

Customer Enablement program proposal

2021 – 2026 regulatory reset

Our proposal at a glance

Over the 2021–2026 regulatory period we propose to enhance customer experience with the following initiatives:

- introducing a 'one-stop-shop' portal to combine a number of existing portals—enabling customers ease of access to all their information under one log-in (currently these are in different portals with different log-ins). This will save customers time and effort, and reduce frustration
- introducing enhanced online capabilities, such as automated tracking and updates on stage of works, website AI and automated chat tools. This will save customers time and effort when looking for information, sometimes in urgent circumstances
- extending self-serve online tools to HV customers and embedded generators. This will enable our large customers to have the same automated capabilities as smaller customers
- more effective outage SMS notifications, ensuring only the right customers receive notifications when necessary. This will reduce incorrect messaging and customer frustration of being inaccurately notified
- notifications on the efficiency of customers' rooftop solar output and exports, to help customers get the most of their solar investment
- introducing a bare-bones phone application with 15-minute interval usage data—the phone application would be designed to be used by retailers with their brand overlay on it to reduce confusion by the customer.

Our proposed initiatives are aligned with those delivered by other industries, for example track and trace capabilities are provided by postal services, webchat capabilities are delivered by most industries including for example airlines, single consolidated portals are provided by government, e.g. mygov.

We have proposed to invest **\$11.6 million over the 2021–2026 regulatory period** to deliver these initiatives for the two businesses. Our proposed program delivers significant net benefit to customers that has been quantified (see appendix).



Opportunity to improve services

Customer feedback

Through substantive customer research and feedback over the past three years our customers have provided key insights into our services and possible improvements we could make. Key customer feedback included:

- customers are interested in getting easier and faster access to their data, and would prefer closer to real-time data to help them make informed decisions
- increasing communication and transparency, simplifying customer processes and improving customer service was seen as highly or extremely important by around three quarters of residents and small and medium enterprises
- customers responded well to the one-stop-shop portal proposal. It was seen as a way of simplifying things for customers, and providing them with information that they could use to make better decisions for themselves.

We based what became our Customer Enablement proposal on the collected feedback from various engagement sources. While there were mixed opinions about the usability of real-time data, we felt our customers' expectations are growing over time and providing 'next day' time would not satisfy customer appetites for data in the future. As such, our Customer Enablement proposal will:

- provide a one-stop-shop portal and enhanced customer experience through improved online capabilities, more effective outage SMS notifications and notifications on the efficiency of customers' rooftop solar output and exports
- providing customers access to 15-minute interval usage data on a new phone application, as well as 4-hour data updates on the myEnergy portal



Cost-benefit analysis

Options cost benefit analysis

- Following our customer feedback on customer experience, we identified three options for a potential way forward. We assessed the three options through a 10-year cost-benefit analysis, as shown in the table.
- Ten year present value costs include initial investment and five-yearly refresh of systems at approximately 50% of the initial cost.
- Costs for service improvements are shared across all three networks
- **Option 2 was selected as it has the highest net customer benefit. The difference between option 1 and 2 is a new phone application that provides near real time usage data**

Option	NPV capital expenditure	NPV economic benefit	Net NPV economic benefit
0 Do nothing—do not make any changes or improvements to the easy access tools	0	0	0
1 One-stop-shop portal and enhanced customer experience—unify the tools on a compatible Salesforce platform, extend the tools to HV customers and embedded generators, and enhance customer experience through improved online capabilities, more effective outage SMS notifications and notifications on the efficiency of customers' rooftop solar output and exports	12.74	16.08	3.34
2 One-stop-shop with enhanced customer experience and near real-time data —option 1 plus providing customers access to 15-minute interval usage data on a new phone application, as well as 4-hour data updates on the myEnergy portal	15.40	26.30	10.90

Packages of initiatives

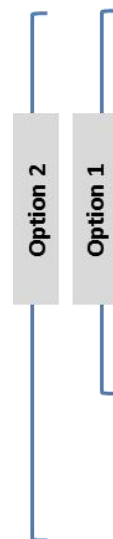
We can separate the proposed initiatives into packages to ensure synergies in implementation

We can separate the proposed initiatives within options 2 & 3 as per the previous page into three packages:

- **increased automation of services**—implementation of track and trace capability and online portal for HV customers/embedded generators
- **enhanced customer experience***—implementation of initiatives that enhance customer experience and save customers time, including single interface and access point for all customer portals, improved website experience, data analytics and push notification in myEnergy, better targeted SMS notifications
- **providing near real-time usage data**—enhancement to myEnergy to provide 4-hourly updates to usage data and development of a bare-bones phone application that provides 15-minute interval usage data.

The table shows the net benefit of each initiative package.

* While 'automation of services' and 'providing near real-time data' can be implemented separately, most of the initiatives under 'enhanced customer services' cannot be delivered without first delivering the automation of services.



Initiative package	NPV cost	NPV benefit	Net NPV benefit
Increased automation of services: <ul style="list-style-type: none"> • track and trace capability • online tool for HV customers and embedded generators 	1.2	1.3	0.1
Enhanced customer experience: <ul style="list-style-type: none"> • single interface and access point • AI website and contact centre tools • data analytics and push notification on myEnergy • solar rooftop system health check* • targeted SMS outage notifications 	11.5	14.6	3.1
Providing near-real time usage data: <ul style="list-style-type: none"> • 15-minute usage data provided to customers** • development of bare-bones mobile phone application 	2.7	5.1	2.4

Note * no quantified benefits are attributed to the solar health check

** we have updated the assumptions in the benefits modelling to reduce the number of customers likely to access usage data from 50% to 25%, to account for solar customers who may not need the service

Who should provide the services

Who is best placed to provide these services?

We have reviewed and identified the following initiatives, which could in theory be provided by the competitive market:

- providing notifications on the 'health' of the customers' rooftop solar system
- providing near-real time data.

We agree that providing notifications on the health of the customers' rooftop solar system may be offered by retailers and third parties 'for free' as the systems include technology that can communicate with the smart meter. However, for customers without distributed energy resources (DER) behind the meter to access real-time usage data they would have to:

- invest in a device that communicates with the smart meter at the cost of approximately \$30 based on the current market
- be with a retailer that offers a phone application that reads that device, potentially at a higher cost
- have access to a reliable communications network, potentially excluding remote customers.

We believe we are best placed to offer access to near-real time data at the cost of just over \$1 per year to all customers, as:

- we have the economies of scale to provide those services at low cost to all customers, not just customers with solar rooftop systems
- we have an extremely reliable smart meter communications network that would allow even remote customers to have access to this technology
- we are an independent source of usage data and customers could use our product regardless of what retailer they are with.



Appendix – list of initiatives, costs and benefits

Option 2 cost analysis

Cost	Value \$m 2019	Description
Remediate to Salesforce Framework network	\$5.0	Migrating to a common platform for the one-stop-shop, including business analysis and processing, materials, project management, Salesforce development, Market Systems development, OMS/DMS development and environment build and management
Contact centre AI / speak analytics and website AI	\$0.6	Includes cost of implementation of AI on our the website, including business analysis and processing, testing, materials, project management and call centre and website integration
Unified customer gateway	\$0.9	Platform for a unified customer information portal, including business analysis and processing, project management, Salesforce development, Market Systems development, OMS/DMS development and environment build and management
myEnergy align and enhance	\$0.4	Improvements to the myEnergy platform to enhance insights analysis and upgrade to Salesforce to enable a 'one-stop-shop', including business analysis and processing, project management, Salesforce development, Market Systems development, OMS/DMS development and environment build and management
Embedded generator and HV customer automation	\$0.3	Extension of automation capabilities to embedded generators and HV customers
DER health check	\$0.3	Automated performance of health of solar PV and other DER, including cost of project management deliver of inverter reset safety reminder, solar trip reporting, and solar degradation advice
Automation of SMSs	\$0.9	Automation of notification SMSs, including improving targeting messages to remove inaccurate notifications to wrong customers, including the cost of business analysis and processes, project management and testing
myEnergy (4h data online)	\$0.6	Enabling 4-hourly updates to the myEnergy portal (as opposed to next day data), including business analysis and processing, materials, project management, Salesforce development, Market Systems development, OMS/DMS development and environment build and management
Track and trace capability	\$0.6	Allowing predictive texting and messaging based on traced customer interactions, including business analysis and processing, project management, Salesforce development, Market Systems development, OMS/DMS development and environment build and management
AMI data mobile application	\$1.3	Enabling a bare-bones phone application with usage data, including business analysis and processing, material, project management, Salesforce development, Market Systems development, OMS/DMS development and mobile application development

Option 2 benefit analysis

Benefit	Value \$2019	Reasoning
Residential customer value of time, per minute	\$0.18 / min	Based on Australian Bureau of Statistics - 6302.0 - Average Weekly earnings, Australia Nov 2018, assumed 16 hours per day valued
Commercial customer value of time, per minute	\$0.76 / min	Based on Australian Bureau of Statistics - 5676.0 - Business Indicators, Australia, Mar 2019 and Australian Bureau of Statistics - 8165.0 - Counts of Australian Businesses, including Entries and Exits, June 2014 to June 2018, assumed 16 hours per day valued
Customer time saved		
Calling the contact centre	\$0.01m	Based on actual data on average time spent on calls, assuming a conservative 10% reduction in calls to the contact centre
Accessing data	\$3.81m	Based on estimate of number of customers accessing the website and their usage data, as well as a conservative estimate of the number of times the average user accesses the website and minutes spent searching online
Automation for embedded generators and HV customers	\$0.01m	Based on actual embedded and HV customer applications, assuming a conservative saving of 2 hours per application
Investigating incorrect SMS	\$0.01m	Based on actual numbers of incorrect SMS notifications received and conservative estimates of times spent on investigating the incorrect notification when acknowledged
Preventing fault calls	\$0.01m	Based on actual number of fault calls and a conservative estimate of 10% of fault calls reduction due to more accurate notifications
Operational benefits		
Reduced calls to the contact centre	\$0.4m	Based on reduction in number of calls to the contact centre from fault calls using 2019 Hays salary guide; assumed reduction in 5 staff