significantly more and often takes longer to find faults)
	Offer small and medium businesses a range of different <u>services</u> and prices so they can choose what they want in terms of reliability, account management and other services			Increase <u>digital security</u> to protect customers' personal data related to their energy usage
1	3	3	1	5
	Help out <u>greenhouse gases</u> and set targets to do this by 2040 through investment in new technology	5	5	Provide the necessary technology so that anyone who wants to use <u>solar panels</u> to generate their own electricity and export what they don't use into the grid can do so
				4
				2
				Help customers to understand and manage their electricity consumption and costs through <u>education and data</u>

Drag these images onto the whiteboard

1 **2** **3** **4** **5**



SOLAR PANEL TECHNOLOGY

Provide the necessary technology so that anyone who wants to use solar panels to generate their own electricity and export what they don't use into the grid can do so.



RELIABILITY THROUGH CLIMATE CHANGE

Invest in infrastructure and / or new technology so the current levels of 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).



ELECTRICITY TRADING

Provide households with an option to send any excess energy from their solar panels to a battery shared with neighbours so they can trade electricity with each other. This would also help make the grid more efficient and keep downwards pressure on bills.



NEW WAY OF CHARGING

Introduce a new way of charging 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



ELECTRIC VEHICLES

Ensure the grid is able to cope with the increased demand likely to come from an influx of electric vehicles.

Overview of customer priorities for future services

Maintaining reliability and gaining more control over costs are the key drivers

- **Analysis suggests customer choice is the main theme underpinning customers' priorities for future electricity services.** Most participants hadn't considered that the capacity of the grid would be a factor in their ability to have solar panels, electric cars or a smart home in the future. Some had heard of solar congestion in the grid (this research occurred immediately after the 'sun tax' campaign by Solar Citizens) and generally preferred for everyone who wanted solar to have access. Similarly with batteries and electric cars, participants saw these as technologies they might choose in the future without considering that it might not be possible, and/or would come with increased electricity bills.
- **An increased ability to control - or at least have the option to control - their consumption and costs in the future was seen as important.** Although unaware that they were a responsibility of retailers, those with existing smart meters (generally solar owners) were positive about the transparency and potential for increased efficiency they provided, and others were attracted to the idea of new tools, education and data to help them save money. While plenty were happy to 'set and forget' their electrical consumption, even those who didn't want to take an active role now, wanted to have the option to take control if/when they chose to.
- Once participants were made aware of the possible future services, there was both **higher levels of interest in Endeavour Energy** and, among some, enthusiasm for the network to play a leading role in giving them more choice and control.
- Although not explored in detail, **participants appeared to be willing to change their behaviour to reduce costs** and wanted access to the information and tools necessary to enable them to do so. This includes SME participants who discussed changing the temperature settings of refrigeration or air-conditioning to save money. This option was not seen as desirable by vulnerable customers.
- **The need to decarbonise and move to use more renewable sources of energy was seen as a 'given'.** Note however that support for solar PV and community batteries was driven more by concern about cost and reliability and a sense that it was in keeping with what they saw as a 'modern' grid, than by concerns about emissions. Many liked the idea of a community battery because they got the benefits of a battery without the need to purchase it themselves. There was stronger interest in decarbonisation among in-language participants and less among SMEs.
- **Suggestions for future services to be offered by Endeavour Energy** included the organisation endorsing certain contractors or trades so customers know who is reliable, partnering with developers to ensure energy saving devices are part of new estates, providing customers with a ranking of the best retailers, and working through schools to make children aware of how they can save energy. One participant suggested that the existing network should be used to offer an alternative to the NBN and one suggested development of wireless electricity.



"There should be an option to 'set and forget' but as your life changes there should be an option to go back and reset the way you want it."
(General Residential, North-west Sydney, Under 45s)



"If Endeavour Energy helps homeowners as well as people who rent their houses to install solar panels to be able to produce their own power and gives them the choice for long-term payments. I think this would lift the burden from us because we have many payments to deal with."
(In-language, Assyrian)



"That's the way of the future - solar, renewable and then use of electric vehicles, so its very important for them to go into that game. Distributors are technical companies managing accounts and helping customers save....Let them do what they are best for."
(SMEs, North-west Sydney)



"I would like to take a little bit more control of my electricity. I want it broken down so I can be a little more in control. In an app [so I know] fridge uses this, washing machine uses that."
(Vulnerable customers, Western Sydney, mixed ages)

Endeavour Energy's possible future services

Exploration of customer expectations and priorities

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. Red and green numbers indicate where the priorities provided by different segments were either higher or lower than the total overall priority. Darker shades indicate top, mid and low priorities. Reasons for these differences by segment are explained on the following pages.

OVERALL PRIORITY	TOTAL RANK 1-5	SERVICE	General Residential	Residential - Innovators	Residential - Vulnerable	Residential (in-language)	SMEs
1	56	Provide the necessary technology so that anyone who wants to use solar panels to generate their own electricity and export what they don't use into the grid can do so	2	3	1	3	1
2	54	Invest in infrastructure and / or new technology so the current levels of 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)	1	2	4	2	4
3	45	Provide households with an option to send any excess energy from their solar panels to a battery shared with neighbours so they can trade electricity with each other. This would also help make the grid more efficient and keep downwards pressure on bills.	4	1	3	8	8
4	39	Introduce a new way of charging 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	3	5	11	4	3
5	37	Ensure the grid is able to cope with the increased demand likely to come from an influx of electric vehicles	7	7	5	10	2
6	37	Help cut greenhouse gases and set targets to do this by 2040 through investment in new technology	6	4	7	1	12
7	29	Help customers to understand and manage their electricity consumption and costs through education and data	5	9	6	5	11
8	27	Help customers save money 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	9	6	10	9	5
9	27	Replace above ground wires with underground cables to reduce fire risk and improve public amenity (note that this would cost customers significantly more and often takes longer to find faults)	8	11	2	12	9
10	21	Provide customers more accurate and timely information about unplanned and planned disruptions	10	10	8	6	10
11	12	Increase digital security to protect customers' personal data related to their energy usage	11	12	12	7	14
12	10	Provide extra services to those who are willing to pay for them, instead of all customers contributing	13	8	13	11	13
13	7	Fast-track the connection of new business and housing developments so our region can grow rather than invest 'just in time'	12	13	9	13	15
14	10	SME only: Provide small and medium businesses more tailored approaches to account management and different levels of support depending on their needs and size.	-	-	-	-	6
15	9	SME only: 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	-	-	-	-	7

Exploration of future services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	EXPECTATIONS OF ENDEAVOUR ENERGY
1	Provide the necessary technology so that anyone who wants to use solar panels to generate their own electricity and export what they don't use into the grid can do so.	Early discussion across all groups suggested strong positivity around solar panels, both from those who had them and those who did not.. The main barrier to solar ownership was seen to be the installation cost. Most participants were aware of the high penetration rate of solar PV across the distribution network (based on what they see in their neighbourhoods). A few were aware of the congestion and negative demand (when supply exceeds demand) issues.	Solar PV is seen as a positive way to reduce energy costs and enable customers to better manage and control consumption, with emissions reduction a secondary consideration. Cost savings were mostly framed in the context of reduced electricity consumption from the grid, though several also mentioned the benefits of feed-in tariffs (although lamenting that they had been much reduced over recent years). Vietnamese participants expressed confusion about information about costs and available rebates.	There was only limited awareness of potential grid constraints and, when raised, there was pushback against limitations, with access to solar seen as a 'right' for those who want and can afford it. The expectation of Endeavour Energy is that they would facilitate a grid that can cope with whatever level of solar exports their customers demand.
2	Invest in infrastructure and / or new technology so the current levels of 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)	Customers are generally happy with the current level of reliability (except those who experience regular outages at the urban fringes) and want to see that at least maintained, but most hadn't drawn a connection between an increasing severity of climate-related natural disasters and their electricity bill. Note that while they felt it was essential to maintain reliability, some support for this service was related to support for investing in new infrastructure and technology, with some feeling this would help improve efficiency, helping bring costs down. One felt strongly that Endeavour Energy had an opportunity through its existing network to host other services to further improve connectivity and/or develop wireless distribution.	Those prioritising this service were generally thinking about reliability rather than climate change. Reliable electricity is paramount, especially with increased working and learning from home. The changes resulting from climate change were not disputed, but the need to invest was seen as necessary to deal with a variety of changes including population growth and new developments, as well as climate change. In discussions, it appeared that a few assumed emergency responses would be paid for by governments rather than through their electricity bills.	Endeavour Energy is expected to at least maintain current levels of reliability. The cost of doing so has not been considered by customers. SME and vulnerable customers were more concerned than others about the cost implications. One innovator highlighted the importance of investing now to ensure the grid is still functioning in 10 years' time. More generally, customers expect Endeavour Energy to be adopting new technology for the benefit of their customers in terms of reliability, price and emissions reduction.

Exploration of future services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	EXPECTATIONS OF ENDEAVOUR ENERGY
3	Provide households with an option to send any excess energy from their solar panels to a battery shared with neighbours so they can trade electricity with each other. This would also help make the grid more efficient and keep downwards pressure on bills.	Participants liked the idea of batteries but felt they are too expensive for individual households. Some participants raised the idea of community batteries (using Tesla as an example) to deliver the benefits of batteries without the costs. Technology and its limitations are poorly understood by most customers. Some thought that sharing energy locally would result in higher feed-in tariffs. One saw it as being more 'neighbourly' and meaningful if you could share your energy with people you know. The concept of sharing resources in this way was readily accepted, perhaps related to a stronger sense of local community in the context of Covid-19 shutdowns and use of digital sharing platforms.	Support for neighbourhood batteries was driven by several factors including the opportunity to (a) save money without bearing the cost of a battery, (b) be part of a community, (c) increase reliability by reducing dependence on the grid, and (d) reduce emissions. While a lower priority for in-language participants overall, this was slightly more attractive to Vietnamese participants who felt the wastage of excess power should be avoided. It was more difficult for SMEs, most of whom rent their premises, to see how this would benefit them. Some SMEs who rent their premises felt that incentives should be offered – perhaps by Endeavour Energy – to landlords to encourage solar PV on business premises.	Comments suggested that participants felt this service would be a natural fit with Endeavour Energy's role and responsibilities, but it is important to note that this was not probed specifically.
4	Introduce a new way of charging 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	Saving money is a priority but in early discussion participants tended to discuss ways to lower costs in general, rather than a new way of charging. Beyond peak and off-peak, there was limited awareness of time-of-use or other incentive pricing. Awareness and interest was highest amongst SMEs.	The idea of saving money by changing their behaviour was attractive to most participants, except vulnerable customers who felt less confident. General residential participants liked the opportunity to save, especially with the flexibility to use appliances at different times with more people at home during the day as a result of COVID. Some SME's noted they are generally limited in their ability to change consumption patterns, but those who could also found this appealing.	The expectation is that Endeavour Energy will provide them with ways to save money and this service is seen as falling into this category. A couple of SME participants thought a new way of charging should mean that they could deal directly with Endeavour Energy as the wholesaler and save the money they currently spend on retailing.

Exploration of future services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	EXPECTATIONS OF ENDEAVOUR ENERGY
5	Ensure the grid is able to cope with the increased demand likely to come from an influx of electric vehicles	A few participants mentioned their interest in electronic vehicles early in the discussion, prompting more engagement from fellow customers than for other potential future services. EVs are seen as a tangible, modern way to reduce personal emissions. Some felt rolling out charging stations presents a good opportunity for Endeavour Energy to utilise its network for the benefit of customers	The option to choose an electric vehicles in the future is generally seen as desirable, especially among SMEs. Those interested are looking 10-20 years down the track when they expect prices to be lower and charging stations more readily available.	There was an expectation that Endeavour Energy should do whatever is necessary to ensure the grid is capable of dealing with the take-up of electric vehicles and that it should ensure the ability of the grid to cope is not a barrier. There was considerable uncertainty about who should be responsible for setting up charging facilities but a view that they would be more commonly available over the next few years.
6	Help cut greenhouse gases and set targets to do this by 2040 through investment in new technology	Several mentioned the desire to reduce emissions themselves, but unprompted most did not consider what Endeavour Energy might do in its capacity as an organisation. Limited understand of the network's role resulted in a range of responses. Some felt that Endeavour Energy should be 'green' and provide renewable energy, while a few were concerned that green energy might be more expensive.	Customers saw Endeavour Energy's role in the transition to a low carbon economy mostly in terms of how the network could assist them to reduce their own emissions by providing the right technology and access, rather than having an interest in whether the business itself is carbon neutral. This was the top priority for in-language participants who felt Australia's current energy system was 'old-fashioned' compared to other countries who were pursuing more green energy options in the face of climate change. It was a lower priority for SMEs who felt that responsibility emissions reduction lies primarily with generators.	There is an expectation among Innovators that more environmentally-friendly sources of energy will be used in the future. Endeavour Energy is expected to do its part, but most struggled to see what Endeavour Energy might do in terms of emissions, with the focus mainly on generation rather than network technology. A few suggested that Endeavour Energy's commitment to reducing emissions could be best demonstrated by subsidising batteries for their customers. There was a general view that reducing emissions was something that Endeavour Energy should do as a matter of good business and as a good corporate citizen, and not a specific initiative that customers should pay extra for.

Exploration of future services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	EXPECTATIONS OF ENDEAVOUR ENERGY
7	Help customers to understand and manage their electricity consumption and costs through education and data	The idea of being able to monitor and manage their consumption to save money was raised unprompted in most groups. Those who had access to an app or portal via their solar system/smart meter already did so and enjoyed the sense of control it gave them. Energy-efficient appliances and the 'star rating' were well-known and liked.	While there are mixed levels of interest in more actively managing their electricity consumption in future, most want more transparency and the option of control. Overall, customers are keen for practical information that will help them identify what actions they can take to reduce their bills.	While the option to have more access to data was seen as both helpful and desirable and Endeavour Energy was seen as a trusted source of information, participants were unsure of where the responsibility for this should lay and what specific tools and services the company could offer. There was more awareness of tools from retailers already in the market so some thought it would be confusing if the same service was offered by the network.
8	Help customers save money 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	When asked about how they might interact differently with electricity in the future, many participants responded with strong interest in how they have or could save money by turning off appliances or used off-peak hot water. Those who had used Origin's 'spike hour' which provides financial rewards for powering down at peak times were enthusiastic about it. Innovators were able to discuss the use of smart technology to control heating/cooling as a cost and emissions-saving strategy.	The opportunity to opt-in to a program to be incentivised for changing behaviour was well received and was a priority for innovators and SMEs. Prioritisation was based more on the personal benefits they might receive rather than reducing costs across the grid.	The expectation is that Endeavour Energy will provide customers with ways to save money and this service falls into this category. They expect that they would have choice and control over what they do would be part of this.

Exploration of future services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	EXPECTATIONS OF ENDEAVOUR ENERGY
9	Replace above ground wires with underground cables to reduce fire risk and improve public amenity (note that this would cost customers significantly more and often takes longer to find faults)	A few participants raised undergrounding cables spontaneously, driven by the heightened awareness of safety and resilience from recent bushfires, floods and high winds.	Those who prioritised this service tended to be more concerned about reliability, resilience and safety than about visual amenity. It was mentioned mainly by customers living in peri-urban areas. While a lower priority for in-language participants in general, one Vietnamese in-language participant liked both the safety and aesthetic benefits of underground cables and had experienced this in other countries such as Singapore.	With a strong preference for underground rather than overhead cables, most customers see this as a modern approach that they expect will increasingly be taken by Endeavour Energy in the future. This was despite the caveat provided that this would cost considerably more and make it more difficult to identify faults. This is more important for those most focused on reliability (vulnerable customers) and less so for those expecting greater changes in the way the network operates (innovators).
10	Provide customers more accurate and timely information about unplanned and planned disruptions	As one of the main sources of customer awareness about Endeavour Energy, many participants spoke about access to information about outages early in the discussion. Most of these experiences were positive with a few who either hadn't been notified or not updated when timeframes changed.	Discussion suggests accurate and timely information on outages is seen as essential, but it is not a higher priority as most the current service was appropriate. The main exception was in-language customers who ranked it higher, with a couple observing that the current notice periods for planned outages were insufficient for them to make alternative arrangements, particularly when working from home.	Customers expect Endeavour Energy to at least maintain the current level of advice to customers, and to continue to keep pace with changing technology and customer information-consumption habits. While not necessarily an issue, they would be pleased to see communications enhanced through more timely social media posts and regular, timely and accessible updates to the Endeavour Energy website.
11	Increase digital security to protect customers' personal data related to their energy usage	This was not mentioned unprompted by participants.	This was a lower order priority in all English-language groups, with half of those who ranked this priority putting it as their fifth choice. Most participants mentioned they were not concerned about the current levels of digital security. Digital security was given higher priority by in-language participants who broadly linked this with fraudulent phone calls and emails that some had received regarding their energy bill.	Customers expect their data would be protected, but most don't currently see this as a major risk.

Exploration of future services

OVERALL PRIORITY	SERVICE	UNPROMPTED FEEDBACK	PRIORITISATION RATIONALE	EXPECTATIONS OF ENDEAVOUR ENERGY
12	Provide extra services to those who are willing to pay for them, instead of all customers contributing	The idea of user-pays was not mentioned unprompted as there was no awareness of what such services might be.	In principle most liked the idea, but it was not discussed in any detail across groups.	Focus group participants had no specific expectations of Endeavour Energy in this area. There was stronger interest from SMEs as noted in the SME specific service options below.
13	Fast-track the connection of new business and housing developments so our region can grow rather than invest 'just in time'	Beyond the importance of being connected to the grid to access the services they need, the actual connections process and timing was not mentioned.	Limited first-hand experience among participants meant that this was not seen as a high priority by most. Those who did prioritise connections were aware of others who had experienced delays.	The expectation is that those who want to connect will be able to do so in a timely manner, but this is not a burning issue for these participants. Most felt that Endeavour Energy should focus on its existing customers rather than looking after new ones. A few SMEs in Western Sydney felt this was important because it could accelerate the process of opening up more land for housing, thereby growing the numbers of potential customers living nearby.
SME only: 6	Provide small and medium businesses more tailored approaches to account management and different levels of support depending on their needs and size.	In early discussion some SMEs mentioned that they had a relationship with an account manager from their retailer.	This was a mid-ranked priority among SME participants, lower than services related to reliability, solar, electric cars, congestion pricing and cost savings. Despite this, many were still interested in the prospect of tailored advice that could help them save money. They indicated they would trust Endeavour Energy on the basis of its technical expertise and knowledge of the local environment on the ground.	SME customers were unsure what exact services Endeavour Energy could offer them and whether they could replace their retailer relationship.. They had no clear expectations but were interested to hear what specific proposition Endeavour Energy could offer. Some felt it could perhaps advise them on use of solar and battery systems.
SME only: 7	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.	There was not a lot of discussion unprompted, but one or two expressed the desire to have a relationship with their energy provider in same way they do with other suppliers.	Again, a mid-ranked priority among SMEs. They liked the idea of services and costs being tailored to their unique needs (for example, not being charged on weekends when they are not open) and forming a more business-like relationship with their supplier.	The priority motivation for engaging with the network would be to save money. So if different services and prices were offered, the expectation would be for lower costs. As noted above, there was some interest in what services the organisation could offer them.

**Engaging with
customers on the
proposal**



Engagement preferences

Customers have mixed views about their willingness to get involved

- **Participants had no previous awareness of customer consultation around energy network regulatory proposals, but generally felt neutral to mildly positive about it.** Several expressed interest in knowing how their feedback would actually be taken on board and what would change as a result. A few noted that the five-year planning period was too long or 2024 – 2029 too far away given rapid changes in technology. Those who were aware of tariffs questioned whether retailers would pass on the price signals, raising questions about the value of Endeavour Energy engaging on these issues.
- **The level of interest in community members getting involved in having their say was mixed.** Customers were most interested in understanding things they could do to reduce their own electricity bills and understand more about new and 'greener' technologies or options likely to come onto the market. In principle most also expressed some interest in the opportunity to help influence decisions about the delivery of affordable and reliable electricity in the future for the community more broadly. Those business customers who expressed most interest were keen to better understand where things were heading so they could make the appropriate changes to their own business, effectively seeing early insight as a potential competitive advantage. It is important to note however that this discussion came at the end of the focus groups once participants' interest had been piqued and it was clear that many would have other priorities in their busy lives.
- **Discussion reinforced the importance of education about the role of distributors in the supply chain, particularly in relation to retailers.** Many remained confused after an explanation of the role of distributors vs retailers, but once they had more information on current and potential future services that could be offered by distributors they were better equipped to engage.
- **Spontaneous suggestions about ways to keep customers informed and involved in the decision-making process were varied,** signaling that a range of mechanisms will be needed to address diverse customer needs and preferences. Suggestions were wide-ranging and included distributing information and inviting comment via emails, town hall-style meetings, text messages, letterbox drops and Endeavour Energy's website, with more common suggestions being online surveys, more focus groups, social media and local advertising.
- **In-language participants also suggesting networking through cultural leaders** to engage their communities so they could be confident the information being communicated could be trusted – a concern given their awareness of community members being scammed through fraudulent phone calls and emails. General distrust of people they don't know is a key influence on whether CALD communities join an engagement activity. One participant suggested engaging in-language through community radio. Assyrian small business owners identified low energy literacy and poor English language proficiency as key barriers for their communities in gaining an education about how to read energy bills and ways of reducing energy costs that would benefit them. For themselves, they had a preference for being engaged by email or in face-to-face discussions.



"I think early consultation is really important. If there is an opportunity to save some money, I think there will be more community engagement in this area."

(General Residential, Southern Highlands, over 45s)



"How are you going to get a response from the community about something that is five years away?"

(General Residential, Southern Highlands, Over 45s)



"Most of the community have language limitations and knowledge gaps, especially when it comes to a subject like energy."

(In-language, Assyrian SME)



"People I know in this area would be very interested but in how Endeavour works but also the issue of green energy."

(Innovators, Shoalhaven)



"An online forum to chat through these topics, not necessarily live, but something if you have a concern you want to talk about you can jump on."

(SME, Western Sydney)



"We can open the program by advertising on community radio or via community leaders to enable the willing participants to raise their voice and opinions."

(In-language, Vietnamese)

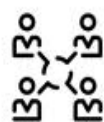
Engagement preferences

A multi-channelled engagement approach is appropriate and desirable

- **When informed about Endeavour Energy's draft engagement plans (refer image below), participants praised the overall approach**, seeing it as providing opportunities for people to get involved in a way that suited them, and also as involving a broad range of different types of customers from different geographical locations.
- **Inclusion of engagement with CALD customers in-language** was especially valued and seen as important in 'casting a wide net' to ensure the diverse needs of Endeavour Energy's customer base were consulted in a respectful and accessible manner.

ENGAGEMENT ENDEAVOUR IS PLANNING - WE'RE KEEN FOR YOUR FEEDBACK

Online focus groups with residential and small business customers



An online survey to get hard data on customer feedback and preferences



Online focus groups and informal dinner time discussions with non-English speaking customers



Any customer can sign up to receive an **email newsletter** every few months with updated and information on how to have their say



A series of meetings over three months with representatives of Endeavour's customer base to dive deeper into specific service and pricing topics



Frequent social media advertising inviting any customer to have their say via website surveys and online discussion boards



NEWGATE AUSTRALIA

17



"Online focus group can provide better insights, like today we can discuss more in-depth... However, those participated today may not represent for whole community."

(In-language, Vietnamese)



"You need a variety of platforms to get a whole community snapshot."

(Innovators, Blue Mountains and Western Sydney)



"Signing up to a newsletter... the more info you get you can decide what you want to do and whether you want to be involved."

(Vulnerable, Western Sydney)



"We spend more time on social media. I'd definitely see it but there would need to be some kind of reward for clicking on it."

(General Residential, Wollongong, Under 45s)



"We want to have a say but whether we're heard is a different thing."

(SME, North-west Sydney)



"It is good for our people to be able to express their opinion in their own language. I think they would like to get savvy in new technologies that are becoming very popular these days."

(In-language, Assyrian SME)

Engagement preferences

Transparency, breadth and depth of engagement are all important

Most agreed that customers should have the opportunity to engage with Endeavour Energy around the development of the regulatory reset proposal. But while they appreciate being given a voice and support the proposed engagement approach over the next 18 months, most were not highly motivated to participate. As with their overall approach to future energy services, they want the opportunity to choose when to engage and the control to allocate their time in ways of the most value to them.

Discussion around future engagement focused around three themes:

Transparency

Many research participants acknowledged that they previously known little about Endeavour Energy and felt the information shared with them during the research process should be publicly available and easily accessible. They agreed that Endeavour Energy should consult with its customers about their expectations for future energy services and, most importantly, what those services would cost and how they would impact them specifically.

At several points in the focus group discussions, suggestions were made that the Endeavour Energy should focus on educating its customer base more about its services. Some participants felt that if more people were aware of the importance of Endeavour Energy's role in providing reliable power and enabling the energy transformation, they would be more interested in engaging with the organisation on its regulatory proposal.

The offer made to research participants to receive a summary of the findings and how their input would be taken into account was warmly received, with most opting in to receive this; reinforcing the value placed on feedback loops and transparency.

Depth

Participants appreciated being given an explanation of the current and future services offered by Endeavour Energy during the focus groups to help inform discussion around prioritisation. They understood that a lot of additional information would need to be shared and questions answered in order to provide a more considered response and so supported the proposed deliberative engagement approach.

Breadth

Participants agreed that Endeavour Energy should seek to engage with as many of its customers s possible so the depth of understanding obtained from engagement such as focus groups can be complimented with broader measurement of priorities and preferences. They supported the use of online surveys and casting the net wide via social media and other community engagement approaches.

In-language participants, who were genuinely grateful of being invited into the engagement in their primary language, expressed the importance of ensuring other culturally and linguistically diverse community groups were also engaged throughout the process.



Appendices

- **Summary by key themes**
- **Analysis by topic area**
- **Customer ranking in detail**
- **Summary of residential in-language focus group research findings**
- **Summary report of engagement with Assyrian small business owners**
- **Post-engagement evaluation survey results and quotes**
- **Post-engagement evaluation and learnings from the in-language research**
- **Methodology disclosure statement**





Appendix 1: Summary by key theme

Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
Reliability <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"> • <i>What level of reliability do customers want?</i> 	<ul style="list-style-type: none"> • Reliability is highly valued. Most customers are satisfied with the current number and length of outages they experience. • 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. • Vulnerable customers and residential customers from the Assyrian community were more likely to prioritise affordability over reliability, though reliability remained important.
Risk appetite <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"> • <i>What value do customers place on electricity?</i> • <i>What do customers understand of our external environment and challenges?</i> • <i>How can this inform the narrative?</i> • <i>How should Endeavour Energy's business narrative be communicated?</i> 	<ul style="list-style-type: none"> • A reliable electricity supply is more highly valued than in previous studies. • 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.

Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
Resilience <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"> Do they want EE to invest now to ensure the resilience of the network in the face of climate change, including increased natural disasters? 	<ul style="list-style-type: none"> Participants generally saw resilience as being more about quick restoration to their energy supply than about about climate change. 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. 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.
Affordability <i>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.</i>	<ul style="list-style-type: none"> How do customers feel about affordability of electricity? How do they perceive the value from Endeavour Energy's part of their bill? How do customers value the core services EE provides? Do the current services reflect their priorities? Which services would they pay more for? 	<ul style="list-style-type: none"> 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. 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. 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.

Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
Customer service	<ul style="list-style-type: none"> • <i>See resilience and reliability</i> 	<ul style="list-style-type: none"> • 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 appreciated. • 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. • Only a handful, typically SMEs, noted that answering emergency calls within 30 seconds was important. • 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.
Innovation & choice	<ul style="list-style-type: none"> • <i>How do customers want to be able to engage with energy markets in future?</i> • <i>What do they want to be able to do?</i> • <i>What choices do they want to have?</i> • <i>Does the community want to see Endeavour as a leader or follower in the Future Grid space?</i> 	<ul style="list-style-type: none"> • 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. • 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. • 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. • 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.

Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
Role of data <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"> Which of a series of actions that Endeavour Energy could do in this area do customers see as the greatest priority? 	<ul style="list-style-type: none"> Customers are interested in accessing their own data if it will help provides insights to help them manage their energy costs. 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. 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.
Safety		<ul style="list-style-type: none"> 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. In-language participants were particularly interested in safety and in this context also placed more importance on streetlights.
Sustainability/Livability <i>We heard from customers concerns with 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"> Where do sustainability issues sit in the community's hierarchy of concerns? Which of a series of actions that Endeavour Energy could do in this area do customers see as the greatest priority? 	<ul style="list-style-type: none"> 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. 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. 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.

Appendix 1: Summary by key theme

THEME	QUESTIONS EXPLORED	WHAT WE HEARD
Vulnerable customers <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>		<ul style="list-style-type: none"> The importance of protecting vulnerable customers was apparent among all groups. 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. There was strong support for Endeavour Energy's 'knock before disconnect' program.
Energy security <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>		<ul style="list-style-type: none"> There was limited awareness of energy security issues, with concern focusing around the increasing amount of variable renewable energy entering the grid. 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. Innovators, SMEs and the general community are more aware, and more concerned, than others.
Fair access <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"> What does intergenerational equity mean to customers when it comes to investment in the grid? 	<ul style="list-style-type: none"> This was not directly discussed in the focus groups given the complexity of the issue and the time available. 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.



Appendix 2: Analysis by topic area

Appendix 2: Analysis by topic area

Findings by the identified topic areas for the preliminary proposal

TOPIC	QUESTIONS EXPLORED	WHAT WE HEARD
CUSTOMER ENGAGEMENT		
<p><i>This topic is about how we engage with customers and stakeholders, defining the objectives of engagement, identifying the topics, setting the breadth and depth of engagement and advising on customer research.</i></p>	<p><i>What is the most effective way for EE to consult with various types of customer segments, keeping breadth and depth and realistic costs in mind?</i></p> <p><i>What gaps do customers see in EE's proposed engagement plan?</i></p> <p><i>What topics do customers want to have the most influence on?</i></p> <p><i>Note that this could effectively be a parallel process of co-creation of the engagement plan with end-customers</i></p>	<ul style="list-style-type: none"> Customers felt engagement should be both broad, using multiple channels, and deep. The proposed engagement plan was largely endorsed with few additional ideas. Customers were most interested in understanding how to reduce their own electricity bills (and for some in-language participants, how to read their bill) and more about new and 'greener' technologies or options likely to come onto the market and the opportunities they might provide.
MODERN GRID		
<p>DER</p> <p><i>This is about clarifying the role of networks in emerging markets (i.e. acting as a Distribution System Operator (DSO) to co-ordinate DER on the LV network for network purposes), ensuring that networks facilitate customer choice (i.e. do not curtail DER), prepare for new technologies like EV charging and utilise and investigate new network solutions like grid-scale batteries.</i></p>	<p><i>How do customers want to engage with energy markets in future? What do they want to be able to do? What choices do they want to have?</i></p>	<ul style="list-style-type: none"> The level of interest in engaging with the market in the future is mixed, but most want the option to be available if/when they want to. Motivation to participate is closely linked to the opportunity to save money. Understanding of how DER could reduce overall grid costs and facilitate renewables is poorly understood.

Appendix 2: Analysis by topic area

Findings by the identified topic areas for the preliminary proposal

TOPIC	QUESTIONS EXPLORED	WHAT WE HEARD
MODERN GRID		
Demand Management <i>The avoidance or deferment of traditional network investment via demand management (notably via RIT-D process). The market for DM is growing and new technologies like batteries further increase opportunities.</i>	<i>Which is most appropriate a) network can power down customers appliances without choice; b) give customers financial incentives to reduce power consumption at times of high demand - both ToU tariffs and pilot schemes; different prices in constrained areas; c) build network so people can use as much as they want when they want?</i> <i>Do they see the need for us to take more risks to support alternative market offers (i.e. third part batteries) even if the offers are still uncertain?</i>	<ul style="list-style-type: none"> The primary motivation to participate in demand management is to reduce individual bills. Financial incentives were enthusiastically supported by most. Direct control options were not canvassed. There is little awareness of network constraints, but customers assume that they will have access to the power they want, when they want it. The idea of community batteries received widespread support but the costs and risks were not explored at this early stage of engagement.
Innovation Fund <i>Some networks (Ausgrid, Ausnet) have proposed a portion of their capex allowance be exempted from the CESS and earmarked for use on innovative trials and projects as governed by their respective Future Grid Customer Forum/Committee.</i>	<i>To what extent should EE be proactively investing now in innovative trials and projects agreed by the Future Grid Customer Forum/Committee vs taking a just-in-time approach? Are we okay to fail? It should come out of prioritisation of negotiables?</i>	<ul style="list-style-type: none"> Innovation is seen as a positive for a range of reasons including potential cost savings, reducing emissions, enabling greater customer control and facilitating access to new and existing technologies such as electric cars. How that should be funded was not specifically canvassed but the implication was that it would be part of business-as-usual.
CAPEX		
CAPEX Inputs and assumptions <i>This is referring to key inputs like our customer growth, demand and energy forecasts, our key planning assumptions (like ADMD values), risk appetite, asset health indexes and age profiles.</i>	<i>How do customers see their future electricity demand?</i>	<ul style="list-style-type: none"> There are mixed views about whether the community will use more or less electricity in future, but many point out that likely savings from use of more energy efficient appliances will be more than off-set by greater use of electronic devices, particularly as take-up of electric vehicles accelerates.

Appendix 2: Analysis by topic area

Findings by the identified topic areas for the preliminary proposal

TOPIC	QUESTIONS EXPLORED	WHAT WE HEARD
CAPEX		
ICT CAPEX <i>Our ICT investment is key to current and ongoing efficiency drivers and in meeting new obligations and addressing key risks (e.g. cyber security and digital customer service enablement).</i>		<ul style="list-style-type: none"> Broadly speaking, customers support efficiency initiatives that will help bring bills down. Most participants are happy with the current level of customer service which is mostly viewed as advice about outages. There are moderate levels of interest in accessing additional information if it will help them identify ways to reduce costs.
ICT CAPEX: Cyber <i>ICT investment associated with the protection of critical infrastructure including compliance with Critical Infrastructure license conditions.</i>		<ul style="list-style-type: none"> Cyber-security was not raised a major concern, except by Assyrian participants who linked it to nuisance phone calls and scams.
ICT CAPEX: Operations <i>ICT investment in operational technology solutions to enhance operation and control of the network assets.</i>		<ul style="list-style-type: none"> Broadly speaking, customers support efficiency initiatives that will help bring bills down.
ICT CAPEX: Smart Grid <i>ICT investment in new platforms to enable 2-way markets and efficient operation and service quality for DER hosting.</i>	<i>How do customers want to be able to engage with energy markets in future? (these will likely have ICT implications)</i> <i>After information on EE services, do customers think there are issues or gaps that could be filled by improved ICT?</i>	<ul style="list-style-type: none"> Most customers assume they will have access to two-way markets and are unaware of grid congestion issues.
ICT CAPEX: Customer Service <i>ICT investment in platforms that enhance customer service</i>	<i>What do customers see as good measures of customer service?</i> <i>After information on EE services, do customers think there are issues or gaps that could be filled by improved ICT?</i> <i>Which of a series of actions that EE could do in this area do customers see as the greatest priority?</i>	<ul style="list-style-type: none"> Discussion suggests that customers see the key elements of customer service from Endeavour Energy as minimal outages and quick restoration of services, including transparency about what is happening and why. There is some interest in access to consumption data if it will help inform changes in their behaviour which will bring costs down.

Appendix 2: Analysis by topic area

Findings by the identified topic areas for the preliminary proposal

TOPIC	QUESTIONS EXPLORED	WHAT WE HEARD
CAPEX		
CAPEX Governance <i>Includes demonstrating to stakeholders the improvements made and to determine our capex requirements and achieve a sustainable risk profile for our business.</i>		<ul style="list-style-type: none"> Engagement and transparency – including feedback loops– are warmly welcomed.
CAPEX: AUGEX & Connections <i>Servicing growth from the existing customer base and connecting new customers is a key service we provide. Customer growth is central to our business narrative.</i>	<i>Is providing a just-in-time investment approach to development in the economic interests of all?</i>	<ul style="list-style-type: none"> More timely connections was a low priority as very few had experienced any issues in this area. As existing customers, the focus was mainly on their needs. Despite this, discussion suggested customers expect Endeavour Energy will work to facilitate planned development and not slow it down in any way.
CAPEX: Repex <i>This is the largest category of capex. The rate at which we replenish our assets impacts RAB growth (which impacts long term prices), network performance and risk.</i>	<i>To what extent should EE be proactively upgrading assets with new technology to adapt to customer expectations and climate extremes?</i>	<ul style="list-style-type: none"> There is a clear expectation that network performance would be at least maintained as extreme weather events become more likely. High interest in solar PV and new technologies suggests that customers expect the network to be able to accommodate them.
TARIFF STRUCTURES AND STRATEGY		
<i>This is about setting our Tariff Design, assignment policies, rate of transition and providing efficient signals to customers for new technologies and innovation.</i>	<i>Would pricing signals change the way you utilise the network at peak times? Should customers who require upgrades in network to facilitate their solar, pay for this (i.e. negative pricing)</i>	<ul style="list-style-type: none"> The ability to save money by changing behaviour was well received. Solar PV access for all was seen as a right, though we note that awareness of solar constraints and the need for additional investment was low.

Appendix 2: Analysis by topic area

Findings by the identified topic areas for the preliminary proposal

TOPIC	QUESTIONS EXPLORED	WHAT WE HEARD
NETWORK RESILIENCE		
Network resilience investment <i>How networks 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>	<i>Who should bear the risks of climate extremes, should networks directly manage climate risk in its plans; this can involve proactive capex programs to improve network automation and resilience? Or should focus remain on reactive outage response and insurance opex and risk allocation balance between networks and customers via pass-throughs.</i>	<ul style="list-style-type: none"> There is strong in-principal support for proactively investing in network resilience to protect reliability.
Pass throughs <i>An aspect of network resilience where it is inefficient to incur costs to manage certain risks of uncertain timing and consequence. A set list of defined events is used to manage these risks by allowing a Determination Revenue Allowance to be adjusted if the event occurs.</i>		<ul style="list-style-type: none"> Endeavour Energy's role in responding to emergencies and restoring power is a high priority.
Insurance <i>Our insurance policies are a key risk management tool associated with the network resilience issue. It will be important to note growing cost and challenge of securing insurance.</i>		<ul style="list-style-type: none"> Not directly canvassed, but the need to provide a reliable supply is paramount.
OPEX		
OPEX base year <i>This is about the AER's benchmark efficiency test to determining whether the base year opex is efficient. This determines whether the base-step-trend forecasting method and EBSS applies or whether the AER uses its substitute opex forecast with no EBSS.</i>		<ul style="list-style-type: none"> In the context of wanting lower overall bills, customers generally felt that the share of the bill that funds the services Endeavour Energy provides was fair.

Appendix 2: Analysis by topic area

Findings by the identified topic areas for the preliminary proposal

TOPIC	QUESTIONS EXPLORED	WHAT WE HEARD
INCENTIVES		
Service Target Performance Incentive Scheme STPIS & DER Incentive <i>The existing reliability incentive scheme will likely be amended to also include a DER hosting incentive (potentially voltage or a more direct measure of curtailment). NSW licence conditions will also provide new service standards.</i>		<ul style="list-style-type: none"> Not canvassed beyond noting an expectation that DER will be available for those who want it, based on very limited awareness of congestion and hosting issues.
Demand Management Incentive Scheme / Allowance DMIS/A <i>The extent to which we are incentivised to fund innovative trials (DMIA) and then operationalise demand management initiatives (DMIS) generally via the RIT-D process.</i>	<i>Do customers see the need for us to take more risks to support alternative market offers (i.e. third party batteries) even if the offers are still uncertain?</i>	<ul style="list-style-type: none"> Customers were generally supportive of the need to trial new technologies in order to ensure they are broadly available to those who want to use them to save money and reduce emissions. They support efforts to improve efficiency.
Customer Service Incentive Scheme <i>A customer service incentive scheme could be a new and separate scheme that replaces the telephone answering component of STPIS with a suite of new measures (customer satisfaction, SMS notification, planned outages, telephone answering, etc). It requires customer support and will remain 0.5% Revenue at Risk.</i>	<i>After information on what EE does and customer touchpoints, what do customers see as the most appropriate ways to measure EE's customer focus in order to help hold it to account? What things would they measure? After information on how EE is structured and funded, do customers think EE should be incentivised to reach certain targets?</i>	<ul style="list-style-type: none"> Discussion suggests that customers see the key elements of customer service from Endeavour Energy as minimal outages and quick restoration of services, including transparency about what is happening and why. Answering emergency phone calls within 30 seconds ranked fairly low in terms of customers' prioritisation of existing services, although there was acceptance that it was a necessary service, particularly by SMEs.

Appendix 2: Analysis by topic area

Findings by the identified topic areas for the preliminary proposal

TOPIC	QUESTIONS EXPLORED	WHAT WE HEARD
SERVICE CLASSIFICATION		
Service classification and regulation <i>The AER defines the services we may provide and determines the level (i.e. Direct control vs Unregulated distribution services) and form of regulation (i.e. revenue vs price cap) that applies. This process will be critical for clarifying the regulatory treatment of new and emerging services and setting the scope of the ring-fencing guideline</i>		<ul style="list-style-type: none"> Once they had a basic understanding of Endeavour Energy's role, customers generally felt the organisation was trustworthy and operated with a level of technical expertise. Comments suggested that participants felt extra services such as community batteries would be a natural fit with Endeavour Energy's role and responsibilities, but this was not specifically probed.
Connections policy <i>The terms and conditions for how new customers connect to our network. The efficiency of this process is important to servicing growth and changes will be required following the DER rule change. This topic will also cover our capital contributions policy and how it impacts community growth. It relates to how the cost associated with new connections is shared between new and existing customers.</i>	<i>What should end use customers pay for and what should developers pay for when costing new developments?</i>	<ul style="list-style-type: none"> Not directly canvassed, though we note that connections was a lower order priority for both current and future services.
ALTERNATIVE CONTROL SERVICES		
<i>Defining the scope price of Public Lighting, Metering and Ancillary Network Services (ANS). LED and smart public lighting and managing metering asset stranding being key issues.</i>	<i>How do you feel about providing access to your solar panels/batteries in the interests of helping your neighbour or to improve network reliability, costs, and personal safety? How important are electric vehicle charging stations, community batteries, smart street lights and stand alone power systems to your particular circumstances?</i>	<ul style="list-style-type: none"> Most customers liked the prospect of getting access to solar power via community batteries, particularly in light of the high cost of personal battery systems. They felt this was logical and efficient. They saw it more in the context of reducing costs and emissions than network reliability or personal safety. Facilitating the uptake of electric vehicles was a priority in the context that customers (especially SMEs) thought this would be a technology that would be broadly adopted in the future.



Appendix 3: Customer Ranking in Detail

- **Current Core Services**
- **Potential Future Services**

Appendix 3: Customers' Rankings of Current Core Services


Detail showing the total number of participants who ranked the following current core services within their top five priorities.

No.	SERVICE	PRIORITY RANKINGS					
		TOTAL RANKING 1-5	RANK 1	RANK 2	RANK 3	RANK 4	RANK 5
1	Providing a reliable supply of electricity to all customers by building, maintaining and managing the substations, poles and wires, underground cables and other equipment.	66	36	9	13	6	2
2	Responding to emergencies like storms which bring down power lines and poles to reduce the safety risk and restore power as quickly and safely as possible.	56	7	7	20	12	10
3	Managing the network efficiently to deliver electricity services in the most affordable way.	48	8	18	8	10	4
4	Researching, trialing, and installing new technologies such as batteries to improve efficiency of infrastructure investment where possible, helping contribute to long-term affordability of electricity bills.	42	9	8	5	11	9
5	Managing safety-related issues 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.	37	4	11	13	3	6
6	Planning for the future by building the infrastructure to accommodate growing suburbs and industries.	32	2	5	3	5	17
7	Keeping customers informed (via SMS for all customers plus mailbox drops for life-support customers) of planned and unplanned outages to minimise disruption.	25	1	3	8	8	5
8	Helping vulnerable customers to keep the power on when things go wrong or when they need medical equipment to preserve life (life support customers).	24	1	6	5	8	4
9	Providing customers with tools to help manage electricity usage and costs via telephone, text and website	21	5	4	1	4	7
10	Installing and maintaining streetlights to keep communities safe.	16	1	3	1	7	4
11	Reading electricity meters and sending the data to retailers so your electricity bills are accurate	16	3	4	4	2	3
12	Providing prompt connections and disconnections when required, including new services and solar connections.	15	1	1	5	4	4
13	Answering emergency telephone calls within 30 seconds.	13	4	1	2	3	3

Appendix 3: Customers' Ranking of Potential Future Services

Detail showing the total number of participants who ranked the following potential future services within their top five priorities.

No.	SERVICE	PRIORITY RANKINGS					
		TOTAL RANKING 1-5	RANK 1	RANK 2	RANK 3	RANK 4	RANK 5
1	Provide the necessary technology so that anyone who wants to use solar panels to generate their own electricity and export what they don't use into the grid can do so.	56	10	16	8	11	11
2	Invest in infrastructure and / or new technology so the current levels of 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).	54	11	10	18	8	7
3	Provide households with an option to send any excess energy from their solar panels to a battery shared with neighbours so they can trade electricity with each other. This would also help make the grid more efficient and keep downwards pressure on bills.	45	11	12	9	8	5
4	Introduce a new way of charging 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.	39	9	10	6	8	6
5	Ensure the grid is able to cope with the increased demand likely to come from an influx of electric vehicles.	37	4	3	8	10	12
6	Help cut greenhouse gases and set targets to do this by 2040 through investment in new technology.	37	7	3	11	7	9
7	Help customers to understand and manage their electricity consumption and costs through education and data.	29	11	4	4	5	5
8	Help customers save money 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.	27	8	5	9	3	2
9	Replace above ground wires with underground cables to reduce fire risk and improve public amenity (note that this would cost customers significantly more and often takes longer to find faults).	27	5	7	2	5	8
10	Provide customers more accurate and timely information about unplanned and planned disruptions.	21	5	4	2	7	3
11	Increase digital security to protect customers' personal data related to their energy usage.	12	1	4	0	1	6
12	Provide extra services to those who are willing to pay for them, instead of all customers contributing.	10	0	3	1	3	3
13	Fast-track the connection of new business and housing developments so our region can grow rather than invest 'just in time'.	7	0	1	0	2	4
14	SME only: Provide small and medium businesses more tailored approaches to account management and different levels of support depending on their needs and size.	10	1	0	4	3	2
15	SME only: 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.	9	2	2	2	2	1



Appendix 4: Summary of residential in-language focus group research findings (Vietnamese and Assyrian)

Summary of residential in-language focus group findings

Vietnamese community: context and value of electricity, and perceptions of Endeavour Energy

Context and Value of Electricity

- Health and happiness are highly valued in the Vietnamese community according to group participants, along with a stable financial situation that enables a comfortable lifestyle. Financial stress is a key consideration, especially during the pandemic, as a result of unemployment, inability to pay bills or to deal with the increasing costs of living.
- Affordability is top of mind when thinking about electricity. Participants mentioned a significant increase in electricity charges over the last 10 years and noted that they considered electricity prices in Australia to be higher than those in other countries.
- Reliability is also important as it was for participants in other focus groups, especially with most people working and studying from home. Participants wanted energy companies to ensure sufficient capacity to meet customers' demand, with some recalling many disruptions five to seven years ago. A lack of awareness of the energy supply chain meant no distinction was made between the roles of generators or networks in keeping the lights on.
- Participants see solar as both sustainable and cost saving and would like to see it encouraged and made cost-effective so the community can adopt it. There was confusion about the cost and rebates available for solar panels, which has made the community hesitant about the cost effectiveness of investing in solar PV. Most awareness about solar comes from advertising.

Awareness and Perceptions of Endeavour Energy

- **All but two participants had not heard of Endeavour Energy before the focus groups**, so did not hold any opinions of the company. One participant had heard a friend mention Endeavour Energy when applying for a solar rebate, and another participant received a service outage notification from Endeavour Energy.
- Unprompted, all participants were aware of their energy retailers who send them their quarterly electricity bills.
- **All of the information shown to participants about Endeavour Energy was new** to them. Participants were surprised to learn about the different stages of the energy supply chain and the proportion of their electricity bill that goes to each but were not concerned about it.
- After receiving the information clarifying Endeavour Energy's role, **participants remained focused on the bills** they receive from retailers and were most interested in Endeavour Energy's ability to control and reduce retail prices.
- As with other participants, there was discussion about the need for customers to proactively contact their energy retailers to get a better deal on their electricity prices. Some thought creating an app to compare the electricity charges among different energy retailers could make this process easier, and more accessible. We note that several price comparison sites do exist, but it appears that awareness among this community is low.



"Solar battery installation should be considered as "core" future service for Endeavour Energy to act on and invest in."
(In-language, Vietnamese)



"Electricity is essential for residents to live and for businesses to operate."
(In-language, Vietnamese)

Summary of residential in-language focus group findings

Vietnamese community: priorities for current and future services

Exploration of Core Services

Prioritisation of the core current services was largely consistent with other groups, with the top five as follows. The exception is connections and disconnections, but discussion suggests this was seen in the context of reliability.

- 1. Providing a reliable supply of electricity to all customers** - A reliable supply of electricity is very important for participants lives, for their work and education, especially during the pandemic when people are working and learning from home.
- 2. Managing the network efficiently in the most affordable way** - Electricity prices in Australia are seen as expensive in comparison with other countries. If the grid can be managed more efficiently, participants expected that would reduce the maintenance costs per head, ultimately making electricity more affordable for all customers.
- 3. Managing safety-related issues** - Seen as important for the safety of the entire community.
- 4. Responding to emergencies** - Storms and floods are seen as infrequent, but when they do happen, participants understand they can have devastating impacts on communities.
- 5. Providing prompt connections and disconnections** - Discussion about prompt connection and disconnections centred on participants wanting to be able to plan for when their work or study would be disrupted. They felt that notifications of any change to the electricity supply should be clear and timely.

Exploration of Future Services

Priorities for future services were again consistent with other groups, with less interest than others in electric vehicles a notable exception.

- 1. Provide the necessary technology so that anyone who wants to use solar panels** - Solar energy is seen as green energy and plays an important role in protecting the environment and maintaining a stable source of electricity. Solar installation should be more affordable to low-income households.
- 2. Invest in infrastructure and/or new technology** - Participants appreciated that climate change causes severe weather, which can disrupt the electricity that is essential to people's lives. Investing and updating electricity infrastructure was very important to participants to ensure reliable electricity supply and improve the community safety.
- 3. Introduce a new way of charging so that customers can save money** - A new way of charging to prompt customers to find the best way to manage and use their home appliances in order to save on their energy bills aligns with their focus on affordability.
- 4. Provide households with an option to send any excess energy from their solar panels to a battery shared with neighbours** - Sharing excess energy stored in the battery to neighbours is seen as very good idea to utilise green energy and avoid waste.
- 5. Help customers to understand and manage their electricity consumption and costs** - The Vietnamese participants were highly focused on managing their electricity usage and costs. Information sessions about how to reduce energy bills are very well received in community and in high demand.

Summary of residential in-language focus group findings

Vietnamese community: engagement preferences

- All the participants agreed that online focus groups were the best way to engage with the Vietnamese community.
- Unprompted, one participant suggested online surveys would be a good tool to gather lots of responses, while also allowing time poor community members to participate.
- Others suggested Endeavour Energy should advertise through community radio or via community leaders, and/or invite guest speakers to community events to share their knowledge on topics of interest.
- Participants discouraged the use of social media for engagement as community members are likely to be wary of scams.



"Endeavour Energy should consider holding more of this focus sessions because the voices of 5 participants today may not represent the whole community."
(In-language, Vietnamese)



"I hope we can have more discussions and information sessions to our wider community."
(In-language, Vietnamese)



"I appreciate that our opinions will be listened to and that Endeavour Energy make will good plans in the future to provide more benefits to the customers."
(In-language, Vietnamese)

Summary of residential in-language focus group findings

Assyrian community: context and value of electricity, and perceptions of Endeavour Energy

Context and Value of Electricity

- **The Assyrian community is not well integrated into wider Sydney society**, preferring to live and visit certain suburbs close to their own community. This makes it harder for them to learn English and can decrease their chances of finding a job.
- Participants said **electricity price fluctuation is a big issue within the community** as it causes financial stress. Participants believe that the privatisation of the energy sector has removed price controls, causing electricity to become unaffordable.
- **Financial stress has been exacerbated by the surge in Sydney real estate prices**. Community members reported finding it hard to meet mortgage repayments with others struggling to enter the property market.
- **Reliability is highly valued**. Coming from Iraq where power outages are very common, participants valued the reliable electricity supply available in Australia, describing them as a “blessing”. Safe and reliable electricity is seen as essential for modern life.
- Participants wanted to see clear roadmaps set by the **government to regulate prices of electricity and to have plans to shift from traditional power generation into renewables**. They visualise this as the only way to maintain health and longevity for power supply for the generations to come. They mentioned countries like Singapore producing their power in cost effective ways through burning waste and felt this was the modern approach to take.

Awareness and Perceptions of Endeavour Energy

- **No participants had heard of Endeavour Energy** prior to the focus group, and all the information presented to them was new. Participants originally thought that their retailers were responsible for the services that Endeavour Energy provide.
- Participants were surprised at the segmentation of their electricity bill and found this interesting. They were not concerned about Endeavour Energy's share (noting that they have previously been informed of Endeavour Energy's functions which they did not know prior to the focus group). Several felt they would share this information with others in their community.
- **Most participants thought that Endeavour Energy could affect or control electricity charges from retailers**. One participant suggested Endeavour Energy should take on the functions of the retailer to reduce levels of the supply chain and decrease the costs of electricity.

Summary of residential in-language focus group findings

Assyrian community: priorities for current and future services

Exploration of Core Services

Assyrian participants' prioritisation of the core current services was different to that of most other groups, with a higher priority given to emergency response and community safety than others.

- 1. Responding to emergencies** – With climate change and severe weather, participants felt it was very important to quickly respond to those disasters as they can claim the lives of many people each year.
- 2. Managing safety-related issues to reduce risks to the community** – Community safety was very important to these participants who felt that no-one should lose their life from a fallen power line.
- 3. Reading electricity meters and sending the data to retailers so your electricity bills are accurate** – Participants complained about receiving estimated meter reading bills rather than actual meter readings. This has made them frustrated and uncertain about how much they need to pay and increases distrust with their energy supplier.
- 4. Helping vulnerable customers to keep the power on when things go wrong or when they need medical equipment** – All participants agreed that it is very important that vulnerable people who rely on these machines to stay alive have their services maintained. We note that one participant uses life support equipment.
- 5. Installing and maintaining streetlights to keep communities safe** – Working streetlights were seen as important to prevent dangerous situations for both drivers and pedestrians.

Exploration of Future Services

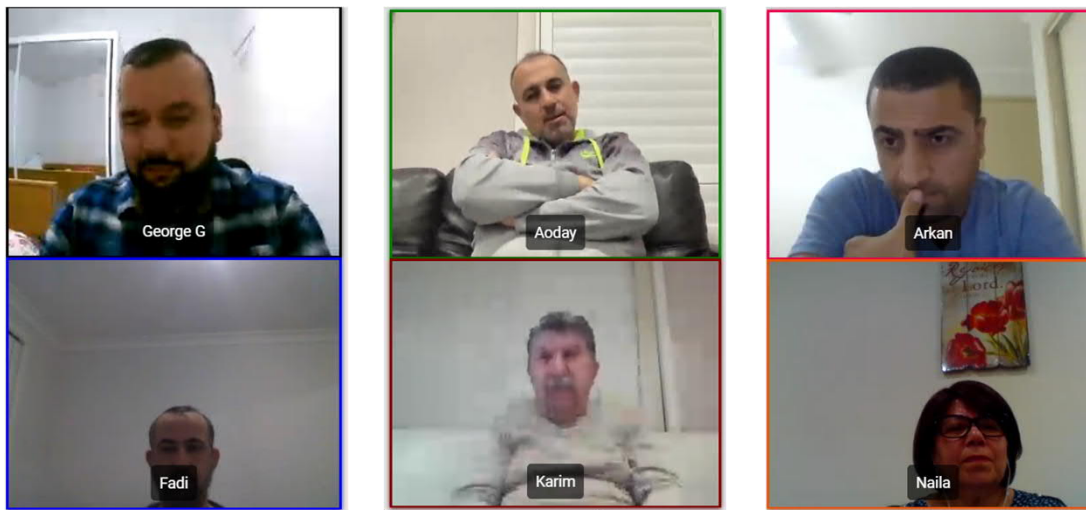
Services related to safety were again prioritised for the future, alongside initiatives to reduce carbon emissions from both the overall supply chain and on a personal level.

- 1. Invest in infrastructure and/or new technology** – Most participants had a strong belief that investing in renewables was the only way to have sustainable power.
- 2. Increase digital security to protect customers' personal data** – Participants want to be protected and not to get harassed by calls from unknown numbers or receiving text messages claiming that they work for their retailer.
- 3. Help cut greenhouse gases and set targets to do this by 2040 through investment in new technology** – Participants spoke about their concern for future generations and felt that companies should invest in renewables and set goals to cut greenhouse gases by 2040.
- 4. Help customers to understand and manage their electricity consumption and costs** – Participants would like help understanding their electricity bills. If they better understood their energy usage, they felt they could reduce their bills and better track their power consumption.
- 5. Providing the necessary technology so that anyone who wants to use solar panels to generate their own electricity** – This initiative was supported as a way to help them save money in the long term, connect them to more reliable and greener sources of power, and give customers the chance to save electricity when they do not use it.

Summary of residential in-language focus group findings

Assyrian community: engagement preferences

- In-language communication is strongly preferred.
- Responding to Endeavour Energy's proposed engagement plan, most participants said they would prefer to take **an online survey in Arabic** because it is the easiest and fastest way to communicate with them. Focus groups and emails were the next preferred engagement platforms.
- One participant preferred email newsletters with information on updates for the customers and ask them to have their say. And said they would like to attend a series of three meetings spread over three months focusing on specific service and pricing topics.
- For future engagement, participants said it would be more helpful if they can get translated materials before the session so they will have a clear idea on what they are going to discuss.
- Participants would also like to be educated on how to read their bills, and have this service offered to new arrivals to the country, as most people who struggle with this. They felt this would best be done through workshops in language by settlement organisations and/or community organisations.



"This is the first time in my life to be asked to give my opinion freely without biased on services we all use on daily basis".

(In-language, Assyrian)



"I will be so grateful if Endeavour would take in o account all our opinions in the future to provide more benefits to the customers."

(In-language, Assyrian)



"We have to educate people on how to manage their electricity and teach them about the new technologies."

(In-language, Assyrian)



"Energy is one of the most important things in modern life We cannot do anything without electricity."

(In-language, Assyrian)



"I had the chance to learn new things which we had never heard about, or being introduced to anywhere else."

(In-language, Assyrian)



Appendix 5: Summary report of engagement with Assyrian small business owners

Summary of Assyrian small business engagement

Key findings

Endeavour Energy commissioned SEC Newgate to undertake a program of exploratory qualitative in-language research and engagement with Assyrian small business customers as part of its 2024-2029 Revenue Reset Proposal development process. With the help of the Ethnic Communities Council of NSW, SEC Newgate carried out four x 45-minute in-language conversations with individual Assyrian small business owners online, to gain early contextual insights about key customer issues and values.

Electricity is seen as essential for running their businesses and protecting the health and wellbeing of their families

- All participants felt that safe and reliable electricity is very important.
- While some participants are using power saving devices such as LED light bulbs and buying high energy rated appliances to reduce energy costs, they reported a general lack of awareness about energy conservation among the Assyrian and other newly arrived migrant communities.
- Most participants thought they would use more electricity in the future as their businesses grew. They anticipate purchasing more appliances to increase their productivity and acknowledge purchasing energy saving appliances would help to reduce energy consumption and reduce costs.

Views about energy companies in general are negative, but those aware of Endeavour Energy were positive about the services it provides

- Participants said a lack of in-language education and communications to assist their community to learn more about energy and how to reduce costs makes them feel negatively toward energy companies.
- But the two (of the four) participants who were aware of Endeavor Energy prior to the discussion noted their opinion about the organisation was generally positive.

Reaction to information about Endeavour Energy

- All the information about Endeavour Energy shown to participants was new to them.
- All participants thought that the proportion of their electricity bill that went to different parts of the supply chain was 'reasonable and agreeable' as long as they get a reliable and safe supply of power. They want Endeavour Energy to focus on providing safe, reliable and affordable electricity to their customers.

Topics of interest and engagement preferences

- Participants felt that their broader community would be interested in, and benefit from, learning about the topics discussed. They felt information about the cost of electricity would be of the greatest interest and value.
- Email was the first preference for future engagement due to the business owners being time poor, with face-to-face (one on one) conversations being the second.

Summary of Assyrian small business engagement

Methodology

SEC Newgate consulted with CORE Community Services, Wollongong City Council, SCARF Refugee Support, Settlement Services International, Sydney Alliance and Multicultural NSW and the Ethnic Communities Council of NSW (ECC NSW) to inform design of the engagement approach.

This investigation revealed that the Assyrian community has little-to-no English proficiency, limiting their access to information and knowledge of energy. As a result, Endeavour Energy committed to engage with the emerging Assyrian community (small business owners) to include them in this conversation.

Recruitment of the participants was carried out by ECC NSW. Due to the Assyrian community's hesitancy around online scams and general lack of trust of people outside their direct community, ECC NSW recruiters telephoned and then visited Assyrian-owned businesses in Western Sydney to invite them to participate in the discussion.

COVID-19 restrictions limited ECC NSW's ability to reach Assyrian business owners in other areas of Sydney. This meant that all four business owners were drawn from the West and South-West Sydney only. They included the owners and/or managers of two bakeries, a kebab shop and a car wash.

Four x 45-minute discussions were conducted on Saturday 25 and Sunday 26 September 2021 using the online platform Zoom. The discussions were facilitated by George Georgees with note-taking by Rageed Tater from ECC NSW. In line with the focus groups, an incentive of \$200 was given to the participants. Each discussion was observed by a SEC Newgate staff member. The discussion was shorter than the focus groups as each involved a single participant but covered the same core topics.

Participant's name	Business location	Role in business	Time in business
Evan	Fairfield	Owner and manager	Started the business 3 months ago
Nabil	Fairfield West	Owner and manager	Has been working for the business for 10 years, and owned it for the last 5 years
Ninmar	Fairfield West	Baker and manager	Has been helping his father run the business for 3 years
Galb	Casula	Manager	Started the business 3 months ago



Figure 1: Photo of discussion

Summary of Assyrian small business engagement

Context and Value of Electricity

Key themes raised during the discussions were as follows:

Family health and wellbeing are paramount

- Health and wellbeing of their family were the most important thing to participants.
- Living a stress-free life by not putting yourself under too much pressure is important.
- Contributing to their family and community financially was also seen as critical. Even though participants would like to spend more time with their family, working hard to make a comfortable life for their family is very important.

Assyrian community is relatively isolated and financially vulnerable

- Participants observed the Assyrian community tends to stay within the community in Fairfield, rather than travelling around Sydney to interact with other communities.
- They noted that unemployment is a big issue in the Assyrian community.
- The community has been financially impacted as a direct result of the COVID-19 pandemic. Participants noted a lack of financial education and limited English skills has exacerbated financial stress.

Electricity is seen as essential , with both reliability and affordability important

- Participants noted that a reliable supply of electricity is essential to run their businesses and that losing power for even a short amount of time can have big impacts on their business e.g. food can go off, eftpos machines stop working.
- They noted the community has a lack of awareness about energy conservation, noting that many are often quick to pay their bill, but don't tend to investigate it to understand how their usage impacts the cost.
- One participant mentioned that the only way to cut carbon emissions and keep the planet healthy is to increase the use of renewable energy.



"Electricity means everything to our business, electricity is essential to run the business."
(In-language, SME)



"It is my first time being involved in such a discussion. I am pleased to represent people in my community."
(In-language, SME)



"I think Endeavour Energy is doing a terrific job as long as they provide a reliable and safe supply of electricity to keep all businesses and residences connected to the power."
(In-language, SME)



"It's important to have members of our community involved in these discussions so that we can learn from them. I am grateful for the opportunity."
(In-language, SME)

Summary of Assyrian small business engagement

Awareness and Perceptions of Endeavour Energy

Awareness of Endeavour Energy was mixed but levels of interest were strong

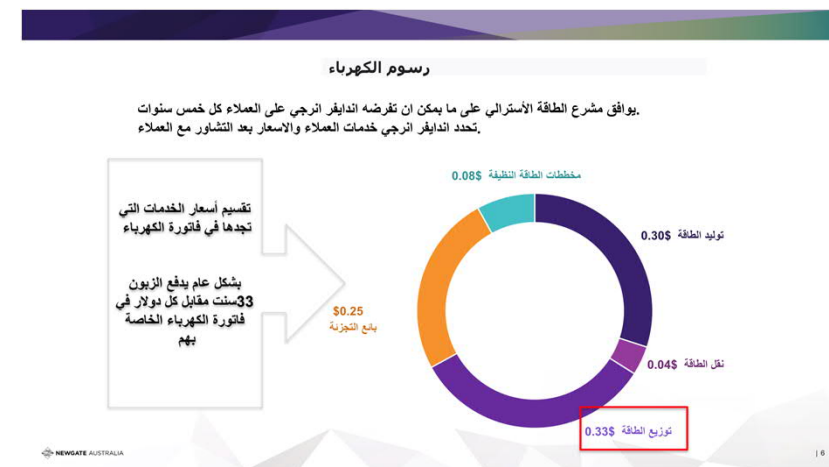
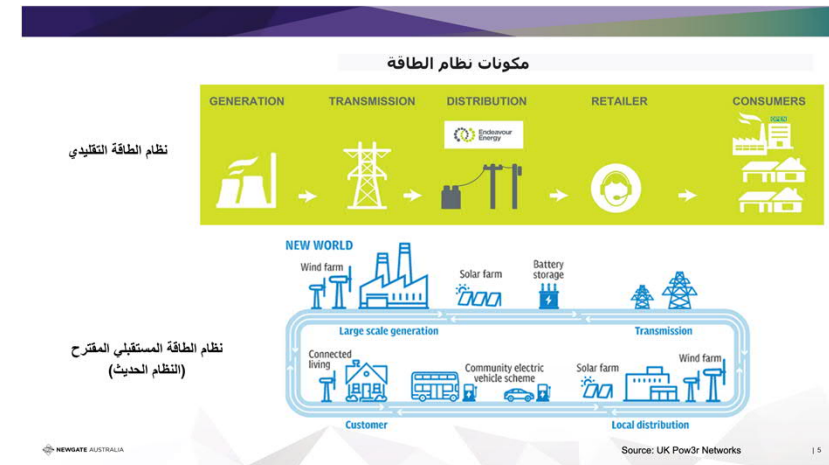
- Two of the four participants had heard of Endeavour Energy prior to this conversation. Both had received emails and letters in the past, when Endeavour Energy wanted to inform them about grid maintenance in the area or/and when there were planned power outages. Based on these experiences, their opinion of Endeavour Energy was positive. All participants are very familiar with their energy retailer.
- All of the information about Endeavour Energy (examples right) shown to participants was new to them. They appreciated receiving it and were sufficiently engaged to want to know a bit in the future.
- Participants appreciated Endeavour Energy showing them information about how their bills are divided according to the energy supply chain. All believed the split was 'reasonable and agreeable'. They understand that electricity costs money and are prepared to pay a fair price for a reliable and safe supply of power.

Participants said the most important thing Endeavour Energy should focus on is the supply of safe and reliable energy. All participants considered this crucial to keep their businesses operating.

- While reliability and safety are paramount, participants also want their electricity to be affordable. These SME owners and managers have attempted to reduce energy costs by changing their light globes to LEDs and purchasing the highest star energy rating appliances. Two participants mentioned the use of timing devices they have developed themselves to reduce power when their businesses are closed (for example, setting a timer to shut down refrigeration for a couple of hours during the night).

The concept of separate parts of the supply chain operating independently is poorly understood

- Despite the explanation of Endeavour Energy's role in the supply chain, participants continued to believe that the network could and should pressure retailers to offer lower prices.
- This reflects a lack of understanding of price regulation (both network and retail) and lack of trust in retailers, with participants saying members of the community sign up to 'offers' they don't completely understand and then are shocked when they receive a high bill and/or an estimated meter reading.
- The separation of responsibilities between networks and generators was also unclear, with two participants saying that it is positive to see that Endeavour Energy is investing in renewable, clean energy sources.



Summary of Assyrian small business engagement

Future interaction with the grid and engagement with Endeavour Energy

Most participants thought that they would use more electricity in the future as their businesses grew

- Participants anticipate purchasing more appliances to grow business productivity and acknowledge purchasing energy saving appliances would help to reduce energy consumption and reduce costs.
- They noted that operating their businesses during lockdown has reduced their energy usage. When the restrictions lift, they expect that their usage will increase.
- Most also thought the way they use electricity would change as a result of them now understanding more about electricity following this discussion. They felt they were more aware of how they could reduce power consumption through LED lights, programmed timers and reducing power at peak times through power-saver plans offered by retailers. Participants thought these measures will eventually result in a noticeable return on investment.
- Two participants mentioned that they would investigate installing solar panels to decrease their energy bills, and one was interested in finding out more about battery storage.

Participants felt that their broader community would be interested in, and benefit from, learning about the topics discussed.

- They felt information about the cost of electricity would be of great interest and value to the Assyrian and other new migrant communities.
- Email was the first preference for future engagement. Participants said they work long hours and are not always available for more immediate methods of engagement. One participant noted that it would be easier to have a family member translate the email communication for them to understand the content (if not available in-language).
- Face-to-face (one-on-one) discussions were recommended for the community more generally. Participants said they felt comfortable and relaxed during the discussion and liked how they could give feedback directly to Endeavour Energy. This was strongly preferred over providing written responses or completing surveys.
- They noted that low levels of energy literacy is a common experience of established Assyrian communities and newly arrived migrants. Participants highlighted that newly arrived migrants would not have experienced having reliable electricity available 24/7.
- Low levels of proficiency in the English language is considered a barrier to receiving and understanding information and education about electricity. In-language education would help the community understand their energy bills, and importantly, teach them ways to reduce their bills.

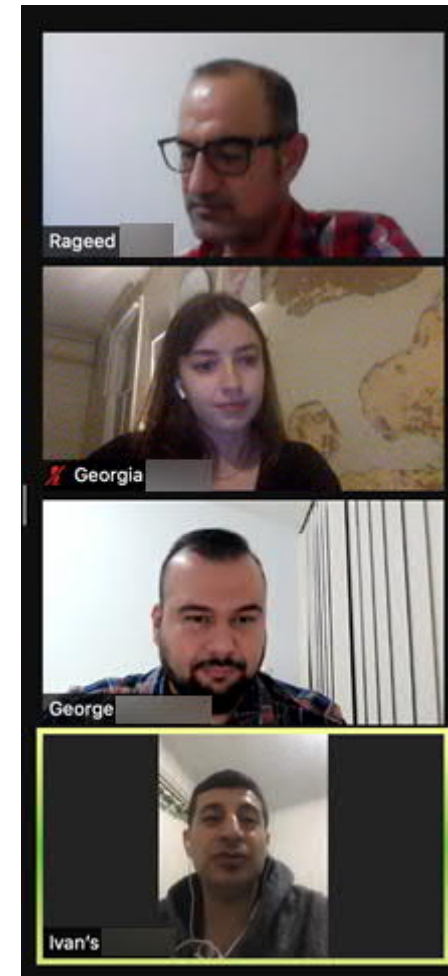


Figure 2: Photo of discussion

Summary of Assyrian small business engagement

Engagement Learnings

Engaging with new migrant communities such as Assyrian small business owners is challenging

- COVID impacts, low levels of trust in people they don't know, and a high frequency of phone scams meant business owners found it difficult to believe they were being legitimately approached to participate in this engagement. Recruitment of SME participants was particularly challenging as they are generally in the start-up phase of business and working seven days a week. There is also a relatively small number of Assyrian business owners to engage with.
- Once recruited, those involved noted that this was the first time someone had reached out to them to seek their views.
- While there was initial suspicion that this was a tick-a-box exercise, following conversation with the translators, participants expressed an appreciation towards Endeavour Energy and a hope for future engagement, including education and feedback opportunities.
- Low levels of English proficiency should be considered when large amounts of stimulus material are required. Meetings of an increased length are requested, but Endeavour Energy will need to be sensitive to time constraints for businesses (this engagement was conducted on weekends, including a Sunday evening).
- Participants recognised the high value of in-language engagement and recommended a similar and expanded approach for other migrant communities



"Most of the community have language limitations and knowledge gaps, especially when it comes to a subject like energy."
(In-language, SME)



"It is good for our people to be able to express their opinion in their own language. I think they would like to get savvier in new technologies that are becoming very popular these days."
(In-language, SME)



"Back in my home country, we used to have the worst power service yet, nobody asked us to give any feedback or suggestions. [In Australia], they have better service, and they are consulting us for feedback in order to improve it which I find amazing"
(In-language, SME)



"I would give this discussion a 10 out of 10."
(In-language, SME)

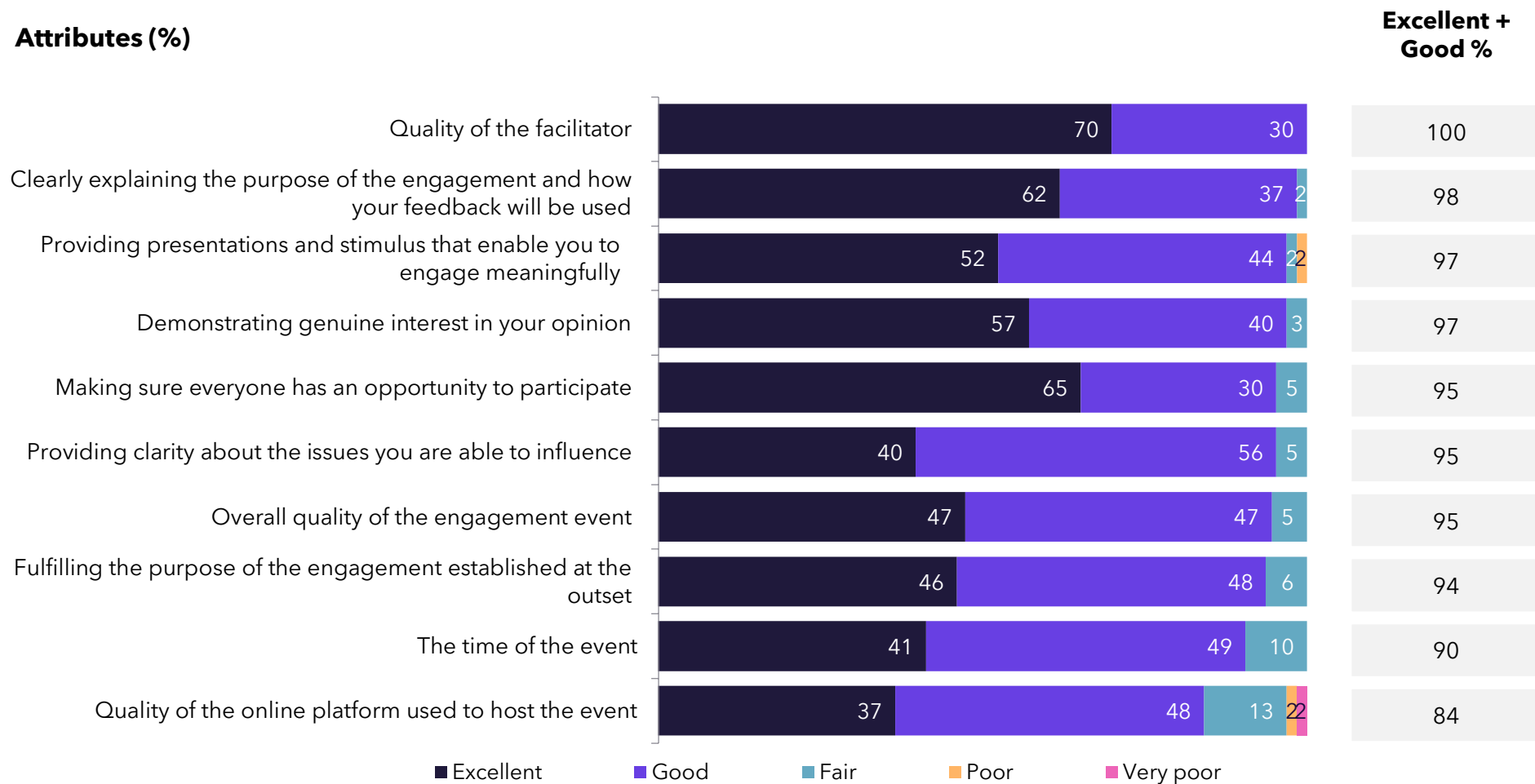


Appendix 6: Post-engagement evaluation survey results and quotes

Appendix 6: Post-engagement evaluation survey results

Overall attribute ratings

At the end of each English language focus group, participants were invited to complete a post-engagement evaluation survey. A total of n=74 participants completed the survey, out of a possible n=88 representing an 84% completion rate. Participants in English language groups were asked to rate performance on a series of attributes shown in the table below. Participants in the in-language residential focus groups and discussions with Assyrian small business owners were only asked to rate the 'overall quality of the engagement event' (see Appendix 7).



Appendix 6: Post-engagement evaluation survey quotes



"Being able to learn more about new issues related to electricity and learning from others' opinions. I appreciate if the opinions today will be listened to and Endeavour Energy make will good plans in the future to provide more benefits to the customers."
(In-language, Vietnamese)



"Very interactive and inclusive allowing everyone to speak their mind. The group was small which made facilitation easier in the online environment. A small group size encouraged more open discussion.."
(General residential, North-west Sydney, Under 45s)



"I enjoyed the session it was very interesting to know what Endeavour energy is planning and how they are looking for the community's opinions. The pie chart gave us all food for thought."
(Vulnerable, Nowra and Ulladulla)



"Enjoyed the opportunity to contribute my input to help formulate a plan."
(Innovators, Mixed within Endeavour's distribution area)



"I appreciated the effort they are making to engage with small to medium businesses in this sort of forum."
(SMEs, South-west Sydney)



"It is my first time to actually being asked to give my opinion in service, and as a community member, it makes me feel I belong to this society. I will be so grateful if Endeavour would take in to account all our opinions in the future to provide more benefits to the customers."
(In-language, Assyrian)



"I really appreciated the fact that the purpose of the group was explained clearly and simply, whilst detailed and relevant information to assist in the discussion process was also provided."
(Innovator Blue Mountains)



"The facilitator was great - very engaging, explained everything clearly and concisely. The overall idea of Endeavour Energy wanting to hear from us gave me hope for the future."
(General residential, Southern Highlands, Over 45s)



"I really enjoy and was grateful that I had the opportunity to participate last night. I believe that Endeavour Energy has the right attitude in leaning more towards green energy than the use of coal. It was also amazing to see that they wanted our feedback and valued our opinion."
(Vulnerable, Nowra and Ulladulla)



"Being able to help the Endeavour Energy process. Giving concrete descriptions of possible outcomes that may be part of the future."
(General residential, Southern Highlands, Over 45s)



Appendix 7: Post-engagement evaluation and learnings from the in-language research

Appendix 7: Post-engagement evaluation and learnings from the residential in-language research

Learnings from the in-language research

Given this was the first time Endeavour Energy has commissioned in-language qualitative research, following are some key learnings which emerged from this component of the research. These have been developed through debriefs with the Vietnamese and Assyrian teams from Ethic Communities Council NSW (ECC) and participant evaluation feedback, together with SEC Newgate's reflections.

Research briefings/debriefings

- A full briefing on the discussion guide, note-taking and reporting templates provided to ECC was provided by Newgate the week prior to the fieldwork. This was important to give the ECC team **time to digest the materials** and ask any questions about content which was unfamiliar to them. Translators felt they had time to process issues related to translation approach or the VisionsLive online platform and to seek clarity in the briefing, leaving them better prepared for the engagement.
- **A debrief** with the ECC and Newgate team was held the morning after the first in-language group (Vietnamese). Potential changes in the approach were discussed and communicated with the Assyrian team conducting the subsequent focus group. Written feedback was also obtained from the Assyrian team following that focus group. This continued dialogue between ECC and SEC Newgate was important to maximising the effectiveness of the approach.

COVID-19 context - continuity of contact and building trust with participants

- As with the broader study, fieldwork had to transition from a face-to-face to an online methodology due to Covid-19. This had impacts on recruitment and fieldwork where **trust in the credibility of approaches** to get involved in research can be lower in non-English speaking parts of the community. For example, with the SME Assyrian participant recruitment, phone calls to discuss the study with participants was insufficient to engender trust in the validity and credentials of the study. The recruiter needed to follow up phone calls with a visit the businesses of participants and meet them to before they would agree to participate in the research.
- Having ECC involved in the recruitment of participants created a **sense of trust** that was important for the research participants. Feedback from ECC indicated that some participants were initially sceptical that they might be 'sold to', rather than being 'engaged with', so having reassurance from a community member/educator helped address this potential barrier.
- Where possible the same person from ECC who recruited focus group and small business owner participants and/or paid follow-up visits to the business premises was also the in-language facilitator in the groups and discussions. Having a familiar person involved throughout the research process **gave continuity and reassurance** to participants, many of whom had never been involved in in-language online discussions before. Feedback from the first Vietnamese group indicated participants were expecting to see this 'known face' when they first arrived from the group discussion and were being tech-checked in the online focus group waiting room. Actioning this in the Assyrian group the following night overcame their concern.

Appendix 7: Post-engagement evaluation and learnings from the residential in-language research

Learnings from the in-language research

In-language moderation, stimulus materials and timing

- The residential focus groups were conducted in-language with English check-ins between the SEC Newgate Researcher and ECC moderator throughout the session instead of via simultaneous translation. This approach was effective as it allowed the discussion to flow more freely between the in-language moderator and participants to build a positive group dynamic with fewer English interruptions; it enabled information to be gathered and explored in a time effective manner.
- Note that the discussion guide for in-language sessions was slightly reduced to allow more time to cover the material and allow plenty of time for questions from participants. Despite this, some felt overwhelmed by the amount of information they reviewed in the session. A couple of participants suggested having a session longer than two hours may be more beneficial considering their unfamiliarity with, and the complexity of, many of the concepts presented. However, they also commented that holding their attention for two hours was probably the maximum for sessions like this. In addressing this concern, some participants suggested the materials be distributed before the discussion so that more time could be allocated to sharing opinions rather than reading. One participant from the Assyrian in-language group also felt that spreading the discussion over a series of sessions, rather than a one-off focus group could also be beneficial.
- Having the stimulus materials translated and supported by visuals was important and appreciated. However, feedback from participants also indicated they found it difficult to comprehend the large volume of material, particularly on the core and future services, as some of the concepts were unfamiliar and complex, and often multi-faceted. This underpinned suggestions from some participants for the materials to be given to them as pre-reading before the focus group.

Engagement evaluations

- The decision was made to ask for evaluation feedback at the conclusion of the focus groups rather than send a separate email to each participant. The rationale for this was to overcome participant distrust of responding to emails and concerns about sharing their details beyond the recruitment organisation.
- To keep the evaluation section brief, participants were asked evaluate their engagement experience by verbally responding to one question - the 'overall quality of the engagement event' and sharing their reflections. To minimise the likelihood of peer pressure on individual feedback participants were asked to jot down their thoughts prior to sharing them with the group, and this approach seemed effective. Importantly, after they had completed the focus groups and were comfortable with the research process and trust had been built, many were interested in participating in future engagement activities.
- All participants in the in-language research in Vietnamese and Assyrian groups gave a ranking of 'excellent' or 'good'.
- Participants commented about how proud and respected they felt being invited to engage in their own language. For many participants being asked to participate in research in their native tongue was a new experience and one that made them feel truly valued. They felt it clearly showed that Endeavour Energy was serious about its engagement with all parts of their customer base. More specifically they said they appreciated sharing their views, enjoyed hearing the views of others in the community and learning about Endeavour Energy's services. They liked that they were being listened to by Endeavour Energy and that their feedback would contribute to the organisation's future plans. They appreciated the opportunity to have access to the research findings and how Endeavour Energy plans to apply them. Many were keen to continue to be engaged through the proposal development process. There was a desire for this type of inclusive community engagement to continue, and be expanded to other language groups.
- Other suggestions for improvement from participants are noted in the sections above.



Appendix 8: Methodology disclosure statement

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This research was conducted by SEC Newgate Research on behalf of Endeavour Energy. The target audience for the research was Endeavour Energy's end-use customers from across its catchment, including Western Sydney, Southwest Sydney, Blue Mountains, Southern Highlands and the South Coast.

The English language focus groups were conducted between 30 August and 15 September 2021. Facilitation of the English groups was conducted by Sue Vercoe, Julie Sheather and Dorothy Dudley, and note taking was conducted by Peta Hinton. In consultation with the Ethnic Communities' Council of NSW (ECC NSW), facilitation of the Vietnamese in-language residential group was conducted by Do Ha with note-taking by Phung Ngo. Facilitation of the Assyrian in-language residential group and discussions with Assyrian small business owners was conducted by George Georgees with note-taking by Rageed Tater.

The focus group component of the research comprised 15 online groups between 1.75-2 hours in length with a total of n=88 participants, and 4 discussions with small business owners from the Assyrian community each lasting 45 minutes. To be eligible to participate they needed to be living in or, have their business located in the LGAs serviced by the Endeavour Energy network. Each focus group comprised a mix of age, gender, life stage and cultural and linguistically diverse backgrounds. Care was taken to include some in each group who had not previously participated in market research.

Recruitment for the English groups was undertaken by independent recruiter Research Connections. Recruitment of the in-language groups and discussions with Assyrian small business owners was conducted by the ECC NSW. Participation was on a voluntary, opt-in basis. Residential participants received \$100 for their time and SMEs were incentivised between \$200-250 for their time in order to ensure participation.

The research was undertaken in compliance with the Australian Polling Council Quality Mark standards which can be viewed here:

<https://www.linked.com/company/Australian-polling-council>



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