



28 July 2017

Stakeholder Engagement Framework Review
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Email: SEFreview@aer.gov.au

Dear Sir/Madam,

Re: Draft Revised Stakeholder Engagement Framework

CitiPower and Powercor welcome the opportunity to respond to the Australian Energy Regulator's (**AER**) Draft Revised Stakeholder Engagement Framework.

Representatives from our business participated in the consultative session about the Draft Stakeholder Engagement Framework (**Framework**) held by Angela Bourke on Thursday 23 February 2017. A subsequent discussion about the Framework and our own Stakeholder Engagement Framework was also had.

During both engagements, we were encouraged by the AER's commitment to continually improve engagement with stakeholders, including network businesses. We are supportive of the principles-based approach and articulation of the driving purpose for engagement.

Noting, there is room to further explore the extent to which stakeholder engagement processes may impact the AER's evaluation and decision making about regulatory proposals as part of the Electricity Distribution Price Review (**EDPR**). These considerations have been discussed in detail below.

Clear, accurate and timely communication

Clear articulation of how feedback is incorporated throughout the lifecycle is important to the engagement process. We acknowledge the AER has outlined the process for how stakeholder engagement fits into the process with the inclusion of a new diagram in the Framework.

Clarity on how consumer insights collected by the AER in the early phases of engagement will be used is required. In particular, how the AER will share consumer insights (including those from the Customer Consultative Group and the Customer Challenge Panel) with network businesses prior to, and as part of formal consultative process.

We understand a review of the Network Revenue Determination Protocol is being considered within the Framework and the ongoing and open sharing of consumer insights during the whole lifecycle is encouraged.

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Accessible and inclusive engagement

More open and informal engagement with the AER about strategic issues and during the EDPR process is encouraged and we are supportive of working with the AER on a more tailored approach for our business. We understand that time and resource trade-offs exist and seek a partnership approach to determining the appropriate mechanisms for our business and its consumers.

Transparent engagement

Reporting on how feedback has been used in the determination (formal consultative) process builds on the need for greater sharing of consumer insights collected by the AER throughout the lifecycle. Greater transparency supports the decision making process and provides evidence of how, when and why feedback was used in order to accept or reject regulatory proposals.

Within this, more clarity on how feedback from various stakeholder groups is considered is suggested to better understand its role in the determination process. This includes whether there is more, less or equal importance placed on feedback from stakeholder groups such as consumers, advocates, the Consumer Challenge Panel and the Customer Consultative Group.

The evidence, or criteria by which the AER assesses feedback, also leads into the evaluation of effective engagement and whether metrics will be developed over time.

Should you have any queries regarding this submission, please do not hesitate to contact Sonja Lekovic on 03 9683 4784, or slekovic@powercor.com.au.

Yours sincerely,



Brent Cleeve
Head of Regulation

