Jemena Electricity Networks (JEN)

Prepared June 2024

Retailers Forum

Summary Report

GAUGE CONSULTING

Jemena
bringing energy to life

Introduction

Purpose

On Wednesday 22 May 2024, retailers operating in Jemena Electricity Networks (JEN) met at the Hyatt Centric in Melbourne. This meeting enabled retailers to:

- Receive an update on the priorities customers have been sharing in JEN's Price Reset Engagement
- Share their thoughts on how retailers and JEN might work together to help respond to these priorities
- And sharing their feedback on proposed pricing levels (tariffs) and future network opportunities

These insights will inform JEN's 2026-2031 Regulatory Proposal, business-as-usual (BAU) operations and ongoing sector advocacy.

Attendance

The forum was attended by 19 representatives of nine retailer organisations, as well as staff from DEECA and the Essential Service Commission and 13 JEN employees.

Retailers/Other Organisation	JEN Staff
AGL Energy • Network and Metering Coordinator Manager • Network and Metering Coordinator Analyst	• Ana Dijanosic, General Manager Regulation • Christopher Masson Customer Development Manager • Isabella Powell, Business Development Manager • Johan Ng, Commercial Manager • Louise Baring, Customer Engagement Lead • Luisa Hall, Senior Pricing Analyst
Alinta Energy • Head of Industry, Networks and Metering • Network & Metering Relationship Manager	
Department of Energy, Environment and Climate Action (DEECA) • Acting Manager Energy Consumer Policy • Senior Policy Officer	
Energy Australia • Industry and Networks Lead • Regulatory Affairs Lead • Green Transport Leader • Head of Green Transport • Network and Industry Lead	

<table>
<tr><th>Retailers/Other Organisation</th><th>JEN Staff</th></tr>
<tr><td>ENGIE
• Vendor and Stakeholder Relationship Manager</td><td rowspan="7">• Matthew Serpell, Electricity Regulation Manager
• Peter Popovski, Commercial & Contracts Lead
• Sandra Centofanti, General Manager Customer & Commercial, Jemena table lead
• Shaheli Damiano, Business Development Manager
• Shaun Reardon, Executive General Manager, Jemena table lead
• Shaun Rodrigues, CIC SME
• Theodora Karastergiou, Future Networks Planning Manager</td></tr>
<tr><td>Essential Service Commission
• Senior Analyst, Price Monitoring and Regulation
• Senior Analyst</td></tr>
<tr><td>Momentum Energy
• Manager Networks Metering and Settlements</td></tr>
<tr><td>Next Business Energy
• Pricing Manager
• EGM – Retail Operations
• Billing and Meter Data Team Leader</td></tr>
<tr><td>Origin Energy
• Network Manager
• Network and Industry Manager</td></tr>
<tr><td>Pacific Blue
• Pricing Manager
• Service Delivery Manager</td></tr>
<tr><td>Red Energy
• Regulatory Manager</td></tr>
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Approach

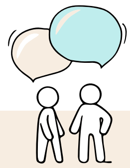
After an overview of JEN's progress on its 2026-2031 Regulatory Proposal, the host shared a summary of customer priorities emerging from engagement on the Reset, and invited three members of the Seniors, Mental Health and Disability Customer Voice Groups (CVGs) to elaborate on these priorities and answer questions in a brief panel discussion.

Participants then worked in small groups to share their thoughts on how they and JEN can better support customers experiencing vulnerability, and help improve energy literacy and customer education.

JEN shared proposed tariffs that had emerged out of retailer and customer engagement, for participant feedback, and closed the forum by presenting future network opportunities, for participants to comment on.

The session slides are available at Appendix 1.

Participant experience



“I enjoyed the collaborative approach. The facilitator was great.”

“The presentations were short and sharp, no death by power point.”

“Love the focus group feedback”

“The customer panel was really good”

Next steps

JEN will use the outputs of these discussions – summarised in the remainder of this report – to prepare proposed regulatory proposal, BAU and advocacy responses.

Customer Priorities

Panel Summary

Accessibility and communications	Empathetic customer service	Energy literacy
• Want to speak to real people, who are cheerful and so patience • Want timely responses, with transparency and honesty around waiting times • Seniors can experience anxiety around completing forms – imagine how your parents or grandparents would feel navigating some of your forms • Want less overwhelming choices • Proactively check-in with us, e.g. to update us when you have implemented our suggestions • Provide webpages that are dedicated to particular vulnerable groups (e.g. Seniors) • People dealing with mental health challenges can appreciate highly-searchable websites with multiple and equally-supported contact channels (i.e. alternatives to phone calls) • Provide clear, consistent and compassionate reminders to customers to support their decision-making • Affordability and reliability can be particularly important for people with a disability, particularly if they are on a fixed income • Heat, for example, can have a greater impact on people with a disability (e.g. those on life support) – They need to know who they can go to for help	• People dealing with mental health challenges often reach out when things have become really bad, so it is important they don't have to repeat themselves (particularly if there is trauma associated with their situation) • Customer service staff should be trained (e.g. trauma-informed), with the ability to take significant action to support customers without needing to escalate the decision to more senior staff • Customer service teams should take good records of conversations and effectively follow through on committed actions • Customer should be able to elect others to advocate on their behalf • Customers should have access to information and support in diverse languages • Customer service teams should be sensitive to affordability concerns, particularly for people with a disability who can be dealing with extra costs associated with their disability	• Many members of the Customer Voice Groups (CVGs) were not aware of available electricity benefits and subsidies • JEN and retailer websites need to be easier to navigate, to make this information easier to find • Use simple language that we are more familiar with • Be transparent and honest, especially letting us know when things go wrong or when a service will come with a cost • Don't make it hard for customers to find the most affordable option (e.g. long-term benefits from solar installations) • Work hard to retain customers – Build relationships with us and reward our loyalty • Look for ways to recreate the learning opportunities we experienced as participants on the CVG, including working together to run sector-wide education campaigns

Out of these contributions, the forum facilitator proposed the following key problem statements for participants' consideration:

- How might we improve customers' interface with us? (e.g. human, honest, sensitive, not overwhelming, consistent, understandable)
- How might we more proactively reach out to customers? (e.g. to raise awareness, connect to benefits and follow up)
- How might we give customers multiple, equally-supported channels? (e.g. phone, chat)
- How might we engage in a trauma-informed way, saving people from repeating traumatic experiences and enabling them to engage via advocates?
- How might we set realistic expectations (e.g. around price options, outages)?
- How might we make it easier for customers to find the most affordable option?
- How might we work harder to retain customers (e.g. building relationships, rewarding loyalty)?

Panel Q&A Summary

Questions	Answers
You explained that sometimes people with a disability cannot be selective about when they use energy (e.g. urgently need it for cooling). Given this, are current tariffs fit-for-purpose, given this?	**Disability CVG Rep**: You're right – I can't choose the best time; I need to use energy continuously. I'm not sure how to answer the question – I need tariffs to be more understandable
You said you expect retailers to proactively check in with you. What information would you want retailers to proactively share and via what channels?	**Mental Health CVG Rep**: Engage us on more than just our power needs, to help build a relationship **Seniors CVG Rep**: Provide information in libraries, community houses, via NDIS services and other places seniors' groups visit
The incentive structures for solar customers are changing. Are your expectations for solar returns being met?	**Mental Health CVG Rep**: Customers were promised returns that we feel like we're now not going to get. It's unjust **Seniors CVG Rep**: Potential environmental impacts should be considered when determining these returns

Our Response

The following tables summarise the main challenges retailers encounter when attempting to respond to these customer priorities, as well as suggestions for what retailers and JEN might do in response, noting that some suggestions for retailers might be actionable by JEN and visa versa.

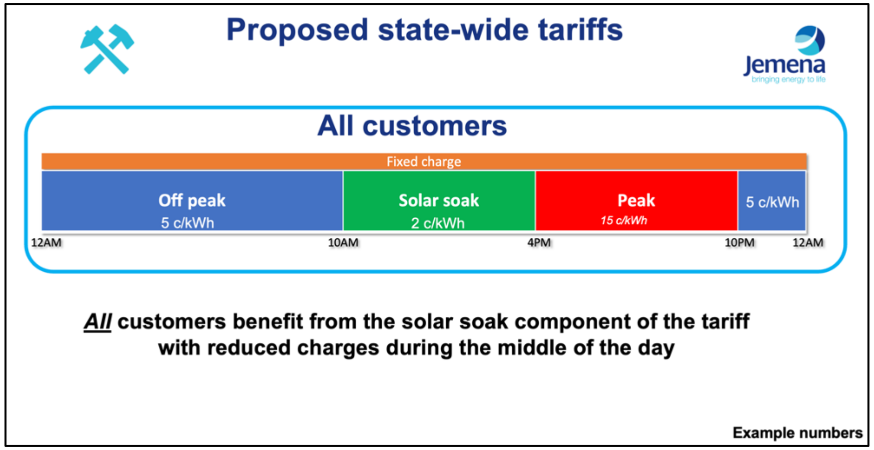
What is hardest about responding to these priorities	What role can retailers play to respond to these priorities	What role should JEN play to respond to these priorities

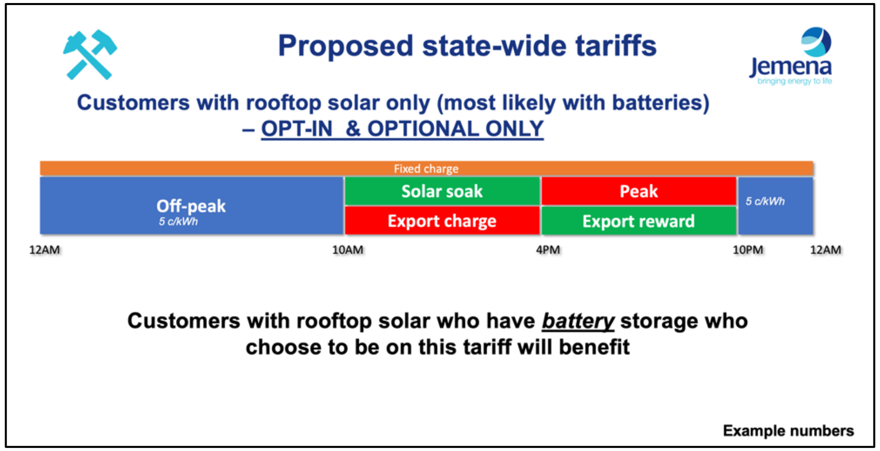
• Hearing and effectively responding to vulnerable customers' needs, and building trust (noting the different needs of chronic vs new vulnerable customers)
• Helping vulnerable customers overcome the barriers preventing them from engaging to begin with. For example, attracting customers who do *not* consider themselves vulnerable to available hardship programs. How do we make it easier for them to self-select, with less stigmatised language than 'vulnerable'?
• As awareness of hardship programs grows, it becomes increasingly difficult to individualise support or determine whether customers truly meet 'vulnerable' criteria
• We may not have the right products in place to meet vulnerable customers' needs (e.g. for those who cannot be selective about the timing of their energy use)
• Supporting vulnerable customers to choose the tariff that best suits their need, given a flat tariff is not always the
	• Improved, collaborative communication with customers and advisory support services (e.g. better following up)
	• Balancing commercial imperatives with meeting vulnerable customer needs (e.g. providing peak/off-peak products, payment plans, not pressuring staff to end a call)
	• Providing multiple channels and customised responses to match different customer needs and preferences
	• Preparing staff to be an effective and empathetic first point of contact / established checkpoint for customers
	    • E.g. empathy training
	    • E.g. expanding 'flags' to include more than life support and domestic violence
	• Working with and helping sponsor community groups who work with vulnerable customers, so they can help connect them to hardship programs
		• Providing technical information and data (with customers' permission) that helps retailers identify and support vulnerable customers
		• Providing up-to-date information (and ideally advanced notice) to retailers
		• Working with retailers to develop a more consistent definition of vulnerability and the support that should be provided to them
		• Potentially supporting retailers to 'share the increasing burden' of servicing and subsidising costs for vulnerable customers, as the volume of hardship customers increases
		• Helping enable tariff flexibility (e.g. opt-in tariffs), so retailers can better meet the needs of different vulnerable residential and business customers
		• Providing planned and unplanned outage support for vulnerable customers
		• Providing the data required for timely and accurate metre reads and invoices from retailers

What is hardest about responding to these priorities	What role can retailers play to respond to these priorities	What role should JEN play to respond to these priorities
best fit. This is made more challenging by dynamic regulatory changes and perceptions of 'shifting goal posts' during the energy transition • Improving the accessibility of important information for customers who "don't know what they don't know" – For instance, there may be an opportunity to leverage state government bodies to provide more impartial information to customers • Helping customers understand and act on tariff options (including flat vs two-time) • Persuading customers to engage with their retailers – This is made easier when energy-related conversations are in the media (e.g. energy bill rebate in recent Federal Budget) • Managing trade-offs when a sensitive, empathetic approach to customer service sometimes comes in conflict with a more efficient, responsive approach • Determining whether a customer really wants their retailer to proactively 'reach out' • New retailers with less capabilities in this space	• Participating in/sponsoring more community forums and programs (e.g. Uniting) • Communicating with older (senior) customers like we might communicate with our own parents or grandparents • Providing easily understandable information as soon as possible (e.g. comparisons of tariffs, explaining how this applies to their own energy usage and lives, giving advanced notice of changes, tips for managing energy usage) to help customers make choices • Using easy-to-understand language on websites, with specific pages dedicated to certain customer cohorts • Supporting customer advocates and sponsors to help vulnerable customers make decisions • Providing accurate and timely metre reads and invoices	• Improving the effectiveness of its own website, including through customer testing • Continuing to deliver 'rich' customer engagement • Educating JEN's frontline staff re: vulnerable customers, and referring these customers to their retailer's advisory services

Pricing & Equity (Tariffs)

Participants were presented with the following two proposed tariffs, which JEN had prepared following engagement with retailers and customers.





Participants were asked how satisfied they are with the proposed tariffs and what specific improvements would most improve their satisfaction:

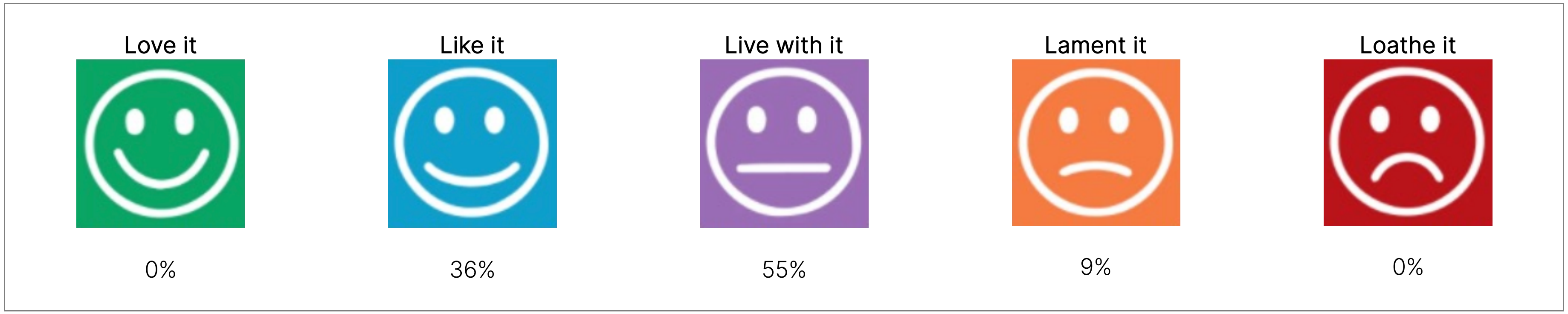


Figure 1. Participants' satisfaction (% of participants). N=13

Reasons for higher satisfaction	Reasons for lower satisfaction	Other questions or comments
• Appreciate the alignment with other Victorian distributors • Supportive of option to ‘do nothing’ – the opt-in tariff will only be taken up by those it benefits • The cost structures are simple to understand • Cost-reflective tariffs will have an important part to play during the energy transition • Customer incentives/rewards are needed so that solar customers don’t end up being subsidised by the rest of the grid *A few participants preferred that customers were compulsory reassigned to the current opt-in tariff*	• It is hard to justify the cost to build the opt-in tariff product given how small the interest in it will be *JEN indicated that this tariff will become increasingly useful over time and that a tariff of this nature will be mandatory in NSW next year, so national retailers will need to make available soon*	• Update tariff language so it is instantly understandable for customers (e.g. ‘solar soak’ could be ‘free’ or ‘midday discount’) • Concerned, long-term, that prices will increase for customers who choose to ‘do nothing’, as an incentive to opt-in to other tariffs • How will we determine if customers are better off with the opt-in tariff? • How will the time-of-use price be calculated if only a small number of customers transition? • How will the opt-in tariff look on the bill? • Understand that the opt-in tariff is focused most on customers with batteries, so we will have to wait and see how customers respond. Would these also be targeted at aggregators? *JEN suggested they were open to exploring aggregator interest in the opt-in tariff*

Future Network Opportunities

Participants were asked what future network opportunities were most important to them and what role JEN should play to help realise those.

Most important opportunities	Expectations for JEN's role
Roadmap for future services adoption	• Provide a roadmap for future services to be adopted by customers (e.g. aggregated batteries, electric vehicle (EV) charging solutions), as you are doing with the proposed opt-in tariff • Continue improving the integration of network and market controls • Identify partnerships with retailers to support Customer Energy Resource (CER) opportunities • Support electric vehicle infrastructure, including by exploring whether JEN could reduce/delay costs or reduce available capacity for EV stations, to reduce costs while EV uptake is insufficient for the companies that own these stations to recoup their expenses
Digitising the grid and using new technologies to enable new services and products	• Digitise the grid, using AI to help free up grid capacity and solve other challenges • Use technology to create a platform for new services and products for customers (e.g. virtual power plants, community batteries) • Explore how you might use new connections as an opportunity to install/upgrade more future-focused regulated assets (e.g. EV charging connections) • Support dynamic load control through retailer and distributor partnerships • Explore smart energy and demand response for large customers
Maximising network efficiencies	• "Get on with it" – Maximise what efficiency you can get out of existing assets • Support fair charging by using dynamic envelopes and other solutions to take a balanced approach to generating revenue from regulated assets • Invest in and advocate for future growth in Battery Energy Storage Systems (BESS), to deliver value to retailers and customers • Improve capacity in the grid, including to support EV uptake

Most important opportunities	Expectations for JEN's role
Supporting resilience and progress to net zero	• Allow mid-span connections, to support tree canopies • Explore undergrounding of assets

Generally, participants want to see Jemena propose its own role in future opportunities and test this with retailers and their Future Network teams.