



Broad and Wide Stakeholder Engagement

Powercor Summary Report

December 2022





Image above: Bendigo roundtable including customers of the network, Powercor General Manager, and Forethought facilitator.

Introduction

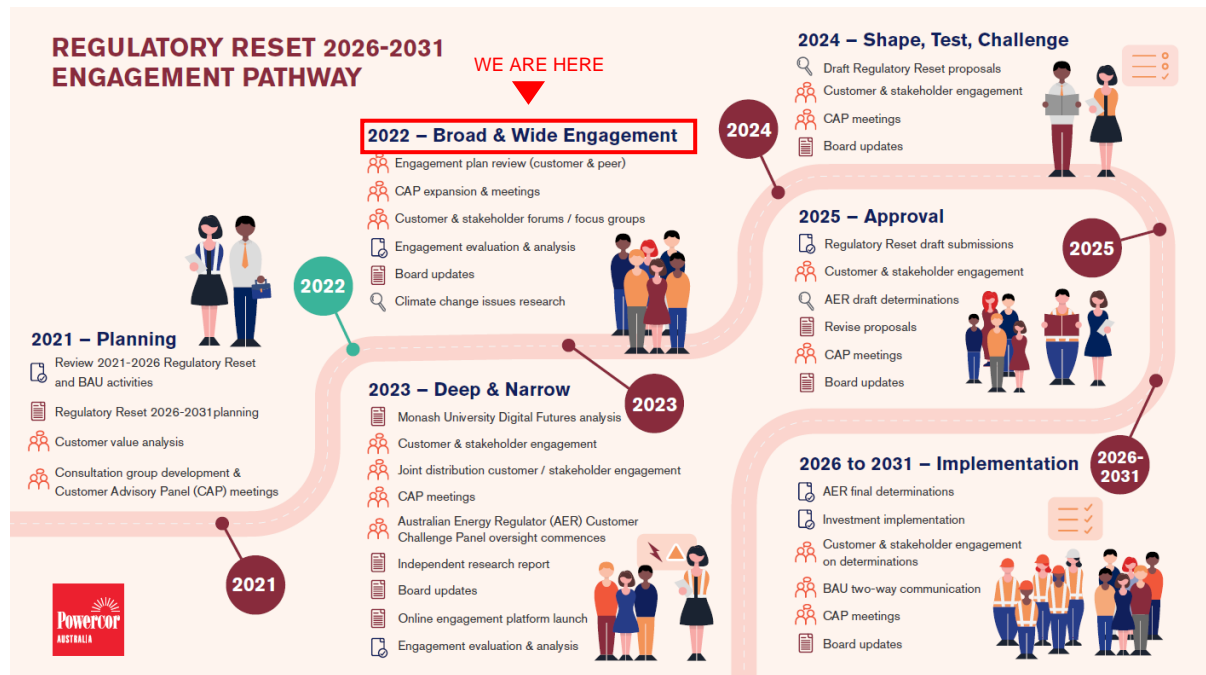


Introduction

Regulatory Reset Proposal Program

To support the development of the Regulatory Reset Proposal, a Foundational Program of Community Engagement was conducted to identify what was important to Powercor customers, prior to engaging on more specific topics in the next stages of developing the Proposal.

The below diagram explains the full Proposal Program. We are currently at '2022 - Broad & Wide Engagement'.



Broad & Wide Engagement

A broad and wide program of community engagement was essential to the development of the regulatory reset proposal to ensure it genuinely reflected the needs and preferences of all customers.

This program was developed to ensure that all customer voices could be heard across the network. This included customers of varying geographies, age groups, socio-economic status, as well as those from ethnic, linguistic and culturally diverse backgrounds.

Forethought's Involvement

Forethought is a Marketing, Analytics and Strategy organisation with teams that specialise in Research and Engagement within multiple industries including Utilities.

Forethought's experience in the energy industry involves conducting customer and stakeholder research and engagement with organisations across the full value chain including electricity generation, distribution, transmission and retail services. They partner with clients to provide an independent customer voice, ensuring that the customer is always at the forefront of organisational decision making.

Forethought was selected for this program based on their expertise across both Utilities and Research/Engagement capability to design and facilitate engagement forums and objectively report back on the needs and preferences of customers across the network.



Image above: Bendigo roundtable, Residential Customer

Objectives & Methodology

Objectives & Methodology

The Broad & Wide Engagement program is the foundational engagement program in the development of the 2026-2031 regulatory reset proposal. This reflects Powercor's genuine commitment to develop a proposal that is anchored in customer needs and preferences for the immediate and longer-term future of the network.

This program sought to achieve the objectives set out below.

2026-2031 Regulatory Reset Objective

Develop a regulatory reset proposal for the 2026-2031 period that aligns with the needs and preferences of the Powercor customer base.

Engagement Objectives

- Identify and understand customers' current needs and preferences for the immediate and longer-term
- Understand how customers' unmet needs could be met through investment or divestment in our network
- Identify the key themes and areas that customers prioritise investment in

Approach

Who

Forums were attended by Powercor senior executives and supporting team to listen and help answer questions of customers without biasing or leading the conversation. Across the Bendigo, Ballarat and Torquay face-to-face consultations and the rural/Horsham on-line session, the following Powercor team attended:

| | |
|---|--|
| 1. Chief Information Officer | 10. Head of Network Performance & Management |
| 2. General Manager Regulation | 11. Strategy, Programs & Change Manager |
| 3. General Manager Corporate Affairs | 12. Manager Regulatory Projects |
| 4. General Manager Strategy & Customer Group | 13. Stakeholder & Engagement Manager |
| 5. Head of Customer Experience | 14. Senior Regulatory Analyst |
| 6. Head of Regulatory Finance, Modelling & Regulation | 15. Project Coordinator |
| 7. Head of Regulatory Policy & Compliance | 16. Customer Connection Policy Lead |
| 8. Head of Network Asset Management | 17. Regulatory Financial Analyst |
| 9. Head of Regulatory Performance & Analysis | 18. Compliance Analyst |

Additionally, these forums were attended by customers across the Powercor network alongside interested members of the Powercor Customer Advisory Panel (CAP) and the Australian Energy Regulator (AER) who were invited to attend the forums in a viewing-only capacity.

Consideration was given to recruit participants from a diverse cross-section of the community. This ensured that we had representation across age gender, geography and socio-economic status. Furthermore, participants were varied in their engagement levels with the electricity industry to ensure that all consumers were represented in this conversation, not just interested and engaged customers.

Forethought also conducted digital forums with participants aged 18-25 (Youth) and worked alongside the LOTE Agency to facilitate culturally and linguistically diverse (CALD) communities across the Indian, Arabic and Chinese people, who resided within the Powercor network. Separate forums were held for these individuals to support specific cultural and demographic needs, and an online approach was implemented to support an ease of attending the session. The findings from these sessions are referenced in a separate report.

Participation

| Customer Group | Engagement | Consultation Date & Time | Number of Attendees |
|-----------------|--------------|---|--|
| Bendigo | Face-to-face | 24 October 5:30pm – 9.00pm (3.5 hours) | Customer total: 38 CAP members:1 AER representation: 1 |
| Ballarat | Face-to-face | 7 November 5:30pm – 9.00pm (3.5 hours) | Customer total: 19 CAP members: 2 |
| Rural & Horsham | Online | 8 November 5:30pm – 9.00pm (3.5 hours) | Horsham customers: 7 Rural customers: 13 |
| Torquay | Face-to-face | 9 November 5:30pm – 9.00pm (3.5 hours) | Customer total: 17 CAP members: 1 |

Recruitment

There were three main channels used to recruit participants. These were chosen to ensure that every possible avenue was utilised to attract a diverse group of customers to participate. Our recruitment process included:

1. Our field partner panel, Askable
 - Askable is a platform who hosts over 135,000 participants on their panel and leverages social media to promote attendance at market research forums and engagement sessions.
2. The invite was also extended to engaged individuals including council members and community organisations. These invites were sent to stakeholders whose information was supplied by Powercor. Furthermore, each invite was encouraged to be extended to other interested parties if the recipient desired.
3. Social media was also used to share the consultation details and access to a link to sign up for this consultation.
 - Powercor used social and traditional media to further promote the consultations to the general public across the network.
4. There were no exclusions to attendance which meant that anyone who was interested and willing to participate were invited to participate.

Compensation & Local Charity Donation

As consultations were held over a lengthy timeframe (3.5 hours), participants were compensated for time spent (\$250).

In addition to the individual compensation payment, Powercor also shortlisted local charities. At the conclusion of each session, the relevant customer groups were afforded the opportunity to complete a short survey during which they were asked to nominate their preferred charity. A donation of \$10 was donated for to the most preferred charity (overall) on behalf every customer who attended the face-to-face consultations.

Below outlines the total donations across the Powercor engagement program:

- \$380 Bendigo Foodshare
- \$390 Foodbank
- \$85 Feedme Surf Coast
- \$85 Geelong Mums

Session Methodology

Each session commenced with an introduction conducted by Forethought and scene setting undertaken by representatives from Powercor to inform customers about the context of the session and areas for discussion.

The four themes for discussion were:

- Affordability and Equity
- Energy Transformation
- Customer Experience
- Reliability and Resilience

In smaller working groups (~8 – 11 customers/stakeholders), these four themes¹ were explored in more detail to understand what was important to customers. These smaller working groups ensured that everyone had an opportunity to discuss and share their feedback which would not have been possible in a larger forum.

Within each discussion, customers were asked about their electricity needs and preferences today and into the future. They were also asked to ideate what they wanted Powercor to focus on in relation to that specific theme.

In instances where customers had queries or required further context and detail about the theme, further information was provided (this was general information about electricity, selected purposely to educate without biasing the participants). Care was taken to ensure that information was presented in an easy-to-understand language and format and did not bias customers' views. Publicly sourced data and network data were used in these information packs. Facilitators moderated these conversations to allow the information to be shared, whilst ensuring that the main discussion involved all customers sharing their feedback and ideas.

After covering all themes, customers voted on which topics were most important to them, and then shared ideas for how Powercor could best include customer views going forward.

The last stage was for customers to fill out a feedback survey to support Forethought and Powercor in adjusting the engagement methodology where necessary to support the most effective consultation in future forums.

Following the consultations, Forethought undertook various reporting workshops and internal quality checks to align on the customer themes and preferences that are reported on within this document.

¹ The four themes of focus were developed by a Meta-analysis of CitiPower, Powercor and United Energy Customer Insights to understand what overarching areas were important to customers.

IAP2 Spectrum

The level of customer participation in this program was intentional and is highlighted in our depiction of the IAP2 Spectrum shown below. Within this consultation, customers were involved in shaping the direction of focus for Powercor by discussing a wide range of issues, and then voting on the area they thought was most important.

IAP2 Spectrum of Public Participation²

| | Inform | Consult | Involve | Collaborate | Empower |
|----------------------------------|--|--|--|---|--|
| Public Participation Goal | To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions. | To obtain public feedback on analysis, alternatives, and/or decisions. | To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered. | To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution. | To place final decision making in the hands of the public. |

Methodology Refinements

In earlier consultations, a larger amount of information was provided to customers relating to the themes (affordability and equity, energy transformation, customer experience and reliability and resilience). However, we observed that this could be overwhelming for participants and limited the discussion time. Therefore, for the Powercor sessions, the information provided was reduced and only shared as required throughout the conversation³.

Another refinement made to the consultation that was specific to Powercor, was rescheduling the Horsham forum which was originally planned for Tuesday 18th October. This was due to severe rain experienced a few days prior to the original date, which resulted in flooding across the town. This consultation was postponed and converted from a face-to-face session to an online session held on Tuesday 8th November. For customers in Horsham and surrounds, we understood that there were more pressing concerns than engagement with Powercor.

² IAP2, 2018, IAP2 Spectrum of Public Participation, accessed 22 November 2022, https://iap2.org.au/wp-content/uploads/2020/01/2018_IAP2_Spectrum.pdf

³ Methodology refinements was made to all engagements across the CitiPower, Powercor and United Energy consultations, and not specific to this network.

Engagement Context

During the period of consultation, there were various unprecedented events occurring in the lives of customers and across the broader electricity industry. We hypothesise these events had an impact on the needs and preferences of customers.

At the time of engagement, the following events occurred or continued to occur:

- Well-publicised cyber-attacks on Optus (22/9/22⁴) and Medibank (12/10/22⁵)
- Federal Government budget release that announced that “Electricity and gas will rise sharply as the cost is passed on to households, the budget said, with power bills set to rise 20 per cent in the second half of 2022 and a further 30 per cent in 2023-24.”⁶
- Severe rainfall and flooding across Victoria from 11 October 2022 ⁷
- War in the Ukraine with the Russian invasion impacting Australian energy prices⁸
- Media reports of “the annual inflation rate in Australia climbed to 7.3% in Q3 of 2022 from 6.1% in Q2, above market forecasts of 7.0%. This was the highest since Q2 1990”.⁹
- In July - September 2022, all living cost indexes rose¹⁰. This included:
 1. Mortgage interest
 2. Food and non-alcoholic beverages
 3. Housing – including rents, utilities and other housing
 4. Furnishings, household equipment and services
 5. Remaining contributors (i.e., alcohol, tobacco, clothing, footwear, transport, communication, recreation, education, insurance and financial services)
- Victorian Government Election campaigns in late 2022 including the announcement to re-establish the State Electricity Commission of Victoria¹¹

⁴ ASIC, 2022, *Guidance for consumers impacted by the Optus data breach*, accessed 8 November 2022, <https://asic.gov.au/about-asic/news-centre/news-items/guidance-for-consumers-impacted-by-the-optus-data-breach/#:~:text=On%202022%20September%202022%2C%20Optus,numbers%2C%20may%20have%20been%20exposed.>

⁵ Krester. A, Smith. P, 25 October 2022, *Minister preps for Medibank hack fallout*, Australian Financial Review, accessed 8 November 2022, <https://www.afr.com/companies/financial-services/medibank-says-more-customers-hit-by-cyberattack-20221025-p5bsl9>.

⁶ Mizen. R, 25 October 2022, *Labour's power prices promise dead: energy costs to spike 56pc*, accessed 8 November 2022, <https://www.afr.com/politics/federal/labor-s-power-prices-promise-dead-energy-costs-to-spike-56pc-20221024-p5bscz#:~:text=Electricity%20and%20gas%20will%20rise.per%20cent%20in%202023%2D24.>

⁷ Abbott. L, Ilanbey. S, Schelle. C, 11 October 2022, *People in flood risk areas told to prepare for up to 72 hours of isolation as heavy rains loom*, The Age, accessed 8 November 2022, <https://www.theage.com.au/national/victoria/calm-before-the-storm-victoria-prepares-for-more-floods-20221011-p5botc.html>.

⁸ Mercer. D, 26 February 2022, *Russian invasion of Ukraine drives up energy costs and Australians will feel the pain*, ABC News, accessed 8 November 2022, <https://www.abc.net.au/news/2022-02-26/russia-invasion-of-ukraine-to-drive-up-energy-costs-for-all/100861246>.

⁹ Trading Economics, September 2022, *Australian Inflation Rate*, accessed 8 November 2022, <https://tradingeconomics.com/australia/inflation-cpi>.

¹⁰ Australian Bureau of Statistics, September 2022, *Selected Living Cost Indexes Australia*, accessed 8 November 2022, <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/selected-living-cost-indexes-australia/latest-release>.

¹¹ ABC News, November 2022, *Victorian state election campaign officially begins with promises on V/Line and water bills*, accessed 8 November, <https://www.abc.net.au/news/2022-11-02/victorian-state-election-first-day-of-campaign/101607624>.

Evaluation

At the conclusion of the consultation, customers were asked to complete a feedback survey to support refinement of the engagement process. The results for the Powercor consultations are below.

| Location/ customer group | Overall satisfaction (Out of 5) | Customer comments |
|--------------------------------|---------------------------------------|--|
| Bendigo | 4.7 | "Great focus group! Very interactive and brilliant having professionals as well as various community members to discuss each topic! Learnt a lot and felt very valued in the opinions I shared." - Residential customer |
| Ballarat | 4.5 | "The session was informative and engaging. It was interesting hearing from different department heads about current issues and stories." - Residential Customer "Everyone was included, and I felt the discussion was really good. I learnt a lot more about Powercor too and their roles and responsibilities." - Residential Customer |
| Horsham & Rural | 4.6 | "Great input from everyone, and the leaders made a great effort to ensure that everyone put in a thought or two." – Residential Customer "As someone who doesn't know a lot about electricity and how the supply works, this was easy to understand thank you!" – Residential Customer |
| Torquay | 4.6 | "Was really good session. I wish there was more time to talk as there was so much more to say but given it's late on a weekday that's hard which is understandable. Has made me really interested in the whole system." – Residential Customer |



Image above: Ballarat roundtable including customers of the network, Powercor Management, and Forethought facilitator.

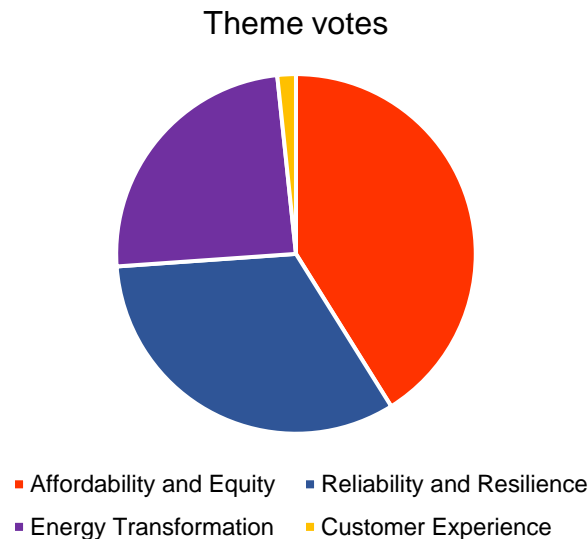
Customer Perspectives on Engagement Themes



Customer Perspective on Engagement Themes

Each consultation required customers to discuss four specific themes. At the conclusion of the discussion, customers were invited to vote on what they felt to be the most important topic for Powercor to focus on.

At an overall level, the most important topic was planning was Affordability and Equity.



Specifically, customers were concerned about being able to reduce their electricity bills and proposed further education to support this objective. There was also a desire for equality in access to supply and renewables (such as solar) for all customers. Finally, customers were interested in equity in the context of geography (ensuring that regional/rural Victoria have access to the same reliability as metro customers). To understand more information about customer needs on Affordability and Equity, please refer to page 13.

Customer Perspective on Affordability and Equity

Introduction

Affordability and equity were the most important theme across most customer groups (excluding Torquay). We learned that Powercor customers prioritised the following areas of focus:

- Education and information to help customers reduce their electricity bills
- The ability of vulnerable customers to access an affordable electricity supply
- Improving access to renewables
- Geographic equity regarding reliability

Customer priorities and concerns

Education and information to help customers reduce their electricity bill

As the cost-of-living continues to increase (at the time of the engagement), most groups were concerned about their ability to pay energy bills. Many felt that education was a solution to this.

In order to reduce electricity bills, most customers felt that they could help themselves by using electricity more efficiently. However, they required information to understand their usage with greater detail and/or clarity. They also desired education on how they might make their homes more economical (e.g., information regarding double glazing, efficient appliances and solar). Apps (such as Powerpal) were already being used by many to support change in usage and lowering bills. However, there some doubts as to whether that was the right solution for all customers. For example, parents with young children may not have the time to focus on this, compared to a household with no children.

The ability of vulnerable customers to access affordable electricity supply

Powercor customers defined equity as “equal ability to be able to afford a standard of living that is Australian”. There was consensus that there was a standard level of service that everyone deserved access to when considering an essential service such as electricity. At the very least, customers felt that everyone should have access to lighting, heating, cooling and refrigeration.

All Powercor customers placed importance on supporting vulnerable customers. However, this was particularly prevalent amongst customers in the Bendigo, Rural, Horsham and Ballarat communities.

Some customers wanted to distinguish the difference between vulnerable groups which they felt to be either “visible” or “invisible”. The visible group included pensioners and concession holders – these groups were already seen to be supported by the government and some felt they did not require further support.

Conversely, the invisible group were those living just above the threshold for receiving government support. Powercor customers felt that this was the group that required the most help as they did not receive government support and were already struggling with the increased cost of living. Consequently, customers felt that Powercor should specifically consider this (invisible) cohort in their future plans.

Additionally, customers felt that Powercor should extend their future planning to include other low-income individuals and households. These groups were identified as those not receiving equitable access or support for example renters, who may be living in homes that were inefficient.

Improving access to renewables

Customers placed high importance on helping everyone gain access to future electricity technology such as electric vehicles (EVs), solar, and electricity storage. Access to these technologies was considered ‘a pipe dream’ and unattainable for many, particularly those who identified themselves as belonging to the vulnerable cohort who were considered “invisible”.

Upfront costs represented the biggest challenge for many. In the case of solar panels, those who thought they might be able to pay believed that the investment did not yield a return on investment and therefore felt the scarce resources (i.e., money) would be better utilised elsewhere.

When speaking about who would pay for upgrades in infrastructure and technology, ideas such as taxes and subsidies were commonly raised by customers. This was typically seen as a way of means-testing, enabling larger subsidies to be provided to lower-income households, thus making the technology more broadly available to all. Lower-income customers believed that ‘anyone but us’ should pay for this transition and ‘not now’ given the increased cost of living.

Geographic equity regarding reliability

There was mixed feedback from customers about equity across the network. Some customers accepted that electricity supply would be less reliable in regional and rural areas. Other customers were unwilling to accept the difference in reliability and argued the Victorian economy relies on the regional communities to support the state (e.g., farming), and therefore the idea of this group being disadvantaged was not fair.

When considering the cost of ensuring consistent supply across the network, the general consensus was that the costs should be shared. There was an unwillingness to accept that reliability should be any less in rural or regional Victoria compared to metropolitan Victoria, nor should it cost more to deliver that reliability.

The sentiment that underpinned some customers' priorities and concerns

The underlying sentiment driving these priorities can be broadly summarised into two main themes:

1. What was felt to be within control
2. A tendency towards being community-minded

The Torquay customers largely felt that solving for affordability and equity was in their control. There was a general willingness to take responsibility for solving for affordability. Therefore, the role for Powercor was as a facilitator and provider of information and education.

The groups who felt that affordability was out of their control included the Bendigo, Rural, Horsham and Ballarat communities. These customers desired Powercor to take a more active role.

It was important to note that there were two nuanced sentiments relating to community mindedness. Within Ballarat, Rural and Horsham, some customers saw themselves represented in the vulnerable cohort and therefore, when referring to supporting communities, it meant supporting themselves personally.

The community-minded sentiment differed slightly in Bendigo, where customers appeared to genuinely want a good quality of life for the people they lived amongst, despite what they might personally gain from it.

Customer questions to solve for

When reflecting on the affordability and equity conversation, Forethought reviewed customer preferences and phrased the key questions and concerns to support priority focus. Across the most important issues, the following questions and statements were developed:

Education and information wanted to support customers reduce their electricity bill

- How can you help me help myself reduce my bill?
- What information do I need to know to help make a lasting difference on my electricity bill?

The ability of vulnerable customers to access electricity supply

- How can we ensure that everyone has a standard level of supply regardless of income and socio-economic status?
- How can we support vulnerable people who do not receive benefits or support from the government?

Improving access to renewables

- How can we help those lower-income households access renewable energy sources like solar?

Geographic equity regarding infrastructure and reliability

- How can you ensure the same reliability of electricity at the same price, regardless of where I live?

Customer Perspective on Reliability and Resilience

Introduction

Opinions were mixed regarding the current reliability of electricity supply.

Customers who were satisfied with their reliability tended to be those that had moved to Australia (from other countries) or those that had moved from more remote locations. For the most part, Torquay, Bendigo, and Ballarat also believed they experienced good reliability.

Other areas including Horsham, some rural areas, and towns surrounding Ballarat had experienced frequent outages and customers shared concerns about the reliability of their power given current and potential future weather conditions.

Feedback regarding reliability and resilience was anchored in the desire for continuity of supply despite electricity demand, climate change and extreme weather events. In our discussions, we learned that Powercor customers prioritised the following:

- Developing better infrastructure to prevent outages, including the impacts of extreme weather
- More consideration given to scheduling of planned outages to support continuity of supply

Customer priorities and concerns

Developing better infrastructure to withstand extreme weather

There was consensus that extreme weather events would continue and therefore, the distribution infrastructure needed to accommodate for this.

The following ideas were raised to solve for this issue:

- Undergrounding infrastructure was identified as a possible solution. However, many raised that this might be too expensive. Therefore, an alternate idea was raised about identifying extreme weather prone areas and undergrounding infrastructure in those areas as a priority.
- A versatile disaster recovery program. This could be a group of people who were portable and 'on-call' to be dropped in at a moment's notice if an event had occurred and could help with faster restoration.

- A hub that customers could go to charge their phones or cook a meal (in other words, fulfill basic needs whilst the restoration was being managed).
- More proactive planning to prevent common challenges in disaster events. It was expected that Powercor should reflect and learn from past experiences, and then map out a plan ahead of future events. An example was shared in Bendigo, with the flooding of a substation in Castlemaine, which was felt to be an ongoing challenge without a long-term solution being implemented. Comments from customers included, 'I want faith that you have an action plan if a disaster happens'.
- Establish community batteries and microgrids. This was viewed favourably, as it enabled the community to draw on stored energy when there was an outage. One customer from the Torquay group mentioned that community batteries were already commonplace in India, and it was felt that Powercor were significantly behind with similar solutions.

More consideration wanted when scheduling planned outages

Customers desired more advanced notice for planned outages with reliable and regular text messages to update customers on restoration times so customers could plan and prepare. Given notice, customers thought they could ensure a home was properly heated or cooled (important for the elderly), laptops/phones were charged (important for working from home) or even bathing children earlier to ensure routines were maintained.

Customers suggested that Powercor might consider having shorter, more frequent outages which would be less intrusive to daily life. For example, two, two-hour outages, compared to one, four-hour outage which lessened the need for customers to plan and reduced inconvenience.

The sentiment that underpinned some customers' priorities and concerns

The sentiment behind feedback differed across groups and was very much driven by personal experiences and engagement in the sector.

The Torquay group were educated about the energy industry and had a desire to learn and understand. This led to requests for Powercor to deliver a well-constructed plan for inclusion in their regulatory reset proposal.

Bendigo had experienced a recent severe storm and were eager for Powercor to use past experiences to plan and learn from the event, in order to prevent the same issues occurring in the future.

For customers who had experienced outages, a level of consideration was wanted to support minimal disruptions and support planning.

Customer questions to solve for

After listening to customers, we summarised the following points to further explore and address in informing investment priorities:

Developing better infrastructure to withstand extreme weather

- Can you take learnings and reflect on past experiences to minimise impacts of outages, especially considering ongoing challenges in extreme weather events?
- Can you help my community develop local storage solutions so that we have a back-up if something happens?

More consideration wanted when scheduling planned outages

- Is there a better way to schedule planned outages so disruption for all customers can be minimised?

Customer Perspective on Energy Transformation

Introduction

When considering energy transformation, topics such as the environment, future technology and the future of electrification were raised by customers. In these discussions, we learned that customers prioritised the following:

- The speed of the energy transition
- The future implications of electrification

Customer priorities and concerns

The speed of the energy transition

There were different views across groups on the pace over which the transition to renewables and future technology should take place. For Torquay, there was urgency to plan and move at speed. However, there was also an expectation that this transition was thoroughly planned, and built for the longer-term horizon (i.e., have longevity).

Conversely, in other locations including Bendigo, Horsham, Ballarat and Rural areas, a slower pace was desired. Customers understood that the transition was the right thing to do. However, there was underlying apprehension about the pace of the transition and therefore, more time was required to ensure that it was well-planned and executed. They were concerned that a hasty response might exclude vulnerable groups or cause disruptions to supply during the transition phase.

Some customers found it difficult to understand what future technology could look like and how that might affect them. They felt that more communication should be shared to ensure customers were informed and could have better opinions on this topic.

The future implications of electrification

There was understanding across the network that electrification was part of our future. Customers spoke of being more technology reliant with EVs and home automation (such as Google Home), all of which was being facilitated by electricity.

Customers were apprehensive about the capability of the network to cope with increased electricity use, particularly as we move away from gas. The transition implications caused customers to question:

- 'How would that affect me?'
- 'What are the obligations for homeowners or renters, especially with the transition from gas heating?'
- 'Will there be requirements for replacing heating systems, or appliances?'

Whilst some customers were curious, others were more concerned about the transition and implications of moving to renewables. These customers were concerned about the implications of closing traditional 'coal' based generation and whether there would be enough energy to support an electrified future.

The sentiment that underpinned some customers' priorities and concerns

Torquay's urgency to transition stemmed from wanting to enjoy the benefits that future technology will provide. This included access to EVs and local battery storage. They were also particularly interested in sustainability and felt that energy transformation would support this. They held a strong desire to be progressive and did not wish to be left behind.

However, nervousness across other network customers was thought to stem from feeling out of control with the change. They were concerned about their ability to afford new technology and not being able access the benefits the new technology may provide (such as reliable electricity supply or more affordable bills).

Customer questions to solve for

When reflecting on the Energy Transformation conversation, Forethought reviewed key priorities raised. These questions will feed into the regulatory reset proposal to support the top priorities of focus:

The speed of the energy transition

- How can you make sure that you are progressing as quickly as possible with the transition, without neglecting to plan properly for it?
- How can you make sure that the actions you take to transition have longevity?
- How can you engage me on this topic in a way that interests me so I can contribute to the conversation?

The future implications of electrification

- How can we ensure that the network copes as we increase our use of electricity usage?
- What do I need to be aware of and what changes do I need to make as we transition away from gas and increase our consumption of electricity?

Customer Perspective on Customer Experience

Introduction

Customers reported having a positive customer experience with Powercor and therefore there were minimal challenges to solve for. Despite not being a priority, there was an expectation that Powercor would continue to deliver the same high level of service moving forward.

When discussing Customer Experience, customers felt the following were the most important topics:

- Accessibility and improvements in communication
- More information about what Powercor does and is responsible for
- Education supporting vegetation management

Customer priorities and concerns

Accessibility and improvements in communications

Contact options were a key discussion point with younger generations, typically mentioning adding web chat as an additional channel. This was preferred because it enabled them to contact Powercor whilst multi-tasking or at work.

Although there were compliments shared about the extensive notice given for planned outages, there was a desire for Powercor to send a reminder the day before the outage to prompt customers about their alternate plans without electricity for part of the next day. Updates to help with planning throughout the outage and confirmation that the works had been completed was also desired.

Another area for improvement related to messaging for intermittent outages. Some customers believed that there was an automated text system that sent updates during outages. In some instances, where there were intermittent outages (i.e., supply going off and on within short timeframes) customers could receive up to six updates. Customers also shared that they had multiple text messages between 4 am and 5 am regarding outages which would not have impacted them whilst asleep. Another customer shared, that in one instance, the power returned and so they started cooking dinner. It went out again 15 minutes later. Customers suggested that these messages should not be triggered as frequently, and one main message (advising that there might be multiple outages in the next x hours, with an estimated time for full supply) would suffice.

More information about what Powercor does and is responsible for

During the session, customers were shown a diagram that detailed the list of activities Powercor undertook to deliver electricity to customer homes. When reviewing this diagram, customers across the network appreciated being made aware of the tasks undertaken by Powercor which led to a desire for more understanding about the role that Powercor played. Customers suggested that it would be good to hear more about this in the future. This was particularly relevant in circumstances where customers experience a problem, and valued being educated on knowing when to call the retailer, local council or Powercor.

Education supporting vegetation management

Vegetation management was not a top-of-mind issue, however when presented with information surrounding the list of activities that Powercor undertook, there was interest (and some confusion) around whether the council or Powercor managed vegetation maintenance.

When discussing this topic, one group in Ballarat asked very detailed questions including the costs associated with this activity. The cost was felt to be wasted because it was possible to prevent trees growing over powerlines. They shared ideas about educating councils and residents not to plant trees on nature strips that had powerlines above them. The money saved from this activity was felt to be more impactful if spent on other more pressing areas.

The sentiment that underpinned some customers' priorities and concerns

The seamless 'Uber experience' was felt to be a standard across all industries, including Powercor which led to the high level of customer service feedback. The Uber experience was expressed through quotes such as 'I want you to tell me what's happening before I ring you'.

Customer questions to solve for

Following this consultation, Forethought summarised the main questions that related to Customer Experience. These questions are to support the next stages of the regulatory reset proposal and identification of the top priorities of focus:

Accessibility and improvements in communications

- Can I have having better digital accessibility so that I can contact you on the channels I prefer?
- How can you continue to deliver a high standard of customer experience?
- Can you remind me of planned outages the day before?
- Can you refine your automated messages during outages so that I am not inundated?

More information about what Powercor does and is responsible for

- How can you educate me so I understand your role and therefore know when I should be contacting you when I have a problem?

Education supporting vegetation management

- How can you educate the community about vegetation management to support reducing costs and understanding of your role?



