

Appendix 2.1: 2019-24 Regulatory proposal consumer engagement strategy

Regulatory proposal for the ACT electricity distribution network 2019-24
January 2018

Disclaimer: On 1 January 2018, the part of ActewAGL that looks after the electricity network changed its name to Evoenergy. This change has been brought about from a decision by the Australian Energy Regulator. Unless otherwise stated, ActewAGL Distribution branded documents provided with this regulatory proposal are Evoenergy documents.

CONSUMER ENGAGEMENT STRATEGY

2019-24 ELECTRICITY
REGULATORY SUBMISSION

Effective date: December 2016

ActewAGL

for you

Introduction

This Strategy outlines the objectives, stakeholders and associated program of work to engage with and gather feedback from consumers as part of preparing the 2019-24 Electricity Regulatory Submission (EN19) for ActewAGL Distribution (AAD).

The program of activities to be delivered as part of this Strategy has been developed with reference to the following:

- ActewAGL Distribution's Engagement Principles as defined in the AAD Consumer Engagement Strategy¹.
- AER Consumer Engagement Guideline for network service providers
- AER Customer Challenge Panel Preliminary Advice on the Effectiveness of Consumer Engagement by Network Businesses².
- Energy Networks Association Customer Engagement Handbook³.

Drawing on these documents, AAD's approach to consumer engagement will ensure AAD's ability to clearly demonstrate how consumer feedback has informed or been reflected in the development of the EN19 Submission.

This Strategy also incorporates a program of engagement with retailers.

This Strategy is underpinned by AAD's Engagement Principles identified in Figure 1, which have been adopted across the organisation and reflect the AER's Consumer Engagement Guidelines.





¹ Stage 1 Consumer Engagement Strategy May 2014. Draft Stage 2 Strategy November 2016.

² Source: https://www.aer.gov.au/system/files/Consumer%20engagement%20advice_140707.pdf

³ Source:

http://www.energynetworks.com.au/sites/default/files/customer_engagement_handbook_july_2016.pdf

Figure 1: ActewAGL Distribution Engagement Principles

ENGAGEMENT PRINCIPLES		
PRINCIPLE	HOW WE WILL DO THIS	WHAT IT MEANS FOR OUR CUSTOMERS
Clear, accurate and timely information 	Information will be provided that is useful, relevant and easy to understand.	Customers can make informed choices and contribute effectively to the conversation.
Accessible and Inclusive 	Customers will be engaged broadly across a range of communities and through a variety of interactions.	All customers have the opportunity to participate in discussions, express opinions and understand the outcomes of our conversations.
Transparent 	Our engagement with customers will be open and honest, with regular and meaningful reporting.	Allow our customers to understand how their views and comments were taken into consideration.
Measurable 	Each customer engagement activity will establish clear and measurable (where possible) criteria against which the success of the engagement can be measured.	Customers will be able to hold us accountable against the objectives of each engagement activity and work with us to continually improve our engagement activities.
Long-term 	Engagement with our customers will be on-going and regular, recognising that our customers will be at differing levels of understanding and involvement in our organisation over time.	Customers will be able to meaningfully engage with us at any time.

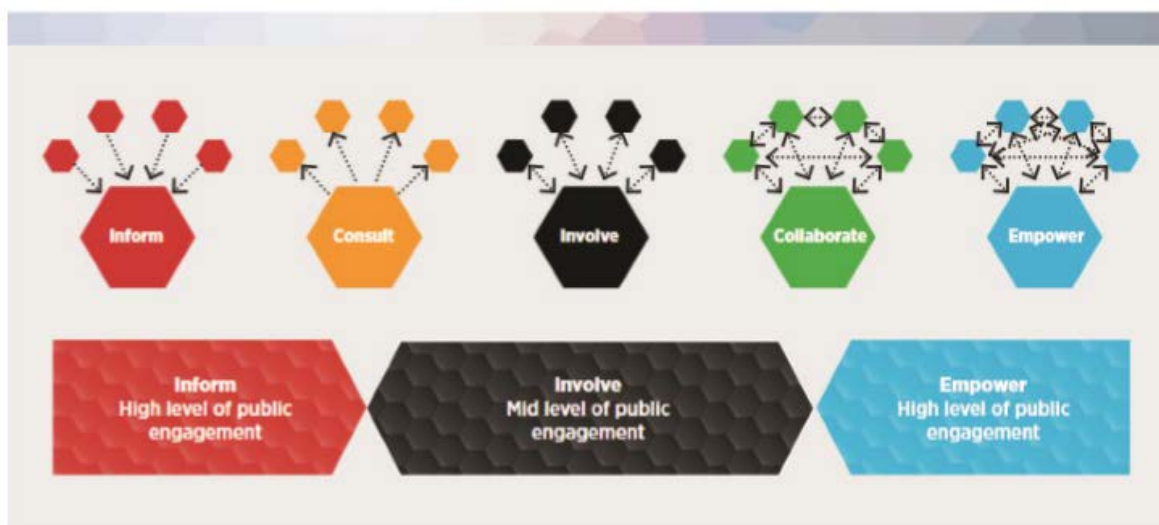
Objective

The objective of this Strategy is to:

- **inform, consult and involve** electricity consumers and other members of the Canberra community and
- work closely with the ECRC and other key stakeholder representatives to ensure the input of these consumers is reflected in the EN19 Regulatory Submission.

This objective is based on the International Association of Public Participation (IAP2) Public Participation Spectrum as outlined below and will allow ActewAGL Distribution to prepare its Regulatory Submission with an accurate understanding of the needs and expectations of consumers.

Figure 2: The International Association of Public Participation Spectrum⁴



Participation

Through implementation of this Strategy, we will seek to engage a diverse range of representatives from all customer segments as well as targeted engagement with retailers.

AAD has identified the customer segments outlined in Figure 3 which will be engaged during EN19 and whose feedback will influence the Regulatory Submission.

Figure 3: AAD Customers⁵

	RESIDENTS The families and households that access energy provided through our distribution networks.
	COMMERCIAL BUSINESS OWNERS Businesses of all sizes that access energy through our network, or provide goods and services associated in relation to our network.
	LARGE AND OR CRITICAL CUSTOMERS Those customers that access large amounts of energy, have more than standard infrastructure or have specialist service delivery needs, such as hospitals.
	LAND AND PROPERTY DEVELOPERS Through the creation of new network infrastructure to service new subdivisions and developments.
	EMERGING TECHNOLOGY Those customers interested in new technologies and services such as electric vehicles, embedded generators, solar arrays and microgrids.

⁴ Source: Energy Networks Association Consumer Engagement Handbook.

⁵ Source: Energy Networks Association Consumer Engagement Handbook.

Engagement tools

A number of different engagement tools have been developed with particular reference to providing a platform to consult and involve consumers. The application of these tools with respect to different consumer segments and the timing can be found in the Implementation Program at Table 1.

Energy Consumer Reference Council (ECRC)

The ECRC is a key vehicle for seeking consumer input into EN19 as the members of the ECRC are representatives of a broad cross-section of consumers and will be provided with detailed presentations to facilitate the development of the Regulatory Submission.

The ECRC meet every two months and EN19 will be a regular item on the agenda, with topics to be presented and discussed to reflect both the priorities of the draft regulatory Submission but also the areas of interest and concern to the members of the ECRC.

The ECRC will also be asked to provide input to this Strategy.

Consumer Publications

A key feature of this Strategy will be the provision of information to consumers throughout the development of the Regulatory Submission. These documents will provide information to stakeholders to help inform their considered feedback into the process. The documents will be important tools to support stakeholder forums and workshops. Publications will include:

- Issues paper – providing an introduction to the types of issues that will be explored with stakeholders
- Discussion paper – outlining proposed features of the draft regulatory submission and seeking feedback
- Fact sheets – to provide additional technical information on key areas within the proposed draft Regulatory Submission such as proposed rate of return or price-path options.
- Consultation outcomes report – to provide consumers with an update on what AAD heard during consultations and how this feedback has informed the Regulatory Submission.
- Consumer summary of the Regulatory Submission – to provide consumers with an easy to read version.

All publications will be available on the AAD website.

Consumer Forums

A series of consumer forums will be hosted to provide an opportunity for discussion and feedback with respect to the EN19 Submission and the associated consumer publications listed above. These forums will provide an open, two-way

communication platform to capture, consider and respond to consumer views. Through facilitated workshops and forums, consumers will be invited to ask questions and provide direct feedback on EN19. A variety of forums will be hosted to ensure representative participation from key stakeholders; there will be forums, open to the public and general in nature and discussion, as well as more targeted forums for particular consumer segments such as residential, commercial and large or critical customers that will focus on areas of particular interest to these stakeholders. All forums will include both presentations and facilitated 'listening sessions' to allow feedback and input.

Stakeholder meetings

As required, meetings with stakeholders will be used to gather direct feedback from particular interest groups, such as participating in existing regular meetings with retailers and industry associations including those managed by the Customer Connections team.

Focus Groups

Focus groups will be used to provide qualitative input to key areas of EN19 and will be based around representative demographic and social samples of residential customers.

Online Survey – PowerPanel

The ActewAGL PowerPanel is made up of more than 1500 customers who will be encouraged to participate in online surveys to provide quantitative feedback on components of the EN19.

Consumer Feedback Updates

To ensure a strong focus on recording and understanding consumer feedback, regular updates on consumer feedback will be distributed to participants and distributed through the website.

Website

At key periods in time consumers will be able to access information on EN19 consumer engagement activities from the front page of the AAD website. Working with Marketing and Corporate Affairs, a new page will be established on the AAD website featuring the following content.

- All consumer publications
- Regular updates on consultation activities and invitation to participate
- Invitations and information on consumer workshops and forums
- Workshop and forum presentations
- Post-workshop reports and record of consumer feedback

Media and public relations

This Consumer Engagement Strategy will be supported by media and public relations activities as appropriate. All media and public relations activities will be managed by Marketing and Corporate Affairs and may include social media, media releases and advertising to encourage greater participation in the Open Communications Forums and the PowerPanel survey.

Implementation Program

The EN19 consumer engagement program is made up of four key phases:

- Community briefing and scoping of issues
- Gathering community feedback
- Responding to the community feedback, demonstrating the influence the consumer feedback has had on EN19
- Post AER draft determination consultation

The implementation program in the following table will continue to be updated to reflect consumer feedback to focus on areas of particular interest or concern raised by consumers. An overview of the timeline is demonstrated in Figure 3

Figure 4: Consumer engagement timeline

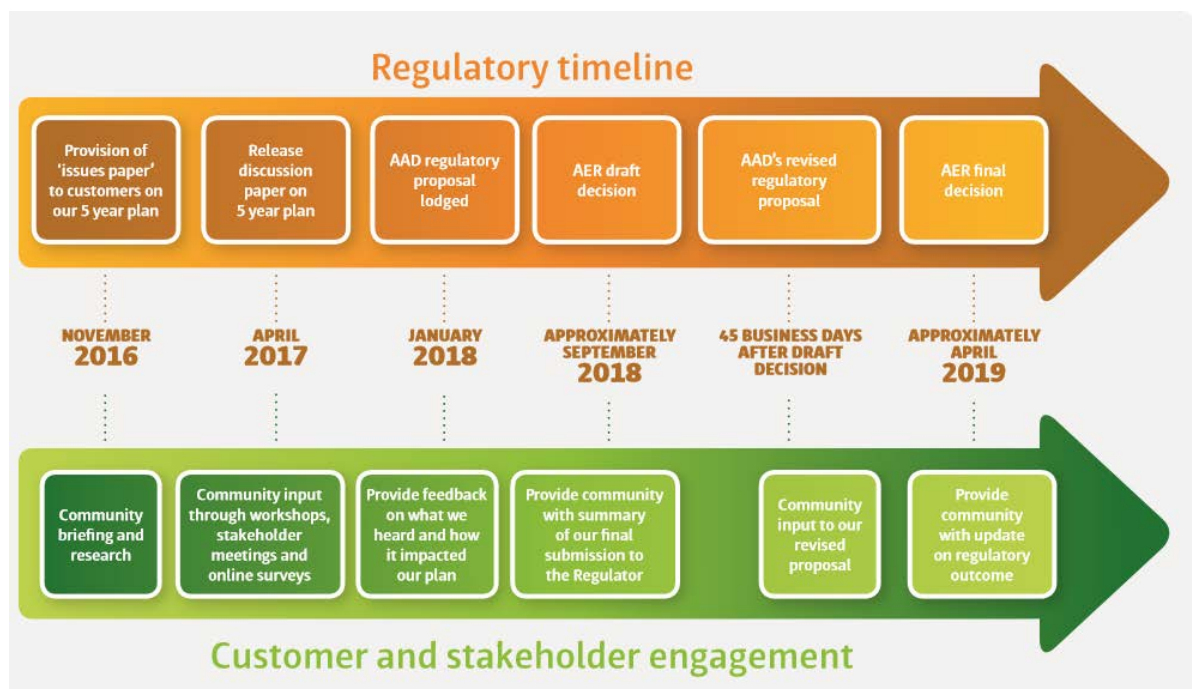


Table 1: Working Implementation Program

Date (approx.)	Activity	Target stakeholder segment	IAP2 Spectrum reference	Other details
Phase 1 - Community briefing				
5 – Dec 16	Community Issues Paper	Stakeholder Representatives	Inform	Provides an outline of the consultation process, key areas likely to be discussed, background on the price reset process.
Dec 16	Email to consumer engagement database	Residential customers	Inform	
Dec 16	Direct email to retailers	Retailers	Inform	
Dec-16	Article in industry newsletters	Commercial customers	Inform	NECA, CBC, MBA, HIA, PCA etc
07-Dec-16	Presentation to ECRC	Stakeholder representatives	Involve	Gather feedback from ECRC on issues paper and proposed consultation program
09-Dec-16	If requested meeting with or presentations to stakeholders	Stakeholder	Involve	For those customers or stakeholders that express interest in learning more.
08-Feb-17	Presentation to ECRC	Stakeholder Representatives	Involve	Presentation on feedback and discussion from the Issues Paper
09-Feb-17	Stakeholder meeting	Residential customers & small business	Involve	Planning session with ACTCOSS/CBC policy resource to explore future work program
Mar-May	Information in customer newsletter - Essentials	All customers	Inform	Content deadline is late March, so general overview and direct people to the website.
Phase 2 - Community feedback				
06-Apr-17	Presentation to ECRC	Stakeholder representatives	Involve	Presentation on content in Discussion Paper

10-Apr-17	Release Discussion Paper or a series of fact sheets outlining key areas and 'questions' for community feedback	All stakeholders	Consult	Provides an outline of AAD plans for the submission, identifies key questions and areas that AAD is seeking feedback from the community. Announces dates for stakeholder workshops
10-Apr-17	Website updates	All stakeholders	Inform	
10-Apr-17	Media release and social media	All stakeholders	Inform	Purpose of media release is to announce dates of customer workshops to general public and attract newcomers to participate.
22-Apr-17	Stakeholder Workshops x 3	1. Residential customers 2. Commercial customers 3. HV customers	Involve	Format to be defined based on key issues in the Discussion Paper - could be a series of small workshops on targeted topics, a world café workshop, co-design workshop, or half-day symposium with range of stakeholder presentations.
	Presentation to Industry Meetings - NECA, MBA, HIA & PCA	Commercial customers Land and property developers	Consult	Regular Industry meeting hosted by Customer Connection Branch. Presentation and gather feedback on Discussion Paper.
18-May-16	Powerpanel survey	Residential customers	Consult	Based around the questions in the Discussion Paper, modified to suit online survey methodology
18-May-16	Retail interviews	Retailers	Involve	One-on-one presentations/meetings with Retailers to get their feedback
01-Jun-17	Updated Discussion Paper or additional fact sheets released	All stakeholders	Inform	To be issued as required, if further information comes to hand, such as some final numbers. Distributed via the website and direct email to those participating in activities.
	Focus Groups x 3	Residential customers	Involve	Engage ORIMA to conduct and provide an independent report
07-Jun-17	Presentation to ECRC	Stakeholder representatives	Involve	Presentation on updated Discussion Paper and gathering of feedback
Phase 3 - Our response to Community Feedback				
Jun-Aug	Information in customer newsletter - Essentials	All customers	Inform	Content deadline is late March, so general overview and direct people to the website.

09-Aug-17	Presentation to ECRC	Stakeholder representatives	Inform and Involve	Presentation on feedback obtained during Phase 2 and proposed response to this feedback
late August 2017	Release Consultation Outcomes Report	All stakeholders	Inform	Provide feedback to stakeholders involved in Phase 2 of what we heard and how AAD responded.
11-Aug-17	Website updates	All stakeholders	Inform	
	Presentation to Industry Meetings - NECA, MBA, HIA & PCA	Commercial customers Land and property developers	Inform	Regular Industry meeting hosted by Customer Connection Branch. Distribute copies of Consultation Outcomes Report.
	Article in industry newsletters	Commercial customers	Inform	CBC, MBA, HIA, PCA
11-Oct-17	Presentation to ECRC	Stakeholder representatives	Consult	Update on finalising Submission. Explore any new information available or areas for further discussion.
06-Dec-17	Presentation to ECRC EN19 process feedback workshop	Stakeholder representatives	Consult	Presentation on expected final components of the Submission Workshop to evaluate success of EN19 consumer engagement processes to allow KPI reporting.
31-Jan-18	Lodge Regulatory Submission			
02-Feb-18	Release customer summary of Regulatory Submission	All stakeholders	Inform	
07-Feb-18	Presentation to ECRC if required.	Stakeholder representatives	Inform	Presentation on final Submission if required.
09-Feb-18	Website updates	All stakeholders	Inform	
09-Feb-18	Article in industry newsletters	Commercial customers	Inform	NECA, CBC, MBA, HIA, PCA etc
09-Feb-18	Media release and social media	All stakeholders	Inform	Thank the community for contribution to the process. Inform community of outcomes of the process and what was submitted.

Phase 4 - Roundtable discussion				
01-Sep-18	AER draft decision			
10-Oct-18	Stakeholder Roundtable	Stakeholder representatives	Involve	By invitation roundtable of stakeholders that have been involved during the consultation program. Provide a brief on the draft determination, areas of concern by AAD and potential response. Facilitated roundtable to gather feedback and input from customers.
31-Oct-18	Lodge revised regulatory proposal			
02-Nov-18	Website updates	All stakeholders	Inform	
30-Apr-19	AER final decision			

Consumer Impact on the EN19 Submission

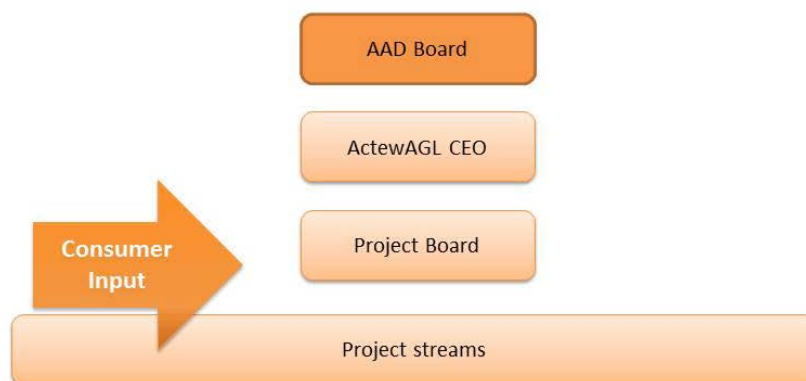
As detailed in the Objectives of this Strategy it is important that feedback from consumers and retailers influence the EN19 Regulatory Submission. Demonstrating how consumer feedback relates to the final revenue proposal is also a criteria established by the AER Consumer Challenge Panel, as discussed in the next section of this Strategy.

The following steps will be taken to ensure consumer feedback is addressed in the preparation of the revenue proposal:

- **Careful and accurate collection of data** – this will include minutes, reports and data analysis of feedback from all interactions with consumers and stakeholder groups.
- **Public release of feedback** – through the web-based release of regular reports on consultation activities and a final consultation report consumers will be able to challenge AAD if stakeholder feedback has not been accurately recorded or adequately considered in the Regulatory Submission.
- **Consumer feedback register** – a register of themes and feedback from consumers will be maintained and used as a checklist to record responses to that feedback by AAD as the Regulatory Submission is developed.
- **Direct input to management structure** – feedback from consumers will be regularly reported to the Project Board and associated project team responsible for preparing the Regulatory Submission, as illustrated in Figure 5 below.
- **Demonstrate resulting changes to strategies** – in the Regulatory Submission changes resulting from consumer feedback will be clearly identified. Where consumer feedback differed to the final position in the Submission the reasons for this difference will be clearly explained.

A Consumer Engagement Outcomes Report will be prepared that summarises activities undertaken, feedback received and response to that feedback. The Outcomes Report will be presented to and, if appropriate, endorsed by the ECRC prior to being finalised.

Figure 5: Consumer input to EN19



AER Consumer Challenge Panel

This Strategy has been prepared to directly address the recommendations of the Consumer Challenge Panel (CCP) with respect to network businesses' approach to consumer engagement. They include:

- Adopting appropriate and diverse engagement **tools**
- An engagement **process** that is effective, robust and integrated across the organisation.
- **Participation** at the inform and involve levels of the IAP2 Spectrum
- **Content** that reflects the broad areas explored in regulatory submissions including prices, revenue, profits, and quality and reliability of supply.
- **Measurement** that allows clear demonstration of how consumer feedback relates to revenue proposals.

The CCP criteria has been reviewed and a checklist developed (the CCP Criteria Checklist) that will be used as a referenced working document by the EN Consumer Engagement Working Group throughout the consumer engagement program. The current version of this checklist is below.

Table 2: Consumer Challenge Panel EN19 Checklist

CCP Criteria	How does the EN19 Consumer Engagement Strategy address this?	Details <i>(to be completed as strategy is implemented)</i>
Design of the consumer engagement program to identify and effectively respond to specific issues and concerns of different consumer cohorts	The Issues Paper will seek consumer feedback on what issues they want explored in the Discussion Paper and associated consumer forums. Throughout the consumer engagement program information presented to consumers will be reviewed against feedback from consumers to ensure its relevance to concerns of different stakeholders.	
Identification of each cohort and what processes did they use to get feedback from each cohort	AAD Consumer Engagement Strategy identifies consumer cohorts based on previous stakeholder identification work. The EN19 consumer engagement program will document how each of these cohorts was engaged and what feedback was received from each group.	
Active involvement of the CEO, Board and senior management in understanding and responding to consumer issues on an on-going basis	Consumer feedback will be reported directly to the Project Board. CEO and Senior Management will be involved in consumer forums, including the ECRC.	

Transparent and accurate reporting of the concerns and expectations provided by each consumer cohort	A principle of AAD Consumer Engagement is to be transparent. Accurate reporting will occur at all consumer forums and a summarised version of these reports will be published on the website.	
Clear explanations to consumers of any trade-offs and cost implications associated with their issues/concerns /preferences	Consumer publications will explain trade-offs and cost implications in response to consumer feedback. This will also be a focus of the work to be undertaken by the Energised Consumer Project.	
Clear and transparent identification of how AAD has responded (or will respond) to the issues raised by consumers.	Consumer Engagement Outcomes Report will document how AAD has responded. Responses to consumer feedback will be highlighted in the EN19 Submission.	
Clear evidence of all of its claims regarding consumer preferences, including evidence of consumers' willingness to pay for those preferences.	Evidence will be documented in the Consumer Engagement Outcomes Report and the EN19 Submission. Evidence will draw on accurate reporting of consumer feedback at all forums including discussion around willingness to pay.	
Clear demonstration of how consumer feedback has resulted in changes to its relevant strategies/decisions.	Consumer Engagement Outcomes Report will document how AAD has responded. Responses to consumer feedback will be highlighted in the EN19 Submission, including where directions have changed as a result of the feedback.	
Clear demonstration of how consumer feedback has informed, and been reflected in, the development of its revenue proposal.	Responses to consumer feedback will be highlighted in the EN19 Submission, including where decisions have changed as a result of the feedback.	
Where AAD's regulatory proposals do not align with its consumers' expectations/ preferences, provide clearly explanation why.	Responses to consumer feedback will be highlighted in the EN19 Submission and when AAD has not been able to meet the expectations or preferences of consumers, will include explanation on why.	
Is consumer engagement integrated into the activities of the business, or is it an 'add on' with an additional budget?	Stage 2 of the AAD Consumer Engagement Strategy defines a pathway to integrate consumer engagement into the activities of the business.	

Reporting and resources

Implementation of this Strategy will be managed through a working group that involves the following:

- Regulatory Affairs and Pricing
- Marketing and Corporate Affairs
- Consumer Engagement
- Energy Networks, Asset Strategy
- Energy Networks, Customer Connections

Resources to implement this Strategy will be allocated by this working group.

Reporting on this Strategy and consumer feedback will be a standing item on the EN19 Project Board.

Key performance indicators

Based on the objectives of this Consumer Engagement Strategy, and the supporting consumer engagement principles outlined at the introduction to this Strategy the following KPIs will be reported on at the conclusion of the program of activities.

A number of these KPI measurements will rely on exit surveys of participants in open communications forums, stakeholder meetings, focus groups and ECRC meetings.

An ECRC Feedback Workshop will be held in October 2017 to evaluate the success of this Strategy and identify areas for improvement. Outcomes of this Workshop will also be used to report on relevant KPIs.

Table 3: Consumer Engagement Strategy Key Performance Indicators

KPI Goal	How it will be measured	Target
To inform, consult and involve consumers and general community	Participants survey seeking feedback on their level of engagement in the process.	60% of participants feel they were engaged in the development of the key aspects of the EN19 submission at the 'involve' level as defined by the IAP2 Spectrum of engagement.
To involve the ECRC and other key stakeholders	Participants survey seeking feedback on their level of engagement in the process. ECRC EN19 Submission process feedback workshop to be held in Oct 2017.	Participant survey and ECRC Feedback Workshop reports that members feel they were engaged in the development of the key aspects of the EN19 submission at the 'involve' level as defined by the IAP2 Spectrum of engagement.

Participation - Representative and number of participants	Analysis of data gathered from participants in the engagement program. Collection of number of participants	Participation is representative of the following customer segments identified in this Strategy. Participation and engagement data is gathered to establish a benchmark for continual improvement.
Clear, accurate and timely information	Participant survey. ECRC feedback Power Panel survey	60% of participants report that information is easy to understand and timely. ECRC Feedback Workshop reports that they have received clear, accurate and timely information, both unprompted and in response to requests for further information. 60% of Power Panel survey respondents find information easy to understand and timely.
Accessible and inclusive. Electronic and hard-copy information, venues and presentations will be accessible	Review against accessibility and inclusiveness requirements outlined in: <ul style="list-style-type: none"> • <i>Government Access Resource Guide Future Directions Towards Challenge 2014</i> • <i>ACT Government Online Accessibility Guidelines</i> 	100% in accordance with identified guidelines. There are zero instances of people expressing concern or dissatisfaction about accessibility or inclusiveness.
Transparent through the provision of timely and complete information	Participant survey ECRC feedback Power Panel survey	60% of participants report that information is easy to understand and relevant. 60% of Power Panel survey respondents believe AAD have provided transparent information ECRC Feedback Workshop advice is that AAD has been transparent in the provision of information and response to questions.
Measurable Influenced the EN19 Regulatory Submission	Participants in the consumer engagement program are able to see the impacts of their input.	Consumer Feedback Register is completed and included in the Consultation Report and the EN19 Regulatory Submission.
Long term Establishing a relationship with consumers that is lasting and long term	Participant survey Power Panel survey	60% of participants express interest in receiving information on further AAD consumer engagement activities. 60% of Power Panel survey respondents express interest in participating in further surveys on strategic discussions by AAD.
Addresses the CCP recommendations on consumer engagement.	CCP Criteria Checklist has been completed	Progress towards achieving all recommendations can be demonstrated.