



# Jemena Gas Networks (NSW) Ltd

## 2020-25 Access Arrangement Proposal

Attachment 2.3

Engagement materials



# PHASE 1 CONSULTATION MATERIALS



## Discussion Guide

Jemena - CALD focus group: Testing two consumer documents

Start 6pm, Wednesday 18 Oct 2017

### Welcome and housekeeping 6.00pm (5mins)

- Thank you for coming - Introduce self and Straight Talk
- For those new to focus groups - Food, toilets, mobiles off, we are working together, there are no right or wrong answers but please be respectful of others opinions
- Ground rules - The session is being recorded, all contributions are anonymous, independent facilitation so you can talk freely and honestly
- Media release - As part of the final reporting for the business, Jemena would like to include some pictures from all the consultations they did with their customers, is everyone comfortable with having their pictures taken? There is no obligation to do this, please let me know if you are not comfortable with this. I will get you to sign a release form at the end of the focus group.

### Official introduction and purpose 6.05pm (5 mins)

- We have taken a staged approach. Over the last two weeks, we have been talking about and refining two documents for Jemena. We have been asking other Jemena customers to tell us what is important to them and how they would like to see information. This group has a specific focus on people from diverse backgrounds, although we did also get a big cultural mix in our other group. What you say will have a direct influence in what the company does in their future materials and will help communicate to internal teams what really matters to customers.
- Your opinions will represent the opinions of many others. You have all been invited here today because you are Jemena gas customers and so you will play an important part in deciding how Jemena will communicate with other customers, much like yourselves. There are no right or wrong answers, the purpose of these groups is to hear and understand as many different opinions as possible. I want to understand what makes sense to you and what doesn't. I will ask that in instances where you don't like things, to try and come up with an alternative that would work for you, so the document and conversation can be productive.
- We will be looking at two documents. Each with a different focus. Feel free to write comments in the books - I will collect them at the end.

## Personal introductions and warm up 6.10pm (15 mins)

Let's start by getting to know everyone in the room.

- Can everyone please turn to the person next to them and introduce yourself, tell them a bit about your household, work and life. I'll give you two mins per person, then you will introduce your partner to the rest of the group.

## Your Voice Counts 6.25pm (20 mins)

*Hand out document 1*

This document is still in draft stage, things are still open for discussion and amendment.

- Everyone gets a highlighter. If there are things that you think are interesting and should definitely stay in the document, please highlight them.
- Everyone has a pen. If there are things you don't like, please underline or circle in pen. And if you have ideas about how it could be improved, please include them. If we're going to take things out, it would be useful to know how it could be made better
- Write your thoughts. There is a segment on the right-hand side of each page, which I invite you to write clear comments in.

Have a look through the document first. Then discuss in pairs, some of the things that you like and don't like or things that don't make sense.

Consider the following elements of the document:

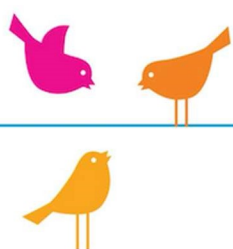
- Document structure
- Clarity - language
- Visual communication
- Relevance

## Your Voice Counts - Group review 6.45pm (15 mins)

- What were your initial thoughts about the document
- Was it clear what the document was about

Discuss:

1. Document structure
  2. Clarity - language
  3. Visual communication
  4. Relevance
- Check naming



## **Connecting with You 7.00pm (15 mins)**

*Hand out document 2*

Have a look through the document first. Then discuss in pairs, some of the things that you like and don't like or things that don't make sense.

Consider the following elements of the document:

- Document structure
- Clarity - language
- Visual communication
- Relevance

## **Connecting with You - Group review 7.15pm (15 mins)**

- What were your initial thoughts about the document
- Was it clear what the document was about

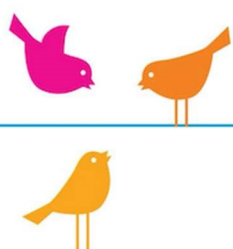
Discuss:

1. Document structure
  2. Clarity - language
  3. Visual communication
  4. Relevance
- Check naming

## **Engagement method feedback 7.30pm (20 mins)**

Let's discuss the different engagement methods which were presented in the document.

- Would you like to be involved in any of those methods
  - Which ones and why
  - What makes these particular methods appealing to you
- How do you imagine you would be involved
- Who might you be involved with? Would other people come with you
- What would be your motivation for attending
- Which ones would you not like to be involved in
  - For what reasons

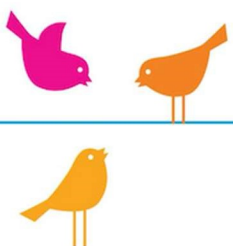


### **Other comments 7.50pm (10mins)**

- What impression do you have of Jemena after reading these documents
- Are there any other comments about the document which need to be taken into consideration?

### **Thank you and close**

- Stipends





## Discussion Guide

Jemena - Focus group 1: Mixed households testing the Participation Framework

Start 6pm, Thursday 21 Sep 2017

### **Welcome and housekeeping 6.00pm (5mins)**

- Thank you for coming - Introduce self and Straight Talk
- For those new to focus groups - Food, toilets, mobiles off, we are working together, there are no right or wrong answers but please be respectful of others opinions
- Ground rules - The session is being recorded, all contributions are anonymous, independent facilitation so you can talk freely and honestly
- Media release - As part of the final reporting for the business, Jemena would like to include some pictures from all the consultations they did with their customers, is everyone comfortable with having their pictures taken? There is no obligation to do this, please let me know if you are not comfortable with this. I will get you to sign a release form at the end of the focus group.

### **Official introduction and purpose 6.05pm (5 mins)**

- We are taking a staged approach. Over the next three weeks we are going to be talking about and refining a document for Jemena, called The Customer Participation Framework. We have done this, so we don't overload everyone with information, but also because we want to take your feedback and refine the approach to suit your needs and comments. What you say will have a direct influence in what the company does in their future materials and will help communicate to internal teams what really matters to customers.
- Your opinions will represent the opinions of many others. You have all been invited here today because you are Jemena gas customers and so you will play an important part in deciding how Jemena will communicate with other customers, much like yourselves. There are no right or wrong answers, the purpose of these groups is to hear and understand as many different opinions as possible. I want to understand what makes sense to you and what doesn't. I will ask that in instances where you don't like things, to try and come up with an alternative that would work for you, so the document and conversation can be productive.
- The Customer Participation Framework. Is at an initial draft at the moment. The intention is that this document will help Jemena customers understand the business' commitment

to engagement and explain the different ways customers can engage with and communicate with the business. Having this document will also serve Jemena in illustrating to their industry regulator that the business is committed to engagement and also showing their approach.

### **Personal introductions and warm up 6.10pm (15 mins)**

We are going to be spending a bit of time together over the next few weeks, so let's start by getting to know everyone in the room.

- Can everyone please turn to the person next to them and introduce yourself, tell them a bit about your household, work and life. I'll give you two mins per person, then you will introduce your partner to the rest of the group.

### **Segmentation context 6.25pm (20 mins)**

*Hand out Jemena segmentation graph*

As gas/Jemena customers I'd like you to take a look at a diagram which was created by the Jemena marketing team. They conducted research and looked at data relating to Jemena customers and came up with six key user groups.

- Take a look and see if you agree with these descriptions and if you fit into one of these categories
- Pick one category that you fit into
- Do you disagree with these categories? For what reason/s

*If all agree, and can place themselves into one category:*

Please move around the table so you are sitting with people in the same category

- Is the naming of the group correct
- If not, what is a more appropriate name
- Is there anything you would add to the description of your category

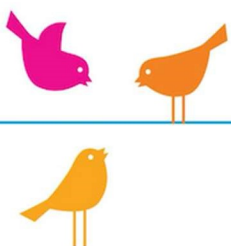
*If no one agrees: (No one moves chairs)*

- For what reason/s are these categories not appropriate

### **The Customer Participation Framework 6.45pm (20mins)**

*Hand out framework document*

As I mentioned before, this document is an initial draft. What we have is a guiding structure for what we believe are the most important points to share with customers, but that is all open for discussion and amendment.





- Everyone gets a highlighter. If there are things that you think are interesting and should definitely stay in the document, please highlight them.
- Everyone has a pen. If there are things you don't like, please underline or circle in pen. And if you have ideas about how it could be improved, please include them. If we're going to take things out, it would be useful to know how it could be made better
- Write your thoughts. There is a segment on the right-hand side of each page, which I invite you to write clear comments in.

We are not going to have time for everyone to discuss every single thought and suggestion in the group so please make use of the comments section in the document. I will be collecting the sheets at the end of the night and working with project team and designers to redo the document before our next meeting, so I encourage you to be honest, but clear.

- The group is to divide into 5 mini groups and pick one topic to evaluate within their group. Choose one person to be the group scribe.
- Different people think about things in different ways, some might prefer to skim and analyse the big ideas, while others prefer to look at the detail. Have quick chat with your group and decide how you are going to break down your approach to the document and delegate different aspects to different people to make your analysis quicker.
- Point out a few important issues. Decide what is working and what's not working. Consider what will really make a difference to your understanding of the topic and the document

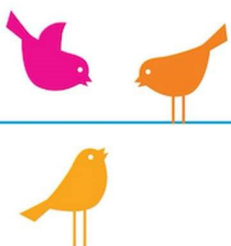
*Butchers paper will be provided for groups to write down their thoughts.*

*Also, to hand out topic descriptors (below) printed on separate sheets for each group to reference.*

1. Document structure - Do the segments in the document make it easy for me to read?
2. Clarity - Do I understand what is being said?
3. Visual communication - Is the information presented in a good way?
4. The engagement plan - Is the information about customer engagement clear? Do I understand how the business will get me involved?
5. Relevance - Is this information relevant and or interesting to me?

### **Group review 7.05pm (15mins)**

Each group to report back to the whole group on their main findings



### **Improving the framework 7.20pm (20mins)**

- Taking the information from the discussion, pick 1-3 key issues and discuss how to improve them.

*Group to write on butchers paper sheets*

### **Group review 7.40pm (10 mins)**

Each group to report back to the whole group on their main findings

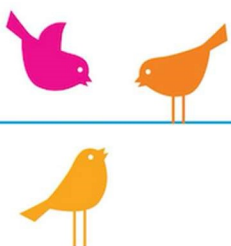
### **Other comments 7.50pm (10mins)**

- What does everyone think about the document as it is so far
- Does the naming of the document seem appropriate? Should it be Community Participation Framework or Customer Participation Framework?
- Are there any other comments about the document which need to be taken into consideration

### **Thank you and close**

Media release forms

Stipends at the end of the process



# Document Structure

**Do the segments in the document make it easy for me to read?**

Things to consider:

- Is each segment in the right order? Is there a logical or intuitive flow
- What do you think Jemena's aim is, for this document
- What impression do I have of Jemena based on this document?

# Clarity

Do I understand what is being said?

Things to consider:

- Is the language direct?
- Is the language clear enough?
- Is there too much or too little information?
- What things don't make sense? For what reason?

# Visual Communication

Is the information presented in a good way?

Things to consider:

- Are the pictures/graphs easy to understand?
- Is there too much text?
- Is there not enough text?
- What do you think of the colours used?
- Do the pages seem crowded?
- Is there anything missing?

# The Participation Plan

Is the information about customer participation clear?

Do I understand how the business will get me involved?

Things to consider:

- 'Customer Participation' means – Jemena will set up activities to invite their customers to give them feedback on what they need and what's important to them.
- Does the document encourage me to get involved? Why or why not?

# Relevance

Is the information relevant and interesting to me?

Things to consider:

- Does it seem like this information is intended for me? Why or why not?
- Is there pre-existing knowledge assumed for this document?
- Do I have the pre-existing knowledge to understand the document?
- How could this document be more relevant to me?



Jemena Gas Networks (NSW) Ltd

# Customer Participation Framework

2020-25 Plan





# Introduction and purpose

Welcome to our Customer Participation Framework.

Jemena puts customers at the centre of what we do, and this participation framework explains how we will do this in relation to how we operate our gas network from 1 July 2020 to 30 June 2025 (our 2020-25 Plan). Your feedback tells us what is important, what is urgent and what you value about the way we do business.

We are committed to improving our engagement with our customers. We want our customers to participate in developing our business priorities, and decide how we operate the gas network. We want our customers to know and to trust that our decisions are made in their long-term interests.

As a regulated business, we need to submit our 2020-25 Plan to the Australian Energy Regulator (AER). Our 2020-25 Plan will set how our gas network prices will need to change for the five-year period commencing 1 July 2020.

To inform the development of our 2020-25 Plan, we want to talk to our customers to better understand what they want and value in their gas supply. We want to make sure our 2020-25 Plan reflects their priorities and long-term interests. This document sets out how we will approach engaging with our customers to inform our 2020-25 Plan.

We welcome feedback on this framework as we move towards preparing our 2020-25 Plan over the next 18 months. We will submit our 2020-25 Plan to the AER in June 2019.

We value your feedback on our Customer Participation Framework for our 2020-25 Plan

Please email your feedback by **29 November 2017** to:

[include generic email address]

Or send your feedback via mail to:

Jemena Regulation Team  
PO Box 1220  
North Sydney NSW 2059

We may publish your feedback on our website. If you would like your feedback to be treated as confidential, please indicate this clearly.

Comments

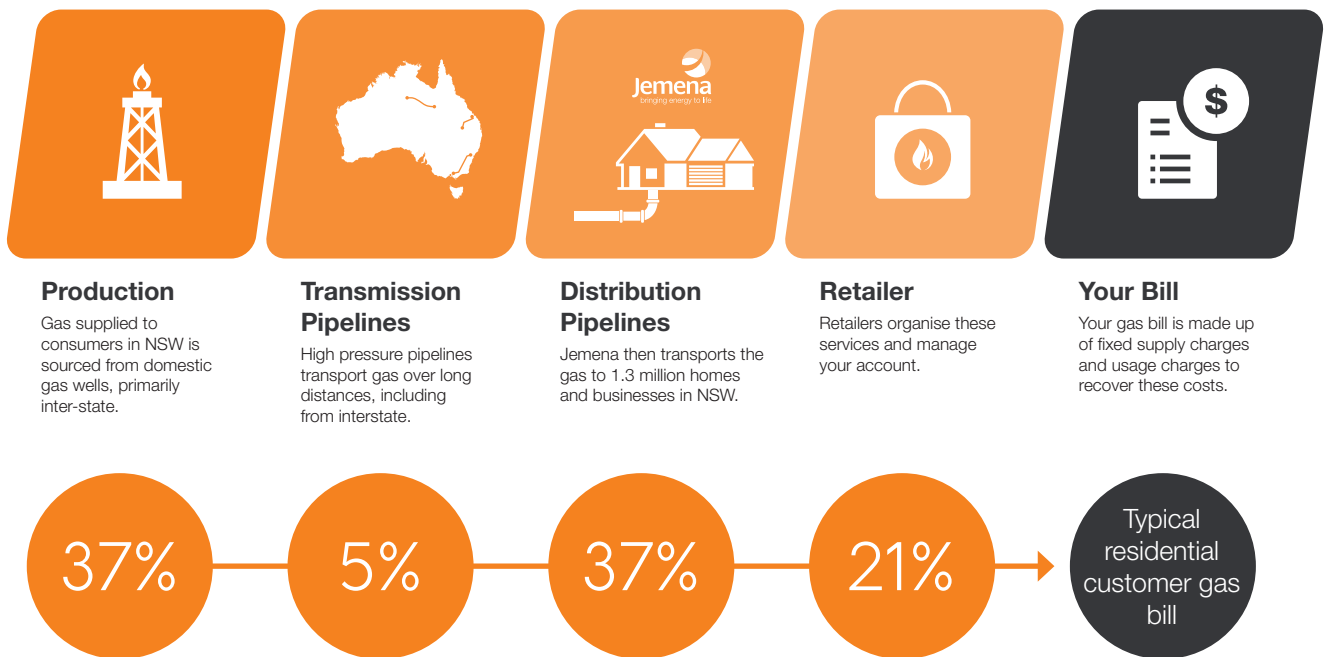
# The Jemena Gas Network

The Jemena Gas Network is over 25,000 kilometres in length and distributes natural gas to approximately 1.3 million homes in Sydney, Newcastle, the Central Coast and Wollongong. It also covers over 20 country centres, including the Central West, Central Tablelands, South Western, Southern Tablelands, Riverina and Southern Highlands regions of New South Wales.



## The natural gas supply chain

In the figure below you can see where Jemena sits in the natural gas supply chain and our contribution to a typical residential customers gas bill.



Comments

# Who are our customers

Our customers include all of the gas consumers connected to our network. We also need to think about those who could be connected in the future, and those who make energy supply choices on behalf of others (we refer to these customers as ‘intermediaries’).

We know that our customers differ for obvious reasons, such as whether they are a household or a business. We also recognise they can differ with respect to:

- their ability to choose when and how much energy to use (e.g. a restaurant operates at set hours when they need energy for their cooking appliances, or a large family who is on a low income and has high energy needs but perhaps not the capacity to obtain more efficient appliances etc
- their level of concern about the level of their energy bill
- their active involvement in their energy decision making or whether they want energy supply to be a “low-involvement” product.

In the figure over the page we have grouped our customers to recognise the differences between them.

## Vulnerable customers

“Vulnerable customers may be those who experience financial hardship—and, therefore, particularly susceptible to any increase in the cost of living. Vulnerable customers may be facing financial, language, cultural or disability barriers to effectively achieve beneficial energy outcomes.”

## Embedded network customers

“A small portion of residential customers may also be a resident within an embedded network such as some high rise buildings with centralised hot water. Such customers rely both on our service and that of the embedded network operator, with the level of retailer choice being determined by the embedded network operator.”

# Our vision is to focus on customers

We know that rising energy bills and climate change has heightened our customers’ awareness of the energy market. Many customers would like to be more active consumers, and learn more about energy so they can better control their usage. They increasingly see managing or reducing their energy consumption as the best way to control their costs. With gas as a fuel of choice for many in NSW, Jemena must continue to demonstrate the value of the gas grid and the services we can provide into the future.

Over 2016-17, we reviewed our long-term business strategies. This included revising our company’s purpose and vision statements. One of our new objectives is for our customers to be advocates for us based on their experience of our services.

To help us implement our strategy and achieve our vision we are also establishing new capabilities we require for the future—particularly in the area of customer insights, research and analytics. We will continue to embed customer focus as one of five core company values.

If you want to learn more about our previous and current initiatives that have helped our business better understand customers, and their experience with us, please have a look at our Customer Insights Paper which you can find on our website.

**Our purpose**  
Bringing energy to life

**Our vision**  
To be customers’ first choice for world-leading, sustainable and reliable energy solutions

# Who are our 1.3 million customers

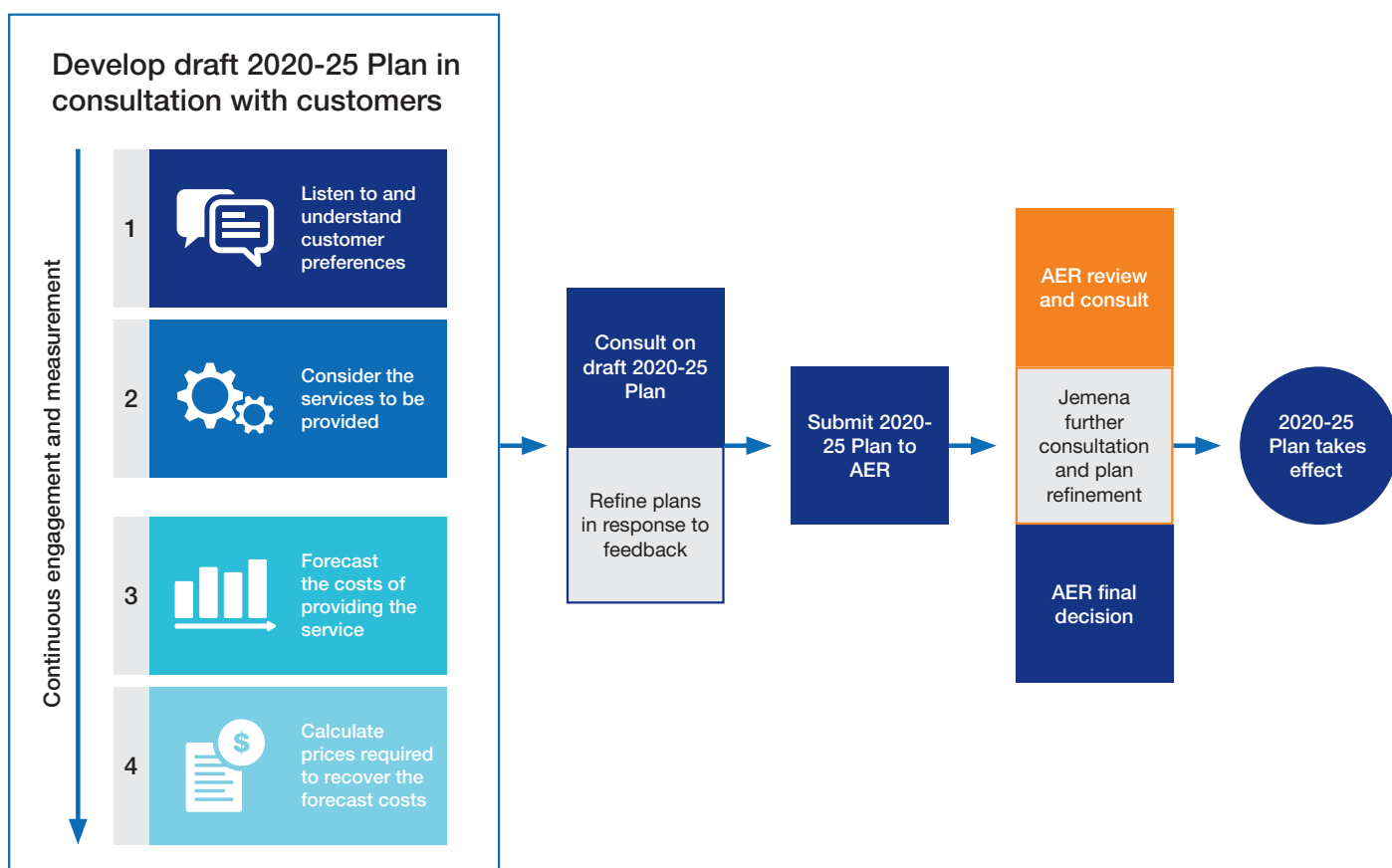
	Customer type	Usage decision autonomy	Energy investment autonomy	Ability to engage in decision-making
<b>Residential</b> <ul style="list-style-type: none"> <li>95% of our customers</li> <li>Consume 25% of the gas we deliver.</li> </ul>	Owner-occupiers	High	High	✓✓✓✓
	Tenants and medium/high-density owners	High	Med	✓✓✓
	Embedded network customers	Low (vuln)	Low (vuln)	✓✓
	Vulnerable end-customers	High (emb)	Low (emb)	✓
		<b>Description</b>		
<b>Business</b> <ul style="list-style-type: none"> <li>5% of our customers but 75% of the gas we deliver.</li> </ul>	Commercial customers	Small businesses have consumption under 1 Terajoule (TJ) per annum with medium businesses under 10TJ per annum.  <i>Examples: Mechanic, restaurant, office building, shopping mall</i>		✓✓
	Industrial customers	Our 420 large industrial customers each consume over 10TJ per annum and in combination consume around 60% of the gas we deliver.  <i>Examples: Energy source of a feedstock, chemical production, manufacturing or electricity generation.</i>		✓✓✓✓
<b>Intermediaries</b> <ul style="list-style-type: none"> <li>“parties that make energy supply choices on behalf of end-consumers”</li> </ul>	Property developers	Connect gas to medium/high-density housing or mixed use buildings, and reticulate gas mains for new estates. They are ultimately agents for end-consumers who purchase the dwellings.		✓✓✓✓
	Embedded network operators	Make the ultimate decision on behalf of end-consumers (tenants) to have a gas connection and the appliance mix used for cooking, hot water, and heating.		✓✓✓
	Landlords	While supplied by us, embedded network operators then service the end-consumers within their embedded network. Their tariff reflects our lower costs of supplying gas to the boundary of the embedded network.		✓✓

# Our 2020-25 plan

Our 2020-25 Plan must be aligned with our customers' expectations and requirements for their gas service now, and into the future.

The indicative timetable for the AER review process is set out in the figure below. By June 2019, Jemena will submit our 2020-25 Plan to the AER for the five-year period commencing 1 July 2020

Our 2020-25 Plan development and review process



The AER's review process is vital in determining our service levels and the prices we charge. We would therefore like our customers to participate in developing our 2020-25 Plan, to help ensure it is:

- reflective of our customers' service and price expectations into the future
- informed by appropriate customer research and insights
- trusted by our customers, and the organisations that represent them.

Without customer involvement, we cannot prepare a 2020-25 Plan that reflects our customers' service and price expectations.

Comments

# Effective and robust customer engagement

Our ambition is to put our customers at the heart of every decision we make as a business. We want to listen to the needs of our customers and build a culture that makes it easy to do business with us, improves the customer experience, and builds trust in our processes and decisions. The more we understand about our customers, the more we achieve.

Our customer participation objectives are to:

- working closely with our customers and let their views shape our 2020-25 Plan
- building customer trust in our 2020-25 Plan
- further supporting the “customer-focus” culture of our day-to-day business operations.

We engage with our customers to build a better business



Build positive customer sentiment



Better understand customer preferences

Challenge our thinking and approaches



Reveal new opportunities



## Customer participation principles

In developing our customer participation strategy, we will take a principled approach to involving our customers in the development of our 2020-25 Plan. We want customers, and their representatives, to have clarity about how they can participate, and feel they can have genuine and trusted conversations about the Plan.

Comments

Table 7-1: Our customer participation principles

Principle	Living the principles - our participation commitments:
<p><b>Listen</b> Actively listen to our customers’ diverse views and experiences</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• Respect customer input and not dismiss anything we hear</li> <li>• Clearly communicate how what we have heard has influenced our 2020-25 Plan</li> <li>• Ensure appropriate representation of Jemena’s executive management in our engagement activities</li> <li>• Strategise and plan early to enable time to hear customers</li> </ul>
<p><b>Be inclusive</b> Be willing to engage with the diverse range of customers that we serve.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• Engage with customers who might otherwise be under-engaged, such as vulnerable customers</li> <li>• Build our customers’ capacity to participate via education</li> <li>• Ensure key communications are accessible to a wide range of audiences</li> <li>• Plan our engagement activities to take into account competing demands on our customers and their representatives</li> <li>• Where competing priorities emerge between some groups of customers, balance these in our decision making and try to foster a mutual understanding of alternative views</li> </ul>
<p><b>Quality over quantity</b> Focus on the quality of our customer engagement, rather than the quantity of engagement</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• Seek expert advice on how we plan and design our customer participation program</li> <li>• Constantly evaluate and challenge our engagement approach to promote continuous improvement</li> <li>• Be flexible, open to innovation and take risks in how we engage</li> <li>• Encourage meaningful dialogue with customers and between customers</li> </ul>
<p><b>Discuss what matters</b> Prioritise issues that can materially influence our 2020-25 Plan.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• Clearly communicate issues that customers can and cannot influence and why, and the materiality of those issues</li> <li>• In instances where we are unable to reflect customers’ views in our proposals, clearly explain why.</li> </ul>
<p><b>Evaluate</b> Document the participation process, its output and assessment.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• Listen and respond to feedback about our participation program</li> <li>• Test and report on the effectiveness of our participation program</li> <li>• Identify and report on how we can improve our participation program</li> <li>• Gather and share learnings with other network businesses to improve the quality of engagement for all energy customers</li> </ul>

Comments



## Participation methods

There are numerous tools and methods that can be employed to allow customers to participate in developing our 2020-25 Plan. It is vital that we adopt engagement methods that are most suited to achieving our participation goals and consider the needs and interests of the customers we wish to engage with and the topics being discussed.

We have identified nine different tools that may be most suited to delivering our engagement objectives, which are summarised in the table below.

Level of customer involvement	Method	What is it?
High	Deliberative forums & focus groups	In-depth discussions with groups of customers on particular and complex issues
High	Customer Councils	Group of cross-section customer representatives having in-depth discussions on a range of complex and interrelated issues
High	Individual meeting	One-on-one meetings that can vary in depth and breadth in response to a customer's interests and circumstances
Medium	Online customer reference group	Panel of customers who we interact with through an online portal to quickly test ideas and questions regarding relatively complex issues
Medium	Workshops & forums	Meetings to discuss particular issues of interest in a small, well-informed group, including joint events with other network businesses
Medium	Consultation documents	Documents we publish to test our ideas, pose questions and encourage discussion
Low	Webinars & online workshops	Online group meetings or presentations to discuss particular issues in a small and well-informed cohort
Low	Surveys & analytics	Online or phone-based surveys that cover larger numbers of customers to obtain broad-based feedback on higher-level trends and issues in early stages of developing our 2020-25 Plan
Low	New & traditional media	Website providing information about the development process and customer participation process regarding our 2020-25 Plan, and social (e.g. Twitter) and traditional (e.g. local newspapers) media channels to communicate messages broadly

### What have we heard from customers

Following our review of our previous 2015-20 Plan engagement program, our customers told us to:

1. continue to engage with a diverse range of end customers, including vulnerable customers, and
2. focus on moving towards greater levels of customer participation where customers are involved in and collaborate in our decision-making

Comments

# How we will incorporate your feedback

We must ensure our Customer Participation Framework aligns with the work we must do to develop our 2020-25 Plan and to maximise the transparency of our engagement (including articulating how our engagement will influence our decision making). To deliver this objective, we have identified four phases for conducting our engagement as set out in the figure below .

We are also committed to continuing to engage with our customers on a business-as-usual basis and our 2020-25 Plan development process will incorporate key learnings from the ongoing conversations with our customers.



## Phase 1: Planning and strategising

First, we will develop our customer participation framework (this document). This includes the principles, approaches and methods that will help us deliver effective engagement. During this phase, we will also develop objectives for our engagement, our initial views on who we will engage with, how we will engage them and on what topics, how this engagement will feed into our proposal development process, and how we will measure our engagement.

Comments

## Phase 2: Listen and discuss

In the early part of this phase, we will focus on listening to our customers' broader energy supply preferences and priorities, and on communicating ideas and information about our energy markets and the products we could offer. This may involve broader, more one-way engagement techniques, such as market research. Later in this phase, as we build on these insights in the detailed development of our draft 2020-25 Plan, we will seek deeper feedback on more clearly defined questions that will feed closely into our draft 2020-25 Plan.

This iterative approach to listening, discussing (and in some cases, responding) also provides additional opportunities for our customers to test our engagement, insights and potential responses while we are still developing our 2020-25 Plan, rather than only after we have submitted our proposal to the AER.

Additionally, throughout this phase as we learn more about engagement and our customers, we will continue to refine our engagement plans and test these with customers. We will also closely integrate the findings from our business as usual customer research and engagement activities.

## Phase 3: Respond and implement

There are two critical elements in Phase 3. The first is taking all the feedback from our engagement with customers and developing a draft 2020-25 Plan. Then, we will go back to the customers we engaged and clearly inform them how their participation has influenced our draft Plan. This includes clearly explaining how we have incorporated customers' views in our plans, and where we have not incorporated customers' views (and why). A key element of this process is to ensure we have understood what we heard in phase 2.

## Phase 4: Evaluate

Finally, we will evaluate and measure our engagement. As outlined further in the box below, this phase will also rely on customer views on whether we have achieved our engagement objectives, and how we can continue to improve our engagement going forward. We will then use outcomes from this phase to continuously refine and improve our future engagement. We also intend to test with customers the extent to which our draft 2020-25 Plan reflects their preferences.

### Testing the effectiveness of our engagement

As part of our commitment to continually improving our customer participation process and approach, we will take stock of how effective we are being to identify opportunities for improvement.

We will collect feedback:

- from participants at the conclusion of each customer participation activity
- from customers on what engagement has been effective and what can be improved
- on customer's overall satisfaction with our participation process regarding developing our 2020-25 Plan just prior to submitting our proposal to the AER

Comments

# Engagement topics

Below we have outlined our preliminary view of the topics we consider our customers may be interested in talking about to shape our 2020-25 Plan. We expect to continue to refine the topics as we engage with our customers and become further progressed in developing our plans.

We recognise that the regulatory framework and 2020-25 Plan development process can appear to be a 'black box' of complex and interrelated decisions, particularly to those who do not work in the energy industry. Although developing our 2020-25 Plan will involve us balancing customers' interests in many decisions, we have identified four potential discussion themes for our engagement:



## Engaging and responding to our customers

How should we engage with our customers to best allow them to shape our plans?

## Service levels, products and price

What do our customers want from us, and what does our 2020-25 Pricing Plan need to do to meet those expectations?



## Driving innovation and investing efficiently

How should our plans ensure we are best placed to continue meeting customers' needs in 2050?

## Our regulatory framework

How does it work, what does it mean and how might it need to adapt to promote customers long-term interests

We will test customers support for these themes in Phase 1.

Comments



# Customer segments for residential gas users

**HOME:**

- Renters / Share houses
- High rise apartments

**USAGE/ATTITUDE:**

- Little interest & knowledge about energy.
- Don't know what they use
- Many are renters - 'not much I can do anyway.'
- Can be 'influenced' by family/friends

**HOME:**

- Stand alone home

**USAGE/ATTITUDE:**

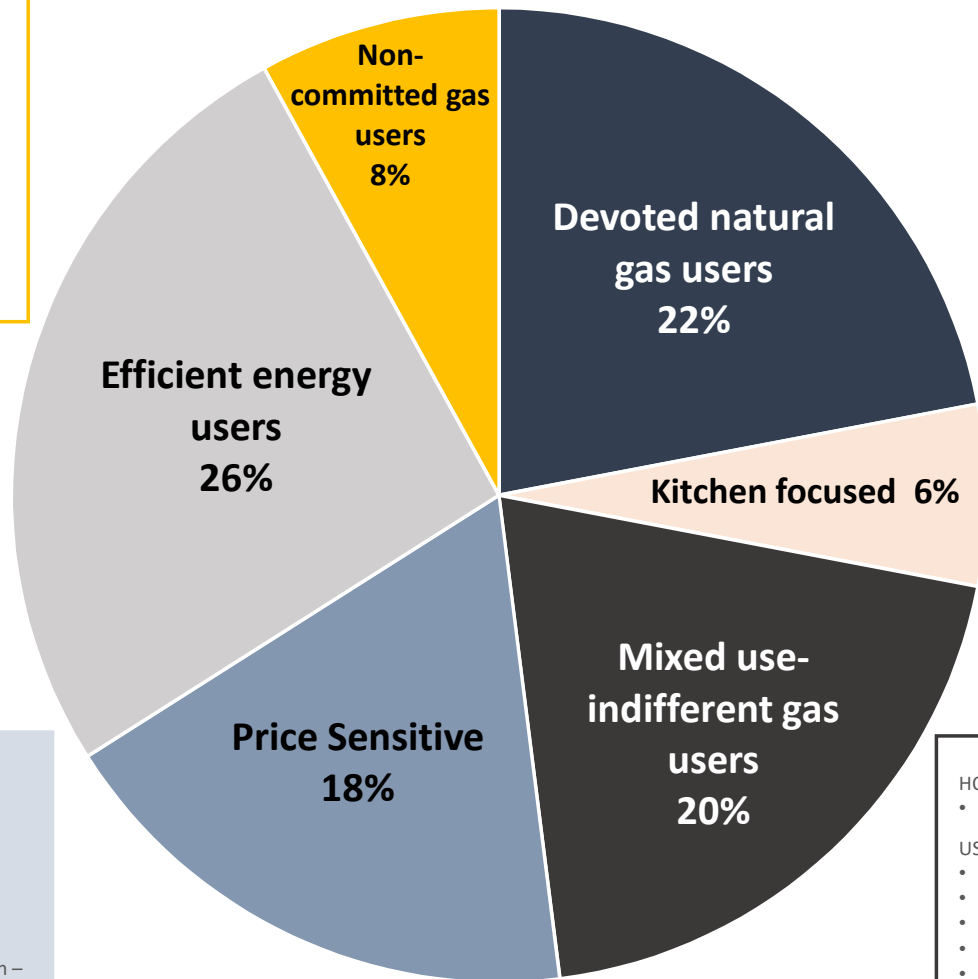
- 1-2 appliances use gas in the home
- My home is my castle – strong self pride
- Family with teenage kids
- Looks at ways to save \$ around the house.
- Educated about energy & likely to have installed Solar

**HOME:**

- Stand alone home

**USAGE/ATTITUDE:**

- 2 appliances that use gas
- Likely to have installed gas appliances when gas was considerably cheaper.
- Older families & elderly
- Very conscious of household energy bill/consumption – concerned about rising prices.
- Overall positive experience with gas.



**HOME:**

- Stand alone home

**USAGE/ATTITUDE:**

- 2-3 appliances that use gas
- Grew up with gas
- Gas = Superior & Comforting
- Strong emotional connection
- Understand & enjoy the benefits of gas
- Sense of nostalgia - childhood home

**HOME:**

- Town houses or low rise apartment blocks

**USAGE/ATTITUDE:**

- 1 appliance that uses gas
- Gas is best for cooking 'control'
- Positive attitude towards gas
- Indifferent to other appliances /energy in home (not as important)

**HOME:**

- Low rise apartment blocks or stand alone

**USAGE/ATTITUDE:**

- 1- 2 appliances that use gas
- Convenience is key
- Uses a mix of electricity and gas
- Doesn't understand benefit of gas
- No consideration of installing or changing energy source.
- Make do with what they have
- Couples & Young Families



## Discussion Guide

Jemena - Focus group 2: Mixed households testing the redrafted Participation Framework and initial view of the Insights Paper

Start 6pm, Thursday 5 Oct 2017

### **Welcome and warm up 6.00pm (5mins)**

- Thank you for coming back
- Everyone make sure you are not sitting in the same position as you were last time. Turn to the person next to you and ask them how their day was.

### **Official introduction and purpose 6.05pm (5 mins)**

- We are still looking at draft documents. These are still very much open for comment and amendment, hopefully many of the changes and points you raised last week have been addressed
- There are two parts to tonight's discussion. Today we will be reviewing the changes from the last session and looking at an outline of Jemena's customer insights paper
- Pens and highlighters have been provided. Again, to write your feedback and highlight things which you feel are necessary and good and should stay

### **The updated participation framework - Connecting with you 6.10pm (20 mins)**

*The group needs to split into 4 smaller groups.*

*Each group will be given one set of criteria from 4: Document structure, clarity, visual communication, relevance*

- Discuss: What's working, what's not working
- Suggest new things you would like to see or amend

### **Re-form the group and discuss findings 6.30pm (10 mins)**

#### **The participation plan 6.40pm (15 mins)**

- Now that you've looked through the whole new document, is the information about customer participation more clear
- What works best
- What don't you understand
- What needs to change

- What do you think about the new title

### **The customer insights paper - Intro 6.55pm (5 mins)**

- This is a completely new document being drafted by Jemena. It brings together what they have found out about their customers energy supply experiences, how they source and use gas and their understanding of the gas market.
- There will be some cross over of information. Not all people will read the first document, not all people will read the second. Both are intended to be put on a special Jemena website which addresses their consultation and feedback activities. Sometimes it will be given to people or customers or residents, but not always.
- This draft has been given to you as a rough copy because we want your feedback on the content and text first. We want to make sure we get the basics right first.
- It will require some imagination from you. In suggesting things that would make the content relevant, interesting and engaging. I want to hear everything you would like to see and mostly importantly, the reasons why.

### **Reviewing the insights paper 7.00pm (40 mins)**

*Group to split into 4 smaller groups*

*We will conduct a round robin style exercise, each group to rotate through 4 criteria, each to review: Visual elements, language, appeal, structure*

*Each group looks at each criterion for 10 mins*

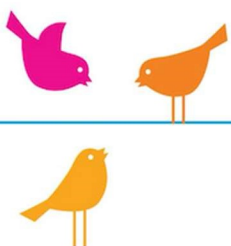
- Discuss: What's working, what's not working
- Suggest new things you would like to see or amend

### **Re-form the group and discuss findings 7.40pm (15 mins)**

### **Next week and thank you 7.55pm (5 mins)**

*"Jemena wants their customers to have multiple ways of involving their customers as they develop their Plan. The internet is an important communication and engagement tool for many of our customers. We are building a website to let these customers learn about our Plan, download information and provide feedback via email or through the website."*

- Think about any examples of website names. We will discuss next week





# Structure

**Consider the following:**

- Does the section order currently make sense?
- Should anything be moved?
- Should anything be added?

# Language

**Consider the following:**

- What type of language works well?
- What is not working well? And why
- How could things be worded better?

# Visual Elements

## Consider the following:

- What pictures, images or icons could be used instead of text?
- How could colour be used to illustrate a point?
- What is a good proportion of text vs imagery per page or section?
- How big or small should things be?

# Appeal

**Consider the following:**

- What do I find interesting?
- What is not interesting?
- What other things could be included? What would I like to find out more of?
- What type of things are relevant to me?



# Customer Insights Paper

# Welcome

---

In this document, Jemena outlines what households have been telling us about their gas supply experience.

**We would like to share some of the things we have learned** about how our customers source and use gas in their homes and businesses. We would like to give you some information that we think will be useful in helping you understand our business, as well as some of the considerations customers face when making decisions around their gas supply.

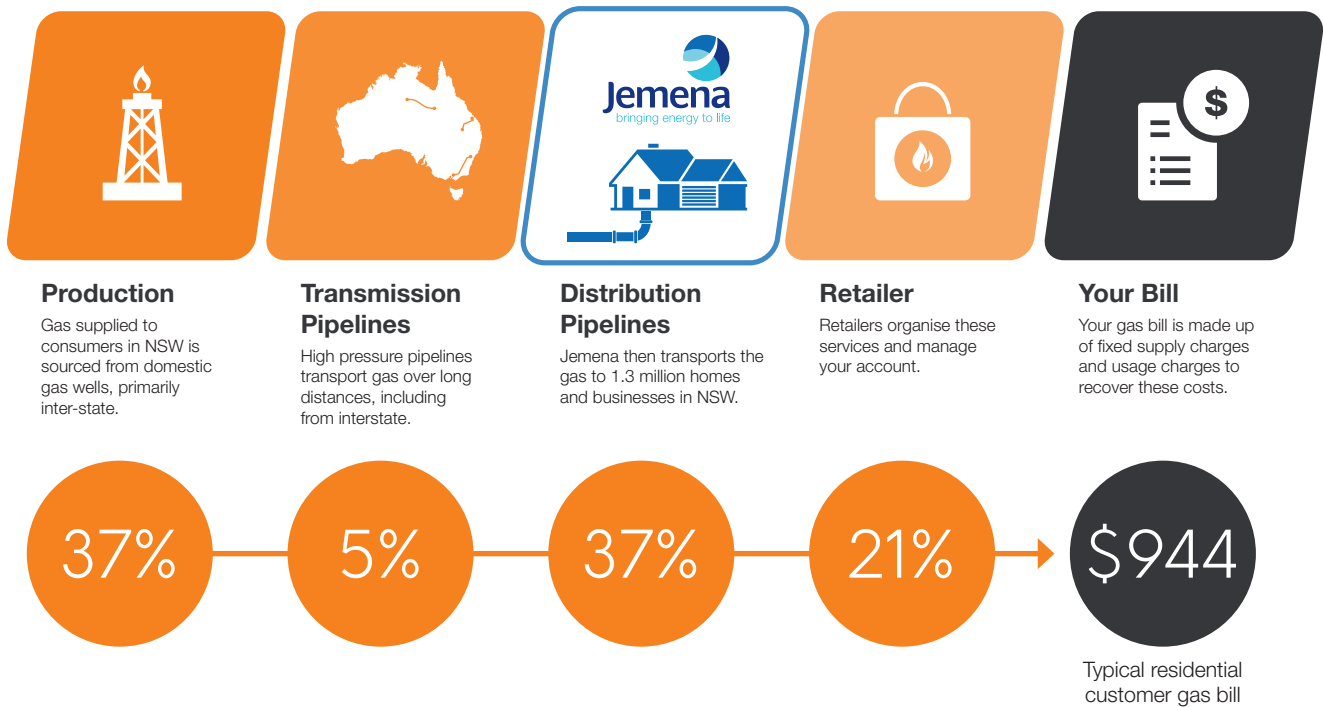
**Jemena provides natural gas across Sydney and regional NSW.** Our customers include households, small and large businesses and the builders and property developers that choose to connect natural gas to new homes. Unlike electricity, which every home and business needs, most of our customers choose natural gas.

**Because using gas is a choice for many customers, we need to understand our customers.** Your gas usage and preferences drive our priorities and business strategies. When we understand your circumstances, we are in a better position to make good decisions on how we can provide the network that best delivers the service you want.

# What happens when you choose gas?

Supplying gas to you is our business and what we do impacts your gas bill. By choosing gas you are also helping to reduce Australia's carbon emissions.

## What makes up your gas bill?



Gas is produced from wells far from your home or business and then transported through gas pipelines, including our distribution network, to you. Each part of the supply chain has an associated cost. Our costs can make up around 37% of your bill. Energy retailers such as AGL, Origin Energy and Energy Australia package all the services in the supply chain together and provide you with your bill.

We understand that in a climate of rising energy bills, customers want to keep their costs down. As customers generally have to choose gas, we want to make sure you know what value for money means to you.

## Gas is a cleaner source of energy

Gas appliances are proven contributors to reducing greenhouse gas emissions. These appliances have lower emissions than electricity appliances using coal generated electricity.

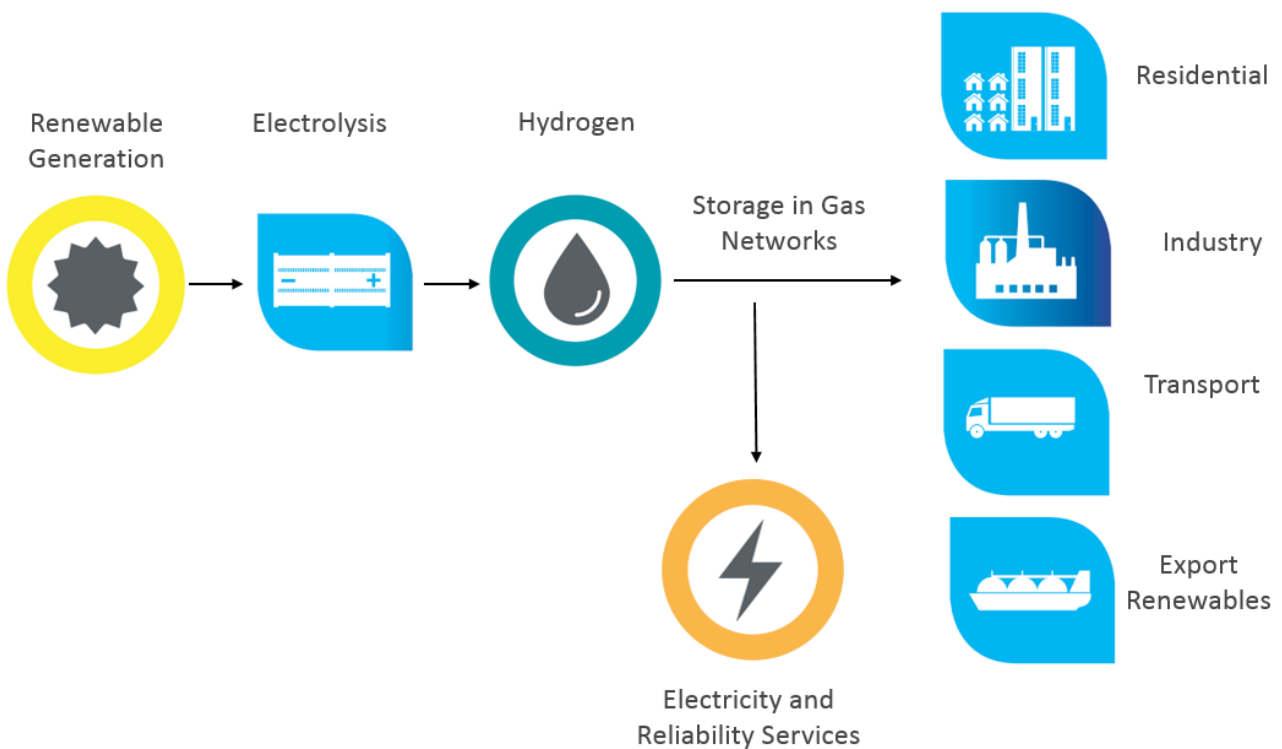
# What happens when you choose gas?

## Gas and the future of energy

In the future, gas will continue to be essential as Australia makes the transformation to a cleaner energy future.

Over the long-term, gas will have its own decarbonisation journey. New fuels, such as biogas and hydrogen, have the potential to become mainstream and complementary energy solutions that will use existing energy infrastructure.

## Converting electricity to hydrogen for use in the gas network





# JGN is a gas distributor

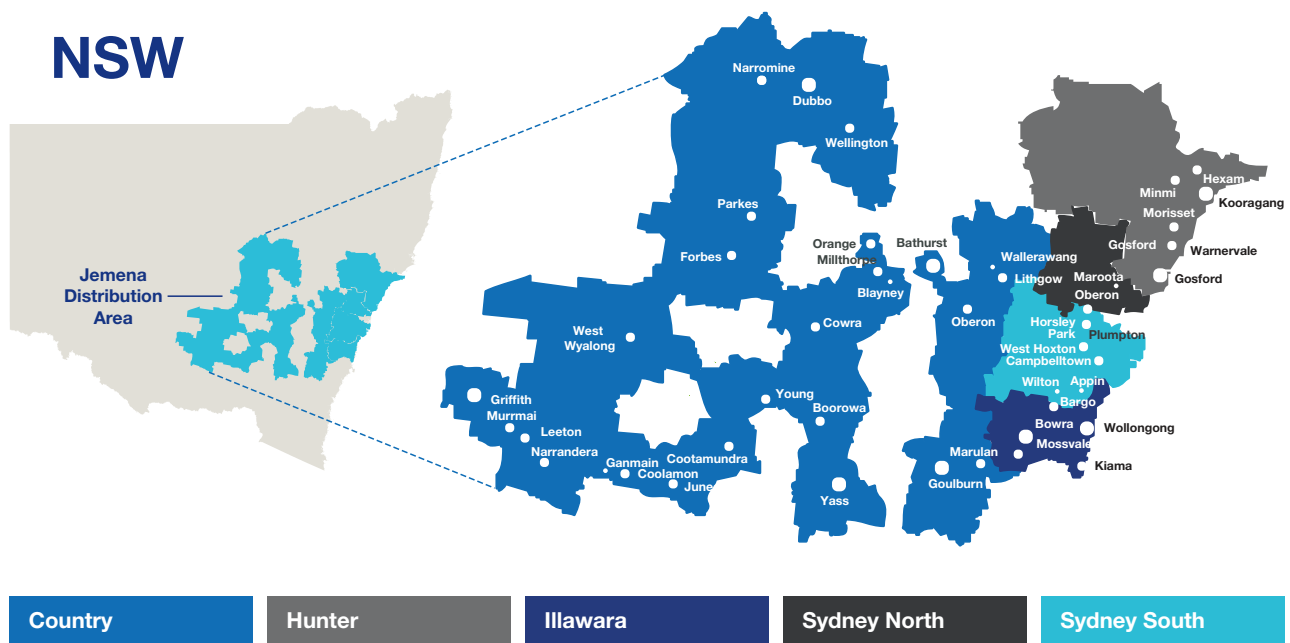
We build and maintain the underground pipes and other equipment that deliver gas safely and reliably to you and the 1.3 million other homes and businesses in NSW.

We connect new homes and businesses to gas. Over the past ten years, around 320,000 NSW homes have connected to gas.

We also read the gas meters so your gas retailer can calculate your bill.

Around 35% of household energy is sourced from the gas grid – mainly delivering you efficient heat for your cooking, hot water and home heating. For businesses, gas is also used to power air conditioners and manufacturing equipment.

## Our network area



## We are regulated by the Australian Energy Regulator

Gas is considered an essential service for many customers. Because of this, we are regulated by a Government authority called the Australia Energy Regulator (AER). We are required to submit a pricing and service plan to the AER every five years. Our next plan will guide how we serve our customers over the 5 year period commencing 1 July 2020 (our 2020-25 Plan). It is vitally important that we involve our customers in preparing our 2020-25 Plan.

# Who our customers are

---



## Households

- 95% of our customer base
- Use 25% of the total gas we deliver
- Includes home-owners, tenants, vulnerable customers



## Business

- 5% of our customer base
- Use 75% of the total gas we deliver
- Range from small businesses (e.g. restaurants, hairdressers) to large industrial businesses (mining companies, food manufacturers)

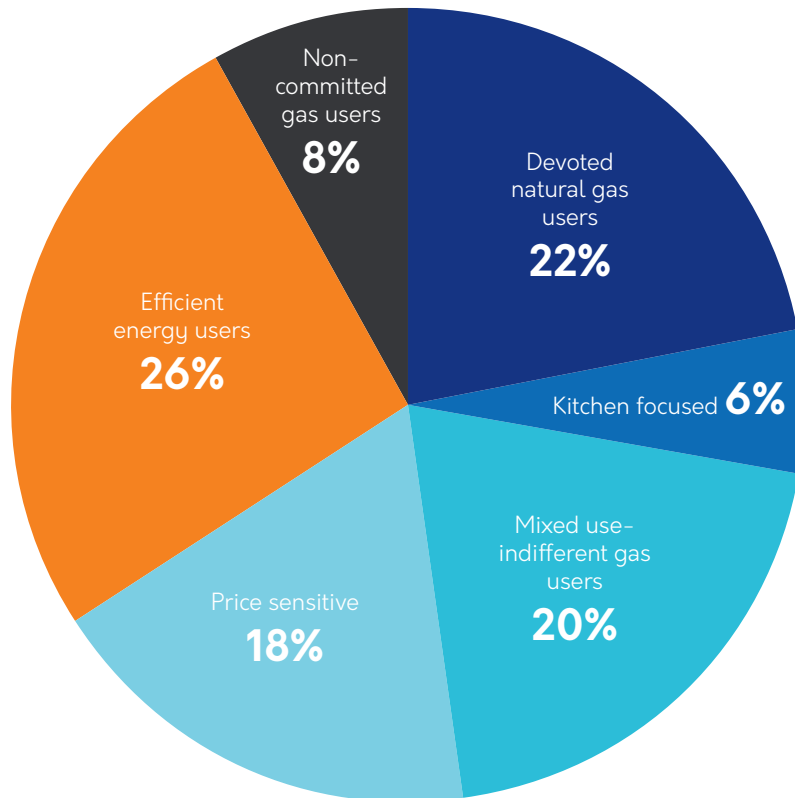


## Intermediaries

- Includes property developers, landlords and body corporates
- Landlords make some energy appliance decisions on behalf of their tenants (e.g. gas vs electric hot water system)
- Body corporates can determine the gas metering arrangements at their sites (e.g. within a high-rise apartment building, or for individual businesses in a shopping centre)

# Who our customers are

Here are some of our different types of customers and their attitudes towards gas



**Devoted natural gas users**  
**22%**

**HOME:**

- Stand alone home

**USAGE/ATTITUDE:**

- 2-3 appliances that use gas
- Grew up with gas
- Gas = Superior & Comforting
- Strong emotional connection
- Understand & enjoy the benefits of gas
- Sense of nostalgia - childhood home

**Kitchen focused**  
**6%**

**HOME:**

- Town houses or low rise apartment blocks

**USAGE/ATTITUDE:**

- 1 appliance that uses gas
- Gas is best for cooking 'control'
- Positive attitude towards gas
- Indifferent to other appliances / energy in home (not as important)

**Mixed use-indifferent gas users**  
**20%**

**HOME:**

- Low rise apartment blocks or stand alone

**USAGE/ATTITUDE:**

- 1- 2 appliances that use gas
- Convenience is key
- Uses a mix of electricity and gas
- Doesn't understand benefit of gas
- No consideration of installing or changing energy source.
- Make do with what they have
- Couples & Young Families

**Price sensitive**  
**18%**

**HOME:**

- Stand alone home

**USAGE/ATTITUDE:**

- 2 appliances that use gas
- Likely to have installed gas appliances when gas was considerably cheaper.
- Older families & elderly
- Very conscious of household energy bill/consumption – concerned about rising prices.
- Overall positive experience with gas.

**Efficient energy users**  
**26%**

**HOME:**

- Stand alone home

**USAGE/ATTITUDE:**

- 1-2 appliances use gas in the home
- My home is my castle – strong self pride
- Family with teenage kids
- Looks at ways to save \$ around the house.
- Educated about energy & likely to have installed Solar

**Non-committed gas users**  
**8%**

**HOME:**

- Renters / Share houses
- High rise apartments

**USAGE/ATTITUDE:**

- Little interest & knowledge about energy.
- Don't know what they use
- Many are renters – 'not much I can do anyway.
- Can be 'influenced' by family/ friends

# What we have heard about your experiences and needs

---

We have been trying to learn more about you, our customers. Here is what we have learned so far from surveys, focus groups and workshops. We are interested in whether you agree with these sentiments or have a different view.

## Knowledge of Jemena and what we do is low

- You generally don't know who we are or what we do, and you might be confused by the different roles of the retailer who provides your bill and how we fit in
- You aren't aware of how much of your bill is the cost of us delivering the gas to you

## Gas users see gas as an essential service

- The most important elements of energy supply are the price, its reliability and sustainability
- If you have gas, you like using it more than electricity for cooking and heating
- Customers see gas as an essential service, like water and electricity, and you are concerned about how vulnerable customers cope with increasing prices in electricity and gas

## End costs are very important...

- Cost remains the biggest concern for you, for both gas and electricity
- If there are to be increases in costs, your preference is for these to occur incrementally (bit by bit, not all at once) so that there are no sudden or large jumps in prices if possible
- You think improving services for people is important
- Many customers understand the importance of customers choosing gas to keep prices down by spreading our fixed costs across more customers - This is why you want us to keep marketing and encouraging more people to use gas!
- When it comes to what we should focus on in the future, you want us to proactively manage our costs, but you don't want us to make cuts in maintenance and service.

## ...but, there are many things which influence your choice to use gas

- The most frustrating elements are the complexity of information, including pricing and the ease of being able to compare pricing across different retailers
- When asked which energy brand comes first to mind, customers mainly mention retailers referring to them as the 'main people' who get energy to our homes and businesses
- Most choose their energy supplier based on cost and are willing to switch "if the price is right", however many find it hard to compare prices and options and therefore stick with the same retailer because switching is too complex
- There is a high level of awareness of alternative energy sources. There is also a high level of interest in potential new sources of energy for the future
- When asked if Jemena could act on, or invest in, one thing to make a real change in the industry, most state that this should be retail prices. When forced to think past that, most refer to things like choosing the source of the energy, acting as a consumer advocate, being a do-er and a leader within research and development

# What we have heard about your experiences and needs

---

## Getting gas installed – what customers go through

### Getting information

- 97% of customers want information about the costs, process and billing compared to 3% who say they don't need any information
- 47% find the relevant information on the Jemena website

### How connecting customers think

- 45% need to know all the information relevant to them
- Around 30% just want a simple overview
- Around 30% want information specific to the cost of gas installation

### Getting connected

- 71% of customers who come directly to Jemena to get gas installed process their application via the 'Connect and Manage my gas' portal which is Jemena's online application portal
- A fifth of customers need a site visit from Jemena prior to being made an offer or quote to get gas installed, and 67% were satisfied with the visit
- Once having received an offer, customers want Jemena to keep informing them on the progress of the offer and possible associated delays

## How satisfied are our customers?

### Attitudes towards gas and the industry

- Most are pessimistic about the future direction of energy pricing. Customers are very conscious of increasing bills
- 36% of customers have installed solar panels in their household or plan to install
- 30% of our customers actually know what a gas distributor does
- 77% of customer don't know where their gas is sourced from

### Attitudes towards Jemena

- Customers' overall satisfaction with Jemena is improving and is generally quite high. 66% of customers associates Jemena with providing a reliable energy supply
- Most customers don't contact Jemena when they experience issues such as an unusually high gas bill, gas works in neighbourhood or gas outages
- Around two thirds of customers would like to receive information from Jemena

# Understanding your specific needs and views

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## Your feedback counts

Energy bills are rising and customers are worried about how this will impact them. We are working hard to keep our costs down and to explore innovative ways of doing more for less. We are also anticipating changes in technology and what these might mean for how we supply and provide your gas.

We will be engaging with customers, just like you, to understand these issues more clearly. Your feedback will help us shape our future plans and importantly, our prices for gas supply in NSW in the future.

### We would love to hear from you

You might think that there is some information missing in this document. Maybe there is something that doesn't make sense to you? Or perhaps you believe we've captured all the things that you've been thinking yourself.

In any case, we would love to hear your feedback.

Please email your feedback by 29 November 2017 to:

<email address>

Or send your feedback via mail to:

<post address>

We may publish your feedback on our website. If you would like your feedback to be treated as confidential, please indicate this clearly.









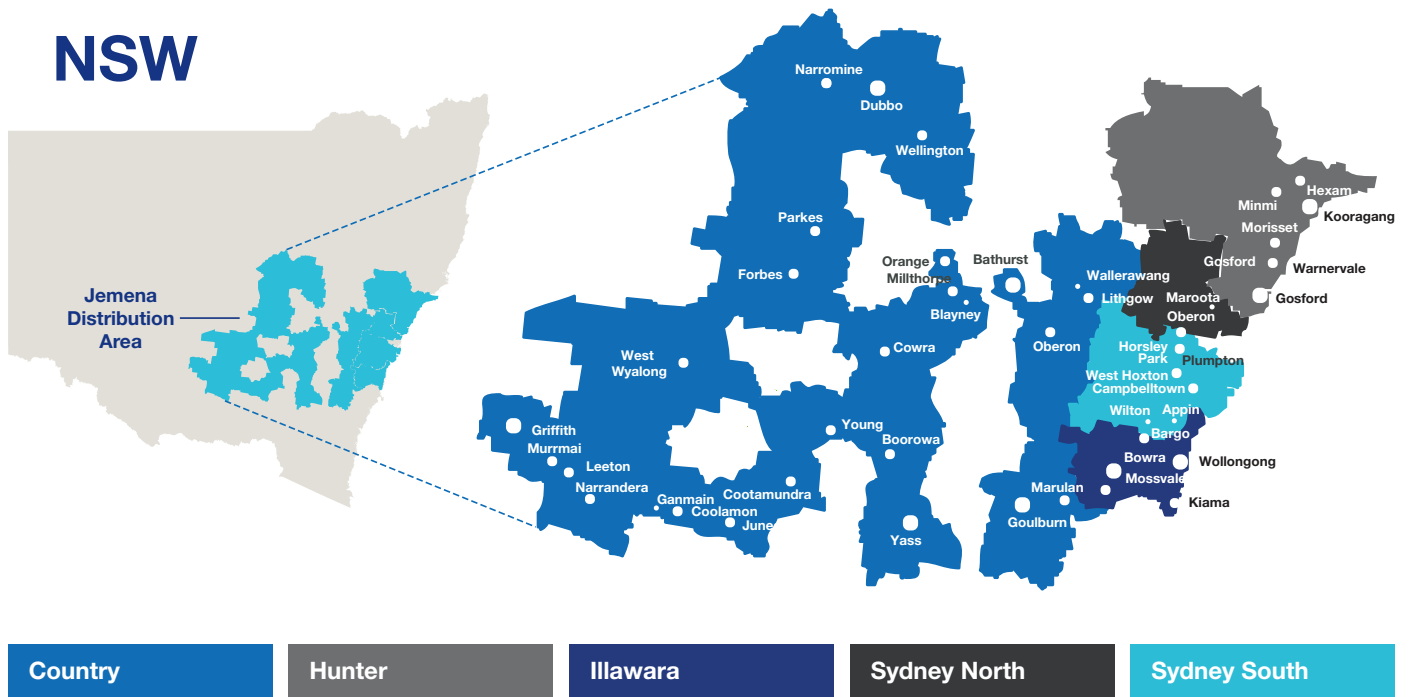
Jemena Gas Networks (NSW) Ltd

# Connecting with you

for our 2021-25 Plan

# The Jemena Gas Network

We distribute natural gas to approximately 1.3 million homes and businesses in Sydney, Newcastle, the Central Coast and Wollongong. We cover over 20 country centres, including the Central West, Central Tablelands, South Western, Southern Tablelands, Riverina and Southern Highlands regions of New South Wales.



# Introduction and purpose

If you're like most people, you rarely think about your natural gas supply – you just expect the water to be hot when you step into the shower, and a flame to appear when you turn on your stove. So you might not be aware of Jemena – the company that delivers the gas to your premises.



We are about to start developing our pricing and service plan for 2020-25 (the 2020-25 Plan). This 2020-25 Plan is important for all of our customers. It will affect the reliability of your gas supply, and your gas bill. In 2017, our charges account for around 37% of an average annual household gas bill.

With recent rises in energy bills and household cost of living pressures, it is vitally important that we involve our customers in preparing our 2020-25 Plan.

This document—Connecting With You—will guide us as we engage with our customers to inform our 2020-25 Plan.

Because we are a monopoly gas supplier, our 2020-25 Plan is also reviewed by a government authority called the Australian Energy Regulator (AER). The AER also expects us to consult with our customers before we submit our 2020-25 Plan to them.

We want our customers to shape our 2020-25 Plan. We want to:

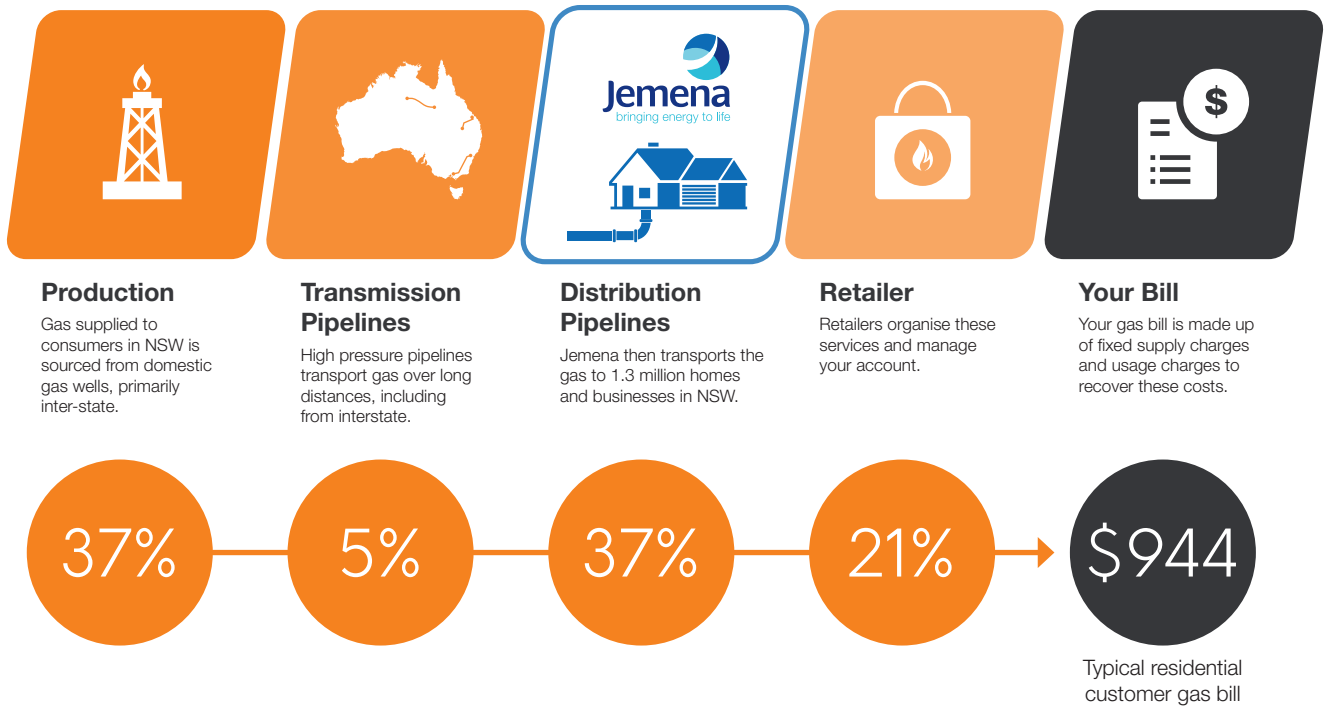
- work closely with you and let your views influence us
- build trust with our customers and stakeholders
- extend the customer-focus culture of our day-to-day business operations.

We welcome your input as we move towards preparing our 2020-25 Plan over the next 18 months. Please visit our website [insert address] for further information and to provide any feedback.

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Our 2020-25 Plan .....	6
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Our customer participation program .....	9
Your feedback .....	10

# The natural gas supply chain

In the figure below you can see where Jemena sits in the natural gas supply chain and our contribution to a typical residential customers gas bill.



# Our 1.3 million customers

Our customers include all of the gas consumers connected to our network now, and that could become connected into the future. We also provide services to other parties such as property developers, who decide whether to extend our gas network into new housing estates, or high-rise apartment buildings. We refer to these customers as 'intermediaries'.



## Households

- 95% of our customer base
- Use 25% of the total gas we deliver
- Includes home-owners, tenants, vulnerable customers



## Business

- 5% of our customer base
- Use 75% of the total gas we deliver
- Range from small businesses (e.g. restaurants, hairdressers) to large industrial businesses (mining companies, food manufacturers)



## Intermediaries

- Includes property developers, landlords and body corporates
- Landlords make some energy appliance decisions on behalf of their tenants (e.g. gas vs electric hot water system)
- Body corporates can determine the gas metering arrangements at their sites (e.g. within a high-rise apartment building, or for individual businesses in a shopping centre)

If you want to learn more about our 1.3 million customers and their experience using gas, please have a look at our Customer Insights Paper which you can find on our website – [\[insert website address\]](#).

# Our 2020–25 plan

We will soon start developing our 2020-25 Plan. Our 2020-25 Plan will guide how we serve our customers over the 5 year period commencing 1 July 2020.

Our customers have told us that they expect a safe, reliable and affordable gas supply. However, higher reliability can also mean higher costs for us, and mean higher gas bills. Lower reliability can mean lower costs, and lower bills.

Our role is to get the balance right. Our costs contribute a significant portion to our customers' gas bills (around 37%). But getting the balance right isn't easy.

So we want our customers to participate in helping us get the balance right. We want our customers to shape our 2020-25 Plan. Our 2020-25 Plan must be submitted to a government regulatory authority (the Australian Energy Regulator) in June 2019.

We want our customers to participate in our 2020–25 Plan



Build trust in the decisions we make



Better understand your gas supply preferences



Challenge our thinking and approaches

# Customer participation principles

We will take a principled approach to involving our customers in the development of our 2020-25 Plan.

We want customers to have clarity about how they can participate, and feel they can have genuine and trusted conversations with us about the 2020-25 Plan. An important part of our approach will be building customers' capacity to effectively participate.

We have set out our customer participation principles in the table below.

Principle	Living the principles - our participation commitments:
<b>Listen</b> Actively listen to our customers' diverse views and experiences	We will: <ul style="list-style-type: none"> <li>• Respect customer input</li> <li>• Communicate how customer feedback has influenced our 2020-25 Plan</li> <li>• Ensure Jemena's senior management are involved in our engagement activities</li> </ul>
<b>Be inclusive</b> Be willing to engage with the diverse range of customers that we serve	We will: <ul style="list-style-type: none"> <li>• Build our customers' capacity to participate via education</li> <li>• Involve customers who might otherwise be under-engaged, such as vulnerable customers</li> <li>• Ensure key communications are accessible to a wide range of audiences</li> <li>• Plan our engagement activities to take into account competing demands on our customers</li> </ul>
<b>Quality over quantity</b> Focus on the quality of our customer engagement, rather than the quantity of engagement	We will: <ul style="list-style-type: none"> <li>• Seek independent advice on our customer participation program</li> <li>• Be flexible, open to innovation and take risks in how we engage</li> </ul>
<b>Discuss what matters</b> Prioritise issues that can materially influence our 2020-25 Plan	We will: <ul style="list-style-type: none"> <li>• Communicate issues that customers can and cannot influence and why</li> <li>• Communicate the materiality of issues that customers can influence</li> </ul>
<b>Evaluate</b> Document the participation process, its output and assessment	We will: <ul style="list-style-type: none"> <li>• Listen and respond to feedback about our participation program</li> <li>• Identify and report on how we can improve our participation program</li> </ul>

# Customer participation methods

There are numerous ways we can involve customers in developing our 2020-25 Plan. It is vital that we choose approaches that consider the needs of our customers, and the topics being discussed.

In the table below we summarise the different methods we will use to involve customers.

Level of customer involvement	Method	What is it?
High	Deliberative forums & focus groups	In-depth discussions with groups of customers on particular and complex issues
High	Customer Councils	Groups of customer representatives having in-depth discussions on a range of complex and interrelated issues
High	Individual conversations	One-on-one discussions with our customers that reflect that customer's interests and circumstances
Medium	Online customer forums	Groups of customers we can interact with online to quickly test ideas and questions regarding relatively complex issues
Medium	Workshops	Meetings to discuss particular issues of interest in a small, well-informed customer group
Medium	Consultation documents	Documents we publish to test our ideas, pose questions and encourage customer feedback
Low	Online workshops	Online group meetings or presentations to discuss particular issues amongst a small group of well-informed customers
Low	Surveys	Online or phone-based surveys that cover larger numbers of customers to obtain feedback on high-level trends or specific issues
Low	Media	A dedicated website regarding our 2020-25 Plan, social media (e.g. Facebook Twitter) and traditional media (e.g. local newspapers) to communicate messages.

## What have we heard from customers

Following our review of our previous 2015-20 Plan engagement program, our customers told us to:

1. continue to engage with a diverse range of end customers, including vulnerable customers, and
2. focus on moving toward greater levels of customer participation where customers are involved in and collaborate in our decision-making



# Our customer participation program

We have identified four phases for involving our customers in developing our 2020-25 Plan.

We are committed to engage with our customers on a business-as-usual basis and our 2020-25 Plan development process will incorporate key learnings from our ongoing conversations with our customers.



## Phase 1: Plan and strategise

A key part of Phase 1 is working with our customers to understand their high-level energy preferences and priorities. We also want to understand their cost of living pressures. For our business customers, we want to understand the pressures they are facing in running their businesses each day.

This engagement will help us understand what matters to our customers and help us develop plans for discussing these specific issues in Phase 2.

## Phase 2: Listen and discuss

Throughout Phase 2 we will talk to our customers about specific issues that matter to them, ensuring we do this in line with our customer participation principles.

Throughout this phase, as we learn more about our customers, we will continue to refine our thinking and test options with customers.

## Phase 3: Respond and implement

There are two critical parts in Phase 3. The first is taking all the customers feedback from Phase 2 and developing our draft 2020-25 Plan. We will then go back to the customers we engaged and clearly inform them how their participation has influenced our draft 20-25 Plan.

## Phase 4: Evaluate

We will evaluate our engagement program. We will ask our customers whether they think we have done what we have said we will do, and how we can continue to improve our approach going forward.

## Your feedback

We welcome your involvement as we prepare our 2020-25 Plan over the next 18 months.

To provide feedback or for additional information on the process for reviewing our 2020-25 Plan, please visit our website [insert address].







## Discussion Guide

Jemena - Focus group 3: Final testing of two consumer documents

Start 6pm, Thursday 19 Oct 2017

### **Welcome and warm up 6.00pm (5 mins)**

- Thank you for coming back
- Quick hello from everyone and how they're going today

### **Revising - Your Voice Counts 6.05pm (15 mins)**

*Hand out document 1*

Take a look through the document and consider the following elements:

- Document structure
- Clarity - language
- Visual communication
- Relevance

### **Group review 6.35pm (15 mins)**

- Discuss each element
- Check naming
- Other suggestions for names

### **Revising - Connecting with you 6.50pm (15mins)**

*Hand out document 2*

Take a look through the document and consider the following elements:

- Document structure
- Clarity - language
- Visual communication
- Relevance

### **Group review 7.05pm (15 mins)**

- Discuss each element
- Explore other suggestions

### **Engagement method feedback 7.20pm (15 mins)**

Let's discuss the different engagement methods which were presented in the document.

- Would you like to be involved in any of those methods
  - Which ones and why
  - What makes these particular methods appealing to you
- How do you imagine you would be involved
- Who might you be involved with? Would other people come with you
- What would be your motivation for attending
- Which ones would you not like to be involved in
  - For what reasons

### **Website discussion 7.35pm (15 mins)**

Last time, I asked you to have a think about other website examples or names of websites you think might be appropriate for the project we have been discussing.

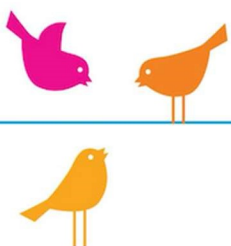
Here is a rehash of the purpose:

*"Jemena wants their customers to have multiple ways of involving their customers as they develop their Plan. The internet is an important communication and engagement tool for many of our customers. We are building a website to let these customers learn about our Plan, download information and provide feedback via email or through the website."*

- Some website names that have been thought up internally include:
  - Connecting to you (would this be confusing for customers looking for a connection?)
  - Our 2020-25 Plan
  - 2020-25 Gas Plan
  - Your network your say
  - Your grid your say
  - Have your say
  - Pipe Up
  - The Gas
- What other examples or thoughts do people have

### **Thank you and close 7.50pm (10 mins)**

- Feedback forms + Stipends





Jemena Gas Networks

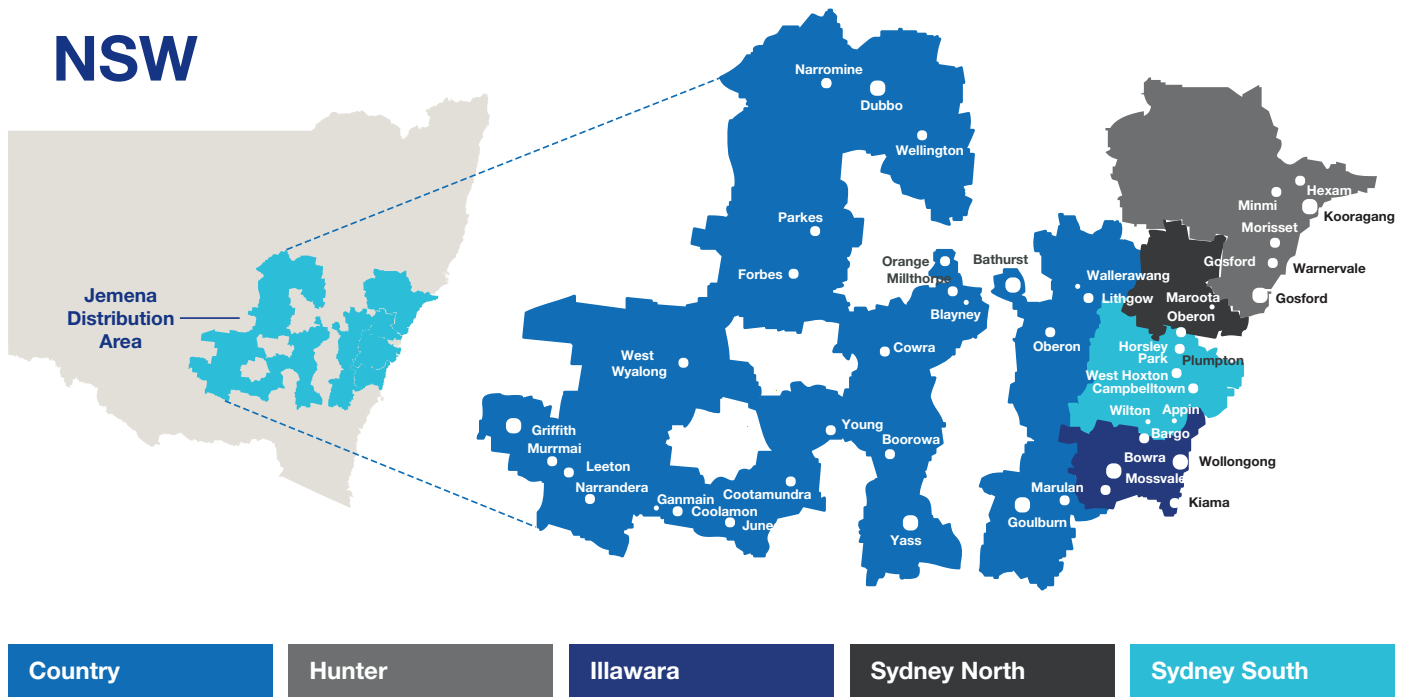
# Connecting with you

for our 2020-25 Plan



# The Jemena Gas Network

We distribute natural gas to approximately 1.3 million homes and businesses in Sydney, Newcastle, the Central Coast and Wollongong. We cover over 20 country centres, including the Central West, Central Tablelands, South Western, Southern Tablelands, Riverina and Southern Highlands regions of New South Wales.





# Welcome

If you're like most people, you rarely think about your natural gas supply – you just expect the water to be hot when you step into the shower, and a flame to appear when you turn on your stove. So you might not be aware of Jemena – the company that delivers the gas to your premises.

We are about to start developing our pricing and service plan for 2020-25 (the 2020-25 Plan). This 2020-25 Plan is important for all of our customers. It will affect the reliability of your gas supply, and your gas bill. In 2017, our charges account for around 37% of an average annual household gas bill.

With recent rises in energy bills and household cost of living pressures, it is vitally important that we involve our customers in preparing our 2020-25 Plan.

This document—Connecting With You—will guide us as we engage with our customers to inform our 2020-25 Plan.

Because we are a monopoly gas supplier, our 2020-25 Plan is also reviewed by a government authority called the Australian Energy Regulator (AER).

We welcome your input as we move towards preparing our 2020-25 Plan over the next 18 months. Please visit our website [insert address] for further information and to provide any feedback.

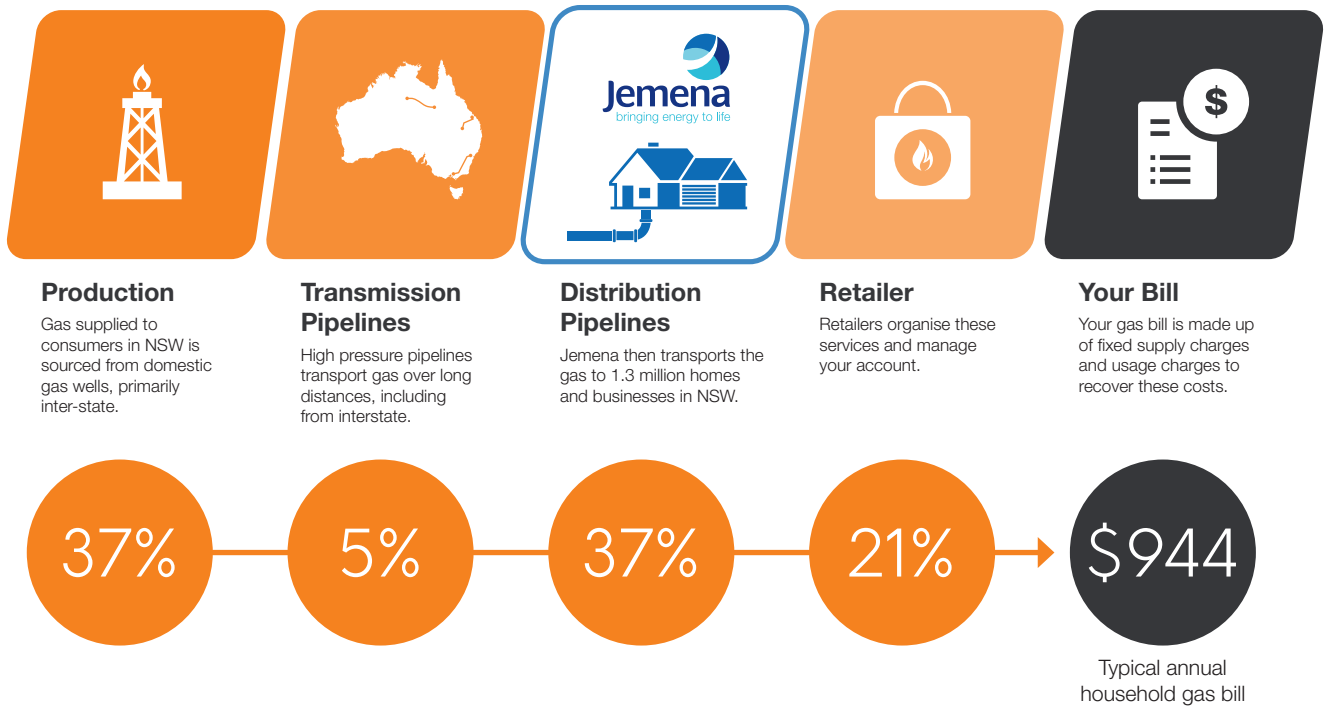


**Paul Adams**  
Managing Director, Jemena

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# The natural gas supply chain

In the figure below you can see where Jemena sits in the natural gas supply chain and our contribution to a typical annual household gas bill.



# Our 1.3 million customers

Our customers include all of the gas consumers connected to our network now, and that could become connected into the future. We also provide services to other parties such as property developers, who decide whether to extend our gas network into new housing estates, or high-rise apartment buildings. We refer to these customers as 'intermediaries'.



## Households

- 95% of our customer base
- Use 25% of the total gas we deliver
- Includes home-owners, tenants



## Business

- 5% of our customer base
- Use 75% of the total gas we deliver
- Range from small businesses (e.g. restaurants, hairdressers) to large industrial businesses (mining companies, food manufacturers)



## Intermediaries

- Includes property developers, landlords and body corporates
- Landlords make some energy appliance decisions on behalf of their tenants (e.g. gas vs electric hot water system)
- Body corporates can determine the gas metering arrangements at their sites (e.g. within a high-rise apartment building, or for individual businesses in a shopping centre)

If you want to learn more about our 1.3 million customers and their experience using gas, please have a look at our website – [\[insert website address\]](#).

# Our 2020-25 Plan

We will soon start developing our 2020-25 Plan. Our 2020-25 Plan will guide how we serve our customers over the 5 year period commencing 1 July 2020.

Our customers have told us that they expect a safe, reliable and affordable gas supply. However, higher reliability can also mean higher costs for us, and mean higher gas bills. Lower reliability can mean lower costs, and lower bills.

Our role is to get the balance right. Our costs contribute a significant portion to a household's gas bills (around 37%). But getting the balance right isn't easy.

So we want our customers to participate in helping us get the balance right. We want our customers to help us develop our 2020-25 Plan. Our 2020-25 Plan must be submitted to a government regulatory authority (the Australian Energy Regulator) in June 2019.

We want our customers to shape our 2020-25 Plan



Challenge our thinking and approaches



Better understand your gas supply preferences



Build trust in the decisions we make

# A genuine conversation

We want our customers to feel they can have genuine and trusted conversations with us about the 2020-25 Plan.

In the table below we set out some principles and commitments for how we will involve our customers in developing our 2020-25 Plan.

Principle	Our commitments to our customers
<b>Listen</b> Actively listen to our customers' diverse views and experiences	We will: <ul style="list-style-type: none"> <li>• Respect customer input</li> <li>• Communicate how customer feedback has influenced our 2020-25 Plan</li> <li>• Ensure Jemena's senior management are involved in our engagement activities</li> </ul>
<b>Be inclusive</b> Be willing to engage with the diverse range of customers that we serve	We will: <ul style="list-style-type: none"> <li>• Build our customers' capacity to participate via education</li> <li>• Involve customers who might otherwise be under-engaged, such as vulnerable customers</li> <li>• Ensure key communications are accessible to a wide range of audiences</li> <li>• Plan our engagement activities to take into account competing demands on our customers</li> </ul>
<b>Quality over quantity</b> Focus on the quality of our customer engagement, rather than the quantity of engagement	We will: <ul style="list-style-type: none"> <li>• See independent advice how we engage with our customers</li> <li>• Be flexible, open to innovation and take risks in how we engage</li> </ul>
<b>Discuss what matters</b> Prioritise issues that can materially influence our 2020-25 Plan	We will: <ul style="list-style-type: none"> <li>• Communicate issues that customers can and cannot influence and why</li> <li>• Communicate the materiality of issues that customers can influence</li> </ul>
<b>Review our engagement and look for opportunities to improve</b>	We will: <ul style="list-style-type: none"> <li>• Listen and respond to feedback about our participation program</li> <li>• Identify and report on how we can improve our participation program</li> </ul>

# How we will involve our customers

There are numerous ways we can involve our customer in developing our 2020-25 Plan. It is vital that we choose approaches that consider the needs of our customers, and the topics being discussed.

In the table below we summarise the different methods we will use to involve customers.

Level of customer involvement	Method	What is it?
High	Deliberative forums & focus groups	In-depth discussions with groups of customers on particular and complex issues
High	Customer Councils	Groups of customer representatives having in-depth discussions on a range of complex and interrelated issues
High	Individual conversations	One-on-one discussions with our customers that reflect that customer's interests and circumstances
Medium	Online customer forums	Groups of customers we can interact with online to quickly test ideas and questions regarding relatively complex issues
Medium	Workshops	Meetings to discuss particular issues of interest in a small, well-informed customer group
Medium	Consultation documents	Documents we publish to test our ideas, pose questions and encourage customer feedback
Low	Online workshops	Online group meetings or presentations to discuss particular issues amongst a small group of well-informed customers
Low	Surveys	Online or phone-based surveys that cover larger numbers of customers to obtain feedback on high-level trends or specific issues
Low	Media	A dedicated website regarding our 2020-25 Plan, social media (e.g. Facebook, Twitter) and traditional media (e.g. local newspapers) to communicate messages.

## What our customers have been telling us

Each day our staff talk to our customers about how we can better serve them.

We have documented some of the feedback we have received, and how we have acted on this feedback.

We invite you to read our separate publication *Your Voice Counts* to see how your voice can influence the level of level of service we provide, and the prices we charge - [\[insert link\]](#)



Your Voice Counts  
How your feedback can influence our 2020-25 Plan

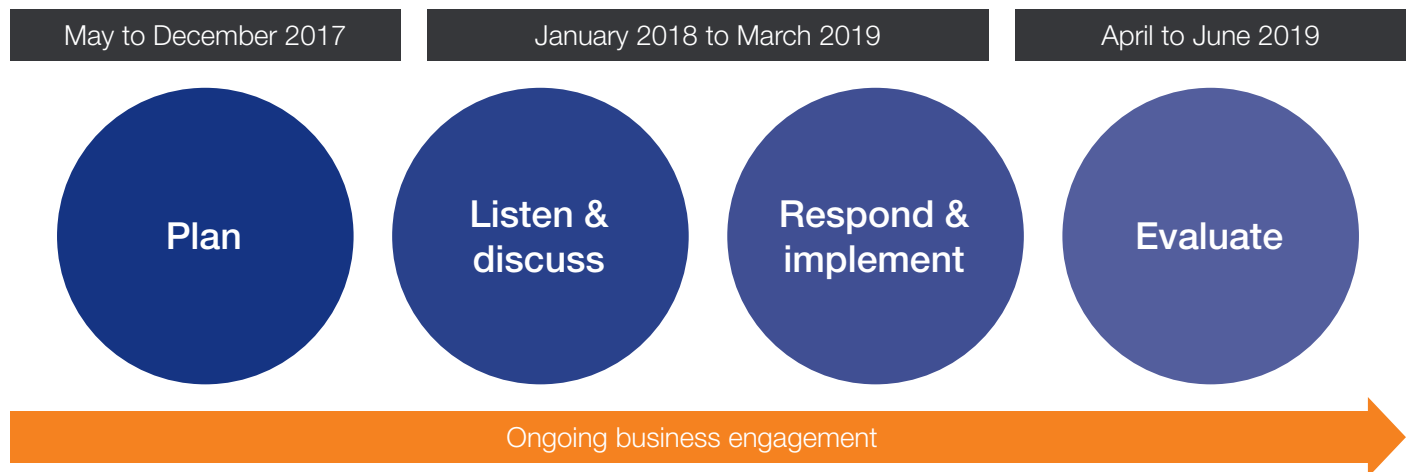


# What happens next?

Our 2020-25 Plan must be submitted to a government regulatory authority (the Australian Energy Regulator) in June 2019.

We intend to run a dedicated program to help our customers participate in developing our 2020-25 Plan.

We have divided the program into four parts, as shown in the figure below.



## Part 1: Plan

A key part of Part 1 is working with our customers to understand their high-level energy preferences and priorities. We also want to understand their cost of living pressures. For our business customers, we want to understand the pressures they are facing in running their businesses each day.

These conversations will help us understand what matters to our customers and help us develop plans for discussing these specific issues in Part 2.

## Part 2: Listen and discuss

Throughout Part 2 we will talk to our customers about specific issues that matter to them, ensuring we do this in line with our guiding principles.

Throughout this phase, as we learn more about our customers, we will continue to refine our thinking and test options with customers.

## Part 3: Respond and implement

There are two critical elements of Part 3. The first is taking all the customers feedback from Part 2 and developing our draft 2020-25 Plan. We will then go back to the customers we talked to and clearly inform them how their participation has influenced our draft 2020-25 Plan.

## Part 4: Evaluate

We will evaluate our engagement program. We will ask our customers whether they think we have done what we have said we will do, and how we can continue to improve our approach going forward.

## Want to be involved in developing our 2020-25 Plan?

Visit our website to share your views and experiences directly to us. You can also subscribe to email updates to hear about future opportunities to get involved over the next 18 months.

We look forward to hearing from you!

[insert website address]









# Your Voice Counts

How your feedback can influence our 2020-25 Plan

# Welcome

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You might not have heard about Jemena. We own the natural gas pipelines that run underneath the streets of NSW. We deliver a safe and reliable gas supply to homes and businesses across the State.

Our company name – Jemena – is an Aboriginal word. It means “to hear, listen and think”. We have written this document to share with you what NSW households have been telling us about their gas supply experience in recent years, and how we have responded.

Using gas is a choice for our customers—many could just use electricity for cooking, heating and hot water. Because of this, our customers’ energy supply requirements drive how we operate the gas network and deliver services to our customers.

Your voice counts. We welcome your input into our 2020-25 Plan for the NSW gas network. Please visit our website [insert address] to learn about how you can get involved.



**Shaun Reardon**  
EGM Customer & Markets, Jemena

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# About Jemena

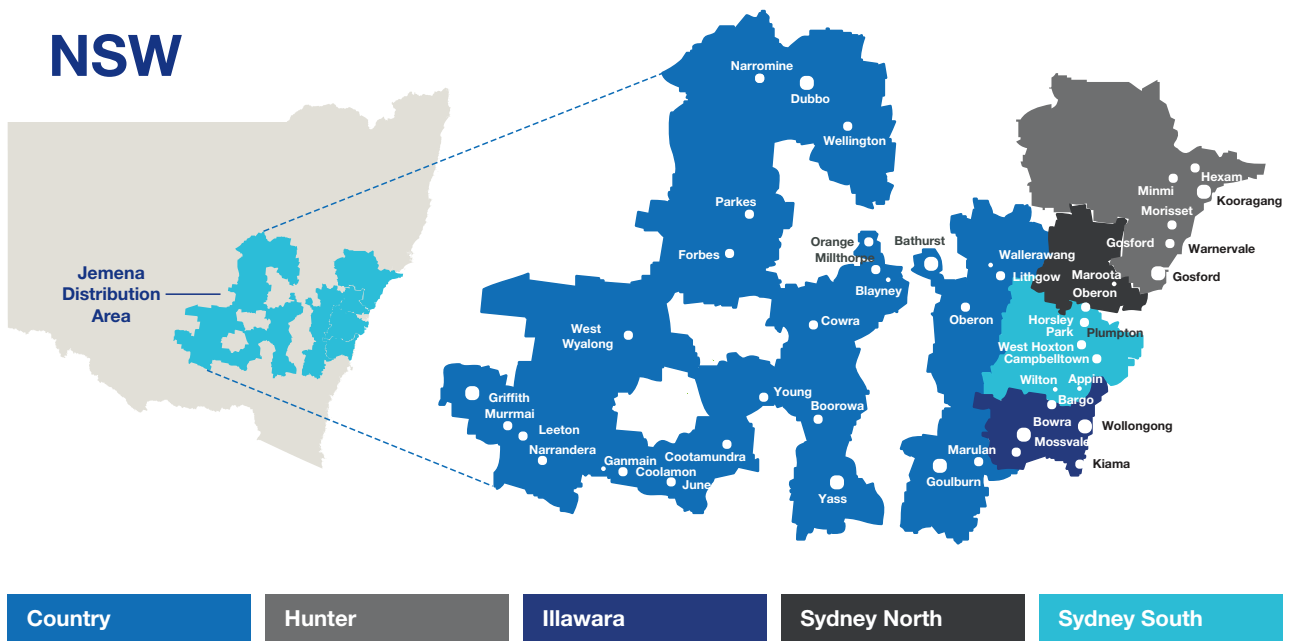
We build and maintain the underground pipes and other equipment that deliver gas safely and reliably to you and the 1.3 million other homes and businesses in NSW.

We connect new homes and businesses to gas. Over the past ten years, around 320,000 NSW homes have connected to gas.

We also read the gas meters so your gas retailer can calculate your bill.

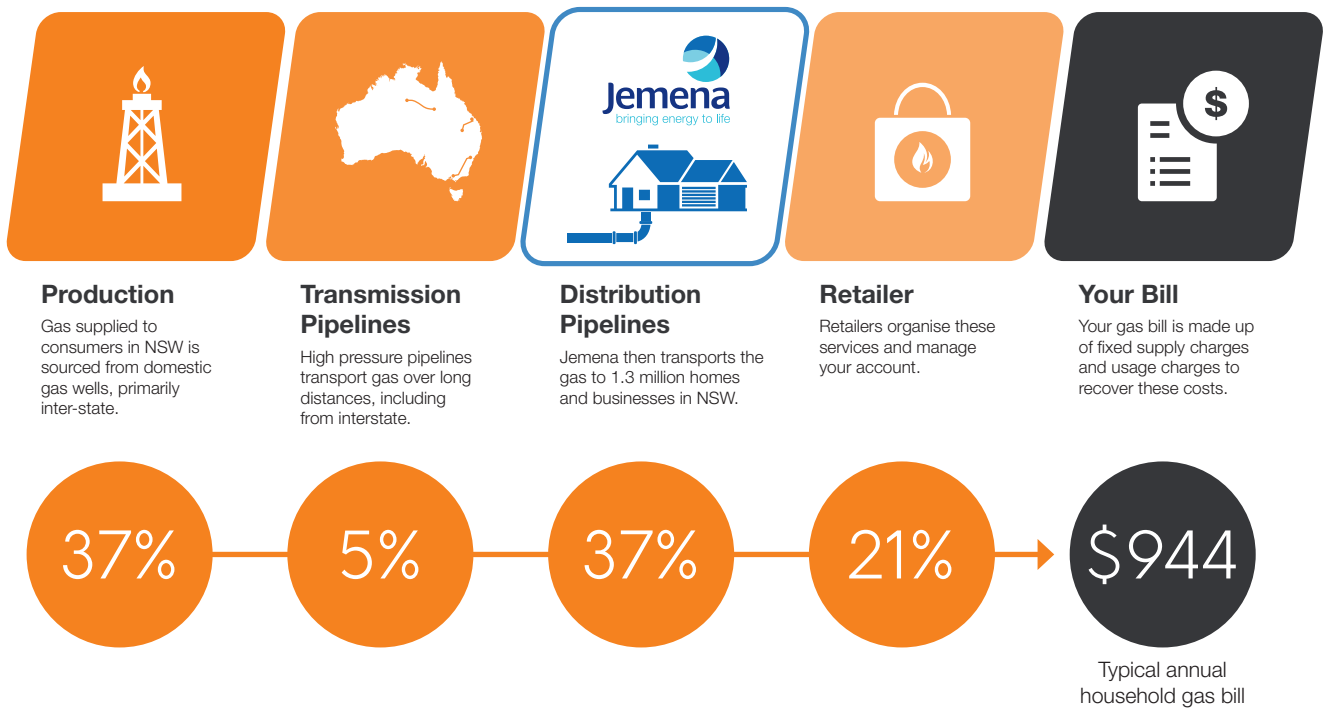
Across NSW, 35% of household energy is sourced from the Jemena gas network. Households use gas for cooking, heating and hot water. Businesses use gas in a variety of ways. For example, restaurants use gas for cooking, while manufacturers use gas to power their equipment.

## Our network area



# Getting gas to you

There are a number of companies involved in getting gas to you. We are just one. The figure below explain our role in transporting gas to your premises. We contribute around 37% of a typical household's annual gas bill.



# Our 1.3 million customers

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## Households

- 95% of our customer base
- Use 25% of the total gas we deliver
- Includes home-owners, tenants, vulnerable customers



## Business

- 5% of our customer base
- Use 75% of the total gas we deliver
- Range from small businesses (e.g. restaurants, hairdressers) to large industrial businesses (mining companies, food manufacturers)



## Intermediaries

- Includes property developers, landlords and body corporates
- Landlords make some energy appliance decisions on behalf of their tenants (e.g. gas vs electric hot water system)
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# What we know about our customers

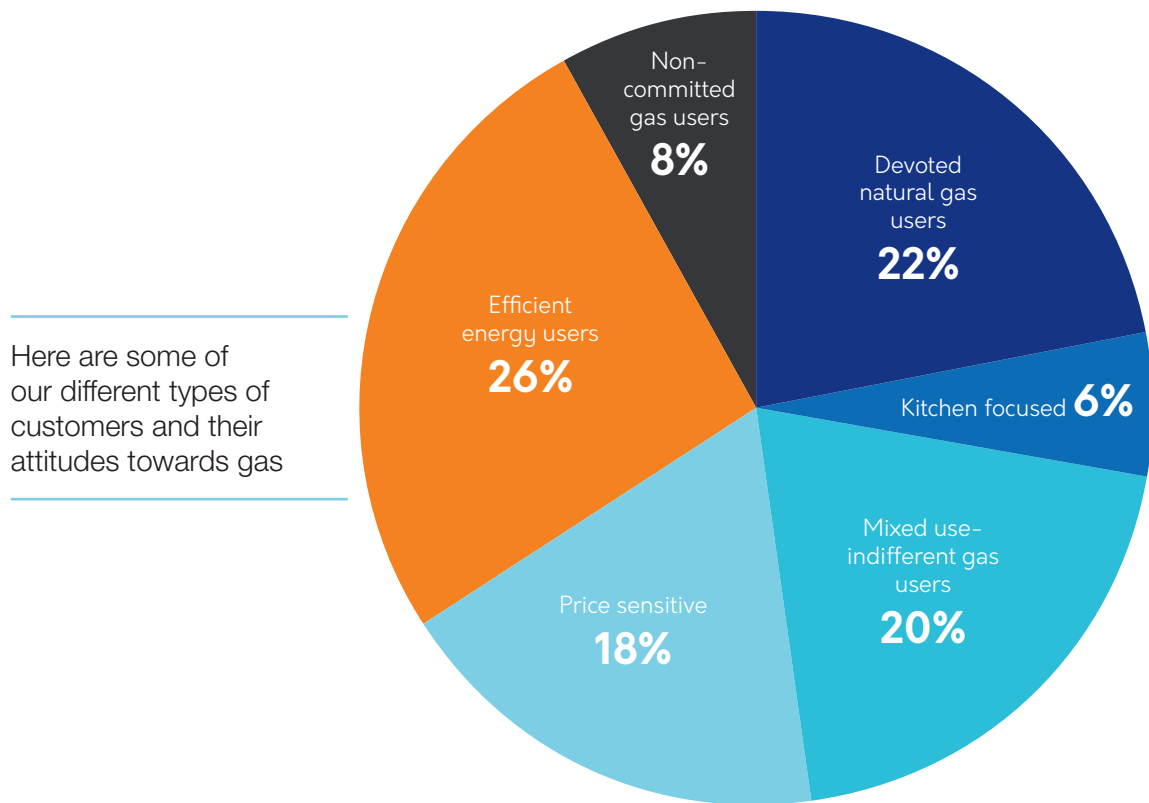
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We need to understand our customers to ensure we deliver the gas service that they value.

In recent years, we have undertaken research to learn more about the households we serve, and what motivates them to use gas in their homes. This helps us understand whether we have the balance right between the prices we need to charge, and the level of reliability we provide.

The chart below sets out the results of some of this research. The chart indicates that many of our customers:

- have a positive overall experience when using gas in their homes
- are concerned about energy prices (“price-sensitive”)
- are actively trying to manage their gas bills (“efficient energy users”).



This tells us we need to continue to focus keeping our costs down, while also providing a reliable service across the network.



# What our customers have been telling us

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Every day our staff have conversations with our customers about their gas supply. We also hold customer forums and workshops where we invite customers to share their experience with us.

We have been listening to what our customers have been telling us – both the good and the bad.

Below we set out some examples of what our customers have told us, and how we have responded to this feedback.

## Gas bills

### What our customers have been telling us

Consistent with our research, our customers have told us directly that they want us to focus on keeping our costs down to help lower their gas bills.

### How we have been responding

On 1 July 2017, we reduced our gas network prices by 5.6 per cent for 2017-18, or by approximately \$18 for a typical NSW household. This is in addition to price reductions on average of \$156 since 2015.

We will continue to focus on managing our costs to provide further price relief into the future.

## Getting gas connected

### What our customers have been telling us

Some of our customers are seeking gas supply for the first time. They may have converted their electric appliances to gas, or have just built a new home and want a gas connection.

These customers have told us they want timely information on how long it will take to connect them to gas, and when delays might occur.

### How we have been responding

We have been working on upgrading our website to provide better information to customers about their gas connection timeframes and how they can get in touch with us.



# What our customers have been telling us

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## Supply quality

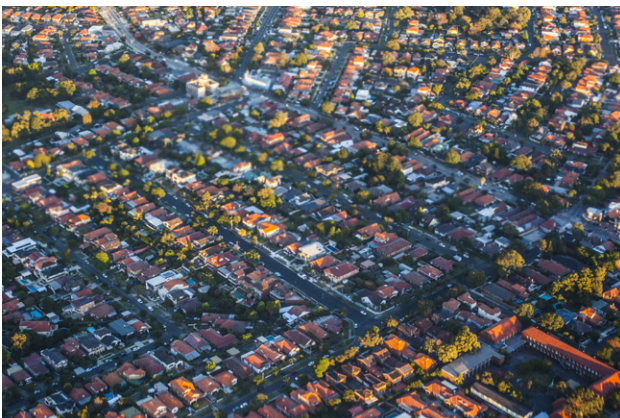
### What our customers have been telling us

In some of the older parts of our network—like Kensington in Sydney and Goulburn in regional NSW—we can't supply gas at the same pressure as in the newer parts of the network. For customers in their older network areas, this means that many can't use modern gas appliances like instantaneous gas hot water systems.

Our customers told us that it wasn't fair that some customers received a better level of service than others. They suggested we upgrade older parts of the network to a more modern standard - if that meant a slight increase in bills for everyone.

### How we have been responding

We have acted on this request. We have brought forward our work program to upgrade older cast-iron gas pipes with new plastic pipes. We recently completed our Kensington upgrade on time, and within budget.



## Our role in the community

### What our customers have been telling us

Our customers have been telling us that we play an important role in the community, and we need to think how we can support the vulnerable customers that we serve.

### How we have been responding

We have been working with a range of not-for-profit and charitable organisations to make a real difference to communities we serve.

Jemena partners with NSW Rural Fire Service to deliver safety awareness programs in the community. In addition, we work with welfare organisations such as the Salvation Army to assist our vulnerable customers and increase community energy literacy.



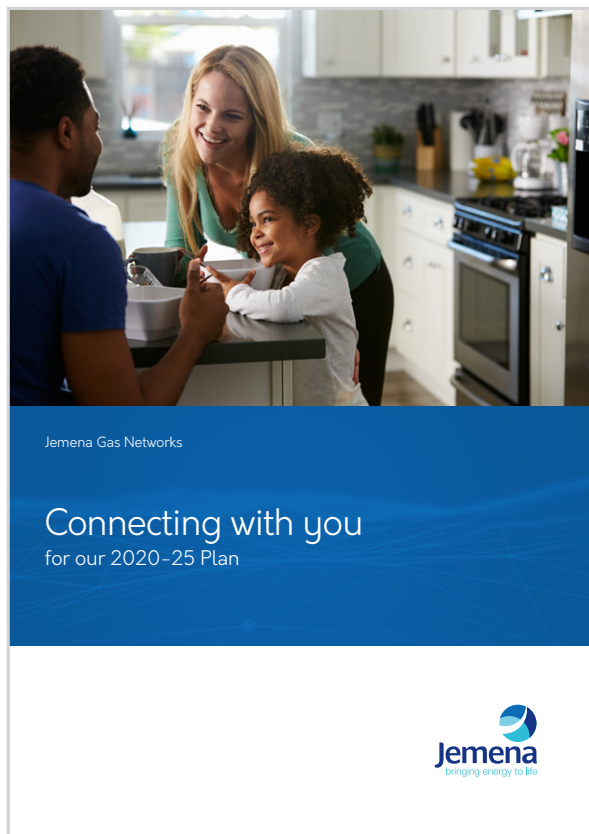
# Your voice counts

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We act on what our customers tell us is important to them about their gas supply. We hope this documents helps you understand what our customers have been saying to us, and how their views can influence how we run the NSW gas network.

Over the next 18 months, we will develop the service and pricing plan for our gas network for the five-year period starting 1 July 2020 (the 2020-25 Plan).

We want to continue the conversation with our customers, and let their voice shape our 2020-25 Plan. Our separate document—Connecting with You—explains how we will involve our customers in this process – [insert website address]



## Want to be involved in developing our 2020-25 Plan?

Visit our website to provide your views and experiences directly to us. You can also subscribe to email updates to hear about future opportunities to get involved over the next 18 months.

We look forward to hearing from you!

[insert website address]



