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Woolcott Research and Engagement  
Level 6, 104 Mount St  
North Sydney NSW 2060

Telephone: +61 2 9261 5221  
Email: [info@woolcott.com.au](mailto:info@woolcott.com.au)  
Website: [www.woolcott.com.au](http://www.woolcott.com.au)

# Table of Contents

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.....	1
1. Approach and Methodology.....	4
1.1 Stakeholder Co-design Workshop.....	4
1.2 Essential Connectors Discussion Group .....	6
2. Findings from the Stakeholder Workshop.....	7
2.1 Influences.....	7
2.2 Implications for the Regulatory Proposal.....	8
2.3 Who and how.....	11
2.4 Reference groups.....	12
2.5 Evaluation.....	13
3. Essential Connector Group Discussion Findings .....	14
4. Implications for the Engagement Plan.....	16
4.1 What to engage on.....	16
4.2 How to engage .....	16
4.3 Who to engage with.....	16
Appendix A: Discussion Guide and PowerPoint Slides for Essential Connectors Group.....	19
Appendix B: Agenda for Stakeholder Co-design Workshop .....	23
Appendix C: Summary of Findings of Topics Against Level of IAP2 Spectrum and Group.....	28

# 1. Approach and Methodology

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## 1.1 Stakeholder Co-design Workshop

A workshop was conducted via Zoom video conferencing with stakeholders and business partners to gain input into the engagement plan for the next regulatory proposal. Throughout the COVID-19 pandemic, Woolcott Research & Engagement has continued to adhere to strict health guidelines regarding the gathering of large groups. Although originally planned as a face-to-face event this workshop had to be moved to an online format, utilising the Zoom platform.

Attendees were from a range of organisations including retailers, industry advocates, consumer advocates, sustainability advocates, local councils, universities and customer representatives. There was also a follow on meeting organised for interested stakeholders who could not attend the main workshop.

Attendees across the workshop and follow on meeting included representatives from:

- AER
- AGL
- Australian Energy Council
- Business NSW
- Caravan and Camping Industry Association NSW
- Charles Sturt University
- Cotton Australia
- Council of the Ageing (COTA)
- Country Women's Association (CWA)
- Dubbo Council
- Enova Energy
- Ethnic Communities Council of NSW
- Energy Users Association of Australia (EUAA)
- Goslec (ASP)
- ITP Renewables
- Metka EGN
- NSW Cane Growers Association

- NSW Farmers
- Origin Energy
- Public Interest Advocacy Centre (PIAC)
- Red Energy
- Renew
- Richmond River Cane Growers Association
- Salvation Army
- St Vincent de Paul
- Tesla (member of EV Council & EV Working Group)
- Total Environment Centre
- Wagga Wagga City Council

The workshop consisted of a stimulating mix of presentations from Essential Energy staff, small 'breakout' discussions, activities utilising Miro (an online collaborative whiteboard platform) and feedback sessions from breakout groups. The workshop ran from 10:00am – 4.00pm and stakeholders were able to come and go as their diaries permitted throughout the session.

Woolcott Research & Engagement provided a lead facilitator, Ian Woolcott (who chaired the sessions and managed the flow and timing), four breakout room facilitators and one support staff member. Woolcott facilitators ensured that all issues were covered in the discussions and that everyone's views were heard and captured. They ensured that no one participant dominated the discussion in their breakout session and that everyone had a chance to have their say and provide feedback. They also probed into issues that arose within the discussion to ensure that sufficient detail was gained.

Each break out room included a diverse mix of stakeholders. Essential Energy staff were also present to listen and answer any questions.

The agenda for the workshop included:

- Welcome and introduction by Essential Energy CEO John Cleland
- Presentation of the Essential Energy Corporate Strategy Review by Chantelle Bramley, General Manager – Strategy, Regulation and Corporate Affairs
- Discussion on the Corporate Strategy influences in breakout rooms
- Presentation of the possible implications from the Corporate Strategy for the Regulatory Proposal by Chantelle Bramley
- Miro board activity and discussion on the regulatory themes and topics in breakout rooms

- Feedback from each breakout room
- Presentation to set the scene on who Essential Energy should engage with and how, by Belinda Kallmier, Head of Customer Experience
- Miro board activity on 'who' and 'how' for each topic by key engagement theme in breakout rooms
- Presentation on developing Reference Groups and evaluation of the engagement by Natalie Lindsay, Head of Regulatory Affairs
- Discussion on Reference Groups and evaluation in breakout rooms

The agenda is included in Appendix A.

## *1.2 Essential Connectors Discussion Group*

A group discussion was held on Tuesday 3 August 2021 with eight residential customers who had taken part in the previous engagement for the Regulatory Proposal 19-24. These people are called the 'Essential Connectors' as they were some of the most engaged participants from the last period, many of whom also took part in the latest Essential Energy Tariff Trials Design engagement.

The group participants were a mix of levels of electricity users (low, medium and high) as well as a mix of solar and non-solar customers. They were located across the three Essential Energy regions, from towns and more rural areas, in Dubbo and surrounds, Port Macquarie, Wagga Wagga and Kempsey.

The group was conducted using Zoom video conferencing with a Woolcott Research facilitator. The discussion involved gathering feedback on their experience during the last engagement program – what they thought worked well and what improvements could be made, what topics they thought should be discussed in the next engagement program, who should be involved and how. The discussion guide is included in Appendix B.

## 2. Findings from the Stakeholder Workshop

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### 2.1 Influences

The first session in the Stakeholder Co-design Workshop involved a presentation by Essential Energy on the draft revised Corporate Strategy. Following this, stakeholders were split up into breakout rooms to provide feedback on the influences that are predicted to have an impact on Essential Energy's business and the next Regulatory Proposal.

Stakeholders agreed that the changes listed by Essential Energy were important influences. These included:

- Economic growth - Forecast growth trajectory of the NSW economy to 2035, informed by an understanding of the key economic drivers and their outlook
- Customer needs - Changing needs of customers today and how this is expected to continue into the future, with an understanding of some key drivers of consumer behaviour
- Market development and regulation - Implications of market change, evolving regulation and other policy influence on Essential Energy
- Pace of decarbonisation - Direction and pace of change in decarbonisation and the key factors driving the shift towards renewables including policy, consumer preferences and technology
- Technical development - Forecast pace of technological change and the key drivers of ongoing change such as innovation, cost reduction and growing consumer engagement with technology
- Competitive tension - Market scan to understand the types of competitors (traditional and non-traditional) in the energy space and the threat they pose to the current market dynamic

Other influences, mentioned by stakeholders that will have an impact on Essential Energy in the next regulatory period that were:

#### *Environmental*

- COVID 19 – this will have had an impact on usage and usage patterns due to more people working from home, and is also a motivator for people to leave cities in NSW and relocate to regional areas (i.e. the Essential Energy network area)
- Climate change and weather patterns – increasing temperatures and rainfall and more events such as bushfires and flooding that Essential Energy have to respond to

#### *Technological*

- Pace of technology take up by customers, e.g. solar, batteries and electric vehicles in particular
- Using new technology to increase the resilience of the network (e.g. composite poles, community batteries, battery systems in bushfire areas, SAPS)

## *Societal*

- Low energy literacy – many customers are not aware of the energy supply chain, the role of Essential Energy and find it difficult to understand tariffs and their energy bills
- Diversity in customer needs and social equity – there was concern about certain customer groups being disadvantaged in the future, if they won't be able to access the new technologies
- Influences on core industry groups in Essential Energy's customer base, such as agriculture, which will then in turn impact Essential Energy

Stakeholders believed that there is a lot of overlap between the influences but that they won't all progress at the same speed. For example, it was mentioned that the speed of technological development and take up is far outpacing market development and regulation.

Of all the influences presented and discussed, customer needs was thought to be the most important as many of the other external influences directly affect the needs of customers. Ultimately Essential Energy must ensure that it continues to meet the changing and diverse, needs of customers.

Stakeholders believed that there is much opportunity for Essential Energy within the context of these influences and were interested to hear more about how the business is planning to respond to them.

## *2.2 Implications for the Regulatory Proposal*

In the next session Chantelle Bramley outlined what implications these influences might have on the Regulatory Proposal for the 24-29 period. The influences will determine the themes and topics for the engagement. The themes and topics that Essential Energy suggested that they may need to engage with customers on were:

### *Future network enablement*

- Ability to accommodate exports and other technology connecting to the network e.g. EVs
- How the Regulator will assess network involvement in providing services
- Connections policy
- Capabilities required to model and operate a more dynamic grid and drive utilisation
- Cost to customers versus value customers experience

### *Risk tolerance, resilience and reliability*

- Value of the risk-based approach to asset management
- Appropriately accommodating climate change risk
- Reliability levels and the different needs of different customers in a highly digitised world
- Role of Essential Energy in an emergency response

### Role of tariffs and pricing outcomes

- Price signals can help mitigate some, but not all, investment
- Ability to accommodate new products and prices in the future
- Acceptability of price increases if the network is delivering more to consumers

Stakeholders were split into breakout rooms and asked to consider which topics Essential Energy needs to engage on for its next regulatory proposal and how the topics could be categorised into themes. The facilitators in each breakout room wrote their group’s topics on a Miro board and a spokesperson presented them back to the main room.

Overall it was agreed that the three themes worked as overarching categories for the topics suggested, along with an ‘other’ category for any extra topics. The only change suggested was that the theme title ‘Risk tolerance’ should be amended to ‘Risk appetite’ to signify that customers and stakeholders should have an input into the level of risk that Essential Energy accepts.

A summary of the topics suggested is provided below.

Table 1: Topics suggested by Stakeholders

THEME 1 Future network enablement	THEME 2 Risk appetite, resilience, reliability	THEME 3 Role of Tariffs	Other
<p>Likelihood of taking up <b>new technologies</b> e.g. solar, batteries, EVs</p> <p><b>Microgrids and SAPs</b> appetite in communities</p> <p><b>Solar exports and export limits</b> - options for managing this</p> <p><b>EVs</b> – Options for managing EV take up and EV charging points. Vehicle to Grid (V2G) charging and how this could work</p> <p><b>Community storage - ownership models</b> - What ownership models/structures are EE considering, and how will this be handled with retailers?</p> <p><b>Intersections with NSW Energy Sector Roadmap</b></p>	<p><b>Social equity</b> – equal treatment and sharing equal risk</p> <p><b>Climate change and extreme weather events</b> - impact on network resilience and what customers expect from EE, e.g. keeping the phone towers resilient by using SAPS (EE not responsible for this), de-energising the network in an area with bushfires</p> <p><b>Strengthening the network</b> – increasing resilience to avoid the need to load shed. Battery systems as back-ups.</p> <p><b>Volatility of the network</b> (power quality) as more people start to generate.</p>	<p><b>Willingness to pay</b> - trade offs. Understand whether investment is valued to the point where people are willing to put their hands in their pockets.</p> <p><b>Fixed vs variable charges</b> in the context of solar uptake</p> <p><b>Export pricing options:</b> - <b>Time of charge/discharge</b> - <b>location of discharge</b> - postage stamp vs. Nodal vs. Zonal - <b>Min export capacity</b> to be free of charge – what is that capacity?</p> <p><b>How to deal with exempt networks/embedded networks</b>, e.g. caravan parks, different regulatory frameworks, maybe you put them on a different</p>	<p><b>How to deal with private poles and lines</b> – education about liabilities, should we lobby insurance companies (customer should be insured for it), supporting vulnerable customers. LEGISLATION ISSUE</p> <p><b>Government infrastructure projects</b> – EE's role as intermediary</p>

THEME 1 Future network enablement	THEME 2 Risk appetite, resilience, reliability	THEME 3 Role of Tariffs	Other
<p><b>and other industry roadmaps and Renewable energy zones (REZs)</b></p> <p><b>Smart meters/devices:</b> a) How will timely access to usage information be provided? b) How does the communication work? How does your inverter, battery and EV actually talk to EE? c) Privacy implications - especially relevant with DSOs d) Cybersecurity implications - will there be increased costs to protect against this?</p> <p><b>Close out of gas networks</b> – impact on electricity network? Assess this to see if augmentation requirements. COST PASS THROUGH?</p> <p><b>State govt policy implications</b> e.g. setting of emissions targets – educate customers about implications and what EE is doing about it.</p> <p><b>Grid architecture</b> – who controls DER for system security and trading purposes? (DSO and DMO or trading platform models. There are trials underway and Ausgrid has come up with a model) Which option consumers prefer?</p> <p><b>Social equity</b> – dealing with diverse customer needs and expectations, ensuring no group is disadvantaged.</p>	<p><b>Cyber security risk</b></p> <p><b>Risk tolerance and risk sharing</b> – how much risk should EE share with customers, issues to do with insurance.</p> <p><b>Willingness to pay</b> for reliability and resilience improvements</p> <p><b>Customer needs in relation to outages – e.g. scheduling of outages</b> - e.g. during COVID lockdowns when is the best time to schedule outages when everyone is at home?</p> <p><b>Vegetation management</b></p>	<p>kind of tariff. LEGISLATION ISSUE</p> <p><b>STPIS/GSLs for exports</b> - If there is an export charge, what are the guaranteed service levels etc?</p> <p><b>Tariff options for EVs</b> (e.g. dynamic pricing)</p> <p><b>Tariff options for microgrids</b> (local usage system tariffs)</p> <p><b>Community storage - impact on tariffs – esp. TUOS (transmission use of system) and DUOS (distribution use of system) charges</b> - Batteries can be connected at both transmission and distribution level – what is the approach to TUOS and DUOS?</p> <p><b>Rates of return</b> - balance between returns to shareholders and long term costs to customers</p> <p><b>Postage stamp pricing</b> – support for this?</p> <p><b>Climate change and extreme weather events</b> – impact on EE’s revenue/costs</p>	

## 2.3 Who and how

Essential Energy then presented an overview of the International Association for Public Participation's (IAP2) spectrum of engagement. The spectrum shows the different levels of engagement, from inform, to consult, involve, collaborate and empower and the types of methodologies at each level.

The types of customer, business partner and stakeholder groups that could be included in the engagement were also presented:

- Connected customers, for example residential and business customers including commercial and industrial customers
- Business partners, for example retailers, local councils, Accredited Service Providers (ASPs) and Electrical Contractors (ECs) and renewable energy developers
- Stakeholders, for example regulators, government and customer representation groups

A brief overview of the approach and design of engagement for the last regulatory period was also provided.

Stakeholders were then split back into breakout rooms to provide input into the approach for the engagement program.

In terms of the methodology it was thought that Essential Energy should:

- Have some representative and some inclusive approaches – find a way to accommodate as many voices as possible by capturing feedback from interested parties, while still ensuring that certain parts are representative
- Have a mix of face-to-face and other forms of feedback such as online. It was thought that face to face is generally preferred by customers over online (but that during COVID online is an acceptable alternative). Ultimately customers should be asked how they want to be engaged
- Allow time for pre-reading in order to digest the information
- Have short engagements of 2-3 hours rather than longer all day meetings
- Include the depots to ensure people who are not used to technology can engage – have rural/remote customers come into the depots and use the online resources there to join the Zoom meeting. Someone could be there to give them a cup of coffee and help them join
- Do some joint network engagement with stakeholders on topics like price control

Stakeholders' main feedback regarding customer and stakeholder groups was to ensure Essential Energy includes:

- Rural and remote customers (particularly those in areas with a higher frequency of outages)
- Expand on the locations - go further up the north coast, e.g. Ballina/Tweed Heads and further inland e.g. Bourke
- Young people

- Businesses – small and medium businesses, C&I and large customers, including agricultural customers and multi-site corporates
- Financial hardship customers e.g. through St Vincent de Paul
- Customers who are from Culturally and Linguistically Diverse (CALD) backgrounds and Aboriginal and Torres Strait Islander (ATSI) customers
- People who are not online savvy (assuming much of the earlier engagement will have to be online)

During the consult and even involve levels of engagement it was thought that customers could be split up into separate groups to gather the disparate views of each group. However, when using collaborative methodologies and deliberating options and trade-offs it will be important to bring those groups together.

An activity was conducted in the breakout rooms whereby stakeholders were asked to suggest at which level of the IAP2 spectrum, and for which groups, the topics suggested in the earlier session were relevant to. They had to move the topics into the relevant level of the spectrum and customer, business partner or stakeholder group. Most topics were moved to the collaborate levels with a few, such as communicating state government policy implications, rates of return and the impacts of climate change and extreme weather events being put at the inform level. The uptake of new technology, intersections with the NSW Energy Sector Roadmap, cyber security risk and government infrastructure projects were placed at the consult level.

A summary table of the findings of this activity is provided in Appendix C.

## *2.4 Reference groups*

In the next short presentation Essential Energy outlined their intention to use reference groups to road test engagement materials, provide timely input to assist with ideas and decision making in between engagement activities and independently verify that feedback has been interpreted and informed the decisions made. They also briefly touched on evaluation of the engagement and the need to be able to measure the success of the engagement.

Stakeholders were split up into breakout rooms again to discuss their views on the structure and set up of reference groups and evaluation of the engagement program.

Stakeholders were very supportive of the notion of reference groups. The ideal scenario was thought to be a larger reference group (8-10) that could be broken up into smaller sub-groups to provide feedback on different topics. The smaller groups may decide that they need input from stakeholders external to the group, so individuals would be invited to join the meeting on that particular issue. Once the smaller sub-groups had come to some conclusions they could report back to the larger main group. The number of sub-groups would only be determined once the main group had met and the topics had been decided. It was thought that the number of sub-groups needs to be flexible and open to change throughout the engagement program according to where there are gaps, needs and opportunities.

The reference group should be independent (in light of the AER assessment of consumer engagement) and should be able to influence the regulatory process and the engagement process (going up and down).

Payments to the group were generally supported although there was some slight concern that being paid could be seen to impair independence (more in how it would look than in reality). Some form of reimbursement was thought to encourage participants to read material before meetings, which then makes

the discussions more meaningful as they are better prepared. Payments could take the form of contributions to charity groups or other forms of payment. One suggestion was that all distributors pay a set fee to a central pot, which is then divided up between the stakeholders involved in the engagement programs to cover their costs and time.

Planning early was thought to be key. It was requested that stakeholders are given enough notice of meetings and asked about their availabilities – at least 4 weeks prior.

There was a question about how the reference group would relate to the Essential Energy Customer Advisory Group (CAG) as there could be overlap. If some people on the CAG are involved then it was feared that it would be a lot of work for those people, however if they weren't invited to be involved then there was a concern that Essential Energy would not be utilising all the knowledge they have gained.

It was suggested that Essential Energy would need to invite members based on skills and experience. The reference group will need to represent all the diverse customer groups and business partners, e.g. councils, retailers, small and large businesses, consumer advocates and maybe ASPs.

## *2.5 Evaluation*

There were just two main suggestions given for evaluation of the engagement program:

- The level of influence the participants thought they had on the regulatory proposal - the amount of change made to the regulatory proposal based on feedback from participants
- Backing of the regulatory proposal by the reference group – the group being able to say that the things they agreed on are included in the regulatory proposal and the things they didn't agree on they had a fair discussion on and were listened to by Essential Energy

### 3. Essential Connector Group Discussion Findings

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During the discussion session the group was given a reminder of what the engagement program involved last time and asked for feedback on what they thought worked well and what improvements could be made. The positive points of the engagement that were mentioned were:

- They enjoyed taking part – the experience was a positive one, hence their continued engagement
- They believed they learned a lot and expanded their viewpoints – they appreciated hearing from Essential Energy to learn about the issues and hearing other customers' views in the group discussions
- They felt listened to and free to say what they thought - they didn't feel judged, all views were accepted
- Having information presented in a variety of formats – written, videos, quizzes, presentations, Q&As
- Polling – it was interesting to see what others thought about the issue compared to their own views

The improvements that they suggested to make the experience even better next time included:

- A bit more explanation for some of the more complex concepts and making sure there is no jargon or technical terms (particularly for tariffs). Some information was thought to be difficult for lay people to understand unless they have a technical background
- A bit more time for discussions in the Zoom format
- Where engagement is delivered virtually, allow participants sufficient time to absorb the information before being asked for their opinions, e.g. a gap between sessions or pre-reading/videos
- Having a shorter gap between each meeting (as it was quite a few months last time) so the information and outcomes are a bit fresher in their memories

The outcomes from the last engagement were briefly presented for the topic areas of safety, affordability, reliability, pricing, customer service/communication and innovation/renewables. Participants were asked what they thought the priority topics were to engage on in the next project. They agreed that safety, reliability and affordability were still key topic areas for customers and therefore important to focus on in the next engagement. Innovation and new technologies were also of interest and they wanted to hear more about what the future might hold in terms of these technologies and what that might mean for the customer in terms of cost.

In terms of ways of engaging, participants thought it was important that the engagement is inclusive so that anyone who wants to take part can provide feedback, as well as representative engagement so that we can ensure we have captured feedback from a good cross section of the community (ages and lifestyles) and it matches the demographics of the network area.

Participants felt that the engagement should involve all customer and business partner groups and also specific groups that would have important views to consider such as solar customers, life support, remote customers and those who have been impacted by COVID (customers in financial hardship). However, there were concerns that remote customers might not have good internet connections so might find it difficult to take part online.

There were mixed opinions about the types of engagement methodologies preferred - face to face was liked by some and Zoom meetings by others. Combining online (by Zoom) and face to face was thought to be the ideal scenario.

## 4. Implications for the Engagement Plan

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The following outtakes from the Stakeholder Co-design Workshop and Customer Group should be considered in the development of the Engagement Plan for the 24-29 Regulatory Proposal:

### 4.1 What to engage on

- The three themes of ‘Future network enablement’, ‘Risk appetite, resilience and reliability’ and ‘Role of tariffs and pricing outcomes’ are supported by Stakeholders and should form the basis for the topics in the next regulatory engagement
- Customers still believe that safety, reliability and affordability are the key priorities to focus on (and the topics within those). Renewables/innovation is something customers find exciting and would like to hear more about, as well as new technology such as smart meters and how to obtain and use their usage data. These topics fit well into the three themes above

### 4.2 How to engage

- A mix of engagement channels should be utilised (including online, phone and face to face) at different levels of the IAP2 spectrum. Consideration could be given to simultaneous online and face-to-face methodologies to include more rural/remote customers, though delivering presentations to both a screen and room can be difficult and these would only be effective if an engagement facilitator was also online to oversee any virtual breakout sessions
- Information should be provided in layman’s terms in a clear easy to understand way, and in a variety of formats such as videos, factsheets, presentations and Q&A sessions with experts
- Information should be provided beforehand so that customers can be informed and think about their opinions before providing feedback. A summary of the previous outcomes could be sent before the next phase of forums to remind people about the issues and what the outcomes have been so far
- Customers suggested having longer sessions online, to allow adequate time for discussions and stakeholders suggested shorter, mainly because they cannot afford to spend the majority of a day in an engagement session – the optimum time for Zoom forums is considered to be around 2-3 hours

### 4.3 Who to engage with

- All customer and business partner groups should be involved in the engagement and it will be important that groups who are particularly impacted by issues are engaged on those topics, for example remote customers for outages
- Inclusive and representative engagement needs to be provided through different approaches - capturing feedback from interested parties, while still ensuring that certain parts are representative
- Consider including some input from young people
- The idea of using a reference group (along with sub-groups) as part of the engagement was supported by stakeholders

- Consider doing some joint network engagement with other distributors, to avoid the same stakeholders being asked for feedback by different distributors on the same topics

# Appendices

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## Appendix A: Discussion Guide and PowerPoint Slides for Essential Connectors Group

<b>Project:</b>	Essential Energy – Regulatory Proposal 24-29				
<b>Event:</b>	Essential Connectors Group Discussion				
<b>Details:</b>					
<b>Dates and location:</b>	Tuesday 3 August 2021	<b>Time:</b>	6.00-7.20pm	<b>Duration:</b>	1 hour 20 mins
<b>Group objectives:</b>	<ul style="list-style-type: none"> <li>To gain feedback on what worked well and what could be improved from their perspectives last time</li> <li>Identify important topics for engagement this time</li> <li>Identify who EE should engage with and how</li> </ul>				

Time	Session details
6.00-6.05pm  (5 mins)	<p><b>Welcome and introduction</b></p> <ul style="list-style-type: none"> <li>Introduce self - from WR an independent research company (they will know us from previous engagement)</li> <li>Doing this group for Essential Energy</li> <li>As a recap...Every 5 years Essential Energy has to submit its proposals to the AER – called a ‘regulatory proposal’. This is basically its plans for the next 5 years and how much that will cost customers. AER decides how much EE can charge customers as part of their electricity bills.</li> <li>They all took part in the customer research to develop EE’s last regulatory proposal and we are now in the planning stages for the next proposal.</li> <li>We want to find out from them what they thought worked well and not so well last time, what they think the priority topics are for engagement this time, how EE should engage and who with.</li> <li>We would love for them to be involved throughout the engagement over the next year or so.</li> <li>Explain it’s an open discussion – no right or wrong answers/ don’t mind what they say or think. Assure them that our discussion is confidential/anonymous.</li> <li>Ask for permission to record for note-keeping purposes only.</li> <li>Explain viewing if appropriate.</li> </ul>
6.05-6.10pm  (10 mins)	<p><b>Warm up</b></p> <ul style="list-style-type: none"> <li>Ask them to introduce themselves, what type of electricity user they are (low, medium, high), solar/non solar,</li> </ul> <p><b>Awareness of role</b></p>

	<ul style="list-style-type: none"> <li>Do you remember what kinds of things Essential Energy responsible for as the electricity distributor?</li> </ul> <p>Prompt for:</p> <ul style="list-style-type: none"> <li>Supplying electricity to your home</li> <li>Fixing electricity outages and interruptions</li> <li>Maintaining electricity poles and wires in your area</li> <li>Installing new connections or altering existing connections</li> <li>Connecting renewables to the network (e.g. solar electricity)</li> <li>Providing advice to households on electricity usage</li> <li>Maintaining and operating street lighting</li> <li>Trimming vegetation around powerlines</li> <li>Reading your electricity meter</li> </ul> <p>Remind them that EE does all of these things.</p> <p>But they don't send them the bill. That's the retailer.</p>
<p>6.15 – 6.20pm (5 mins)</p>	<p><b>Recap of role of EE</b></p> <p><b>SCREEN SHARE</b></p> <p><i>Show slides 3 and 4 and read through</i></p>
<p>6.20 – 6.30pm (10 mins)</p>	<p><b>Recap of engagement program last time</b></p> <p><b>SCREEN SHARE</b></p> <p><i>Show slide 6 and 7 and read through</i></p> <p><i>Explain that Essential Energy haven't decided how they are going to do the engagement with customers and stakeholders this time around. That's what we are looking for their feedback on (and asking other groups too).</i></p> <ul style="list-style-type: none"> <li>Do you remember anything you thought worked well about the last engagement?</li> <li>And anything you didn't think was quite as good – that could be improved this time?             <ul style="list-style-type: none"> <li>Prompts if needed for:                 <ul style="list-style-type: none"> <li>Information provision beforehand – was there enough/too little</li> <li>Ways of presenting information e.g. videos</li> <li>Keypad voting</li> <li>Feedback from tables</li> </ul> </li> <li>Prompt for topics:                 <ul style="list-style-type: none"> <li>Customer values</li> <li>Safety</li> <li>Affordability</li> <li>Reliability</li> </ul> </li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>▪ Customer service and communication</li> <li>▪ Pricing</li> <li>▪ Innovation and renewables</li> </ul> <ul style="list-style-type: none"> <li>• Which of the topics would you like to continue to Engage on?</li> <li>• Are there any extra topics?</li> <li>• What specific questions or areas would you like to see discussed in this next reg period?</li> </ul>
<p>6.30-7.00pm (30 mins)</p>	<p><b>Topics of the last engagement program</b></p> <p><b>SCREEN SHARE</b></p> <p><i>Show slides 10</i></p> <ul style="list-style-type: none"> <li>• Are these still the areas you see as important?</li> <li>• How would you rank them in terms of importance now?</li> <li>• Is there anything else that you think is important?</li> </ul> <p><i>Show slide 12-23 and read through</i></p> <p>After each:</p> <ul style="list-style-type: none"> <li>• Should these remain the focus for this time?</li> <li>• Is there anything more under this heading that you would like them to focus on?</li> </ul>
<p>7.00-7.10pm (10 mins)</p>	<p><b>Types of people to engage with</b></p> <p><b>SCREEN SHARE</b></p> <p><i>Show slide 25 and read through</i></p> <ul style="list-style-type: none"> <li>• Are there specific types of customers that you think it is important for Essential Energy to gain feedback from on each of the themes? <ul style="list-style-type: none"> <li>○ Prompts: <ul style="list-style-type: none"> <li>▪ Customer values</li> <li>▪ Safety</li> <li>▪ Affordability</li> <li>▪ Reliability</li> <li>▪ Customer service and communication</li> <li>▪ Pricing</li> <li>▪ Innovation and renewables</li> </ul> </li> </ul> </li> <li>• Other types of customer? Sub-groups of residential customers that we need to ensure we talk to?</li> </ul>
<p>7.10-7.20pm (10 mins)</p>	<p><b>Ways of engaging</b></p> <p><b>SCREEN SHARE</b></p> <p><i>Show slide 27 and read through</i></p> <ul style="list-style-type: none"> <li>• Should EE move up the IAP2 spectrum?</li> </ul>

	<ul style="list-style-type: none"><li>• Are there ways of engaging that you think it is important for Essential Energy to use, that might appeal to the groups that you think it is important to engage with?<ul style="list-style-type: none"><li>○ Prompt for: Use of collaborative tools such as co-design, online tools, face to face methods?</li><li>○ Go through each of the customer groups mentioned above</li></ul></li></ul>
7.20	<p><b>CLOSE</b></p> <ul style="list-style-type: none"><li>• Any final comments?</li><li>• Interest in being contacted about taking part further</li><li>• See you next time!</li></ul>

## Appendix B: Agenda for Stakeholder Co-design Workshop

### Stakeholder Co-design Workshop Outline Agenda FINAL

<b>Project:</b>	Essential Energy – Regulatory Proposal 24-29				
<b>Event:</b>	Stakeholder Co-design Workshop				
<b>Details:</b>					
<b>Dates and location:</b>	Online Zoom: 11 August 2021	<b>Time:</b>	10.00am-4.00pm	<b>Duration:</b>	2 x 2.5 hour sessions
<b>Workshop objectives:</b>	<ul style="list-style-type: none"> <li>To 'kick off' the engagement for the 2024-2029 Regulatory Proposal</li> <li>Communicate the progress on Corporate Strategy Review to key stakeholders and obtain their feedback on the key influences and implications</li> <li>To engage with key stakeholders about the key themes, topics and the 'what, who and how' for the engagement program</li> <li>Ultimately to co-design an engagement program to ensure that the regulatory proposal is supported by customers and stakeholders</li> </ul>				

Time	Session details	Responsibility	Materials
10.00-10.10am (10 mins)	<b>Welcome</b> <ul style="list-style-type: none"> <li>Acknowledgement of Country</li> <li>Agenda</li> <li>Guidelines</li> </ul>	WR Lead Facilitator	PPT slides
10.10-10.20am (10 mins)	<b>Introduction</b> <ul style="list-style-type: none"> <li>Outline aim i.e. to co-design a regulatory proposal that is supported by customers and stakeholders</li> <li>Outline Essential Energy's engagement intention and that today's activities will directly inform our engagement plan</li> <li>Outline what a reg proposal is, why it is important</li> <li>Link importance of Corporate Strategy to underpin the reg proposal</li> </ul>	EE – John Cleland	
10.20 - 10.40am (20 mins)	<b>Presentation 1: Corporate Strategy Review</b> <ul style="list-style-type: none"> <li>Overview of the approach to the corporate strategy review</li> <li>Key influences on the business</li> </ul>	EE – Chantelle Bramley	PPT slides
10.40 – 11.00am (20 mins)	<b>Breakout discussion 1: Feedback on the corporate strategy influences</b> <ul style="list-style-type: none"> <li>Introductions</li> </ul>	WR Facilitators	

Time	Session details	Responsibility	Materials
	<ul style="list-style-type: none"> <li>Do you agree with the influences that Essential Energy has identified?</li> <li>Are there other influences that should also be considered by Essential Energy when planning for the future?                             <ul style="list-style-type: none"> <li>Prompt for different areas – environmental, technological, societal, political if required</li> </ul> </li> <li>What do you think are the most important influences that Essential Energy needs to consider when developing the next regulatory proposal? Why?</li> </ul>		
11.00-11.15 (15 mins)	<b>MORNING TEA</b>		
11.15 – 11:35am (20 mins)	<p><b>Presentation 2: Implications for the Regulatory Proposal</b></p> <ul style="list-style-type: none"> <li>Key strategic directions being assessed</li> <li>Identification of potential themes and topics to address in our regulatory proposal engagement                             <ul style="list-style-type: none"> <li>We have identified three themes that we think broadly cover the topics for our regulatory proposal</li> <li>We now need you to assess whether these are the right themes, whether there are any missing themes and the topics you think sit within each theme.</li> </ul> </li> </ul>	EE – Chantelle Bramley	PPT slides
11:35am-12.15 pm– (40 mins)	<p><b>Breakout discussion 2: Regulatory Themes &amp; topics</b></p> <p><b>USING MIRO</b></p> <ul style="list-style-type: none"> <li>Given what you’ve heard, what are the key topics that you feel Essential Energy needs to engage customers and stakeholders on for its next regulatory proposal? <i>List the topics in MIRO on post it notes</i></li> <li>Here are the three themes that EE came up with. If we were trying to ‘theme’ the topics you came up with would these be the right themes? <i>Click and drag the topics into the theme quadrants and assess as a group whether the themes cover all the topics.</i></li> <li>Are there any missing themes? <i>If so, add another theme and place topics into it</i></li> <li><i>At the end of the session you should have a number of themes with topics within them (try</i></li> </ul>	WR Facilitators	Miro

Time	Session details	Responsibility	Materials
	<p><i>to limit the number of themes to a manageable number e.g. 3-4)</i></p> <p><i>Choose a spokesperson to feedback for the group in the next session</i></p>		
12.15 – 12.30 (15 mins)	<p><b>Feedback: Topics within themes</b></p> <ul style="list-style-type: none"> <li>Each table to feedback on themes (and brief overview of topics within themes)</li> </ul>		
12.30-1.30 (1 hour)	<p><b>LUNCH BREAK</b></p> <ul style="list-style-type: none"> <li>WR and EE to agree on themes (from feedback provided in previous session)</li> <li>Facilitators to copy the themes and topics down into the Miro board for the next session</li> </ul>		
1.30-1.50pm (15 mins)	<p><b>Presentation 3: Who and how?</b></p> <ul style="list-style-type: none"> <li>Summarise the key agreed themes</li> <li>We need to understand the topics we need to consult with customers and stakeholders on for the regulatory proposal and how we engage and with whom</li> <li>HOW – IAP2 spectrum – Outline what each level means i.e. ‘Inform’, ‘Consult’, ‘Involve’ and ‘Collaborate’ <ul style="list-style-type: none"> <li>Explain that this time EE would like to move further along the spectrum (use some info from the RFT)</li> </ul> </li> <li>WHO - Show the broad customer and stakeholder groups we think we need to engage with (explain our customer personas)</li> <li>Explain that we are going to break out into groups and discuss who and how we should engage on each topic.</li> </ul>	EE – Belinda Kallmier	PPT slides
1.50-2.20pm (30 mins)	<p><b>Breakout discussion 3a: THEME 1</b></p> <ul style="list-style-type: none"> <li>Before going onto the first theme, ask for feedback on size and number of locations for the deliberative forums last time and get opinions as to whether this was too low, too high or just right?</li> </ul> <p>Then each breakout group takes the same themes in turn</p> <p><b>USING THEIR OWN MIRO BOARD FROM THE DISCUSSION EARLIER</b></p>	WR Facilitators	Miro

Time	Session details	Responsibility	Materials
	<ul style="list-style-type: none"> <li>Are there any additional topics that you want to include in this theme based on other groups' feedback?</li> </ul> <p><i>Show the grid in Miro – level of engagement across the top and segments down the side. Topics to be moved into the grid based on level and segment (discussed below)</i></p> <ul style="list-style-type: none"> <li>To what depth should we engage on each topic within the theme?                             <ul style="list-style-type: none"> <li>Level of engagement on IAP2 spectrum? Where should we look to 'Collaborate' versus 'Involve', 'Consult' or 'Inform'?</li> </ul> </li> <li>Who do we need to engage with on each topic within the theme?</li> <li>What are the engagement channels for this theme? (methodologies/techniques e.g. survey v forum v website)                             <ul style="list-style-type: none"> <li>How can we encourage participation and reach our range of customers?</li> <li>What channels do we already have in place that we can leverage?</li> </ul> </li> </ul>		
2.20-2.50 (30 mins)	<p><b>Breakout discussion 3b: THEME 2</b></p> <p><b>USE MIRO BOARD</b></p> <ul style="list-style-type: none"> <li>Same questions as above</li> </ul>	WR Facilitators	Miro
2.50 -3.00 (10 mins)	<b>AFTERNOON TEA</b>		
3.00- 3.30pm (30 mins)	<p><b>Breakout discussion 3c: THEME 3 + Other (if time allows)</b></p> <p><b>USE MIRO BOARD</b></p> <ul style="list-style-type: none"> <li>Same questions as above</li> </ul>	WR Facilitators	Miro
3.30-3.35 (5 mins)	<p><b>Presentation 4: Developing Reference Groups and Evaluation</b></p> <ul style="list-style-type: none"> <li>Presentation on EE's idea to develop reference groups                             <ul style="list-style-type: none"> <li>Link this to the themes – we have these 3-4 themes – is it a good idea to have reference groups for each theme (or across themes) to help guide the engagement questions and materials?</li> </ul> </li> <li>Also need to determine how we will measure the success of our engagement</li> </ul>	EE – Natalie Lindsay	PPT slides

Time	Session details	Responsibility	Materials
3.35-3.55 (20 mins)	<p><b>Breakout discussion 4: Developing Reference Groups and Evaluation</b></p> <p><b>Reference groups:</b></p> <ul style="list-style-type: none"> <li>• Do we have the right number and structure of reference groups?</li> <li>• Who should be a part of such groups?</li> <li>• Does anyone here today want to nominate for any groups?</li> <li>• Should participants be paid to attend, if so, how much?</li> <li>• How do we balance payments with independence?</li> </ul> <p><b>Evaluation:</b></p> <ul style="list-style-type: none"> <li>• What would success look like for the engagement?</li> <li>• How could EE measure its success throughout the process?</li> </ul>	WR Facilitators	
3.55-4.00pm  (5 mins)	<b>Summing up, next steps and close</b>	EE – John Cleland	
<b><u>CLOSE</u></b>			

# Appendix C: Summary of Findings of Topics Against Level of IAP2 Spectrum and Group

THEME: Future network enablement					
	<b>Inform</b> Provide information. E.g. factsheets, website	<b>Consult</b> Explore views and issues e.g. surveys, focus groups	<b>Involve</b> Put options to customers to inform decisions e.g. workshops	<b>Collaborate</b> Design solutions together with customers e.g. deliberative forums	<b>Empower</b> Place the final decision making in the hands of the public
<b>Connected Customers</b> 	State govt policy implications	Uptake of new technology  Intersections with NSW Energy Sector Roadmap and other industry roadmaps and Renewable Energy Zones (REZs)	Smart meters/devices  Microgrids and SAPs  Community storage- Impact on tariffs (TUOS and DUOS)	Community storage- ownership models  EV's    Social equity  Solar exports/export limits  Clean Energy	
<b>Direct partners e.g. Retailers, ASP's, Councils</b> 	State govt policy implications	Intersections with NSW Energy Sector Roadmap and other industry roadmaps and Renewable Energy Zones (REZs)	Uptake of new technology	Solar exports/export limits  EV's	
<b>Stakeholders</b> 		State govt policy implications  Intersections with NSW Energy Sector Roadmap and other industry roadmaps and Renewable Energy Zones (REZs)	Uptake of new technology  Close out of gas networks	Smart meters/devices  Solar exports/export limits  EV's    Microgrids and SAPs  Community storage- Impact on tariffs (TUOS and DUOS)	

THEME: Risk appetite, resilience, reliability					
	<b>Inform</b> Provide information. E.g. factsheets, website	<b>Consult</b> Explore views and issues e.g. surveys, focus groups	<b>Involve</b> Put options to customers to inform decisions e.g. workshops	<b>Collaborate</b> Design solutions together with customers e.g. deliberative forums	<b>Empower</b> Place the final decision making in the hands of the public
<b>Connected Customers</b> 		Cyber security risk	Customer needs for outages, particularly remote customers	Vegetation management Social equity Willingness to Pay Volatility of the network Strengthening the network	Risk tolerance and risk sharing  Climate change and extreme weather events
<b>Direct partners e.g. Retailers, ASP's, Councils</b> 		Cyber security risk		Vegetation management Climate change and extreme weather events Volatility of the network Strengthening the network	Risk tolerance and risk sharing
<b>Stakeholders</b> 		Cyber security risk		Climate change and extreme weather events Social equity Volatility of the network Vegetation management	Climate change and extreme weather events  Risk tolerance and risk sharing  Strengthening the network

THEME: Role of Tariffs					
	<b>Inform</b> Provide information. E.g. factsheets, website	<b>Consult</b> Explore views and issues e.g. surveys, focus groups	<b>Involve</b> Put options to customers to inform decisions e.g. workshops	<b>Collaborate</b> Design solutions together with customers e.g. deliberative forums	<b>Empower</b> Place the final decision making in the hands of the public
<b>Connected Customers</b> 	Postage stamp pricing Rates of return Climate change and extreme weather events		Community storage- Impact on tariffs (TUOS and DUOS)	Export pricing options STPIS/GSLs for exports Affordability Fixed vs variable charges Tariff options for EVs	Tariff options formicrogrids Willingness to pay
<b>Direct partners e.g. Retailers, ASP's, Councils</b> 	Rates of return Climate change and extreme weather events		Community storage- Impact on tariffs (TUOS and DUOS)	Affordability Export pricing options STPIS/GSLs for exports Fixed vs variable charges Tariff options for EVs	Tariff options formicrogrids
<b>Stakeholders</b> 	Climate change and extreme weather events		Rates of return	Affordability STPIS/GSLs for exports Tariff options for EVs Community storage- Impact on tariffs (TUOS and DUOS) Export pricing options	Willingness to pay Tariff options formicrogrids How to deal with exempt networks

THEME: Other					
	<b>Inform</b> Provide information. E.g. factsheets, website	<b>Consult</b> Explore views and issues e.g. surveys, focus groups	<b>Involve</b> Put options to customers to inform decisions e.g. workshops	<b>Collaborate</b> Design solutions together with customers e.g. deliberative forums	<b>Empower</b> Place the final decision making in the hands of the public
<b>Connected Customers</b> 		Government infrastructure projects		How to deal with private poles and lines	
<b>Direct partners e.g. Retailers, ASP's, Councils</b> 		Government infrastructure projects		How to deal with private poles and lines	
<b>Stakeholders</b> 		Government infrastructure projects		How to deal with private poles and lines	



Woolcott Research & Engagement  
L6, 104 Mount Street, North Sydney 2060



+61 29261 5221



woolcott.com.au

Regulatory Proposal 24-29  
Engagement Plan

Essential Energy

**Contacts:**

Liz Sparham

*L.Sparham@woolcott.com.au*

Karyn Wong

*KWong@woolcott.com.au*

