



OPERATING EXPENDITURE

CUSTOMER ASSISTANCE PACKAGE

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1. Overview

Energy care

\$0.8M

In-person energy literacy programs and a web-based hub to provide customers with bill interpretation and enhanced understanding of energy consumption.



Community energy fund

\$2.0M

Enhancing inclusiveness and supporting customers towards an equitable energy transition.



Energy advisory services

\$0.9M

Expert guidance to assist communities in building their own energy programs.



Vulnerable customer assistance program

\$2.4M



First Peoples program

\$0.7M

Enhancing First Peoples energy access through programs that support resilience, help vulnerable customers, support renewable energy projects and provide tailored energy-related information.



Targeted at assisting customers and communities to transition away from gas-based appliances. Financial assistance for fuse replacement and upgrades to support electrification.

2. Background

2.1 Customer engagement

We strive to provide our customers an affordable, safe, and reliable energy service that continuously adapts to meet their evolving needs. To understand and keep pace with these changing needs, we have utilised various mechanisms to capture their insights, feedback, and opportunities for improvement.

Through direct engagement with customers and stakeholder and through our Customer Advisory Panel (CAP), we have been able to identify what is most important to our customers. We have gained their insight into the energy transition, and their expectations of the network facilitating this. We have been able to gauge views on important customer-related topics such as energy equity, energy poverty, and customer values.

These insights and views have helped us shape new actions to improve our customers' experience and outcomes.

Through our engagement journey we have:

- completed the innovative Future Home Demand Project with Monash University exploring the interaction between future energy use and everyday life trends
- undertaken joint distributor engagements with welfare agencies aimed at determining how Victorian electricity distributors can best support customers experiencing vulnerability
- completed a study on customers experiencing vulnerability, identifying their priorities and concerns
- updated our customer values analysis framework to better understand their willingness to pay for network improvements they value
- sought to validate our draft proposal's value for our customers.

These insights have demonstrated the need for barriers to participation in the energy transition be dismantled and equal access be provided to all customers at an affordable price. Customers have shown they will pay for improvements that benefit others experiencing vulnerability or those 'worst served' under our current network arrangements.

We understand it is critical we develop and implement a customer assistance package that directly responds to the feedback we have received and delivers on the above expectations. This is particularly true for people at risk of energy poverty or experiencing vulnerability.

2.2 First Peoples engagement

Our network is located on Wurundjeri and Bunurong/Boonwurrung Counties, and is home to approximately 1,700 First Peoples, 20 First Peoples businesses, 2 Registered Aboriginal Parties and 3 community organisations. Given our network footprint, we have established dedicated roles within our network to drive First Peoples engagement and the development of our first Reconciliation Action Plan (RAP).

The establishment of our RAP is an important milestone for empowering and increasing the self-determination of our First Peoples' communities. This is achieved through mutually beneficial partnerships training, employment, and business opportunities.

In June 2023 we established the First Peoples Advisory Committee (FPAC). FPAC comprises 5 community members, the chair also sits on our CAP. FPAC has provided feedback into the proposed First Peoples program described below and endorsed it.

Throughout the regulatory period, we have engaged with First Peoples to better understand their lived experience and to identify their specific energy related issues and priorities. Within the CitiPower network, we have engaged with community members, Registered Aboriginal Parties and community organisations. We were also represented at the First Nations Clean Energy Strategy roundtable where we heard about the need for capacity building including energy literacy and interest in building, owning and operating renewable energy projects.

Throughout the engagement, we identified First Peoples' priorities, displayed in the table below.

TABLE 1 FIRST PEOPLES CUSTOMER PRIORITIES

FIRST PEOPLES PRIORITY	SENTIMENTS AND WHY IT IS IMPORTANT
Access to energy is a human right	<p>First People have not been afforded the same generational wealth as the wider population. The health and equity gaps continue to widen, highlighting the need for programs that help those who are struggling to pay for electricity.</p> <p>Due to the fear of rising electricity bills. Elders within First People communities aren't using their heating or cooling, which is leading to knowledge holders in communities becoming severely unwell.</p>
Energy literacy	<p>First People noted the importance of independent and unbiased energy literacy resources that are not being provided by government or energy retailers due to the distrust with these organisations. It was recommended that networks provide information on 'how to read bills', 'energy efficiency', and 'information on renewable energy'.</p>
Renewables	<p>First People responsibility to care and protect Country go hand-in-hand with the energy transition. It was recommended by First People that CitiPower help with the connection of renewable energy projects and provide specific information on what is/isn't possible at proposed points of connection.</p>

3. Our customer assistance package

Our customer assistance package combines several programs to improve service to customers experiencing vulnerability. Importantly, we are not seeking to define or limit what circumstances are considered vulnerable, as we recognise vulnerability can differ by individual. Therefore, we have designed our customer package to ensure customers experiencing vulnerability have access to the tools and information they need to minimise their exposure to energy poverty.

Our customer assistance package focuses on the strength and longer-term relationship with our customers. While customers can change retailers frequently, our network is the constant element of their energy supply.

Throughout our engagement, customers and customer-representative organisations were critical of reliance on retailers to deliver customer vulnerability services. Despite low awareness of networks, customers trusted networks to provide independent information about the energy transition, particularly compared with retailers.¹

3.1 Energy care

Energy care is a community outreach program providing information/training sessions to community support workers and developing targeted communications and outreach programs for approximately 10,000 customers over the next 5 years, who may be at risk of vulnerability. The initiative supports customers accessing centralised, independent and accurate information.

Customers have told us they want education relating to supply charges, consumption behaviour and impacts of the energy transition.²³ While some information is provided there is a prevalence of misinformation or promotional bias of literature about the energy transition.⁴

Energy care improves electricity education through in-person literacy programs involving interpretation of electricity bills, retail plans and understand energy consumption and energy-efficient practices. The in-person programs will be conducted annually.

In addition, Energy Care will provide training sessions with community support workers from partnership agencies. We will develop targeted communications for these sessions able to be used by participating agencies. The partnership approach is preferred by customers, given the expertise welfare agencies have working with their clients.

“Collaborating with organisations like St Vincent’s for existing programs, such as switchboard upgrades, would maximise impact rather than duplicating efforts.”

CitiPower customer, Test and Validate: Roundtables

Training sessions will occur 3 times a year and welfare agencies will have access to a web-based hub. The web-based hub will provide welfare agencies with quick and easy access to all energy support programs, updates and connection to other hub members and network staff.

¹ Forethought, Engagement Program with Customers Experiencing Vulnerable Circumstances, February 2024, p. 28.

² Forethought, Engagement Program with Customers Experiencing Vulnerable Circumstances, February 2024, p. 9.

³ Forethought, Broad and Wide Stakeholder Engagement: Culturally and Linguistically Diverse (CALD) Community Summary Report, December 2022, p. 9.

⁴ RPS, Customer Vulnerability Roundtable: outcomes report, October 2023, p. 6.

3.2 Community energy fund

The community energy fund (Fund) supports a variety of initiatives aimed at improving inclusiveness and a more equitable energy transition. The Fund does this by improving access to renewable energy resources for all customers and communities across the network. This could include initiatives such as community batteries and solar hubs. The Fund will be allocated based on proposals presented to, and approved by, our CAP and FPAC for First People related applications. The Fund is conservatively estimated to support 2 projects annually. The first round of the funding applications is expected to open October 2026. Any funds are not awarded will be returned to customers.

An equitable energy transition was identified as important early in our engagement journey, customers wanted to ensure equal access to new technologies.⁵ This theme however continued to resonate with a growing number of customers citing barriers to their participation in the energy transition and a fear of being 'left behind'.⁶

We've looked at some solar options, but to be honest with you, we're not going to go down that path because it's far too expensive for the return you get."

Medically Vulnerable, Metro customer, Engagement Program with Customers Experiencing Vulnerable Circumstances

Our customers see solar as a major part of the energy future and prioritise our investment towards increased solar availability, particularly for those that are financially vulnerable and cannot afford the upfront costs.⁷

3.3 Vulnerable customer assistance program

The vulnerable customer assistance program (Program) is targeted at supporting customers and communities to transition away from gas. The Program will do this through providing reduced fees for customers experiencing vulnerability requiring fuse or phase upgrades to support greater electrification at their premise.

Customers experiencing vulnerable circumstances supported the energy transition but were concerned who would pay for their transition from gas to electricity. There was a concern amongst these customers that the transition was happening around them and concern over what would happen if they could not afford to make changes.⁸

Electrification will challenge customers already experiencing vulnerability with limited financial resources.⁹ Although government incentives, such as Victorian Energy Upgrades for homes, exist for upgrading energy-efficient appliances, they do not address network costs¹⁰. Often customers transition away from gas cannot occur in the absence of installation of a larger fuse at their premise or a requirement to move from single to three phase supply. CitiPower is uniquely positioned to assist in managing these network related electrification costs. We expect that the program will be able to assist at least 1,000 customers over the next 5 years, depending on the discount applied to the fixed charge.

⁵ Forethought, Broad and Wide Stakeholder Engagement: CitiPower Summary Report, December 2022, p. 12.

⁶ Forethought, Engagement Program with Customers Experiencing Vulnerable Circumstances, February 2024, p. 23.

⁷ Forethought, Broad and Wide Stakeholder Engagement: CitiPower Summary Report, December 2022, p. 15.

⁸ Forethought, Engagement Program with Customers Experiencing Vulnerable Circumstances, February 2024, p. 26.

⁹ RPS, Customer vulnerability roundtable outcomes report, October 2023, p. 7.

¹⁰ Department of Energy Environment and Climate Action 2024, Victorian Energy Upgrades for homes, Victorian state government website, accessed December 2024.

Our Customer Advisory Panel has highlighted the need for greater understanding of vulnerability in our network.¹¹ They consider efficient and effective delivery of vulnerable customer programs can only be achieved if there is robust vulnerability strategy in place that targets where programs can maximise their benefit. We therefore intend to work in conjunction with CAP on a network wide vulnerability strategy that will guide our implementation and operational strategies and ensure transparency and accountability on the operation of all vulnerability-based programs.

3.4 Energy advisory service

The energy advisory service (Service) is a data advisory program, administrated through our existing New Energy Services team and Electricity Network experts, that will offer bespoke data requests and advice on a range of community requests. Communities, First Peoples organisations, welfare agencies and other institutions will have the ability to submit a bespoke request where fees are discounted or waived.

Today we receive many bespoke requests from councils, community groups and First Peoples organisations. These requests often involve data and interpretation that requires resourcing from the network that we cannot offer without applying approved quoted service charges. These charges can be significant, and for many not-for-profit organisations, deter them exploring prefeasibility works that can be essential for accessing government supported grants and funding. Customers stressed the desire for greater data accessibility to support community level projects.¹² To establish these projects, customers must interpret the data, which is complex and for many users beyond their grasp.¹³ We believe the network will be positioned to assist in this space and that is reflected both in customer sentiment and the number of bespoke requests we receive today.

Whilst it is difficult to estimate the number of customers who may benefit from this service, we have conservatively estimated around 7,000 over the next regulatory period, depending on the size and discounts offered. Any funding not utilised will again be returned to customers.

3.5 Endorsements

Following publication of the draft proposal, we incorporated feedback received from the test and validate engagement program, the CAP and FPAC. The proposed amendments to the original customer assistance package program were then tested with the CAP, and changes to the First People elements tested with FPAC. FPAC endorsed the amendments proposed for the First People elements and the CAP endorsed the remaining changes. Both CAP and FPAC however emphasised their approval was conditional on appropriate governance being in place, and a frequent evaluation of each programs' performance.

3.6 Accountability

Customers, CAP and FPAC emphasised the need for an evaluation framework. Therefore, it is our intention to work with customers, CAP and FPAC to develop an evaluation framework to account and assess each programs' performance, develop its governance and ensure the sharing of knowledge gained. The evaluation framework will guide the programs and ensure they remain agile and responsive to customer needs.

¹¹ Customer Advisory Panel: meeting 2, April 2023, p. 3.

¹² Forethought, Test and Validate: roundtables, November 2024, p. 13.

¹³ RPS, Customer Vulnerability Roundtable: outcomes report, October 2023, p. 6.

3.7 Benefit to customers

We conservatively estimate the entire reach of the Customer Assistance Package Program will include over 24,000 customers. Whilst we do not go into detail here the assumptions underlying this estimate, have been presented and reviewed by the CAP.

It should however be noted the number of customers assisted will vary depending on the depth of discounts or nature of innovations. We will therefore be keeping a close eye on the performance of each program and ensuring the CAP receive reporting at least annually.

3.8 Costing

The Customer Assistance Package was presented to all customers (not just those considered vulnerable) to test whether the outcomes aligned with expectations expressed in earlier engagement. The draft proposal included just over \$5.0M for the customer assistance package. We found post the draft proposal, the customer assistance package continued to be strongly supported, but it needed to be more significant to the desired meaningful impact¹⁴¹⁵.

To increase the reach, for the final proposal the Package has been increased to \$6.8M. This was endorsed by the CAP and the FPAC endorsed the First Peoples program.

A breakdown of the costs is presented in the table below.

TABLE 2 CUSTOMER ASSISTANCE PACKAGE PROPOSAL (\$M 2026)

PROGRAMS	TOTAL
Energy care	\$0.8
Community energy fund	\$2.0
Vulnerable customer package	\$2.4
Energy advisory services	\$0.8
First Peoples program	\$0.7
Total	\$6.8

¹⁴ Forethought, Test and Validate: roundtables, November 2024, p. 14 & 15.

¹⁵ Customer Advisory Panel minutes, meeting 14, October 2024, p. 3.

4. First Peoples program

The First Peoples program (program) aims to empower First Peoples in making choices about their energy consumption behaviours, share information on how to lower electricity bills, energy efficiency tips and tricks and give information on current government rebates and funding programs.

The Program will work towards delivering the following objectives:

- increase access to heating and cooling for First Peoples who are 60 and older
- increase energy literacy through tailored and self-determined community engagement sessions
- the Program has been developed in conjunction with FPAC. The Program will be adapted as needed when First Peoples communities' priorities change to ensure we are delivering on their energy-related needs and expectations. Any changes to the Program will go to FPAC for consideration and approval.

4.1 First Peoples community energy literacy program

Throughout the engagement we have been told time after time that First Peoples need ethical unbiased information on energy. This ranges from how to understand electricity bills, changing plans, how to be more energy efficient to what to do when an emergency occurs to renewable energy types and possibilities. Whilst there is information out there it is often by retailers where there is ongoing distrust and biased information that is trying to sell or promote something. First Peoples communities are calling for tailored information and a way to start increasing understanding amongst community members.

This initiative is aimed at enhancing engagement with First Peoples about energy. These sessions will be delivered in partnership with communities. For example, one session might be at an existing community event, whilst another might be sitting at a community organisation and booking in person yarns one-on-one with community members. CitiPower have also received invites to attend community gathering places and yarning circles to run this program. We recommend community members bring along their electricity bills, but there is no obligation to. It is up to the community members to share what they are comfortable in sharing during these events.

When we attend existing community events to run the energy literacy program, there is normally a donation required. This initiative includes costs for energy literacy materials and donations that may need to be covered to attend these events. Supporting existing events is recommended over creating additional engagement and contributing to consultation fatigue.

To build relationships with community members and invite members over for a yarn, CitiPower would normally have free merchandise with Aboriginal art available. The merchandise assists in establishing a 5-minute yarn and is key to building relationships. The cost of merchandise is included under this initiative.

4.2 First Peoples 60+ energy program

First Peoples have a life-expectancy approximately 10 years lower than non-Indigenous Australians¹⁶. Further, First Peoples disproportionately experience several negative social indicators that impact their health. This contributes to First Peoples in Victoria having a median age of 23 years – compared with 37 years for other Victorians¹⁸.

We have heard firsthand from First Peoples customers, FPAC and our own internal First Peoples team that the lack of access to energy, in particular heating and cooling is contributing negatively to First Peoples health. In response to this need, we further tested and validated this initiative with community members. All respondents rated the initiative in their top two priorities and overall, deemed it the highest priority for their communities.

"Too often Elders are freezing and getting sick because of electricity bills, it is costly, and our Elders suffer because they worry about their energy usage."

CitiPower customer, First Peoples Advisory Committee meeting

Across CitiPower there is approximately 125+ First Peoples who are 60+¹⁹. As heating and cooling - costs roughly \$800²⁰ a year, the initiative aims to increase access to heating and cooling through an annual \$500 rebate. This will reduce stress associated with electricity bills and ensure access to heating and cooling.

This initiative will be delivered via a partnership with Aboriginal Community Organisations, Aboriginal Housing Victoria and Aboriginal Community Elders Services to ensure that First Peoples community members are accessing the program. A part-time FTE will attend key community events, Elders events and, where welcomed, Elders yarning circles to promote the program and assist Elders in filling out applications for the program.

- To be eligible for the grant, applicants must demonstrate they are:
- of Australian Aboriginal or Torres Strait Islander descent and identify as an Aboriginal and/or Torres Strait Islander person and are accepted as such by the community in which you have been living or are associated with someone aged 60 and older
- and a low-income household, hold a concession, low-income health care card or pensioner card.

4.3 First Peoples impact

The First Peoples program aims to reach a minimum of 2 First Peoples community events a year through the energy literacy component and improve access to heating and cooling for a minimum of 100 First Peoples 60+ across CitiPower.

4.4 Benefits

The First Peoples program will deliver the below benefits:

¹⁶ Department of Health and Human Services 2017, Korin Korin Balit-Djak Aboriginal health, wellbeing and safety strategic plan 2017–27, State Government of Victoria, Melbourne.

¹⁷ Australian Bureau of Statistics 2017, 2071.0 - Census of Population and Housing: Reflecting

¹⁸ Census 2021, Melbourne – Port Phillip

¹⁹ Victorian Government, Department of Energy, Environment and Climate Action 2024. Heating and cooling discounts

²⁰ Victorian Government, Department of Energy, Environment and Climate Action 2024. Heating and cooling discounts

- empower First Peoples to actively consider how they use electricity and can more effectively manage their energy needs
- engage communities on energy and reduce fear of electricity bills
- contribute to the National Closing the Gap objectives by ensuring Elders have access to energy
- contribute to reducing the energy equity gap faced by First Peoples today
- assist in delivery of the First Nations Clean Energy Strategy through providing energy literacy.

4.5 First Peoples support for programs

Critical to the delivery of these initiatives is resourcing to support and conduct these programs in a culturally safe manner. We have proposed a minimum of 0.3 FTE to ensure the success of the First Peoples programs.

4.6 Endorsements

The First Peoples package has been endorsed by CAP and FPAC. The package has also been tested with all CitiPower customers receiving strong support. CitiPower customers understand the importance of the First Peoples program, in line with their expectations for all customers facing vulnerable circumstances.

4.7 Reporting and accountability

We will deliver, report, and monitor on the progress of the program to FPAC and our Executive. If there is a proposed change to the program based on learnings or feedback, it will require consultation and approval by FPAC.

Feedback will be captured on the program's effectiveness and reported to FPAC on a 6 monthly basis.

4.8 How we are meeting First Peoples customer needs

- Our First Peoples program directly addresses First Peoples priorities identified through our stakeholder engagement, as shown below in table 5.1.

TABLE 4.1 HOW CITIPOWER IS DELIVERING ON FIRST PEOPLES CUSTOMER PRIORITIES

FIRST PEOPLES PRIORITY	HOW IT IS BEING DELIVERED ON
Access to energy is a human right	Access to heating and cooling for First Peoples who are 60+ is proposed under this program.
Energy literacy	A small amount of funding for materials and engaging First Peoples on energy literacy is proposed under this program.
Renewables	Due to the limited funding for CitiPower and the cross over of community organisations and reconciliation action plan (RAP) for our other networks, this is not something for which funding is being sort under this regulatory proposal.

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4.9 First Peoples program costing

Based on the feedback of CitiPower customers, post the release of the draft proposal, the value of the First Peoples program was increased to support the desired impact. The FPAC and CAP endorsed the additional funding.


We have divided the funding of the First Peoples program based on how many First Peoples reside within each network. Table 2 shows the cost of the First Peoples program across the 5-year program.

TABLE 2 FIRST PEOPLES PROGRAM PROPOSAL (\$M 2026)

INITIATIVE	RESOURCING	2026-31
Community energy literacy program	Funding for materials and costs associated in attending events	0.1
	0.1 FTE to support the engagement within the community and organise events	0.1
First Peoples 60+ energy program	Program Funding	0.3
	0.2 FTE for the administration of the program and engagement with First Peoples 60+ to increase uptake	0.2
Total		0.7



For further information visit:

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