

Energy Consumers Australia Stakeholder Perception Research Summary Report

The Insight Centre

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REPORT STRUCTURE

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EXECUTIVE SUMMARY

About this Research

Participating Stakeholders

Key Findings

About this Research

Qualitative Stakeholder Perception Audit

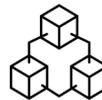
- 30 one-hour interviews conducted across June and July with 31 individuals from ECA stakeholder organisations.
- Six segments: industry, jurisdictional and market bodies, government, advocates, grant recipients and 'other' (e.g. researchers, thought leaders, community groups).
- 42 organisations were invited to participate. They were selected on the basis of their role in the sector and their depth of recent or current collaboration with ECA, as well as with attention to inclusion of a diverse range of organisations across segments.
- There is some cross-over between segments for participating organisations, e.g. grant recipients and advocates.
- Most participants were in senior leadership roles, primarily CEOs, CCOs or Directors of energy portfolios/energy strategy.
- Interviews were recorded, transcribed and a systematic qualitative coding processes applied across key strategic questions as well as emergent themes.

Participating Stakeholder Organisations



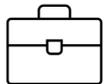
Industry

- Ausgrid
- SA Power Networks
- Australian Energy Council



Advocates

- Australian Council of Social Service
- Council of Small Business Organisations Australia
- Consumer Action Law Centre
- Business NSW
- Consumer Policy Research Centre



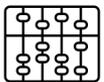
Policy/Gov

- Commonwealth Dept of Climate Change, Energy, the Environment & Water
- NSW Dept Planning, Industry & Environment
- Qld Dept of Natural Resources, Mines & Energy
- Vic Dept Environment, Land, Water & Planning
- Energy Policy WA



Grant Recipients

- ACT Council of Social Service
- Total Environment Centre
- Australian Energy Foundation
- Better Renting
- Voices for Power
- Brotherhood of Saint Laurence



Jurisdictional & Market Bodies

- Energy Security Board
- Australian Energy Market Commission
- Australian Energy Regulator
- Essential Services Commission
- Energy & Water Ombudsman Victoria
- Energy & Water Ombudsman NSW
- Australian Competition & Consumer Commission



Other

- UQ Centre for Energy Data Innovation
- Monash Emerging Technologies Research Lab
- Monash Business School/Sustainable Development Institute
- Merri-bek City Council

Key Findings

01

What stakeholders most value about ECA

- Stakeholders feel ECA is successful at ‘changing the narrative’ in the energy industry, working with industry, regulators and government to think in a more consumer-centred way.
- ECA’s focus on representing all households and small businesses is highly valued.
- Stakeholders feel ECA is open, approachable and collaborative and that they can always ‘pick up the phone’ to engage with ECA on specific issues. There is a high level of trust in ECA.
- Stakeholders value that ECA has a ‘seat at the table’ with government and regulators in representing the consumer voice and has strong resources (funding, credibility and expertise) for advocacy in the sector.

Key Findings

02

What stakeholders most value about ECA

- Many stakeholders observe increased prominence, increased visibility, increased 'strategic maturity' and greater unity around mission from ECA in recent years.
- Stakeholders feel that ECA is honest and transparent about its work, and they could access any information they needed directly from ECA.
- ECA's media presence and visibility on energy issues in the public gets consistent positive feedback.
- ECA research (notably the Energy Consumer Sentiment Survey) is a key and highly valued resource across segments.

Key Findings

03

What stakeholders want to see more of

- Stakeholders generally rate ECA highly on collaboration and inclusion, but some feel ECA could play a larger role in diversifying voices in the sector and building capacity for these voices to engage.
- Some stakeholders want ECA to have a strategic approach to attracting new skills and bringing a new generation of advocates and researchers into the sector.
- Some stakeholders feel ECA could provide more information on their policy positions on specific issues or lead more policy-focused work both internally or with other advocates.

ANALYSIS

STAKEHOLDER PERCEPTIONS

Mission & Priorities

**Stakeholder Relationships &
Engagement**

Consumer Understanding & Voice

Mission & Priorities

Mission

We research and understand consumer expectations, values and needs. We proactively shape a vision for the future, set priorities, influence and work with others to drive change across the energy system to benefit consumers.

Purpose

To influence the shape of the energy system now and in the future by creating a trusted and influential voice for residential and small business consumers.

Stakeholders were asked about their perception of ECA's mission, strategic priorities and role in the sector.

- Strong awareness of ECA's overall mission and purpose, especially around understanding consumer values, expectations and needs; and creating a voice for residential and small business consumers in the energy system.
- Much lower in-depth awareness of specific current impact priorities – and most would like to know more.
- Many expressed desire to know more about ECA's strategic direction and approach in relation to the future energy system and the 'new' consumer landscape.
- There were only a few minor misconceptions of ECA's mission or role – for example, that ECA is a membership organisation or is primarily focused on consumer education.

Stakeholder Relationships & Engagement

Stakeholders were asked about ECA's relationships with and impact on stakeholders – both their organisation and others.

- ECA is most often described as 'credible', 'approachable', 'open' and 'effective' in stakeholder engagement.
- ECA is seen as bringing stakeholders together, building sector capacity and providing needed insights for stakeholders.
- The Energy Consumer Sentiment Survey and Foresighting Forums are frequently mentioned as providing value for stakeholders.
- State-based stakeholders often suggest more attention on jurisdictional issues but also acknowledge ECA's national remit and scope as important.
- Highest levels of engagement were reported from industry and from grant recipient segments, moderate levels were reported from some jurisdictional and market bodies and some larger advocates who are not currently collaborating with ECA on a specific grant or project.

Consumer Understanding & Voice

Stakeholders were asked about whether ECA represents the voice of all consumers; how well ECA understands consumer needs, values and expectations; and how ECA's work impacts energy consumers.

- Overall, stakeholders feel ECA represents the voice of its 'core constituents' – households and small businesses – effectively.
- Most stakeholders see ECA as a national leader in providing high quality understandings of consumer needs, values and expectations.
- Being more active in direct communication to consumers and consumer education was suggested by a few advocates and researchers as a potential new direction for ECA.
- When asked to describe ECA's impact, jurisdictional and market bodies and government are more likely to focus on ECA's contributions to rule changes and regulation, while advocates and researchers are more likely to focus on ECA's research and project collaborations on specific consumer issues.

ANALYSIS

STAKEHOLDER PERCEPTIONS

Strategic Impact

Performance & Reporting

Scalar Measures

Strategic Impact Summary

Stakeholders were asked about ECA's impact on energy affordability; an individualised system that gives consumers choice and control; and on creating a resilient and flexible energy system.

- ECA's impact on energy affordability is more visible to a wider range of stakeholders than impacts on choice and control or a resilient and flexible system.
- Stakeholders almost uniformly understand impact in these areas to be: 1) collectively driven by multiple sector actors; 2) challenging for organisations to measure; 3) often shaped by external levers and forces beyond ECA's control.
- For stakeholders, success for ECA here is measured by: 1) contributing to collective cumulative effort; 2) keeping issues 'on the agenda'; 3) influencing others to think differently; 4) contributing to regulatory/policy change.
- They judge success through observation and ECA's 'visibility' on these measures.

Strategic Impact 1.

Affordable energy for households and small businesses

- This is the strategic area where the highest number of stakeholders have perceived significant impact from ECA.
- ECA is seen as playing a critical role in keeping affordability high on the agenda, and in contributing collectively to policy reform.
- ECA media presence in the recent affordability 'crisis' was noted by some stakeholders as significant and valuable.
- Stakeholders note, however, the external forces at play in current affordability issues that are outside of ECA's control.

Strategic Impact 2.

Individualised energy services that give consumers choice and control.

- There is a skepticism or ambivalence across segments around the importance or value of consumer ‘choice and control’ as an objective.
- Some stakeholders feel most consumers have a ‘set and forget’ mentality and don’t value individualised services.
- Others expressed that a focus on choice can add to too much complexity, and a ‘choice burden’ for consumers, or can further privilege the most engaged segments of the market.
- Advocates and researchers often expressed the view that ‘choice and control’ represents a market-based solution that doesn’t adequately address the structural causes of hardship and vulnerability.

Strategic Impact 3.

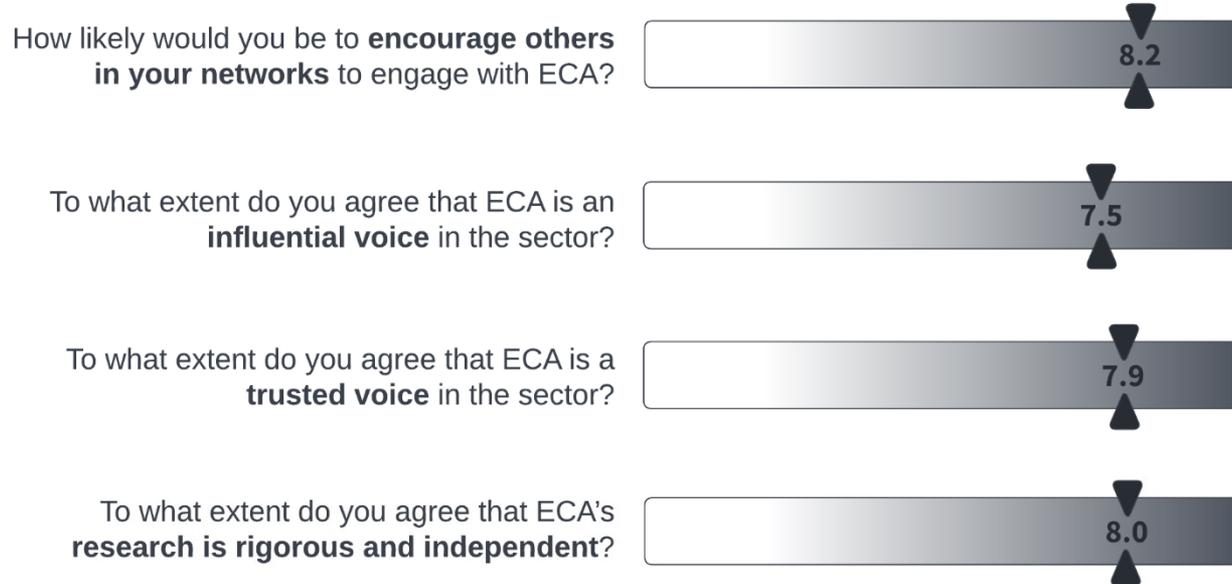
A modern, flexible and resilient energy system.

- Stakeholders overall feel the role of consumer advocacy in changing the energy system to be more flexible and resilient is important. But they find it challenging to directly assess ECA's impact in this area due to its complexity.
- Stakeholders who are aware of collaborative projects through the grants scheme can point to specific impacts on the project level.
- Some feel ECA's main contribution here is through the policy-making process, while others raise ECA's role in taking consumers 'on the journey' of systems change and addressing demand-side issues.
- Jurisdictional and market body and government stakeholders were most likely to point out that consumer 'wants' and systems change can sometimes be at odds, and that ECA faces a challenge in navigating these tensions.

Performance & Reporting

- Stakeholders across the board are not interested in seeing more formal performance reporting, although they agree ECA should continue current accountability and performance measures.
- Nearly all stakeholders acknowledge the significant challenges and complexity of measuring and reporting direct impact in ECA's work.
- Stakeholders judge ECA's success on what they experience and observe, particularly ECA's media presence, direct outreach to stakeholders, and ECA's presence, visibility and voice in sector conversations and collaborations.
- Strong relationships and a sense of strong influence are key indicators to many stakeholders of ECA's success.

Scalar Questions



Scalar Questions

To what extent do you agree that ECA contributes to **shaping a shared vision** for the energy sector?



To what extent do you agree that ECA is **successful in bringing about change**?



To what extent do you agree that ECA **proactively represents consumer interests**?



ANALYSIS

STAKEHOLDER PERCEPTIONS

Segment Specific Findings

Government



- Government stakeholders tend to describe ECA as aligned with their own priorities, as a ‘prominent’ and ‘strong’ consumer voice, playing a ‘unique’ and ‘significant’ role in the sector.
- Government tends to see ECA’s central role as the ‘fourth market body’, advocating for consumers directly and independently with stakeholders in the regulatory and policy space.
- Some government stakeholders feel there could be more engagement, specifically that ECA could strengthen relationships at the ministerial level.
- Jurisdictional and market bodies and government often don’t have as much awareness of the details of ECA’s collaborations with advocacy and community organisations.

Advocates



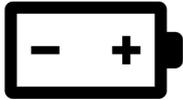
- Advocates generally describe their relationship with ECA as ‘warm’, ‘healthy’ and ‘supportive’.
- Advocates working in specific regions or with specific groups of energy consumers appreciate ECA’s role in providing a broader and national level of consumer understanding.
- Advocates were most likely to mention ECA’s potential role in developing a new generation of skills in the sector and the diversification of voices in the sector.
- Advocates feel they don’t always have knowledge or visibility of ECA’s direct impact on policy and regulation.
- Advocates (in contrast to government) believe ECA should be leading on collaborative advocacy and building stronger relationships with other advocates.

Jurisdictional and Market Bodies



- Relationships differ with the market bodies who participated in the research. Some described very close engagement with ECA and others fewer regular interactions.
- Jurisdictional and market bodies have high awareness of ECA's activities around rule changes and submissions compared to other segments.
- Jurisdictional and market bodies (like government) often have lower awareness of the impact of ECA's collaborations with advocacy and community organisations and with academic researchers.
- Some jurisdictional and market bodies are unsure of ECA's role in the energy transition discussion and would like more visibility around the role ECA is playing in long-term thinking on energy futures.
- Some would also like to see more visibility of ECA in specific regulatory forums, especially at the state level.

Industry



- Industry stakeholders tend to describe ECA's work as 'credible', 'well-resourced' and 'impactful'.
- Industry and jurisdictional and market bodies generally feel ECA enables and supports them to make the consumer more central to their thinking and decision-making.
- Customer-centric industry leaders have particularly high awareness and high regard for ECA's work.
- One industry stakeholder had concerns that ECA has limited capacity at times to be openly critical of government positions.

Grant Recipients 1



- Grant recipients mostly see strong benefits from grants and speak very highly of the level of support and communication from ECA during all stages of the grant process.
- Very positive feedback on ECA grants team members' communication and support.
- They highly value the ongoing relationship with ECA that is built through the grant scheme.
- They feel partnering with ECA gives their work greater credibility and greater reach, especially into industry and policy, and builds their internal capacity.
- One advocate feels the grants application is too burdensome and doesn't generate enough return in terms of the amount of funding available.
- Some feel the grants program is 'in flux' at present and feel unsure of new criteria, deadlines and parameters.

Grant Recipients 2



Specific suggested improvements to the grants process

- Clearer sense of Board priorities round to round.
- Clarity around parameters or criteria for the types of projects and organisations supported – especially on ‘academic’ versus ‘community’ projects.
- Strategies to broaden access to the grants to a wider pool of organisations.
- A more streamlined process – possibly with an EOI before the main round.
- Minor functional issues identified with SmartyGrants.

Other Stakeholders



- Research-focused organisations and academics have a particularly high regard for ECA's research and evidence-base.
- This segment sees ECA as well-networked and well-regarded across the sector, and as playing a key role in connecting them into industry discussions.
- The Foresighting Forum is highlighted by this group as an innovative and valuable event.
- Participants in this segment, like advocates, also highlighted the role ECA could play in training emerging advocates and connecting more with early career energy researchers.
- One participant mentioned that ECA could play a larger role in direct communication to consumers.

RECOMMENDATIONS & NEXT STEPS

Recommendations

01

Thought Leadership and Consumer Outreach

- ECA should take steps to further develop thought leadership on long-term energy futures in collaboration with stakeholders, including:
 - prioritising research that engages with the consumer role in the energy markets of the future
 - prioritising consumer outreach to help consumers understand change in the energy market
- ECA should continue to expand their strategies around direct consumer engagement and outreach.

Recommendations

02

Stakeholder Awareness and Strategy

- ECA should work to broaden a shared understanding and connection with its goals and work, particularly in relation to strategic impact area – a modern, flexible and resilient energy system.
- ECA should consider opportunities to make their work in regulatory matters more visible to consumer advocates.
- ECA should also consider making its collaborative work with community and advocacy stakeholders more visible to regulators and policy makers.

Recommendations

03

Stakeholder Engagement and Sector Capacity Building

- ECA should consider options to deepen engagement with jurisdictional and market bodies.
- ECA should also take steps to deepen engagement and relationships with senior government stakeholders at both state and federal levels.
- ECA should look for opportunities to support/facilitate knowledge-sharing, networking and capacity-building across the advocacy community.
- ECA should take the opportunity to focus on growing and connecting emerging or early career advocates/researchers in the energy sector, building on the ECA graduate program and involving ECA graduate hires in these initiatives.

Recommendations

04

Grants Program

- ECA should consider further opportunities to provide guidance in the grants process on priority areas for funding.
- ECA should look for opportunities to grow and diversify the pool of organisations who apply for and receive ECA grants, including through expanding direct outreach to a wide range of organisations.
- ECA should continue to regularly review the grants program and collate regular feedback from applicants and grantees.
- ECA should consider creating opportunities through the grants programs to promote the participation of early career advocates and researchers in grant-funded projects.

Recommendations

05

Next Steps

- We recommend that ECA develop an implementation plan for the recommendations outlined in this report.
- We recommend that ECA consider a review and refresh of their stakeholder engagement strategy.
- We recommend that ECA builds from the findings established in this report and tracks changes over time by regularly conducting stakeholder perception analysis.
- We recommend that ECA continues to align regular stakeholder research with overall organisational strategy review and development processes, so that findings from stakeholder research can be an input to strategy updates.