

4 April 2024

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Acting Director AER Consumer Policy
Australian Energy Regulator
by email: ConsumerPolicy@aer.gov.au

Dear ██████████

Developing a toolkit to help consumer-facing energy businesses identify vulnerability – submission to the consultation paper

AusNet welcomes the opportunity to provide a submission to the Australian Energy Regulator's (AER) consultation on the draft toolkit to help consumer-facing energy businesses identify and engage with consumers experiencing vulnerability. Although the toolkit is targeted at non-Victorian jurisdictions, given in Victoria customer protections are governed by a jurisdictional framework, this is a critical energy sector issue and we offer the below feedback and examples to support the toolkit's development.

This submission responds to the request of the AER for feedback on:

- the better-practice principles identified, based on research and early consultation
- the consumer stories and case studies used to illustrate the better-practice principles
- additional resources or information that would be useful in helping consumer-facing energy businesses and their staff implement the better-practice principles.

Our submission supports the toolkit and its development. Further, we support the use of consumer stories and case studies involving different stakeholders within and beyond the energy system, to highlight the principles' application. To further strengthen the toolkit, we suggest adding more case studies that acknowledge better practices of energy distributors in customer-facing interactions.

We support the toolkit and research informing its development

AusNet agrees with the toolkit's explanation of vulnerability as complex, dynamic and a state that can be experienced by customers because of a range of different circumstances. Adopting this understanding, it is likely that all energy consumers will experience vulnerability at some point and in some form. That energy is an essential service heightens the importance of energy service providers engaging with and supporting customers experiencing vulnerability.

We also support the use of existing research and guidance, customer journey mapping, conversations with retailers and distributors and workshops with customer advocates and representatives to inform the toolkit's development. The case studies and examples provided help translate the principles to practice, are clear and encompass a variety of circumstances, stakeholders and situations.

Additional resources or information to further enhance the toolkit

The toolkit aims to share insights that consumer-facing energy businesses (including energy retailers) can adapt to their specific context. Distribution businesses in the National Electricity Market (NEM) play a key role in delivering energy services to customers. They interact with customers directly for metering, connections, via seasonal readiness and safety communication campaigns, during both planned and unplanned outages, reporting and resolving faults, and safety and maintenance works.

We commend the inclusion of distribution businesses in the toolkit's development. We also note that Knock to Stay Connected and that WA's Horizon Power, whose remit encompasses distribution, is featured as an example.

Given the important role of distributors, their direct interactions with customers, and the opportunity to enhance customers' understanding of the energy supply chain and its elements, we suggest the toolkit could be further enhanced by:

- (1) More clearly 'signposting' that the toolkit includes energy distribution businesses.

This would acknowledge distribution businesses' customer-facing roles (metering, planned and unplanned outages, connections, seasonal readiness and safety communication, resolving faults, and safety and maintenance). Multiplying the number of customers connected via distribution networks in the NEM and the breadth of services distribution businesses provide, generates a sizeable volume of customer interactions. These interactions can come at critical times, such as during unplanned outages.

Highlighting this situation would help clarify that distribution businesses, as a customer-facing part of the energy system, will engage with many customers experiencing vulnerability, and adopt better-practice principles in doing so.

- (2) Including case studies involving energy distribution businesses in the NEM supporting customers experiencing vulnerability.

While not setting mandatory obligations, including case studies of this nature would highlight what good practice 'looks like' for energy distribution businesses. It would further support the toolkit's aim of sharing 'insights that consumer-facing energy businesses (including energy retailers) can adapt to their specific context.'

We have offered, as an attachment to this submission, examples of our work that aligns to the toolkit's principles as we continue to work to enhance customer experience and outcomes. We would be happy to meet with the AER to further expand on these examples, and share learnings and insights from customer research and engagement if helpful.

Please do not hesitate to contact [REDACTED] about the submission or to set up a meeting.

Sincerely,

[REDACTED]

[REDACTED]

AusNet Services

ATTACHMENT: examples of our work that align to the toolkit's principles

Principle 2. Design for all customers

In 2023, our Customer Communications team has been focussing on how AusNet can connect with our culturally and linguistically diverse (CALD) communities in a more meaningful way. We are partnering with experts on CALD engagement to help us improve our communications with, and outcomes for, CALD communities on our network.

This work is also about how we define and approach our engagement with CALD communities. Consistent with our broader focus on agency-building, this approach centres on how we as a business choose to proactively remove barriers to provide equitable and accessible services for all AusNet customers.

Approximately 535,000 people in our gas and electricity distribution networks speak another language at home. Research conducted this year further identified approximately 152,000 of these customers spoke English not well, not at all or preferred not to say. While these figures are significant, we understand that this doesn't capture the nuances of communication versus comprehension and what measures we put in place to support meaningful comprehension of complex communications.

The early work we are focussing on is determining our translation and engagement strategies, which will be delivered across various channels, mediums, and customer touchpoints over multiple years. They will offer expert knowledge, guidance and the diverse community connections required to make this work meaningful and informed.

This will lay the groundwork to ensure we're meeting the challenge of providing accessible and equitable services that meet the needs of all community members.

We also continue to refine our customer communications with a strong focus on readability. Uplifting existing communications, and developing new communications, with plain language as a primary focus is all about making our communications, and organisation, easier to deal with for our customers.

A parliamentary inquiry in 2021 identified that 44%, or 7.3 million Australians, achieve the two lowest bands for literacy levels. However, the energy sector is complex, regulated and full of industry jargon and this creates a barrier for these customers.

Taking the time to refine our communications to a grade five to seven readability level ensures these factors don't influence our communications too heavily and allow us to support our customers as best we can. While there are times that some terms can't be substituted with plain language, we take opportunities to empower our customers through education with additional supportive materials including infographics, animations, and videos.

Principle 4. Collaborate with other organisations

Supporting customers with their day-to-day energy needs and through the energy transition is one of our main focuses at present, and this includes a large cohort of customers who have additional dependencies on, or barriers to engaging with, their energy supply and related decisions.

Addressing vulnerabilities is complex and multi-faceted. There is only so much we as networks can do ourselves, which is why it's so important for us to be working collaboratively with social service organisations and government to share information, identify opportunities for improvement and work "behind the scenes" to help improve outcomes for all customers.

AusNet has teamed up with the other Victorian electricity networks – Jemena, CitiPower, Powercor and United Energy – for a series of forums with government and social service organisations to help identify current and emerging issues that create inequity and/or adverse outcomes for certain customer groups, and ensure we're addressing these in our forward-planning, particularly in our plans for the Electricity Distribution Price Review 2026-31.

AusNet hosted the first forum in May 2023, in which participants from a diverse range of government and social service organisations identified three key focus areas for networks:

- enhancing individual customers' agency so they feel more in control of and can make decisions around their individual circumstances
- identifying who needs assistance, and what assistance they need, in the challenging context of the energy transition and customers' circumstances
- the need for both partnerships and direct support, with a view to ensuring the right customers are receiving the right supports in an efficient way, and that this involves a combination of approaches.

This builds on similar forums we undertook with Multinet and Australian Gas Networks through 2021-22 as we planned for the future of our gas networks. Planning for vulnerability in the [EDPR 2026-31](#) continues and you can follow progress on Community Hub.

Principle 5. Use data to improve consumer outcomes

AusNet's Vulnerability Research Grant improves our understanding of our customers' needs and enable us to deliver fit-for-purpose energy services to all customers, regardless of their circumstances and capabilities.

Through AusNet's 2022 Vulnerability Research Grant, Yarra Energy Foundation investigated the experiences, risks and impacts faced by customers living with disability or chronic health conditions, highlighting any differences and its impact compared to other customers, within AusNet's electricity distribution network. The \$30,000 Vulnerability Research Grant is available annually for social service organisations and public institutions.

The Shine the Light report highlighted that the energy needs of customers with disability are diverse, and when they interact with other risk factors, some precarious situations are created. Six per cent of our customers reported having a disability and 33% are managing a chronic health condition. The psychological impacts of outages, especially when combined with loss of communications, can be severe for customers with disability and mean the loss of support and ability to seek care.

The findings from the Shine a Light study have provided valuable insights for AusNet, other service providers, governments, and local communities to better understand the needs and challenges faced by our community members and ensure they have access to fit-for-purpose services and support.

AusNet is addressing these recommendations through a combination of improvements to general service levels and support specifically designed for customers with disability. Other recommendations identified are activities best led by government or other service providers, where AusNet can play a supporting role.

The 2024 Vulnerability Research Grant was awarded to Council on the Ageing (COTA) Victoria to investigate the impact of the energy transition on customers aged 65+, and to help inform AusNet's plans to improve energy outcomes for older Victorians.