

Meeting Snapshot

Customer Experience Panel | Costed options deep dive

Tuesday 11 June 2024

Participants

Customer Experience Members

Emily Peel
Piang Lilian
Tony Robinson
Mark Grenning
Jeff Nottle
Helen Bartley

Apologies

John Mumford
Jonathan Kneebone

AusNet staff

Andrew Linnie, EGM Network Operations
Stephen Thompson, GM Planning, Performance and Customer
Charlotte Eddy, GM Regulation and Policy (Distribution)
Lucy Holder, Customer Engagement Manager
Sonja Lekovic, Regulatory Policy Manager
Jennifer Turner, Customer Optimisation Manager
Michaela Jackson, Senior Engagement Specialist
Eliza Cochrane, Regulatory Economist
Lia Mavrias, Business Graduate

Observers

Mark Henley, AER Consumer Challenge Panel
Robyn Robinson, AER Consumer Challenge Panel

Note: not all AusNet staff and observers attended the entire meeting.

Key outcomes

The panel was supportive of a CSIS being proposed, covering customer satisfaction (C-SAT) with planned outages, unplanned outages, new connections and first-call resolution. They were comfortable with raising the maximum penalty or reward for the CSIS to 1% of revenue (from 0.5% of revenue), and for AusNet to review the proposal for areas where customers might pay twice and address those. AusNet took an action to bring a more detailed CSIS proposal to the August offsite workshop for further engagement with the broader panels.

Key discussion points

Agenda item	Key discussion points
Welcome	AusNet's Charlotte Eddy opened the meeting with an Acknowledgement of Country, welcomed participants then outlined the meeting purpose and agenda. She noted that this will be the final deep dive the group has before the draft proposal.
1. R&E Panel-lead customer interviews	Tony Robinson – who has been meeting customers across AusNet's network with Helen Bartley, plus a few other panel members, shared some of his key takeaways from those conversations. In particular, Tony shared insights on the timeliness of resolution groups (i.e. crews resolving faults) attending customer sites. He highlighted that safety is very important to customers and was a key theme anecdotally in the interviews, including one involving a shower and voltage issues. Safety, ensuring adequate maintenance of assets and the ease of access and timeliness of information for customers were key themes. Tony said even if AusNet doesn't believe there to be a safety issue it is important for customers that AusNet is seen to be taking safety seriously, and customers want help getting a resolution even if not through AusNet. Tony voiced support for a contact number dedicated for businesses and that customers want to be treated as individuals. Tony also said he'd heard of an accelerated service charge/s being paid to receive priority service, but crews' timeliness did not improve. AusNet indicated they would seek additional information on this issue and report back. During subsequent discussion: • The AusNet team assured panel members that they were aware of the shower issue Tony referred to but cannot share details for privacy reasons • Another panel member asked for clarification on AusNet's relationship with Downer, in terms of expectations being met. AusNet's Andrew Linnie responded there were >25 metrics that inform their arrangement, noting the commercial arrangements are confidential and cannot be shared, but that AusNet takes ownership of any issues associated with the services Downer provides.
2. Update on February storm review	AusNet's Sonja Lekovic shared key customer take aways from extensive customer research and reviews following the major storms and outages in February, including that AusNet recognises the importance of effective communication, especially, individualised and relevant communications to those off supply. Sonja noted that: - Visibility of AusNet crew needs to be more prominent as customers did not understand if or when crews were in the field to repair. - Ease of access to relief or welfare payments needs to be more seamless and understandable. - The independent Post Incident Review yielded 31 recommendations that are being taken to the AusNet board for endorsement. These include service and operation, communication and engagement enhancements. No comments or questions were received from panel members.

3. Commitments to our customers

AusNet's Eliza Cochrane presented both current commitments to customers, which have evolved and emerged through the engagement process, and proposed changes. She referred to the Padlet comments and invited the panel to discuss their thoughts on the refreshed commitments. Discussion included:

- Major customers were defined broadly as dependant on both connection size and quantity of sites. Approximately 265 major customers are listed on the network. When they have a reason to contact AusNet, they have a dedicated liaison person they can reach out to, or go direct to the dedicated team (where there is one) for the request type.
- Whether the current engagement team should be expanded.
- A panel member highlighted and recounted various ways AusNet could resolve customer pain points, some of which had already been implemented. He indicated that resolutions need to be maintained over long term, unless replaced with more efficient mechanisms. AusNet's Stephen Thompson acknowledged the complexity and weight of these programs, and that AusNet continues to work on process standardisation and improvement, service focus and efficiency. He added the Customer Service Incentive Schemes (CSIS) is intended to be the key mechanism holding networks accountable for continuous focus on service improvements.
- It was agreed that there is value in more proactive engagement by AusNet, and for the new Emergency Management Vehicles to be used in this.

AusNet's Lucy Holder updated panel members on a proposed change to reporting against customer principles, as customer-focussed metrics are being featured in AusNet's new strategic plan. In addition to the new strategic plan, AusNet has become a signatory to the Energy Charter, which includes making voluntary commitments to advance customers outcomes across the whole business and an additional report on customer outcomes. Lucy said AusNet plans to streamline customer outcomes and metrics for the organisation to ensure staff have clear focus on what's most important to customers. The Energy Charter commitments and EDPR commitments are well-aligned.

Lucy said AusNet plans to streamline reporting to reduce duplication, with the Energy Charter annual disclosure and process, which includes a validation session with stakeholders which for AusNet is the CCC. Given the large overlap, AusNet plans to produce the overall Energy Charter Disclosure, followed by an addendum for any EDPR commitments made not included in the overall corporate report.

Panel members also shared the following thoughts on the proposed customer commitments:

- A panel member said that they know the Customer Consultative Committee is involved in reporting, but they would like AusNet to appoint a separate review board to audit AusNet's performance on EDPR commitments. Lucy said AusNet appreciates the suggestion but does not think this would be reward for effort or value for money. Lucy said customers' experiences are already captured on a wide range of topics and in a wide range of ways, and it is important for AusNet to focus on trends and views broadly across the customer base when planning improvements, rather than only the views of a very small number, if it is to lift overall satisfaction. Lucy also noted there is a trade-off in time spent reporting and auditing, and time spent working on improvements, as it's the same staff involved.
- One panel member questioned how commitments will be translated and monitored. Charlotte Eddy replied that commitments are principle-based and that CSIS may help to monitor them, as will AusNet's ongoing reporting.
- Another panel member raised issues with agreeing to qualitative statements in the absence of quantitative data. AusNet's Charlotte Eddy proposed that AusNet would revert with metrics to underpin reporting at the August 2024 off-site, adding that AusNet has a strong desire for panel members to shape those metrics while aligning them to AusNet's broader goals where possible, to help direct the business' focus.

4. Proposed customer improvements and CSIS for 2026-31

AusNet's Eliza Cochrane introduced the new CSIS metric associated with first-call resolution, in line with earlier direction for the panel in wanting a contact centre-related metric. She spoke to the performance of the current metrics utilised, noting duration of planned outages and accuracy of information. It was clarified that AusNet would bear penalties where targets were not met, but that AusNet does like to include service targets in all of its contracts to align expectations.

Subsequent discussion included that:

- The target period should use the current period as a minimum i.e. AusNet should look to exceed not maintain current performance in the next period.
- A panel members suggested customers should not pay twice, i.e. capex for a project then a CSIS payment for reward of project efficiency and in reference to a comment on Padlet, improvements to service should be business-as-usual for AusNet – can this be funded via current expenditure? The AusNet team emphasised the need for upfront funding versus incentive-based funding, adding there is a need for both, as maximum reward alone would not cover planned improvements. Furthermore, to avoid customer's paying twice AusNet could assume improvements mainly from capital programs in following CSIS targets.
- Customer service expectations without a Customer Service Incentive Scheme (CSIS). AusNet's Sonja Lekovic suggested setting achievable goals and presenting a business case to AER based on metrics for improved outcomes.
- On balance panel members cautioned that AusNet should be mindful of setting themselves up for failure by increasing targets for future years as conditions are changing, i.e. more natural disasters. Conversely, a panel member recommended, via Padlet, that targets should be ambitious and deadband widened to increase the challenge of earning financial incentives. Sonja agreed to the former point that performance is related to recent storms and added that they are aware they disappointed customers communication expectations due to the failed outage tracker. Instances of extreme weather are becoming more frequent, and AusNet needs to prepare for them. It was highlighted that customers' expectations increase over time so benchmarks are constantly rising – i.e. a rating of 8 today is higher than it was 5 years ago.
- Panel members noted the value in retaining the current holistic satisfaction measure in the CSIS, and that this was preferable to a narrower measures, e.g. on a single driver of satisfaction, such as communication.
- What is "best practice" for management of planned outages for AusNet, especially for small businesses who may not be able to afford a day without power i.e. hairdressers? Andrew Linnie acknowledged that there is always room for improvement in managing planned outages, and that it is not possible to find planned outage times that suits everyone, but AusNet keeps striving for better practice.

Overall, panel members supported retaining the CSIS and the experience elements discussed. There was limited feedback from the panel on weighting but the panel did noted some metrics may be more difficult to achieve. There was general support for increasing CSIS to 1%, providing customers aren't paying twice. AusNet agreed to look further at where expenditure might overlap with CSIS benefits, and to bring a more detailed draft CSIS, building on today's discussion, to the August offsite.

5. Close, actions and next steps

Charlotte Eddy thanked the group for their contributions and feedback and noted that agreed actions would be circulated following the meeting.

Action items

Action	Assigned to	Status	Due date
AusNet to inform more details on the “accelerate service” costs raised by a customer	AusNet Reg Team	Complete	<i>See response below</i>
AusNet to prepare a more detailed draft CSIS, building on the outcomes of today's workshop, for further engagement the August offsite meeting	AusNet Reg Team	Open	15 August
AusNet to share more details on proposed CSIS design – building on agreed design specifics – at the August offsite	AusNet Reg Team	Open	15 August

Response to action item **AusNet to inform more details on the “accelerate service” costs**

AusNet provides customers with a choice of service providers to deliver some projects e.g., extending an underground line to connect a new business, or establishing transformers and underground reticulation in a new residential estate. This model has strong support within industry. For most network extension works, we give customers the option to select their own service provider from our online portal's list of accredited providers, who all offer different prices and timeframes. It is the customer's choice what provider they go with, which will have an impact on how their project is delivered. Some providers will quote higher costs for shorter delivery timeframes. In these cases, AusNet is not responsible for the timeframe of the delivery as it is contestable work and the customer has selected the service provider.

AusNet Customer Experience Deep Dive | June 2024

Let us know your thoughts. Add your response below by pressing the + or press 'heart' to like another person's response.

3. Refreshed customer committments

↻ Do the refreshed customer commitments meet customer expectations?

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Anonymous 6/9/24 11:49AM
John. The commitments will meet customer expectations but they are meaningless if they are not acted on.
An observation. AusNet had dedicated business customer liaison but these seem to have been removed. So this is just a reinstatement of what we had.

Anonymous 6/11/24 12:47AM
what measures have been developed to assess performance of current period commitments? it is diffcult to answer the question asked without that data

nottle 6/11/24 1:16AM
Transparency and ability to provide comments on the proposed customer communications and how they will accurately and specifically meet customer communications expectations

↻ Are there any key outcomes that are missing?

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4. 2026-31 proposed CSIS metrics

↻ We would like to collaborate with the panel on whether these are the right metrics for the updated CSIS, and how the metrics should be weighted?

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Anonymous 6/10/24 5:24AM
John. I have concerns about the **First call resolution**. AusNet claim they are customer focused. They should not need incentives to actually be customer focused.
Over the last 5 years, AusNet Customer support performance has deteriorated significantly. 5 years ago you would receive a response to an email within 1 – 2 days. Today you get an automatic acknowledgement and then it can take many days or weeks to get a response. More concerninglly, Customer support rarely actually read or answer the customer's questions.

Piang Lilian 6/10/24 10:32AM
The proposed four metrics seem reasonable to me. I would like to see a good mix of objective measures (e.g. the accuracy of ETR in an outage) and subjective ones (customers' feedback) in each of the four areas.

nottle 6/11/24 1:25AM
Whilst First Call Resolution metric sounds appealing the specifics of the metrics would determine any improvements.
What specific resolution needs to be met to be included? Eg. will forwarding the call to someone else be regarded as a resolution?

Is there value in increasing the revenue at risk?

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For 2026-31, should we be targeting similar levels of performance ('maintain') or targeting improvements, which would be more difficult to obtain?

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Anonymous

6/9/24 4:08PM

John. Given that similar measures of performance in some areas are unacceptably low, AusNet should be improving performance in all areas and targeting additional improvements

[Planned outage improvements - Slide 21] Is there benefit in extending the CSIS to include an improvement target for duration or frequency of planned outages (or both) and extending the CSIS revenue at risk to 1%?

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Anonymous

6/9/24 4:20PM

John. I do not support additional expenditure for planned outages. But I do expect AusNet to improve their management of planned outages. Surely business as usual should include continuous improvement.

[Regarding new connection performance - slide 22] For 2026-31, how should be set the target given recent decline in results? What years should be the basis for the target?

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[Regarding unplanned outage improvements - slide 24] For 2026-31, how should be set the target and should it specific to communications? What years should be the basis for the target?

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Anonymous

6/9/24 3:26PM

John. Unplanned outage CSIS should continue to track all elements of unplanned outages, including frequency and duration. I believe communications will be the easiest to fix so focusing on just this may not be in the best interests of customers.

Options - for decision today

Of the options presented on slide 26, which is your preferred option?

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Anonymous

6/9/24 3:24PM

John. I am comfortable with a CSIS of either 0.5% and 1% but I do not support "a metric for planned outage improvements at 0.5% of revenue". AusNet should be improving Planned outages performance within current expenditure.

Anonymous 6/9/24 3:55PM

John. Following on from the February storm performance, customers now expect a lot more from AusNet in all areas. In relation to the CSIS, I would like to see the targets for reward set higher and the deadband widened for Reward so that AusNet needs to work harder to receive financial rewards.

⇒ **We would like to collaborate with the panel on whether we've got the right initiatives [slide 25]. Are there any missing / not needed, and how we might demonstrate in our proposal the value of these investments?**

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Anonymous 6/9/24 3:22PM

John. The initiatives are reasonable. My question is whether customers are being asked to pay for initiatives that should already exist?

Missing. Customers need to be able to access historical records of all outages. This would include full details of the outage, duration and cause.

Any other comments?

⇒ **Enforceable undertaking.**

John. Comments on the Enforceable undertaking.

An apology is not genuine if it is published as part of an enforceable undertaking. To be genuine, the apology would need to be made prior to the undertaking.

The \$12m is not distributed fairly. Many customers will receive no benefit. This further entrenched the inequities faced by many customers who experience long unplanned outages.

I would like figures on how many customers applied for and received compensation. My guess is low numbers have received compo. I am concerned that the business application is onerous (why is a statutory declaration required? How many business owners have time to get a stat dec signed?) and is poorly worded (my reading is that if you hire a generator at cost to the business you are not eligible for compo) . I raised my concerns with AusNet and was advised the application form will not be changed.

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⇒ **Key outcomes from the PIR**

John. Page 11. No mention of supporting fair GSL payments or other compensation to impacted customers.

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