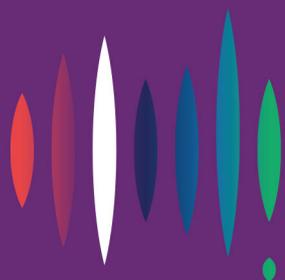


Energy Consumers Australia and Energy Networks Australia

Network Consumer Engagement Award

Judges' Report

November 2018



**ENERGY
CONSUMERS
AUSTRALIA**

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Introduction

Energy networks across Australia are continuing to improve how they engage with consumers in a meaningful way.

2018 is the second year that we have held the annual Energy Consumer Australia / Energy Networks Australia Network Consumer Engagement Award (the Award). This year we received 13 applications from a combined 11 transmission and distribution networks across Australia.

The Award allows network businesses to showcase the results of their hard work and desire to find out more about consumers' expectations and how they want to use energy; and their work to incorporate these preferences into the way they do business.

This is no mean feat. We have heard that this can often involve long periods away from home and family; and intensive weekend work for all staff involved.

Through the Awards, we want to recognise those businesses that are striving to incorporate the value of customer perceptions, behaviours and wants into all aspects of the business.

We congratulate the change-makers - the businesses who have entered this year - and encourage these businesses to continue to be leaders, incorporating consumer values into all aspects of the business.

To borrow from the mission of the Australian Futures Project:

We envision an Australia where all parts of society demand and work constructively toward decisions and action that balance the immediate and long-term needs of the country.

Igniting change – feedback on this year's applications

This year's applications illustrate how consumer engagement is used in several ways by network businesses to achieve outcomes that are mutually beneficial to both consumers and the business. We saw three types of projects:

1. Developing network solutions for local problems
2. Embedding consumer values into 'business-as-usual' functions
3. Reflecting consumer feedback in the business's regulated revenue determination processes.

We are encouraged to see businesses who are at varying stages of maturity with respect to undertaking consumer engagement, incorporating consumer preferences into the business.

Interviews for shortlisted applications

Reflecting on the process last year, the judging panel wanted to give applicants the opportunity to speak to us about their projects in addition to the written applications.

In response to this, we held 15-minute interviews with five shortlisted applicants. In each interview, we were able to ask some of the key questions that stood out when the judges were reading and assessing the applications. These interviews helped inform our decisions.

In addition to learning more about the projects, we were able to see the enthusiasm and pride from the staff who worked on these projects.

Highlighting the positives

The different types of projects demonstrate the wide-ranging positive impacts of consumer engagement.

Taking us on the journey

We were best able to assess applications that took us on the complete journey. These are projects that outlined the what, when, how and why. These applications were able to demonstrate how the consumer engagement activities influenced business decisions and actions; and resulted in direct benefits to consumers.

We understand that individual businesses are at different stages on the consumer engagement maturity spectrum; and we celebrate each new milestone achieved. Some businesses achieved the what and the when, and some achieved all four. Some businesses learned a lot about consumers and the power of consumer insights; while some businesses were able to collaborate with consumers on designing solutions.

Whole of organisation approach

Applying the insights from consumer engagement is most successful when a whole of organisation approach is taken. We saw evidence of this in several applications, including support such as:

- CEO, Executive and Senior Management leading engagement activities; and
- Targets and measurements of customer satisfaction reported in annual reports and other strategic business documents.

Engaging on wicked problems

Wicked problems are very complex problems for which there is no simple method of solution¹.

We saw examples of businesses that moved beyond the traditional problem-solving approach (that is, meeting supply needs through like-for-like replacement or expanding the network). These network businesses collaborated with consumers who were directly impacted by the wicked problem. Positive outcomes from these types of engagements included:

- Network solutions that reflected consumer wants and values;
- Engagement that resulted in good price outcomes for consumers, instead of technical solutions at any cost;
- Businesses and consumers working together to design and test pilot programs that aim to reduce future network expenditure;
- Businesses demonstrating willingness, flexibility and pragmatism in their approach to solving future network problems at a speed and cost that provides consumers with the assurance that the business is spending their money in the best possible way;
- Businesses working together with consumers to design regulatory solutions; and
- Businesses listening, hearing and doing - implementing the outcomes that consumers said they wanted.

¹ <http://lexicon.ft.com/Term?term=wicked-problem>

Future focus – 2019 Awards

Based on the progress in the first two years, looking forward, we expect to see applications that show how consumer engagement has influenced deep culture change within the organisation.

Examples of key elements that we will be looking for include:

- Consumer values embedded in key business documents such as strategic plans, annual plans and public facing communications;
- Evidence of material changes in the business stemming from the consumer engagement activity;
- Clear examples of impact and outcomes from consumer engagement;
- The 'Benefit Equation' – if the engagement piece is for a business-as-usual activity, what is the demonstrated benefit to consumers flowing from the engagement?
- Activities and programs of engagement where consumer engagement was not prescribed or required;
- Networks designing and implementing solutions as seen through the consumer's lens; and
- Networks leading, guiding and mentoring other networks based on their own learning and experiences.

Energy Networks Australia has developed a range of materials focussing on customer engagement. These materials are located on Energy Networks Australia's [website](#) and network businesses can use these materials to help inform how they engage with consumers. This includes the *Customer Engagement Handbook*; case studies and methods; and other resource materials.

Behind the Panel – about the judges



Rosemary Sinclair AM (Chair)
CEO, Energy Consumers Australia

Rosemary Sinclair is the CEO of Energy Consumers Australia, a company established by the Council of Australian Governments Energy Council of Ministers in 2015 to strengthen independent consumer advocacy on national energy market matters of strategic importance and material consequence for energy consumers, in particular household and small business consumers.

ECA focuses on the long-term interests of consumers of energy with respect to the price, quality, safety, reliability and security of supply of energy services.

Rosemary is a Director of CPA Australia and a recent past Member (part-time) of the Australian Communications and Media Authority.

Rosemary has many years of senior large-scale operations, communications and strategy experience in business and government across telecommunications, media and education.

Rosemary has held a number of Directorships on unlisted company and not-for-profit Boards, both Australia and international.

Rosemary received the Order of Australia Award in the 2018 Queen's birthday Honours List.

Rosemary has degrees in Arts, Law and Business and a Masters of Commerce from UNSW. Rosemary is a qualified CPA and Fellow of the Australian Institute of Company Directors.



Mark Henley
Advocacy, Uniting Communities
Energy Advocate, Uniting Care Australia
and member of the AER's Consumer Challenge Panels

Mark Henley is an economist and is currently employed by Uniting Communities as Manager of Advocacy and Communication and splits his time with being a member of the Australian Energy Regulator's Consumer Challenge Panel. He is an inaugural member of the national small energy consumers Roundtable and sits on a number of Utility focused consumer reference groups.

Mark has worked in community services for 40 years, is a Life Member of SACOSS and was the inaugural President of YACSA, the Youth Affairs Council of South Australia and he has been a member of the ACOSS Board and a Vice President of the Youth Affairs Council of Australia.

Mark is concerned about issues associated with poverty and addressing disadvantage which has meant that he has been actively working on energy affordability issues over recent years as well as taxation, gambling, housing and labour markets.

Mark is the Past President of the SA Branch of the Economics Society of Australia and is a passionate Adelaide Crows supporter.



Tim Harrison

*Policy Officer, Energy + Water Consumers' Advocacy Program,
Public Interest Advocacy Centre*

Tim is a consumer advocate working on energy and water issues, representing the interests of low-income and other residential consumers of electricity, gas and water in New South Wales. Tim was the author of PIAC's report: 'Evaluation of Consumer Engagement by NSW DNSPs, 2017-18'. He also leads PIAC's involvement in the AER's network regulatory determination and access arrangement processes.

Prior to working at PIAC, Tim was an energy analyst at the Australian Bureau of Statistics.



John Devereaux

Affiliate Consultant, Goanna Energy Consulting

John has extensive experience in both the energy and banking industries in an executive career spanning over 35 years. He has particular interests in advocating on behalf of energy consumers and the application of new technology in the energy industry.

John's roles in the energy industry have included those of General Manager Strategy and Corporate Affairs with Power and Water (NT), Acting CEO of the Energy Networks Association of Australia, General Manager Networks with Aurora Energy, and Chief Financial Officer with Aurora Energy. He joined Goanna Energy Consulting as an Affiliate Consultant in 2013

John also held the roles of Chief Financial Officer and Chief Information Officer in banking institutions based in Tasmania and has extensive project and program management experience, including the roles of Program Manager for the disaggregation of the former Hydro Electric Corporation, and numerous large scale IT projects.

John has a particular interest in the development and application of new technology in electricity transmission and distribution and was a founding member of the Energy Network Association's Smart Grid Committee and conceived the world patented safety device – Cable PI/Wire Alert.

He also has extensive experience in the regulation of energy networks, having worked closely with industry representatives, policy makers and individual businesses with a focus on efficient regulation and efficient outcomes.

John's advocacy experience has been applied in a range of recent roles including representing the interests of Aged Care Services Tasmania in the tariff reform process conducted by TasNetworks; undertaking reviews of TasNetworks revenue proposals (working with Goanna's Roman Domanski) on behalf of the Tasmanian Small Business Council; and assuming the role of Chairman of the national Consumer Reference Group, appointed by the Australian Energy Regulator to represent Australian energy consumers, as part of the 2018 review of the Rate of Return Guideline applicable to all regulated energy network companies.



Robyn Robinson

Director, Council on the Aging Queensland

Robyn held executive and senior management positions within the electricity industry in Queensland for over 20 years. She has an extensive background in IT management, business performance improvement and managing organisational change. Robyn combines her knowledge and experience in the energy industry in Australia with her involvement in a number of organisations concerned with the rights and needs of seniors in the community to take on an active role as an advocate for senior energy consumers. In 2013, Robyn was appointed as an inaugural member of the Australian Energy Regulator's Consumer Challenge Panel, and was re-appointed to the panel for a second term in 2016. Robyn is currently a member of the Board of two not-for-profit organisations concerned with the well-being of seniors in the community.

Robyn has qualifications in science and IT, and holds a Master of Science Degree in Operations Research. She is a Graduate of the Australian Institute of Company Directors.



Jim (James) Cox

Board Member, AER

On 23 May 2017 Jim Cox was reappointed as a full-time state/territory member of the AER Board for a further three-year term. Jim was initially appointed in an acting capacity in September 2013 and confirmed in the role for three years from 26 June 2014.

Jim has held positions with the Reserve Bank of Australia, the Department of Prime Minister and Cabinet and the Social Welfare Policy Secretariat of the Department of Social Security. He was a Principal Economist at the Office of EPAC between 1986 and 1989, and between 1989 and 1992 was a consultant to the New South Wales Cabinet Office. Jim was Principal Adviser to the Government Pricing Tribunal of New South Wales from 1992 and was a Member of the Tribunal since January, 1996. He was Acting Chairman of the Independent Pricing and Regulatory Tribunal (IPART)

during 2004, 2009/10 and 2011 and a visiting fellow at Monash University during 1985.

Jim assisted the New Zealand Government with social policy changes during the early part of 1991 and has written extensively on economic and social policy issues. This work has been published, among others, by the New Zealand Business Roundtable and the Centre for Independent Studies.

He was awarded the Public Service Medal in the Australia Day honours list in 2011 for outstanding public service to IPART.

Jim was supported by colleague, Phillip Cullum.



Gavin Dufty

Senior Executive Vinnies / Policy and Research Manager, St Vincent de Paul Society Victoria

Gavin has been as a consumer representative in the energy sector for over 25 years. During this time, he has undertaken research electricity disconnections; documented changes in energy pricing and its impacts on households; and been involved in the development of state and federal energy consumer protection and concession frameworks. Gavin is currently a representative of a number of industry and government committees including: gas and electricity distribution companies customer consultative committees; the Australian Energy Market Commission's reliability panel; AGL's national customer council; the AER's customer consultative group; and Energy Consumers Australia reference committee.



Andrew Richards

Chief Executive Officer, Energy Users Association of Australia

Over the last 28 years Andrew has held a variety of public relations, sales and marketing and senior management roles in the energy utilities sector.

In August 2016 Andrew joined the Energy Users Association of Australia as its Chief Executive Officer.

Immediately prior to his current role, Andrew had been with Pacific Hydro for 16 years in the role of Executive Manager, External Affairs where he led a team of professionals who managed media and public relations, corporate marketing, community engagement, reputation enhancement, government affairs and policy development.

In addition to this Andrew was company spokesperson for over 12 years and had represented the company at numerous state and federal parliamentary inquiries into energy and climate change policy along with significant engagement with industry, government and media stakeholders both in Australia and internationally.

Andrew has been active with various industry associations having been a director and president of the Australian Wind Energy Association, director and deputy chair of the Business Council for Sustainable Energy and was a founding director of the Clean Energy Council having also played a central role in its formation.

We also extend our thanks to Amanda Kennedy from Energy Networks Australia for providing logistics and secretariat support to the judging panel.

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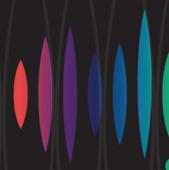
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