

Jemena Electricity Networks People's Panel Evaluation

Kyle Redman, Research and Design Director
The newDemocracy Foundation



Contents

1. Summary	2
2. Background	3
3. Evaluation Framework and Scope.....	4
4. What Happened.....	5
5. Summary of the Evaluation and Feedback	6
6. Key Recommendations.....	7
Appendix A. Detailed Evaluations Against Better Resets Expectations.....	10
Appendix B. AER Better Resets Handbook	23

1. Summary

Across 2023 and 2024, Jemena Electricity Networks (Jemena) held a suite of customer engagement processes to contribute toward the development of their 2026-2031 Business Plan. The centre piece of this customer engagement was the People’s Panel, a deliberative engagement process that included regular customers chosen by democratic lottery in an in-depth and facilitated process the output of which was a recommendation report containing proposals to shape Jemena’s draft plan.

Jemena appointed MosaicLab to independently lead the facilitation of the People’s Panel. Sortition Foundation was appointed to conduct participant recruitment. newDemocracy was appointed to evaluate the engagement program and provide action-learning feedback throughout.

Overall, the People’s Panel was very well run and allowed participants the opportunity to meaningfully influence Jemena’s Business Plan 2026-2031. It met and exceeded all the Better Resets’ expectations of customer engagement.

Jemena’s approach to customer-led decision-making and the integration of deliberative engagement practice into its decision-making processes for the development of the 2026-2031 Business Plan place it at the forefront of global innovation.

Jemena now has opportunities for continual improvement to raise the bar and innovate in the intersection of regulated entities, everyday customers and deliberative engagement.

There are also clear opportunities for improved coordination between the Australian Energy Regulator, network businesses, stakeholders and consumer advocates.



Members of the Customer Forum present their recommendation report to Jemena staff.

2. Background

Jemena and the entire Australian energy system are operating in a period of rapid change and significant growth in the case of electricity distributors like Jemena. The decline in the use of coal and gas is resulting in increased customer uptake of renewables and other technologies, with people rapidly changing how they use their electricity and what they expect from the electricity network.

Business Plan 2026-2031

As an electricity distribution network service provider, Jemena is subject to economic regulation by the Australian Energy Regulator (AER), under the National Electricity Rules (NER). Jemena must submit a business plan proposal every five years to the AER for approval (in this instance, the five years from 1 July 2026 to 30 June 2031). The proposal outlines Jemena's plans for the next regulatory period and how it expects to fund them. Jemena is required to engage with customers, stakeholders, and communities to guide the development of the business plan. With an expectation that this input influences the final proposal.

Accordingly, Jemena has set out to collaborate with its customers, stakeholders, advisors, and advocacy groups to identify what matters to them and what their long-term interests are (or those they represent). It has also sought to position itself at the forefront of delivering innovative customer engagement to a diverse spectrum of customers.

Jemena's engagement program includes the following processes:

- **Energy Reference Group (ERG)** – An expert energy panel that can discuss complex issues and provide clear, independent advice and recommendations that have the long-term interests of customers in mind.
- **People's Panel** – A deliberative engagement process comprised of 50 diverse customers who make up a statistical representation of customers in the network area to shape the 2026-31 regulatory proposal.
- **Customer Voice Groups (CVGs)** – Groups that include approximately 18 members, including those with lived experience of disability, mental health, multicultural, young people, First Nations, and seniors. The groups each provide advice and insights to the People's Panel for their consideration in making recommendations.
- **Customer service insights** – Interviewing existing frontline customer service team members, the existing Customer Service Satisfaction survey, and a bespoke survey for customers for the price reset to gain a broad spectrum of views and data points.
- **Joint engagement by Victorian electricity distribution businesses** – Joint engagement sessions with Victorian electricity distribution businesses across the topics of framework and approach, affordability and equity, reliability and resilience, energy transformation, customer experience and customers experiencing vulnerability.
- **Small to medium business engagement** – Including small business forums, surveys and in-depth interviews/meetings with diverse small to medium businesses across the network.
- **Large/commercial customer engagement** – Including surveys, a large user forum and in-depth interviews/meetings to engage with large commercial customers.
- **Electricity retailer engagement** – Including retailer forums, surveys, in-depth interviews/meetings and engagement with customers affected by family violence.
- **Local council engagement** – Including surveys, in-depth interviews/meetings and local council forums to understand the needs of local councils and the local communities they service.

3. Evaluation Framework and Scope

The newDemocracy Foundation was contracted by Jemena to evaluate the customer engagement program for the development of Jemena's 2026-2031 Business Plan, focusing on the People's Panel.

newDemocracy and Jemena established an action-learning approach to the evaluation that involved newDemocracy reviewing materials and decisions and providing advice throughout the design and delivery of the People's Panel. This ensured that Jemena and their delivery partner MosaicLab could utilise newDemocracy's experience in designing and delivering deliberative engagement rather than waiting five years to apply learnings during the next cycle.

AER Better Resets

The AER Better Resets Handbook sets out expectations of how network businesses such as Jemena need to engage with customers and how the outcomes of that engagement should be reflected in their business proposals.

The expectations for each topic area are drawn from the National Electricity Rules and Law, National Gas Rules (Rules) and Law (Law), published guidelines, guidance notes, AER assessment tools and previous AER decisions. The expectations represent key features and supporting evidence required for a proposal to be considered well-justified.

The AER's expectations of customer engagement are principles-based. They cover:

- The nature of engagement
- The breadth and depth of engagement
- Clearly evidenced impact of the engagement

The expectations do not prescribe any particular form or model of customer engagement and can be applied across all network types in developing their regulatory proposals. They are a baseline that represents what the AER thinks is good practice under the Rules.

The expectations on customer engagement from the AER Better Resets Handbook are in Appendix A.

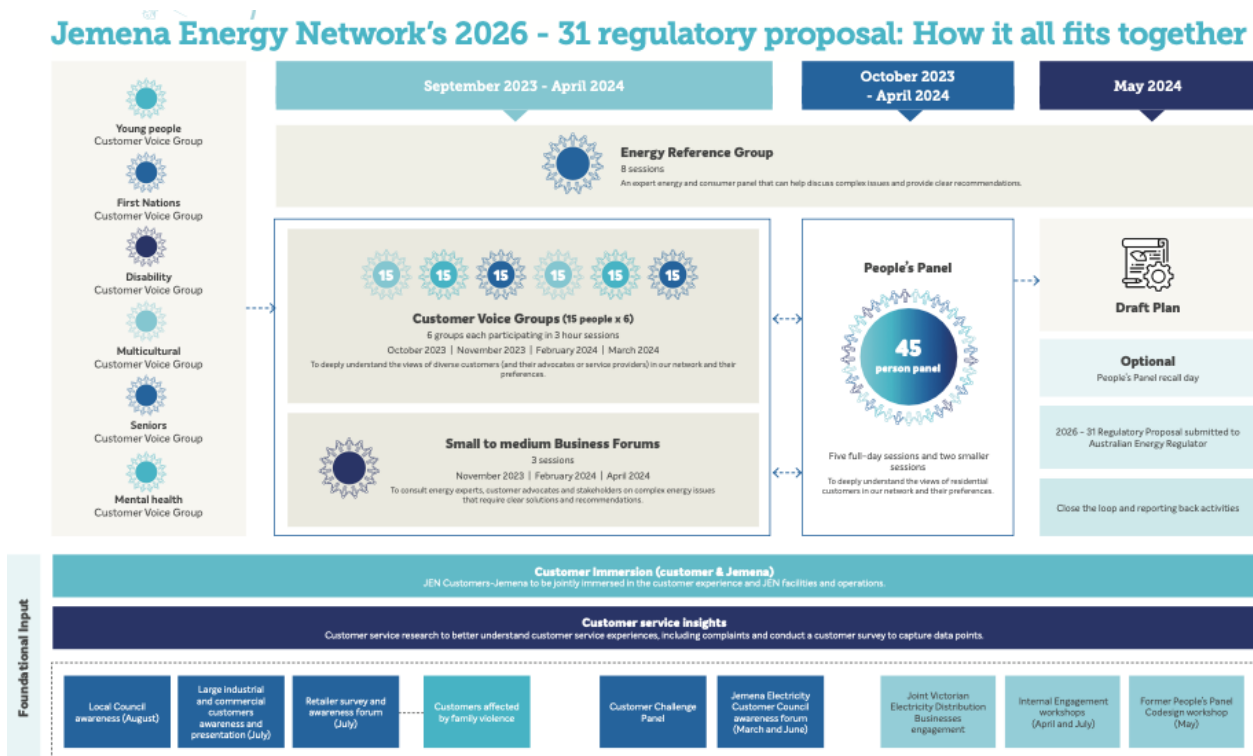
The review in this document first measures the entire program against the AER's Better Resets expectations¹. However, these expectations are not well suited to evaluating the design, delivery, and impact of deliberative engagement practice because they are general and apply to a wide range of engagement methods.

¹ See, AER Better Resets Handbook (2021) <<https://www.aer.gov.au/industry/registers/resources/guidelines/better-resets-handbook-towards-customer-centric-network-proposals>>

4. What Happened

Jemena’s engagement program included many different opportunities for different stakeholders and customers to contribute to the development of the draft plan.

Here is a visual outline of the entire engagement program and how the various components interacted with one another over the development of the draft plan.



Extract from Strategic Engagement Plan, MosaicLab

Jemena’s People’s Panel was made up of approximately 50 randomly selected customers tasked with providing recommendations in response to the following remit:

How should Jemena prepare for a sustainable energy future while meeting customer and community needs today?

The People’s Panel met 7 times (two shorter welcome and orientation sessions and five full-day Saturdays). Jemena engaged MosaicLab to design and independently facilitate the panel. MosaicLab also facilitated the CVGs and the ERG. The outputs of these sessions fed into the deliberations of the People’s Panel which ultimately made 16 recommendations to Jemena in response to the remit. Below is the roadmap that MosaicLab produced which outline the process.

The People’s Panel and CVGs then met for an additional recall meeting to review the draft plan with a particular focus on the way in which Jemena implemented the recommendations of the panel.

5. Summary of the Evaluation and Feedback

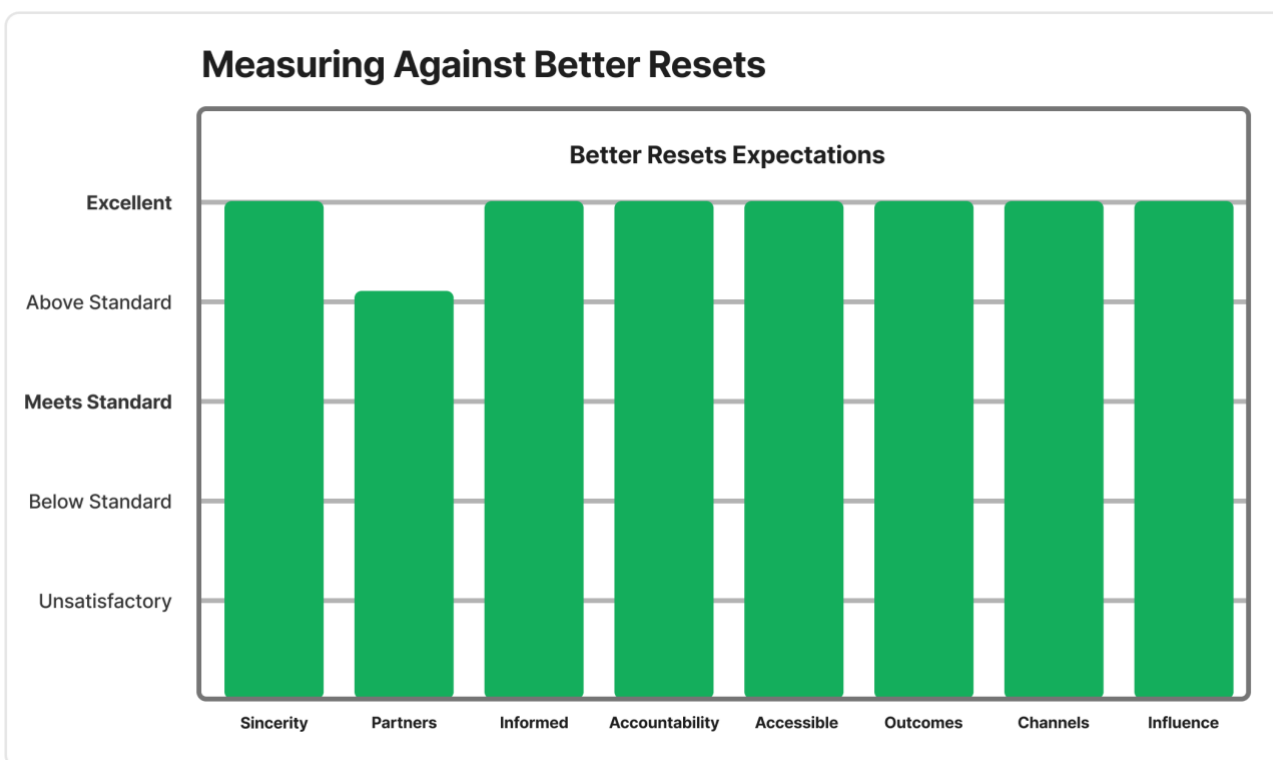
Overall, the People’s Panel was well run and allowed participants the opportunity to influence Jemena’s Business Plan 2026-2031. It met all the Better Resets’ expectations of customer engagement and was received well by Jemena.

Jemena now has opportunities for improvement to raise the bar and continue innovating in the intersection of regulated entities and deliberative engagement.

Better Resets

When measured against the Better Resets Handbook’s customer engagement expectations, the People’s Panel and supporting engagement processes exceed most metrics. Jemena continually maintained sincere and honest engagement demonstrated by regular attendance from senior staff and dialogue between customers and business leadership. Participants were informed, had multiple accessible channels for engagement and ultimately directly influenced the draft plan.

The only instance where Jemena did not *significantly exceed* expectations was in establishing “customers as partners” in the engagement. This is explored in the key recommendations but is ultimately due to the constraints that the Better Resets expectations places on the ability for network businesses to deliver the best engagement possible.



Benchmarking the People’s Panel and supporting engagement program against the AER’s Better Resets Expectations.

6. Key Recommendations

These recommendations are aimed at building on the successful People’s Panel and improving future deliberations with reference to existing best practice. They don’t rely on innovations or experimentation but draw on lessons learned from the wave of public deliberations across the globe.

1. Steps to advance the recruitment and onboarding processes

The first step in building wider public trust in public deliberations is demonstrating that those in the room broadly represent the community. This is most often done through democratic lotteries that randomly select people roughly matched to the census profile of the area. This approach attempts to dilute the self-selection bias that skews typical community or customer engagement processes.

- a. Invitations should be:
 - i. **Engaging**—by looking visually distinct from typical surveys, community engagement materials or even energy bills.
 - ii. **Focused**—by recruiting specifically for the one process with a clear set of dates and times to reinforce that the commitment is time-bound.
 - iii. **Relevant**—by appealing to issues that impact people in their day-to-day lives to motivate a sense of personal benefit.
- b. The plan for sending invitations should account for predicted response rates and adapt to maximise the opportunities for hard-to-reach demographics.
- c. Participant onboarding must develop relationships between the organisers and the panel members to help ensure attendance. This is often a set of 10-to-15-minute conversations to address questions, get to know them and build a sense of responsibility for showing up.

Participant recruitment is arguably the most challenging part of running a public deliberation, response rates are often very low and there are under-researched skews in who accepts invitations. Despite these challenges, democratic lotteries are dramatic improvements on other methods for recruiting participants. The recommendations here would improve the process, but more research is required to truly excel².

2. Providing more in-depth information and work with stakeholders and the regulator to determine key issues

For the representative groups like the People’s Panel to make informed recommendations, they need to be provided with context on the issues and the decisions at hand to build a working understanding of the relevant information. One of the benefits of an extended format public deliberation (40+ hours) is that participants have the time and incentives to learn and understand information they might not normally engage with. This allows organisations to go to levels of detail they might not normally consider when interacting with the public.

² There are ongoing international efforts to improve these processes which Jemena is contributing to by allowing MosaicLab and newDemocracy to conduct research on the People’s Panel.

Jemena did provide a 39-page manual for the People’s Panel (which contained detailed background information) and a 21-page handbook (which contained event logistics). The manual clearly explained Jemena’s electricity network and role in the wider energy market, as well as providing context on the regulatory environment and the role of the AER.

Next time, the manual could go an extra step deeper and provide more complex information such as the costs and size of the various components of the business, detailed pros and cons of various scenarios or different policy options such as with customer energy resources. This would support Jemena explicitly outlining the hard trade-offs it was seeking customer advice on.

This is counter-intuitive because detailed information on the energy network is challenging the understand and risks bogging people down in detail when their value is in determining trade-off settings for technical people to implement. However, the challenge with not going so deep is that participants still had enough interesting information to engage with such as learning about battery storage, and aspects of sustainability that were not key pain points, essentially spending some of their valuable time learning about subjects that weren’t directly addressing the hard problems that Jemena was seeking their advice on.

Time is extremely limited in these engagements and so while everyone involved sees value in educating customers and answering the questions that they ask, it is a prioritisation task to ensure that they are shepherded toward the most valuable issues.

There is a question as to who should be responsible for determining which subjects are most valuable or high impact. In our experience, a stakeholder reference group could support Jemena and MosaicLab in determining which issues are high priority and would yield the biggest impact. However, this conflicts with the AER’s current approach to evaluating network engagement when developing their business plans.

Network businesses find it difficult to predict which issues the regulator wishes that they engage on because feedback only occurs once the engagement has been completed (or thereabouts—far too late to be of any use).

To maximise the impact of a deliberation, everyday people should focus their energy on addressing the hardest challenges facing decision makers. It would be best for everyone if key issues could be determined early in the engagement pipeline through collaborations between the AER, network businesses and stakeholders.

In the future, background information should home in on the specifics of the difficult trade-offs that Jemena is seeking to address such as explaining the cost impacts of different approaches to export tariffs and their impacts on specific sets of different customers. This would quickly equip the panel with the relevant information and focus them on the hard part of the problem—determining who falls on which side of the trade-off.

3. Develop recommendations in response to identified problems

Asking the People’s Panel to answer an open question allows panel members to respond by focusing on the aspects of an issue that they think are most important. This can be useful even in instances where the organiser needs answers to specific challenges (for example, Jemena’s requirement for recommendations to guide decisions on resilience investment.)

Allowing customers to “set the agenda” is even one of the Better Resets expectations. However, related to the above recommendation, there is a risk that participants do not focus on the most pressing issues or where their influence will be most effective at unblocking an issue. Work needs to be done to enable network businesses to get the most out of deliberative engagement by focusing on key challenges.

To address this in the future, recommendations should be the end product of a logical sequence of processes that start with stakeholders, businesses and the regulator **pre-identifying key issues for customer input**, network businesses determining the **relevant context and information required** to make informed recommendations and providing it to customers, before the deliberative process develops **clear problem definitions** which flows into **criteria for successful outcomes, ideas to achieve those outcomes** (with reference to the problems defined earlier), and finally proposals or recommendations that take those ideas, ensure they meet the set criteria and develop them with a focus on **find common ground on a set of trade-off decisions**.

This approach helps ensure that recommendations are **specific, measurable** and **actionable** so that organisers are clear about what they are being asked to do and there is no “wriggle room” for preferred interpretation—retaining the level of influence over the decision that was promised and making the most of sincere customer engagement.

Appendix A. Detailed Evaluations Against Better Resets Expectations

The rating system is a simple green, amber, and red that indicates whether something meets the set expectation or not. If it is unclear or mixed, then an amber rating is used. The feedback column is used to reflect on observations and offer suggestions for improvement within the relevant framework.

Nature of the Engagement

Expectation	Indicators (from Better Resets)	Observations	Opportunities for improvement	Rating
Sincerity of engagement	A genuine commitment from JEN extending down from the Board and Executives to giving effect to customer preferences.	<p>David Gillespie, Jemena Managing Director personally welcomed the participants at the closing session and made commitments in the welcome pack received by participants.</p> <p>This welcome included the sentence: "Your feedback will be incorporated into our 2026-31 price reset proposal."</p> <p>Jemena Executive General Manager, Networks Shaun Reardon and senior staff were present at all meetings and made clear and reassuring commitments to the explicit level of influence for the panel and contextualised its role in the development of the draft plan. The specific commitment was: "We will implement your recommendations in</p>	<p>Jemena made a clear commitment to a specific level of influence once the process had begun. This was made in the room on the first day and reiterated. This reassured participants that their work would be meaningful.</p> <p>However, the statement on the invitation held back on the commitment and only stated: "The panel's recommendations will be submitted to the Jemena Board after the final session, with some forming the basis of a Panel submission to the Australian Energy Regulator. They will be used to inform how Jemena manages priorities and sets future prices and service levels."</p>	

Expectation	Indicators (from Better Resets)	Observations	Opportunities for improvement	Rating
		<p>the draft plan to the maximum extent possible.”</p>	<p>Next time, this could be improved by making the same clear commitment that was eventually made to the People’s Panel but during the recruitment stage. This would help demonstrate that Jemena is committed to a level of influence before they see the results—specifically encouraging customers to participate and demonstrating the sincerity of the engagement.</p>	
	<p>An openness to new ideas and a willingness to change.</p>	<p>The People’s Panel were asked to make recommendations to Jemena in response to a clear and open question. This indicated that Jemena was open to recommendations in whatever direction the panel could agree on.</p> <p>Throughout the process, Jemena staff followed MosaicLab’s instruction when asked to provide feedback and information to the panel in such a way that it did not indicate any preferences for particular decisions. This included in the cases of tariff structuring, digitisation and automation, and sustainability.</p> <p>There were instances where Jemena required input from the Panel on</p>	<p>The regulatory environment requires networks to demonstrate that key decisions are the result of specific feedback from customers.</p> <p>This poses a challenge for integrating deliberative engagement best practice with the requirements of the regulatory context.</p> <p>We recognise that this is a challenge that all network businesses face—they are working within a tightly constructed regulatory framework and need to engage on very specific topics to meet the requirements of the Better Resets Handbook. This</p>	

Expectation	Indicators (from Better Resets)	Observations	Opportunities for improvement	Rating
		<p>specific decisions. This deviates from established “free response” norms in deliberative engagement but is necessary in the regulated entity environment. This provides a challenge—how to outline options without leading the group—but with the support of MosaicLab and newDemocracy’s oversight this was done fairly and supported the autonomy of the panel while improving the final recommendations.</p>	<p>necessarily means that they both must limit the scope (we don’t have time to discuss everything) and ask for feedback on a diverse set of specific decisions (but need to discuss a wide range of issues in a sometimes-unpredictable manner).</p> <p>In this sense, the Better Resets Handbook’s requirements can make it difficult to do deep deliberation in its best form.</p> <p>We believe that more work is required in collaboration with all actors in the sector to find a better alignment of requirements and options to ensure customers are getting the most value from their involvement and their networks.</p>	
	<p>Ongoing engagement with customers about outcomes that matter to them, which allows customers to ‘set the agenda’.</p>	<p>In addition to the wider engagement program, The People’s Panel met for seven meetings to determine recommendations for the draft plan.</p>	<p>The wider engagement could be more deliberately designed to complement the deep deliberative aspect of the engagement program such as through agenda setting via capturing specific concerns, questions, hopes and values to shape the inputs and information to the panel.</p>	


Expectation	Indicators (from Better Resets)	Observations	Opportunities for improvement	Rating
	Ensuring customer confidence in the engagement process and alleviating concerns customers may have.	As is often the case when engaging with everyday people, they are sceptical of their actual level of influence on the final decision. Jemena senior management and staff regularly reassured the People’s Panel with their presence at meetings and with timely responses to information requests and questioning.		
Customers as partners	Jemena collaborates with and, where appropriate empowers customers in developing regulatory proposals.	Jemena asked the People’s Panel to develop recommendations to which they committed to including in the draft plan to the maximum extent possible.	<p>As discussed above, the regulatory environment sets requirements that can become constraints on the ability of customers to wholly develop regulatory proposals.</p> <p>Businesses are unsure what exact level of customer involvement is required for any individual decision; this leads them to try to cover all key decisions with some level of input from customers which in turn limits the depth that the deliberative engagement can reach. This means that the panel cannot fully develop complete regulatory proposals on their own.</p>	
	Customer engagement should be continuous business-as-usual process.	Jemena operates customer engagement as part of their BAU but the People’s Panel is not part of this program.	There is an opportunity for Jemena to consider using ongoing deliberative customer-based	

Expectation	Indicators (from Better Resets)	Observations	Opportunities for improvement	Rating
			<p>process as part of its business-as-usual process.</p> <p>This would help address some of the regulatory constraints by empowering a standing panel to help set the agenda in an informed and instructive manner.</p> <p>There are obvious financial constraints to this approach.</p>	
Equipping customers	Jemena provides customers with accurate and unbiased information necessary to meaningfully participate.	<p>Jemena provided customers with the following:</p> <ul style="list-style-type: none"> • Background information report • Q&A with Jemena Staff • Short presentations from Matthew Serpell, Jemena Program Director at each meeting. • Site visit and asset demonstration from line workers. • An online portal to access information and ask questions between sessions • Jemena JuiceBox, a customer GPT that allowed panel members to explore and ask questions of the information inputs. 	<p>It's not possible to present unbiased information. Instead, processes should seek to provide an accurate balance of views on the issue.</p> <p>Typically, businesses try not to overwhelm participants with information. In the case of deliberative engagement, participants have the time and incentives to read deeply and so in-depth information at the outset saves time later in the process. Jemena did this well but there was further opportunity to add more information and front load the difficult trade-offs and dilemmas at the outset so that additional information requests and learning</p>	

Expectation	Indicators (from Better Resets)	Observations	Opportunities for improvement	Rating
		<p>People’s Panel members were also able to nominate additional speakers of their choosing, these includes various members of the Jemena team and some external experts from the Energy Reference Group.</p>	<p>could focus on those areas instead of a more general understanding of the network (still important but time constraints require attention budgeting).</p>	
	<p>Customer representatives should clearly declare any interests that may be perceived to conflict with those of the customers they’re representing and provide details on how they’re managing any conflicts of interest.</p>	<p>People’s Panel members represented their own interests and the interests of the wider community when making group decisions. This meant that there could not be “interests that may be perceived to conflict with those of the customers they’re representing” since those interests are the interests of customers like them.</p>		
	<p>Jemena and customer representatives should transparently set out all governance arrangements covering their interactions in the development of a regulatory proposal, including arrangements in place to ensure the independence of customer representatives.</p>	<p>Jemena appointed Sortition Foundation to do the independent recruitment of panel members, and MosaicLab for the independent facilitation of the meetings. This ensured the independence and integrity of the process, which was regularly emphasised and maintained by allowing panel members to provide anonymous feedback throughout the process.</p>	<p>One way to improve for next time would be to establish a stakeholder reference group whose role was to independently assess governance decisions within a specific framework. This would allow Jemena and MosaicLab to explain the deliberative process, key decision points and the advisory role that a stakeholder reference group would play without concerns that stakeholders, without deliberative experience, would impact the design of the process.</p>	

Expectation	Indicators (from Better Resets)	Observations	Opportunities for improvement	Rating
	Jemena publicly declares all remuneration arrangements, benefits and financial support provided to customer representatives.	Jemena reimbursed panel members after each session up to a maximum of \$900 for the whole process.	Payments after each session can sometimes reduce retention and are recommended for the <i>conclusion</i> of the process. An option for exceptions helps address accessibility concerns if this arises.	
Accountability	Transparent reporting and consultation on the delivery of commitments will improve relationships and understanding between networks and customers and increase faith in regulatory processes	<p>Jemena maintained an online hub for the People’s Panel process. This hub published updates after each session allowing outside observers to follow along.</p> <p>Jemena has committed to a “recall” date for the People’s Panel where they will present the draft plan, demonstrating where the People’s Panel work has influenced decisions and asking for feedback.</p>	This was done very well.	

Breadth and Depth of the Engagement

Expectation	Indicators (from Better Resets)	Positive observations	Opportunities for improvement	Rating
<p>Accessible, clear, and transparent engagement</p>	<p>Outlining objectives, engagement issues/topics and the level of participation and influence customers can expect.</p>	<p>Jemena and MosaicLab co-designed a strategic engagement plan that determined key objectives for the whole engagement program and set the People’s Panel remit (“<i>How should Jemena prepare for a sustainable energy future while meeting customer and community needs today?</i>”). It also detailed the level of influence that the panel and its recommendations would have (<i>Collaborate</i> on the IAP2 Spectrum) and the commitments Jemena would make to acting on the final recommendations (including them in the draft plan to the maximum extent possible).</p> <p>These decisions were then relayed to the People’s Panel at their early meetings and throughout the process.</p>	<p>Designing a remit for a deliberative process combines a few functional roles. In the room, it is a clear task that reminds the group of its intent. On an invitation it captures interest. It can be tempting to try to list the boundaries of the discussion in the remit alone. Simple is usually best.</p> <p>Recognising again that the regulatory context requires a level of specificity in the room, remits can both be broad and functional by relying on the facilitation direction in the room throughout the process to home in on specifics.</p> <p>This remit achieved these goals by focusing on the trade-off between customers in the present and in the future.</p>	
	<p>Consultation time frames should have regard to the complexity of the issues in the regulatory proposal and provide customers with adequate time.</p>	<p>Jemena began work on their customer engagement program in early-2023 with the development of the plan through co-design workshops and feedback from participants from previous price reset engagements.</p>		

Expectation	Indicators (from Better Resets)	Positive observations	Opportunities for improvement	Rating
		The People’s Panel began meeting in October and met on 7 occasions for a total of 44.5 hours of deliberation spread out over 7 months.		
	Engagement on different aspects of the same issue may require different engagement methods	The CVGs, the ERG, the wider surveying and other engagement streams ensured that different perspectives and aspects of the issues considered by the People’s Panel were included in a range of different formats. Some of these were fed directly to Jemena and some were filtered through the People’s Panel to inform and enrich the deliberations.		
Consultation on desired outcomes and then inputs	Customers should guide, and be seen to guide, the development of proposals (including on long-term outcomes, and not be confined to outcomes desired for the period covered by the regulatory proposal)	The People’s Panel developed its recommendations in response to the outcomes they thought addressed the issues they identified and prioritised. The process involved developing proposals and recommendations with some feedback from the ERG and Jemena.	There is a lot to cover in the development of a regulatory proposal and recommendations need to be of sufficient depth such that they constructively contribute to the plan and are not at such a high level that the business and regulatory cannot be sure that actions match requests. One way to address this is would have been to build in moments in the process where proposal design was done in collaboration with Jemena and the ERG. The People’s Panel could describe what outcomes and ideas they had and have those translated	

Expectation	Indicators (from Better Resets)	Positive observations	Opportunities for improvement	Rating
			into detailed proposals with the support of experts and Jemena.	
	Jemena will consult with its customers on their desired outcomes (including opex and capex) and then craft the inputs of regulatory proposals	The People’s Panel gave clear recommendations to Jemena that were refined with Jemena’s input to ensure that they would easily be understood and translated into the regulatory proposal.	This was done well. One way of improving this process in the future would be to involve the ERG as mentioned above, as a tool for developing regulatory proposals during the process rather than leaving some of the detailed work to Jemena post-process.	
	Engagement may explore a customer's lived experience within the energy system – in addition to reliability, affordability and sustainability – including customer services and interactions with the network.	Through the People’s Panel, participants met a wide range of Jemena staff. These phases regularly featured people asking questions about the network and providing incidental feedback to staff. Panel members were also taken on a site visit and equipment demonstration from frontline service staff. The CVGs were also focused on channelling the particular lived experiences of specific demographics into the process.		
Multiple channels of engagement	Multiple complementary engagement channels are necessary	Jemena made use of a wide range of engagement channels that fed into the People’s Panel and subsequently the development of the regulatory proposals.		

Expectation	Indicators (from Better Resets)	Positive observations	Opportunities for improvement	Rating
	Engage with (end) customers as well as engaging with customer representatives	The People's Panel and CVGs were made up of randomly selected everyday people.	The defining feature of this type of engagement is empowering everyday people with a high level of influence and this was done through this process.	
	Jemena should aim to understand, represent and balance the interests of all its customer cohorts	Viewpoints from a range of customers were represented in the process including through the People's Panel, CVGs and the ERG.		
Customer's influence on the proposal	Engagement should consider the IAP2 Spectrum of Public Participation	<p>Jemena set out to <i>collaborate</i> with customers in the development of its draft plan.</p> <p>The commitment "to implement recommendations to the maximum extent possible" sits in collaborate and empowered the group to effectively make decision on what would be included in the draft plan.</p>	<p>It is worth noting that the IAP2 Spectrum is a simplistic guide to help define the public's role in any public participation process. It isn't a score sheet to mark engagement upon because it refers to two different aspects of the engagement in the one "spectrum" without any logic of how to reconcile those differences.</p> <p>Ultimately, the final <i>decision</i> is in the hands of the AER which limits the extent to which customers can be fully empowered.</p>	
	Jemena and customers should consult with each other on the range of issues customers can have influence over	The People's Panel were able to make recommendations on whatever issues they wanted.	This could be complemented with a wider engagement process such as a survey that focused on agenda setting to support the People's Panel.	

Expectation	Indicators (from Better Resets)	Positive observations	Opportunities for improvement	Rating
	Issues over which customers will have more influence should be at the upper (empower) end of the IAP2 spectrum	The People’s Panel were maximally empowered through the process however this still only reaches <i>collaborate</i> on the IAP2 spectrum due to the AER’s role in determining what actually happens and Jemena’s requirements when making their proposal (they must ensure plans fit required formats and cannot just implement what customers say).	Note: Due to the regulatory process, customers cannot be “empowered” as the final decision rests with the AER.	
	Jemena encouraged customers to test assumptions and processes that underpin the proposal	<p>The People’s Panel were able to ask questions of Jemena staff, members of the ERG and external experts to query any assumptions in the process.</p> <p>Jemena also commissioned this “action-learning” evaluation process which was asked to question and test the process underpinning the development of the proposal.</p>	This was done well. Negotiable and non-negotiables were discussed in the process and Jemena staff regularly presented to the panel to test and get feedback on the process.	

Clearly Evidenced Impact

Expectation	Indicators (from Better Resets)	Positive observations	Opportunities for improvement	Rating
Proposals linked to customer preferences	A clear link between customer research and engagement, a network business's representation of the outcomes desired by customers, and how the proposal gives effect to those outcomes.	Jemena produced a shorter 36-page guide to their draft plan to demonstrate the way in which customer feedback influenced decisions. It outlined customer priorities that emerged from all engagement streams and matched these with how Jemena was acting in response.		
	Where customer views on an issue are diverse, network businesses need to set out those views and how they were balanced in developing their regulatory proposal.	Jemena dealt with this primarily by establishing a decision-making hierarchy in their engagement program. The CVGs fed into the People's Panel which made final decisions on recommendations to Jemena. Outputs from the CVGs greatly influenced Jemena's work on a number of fronts where they were additional to the work of the People's Panel (such as with their First Nations CVG).		
	A network business should release a comprehensive draft regulatory proposal for stakeholder comment.	Jemena released their draft plan for stakeholder comment and presented it in person to a group combining members of both the People's Panel and the CVGs.		

Appendix B. AER Better Resets Handbook

[AER Better Resets Handbook](#) expectations of customer engagement:

1. Nature of engagement

The nature of engagement is about how networks engage with their customers. Our expectations are that network businesses will sincerely partner with customers and equip them to effectively engage in the development of their proposals.

a. Sincerity of engagement

We want network businesses to sincerely engage with customers to understand and reflect their preferences in regulatory proposals. Sincerity of engagement relates to the intent of a network business and is not easily quantified. We can qualitatively assess sincerity by observing a network business's commitment to engagement through its actions and the confidence they provide customers. Sincere engagement recognises that customers often face challenges in engaging with complex regulatory matters and puts measures in place to address this. Sincere engagement provides customers with confidence that they are genuinely being heard.

Sincere engagement requires:

- i. genuine commitment from network businesses extending down from their Boards and Executives to giving effect to customer preferences
- ii. openness to new ideas and a willingness to change
- iii. ongoing engagement with customers about outcomes that matter to them, which allows customers to 'set the agenda'
- iv. ensuring customer confidence in the engagement process and alleviating concerns customers may have

b. Customers as partners

We want customers to be partners in forming proposals rather than simply being asked for feedback on a proposal. Network businesses should collaborate with and, where appropriate, empower customers in developing regulatory proposals.

In addition, customer engagement should be a continuous business-as-usual process, not a one-off process only undertaken in preparing for regulatory proposals. Customers should not have to wait for a once-in-5-year regulatory proposal to be heard.

c. Equipping Customers

Equipping customers is about ensuring customers can effectively engage with and provide informed feedback to network businesses. This principle ensures customers, or committees/panels that represent them, are effective counterparties in the engagement process. Customers cannot genuinely guide the development of a regulatory proposal unless they are appropriately equipped, informed, and supported to do so.

To equip customers, networks must provide them with accurate and unbiased information necessary to meaningfully participate.

How customers should be equipped depends on the engagement approach applied by the network business. It may include engaging with qualified and experienced customer representatives, providing impartial support to customers – including the ability to source independent expert advice and research and ensuring customers are appropriately remunerated for their contribution to the development of proposals.

While equipping customers is necessary for a network business to obtain genuine customer perspectives, we consider it is important that the network business does so in a manner that maintains the independence and integrity of customer engagement processes. This will allow us to place appropriate weight on any submissions and reports that customers provide on proposals.

To ensure independence:

- i. customer representatives should clearly declare any interests that may be perceived to conflict with those of the customers they're representing and provide details on how they're managing any conflicts of interest.
- ii. networks and customer representatives should transparently set out all governance arrangements covering their interactions in the development of a regulatory proposal, including arrangements in place to ensure the independence of customer representatives.
- iii. networks should publicly declare all remuneration arrangements, benefits and financial support provided to customer representatives.

d. Accountability

Our expectation is that network businesses' ongoing engagement should also cover their delivery of commitments to customers, particularly in relation to outcomes. Transparent reporting and consultation on the delivery of commitments will improve relationships and understanding between networks and customers and increase faith in regulatory processes. It will also allow for ex-post evaluation of customer engagement, regulatory proposals and our determinations.

2. Breadth and depth

Breadth and depth relate to the scope of engagement with customers and the level of detail at which network businesses engage on issues. The breadth and depth of engagement also covers the variety of avenues used to engage with customers.

a. Accessible, clear and transparent engagement

It is important that network businesses transparently set out their engagement plans. This includes outlining objectives, engagement

issues/topics and the level of participation and influence customers can expect on the regulatory proposal.

Consultation time frames should have regard to the complexity of the issues in the regulatory proposal and provide customers with adequate time to understand and assess the regulatory proposal. Engagement on different aspects of the same issue may require different engagement methods.

b. Consultation on desired outcomes and then inputs

Our expectation is that customers should guide, and be seen to guide, the development of proposals. This means that customers should be consulted on the outcomes that they want from the proposal and how they would like network businesses to engage with them in the development of a proposal to give effect to those outcomes. This may then guide later consultation on the individual components of a proposal.

Importantly, the consultation with customers on outcomes should be focused on long-term outcomes, and not be confined to outcomes desired for the period covered by the regulatory proposal. Many decisions taken by a network business, such as on capital investment or depreciation, in one period will have long-term impacts on outcomes for customers.

Our regulatory framework has an input focus, and in this Handbook we set out our expectations of networks in developing forecasts of inputs (like capex and opex). However, we expect that networks will consult with their customers on their desired outcomes and then craft the inputs of regulatory proposals to deliver the desired outcomes. We commit to giving effect to customers' desired outcomes to the extent that we are able to under our regulatory framework. For example, we have developed a Customer Service incentive scheme under which we are able to apply bespoke incentives.

Additionally, consultation on a regulatory proposal should not end with the submission of that proposal. If circumstances change and it is necessary to update a proposal, we expect networks to engage with customers on those changes.

Where customers are consulted on their desired outcomes, engagement may go beyond the individual components of regulatory proposals and the usual considerations of reliability, affordability, and sustainability, to explore a customer's lived experience within the energy system – including customer services and interactions with the network. Outcomes from such engagement can then be reflected in the regulatory proposal.

c. Multiple channels of engagement

No single avenue of engagement is perfect. Customer panels, surveys, forums, direct meetings, workshops, focus groups and 'deep dives' are suited to certain types of issues and have their downsides. To gain a comprehensive understanding of customer preferences multiple

complementary channels are necessary.

We expect networks will directly engage with their customers as well as engaging with customer representatives. Direct engagement is particularly important where customers aren't well represented.

Direct engagement is also important where customer representatives don't know or cannot provide evidence of what customers' preferences may be on an issue.

Different customers will have different preferences in how they engage in the development of regulatory proposals and participants should have input into designing how they participate. For example, a network business's approach to engaging with vulnerable customers and culturally and linguistically diverse (CALD) customers would be quite different to its approach to engaging with commercial and industrial customers.

A network business should aim to understand, represent and balance the interests of all its customer cohorts. Where network businesses identify competing interests, they should seek to develop agreed positions with customers. If this isn't possible, then network businesses should set out the competing interests in relation to elements of their proposals.

d. Customers' influence on the proposal

Engagement should consider the IAP2 Spectrum of Public Participation, in particular the different levels of participation and range of influence (ranging from inform to empower) customers have on the regulatory proposal. We consider that network businesses and customers should consult with each other on the range of issues customers can have influence over. Issues over which customers will have more influence should be at the upper (empower) end of the IAP2 spectrum.

Network businesses should encourage customers to test assumptions and processes that underpin the proposal. Where customers aren't well equipped to do so, this may entail providing them with additional resources and supporting them to commission independent analysis.

3. Clearly evidenced impact

Clearly evidenced impact is about how a proposal represents and is shown to represent customer views

a. Proposals linked to customer preferences

There needs to be a clear link between customer research and engagement, a network business's representation of the outcomes desired by customers, and how the proposal gives effect to those outcomes. Networks need to provide evidence of customer preferences – for example through independent surveys, research or focus groups.

Where customer views on an issue are diverse, network businesses need

to set out those views and how they were balanced in developing their regulatory proposal. Network businesses should seek to find mutually acceptable solutions where there are divergent customer views.

A network business won't be able to engage with all its customers in the development of its proposal. To allow an opportunity for all stakeholders to comment, a network business should release a comprehensive draft regulatory proposal for stakeholder comment. The regulatory proposal submitted to the AER should set out how it has responded to the submissions received on the draft regulatory proposal.

In testing customer perspectives on a draft regulatory proposal, we expect networks to engage with customers beyond those they consulted with in preparing their draft proposal.

b. Independent customer support for the proposal

We want customers to express support for proposals developed by network businesses. This support may be demonstrated through submissions on a draft regulatory proposal or an independent report setting out customer perspectives on a proposal as lodged to the AER. An independent report is mandatory if a network business is seeking the early signal pathway.

The purpose of the report is to help us assess the quality of the engagement process and the extent to which a proposal reflects customer preferences and desired outcomes. The independent report should provide a customer view of the effectiveness of the pre-engagement lodgement process in identifying customer preferences and outcomes and how they have been incorporated into the proposal. We expect that the independent report would contain the outcomes that networks are proposing to deliver in their regulatory proposals and whether customers support those outcomes.

The independent customer report can also provide views on technical issues in the proposal in the case where customers feel capable of putting forward positions on these elements of the proposal.

We aren't prescribing who or how the independent report should be drafted. However, to ensure the integrity of the report we expect that:

- i. the process for drafting the report and selection of an appropriately qualified and experienced author of the report is transparent and not subject to any material objections by customers.
- ii. prior to their engagement by the network business, the author(s) will clearly declare any conflicts of interest, whether actual, potential or perceived, and provide details on how any conflicts of interest will be managed.

Where customers aren't supportive of areas of a draft regulatory proposal, we expect that network businesses will seek to improve these areas to align with customer preferences or have a feedback loop that explains to customers why they can't align, which can also be reflected in the independent report.