

AusNet

Customer Relationship Managers & Broad Communication Campaign

Opex step change program brief

Friday, 31 January 2025



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1. Executive summary

Our customers and stakeholders expect and value improvements to customer experience and communication from AusNet and we are planning to continuously improving our interactions to keep up with evolving expectations and customer needs. Recognising this value, we have begun building up our team of customer relationship managers and uplifted our customer communication, especially regarding severe weather events. However, to keep pace with rising customer expectations and the evolving operating environment through the transition, we need to further ramp up to deliver a step change in these areas.

Specifically, we have heard strongly from our commercial customers and stakeholders that an area of concern is lack of direct contacts within the business for customers with complex needs, and lack of AusNet presence in the community. Many of our commercial customers, including local councils and community energy groups, have had recent experiences with AusNet that have left them needing more targeted and dedicated support, which isn't always available. This results in customer frustration, waste of their time in chasing the right contact to resolve an issue, and prolongation of outstanding customer issues. In response to the strong customer feedback from our customer panels and end customers, we are proposing to increase the number of dedicated resources to provide customer service and management support for commercial customers and key regional stakeholders.

We tested three resourcing level options with our EDPR stakeholders regarding how many customer relationship managers we should invest in to meet the needs of our commercial customers. Ultimately, our EDPR stakeholders supported us increasing our team size to 14 dedicated customer relationship managers, with the capacity to provide a dedicated customer manager for all large commercial customers across our network. These roles will be working across our three regions and will provide dedicated and tailored support to commercial customers and community engagement.

Further, through engagement with our panels and in our customers in workshops, we have heard that as the energy transition progresses, and with the changing climate, there is an increasing need to keep customers better informed on various topics that they may not have been as engaged on in the past. Better communication was a common theme raised across many of our topic-specific panels, including electricity availability, tariffs and pricing, future networks and customer experience. We have applied this feedback to scope a communication campaign program targeting the below topics. A key theme is the energy transition; as many customers are, or are considering, investing in Consumer Energy Resources, it is important that they are well informed to make decisions in their best interests.

Figure 1: Proposed Broad Communications Campaign



Source: AusNet

This investment is aligned with our customer, community and stakeholder expectations of AusNet and will deliver key benefits valued by our customers in the upcoming period. To promote transparency and accountability for this investment, we have agreed with stakeholders a framework for accountability which includes that if we decide to cease this type of dedicated customer service that we need to discuss that with customers first, and we have committed to testing our proposed communication campaign materials with our Customer Consultative Committee (CCC) to ensure messaging is clear and aligned with the identified priority areas.

Table 1: Breakdown of step change per subsection

\$ JUN 2024	FY27	FY28	FY29	FY30	FY31	TOTAL
Customer Relationship Managers	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 10.4
Broad Communication Campaign	\$ 1.0	\$ 0.9	\$ 0.9	\$ 0.9	\$ 0.9	\$ 4.5

Source: AusNet

2. Key drivers

2.1. Meeting evolving customer expectations through the transition

In recent years, as a result of the rapidly changing operating environment, our customers' expectations of AusNet to provide useful information and timely support have grown. This is expected to continue to significantly ramp up as the energy transition accelerates in the 2026-31 period.

At the beginning of the current period, our customer team had 3 dedicated customer relationship managers to manage enquiries¹. However, we have heard strongly from our customers and stakeholders that an area of concern is lack of direct contacts within the business for customers with complex needs, and lack of AusNet presence in the community. Many of our commercial customers, including local councils and community energy groups, have had recent experiences with AusNet that have left them needing more targeted and dedicated support, which isn't always available.

Recognising we had a gap in our current service offering, we have begun further prioritising some additional resources in customer relationship management and communication in the middle of the current regulatory period. We hired 3 additional customer relationship managers in 2024 to assist with the high demand for support. However, as we plan 2026-31, feedback from business customers has supported further resourcing our teams to be able to meet the expected level and quality of support for our customers and stakeholders.

Without further ramping up our customer relationship managers beyond the team operating in our base year, which was only resourced to manage ~10% of our larger Commercial and Industrial (C&I) customers (above 1000MWh/year), we will be unable to fully meet the current demand for support. Additionally, we will fail to keep up with the growing expectations as many more of our customers will need and value support as they manage the challenges and opportunities through the energy transition. For example, we will need to take a greater amount of planned outages to deliver the necessary network upgrades to accommodate electrification, and it will be important to ensure AusNet has dedicated customer resources to enable sufficient consultation during the outage planning process to minimise adverse outcomes. In addition, our large customers will likely have an increasing number and complexity enquires and information requests to help inform their decision making around new investments involving their network connection (for example, electrification, installing solar), and without resources to provide dedicated support and useful information, they may not be able to unlock their desired benefits.

The energy transition can be complex for our customers to navigate but it is crucial our customers are well equipped to understand and prepare for challenges and opportunities they will be required to interact with, such as the need for network upgrades and tariffs. Feedback from our panels has suggested we are well placed to build and maintain a role as a trusted source of information for customers given our role as key operator in the energy transition and our deep understanding of the how different drivers will impact our customers.

At the beginning of the current period, we largely delivered few targeted communication campaigns with limited scope and fewer materials. We have begun progressively stepping up our capabilities throughout the current period to meet growing expectations and our changing operating environment. Specifically, output from our communication has grown to enable delivery of clear, useful information related to outages in the context of greater frequency of extreme weather events and the energy transition. This has included both proactive communication supporting preparedness pre-event and also communication during outages.

We have also begun rolling out a brand campaign targeted at informing our customer about our role in the energy transition and have begun adapting our communication materials to meet accessibility and language requirements for of Culturally and Linguistically Diverse (CALD) customers on our network. However, we have received clear feedback that there are a range of areas where we need to build on and expand our communications.

Our customers and stakeholders have told us networks need to play a bigger role in these types of communications, much bigger than we ever have in the past. We have been encouraged to develop a communication campaign that targets specific topics and areas of need, to build customer agency and keep them informed. This includes for example providing more information to customers about what they can expect to see happen during the energy transition, how some of their services may change, what price structures mean and how they can benefit from them, among many others. While there is no regulatory requirement that we develop communication campaigns of this nature, customer feedback has been so strong on the need for this and that AusNet has a role to play, and we are therefore proposing a step change to facilitate this. We note that the benefits of this campaign are sector-wide and are not solely focused on distribution.

A common and important theme being targeted through this investment is equipping our customers and communities with the necessary information to build preparedness and resilience in response to increasing climate events. We consider distributors can play a key role to support this outcome based on our acquired knowledge and understanding of these event and preparation. The scope of our forecast investment is aligned Recommendation 6

¹ Note in addition to this team, we had a customer experience team focused on reviewing and uplifting customer journeys by addressing pain points

of our February 2024 Post Incident Review (PIR)². Note, we have incorporated the other operational recommendations into our 'preparedness and response' opex step change.

2.2. Engagement outcomes consistently support greater customer relationship management and communication

We have received consistent feedback across many different channels and stakeholders urging AusNet to step up our customer relationship management and communication.

As briefly discussed above, we have heard strongly from our customers and stakeholders about a lack of direct contacts available to provide targeted and dedicated support within AusNet. This results in customer frustration, waste of their time in chasing the right contact to resolve and issue, and prolongation of outstanding customer issues. This feedback has been gathered through various channels over the past couple of years, with most notable and detailed feedback obtained through dedicated interviews with commercial customers conducted by our EDPR Research and Engagement Panel. We have heard this feedback clearly and it has been confirmed and supported by other EDPR stakeholders.

In March 2024, a dedicated team of EDPR stakeholders conducted a set of interviews with commercial customers and key stakeholders (local councils and MPs) in AusNet's network, to understand their views on AusNet's customer service performance and areas for improvement for 2026-31. Overall, the interviews identified the need for AusNet to provide a more dedicated customer service to large customers and key stakeholders, and that not having that service available was resulting in customer frustration, prolonged resolutions of pain points and overall dissatisfaction with AusNet's customer service approach. Customers that had dedicated support were effusively positive and emphasised that they want this to continue.

Customers (including residential customers) have told us that dedicated support from AusNet for local businesses, the council and community energy groups is important for unlocking value from those businesses or projects for the whole community. For example, if businesses or schools can better negotiate the timing of planned outages through their dedicated AusNet resources, this has a positive flow-on effect on the whole community. We expand on the benefit of this step change below.

These themes were echoed through our panel engagement, with the Customer Experience Panel emphasising the importance of investment in customer communication. In addition, we had various discussions with our Tariffs and pricing panel on the importance of customers being aware of their tariff structure and equipped with information to provide agency to shift their usage, purchasing CER, or changing tariff structures if this results in a better outcome for them.

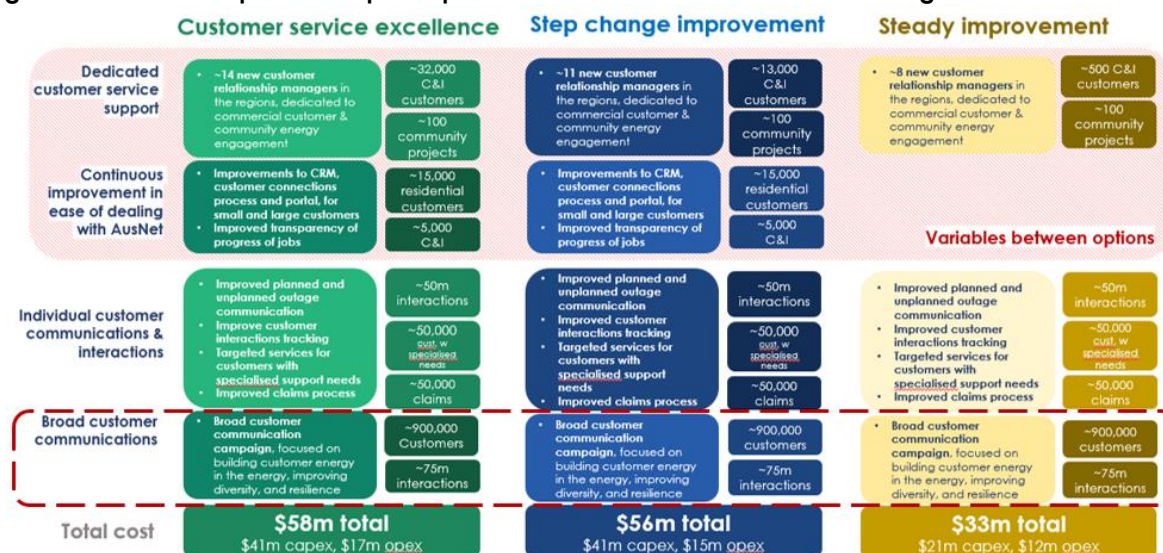
Further, through engagement with our panels and our customers in workshops, we have heard that as the energy transition progresses, and with the visible changing impacts from climate change, there is an increasing need to keep customers better informed on various topics that they may not have been as engaged on in the past. This includes for example providing more information to customers about what they can expect to see happen during the energy transition, how some of their services may change, what price structures mean and how they can benefit from them, among many others. We have been encouraged to develop a communication campaign that targets specific topics and areas of need, to build customer agency and keep them informed.

We tested three options for customer relationship managers at the 2-day EDPR stakeholder offsite in August 2024, as part of a larger options assessment discussion. Figure 2 below summarises options presented to the stakeholders in relation to customer experience – with the cost related to customer relationship managers / dedicated customer service support being one of two key variables between the options. The options analysis was presented with a bill impact for residential and business customers, which ranges as per below:

- Residential: \$4.45-4.79
- Business (small): \$9.31-10.02
- Business (very large): \$356-6,183.

² Nous Group | Post Incident Review into AusNet's Response to the February 2024 Outage Event, 7 June 2024

Figure 2: Customer experience options presented to EDPR stakeholders at the August 2024 offsite



Source: AusNet

EDPR stakeholders unanimously supported the 'Customer service excellence' option at the offsite, and felt that it was a necessary set of improvements to deliver a customer service level that our customers expect.

At our local government forum in August 2024, some council representatives affirmed that account management is important, to speak to a person on the other end of the phone to demystify AusNet's messages and charging costs.

We also received some submissions on our draft proposal which support this investment:

Source	Feedback	AusNet response
General		
Coordination Group (CG) Report³	<p>Supported all expenditure in the draft proposal on customer relationship management, communications improvements and digital systems upgrades.</p> <p>The final CG report notes that they see value in customer relationship managers, consistent with the feedback we received from most business customers interviewed. Specifically, they note business customers want a dedicated and knowledgeable human and a dedicated AusNet person they can contact direct to address their specific needs acted upon quickly.</p>	<p>The approach supported in the draft for relationship management is consistent with the approach taken in this proposal.</p>
Independent submission Jeff Nottle	<p>Supported expenditure on customer relationship management including communication improvements and dedicated commercial customer engagement and support.</p>	
Independent submission MM (full name withheld)	<p>Supported customer relationship managers for commercial customers, seeing value in this proposal element.</p>	
Customer commitments & communications		
Coordination Group Report	<p>The final CG report reflected the need for CCC oversight and flagged that they would need more detail on costs and other information before being able to support a specific proposal on a targeted communications campaign.</p>	<p>This additional information and is set out in section 3.2 of this document.</p>
Independent submission Piang Lilian	<p>Suggested AusNet work with communities to translate important messages for community members, given there are hundreds of languages spoken. Requested more detail on CALD communication plans in proposal.</p> <p>Supported AusNet being a "trusted source" of information on the energy transition, resilience etc where customers can find unbiased answers to their questions on-demand (i.e. pull), not just receiving them from AusNet (i.e. push).</p>	<p>AusNet has taken this feedback onboard as part of the current and future CALD communications program.</p> <p>The comment on AusNet being a trusted source of information and attracting customers looking for information on-demand has been noted for our business-as-usual activities, but is not specifically addressed in this proposal.</p>
Independent submission MM (full name withheld)	<p>Suggested given the extensive regional coverage of the network, radio should be a key focus for communication, as it is an essential tool for reaching older customers or those without reliable phone or internet access.</p>	<p>AusNet recognises the importance of using radio to distribute messages during outages, and has noted this comment.</p>

³ Coordination Group report on Draft Proposal, [Independent Report on Draft Revenue Proposal 2026 - 2031](#)

3. Proposed program and expenditure

3.1. Customer Relationship Managers

We are taking an iterative approach our investment in customer relationship management, with some roles operating since the beginning of the current period and other roles joining over time. We have ensured there is no overlap with our base year so that our step change reflects only the incremental cost of new labour resources to enable a step up in customers being managed by AusNet. The cost associated with our original team of 3 which was in place in our base year has not been included. However, the recently incurred costs to meet demand for customer support in the current period incurred from 2024 represents a step up in resources due to the drivers discussed in the section above.

The fact that we have begun responding to calls for greater customer relationship management by hiring staff not included in our opex allowance, while under the opex incentive scheme (EBSS), demonstrates that we consider this is an investment priority.

We consider this step change is the key enabler to deliver and maintain the desired customer outcomes. As we expect increasing support needed in 2026-31, it will be challenging to even maintain the quality of support for our currently managed customers in the absence of dedicated funding. Furthermore, we will not be capable of significantly expanding our reach to new customers as has been scoped into this step change.

Table 2: Customer relationship management Step Change forecast (\$M, real 2025-26)

YEAR	2026-27	2027-28	2028-29	2029-30	2030-31	TOTAL
Customer Relationship Managers	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 2.1	\$ 10.4

Source: AusNet

We have estimated that 14 new roles will be required to provide sufficient support and a dedicated service to our approximately 32,000 C&I customers – acknowledging they don't all need support at once. We will provided specific customer relationship managers for our ~400 large C&I customers (above 1000MWh/year) who we anticipate will have the most resource intensive needs and enquiries. The customer relationship managers will be spread across the regions based on commercial customer numbers per region, and the need for resourcing to be involved in regional plans for, and participate in, storm response. We intend to also provide our remaining smaller C&I customers with additional support through our Customer Care Team, which will be supported by our team of customer relationship managers as required.

The team will provide the following type of support:

- Community engagement and outreach to identify/escalate customer/community pain points and provide updates on AusNet's programs to the regions—includes proactive engagement with customers and communities on their projects, current jobs with AusNet, future plans etc.
- Dedicated commercial customer engagement and support—depending on size of team, dedicated support can range from ~500 major commercial customers, or it can include smaller commercial customers as well (which typically need less support per customer)
- Work to reduce impact of planned and unplanned outages on customers and communities—working with commercial customers directly to negotiate best time for planned outages, and providing on the ground support to communities during unplanned outages and storms
- Facilitate customer connections in the context of local community energy projects—being the 'go to' person for all customer project enquiries, providing data to support project development, updates on progress of projects etc.
- Supporting local council emergency preparedness activities where appropriate.

As discussed in section 2.2., we received support from multiple stakeholders for dedicated programs to uplift customer experience, with explicit support for the value of customer relationships managers evidenced through our CG and panels, research and interviews and submissions to our draft proposal. Our proposed expenditure is aligned with the customer service excellence option endorsed by our panels at the offsite.

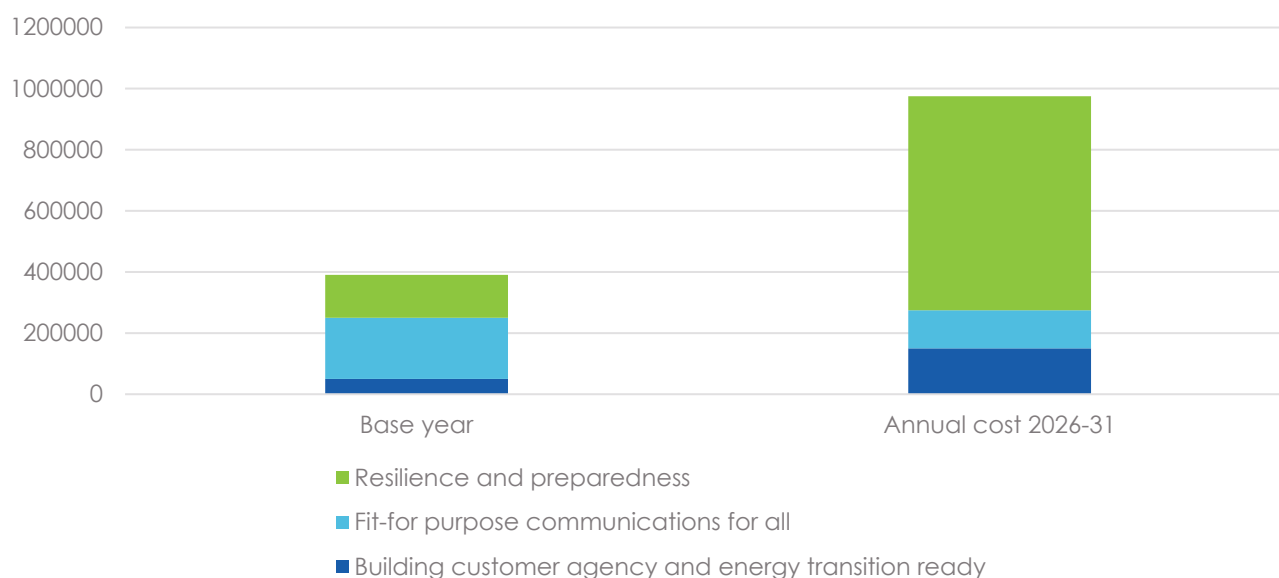
We have heard that customers see risk in funding a team of customer service managers as the business can decided to use the resources for other purposes. To alleviate this concern, our proposal is reflected in our commitments to continue to improve customer experience, for which we have agreed with stakeholders a framework for accountability. This includes that if we are considering reprioritising this type of dedicated customer support onto

another activity, we need to discuss that with customers first. This will be done via the Customer Consultative Committee. We consider there is low risk that the step change will not be utilised as intended given the accountability framework ensures on-going transparency of customer related outputs and the expectation of a continuing trend for rising customer demand for support in 2026-31.

3.2. Broad communication campaign

As discussed in section 2.1, we have recently uplifted our communication campaigns to meet changes in customers' expectations and our operating environment in the current period. However, costs for these programs will be captured in our base year and therefore the cost to continue to deliver these important programs into the next period, while still required, has been excluded from this step change. The scope of this step change represents costs to deliver the identified material gaps where AusNet providing further communications to improve understanding would benefit our customers. The campaign will be focused on building customer agency, fit for purpose communications for all, simplifying complex topics around the energy transition, and more targeted communications about climate resilience and preparedness for extreme weather events. The step change in each of these categories is discussed below.

Figure 3: Communication campaign uplift forecast (\$2024)



Source: AusNet

- We currently produce summer and winter preparedness campaigns but our base year budget does not support the desired level of customer reach. We therefore have forecast an increase in frequency of our advertising slots across various channels, proven to increase messaging recall and likelihood our customers see our media. This includes radio which can be more appropriate for regional customers across our network. We estimate we can reach 4.5m impressions or views with this budget.
- Given the increasing complexity and importance of providing quality information about the energy transition, we have forecast producing three times the output we do in our base year, including annually targeting educating our customers on specific topic through various mediums including high quality explainer videos.
- We began uplifting our CALD communication costs in our base year which required initial investment to uplift our knowledge and translated material. However, we have forecast that we will require on-going incremental annual cost to maintain and expand our translation of new materials and campaigns, and an ongoing dedicated in-language social media community manager through LOTE partnership. In addition, we will monitor how our customers' needs evolve to ensure and adapt our communication as needed to ensure it remains fit-for-purpose.

The communications campaign includes communications mediums we have not used extensively in the past, including developing explainer videos, customer fact sheets, targeted SMS about specific topics, translated content in various languages, social media ads and similar. These mediums can deliver various benefits including expanded reach and comprehension across our customer base.

Table 3: Broad communication campaign Step Change forecast (\$M, real 2025-26)

YEAR	2026-27	2027-28	2028-29	2029-30	2030-31	TOTAL
Broad Communication Campaign	\$ 1.0	\$ 0.9	\$ 0.9	\$ 0.9	\$ 0.9	\$ 4.5

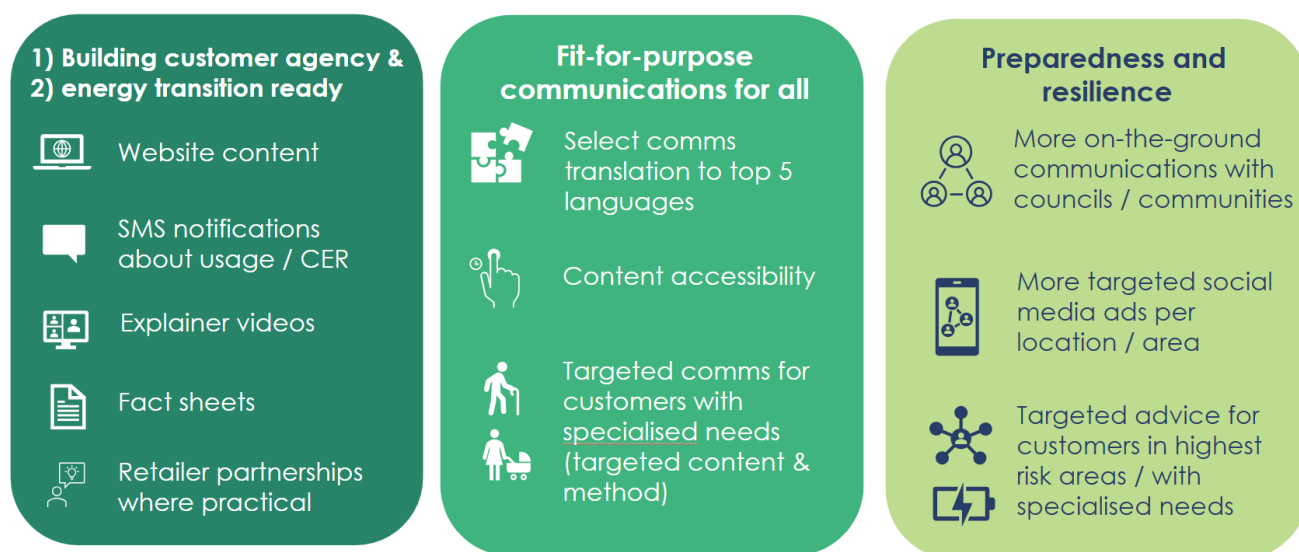
Source: AusNet

Without this additional dedicated funded we will continue our BAU campaigns but be unable to broaden our reach to maximise benefits the in 2026-31, which is expected to be one of the most important periods of the energy transition. As such this cost increase, which we consider is material, is driven by our customers seeking output of additional communication resources than we are currently providing and is therefore not funded through any other component of the opex forecast. The resilience and preparedness cost will address the recommended actions in our February 2024 Storm PIR including the execution of emergency specific preparedness/awareness campaigns. These communications costs are not included in our 'preparedness and response' opex step change.

We engaged on the proposed campaign themes through our Future Network Panel, Tariffs and Pricing panel and the Customer Experience panel. In all three panels we received support and encouragement to play a larger role in customer communications that builds agency and provide trusted information to help customers make decisions.

During the August 2024 offsite, we presented more detail to EDPR stakeholders on our proposed campaign, summarised in Figure 4 and received positive feedback about the proposed campaign, with a desire for AusNet to continue to involve customers and stakeholders in the further design of the communications once implementation begins in 2026-31. This was also raised in the CG report. We have committed to testing our key EDPR programs with the CCC as part of our updated Customer Commitments for 2026-31, which will include testing our proposed communication campaign materials to ensure messaging is clear and aligned with the identified priority areas.

Figure 4: Summary of proposed broad communications campaign



	COMMUNICATION MATERIALS ON:	SO THAT OUR CUSTOMERS:
Building customer agency and energy transition ready	<ul style="list-style-type: none"> • Tariffs – explain what signals and opportunities exist for our customers and how they can respond • Connections – information on process (e.g. for all electric homes, solar, batteries) and explanations of the different options and their benefits (e.g. flexible connections) • The energy transition – AusNet's role in maintaining and preparing the network including current network challenges and potential solutions including planned outages, network control, behaviour change or tariffs 	<ul style="list-style-type: none"> • can understand the opportunities for them to realise benefits from their investments or changes in behaviour • build awareness of our processes as customers invest in their own technologies so they can make informed choices and have accurate expectations • are informed and brought along the journey given it impacts them as it is beneficial for our customers to know what is happening, how and why and how it will impact them
Fit-for purpose communications for all	<ul style="list-style-type: none"> • Same materials from campaign described translated and made accessible • When identified and as required, we will produce targeted communications for customers with specialised needs 	<ul style="list-style-type: none"> • have access to more accessible and easier to understand communication that meets the diversity in our customers needs and preferences

Resilience and preparedness

- Weather preparedness for major events including bushfires and storms
- Resilience solutions
- have access to useful information to inform their planning and responses prior and during events is critical for our customers and communities, especially due to the rural, heavy vegetated nature of our network exposed to extreme weather.

Source: AusNet

4. Program will deliver benefits

There has been strong support from our customer and stakeholder for AusNet to realise following benefits and avoid risk of poor customer outcomes through a dedicated program.

The benefits of the proposed step change are summarised in the table below.

Table 4: Benefits of our Customer Relationship managers and broad communication campaign step change

INITIATIVE	BENEFIT
Customer relationship managers	Improved customer efficiency through reduced time and effort searching through paperwork or website for answers to questions that a dedicated AusNet relationship manager can provide (e.g., explaining details of the connection process, next steps etc). This is relevant for any project the commercial customer may have with AusNet.
	Streamlined Communication into AusNet by having a single point of contact for their inquiries, making it easier and quicker to get a response, reducing the frustration of dealing with multiple people or channels.
	Less disruption to the community from planned outages through integration of specific customer and community feedback on AusNet activities, including less disruption to business activity (e.g., if able to move a planned outage from a high commercial activity day) and families (e.g., better targeted planned outage for a school)
	Improve customer satisfaction for our C&I customers through early detection of customer pain points and raising the issue with AusNet for early resolution. This would result in significant time and effort saved for commercial customers and key regional stakeholders when dealing with an identified pain point. Our customers' expectations can be complex and change regularly and through relationship management we can improve our understanding of customer needs and pain points, so that we design and provide better support and tailored services.
	Community energy projects developed on better information and guidance from AusNet, resulting in an optimum outcome for the community (easier implementation, potentially lower connection cost to the community if the right location more easily detectable through engagement with AusNet).
	More direct involvement in emergency planning for the local communities and with municipal emergency planning agencies, improving the likelihood of a more coordinated response during emergency events such as large storms. We have ensured this cost is distinct and does not overlap with the Preparedness step change.
	Stronger trust and partnerships with our customers and communities as our relationship managers can provide more personalised support and build long-term relationships which can be valuable through large events and the transition.
Broad communications campaign	Faster attendance in local communities during large weather events, for information sharing and other forms of support for the community. Support for the EMMA vehicles.
	More informed energy consumers, which should result in better response to pricing and other signals from the industry – e.g., sizing of rooftop panels for optimum use. Customer response to network and industry signals about efficiency reduces network and energy costs in the long term.
	Customers empowered to make informed decisions relating to how they engage and use their energy network through tariffs and flexible connection offers
Customers and communities better equipped and prepared for impacts of large events and the energy transition. Broader reach to support our customer base feeling as though they are informed and being brought along the journey and not being left behind. As outlined in the PIR ⁴ , benefits of these campaigns include:	
<ul style="list-style-type: none"> • Customers can more easily access information during an outage, as they can readily provide an NMI to seek information via the call centre. • Customers experience fewer safety concerns during an outage, as they understand the risks and best course of action when fallen power lines are an obstruction. • Customers experience shorter outages when customer-side electrical defects are preventing power restoration, as they understand the best course of action to resolve this. 	

⁴ Nous Group | Post Incident Review into AusNet's Response to the February 2024 Outage Event | 7 June 2024

Better customer agency in the world of high complexity of energy choices, investments and optimal behaviours to reduce bills. This builds trust in the industry and reduces the cost of regulation and customer protections in the long term.

Given the pivotal moment within the energy transition, without this dedicated step change in investment, we risk inadequate support below the desired levels valued by our customers and communities resulting in:

- Customer frustration, waste of their time in chasing the right contact to resolve an issue, and prolongation of outstanding customer issues.
- Our customers and communities not being well equipped with the comprehensive support and access to information required to unlock desired benefits from their investments (including potential investments in small and large Distributed Energy Resources).
- Lack of trust from customers and community towards AusNet, and potentially the energy transition, due to inadequate information on the opportunities and risks throughout the energy transition as they relate to electricity distribution networks. If customers are not equipped with the essential base of information, there is a risk some customers might feel as though they be left behind or being forced through changes without being given sufficient notice or consultation.
- Inadequate preparation or understanding of opportunities to minimise the impact of climate change events in relation to power supply as their severity and frequency of these events is expected to increase.