

2023-27

POWERLINK QUEENSLAND REVENUE PROPOSAL

Appendix 3.06 – PUBLIC

2020 Stakeholder Perception Survey Summary

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2020 Stakeholder Perception Survey Summary

January 2021



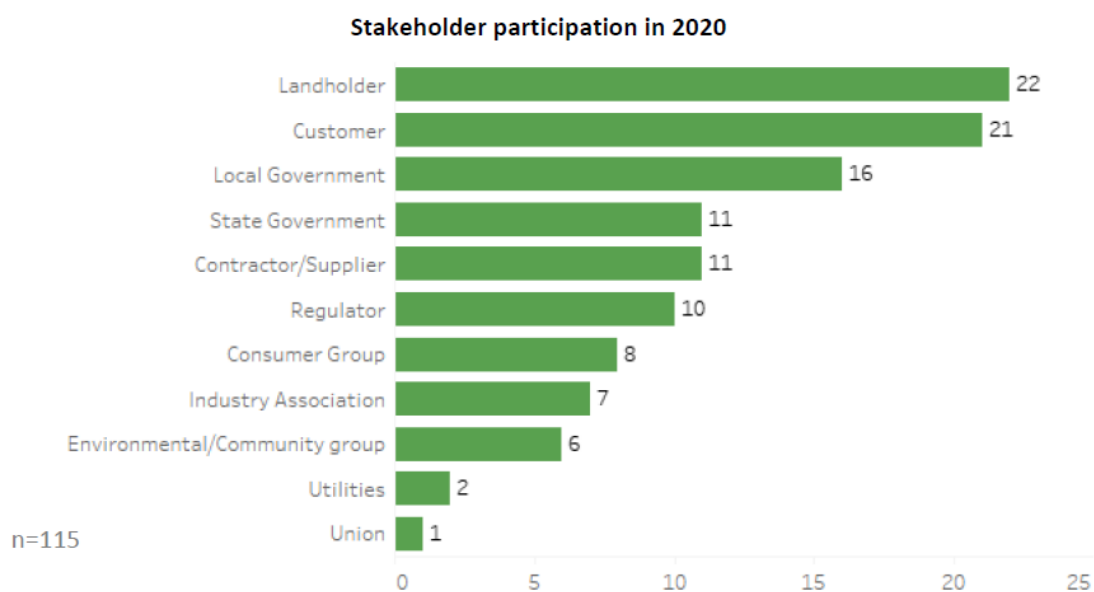
Background

Deloitte completed 115 in-depth telephone interviews with Powerlink stakeholders across 11 stakeholder categories. A total of 280 stakeholders were identified by Powerlink and invited to participate in the research (85% completion rate against a target of 135 stakeholders).

Stakeholders were classified into the following 11 categories:

- Consumer Group
- Contractor/Supplier
- Customer (directly-connected)
- Environmental/Community Group
- Industry Association
- Landholder
- Local Government
- Regulator
- State Government
- Union
- Utilities.

Stakeholder participation in survey



Stakeholder issues

Energy sector transition was the most mentioned theme in 2020, representing a marked increase in emphasis on how Powerlink is responding to the transformation of the energy sector, compared with 2018 and 2016. Despite the increased focus on this issue, others have remained consistently significant for stakeholders since 2012, specifically pricing and value for money, reliability and system strength, and communication and transparency.

While the most mentioned themes have remained relatively consistent across surveys, the associated issues show subtle shifts, which reflects changes in the stakeholders interviewed and external factors such as government policy or market-related matters.

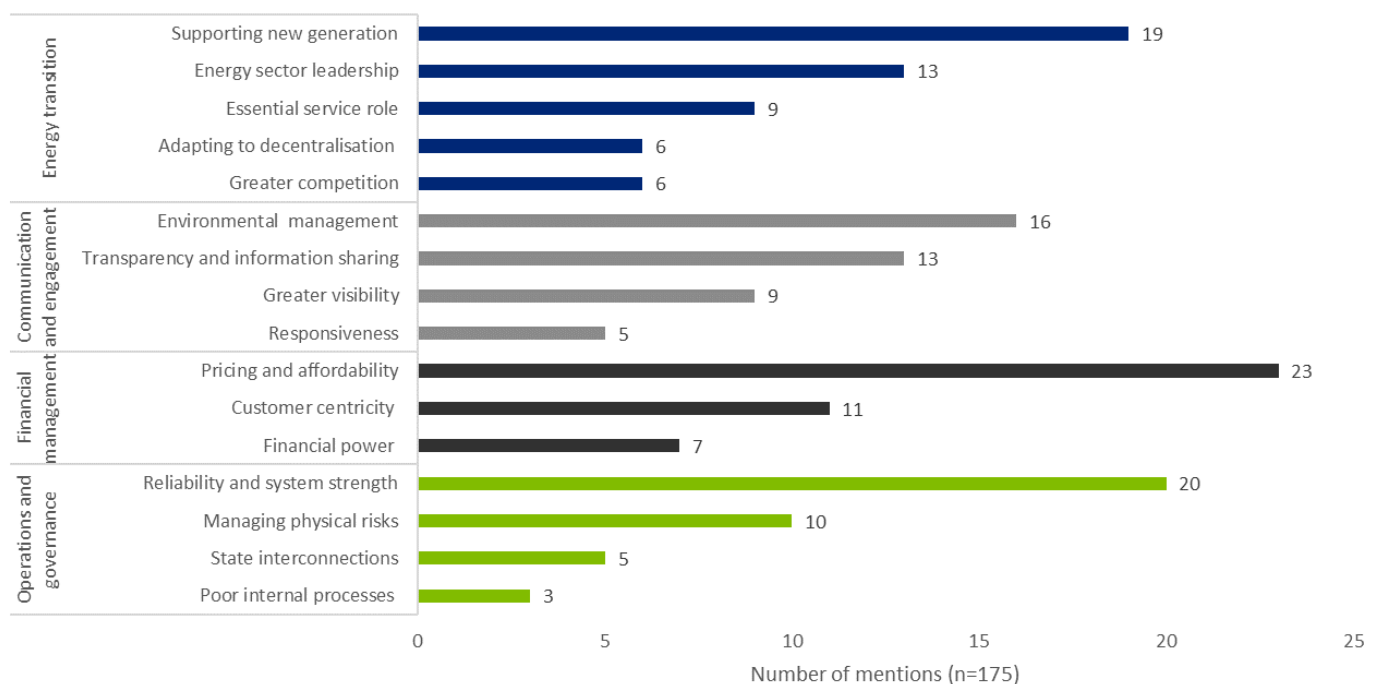
The main external factor that likely affected stakeholder concerns in 2020 was the continued and increasingly rapid market shift towards distributed generation and renewable energy development.

In 2018, interviews indicated that stakeholders considered the market to be highly uncertain and so were unsure about what role Powerlink should be playing in facilitating the transition. However, in 2020 there was a higher degree of certainty that the shift was happening, and stakeholders were focused on how Powerlink could support this, and the challenges and opportunities in doing so.

Value for money and its closely related issue, electricity prices, have been consistent issues since 2012. In 2020, Powerlink pricing was mentioned by every stakeholder group, particularly in the context of power prices and vulnerable customer groups, and charges to new energy businesses.

Stakeholders also described Powerlink as a crucial link in the energy sector, with a strong ability to influence outcomes. They are open to collaboration, particularly Industry Associations and Utilities.

Stakeholder themes and issues in 2020

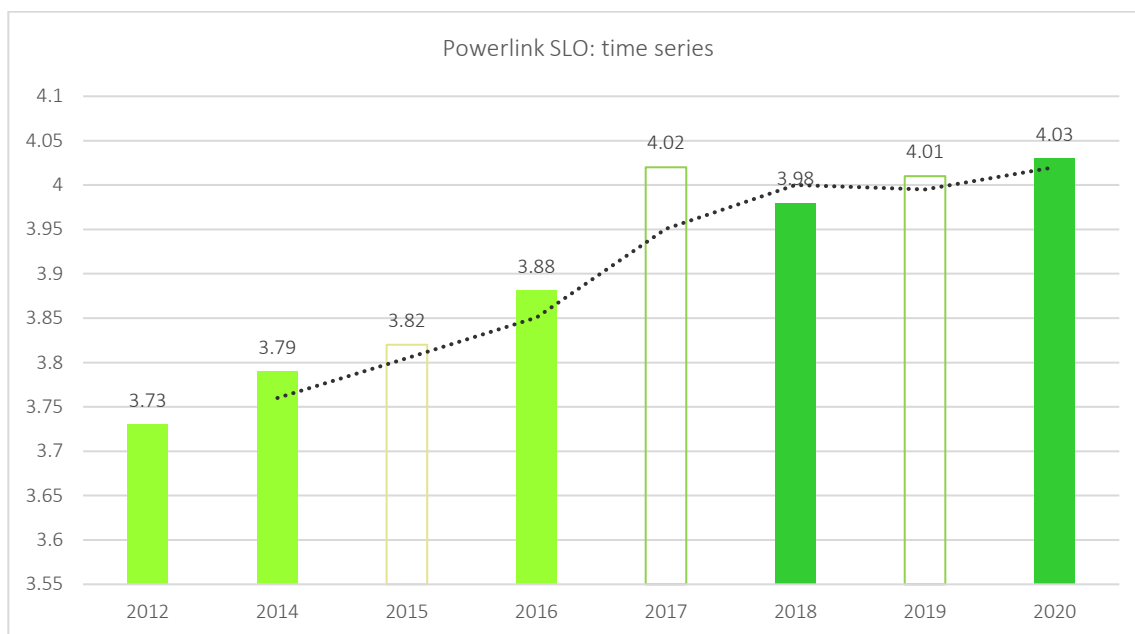


Social licence to operate

An organisation’s social licence to operate (SLO) is a form of social acceptance or approval that companies or projects earn through consistent and trustworthy behaviour and positive interactions with their stakeholders. It is the level of acceptance or approval continually granted to an organisation’s operations or projects by local community and other stakeholders.

Powerlink’s SLO has shown a consistent upward trend since 2012, when this research began. In 2020 stakeholders accorded Powerlink an SLO of 4.03 – an increase of 0.05 since the 2018 survey.

Social licence 2012-2020



Bars appearing as an outline on the chart above signify years where an online self-complete stakeholder survey was conducted, rather than full stakeholder interviews. The shading relates to the below SLO ranges.

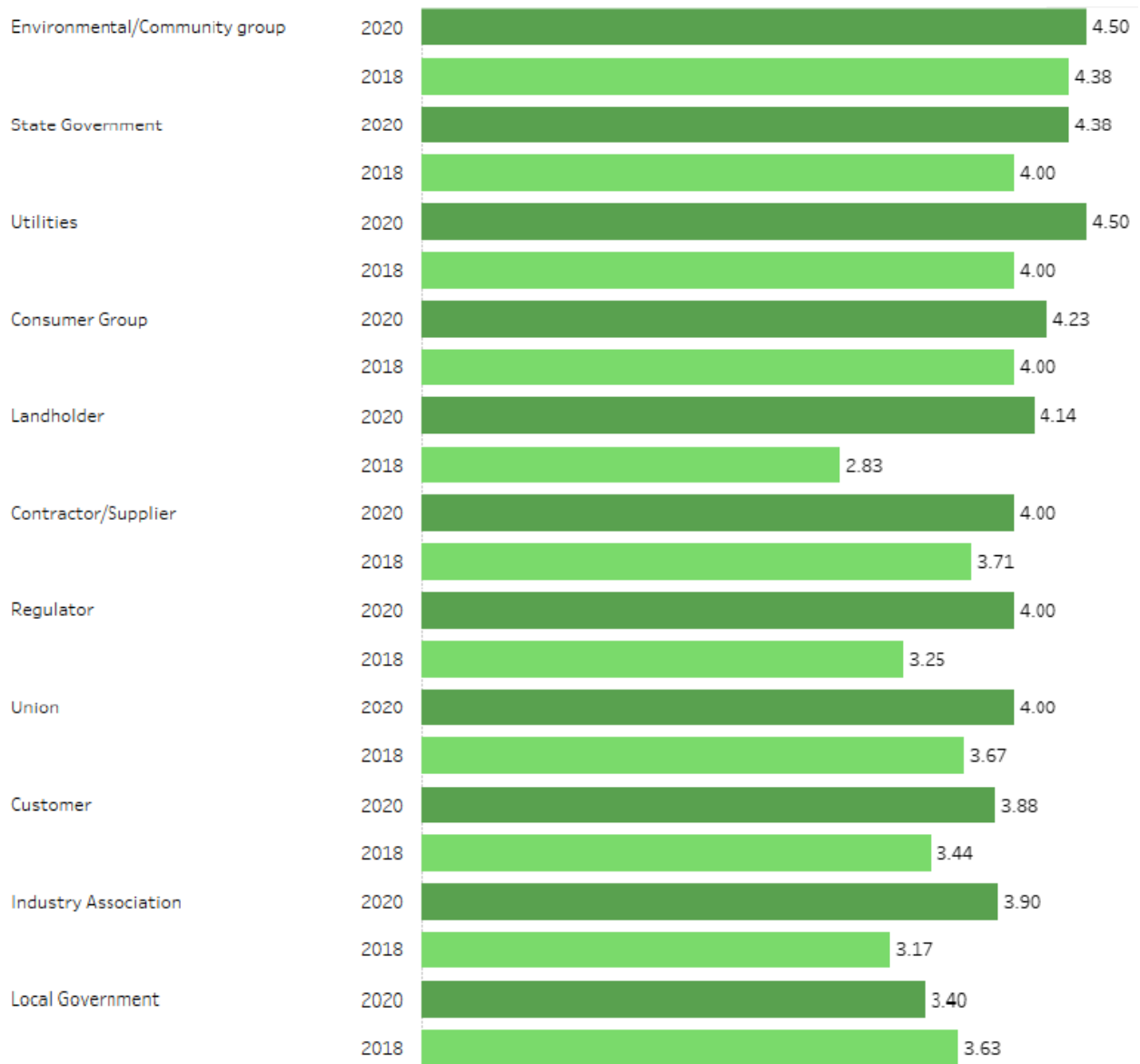
Social licence levels and ranges

Sextile 1/6th	Lower Bracket	Upper Bracket	Range and verbal label
6	4.30	5.00	>4.30 to 5.00 = full trust
5	3.93	4.30	>3.93 to 4.30 = high approval
4	3.56	3.93	>3.56 to 3.93 = low approval
3	3.08	3.56	>3.08 to 3.56 = high acceptance/tolerance
2	2.40	3.08	>2.40 to 3.08 = high acceptance/tolerance
1	1.00	2.40	>1.00 to 2.40 = withheld/withdrawn

Stakeholder engagement

Powerlink’s rating for stakeholder engagement has improved in nearly all stakeholder categories since 2018, resulting in 3.95 out of 5 overall for the 2020 survey.

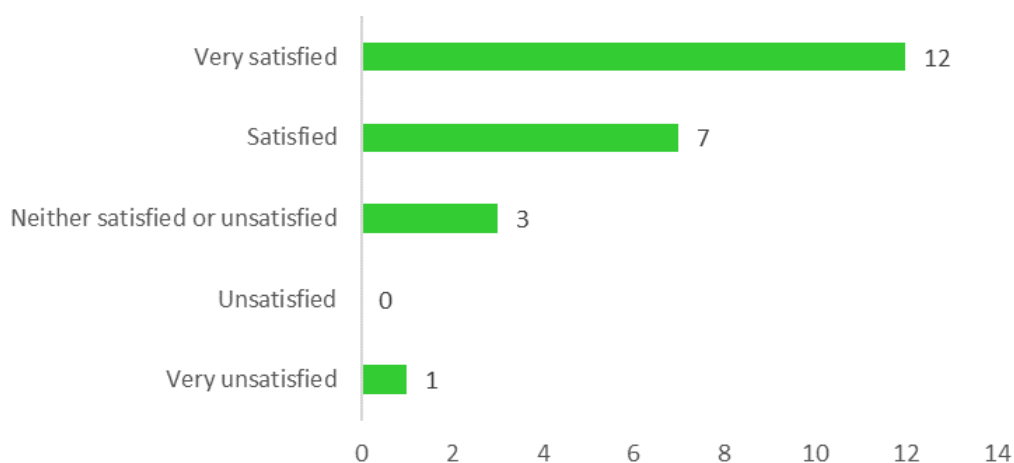
The most significant improvements were with the Landholder, Regulator and Industry Association stakeholder groups.



Satisfaction with Revenue Determination engagement

In 2020, stakeholders who participated in Powerlink’s Revenue Determination engagement were asked to evaluate how satisfied they were with the process.

Of the 23 stakeholders that participated, 70% were either very satisfied/satisfied with the process. Only three stakeholders were neither satisfied or unsatisfied and only one was very unsatisfied.



Customer Panel insights

In 2020, we received responses from 12 participating members of Powerlink’s Customer Panel. Panel members were also included in their respective stakeholder categories for the purpose of the analysis.

Overall, Customer Panel members were more positive than other stakeholder groups in their assessment of Powerlink. Just over 80% of panel members felt their relationship with Powerlink was getting better, compared to 37% for all stakeholders. The average SLO rating among the Customer Panel was 4.31.

For this group, by far the most prevalent issue raised was pricing, followed by the desire for more visibility, then reliability and system strength.