

Partnering with consumers this summer and beyond

AEMO Summer Readiness Briefing

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What I'll cover today



1. High-level comments on summer readiness
2. Understanding who we're engaging with
 - General
 - Specific
3. Take-aways

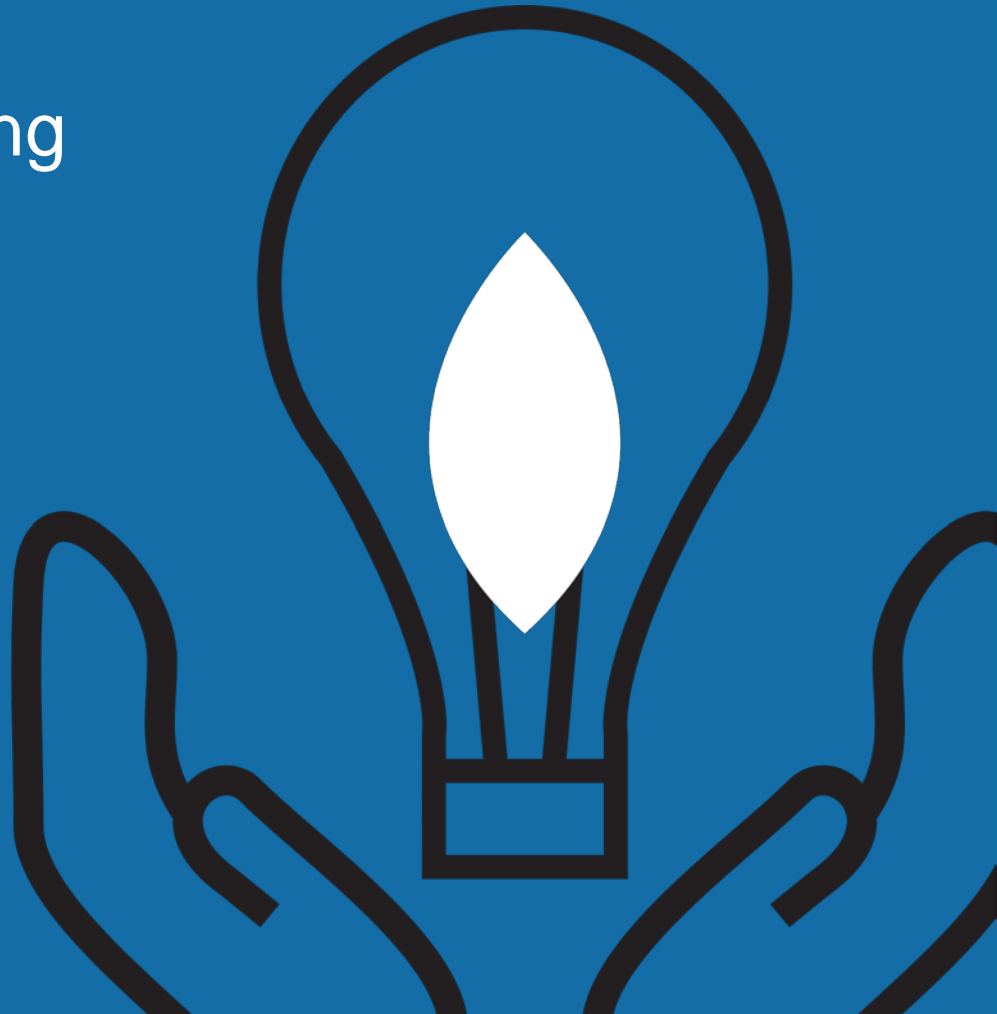
1. Summer readiness - comments



Getting through summer, thinking long-term

- — — 1. The 'physical task' of making sure we have the generation we need and the operational plans are in place, appears well in hand.
 - Whole of system (electricity, gas and DR) outlook.
 - The immediate task of keeping the power on and people safe this summer being undertaken with an eye to the future.
- 2. New, open communications strategy.
 - 1. Audrey and Joe in the media
 - 2. Social media
 - 3. Energy Live

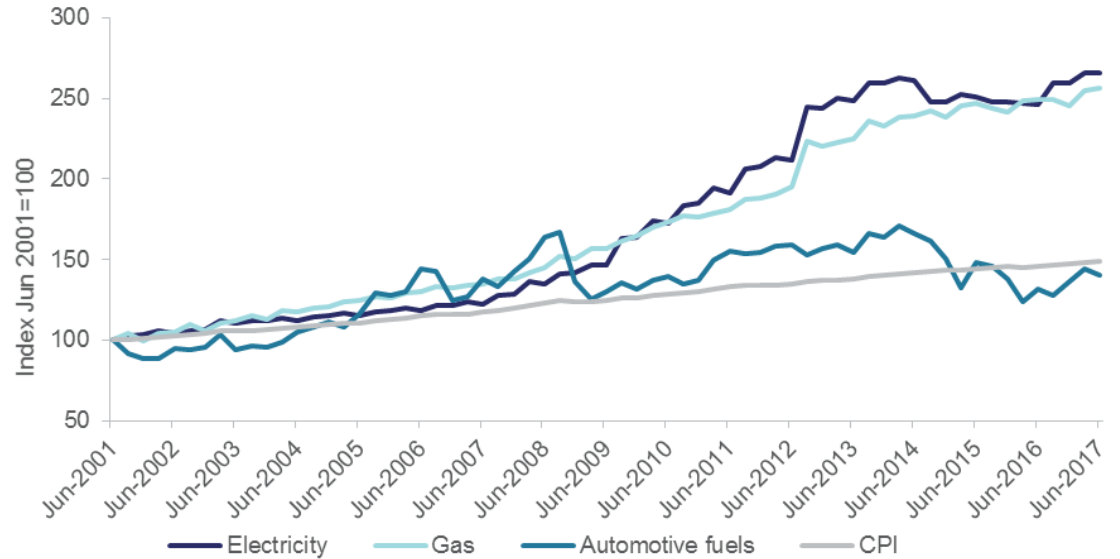
2. What consumers are telling us - general



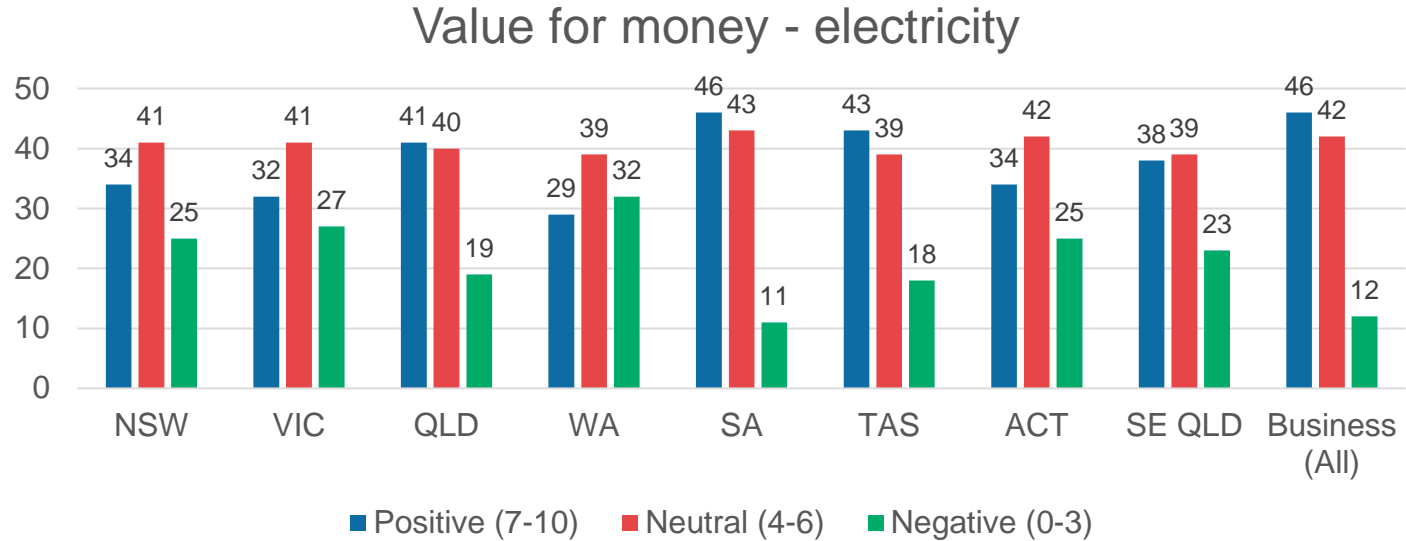
Now...household energy price index

Australian Energy Update, Figure 3.6

<http://www.environment.gov.au/energy/publications/australian-energy-update-2017>



Satisfaction with value for money is down in most jurisdictions

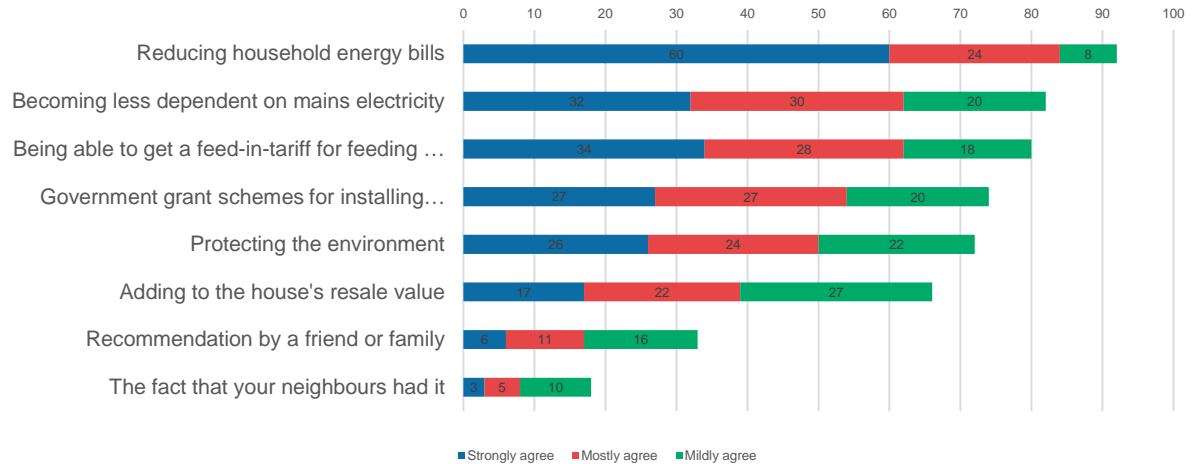


Source: *Energy Consumer Sentiment Survey*, November 2017 (early results)

Manage my costs and give me control – solar

ECA Solar and Battery Research (May 2016)

How much have the following factors contributed to your decision to install a solar electricity system?



3. What are consumers telling us – specific





Consumers as...



Pariahs



Pawns



Partners

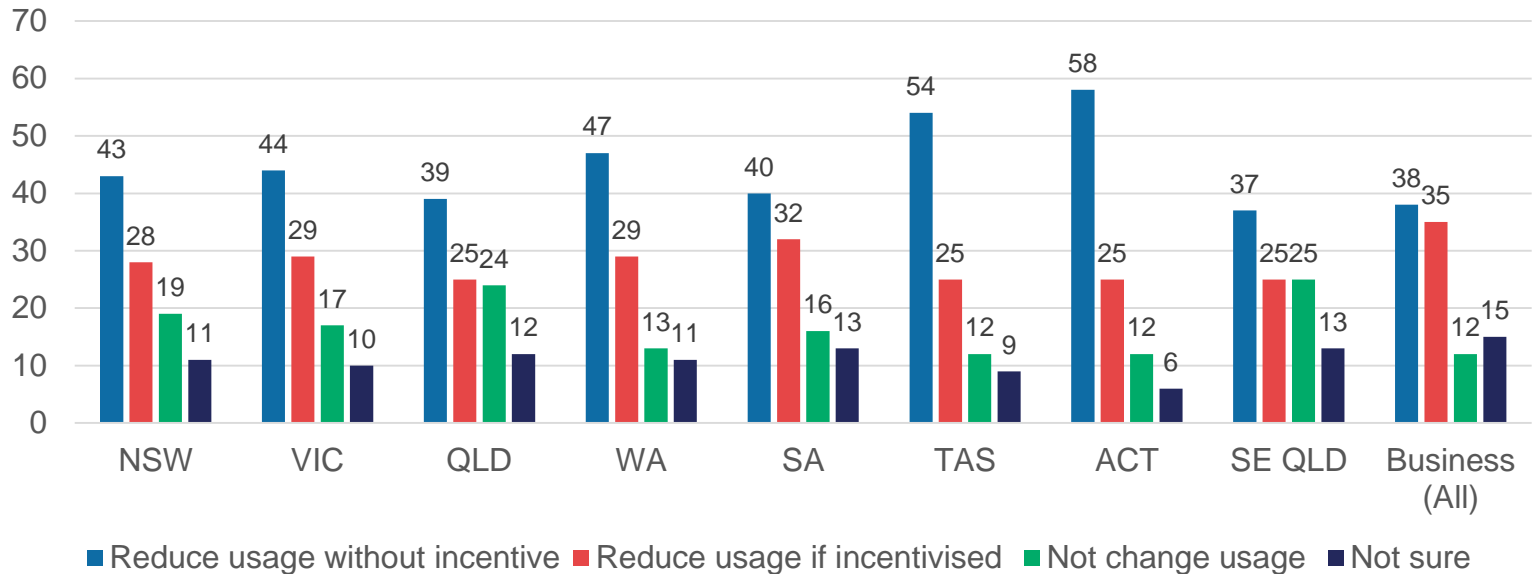
How to partner



1. Respect
2. Recognise
3. Reward

Recognise – the community wants to partner

Willingness to reduce use during high demand period i.e. hot weather



Recognise – *I want to trade, share, gift...*

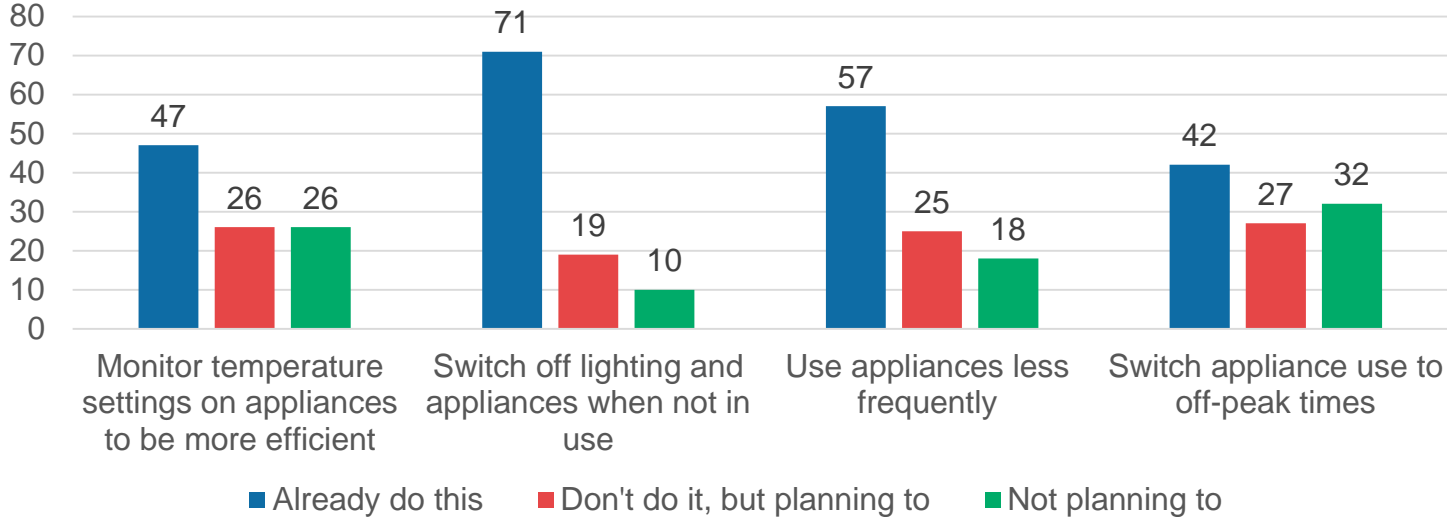
“I would prefer my six cents of power, sorry my units of power, which aren’t six cents, to go into my community. I get six cents from [energy retailer], but if I get 25 cents because I gave it to you because you have fallen on hard times, well I’m delighted.”

Attendee, ECA Regional Listening Tour April-June 2016

Respect: consumers are taking steps to manage their use



Reducing energy use – small business



Source: Energy Consumer Sentiment Survey, November 2017 (early results)

Reward: meeting consumers where they are, and as they are.

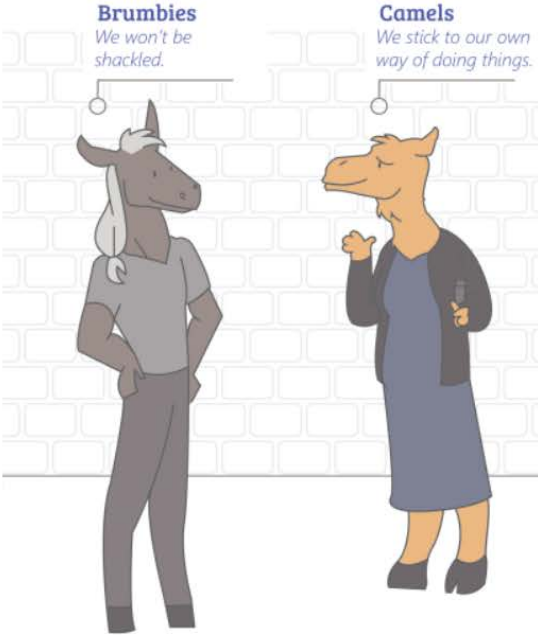
Household Personas

for time-of-use pricing and technology



Anti-Personas

for time-of-use pricing and technology



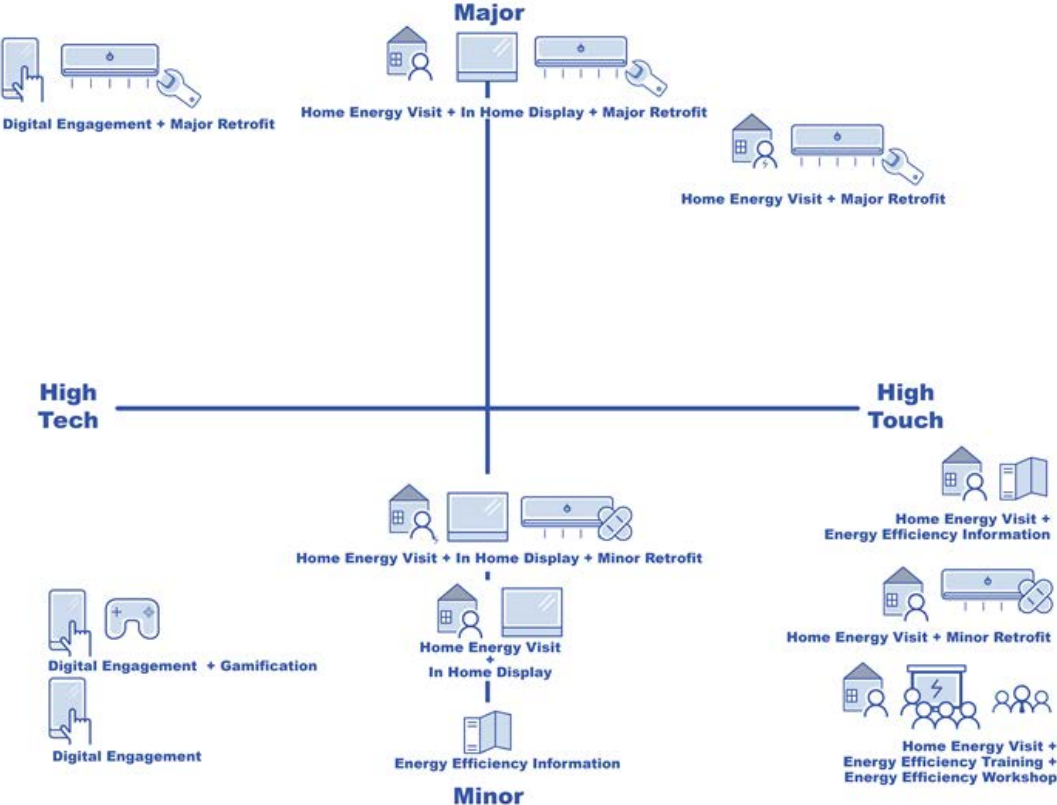
Communicating ToU and the energy market generally....



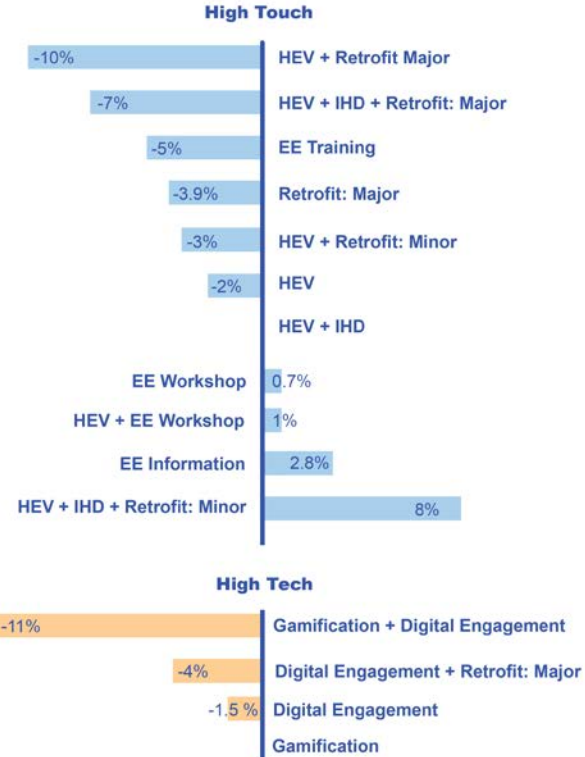
“Consumers had trouble with the language when it was not clear and concise and non-technical in nature. Consumers emphasised the need to use plain language, with no jargon, to focus on key benefits and the consumer actions required to activate the benefits rather than explaining the technical aspects of why pricing signals were needed.”

Russell-Bennett, R., Mulcahy, R., McAndrew, R., Letheren, K., Swinton, T., Ossington, R., & Horrocks, N. (2017). *Taking advantage of electricity pricing signals in the digital age: Householders have their say. A summary report*. Brisbane: Queensland University of Technology.

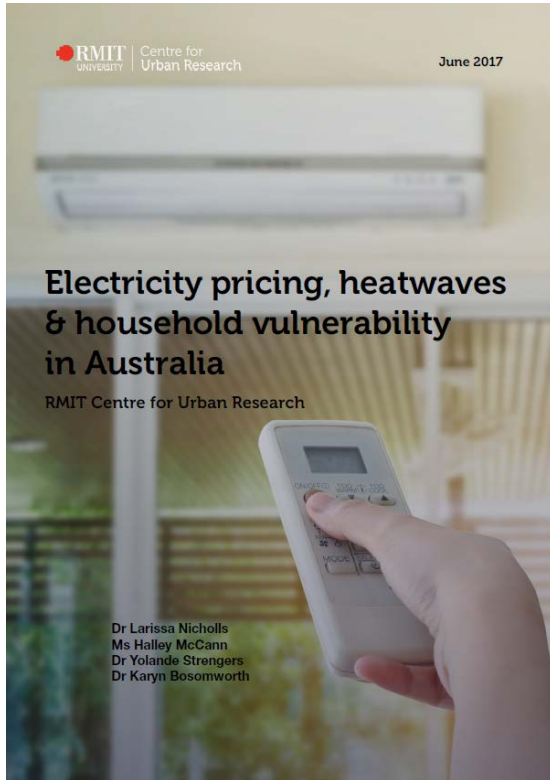
Recognise...need to adapt approaches



Recognise what works – average daily household use per initiative



RMIT work – safety and messaging



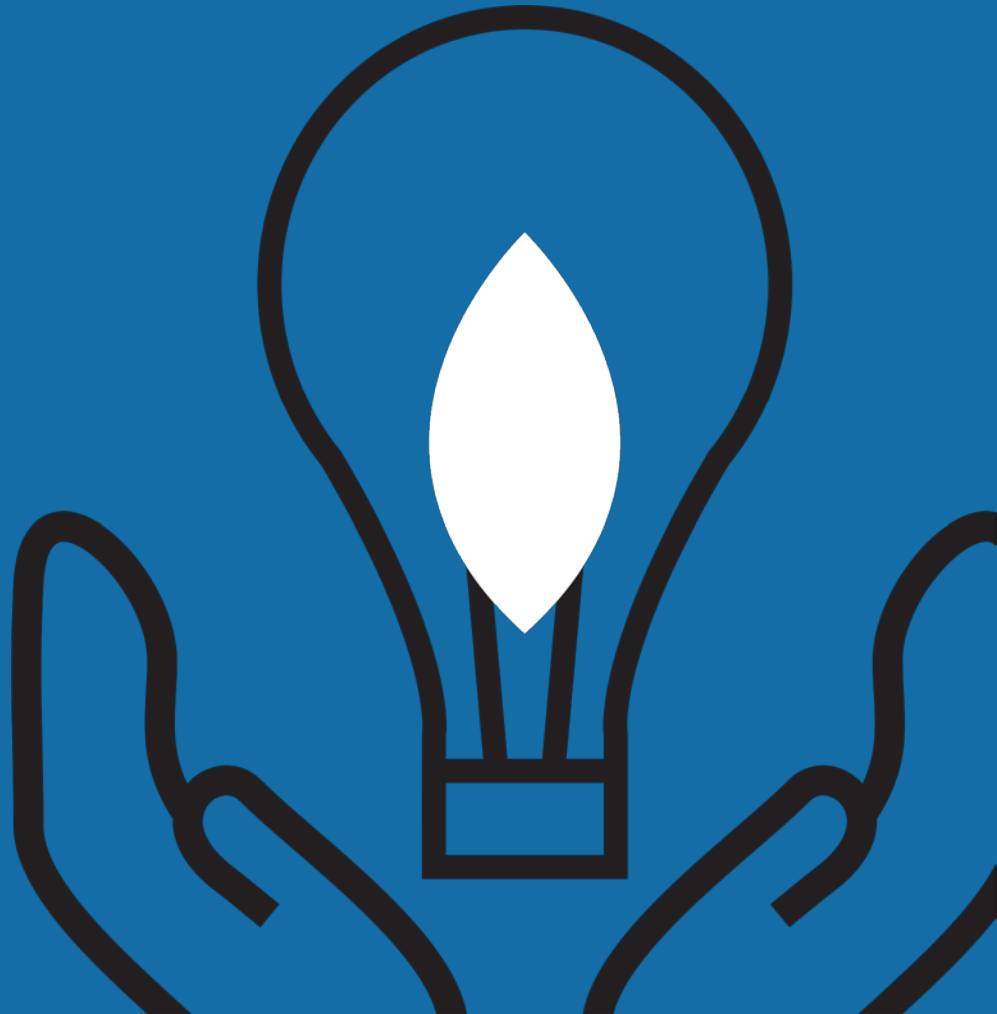
- Tailor your message...and not elderly people....they self-ration due to costs and in response to community appeals.
- Skew messages to younger/able people.
- Focus on calls to dial down not turn off.

Rules of thumb...



- Make it relevant to me (*I care*)
- Make it available (*when I'm ready*)
- Make it easy (*to understand*)
- Make it simple (*to do, my way*)
- Make it fair (*I care about others*)

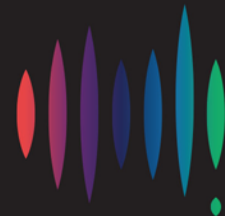
4. Summing up



Five take-aways



1. Continue to tackle immediate challenges with an eye to the longer-term.
2. While trust and confidence in the energy market is low, there is an appetite in the community, and a willingness to contribute to system security.
3. But we need to connect, communicate and engage with people the right way...we need to partner.
4. Partnering means the 3 R's...*respect, recognise, and reward*...
5. Health and safety comes first.



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CONSUMERS
AUSTRALIA**