

Customer Service Incentive Scheme

FQ1 How might we design a CSIS that delivers maximum benefit for customers?**Key outcomes of engagement**

- AusNet should update the CSIS and consider:
 - other networks proposed measures
 - use of stretch targets
 - a mix of service level and customer satisfaction metrics
 - the size of the reward and whether any improvements are being diluted through addition of new measures.
- First call resolution important to include in the CSIS as a measure of service quality.
- Customers should not be paying twice, either expenditure allowance or incentive scheme.
- Large customer connections may not be suitable for the CSIS given the small sample size.
- Support to consider increasing the CSIS revenue at risk.
- Customer satisfaction should include all aspects of the customer experience.

Approach in Draft Proposal

Customer experience remains a top priority for our customers and the panel members. We therefore consider it is appropriate to **continue to apply a Customer Service Incentive Scheme (CSIS) in the 2026-31 regulatory period** focusing on key interactions valued by our customers.

We are proposing the following elements of the CSIS for 2026-31:

- **Retain current planned and unplanned outage and connections CSAT** – remains appropriate and important to maintain this service level as key interactions customer have with AusNet
- **Remove the complaints measure** but we have included ongoing monitoring in our customer commitments as it remains an important measure of customer experience.
- **Introduce first call resolution measure.**
- **Increase the revenue at risk of the CSIS from 0.5% to 1%**, to the maximum revenue at risk for small scale incentive schemes (as we are not proposing an ESIS).
- **Keep the weighting of each measure as an equal ¼ of the total.**

We plan to use historical average to set targets for the 2026-31 CSIS, but are currently looking at changing our C-SAT approach from the outdated phone-based survey we currently use to an online survey. **We will be working with the AER on the implications of a methodology change for current and future CSIS schemes**

Planned and unplanned outages

FQ 2 How might we minimise the adverse impacts of outages on customers?

Key outcomes of engagement

- Improving customer satisfaction and communication during planned outages continue to be very important. This includes providing clear and informative messaging to customers and offering a variety of ways for receiving notifications.
- There is merit in considering the impact of outages on businesses (especially in smaller towns) and ensuring the reliability of power supply for major events.
- Acknowledgment there is a trade-off in minimising disruptions caused by planned outages and the risk of unplanned outages if planned outages are reduced.
- General consensus that AusNet's current approach regarding delineation of responsibilities is appropriate and customer insights presented were accurate.
- Broad support for all ideas for further unplanned outage communication enhancements, as generated in an internal design workshop.
- Support for customised / personalised outage and connection management services.

Approach in Draft Proposal

We received lots of feedback from all panel members that outages is a high priority interaction we should focus on in the next period, with lots of support for improvements to the communication process. Given this, **we propose to:**

- **Keep the customer satisfaction program (CSAT) for planned and unplanned outages** to ensure we maintain and continue to seek to improve service levels beyond our current period.
- **Have a targeted improvement program for outage communications**, reflecting the importance of communications in minimising the impact of outages, and customers' rising expectations regarding communications.
- **We are making the following commitments to our customers, to compliment the CSIS:**
 - Approach to communications during extreme weather events that is designed for specific customer requirements during these types of events
 - Make our communication more accessible and specific, to meet the diversity in our customers' needs and preferences, including uplifting communication for Culturally and Linguistically Diverse (CALD) customers, location specific, commercial and industrial customers
 - Make communications more timely, clearer and more reliable in message, language and delivery
 - Offer preference or channel-of-choice for customer messages and ensure consistency in language and messaging
 - Continue to improve accuracy of information shared with customers (e.g. estimated start and finish times of planned outage)
- **We are proposing to increase our business customer engagement including councils, with dedicated relationship managers living and working across our network.** Among many other things, their remit will include managing planned outage impacts on commercial customers, working with councils on storm response planning as well as assisting in community engagement and support during unplanned outages. **We are proposing a \$12m opex step change for 14 new customer relationship managers in the regions.**

Fit-for-purpose support for all customer

FQ 3 How might we ensure fit-for-purpose service for all customers, incl. those with specialised support needs.

Key outcomes of engagement

Key themes from Joint Vulnerability Engagement Session 1:

- Applying a customer agency lens to the way we consider vulnerability.
- Identifying and putting the right people first.
- Taking a community-focused, partnership approach.

Key themes from Joint Vulnerability Engagement Session 2:

- Importance of building agency for an inclusive transition
- Role of Community Hubs and generation to provide support in prolonged power outages
- Building partnerships – suggestions to make these successful

Approach in Draft Proposal

Reframe our current customer commitment to “Provide the foundations for and promote fair and equitable outcomes for all customers in the energy transition”:

- Provide partnership grants to improve outcomes for specific customer cohorts, with relatively broad eligibility criteria
- Advocate for fair and equitable outcomes on behalf of customers, and enable them to advocate on behalf of themselves
- Action and publicly share learnings from research and innovation projects
- Proactively detect, raise and address equity issues, using AusNet’s unique insights

Customer communication and education campaigns
FQ4 How might we meet customers' preferences on the form, content and frequency of communication, as well as educational material that improves customer experience?

Key outcomes of engagement

Throughout engagement we heard the following themes around improving communication:

- Importance of improving unplanned outage communications with a focus on improving accuracy, reliability and specificity across channels. Backed up by broader customer research and engagement.
- the importance of improving customer satisfaction and communication during planned outages. This includes providing clear and informative messaging to customers and offering a variety of ways for receiving notifications.
- importance of communications being accessible, including for Culturally and Linguistically Diverse (CALD) customers and via various channels.
- Support for customised / personalised outage and connection management services.

Approach in Draft Proposal

We heard that **improvements to customer communication is a high priority** to ensure customers have clear and useful information around their interactions with AusNet and their electricity service. It was highlighted how important **improving communication across all channels** is, given customers have different preferences and how we should consider ways to tailor messages for specific groups to improve impact.

We are **proposing the following improvement package for 2026-31:**

- **Targeted improvement program on outage communications, including planned and unplanned outages.**
- **Keep the customer satisfaction program (CSAT) for planned and unplanned outages** to ensure we maintain and continue to seek to improve service levels beyond our current period.
- **A new commitment for ‘Continuous improvement of all customer communications across all channels to make them more reliable, accessible, specific and accurate’:**
 - Approach to communications during extreme weather events that is designed for specific customer requirements during these types of events
 - Make our communication more accessible and specific, to meet the diversity in our customers' needs and preferences, including uplifting communication for Culturally and Linguistically Diverse (CALD) customers, location specific, commercial and industrial customers
 - Make communications more timely, clearer and more reliable in message, language and delivery
 - Offer preference or channel-of-choice for customer messages and ensure consistency in language and messaging
 - Continue to improve accuracy of information shared with customers (e.g. estimated start and finish times of planned outage)
- **An uplift in our customer communications with a focus on building customer agency, improving diversity in our communications, providing tools and useful information on the energy transition and helping customers better prepare for climate change, extreme weather event and build their resilience. We are seeking a \$4m operating expenditure step change to support this targeted communications campaign.**
- **An increase in our business customer engagement including councils, with dedicated relationship managers living and working across our network.** Among many other things, their remit will include being a key point of connect for the business, meeting with customers proactively to understand pain points and provide assistance, provide updates on AusNet’s programs to the regions, work to reduce the impact of planned and unplanned outages on customers and communities, manage customer connection queries and information sharing, engage on local community energy projects and support complex customer enquiries into the business. **We are proposing a \$12m opex step change for 14 new customer relationship managers in the regions.**

Customer connections

FQ5 How might we design connection processes that meet evolving customer expectations, across all our customers?

Key outcomes of engagement

- Good service in the connections process is important and AusNet's processes should not be a barrier to customers' taking control of their energy or through the energy transition. Especially for CER – when customers are investing to manage their bills or to help in energy transition – AusNet's processes should not be getting in the way.
- Customer improvements are valued and AusNet should be at least aiming to reduce its Guaranteed Service Level (GSL) payments as a base.
- Support for further improvements but major customer connections may not be practical for inclusion in the CSIS, due to risk of insufficient statistically significant data.
- Support for customised / personalised outage and connection management services.

Approach in Draft Proposal

AusNet will continue to prioritise customer experience in the 2026-31 period, ensuring we are not a barrier to the energy transition or customer agency.

To reflect the panel's direction that improvements are needed but ensuring customers do not pay twice (ie. there is no overlap between expenditure and CSIS), we propose to:

- **Maintain CSAT – Connections in our CSIS** to ensure we continue to seek to improve service levels beyond our current regulatory period. We know connections will remain a key and important interaction as we continue to see growth in electrification on our network. This is focused on residential connections.
- **Invest in further improvements in streamlining connection processes**, including for large customers such as public EV charging stations, through a targeted expenditure program.
- **An increase in our commercial customer engagement including councils, with dedicated relationship managers living and working across our network.** Among many other things, their remit will include managing customer connection queries and improving transparency around connections, for our commercial customers as well as community energy groups. **We are proposing a \$12m opex step change for 14 new customer relationship managers in the regions.**