



hear every voice, know where you stand

STRAIGHTTALK

TASNETWORKS CUSTOMER ENGAGEMENT

Report of customer workshops, September 2016

Report

December 2016



Contents

1. Introduction	2
1.1. Strategic context	2
1.2. Methodology	3
2. Outcomes	5
2.1. The services TasNetworks provides	5
2.2. 2025 vision	6
2.3. Innovation focus	8
2.4. New products and services	10
2.5. Network pricing	12
2.6. Explaining pricing reform	14
2.7. Supporting community awareness	17
2.8. Network services	20
2.9. TasNetworks infrastructure	25
2.10. Satisfaction with electricity reliability	25
2.11. Support for network service performance strategy	28
2.12. Support for reliability improvement approach	29
2.13. What Tasnetworks should focus on	30
3. Participant experience	33
3.1. Pre-workshop survey	33
3.2. Post-workshop survey	39

Document

Report of customer workshops September 2016

Client

TasNetworks

Prepared by

Jeb Cole

Reviewed by

Lucy Cole-Edelstein

Job number

TAS WRK 1016

Date

5 December 2016

Version

2.0



1. INTRODUCTION

This report provides details of the first round of customer engagement that TasNetworks needs to undertake as it develops its next regulatory proposal. It was developed by Straight Talk, an independent community engagement consultancy.

The report provides details of the:

- 👉 Context in which TasNetworks engages with its customers
- 👉 Methodology employed in recruiting and running two customer engagement workshops
- 👉 Outcomes of each activity
- 👉 Analysis of pre-and post-workshop surveys completed by participants regarding their expectations of engagement.

It is important to note that, while graphs have been used to indicate the level of support for some issues or to theme or classify responses, these should in no way be relied upon as statistically valid or able to be extrapolated to indicate a broader community level of support or not. These workshops were small, qualitative engagement workshops designed to provide TasNetworks with rich data about some of the key issues and factors that underpin customer values and priorities relating to electricity provision in Tasmania.

1.1. Strategic context

TasNetworks is required to engage with stakeholders including end users in accordance with the National Electricity Rules (NER), before submitting its next regulatory proposal to the Australian Energy Regulator (AER). In accordance with these requirements, TasNetworks has developed a robust approach to understanding its customers and how to engage with them. This report provides details about the approach TasNetworks has pursued in relation to its qualitative/deliberative workshops, the outcomes from this customer engagement, and how it has influenced and helped shape the direction and priorities of TasNetworks.

TasNetworks is committed to robust community engagement and has embedded a consultative approach within its strategic business planning. The feedback and reflections of end-use customers are integral to how TasNetwork plans and delivers its services.

TasNetworks supplements these activities with targeted customer workshops as it develops its regulatory proposals. Two rounds of customer engagement workshops are held, one at the beginning to understand customer values and priorities and a second once draft strategies and plans have been developed, to test, confirm and if necessary revise prior to submitting to the AER.

This is the second time that TasNetworks has adopted this approach and some participants at these workshops had attended previous workshops. Over time, these customers are developing a deep understanding of TasNetworks, the electricity industry and the rapidly changing pressures and policy environments that influence forward planning.

This report details the process and outcomes from the first round customer workshops to inform the 2019 Revenue Reset.

Objectives of the customer engagement workshops included:

- 👉 To understand customer values and priorities to inform the revenue reset.
- 👉 To provide sufficient context for customers to enable informed feedback via real and practical examples.
- 👉 To consult on topics where the feedback can be incorporated and influence TasNetworks' current and future plans.
- 👉 To provide feedback to enable TasNetworks to improve customer consultation.

Workshops were held in Hobart and Launceston with approximately 25 participants at each. A number of participants had been involved in previous TasNetworks customer engagement workshops.

The workshops were independently facilitated by Straight Talk, with assistance from TasNetworks staff across the customer, asset management, asset planning and strategic planning areas of the business. A number of TasNetworks senior executives also attended the workshops and facilitated discussions on tables.

Straight Talk is a leading community engagement consultancy based in Sydney, NSW, specialising in the design, implementation and evaluation of deliberative engagement approaches. TasNetworks engaged the expertise of Straight Talk to design a process which would effectively engage the 'silent majority', providing a thoughtful, informed environment in which participants can together weigh up and reach consensus about what they believe is the most important or relevant recommendation or decision.

TasNetworks chose an interactive approach to the workshops and instead of using power point, information was delivered speaking to graphic representations, available in hard copy for each participant in A3 and in large format, AO size on the walls. This allowed presenters to refer to information previously presented and for participants to work through and consider the complexities of network services and pricing in their deliberations.

The analysis of workshop outcomes only reflects the feedback of workshop participants who contributed to the responses entered in the workshop materials. We found there was negligible difference in the responses from Hobart and Launceston participants, reflecting a unified response from the two workshops. Therefore the two sets of responses are treated uniformly within the report unless differences are identified.

1.2. Methodology

Straight Talk and TasNetworks developed an interactive approach where participants had the opportunity to explore key challenges for the business including:

- 👉 Innovation
- 👉 Pricing
- 👉 Network services
- 👉 Infrastructure
- 👉 Service, price and reliability trade-offs

👉 Voice of the customer.

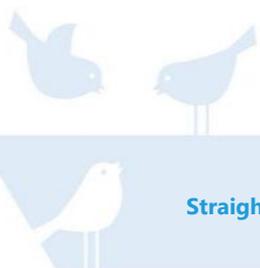
A range of activities were employed so the workshops were interesting and engaging. These included:

- 👉 Exploring what participants understood about the electricity industry and TasNetworks services.
- 👉 Presentations using 'table mats' and large scale posters instead of PowerPoint. This allowed participants to follow speakers' presentations easily and presenters to be able to readily refer to previous information simply by walking to another part of the room. The posters also provided a visual prompt during table discussions.
- 👉 Small group discussions on specific questions facilitated by TasNetworks staff and feedback recorded in purpose-designed facilitator handbooks.
- 👉 A walk around in the local streets identifying TasNetworks assets and discussing the network more broadly.
- 👉 Using prioritising techniques to understand customer perspectives.

Participants were also asked to complete pre- and post- workshop surveys to help TasNetworks understand what participants understand about electricity and their priorities and to evaluate the engagement process itself.

All workshop activities were designed with the TasNetworks Customer Engagement Framework and were Inform, Consult or Involve, depending on the topic and degree of feedback required.

This report provides the feedback and outcomes from these activities, reported against each agenda item and question, based on the information captured within the facilitator handbooks and completed surveys.



2. OUTCOMES

2.1. The services TasNetworks provides

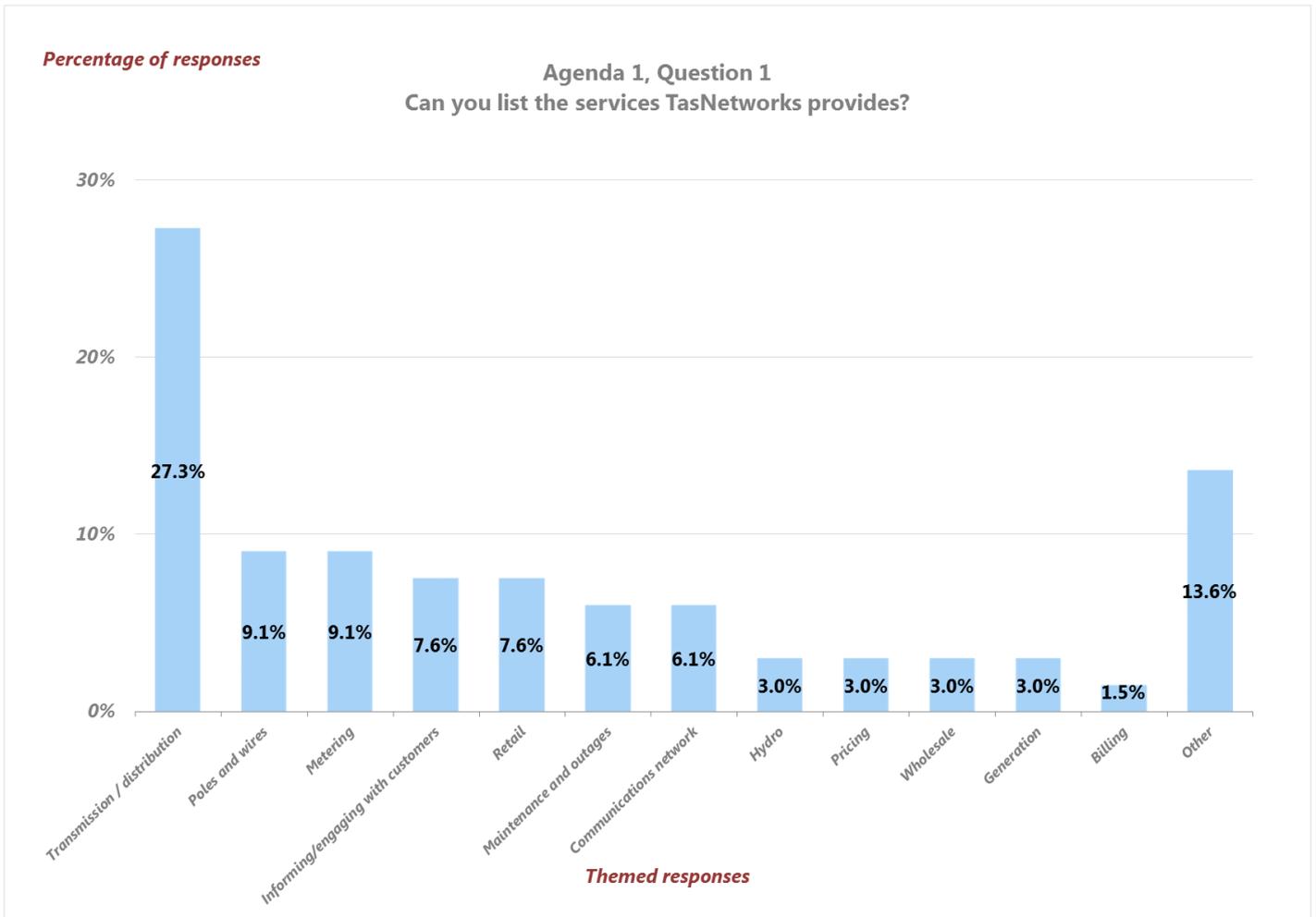


Figure 1 - Themed participant responses, listing of services participants believe TasNetworks provides. 66 total responses.

In Launceston, a short video on TasNetworks was shown, followed by a presentation on the future role of the network and the Business Strategy 2025. (The video was shown at the end of the day in Hobart).

Both workshops started with asking participants about what they understood about the services TasNetworks provides.

Overall, participants had a good idea of the services that TasNetworks provides, with TasNetworks' main services being the most common responses. Every table at both workshops included a response that covered transmission and/or distribution of electricity. There were relatively few incorrect responses - descriptions of services that TasNetworks does not provide. Most of these stated or implied that TasNetworks was responsible for electricity generation, including Tasmanian hydro-generation.

Transmission / distribution

The most common response theme making up over a quarter of responses, was "transmission / distribution" (27.3%). Responses in this category typically talked about the transmission of electricity generally (between the points of generation and consumption) and did not make a technical distinction between transmission and distribution, although two tables of participants did specifically mention transmission and distribution.

Typical responses:

- 🐦 "A broad delivery including the networks"
- 🐦 "Own infrastructure - poles + transformers. Distributing from there"
- 🐦 "Transport of electricity"

Poles and wires

The next most common category of responses used the specific phrase "poles and wires" (9.1% of responses), which could mean either distribution or transmission, or both, and doesn't specifically address the operation of other electricity infrastructure like substations. It is a less accurate description of TasNetworks' transmission and distribution functions.

Metering

Equally as common were responses on the theme of metering (9.1% of responses). Responses in this category showed awareness that TasNetworks is responsible for metering services.

Typical responses:

- 🐦 "Meters and meter reading"
- 🐦 "Metering services"
- 🐦 "Read meters"

Informing / engaging with customers

Another common category of responses was on the topic of informing and engaging with electricity customers (7.6%). Responses in this category stated that one of TasNetworks services was providing information or otherwise engaging with customers and/or the general public.

Retail

This common theme of responses (7.6%) includes direct use of the phrase "retail" as well as descriptions of the retail electricity function in terms of providing electricity directly to end-users.

2.2. 2025 vision

Understanding customer aspirations for TasNetworks long term vision was a key objective for the workshops. Participants were asked what a 'better tomorrow looks like'. Responses have been reported in two ways - with a 'word cloud' or 'wordle' of every response, and a themed graph where responses were aggregated:





Figure 2 - "Wordle" of words used in customer responses to question "In the context of TasNetworks in the year 2025, what does a better tomorrow look like for you?". Word size is proportional to frequency of use.

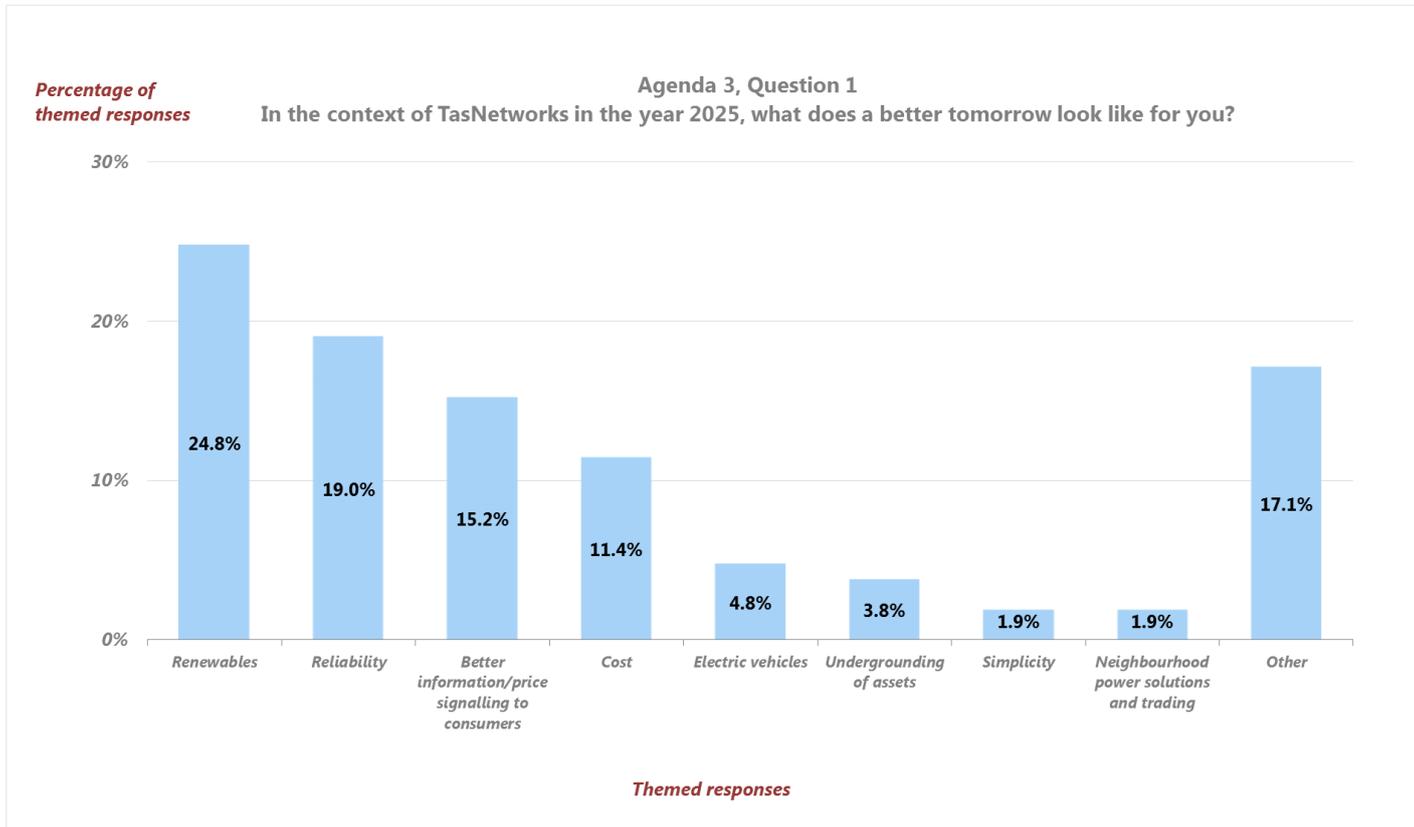


Figure 3 - Themed participant responses, 2025 vision question

Renewables

The most common recorded response theme was on the topic of renewables (24.8%) - comments overwhelmingly called for more renewables including, most often, solar and wind, but also geothermal, wave power and biomass.

Typical responses:

- 👉 "By 2025 roof tiles will be solar panels"
- 👉 "Biomass and geothermal alternatives"
- 👉 "We want more connected renewables that don't look ugly, for example offshore wind"

Reliability

The next most common category of response was on the topic of reliability (19.0%)- comments were in favour of maintained or increased reliability in the future.

Typical responses:

- 👉 "Not have power out for 24 hours or more in 2025"
- 👉 "I want to turn on a light and it works"
- 👉 "Critical infrastructure (hospitals etc.) have backups"

Better information / price signalling to customers

Another common response theme was around getting better information to consumers to help them use electricity more efficiently (15.2%). Suggestions included more detailed billing, immediate feedback on consumption via email and SMS, more information on tariffs and dynamic pricing.

Typical responses:

- 👉 "Relate energy efficiency to \$ on my bill"
- 👉 "More information to make choices about what is going to save money"
- 👉 "Better information to make decisions"

Cost

The final relatively frequent theme was cost (11.4%). Comments generally expressed anxiety that the cost would increase in the future, while some expressed an expectation of falling costs or increased service for the same cost, as with other technology products. Some comments made it clear that if the current cost and reliability continued to be delivered this would be acceptable.

Typical responses:

- 👉 "Prices going down. Age pension increases slowly compared to energy bills"
- 👉 "Reliable power at cheaper costs"
- 👉 "Cost: keep them down into the future"

2.3. Innovation focus

A short presentation and overview of innovation was provided to participants, exploring how TasNetworks could respond to local challenges with either smart, new technology or using a different, more innovative approaches. The examples used were the Strahan network automation and the Bruny Island battery trial. Participants were then asked a series of questions about innovation: "Should our efforts with innovative technology deal with technology that's applied within the electricity grid or at technology which involves customers or a mixture of both?".

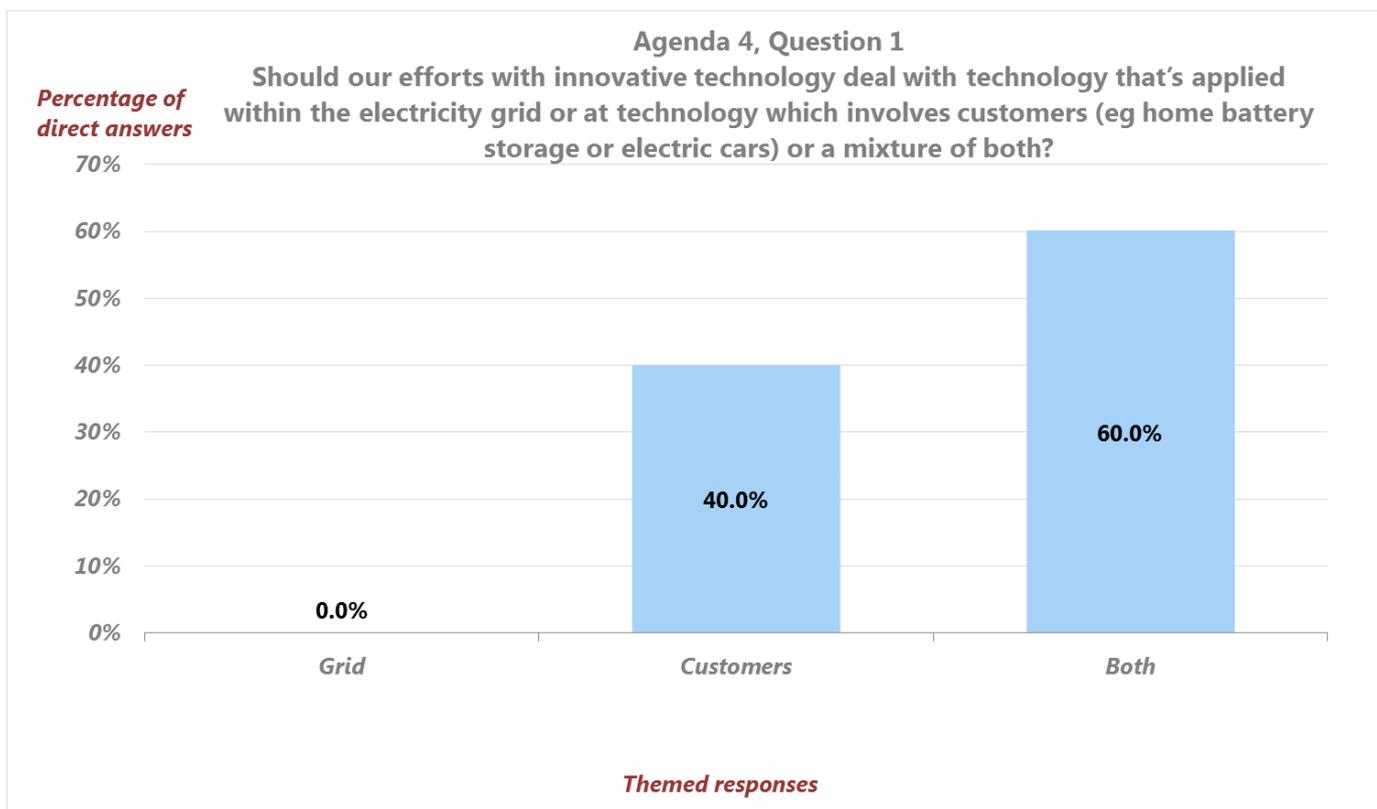


Figure 4 - Themed participant responses, innovation focus question, only considers responses that fell into one of the three featured categories

Out of the responses that directly indicated a preference for a focus on applying technology within the grid, or on technology that involves customers, or both, the most common response was "both", with a majority of these responses (60%). All of the other responses in question preferred a customer focus (40%), with no responses in favour of focusing only on technology within the grid.

Both

Responses that advocated technology for both the grid and customers were concerned with both choice and giving consumers more options as well as the need for TasNetworks to hedge, as it is difficult to know which technologies and approaches will end up being successful.

Typical responses:

- 👉 "Customer choice should drive this. Don't put all eggs in the one basket"
- 👉 "Both: Trials in turn lead to customer satisfaction. But needs to be supported by good communications"
- 👉 "Both: we don't know where the benefits will come from"
- 👉 "Mixture of both - choice of options, augment options for new connections, customer involvement and feedback"
- 👉 "You need to keep the customer involved regardless of whether it is on the network or not. Customers feel empowered if they are involved."

Customers

Responses that advocated technology for customers generally focused on the efficacy of a particular customer-focused technology that should be supported, including batteries, time of use metering, electric cars and solar cells.

Typical responses:

- 👉 "Go to the battery stage - customers will invest - especially if TN helps to fund"
- 👉 "Focus on customer end i.e. to support electric cars to recharge"
- 👉 "Encourage the use of PV's on rental properties but have arrangements where the landlord gets the payback and tenant can save money "
- 👉 "Empower customers and focus at the customer end, help customer choice"
- 👉 "Focus more on innovation in home to help both customer and network"

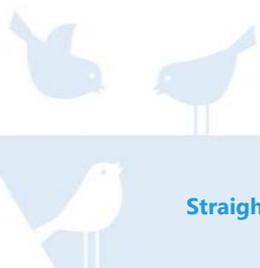
Other responses

There were a number of responses that did not directly address the question but instead made more general comments.

- 👉 "Big impacts on Peninsula: what trials can be done to support better service down there?"
- 👉 "Customer advocacy agency - to help work way through maze of tariffs and services"
- 👉 "Being honest broker is a completely different role in most other industries - some other kind of consumer agencies to keep on the case of retailers that aren't doing the job"
- 👉 "Don't need a paternalistic network"
- 👉 "Looking for aesthetically pleasing technology - landscape is important"
- 👉 "The lake is a big battery (hydro)"
- 👉 "Cost and reliability is important"
- 👉 "Evolution not innovation"
- 👉 "People should change behaviours too"
- 👉 "When NBN is needing power we need smart meters"
- 👉 "We need to look to the rest of the world"

2.4. New products and services

The second question regarding innovation related to future services.



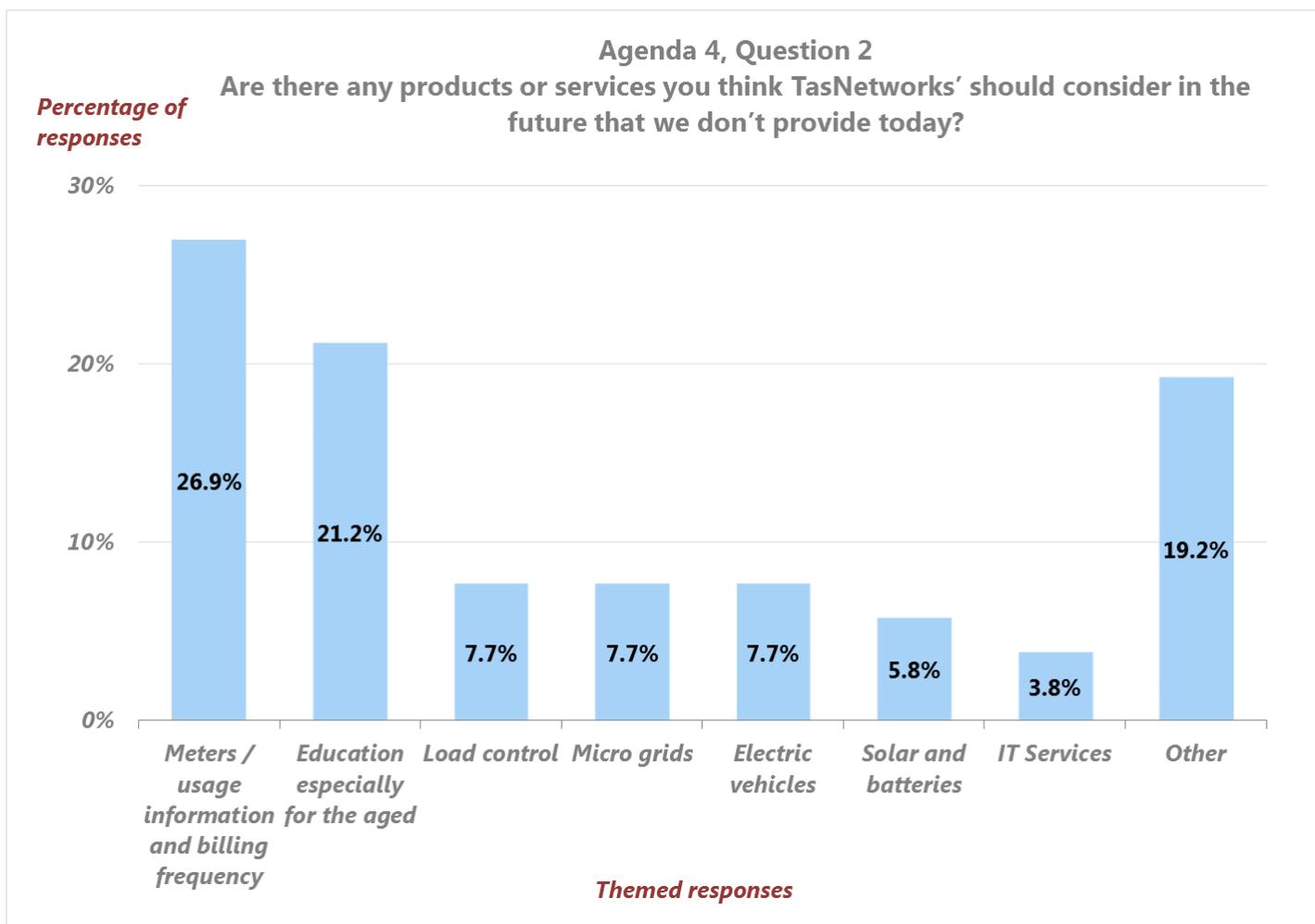


Figure 5 - Themed participant responses to question on new products and services

Meters / usage information and billing frequency

The most frequent response theme, with a little over a quarter of all responses, was "Meters / usage information and billing frequency" (26.9%). Responses in this theme were about getting more information about usage to customers, including real time information about usage and cost.

Typical responses:

- 👉 "Real time feedback on usage"
- 👉 "Have PAYG because can manage when you use power, more conscious of how much you use and how much it costs"
- 👉 "Advanced meters - when meters are replaced should put in smarter ones"
- 👉 "Advanced meter that provides update of bill usage and future bill prices"

Education, especially for the aged

The second most common category (21.2%) was "Education, especially for the aged". Comments in this category emphasised the complexity of providing new technology and lots of information to electricity consumers. Many responses were worried about the ability of people, especially older people to be able to understand and use that information, or whether they would be motivated to do so.

Typical responses:

- 👉 "Should go into educating older people"
- 👉 "Need to realise some people don't want change, especially older people"
- 👉 "Apps are age difficult"
- 👉 "Consider the aging population and their needs"
- 👉 "Go into educating older people as to how to use power, not enough education out there"

Load control

Responses in this category focused on solutions to shift energy usage to times when there was less demand on the grid, often via automation. Suggestions for usage that could be shifted included electric vehicle charging and hot water heating.

Micro grids

Some responses endorsed the use of micro grids in close knit and relatively isolated communities, and often made reference to the Bruny Island scenario.

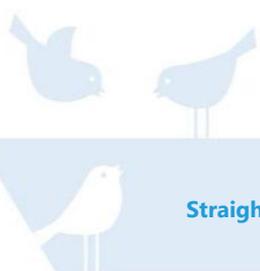
Electric vehicles

Responses in this category called for more support for electric vehicles, usually via a charging station network.

2.5. Network pricing

A presentation on how electricity is priced and some of the key challenges was provided. Participants were asked a series of questions in an effort to better understand how to craft communications and engagement around this complex technical issue.

The first question related directly to what participants understood about the presentation.



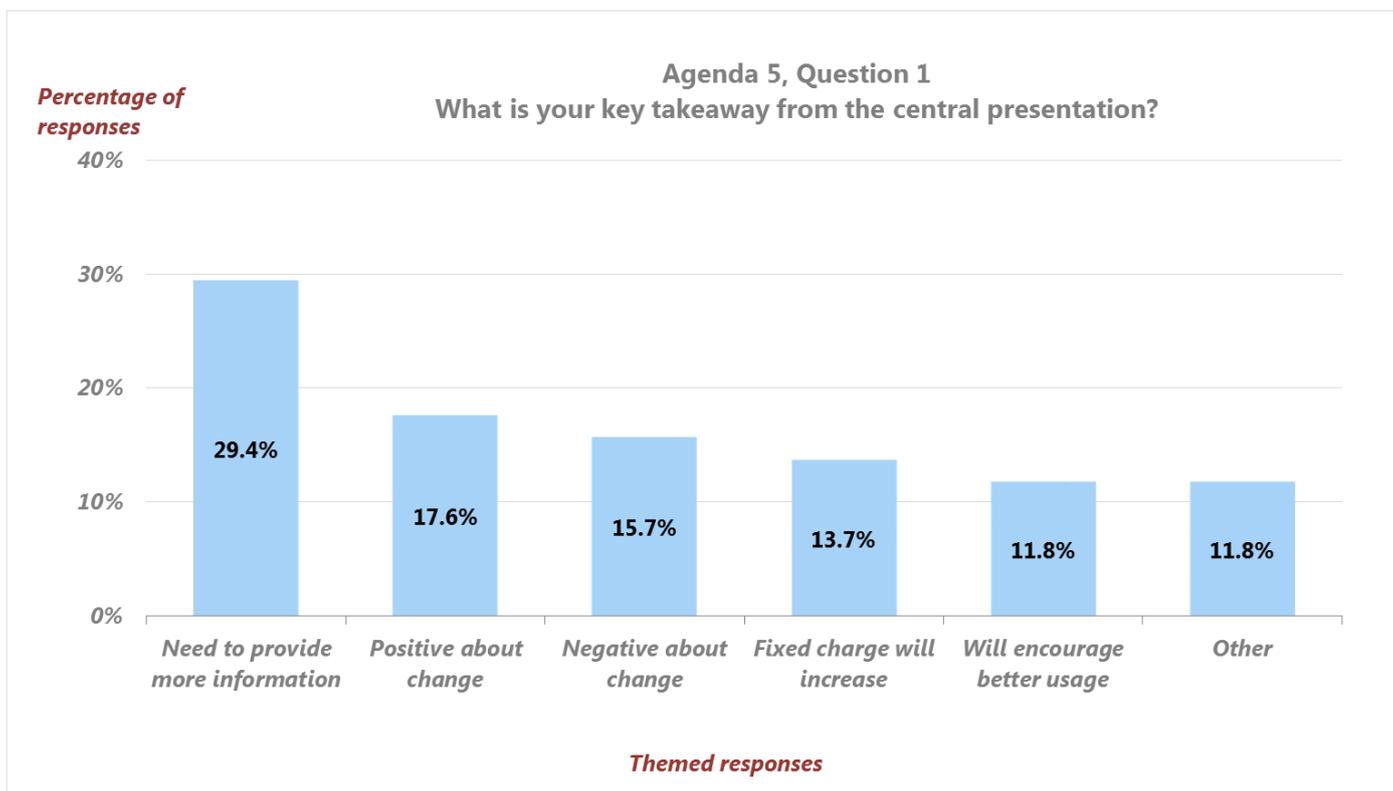


Figure 6 -Themed participant responses on their key takeaway from the central presentation

Overall, participants were concerned, confused, and wanting more information, although a sizeable minority of responses were positive about the change.

Need to provide more information

The most popular single category of response, almost a third of all categorised responses (29.4%), was that participants wanted more information, both for themselves and the general public about the tariff changes. Comments expressed fear and confusion around the proposed changes.

Typical responses:

- 👉 "I have to go to Aurora website and find out more information"
- 👉 "Confusing"
- 👉 "Leap of faith in going to new tariffs"
- 👉 "People are asking 'How do I know if I'm better off under new option' or ' I don't want to try it and find out I'm worse off' "
- 👉 "Scary: uncertainty about whether the customer is being screwed"

Positive about change

A little under one fifth of responses expressed positivity about the new tariff regime (17.6%). These comments often specifically praised that customers would be given more control of their bill and would be able to get their bills down.

Typical responses:

- 👉 "Fantastic idea"
- 👉 "Good that we have an option to move to off-peak tariff"

👉 "Some people got that the overall bill comes down after people change behaviours"

Negative about change

A similar number of participant comments were against the change (15.7%). Comments which were negative about the change often felt that the changes were unfair for those who would face increased bills.

Typical responses:

- 👉 "What's the benefit for me? - I need to use at peak times"
- 👉 "It is going to penalise the people who can't manage their power etc"
- 👉 "I should just go off grid because the fixed service charges will be higher, this penalises me and will make my bill increase"
- 👉 "Don't want to disadvantage those who can't move the energy"

Fixed charge will increase

A significant proportion of responses focused on one particular aspect of the changes - that the fixed charge will increase. Usually, but not always, a comment on this theme was accompanied by comments that this was negative, unfair, etc. Overall, this feature seems to have stood out as the most negative specific aspect of the changes.

- 👉 "Increase to fixed charge - fundamentally unfair"
- 👉 "Fixed charges are going to go up"
- 👉 "The service charge will be higher / the variable charge will be lower is this fair for people who live in shacks?"

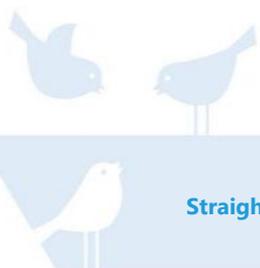
Will encourage better usage

The final common theme to responses was that the changes would encourage better electricity usage habits and patterns. This was usually expressed positively and this aspect stood out to participants as the most positive specific aspect of the changes

- 👉 "Being rewarded for behaviour"
- 👉 "Would modify usage if plan for it - wear more jumpers"
- 👉 "Can see the value in shifting loads to off-peak times"

2.6. Explaining pricing reform

The second question related to how participants would explain pricing reform at a BBQ.



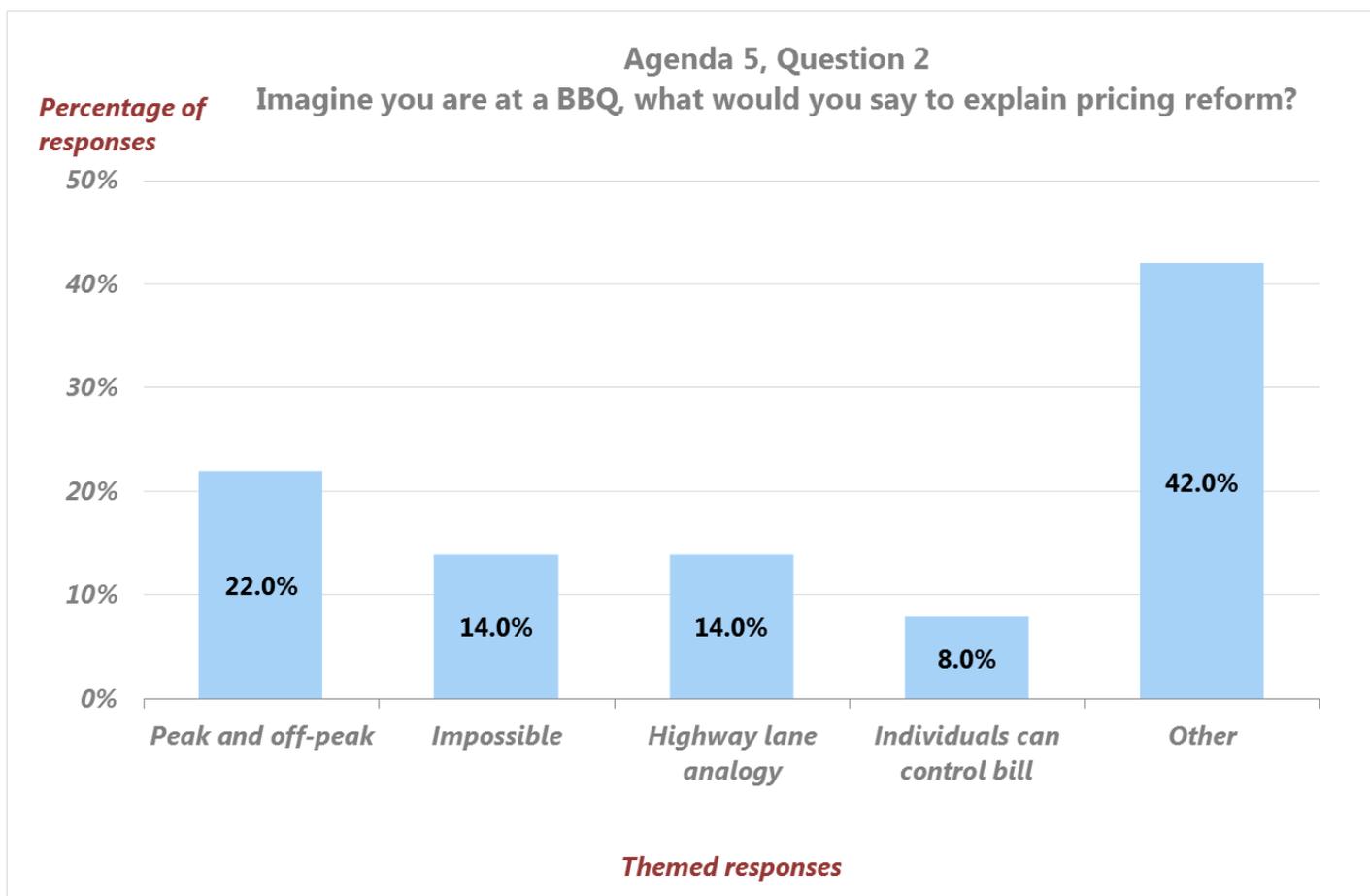


Figure 7 - Themed participant responses on how to explain pricing reforms

Comments in response to this question were very diverse. A very substantial number of comments defied categorisation. Many responses were unique and many did not answer the question.

Peak and off-peak

The most common response category was "peak and off-peak" (22.0%), which encompasses comments that preferred an explanation that made reference to peak and off-peak pricing.

Typical comments:

- 👉 "Choice between peak and off-peak"
- 👉 "Change of habit for peak and off-peak"
- 👉 "Reform is TasNetworks are moving to off and on peak"

Impossible

The (tied) second most common response was "impossible" (14.0%), responses that indicated that the proposed pricing reforms could not be explained or that the commenter still couldn't understand the reforms themselves.

Typical comments:

- 👉 "Wouldn't even try"
- 👉 "Oh mate, you don't want to know"
- 👉 "Holy crap - didn't understand one word"

Highway lane analogy

Also common was the theme "highway lane analogy" (also 14.0%), which includes comments that explained the pricing reforms with reference to this analogy.

Typical comments

- 👉 "The entire cost for transporting is dependent on the highest load. If they can reduce that, they can reduce augmentation, the only way they can do that is by providing price signals. 4 line highway, we need to build for peak."
- 👉 "Gridlock with cars and congestion -> through an ad"
- 👉 "Tell customers what costs the network can bring entire cost to customers down like the road network analogy"

Individuals can control their bill

The only other clear response category was "individuals can control bill" - responses which indicated that the reforms could be explained with reference to the ability of people to change their bill by shifting when they use power.

Typical comments

- 👉 "This gives customers control of their bill"
- 👉 "Move the electricity use that you can"

Other comments

Other comments that may be of interest are listed below:

- 👉 "Keep power lines in shape for longer e.g. like the setting on the blow heating, fire box too hot will burn out faster"
- 👉 "Pay attention, is going to impact on you, could may more or less - worth your while understanding because it will impact your bill"
- 👉 "Where the line should be between Aurora/retailer & us. Often this new info is on page 3 of bill. Might be better for TasNetworks to have direct contact with our customers"
- 👉 "\$365 - insurance of grid"
- 👉 "Relate it back to work example... if everybody is in the lunch-room and the toaster is on, microwave is on, oven is all at the same time, things will be overloaded. But if we turn them on at different times it's easier to supply."
- 👉 "You need to - most people are reasonable - things wear out the more you use them"
- 👉 "You need to advertise the case for change"
- 👉 "Real life examples / keep it simple"
- 👉 "Things wear out more you use them. Problem - what options are, why (advertise this well so customers will understand)"



2.7. Supporting community awareness

Participants were asked "What more could TasNetworks do to assist in developing community awareness and promoting the case for change?". There were a broad range of responses to this question, which fell into three categories: suggestions for media to use, suggestions on how to communicate the message, and other suggestions.

2.7.1. Media suggestions

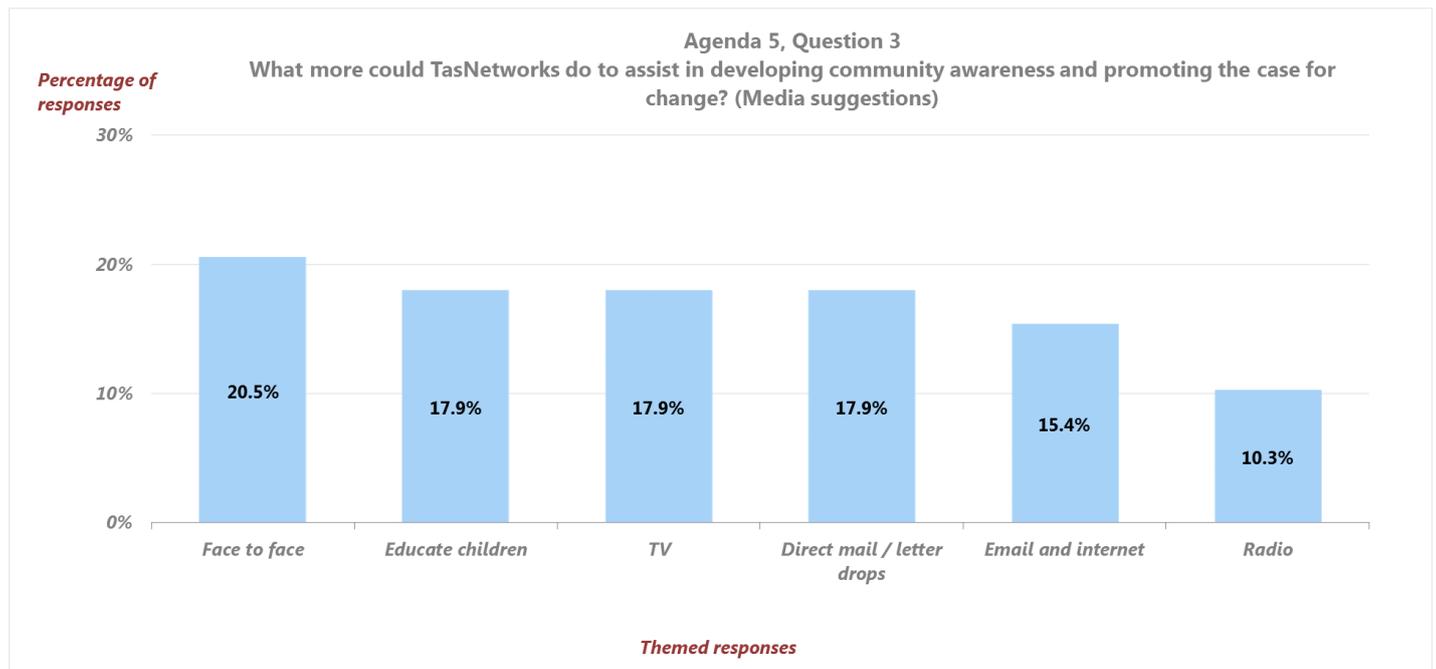


Figure 8 - Categorized responses to question on developing community awareness and change that suggested a particular medium or audience

Face to face

The most popular category was "face to face", (20.5% of media suggestions) which included suggestions for a variety of face-to-face methods of communication, from door knocking to holding forums, to attending pre-existing rural and regional events.

Typical comments:

- 👉 "Smaller community forums"
- 👉 "More face to face: agfest, pop ups at trade shows"
- 👉 "Face to face approach to explaining it"

Educate children

The next (equal) most popular category was "educate children" (17.9%), which generally referenced the need to teach information about the electricity pricing system in schools.

- 👉 "High school teaching how network pricing is done so they will be future for customers"
- 👉 "Education in late high school to show how power bills work"
- 👉 "Start in schools, kids are the future"

Television

Equally as popular was using television (17.9%) - some respondents suggested that use of television advertisements was a good way to get the message out to older customers.

Typical comments:

- 👉 "Use TV, programs on it - is for older gen"
- 👉 "TV ads"

Direct mail / letter drops

Also equally popular was the idea of using various forms of direct mail - including customer bills and letter drops to communicate with customers (17.9%).

Typical comments:

- 👉 "Letter drops"
- 👉 "Should be on the envelope"
- 👉 "Should be on the letter of the bill"

2.7.2. How to communicate

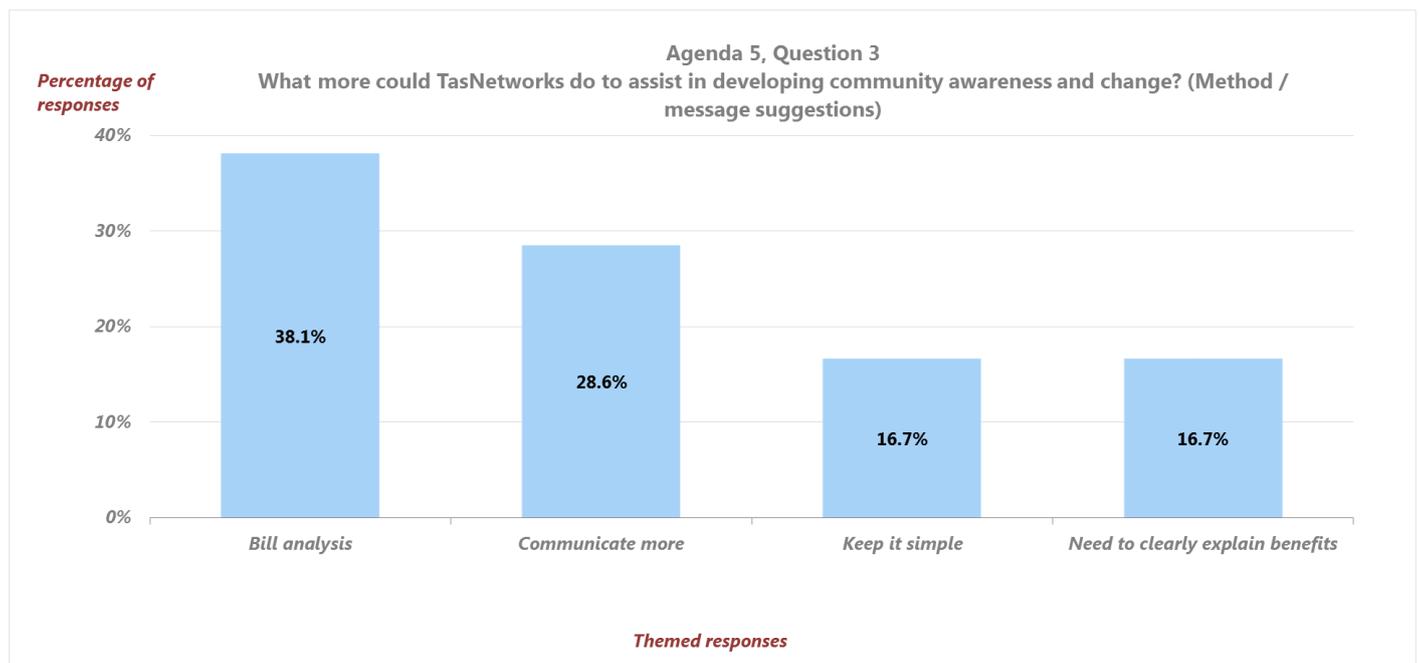


Figure 9 - Categorized responses to question on developing community awareness and change that suggested a particular method or message

Bill analysis

Of the responses to this question that suggested a method of communication or a message, the most popular category was "bill analysis". Many comments suggested that any changes should be explained in terms of the customer's bill and how it might change (38.1% of suggestions on methods and messages). In particular comparisons across different pricing regimes, historical comparisons and an online tool where customers could look at different hypothetical scenarios and how such would impact their bill was suggested.

Typical comments:

- 👉 "Samples of comparisons of bills"
- 👉 "Explain how certain circumstances could be implemented for that particular customers circumstances"
- 👉 "Do a comparison between your bill is today and what it could be on new tariff"

Communicate more

Another popular response category was "communicate more" (28.6%). Many comments were about the need for more information about changes to be communicated to customers.

Typical comments:

- 👉 "More communication to raise awareness"
- 👉 "No-one around the table knew that they could access this new tariff"
- 👉 "Keeping the customers informed"

Keep it simple

Another common category of responses to this question was "keep it simple" (17.6%). These comments emphasised the need to communicate simply and clearly.

Typical comments:

- 👉 "Put it into really simple terms"
- 👉 "Simple language especially"
- 👉 "Simple tables and explanation - got to keep it as simple as flight arrivals at the airport"

Need to clearly explain benefits

Equally common was the category "need to clearly explain benefits". Responses in this category emphasised that the benefits of any pricing change need to be spelled out to customers.

Typical comments:

- 👉 " In communication explain that it is to give control"
- 👉 "Understanding network cost savings"
- 👉 "Show there is a financial benefit to the customers"

2.7.3. Other suggestions

Many of the suggestions did not fall into any of the categories above. Those that may be of interest are listed below:

- 👉 "Share outcomes of tariff trial in a transparent way to help people understand the best way to use the service and keep costs down"
- 👉 "Waive meter exchange fee (6 or 3mth trial) and then charge fee"
- 👉 "One participant [at table] only chose to move to TOU"
- 👉 "Concept of paying appropriate price of resource (ie airflights)"
- 👉 "Showing price is extremely important"

- 👉 "TasNetworks and Aurora should work together to promote this change"
- 👉 "Make use of the good public image that TasNetworks already has"
- 👉 "Do not underestimate the challenge of the task required to not impact low income houses that have little to no discretionary load"
- 👉 "Naming conventions do not help e.g. hydro heat"
- 👉 "Tell a story - 6 week campaign that tells the journey"

2.8. Network services

The presentation on network services started with a question about awareness of the TasNetworks Annual Report.

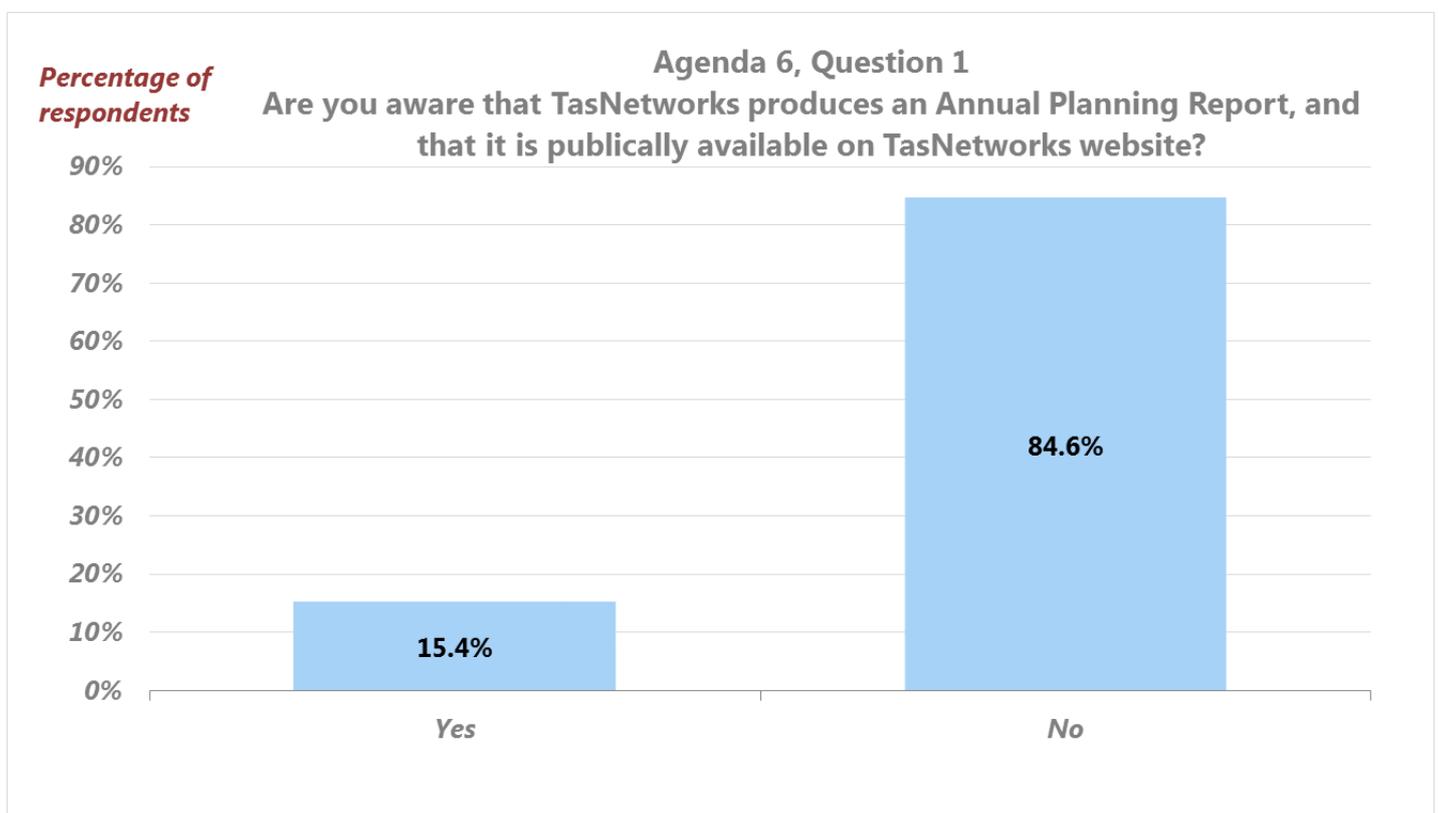


Figure 10 - Participant awareness of TasNetworks Annual Planning Report

Participants were overwhelmingly not aware that TasNetworks produces an Annual Planning Report that is publically available (Yes - 15.4%, No - 84.6%). All of those who were aware, were in the Hobart workshops, the Launceston workshops recorded no participants that were aware of the Annual Planning Report.

2.8.1. Interest in further engagement on network planning

The next question asked participants if they were interested in being engaged in planning for the network. There was limited recorded feedback to this question. Overall, most recorded responses indicated interest in being engaged further under specific circumstances. Comments that may be of interest are listed below:

- 👉 "Has to be simple info"
- 👉 "Needs to be methodical, based on concrete ideas that I could make a contribution to"
- 👉 "Interested in environment, influence environment has"
- 👉 "Local decision making - not really aware & don't understand what's at stake for you"
- 👉 "Specific project community engagement rather than the whole network"
- 👉 "Big issues"
- 👉 "Where the money has gone/is going"
- 👉 "If I was in business, maybe or if it impacted me directly, but otherwise - no"
- 👉 "Surveys - but needs to have incentives to complete"
- 👉 "Provide context when we do work as a result of our planning"
- 👉 "Levelling out the peaks providing access and info on the TOU tariffs"
- 👉 "Especially around the types of solutions implemented"

2.8.2. Community solutions to manage network limitations

A presentation on potential community solutions - as opposed to infrastructure solutions - for network management was provided, and participants were asked to explore their level of interest in being part of such solutions.

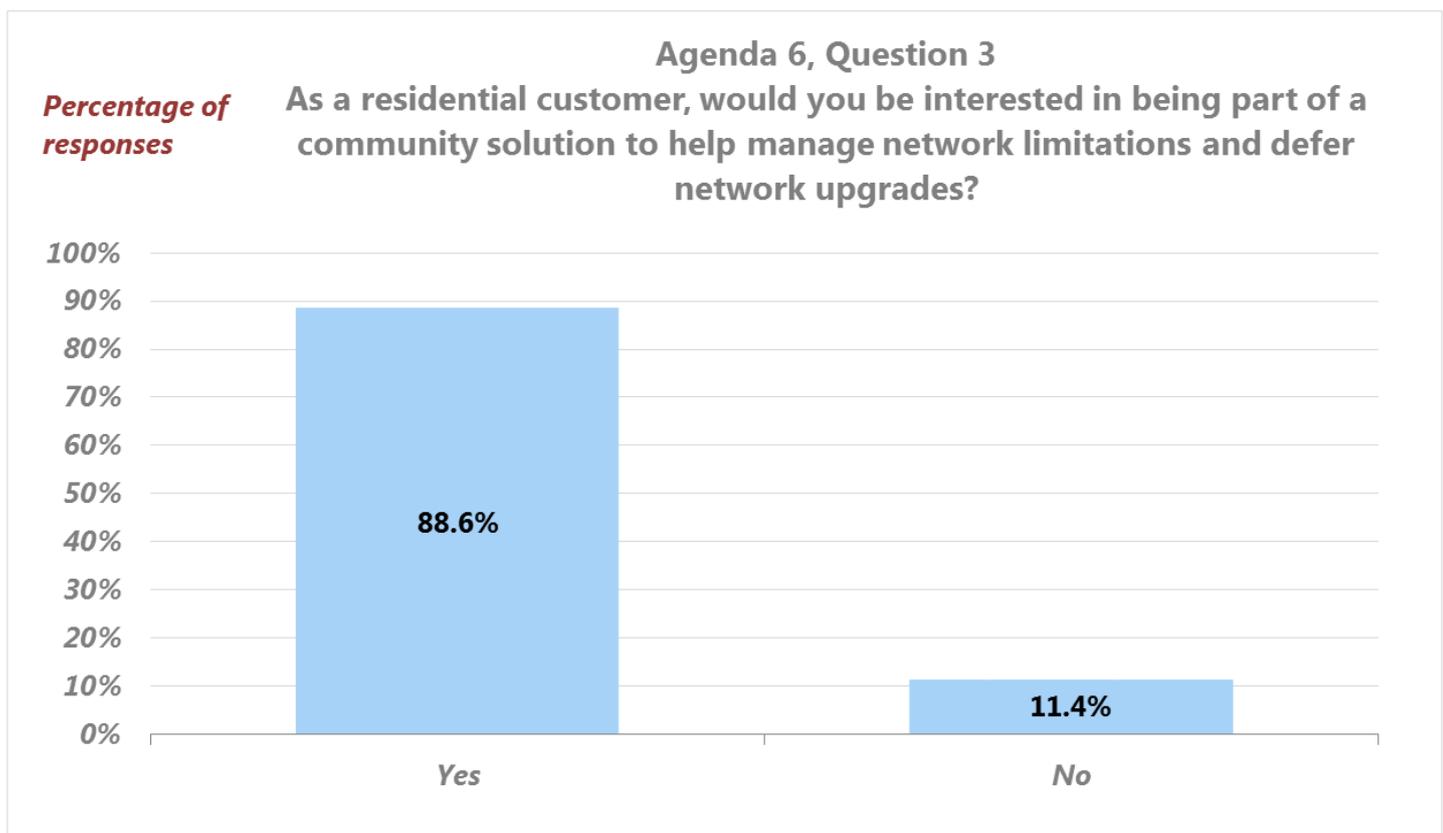


Figure 11 - Participant responses to question on interest in participating in a community solution to manage network limitations.

Most recorders did not record the exact numbers of participants who answered affirmative or negative to this question. These answers were mostly inferred from recorded comments, which were almost all about the conditions under which participants would like to be part of a community solution. These comments are combined into the analysis of the next question which is about these conditions.

2.8.3. Support required for participation in community solution to manage network limitations

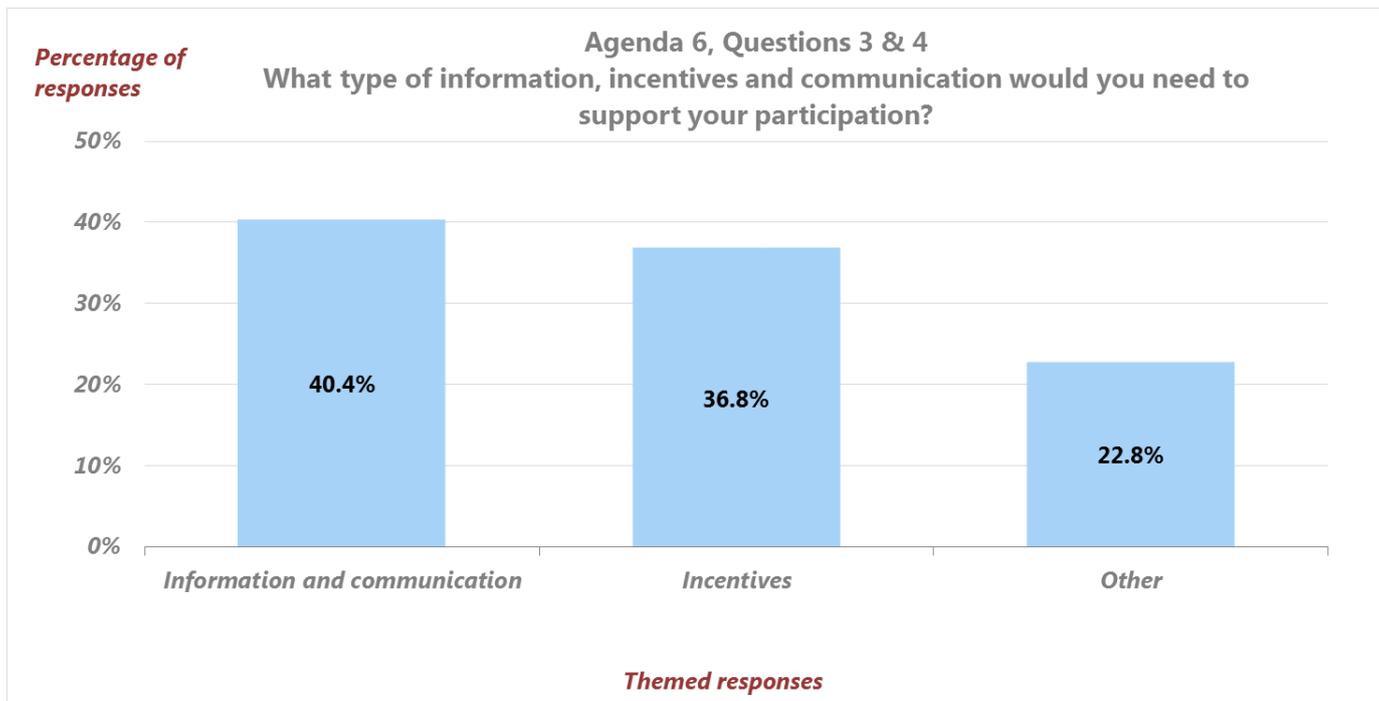
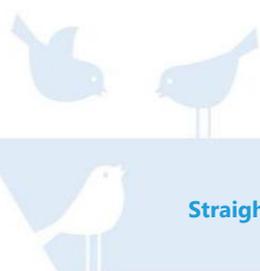


Figure 12 - Broad categories of responses to question on what was needed to support participation in community solutions to manage network limitations

Participant responses were split quite evenly between suggestions for information and communications that could support participation and incentives. Around 22.8% of responses were not about a kind of support but were often about community electricity projects more generally.



Information and communication

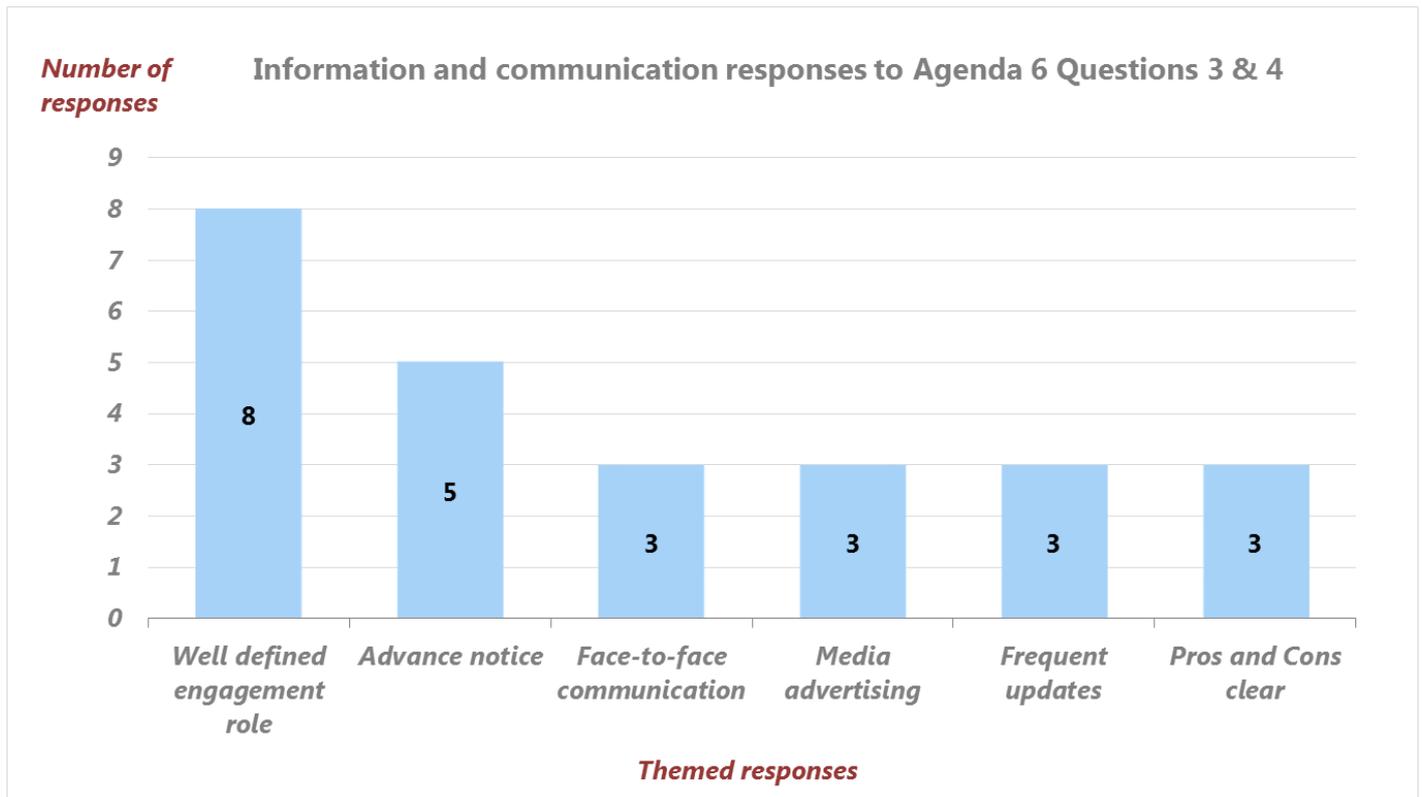


Figure 13 - Responses to question on what was needed to support participation in community solutions to manage network limitations, information and communication themes.

The most common information and communication sub-theme was "well defined engagement role", giving participants a clear idea of how they would be involved and what impact their input would have.

Typical responses:

- 👉 "Whether got any say will depend on whether it's inform through to empower"
- 👉 "Suspicion of how much influence opinion would have, am I wasting my time?"

Another common response theme was "advance notice", comments on this theme emphasised the importance of letting people know when trials or changes were coming.

Typical responses:

- 👉 "Notify about peak day ahead of time and change of usage without incentive"
- 👉 " Pre-warning so alternative plans can be made"

The theme "face-to-face communication" includes suggestions for forums and other face-to-face communication and engagement around community solutions.

Typical responses:

- 👉 "Grass-roots communication to start the whole thing, people don't know what the options might be"

Comments on the theme "media advertising" emphasised the importance of using mass media and other broad advertising channels (specifically, newspapers, television and internet advertising) to inform customers.

👉 "TV, ads a good medium to share the info"

The theme "frequent updates" includes responses that called for TasNetworks to keep customers informed as projects progressed.

👉 "Need to see how things are progressing, communication, positive frequent updates"

Comments on the theme "Pros and Cons clear" were concerned about the complexity of the message, emphasising that ordinary customers need a simple break down of how changes will impact them.

👉 "WIIFM information (What's in it for me)"

Incentives

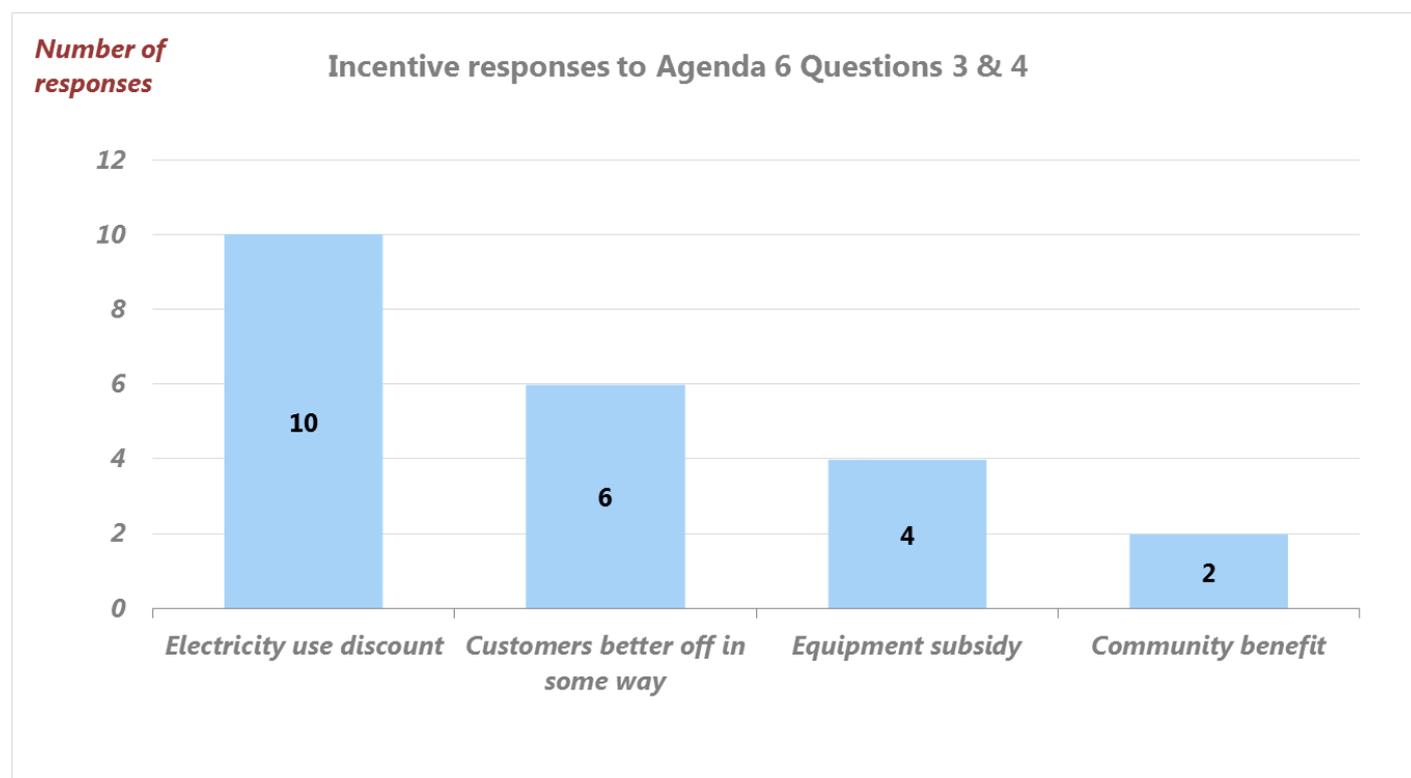


Figure 14 - Responses to question on what was needed to support participation in community solutions to manage network limitations, incentive themes

Overall an electricity use discount was the most popular kind of incentive suggestion offered by participants. This was followed by responses that indicated what was important was that customers were better off in some way. Other suggestions included subsidies for equipment like smart meters, solar panels and batteries. Two participants indicated that an overall benefit to the community was what was needed to get them to participate.

Other comments

Other comments that may be of interest are included below:

👉 "Trial needs to be controlled so only be involved if you didn't affect the outcome"

👉 "Others not sure if the public would be keen. Raised that the community has taken awhile to come to plastic bags. Education in schools could help"

👉 "engaged actively not passively"

- 👉 "Some customers value an easy solution and are happy to pay"
- 👉 "Would need to have capacity to pay. Note not a very diverse demographic on the table"
- 👉 "When they upgraded Derby they engaged well"

2.9. TasNetworks infrastructure

Participants took a short walk around the vicinity of each workshop venue to look at TasNetwork infrastructure and what it contributes to the network.

The questions or themes identified in response to the walk around were captured and have been analysed below. There were not a lot of responses. They are included in full below:

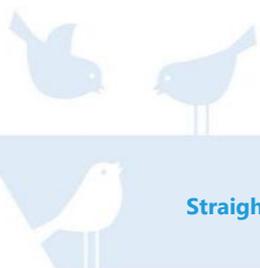
- 👉 "Feedback on the positive energy from the TasNetworks team"
- 👉 "From memory - looking at OH, HV, Tx & LV + EDO, ABS, HV Cable"
- 👉 "Does excess solar that feeds into the LV network supply just the LV and/or into the HV through the Tx?"
- 👉 "What is the earth wire?"
- 👉 "What is the crackling around the conductors"
- 👉 "More updates of when power is coming back up"
- 👉 "Accurate reporting of fault locations"
- 👉 "Radio updates of power outages"
- 👉 "Knowing how long it will be off"
- 👉 "Smart phone"
- 👉 "SMS"
- 👉 "NBN - fibre to the node"

2.10. Satisfaction with electricity reliability

A key element for the revenue reset is understanding the trade-offs that are acceptable to customers between service, price and reliability.

For this exercise, participants were asked to identify how many outages they had experienced in the previous year and, based on these groupings, were then asked a series of questions.

Most participants had not experienced a lot of outages; however those who had experienced more outages were more likely to have had longer outages and this related directly to their level of satisfaction.



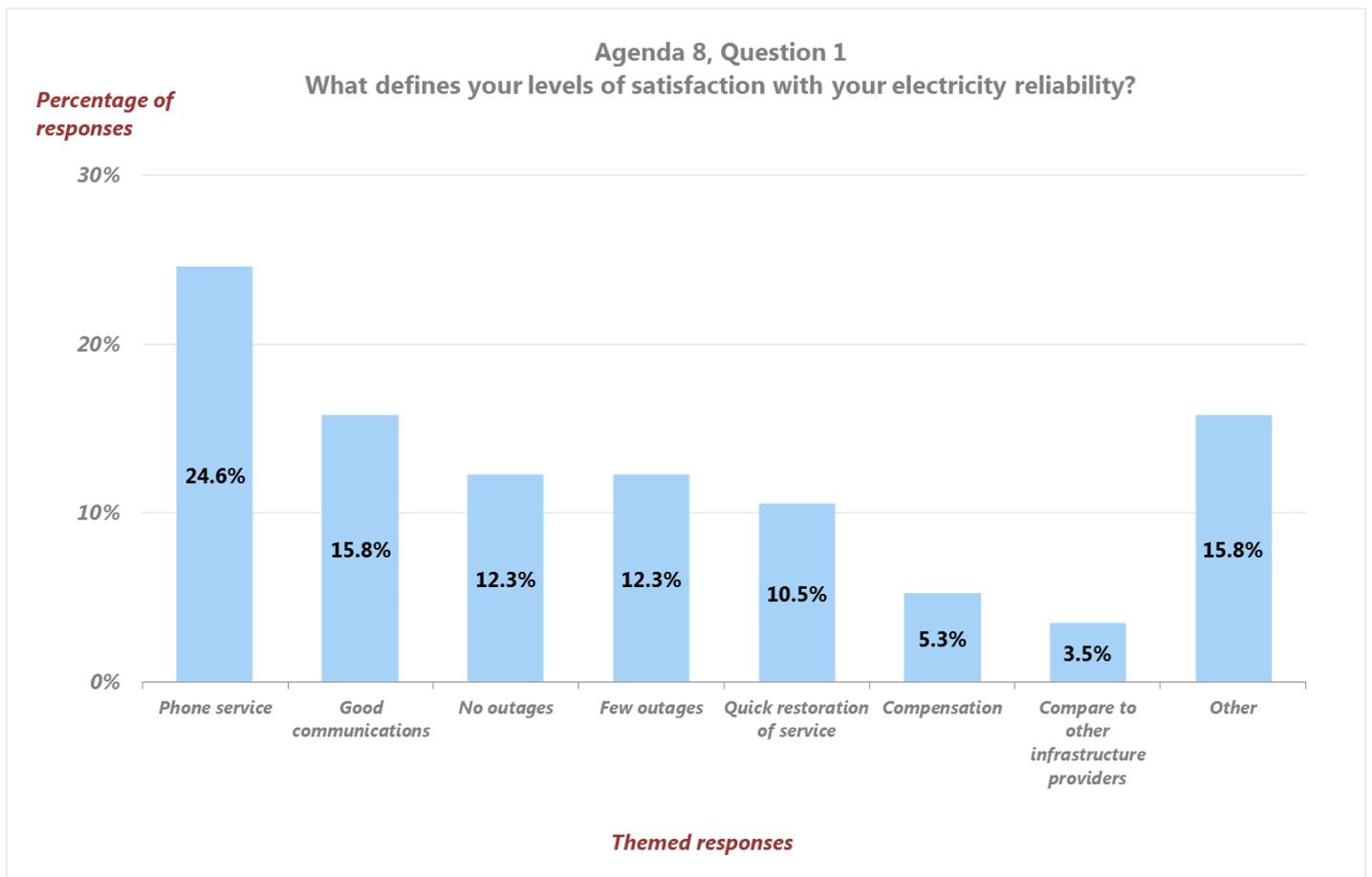


Figure 15 - Themed participant responses to question on what determines satisfaction with electricity reliability

In addition to the per-theme analysis of responses below, it should be noted that although this question did not directly ask about participants opinion of their current level of reliability (just what factors define it), responses revealed that participants in the Hobart workshop were generally satisfied with their levels of reliability whilst many participants at the Launceston workshop were not, usually citing an unacceptable number of recent long outages as the reason.

Phone service

The most popular single response theme on this question was about the phone service (24.6%). In the event of an outage, most participants wanted a phone service that was answered by a person (preferably a Tasmanian) or a message, with pertinent information about when their service would be restored. Some participants expressed that they would also like information about why their service had been interrupted.

Typical comments:

- 👉 "Got timely information form call centre, not on website though"
- 👉 "Lengthy outage - what made it really bad was lack of communication - recorded message, 'check online' but can't get onto internet because power is out, just don't know how long it will go on"
- 👉 "When got call back re: expected outages then know working on it, can plan"

Good communications

The next most common, and related theme, was about good communications in general (15.8%). Responses on this theme were about the importance of TasNetworks communicating promptly and accurately about

the length, and cause of planned and unplanned outages via various media, especially on TasNetworks' website and social media.

Typical comments:

- 👉 "More updates on your websites - accurate updates on your website"
- 👉 "Good to know about planned outages - planned outage info on social media would be a good plan, b/c not everyone reads paper"
- 👉 "Putting outages on Facebook is brilliant + shots of workers on lines"

No outages and few outages

These two (linked) themes consisted of responses that participants judged reliability based on the number of outages they experienced (both 12.3%).

Typical comments:

- 👉 "Turn switch on - lights on"
- 👉 "Lights on - don't need to contact people"
- 👉 "Stays up despite storms and extreme weather conditions"

Quick restoration of service

Another common theme was that reliability was defined by quick restoration of service in cases where there was an outage (10.5%)

Typical comments:

- 👉 "Mostly momentary or overnight"
- 👉 "Responsiveness"
- 👉 "Frequency and length of time - if outages happened a lot I would be annoyed"

Compensation

Responses on this theme indicated that good compensation for outages helped with satisfaction (5.3%)

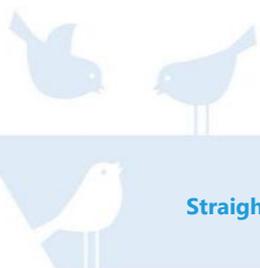
Compare to other infrastructure providers

The participants who made responses in this theme compared the reliability of electricity provision to other infrastructure providers like Telstra in determining whether the level of reliability was acceptable.

Other comments

Other comments that may be of interest are included below:

- 👉 "We would like a more reliable service, but at what cost"
- 👉 "Emergency services being prioritised is acceptable"



2.11. Support for network service performance strategy

Following the discussion about satisfaction, participants were asked how much they supported maintaining existing network service performance.

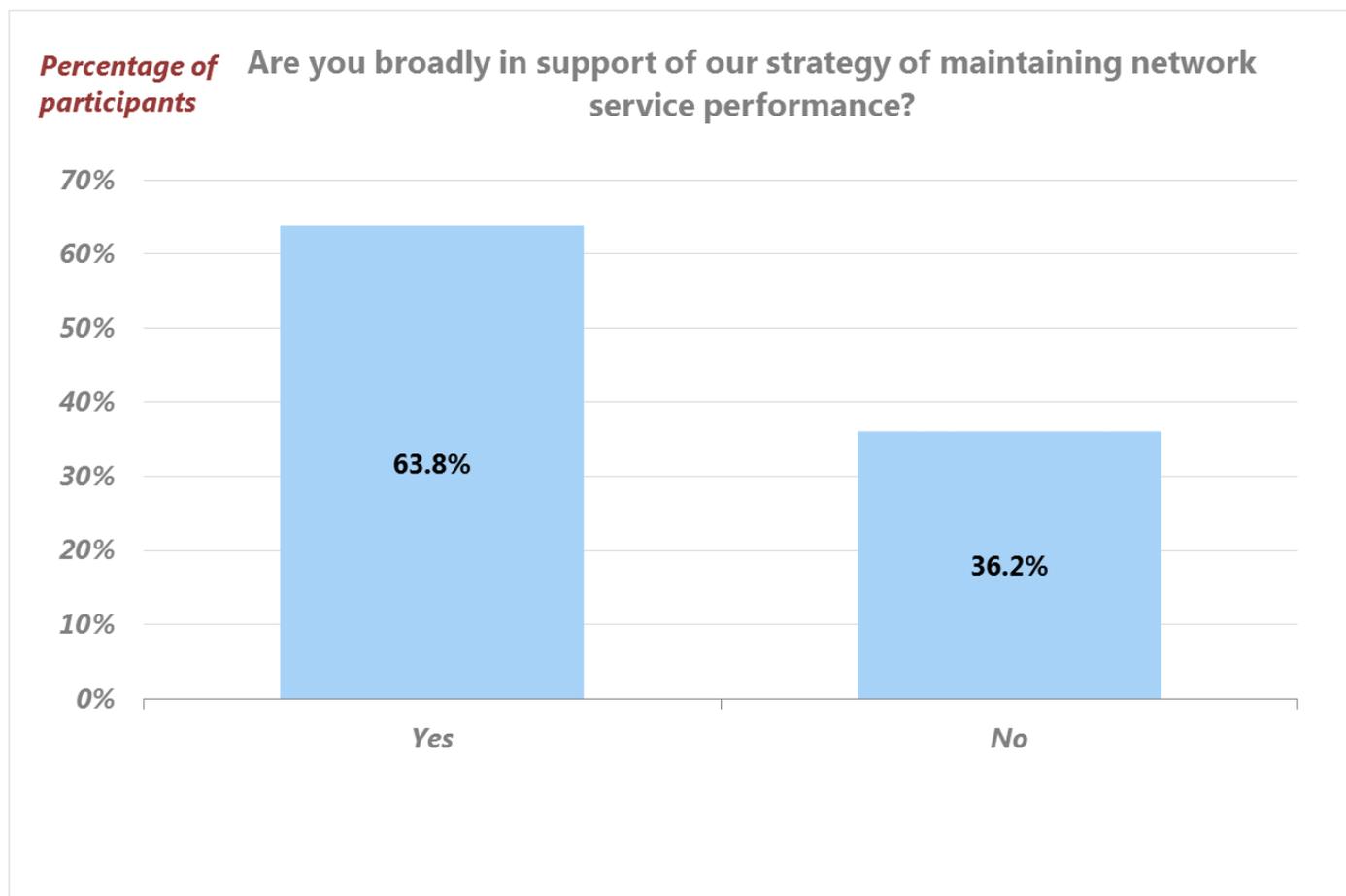


Figure 16 - Participant support for network service performance strategy

A majority of participants were in broad support of the existing strategy (63.8%). A sizeable minority were not (36.2%). Participants were asked their reasons for supporting or opposing the network service performance strategy. The only clear themes amongst reasons for support and opposition was whether the participant was satisfied or dissatisfied with their current level of electricity reliability (sometimes in relation to the cost of the service). Other comments that may be of interest are given below.

Comments in support

- 👉 "Could be something informing customers about 'blips' (momentary interruptions)"
- 👉 "We don't know what you do behind the scenes and don't need to in terms of strategy, but its working"
- 👉 "Reliability more important than cost but that doesn't mean cost isn't important"
- 👉 "Short outages mostly minimal impact"
- 👉 "Duration more important than frequency"

- 👉 "Don't want to impose huge new costs"
- 👉 "Happy with status quo and work around it"

Comments in opposition

- 👉 "I feel that I'm paying for a service, I'm not getting that service so I'm frustrated [Customer on a very poor feeder, only 15 mins from davenport] I feel like I'm being robbed"
- 👉 Two participants made changes to house to outage proof the property more, eg solar hot water, heater tanks
- 👉 "Same for same is not acceptable - more for less or same for less"

2.12. Support for reliability improvement approach

The last question in this session related to the level of support for improving reliability in under-performing areas

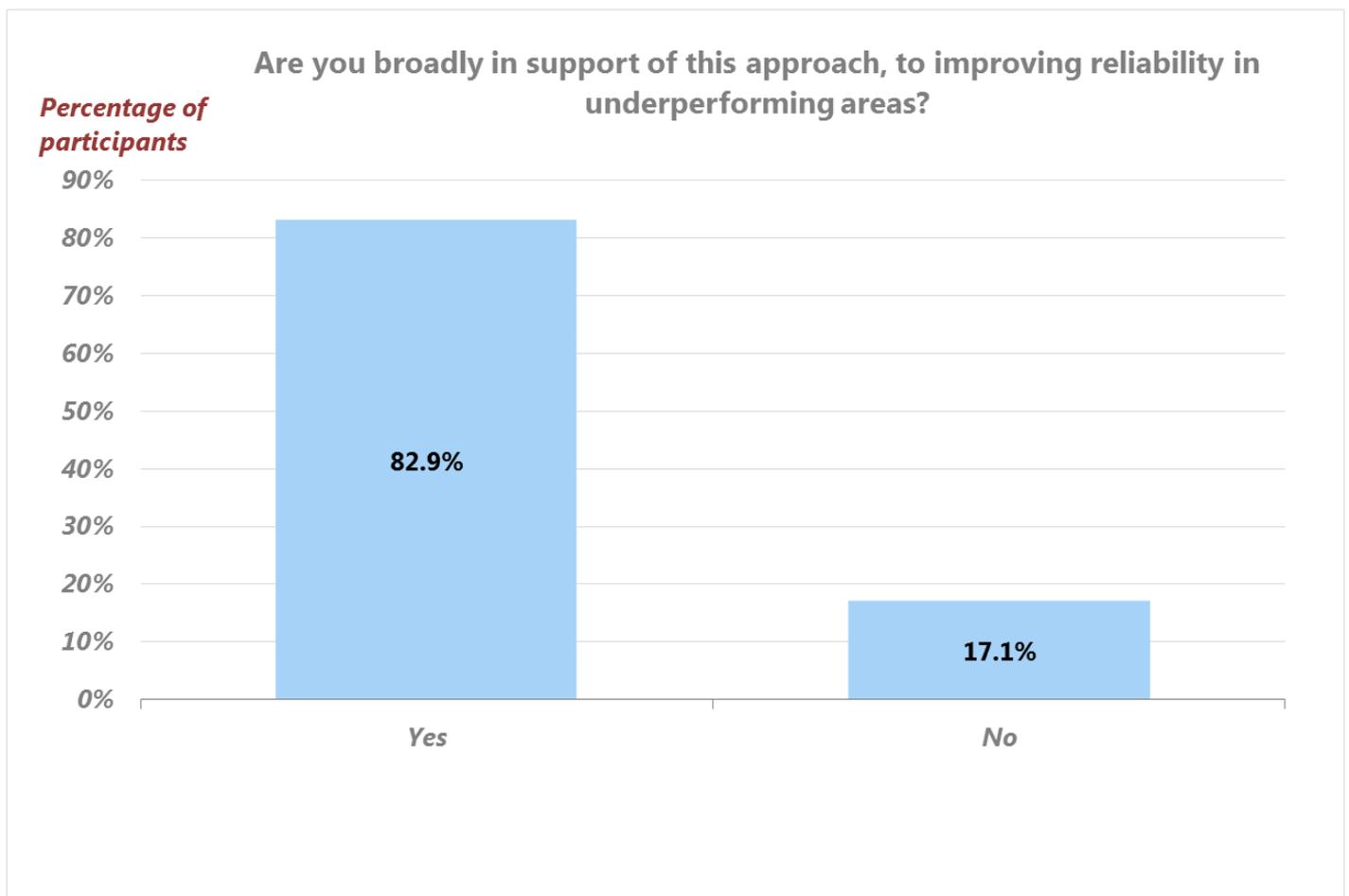


Figure 17 - Participant support for approach that seeks to improve reliability in underperforming areas

There was broad support for the approach of targeting underperforming areas of reliability improvement (82.9% - Yes, 17.1% - No).

Reasons for answers

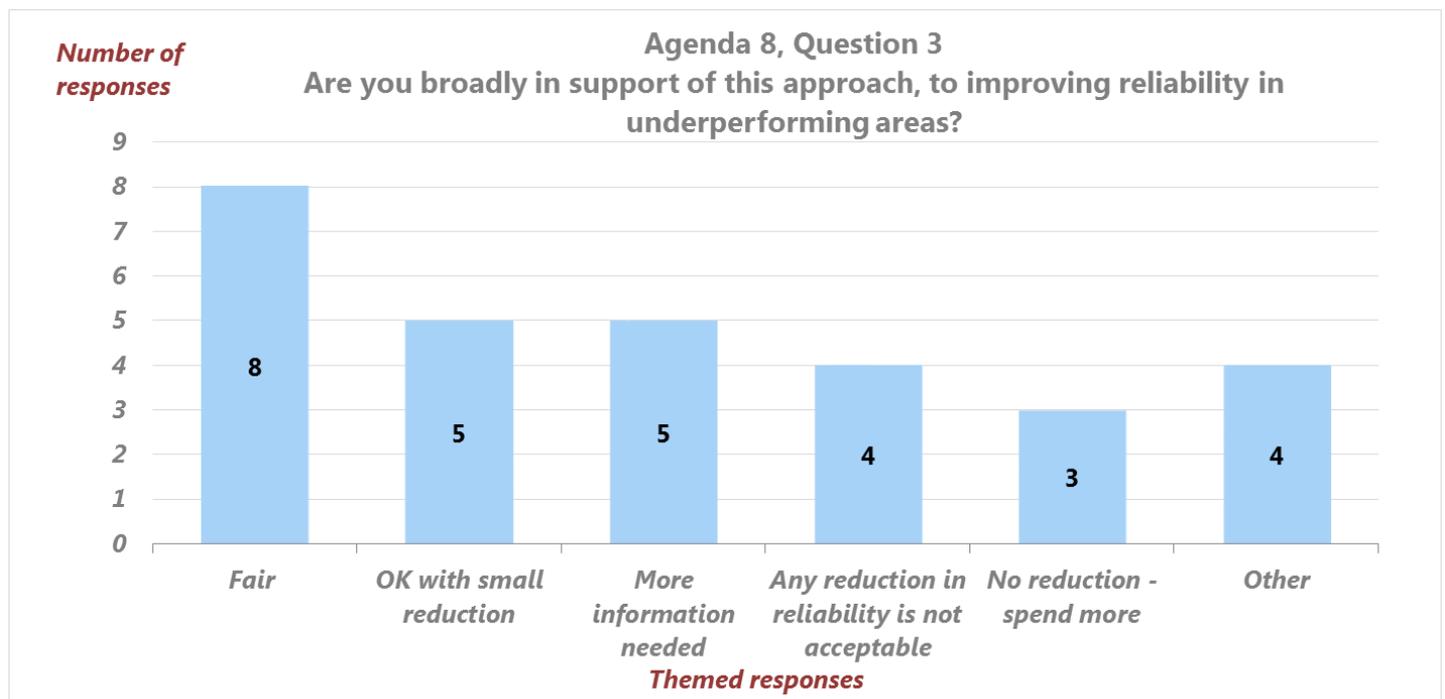


Figure 18 - Reasons for answers to Agenda 8, Question 3 - themed

Participants were asked why they gave the answers they gave to this question. These recorded comments did not always directly accord with the counts of those supporting and opposing the approach that were recorded.

The most common response theme was "fair" - respondents who thought the proposed approach was fair and/or reasonable.

The next most common response theme was "OK with small reduction". These comments indicated that the proposed approach was acceptable as long as reliability in the "green" zones did not fall too much.

Equally common was the theme "more information needed" this theme indicates a comment that does not commit a response but instead asks for more information, like what the difference in performance would be, or what the cost would be to bring all areas up to the "green standard".

Some responses indicated that "any reduction in reliability is not acceptable", and a small number expressed this sentiment but also went on to say that they would prefer if TasNetworks simply spent more to bring all areas up to the "green" standard.

2.13. What TasNetworks should focus on

Two activities exploring customer priorities were held at the end of each workshop.

The first of these related to customer relationships and management. Participants were asked, as a group, to agree on three key words.

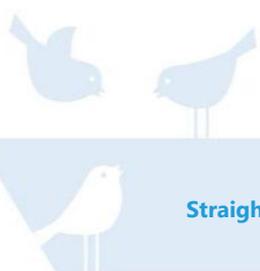




Figure 19 - 'Wordle' of phrases agreed upon by participant groups. Size of phrases is relative to frequency.

Finally, participants were asked for their preferences between relationship services, technical services and 'something else'.

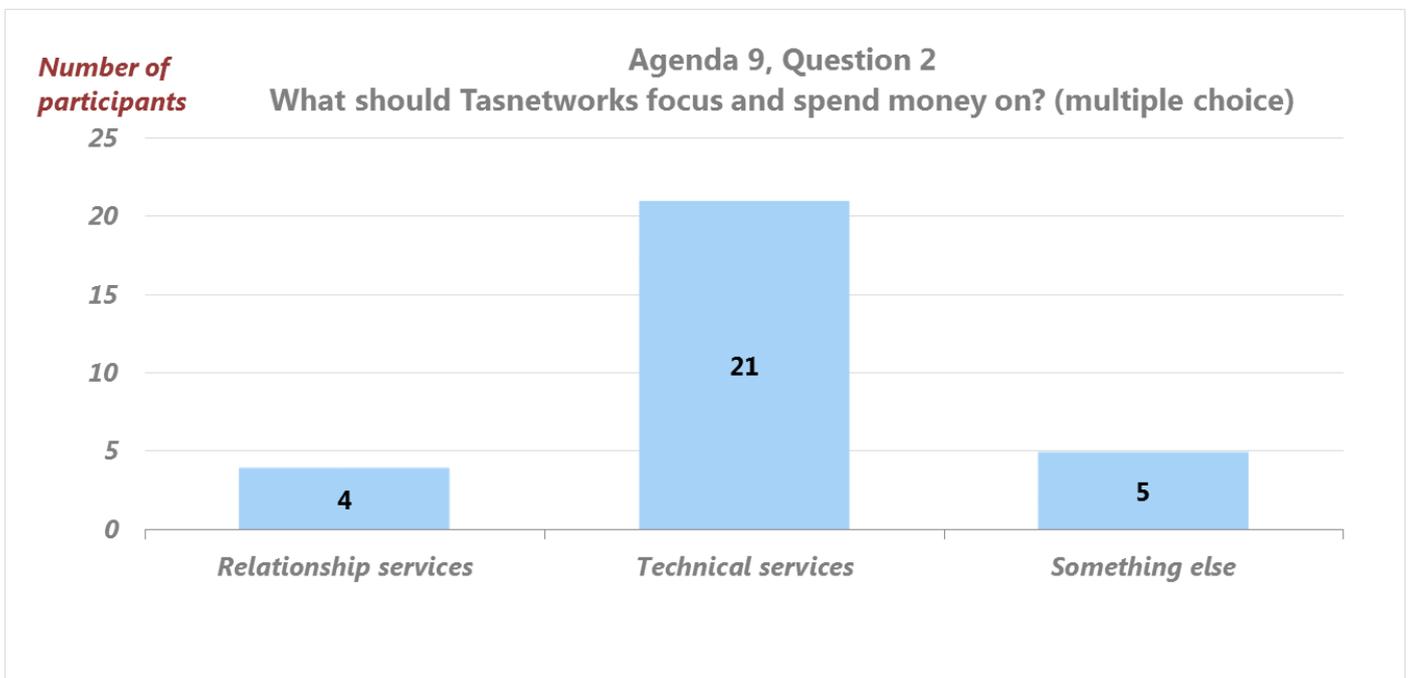


Figure 20 - Participant responses to multiple choice question on Tasnetworks' focus areas. Note: full question provided below.

This question was quite long and has been truncated in the above figure. The full question reads as follows:

"Noting that there are two dimensions to your customer experience (lights on - reliability and service experience)

We can choose to focus, and spend money on:

- A) Relationship services
- B) Technical services
- C) Something else

What is important to you and what would you like us to focus on? [ie (A), (B), or (C)]

Overall the majority of participants for whom a response was recorded wanted TasNetworks to focus on technical services (21), with only a minority opting for relationship services (4) or something else (5).

Technical services

Comments in favour of focussing on technical services tended to emphasise that this was TasNetworks' core role, and that relationship services are only necessary as an ancillary function, usually when the technical services fail to deliver.

Typical comments:

- 👉 "Improve the technical side then the relationship improves"
- 👉 "First priority - technical and customer relationships need to go together. If technical 'stuff' working we don't need to contact TasNetworks and then won't experience the relationship"
- 👉 "Catch 22 not spending on B (technical services) you need to spend more on A (customer service) to facilitate the amount of calls B complaints"
- 👉 "Technical services because it is our core business, that's what this is all about"

Relationship services

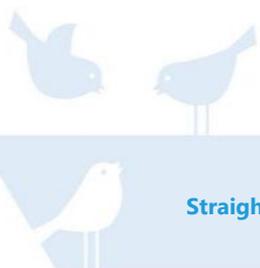
Comments in favour of relationship services tended to emphasise that customer relationships in particular were very important.

- 👉 "Customer focus is valued"
- 👉 "Need to keep us informed"
- 👉 "Need to have a minimum level of relationship services and never go below it"

Other priorities and comments

A small number of responses indicated other areas of focus or interest. These are included below:

- 👉 "Safety is paramount, we shouldn't be risking safety"
- 👉 "Move towards user pays (fairer for small households)"



3. PARTICIPANT EXPERIENCE

3.1. Pre-workshop survey

Participants were given a one page survey before the workshops to help TasNetworks understand their expectations of their participation.

3.1.1. Why participants decided to participate

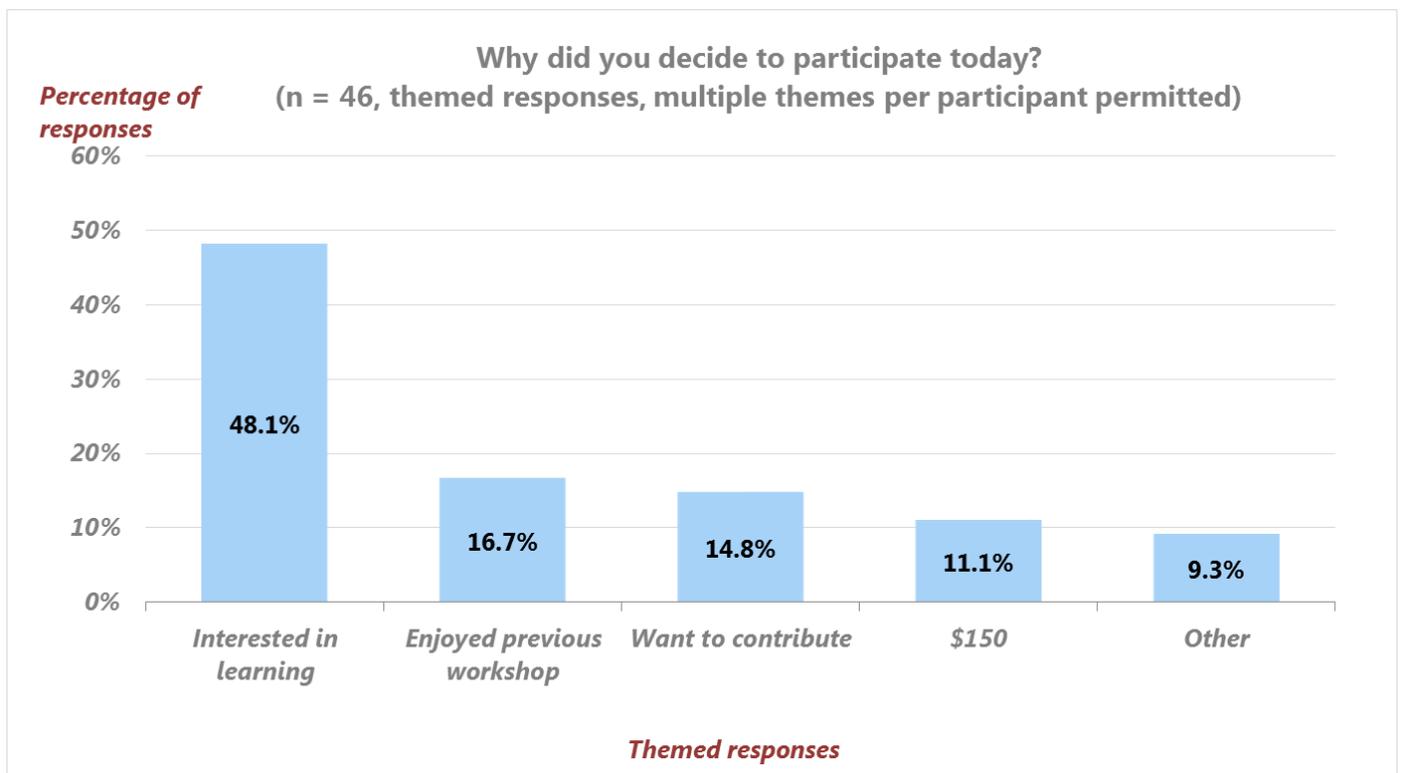
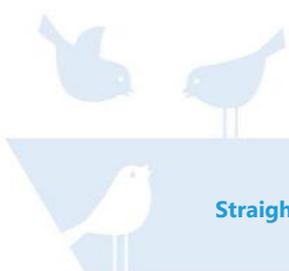


Figure 21 - participant reasons for participation, themed, multiple themes per response permitted

The most common category of reasons for participation given was "interested in learning", with almost half of all responses falling into this category (48.1%). Comments in this theme expressed an interest in learning more, particularly about how the electricity industry works.

The next most common theme was "enjoyed previous workshop" (16.7%), followed by "want to contribute" (14.8%) and "\$150" (11.1%).



3.1.2. Do participants understand the supply chain before the workshop?

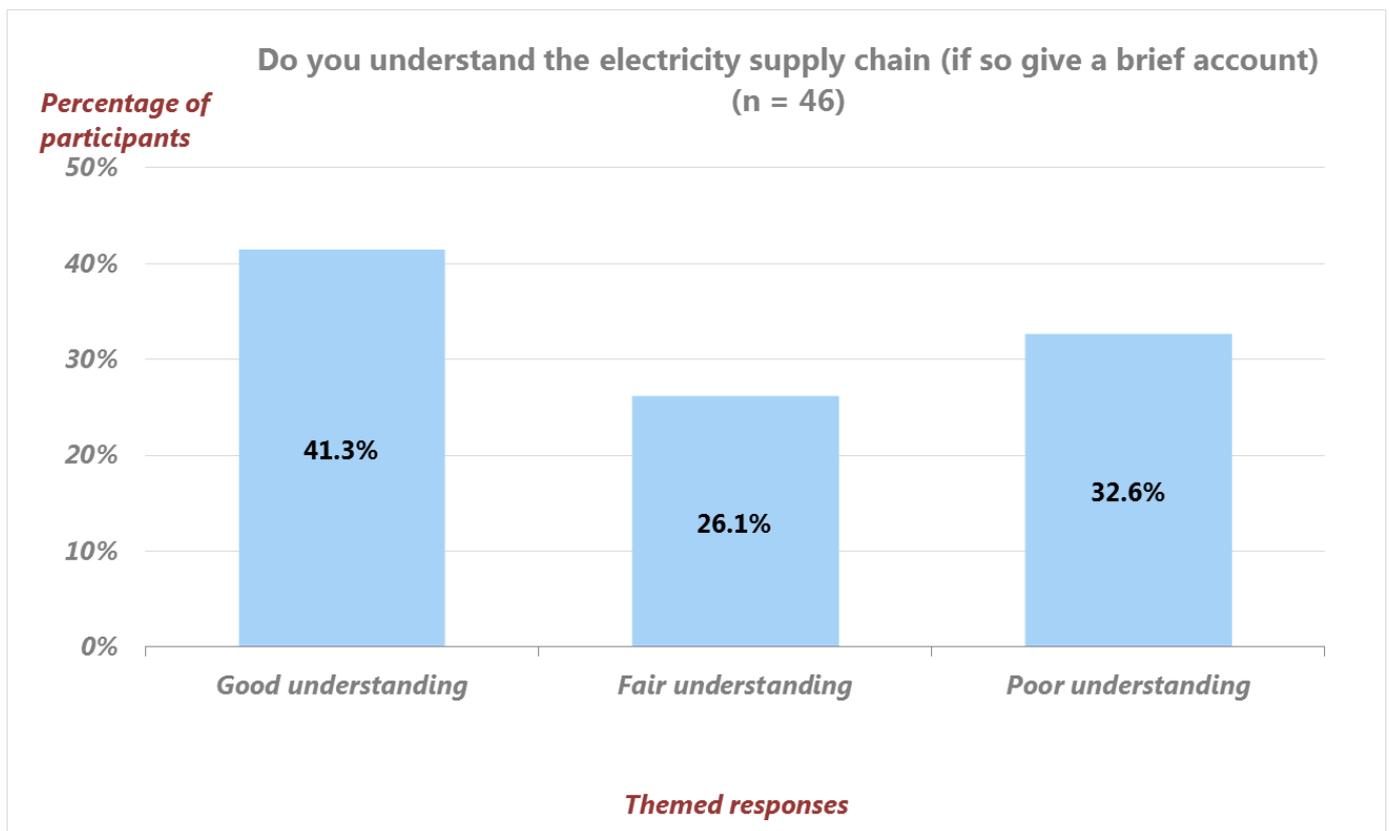
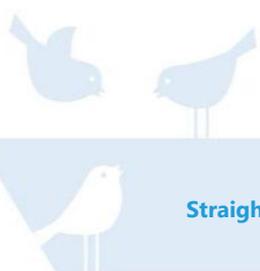


Figure 22 - Participant understanding of electricity supply chain

Participant responses to this question were grouped according to the competence of their brief explanation of the electricity supply chain. Responses were rated as a "good understanding" if they made correct reference to the companies providing different services in the supply chain like generation, transmission and distribution, sales. Responses were rated as "fair understanding" if they showed some understanding that different roles were involved in the supply chain or if they answered "yes" without providing an outline. Responses were rated as poor understanding if they answered "no", "not really" etc. or provided an outline that was largely incorrect. Two participants responded "yes", and did not provide an outline but instead indicated they had industry experience. These responses were taken at face value and were grouped as "good understanding".

Overall responses were split between the three groupings, with around 41.3% of participants having a good understanding of the electricity supply chain before the workshop.



3.1.3. Aspects or issues of concern to participants

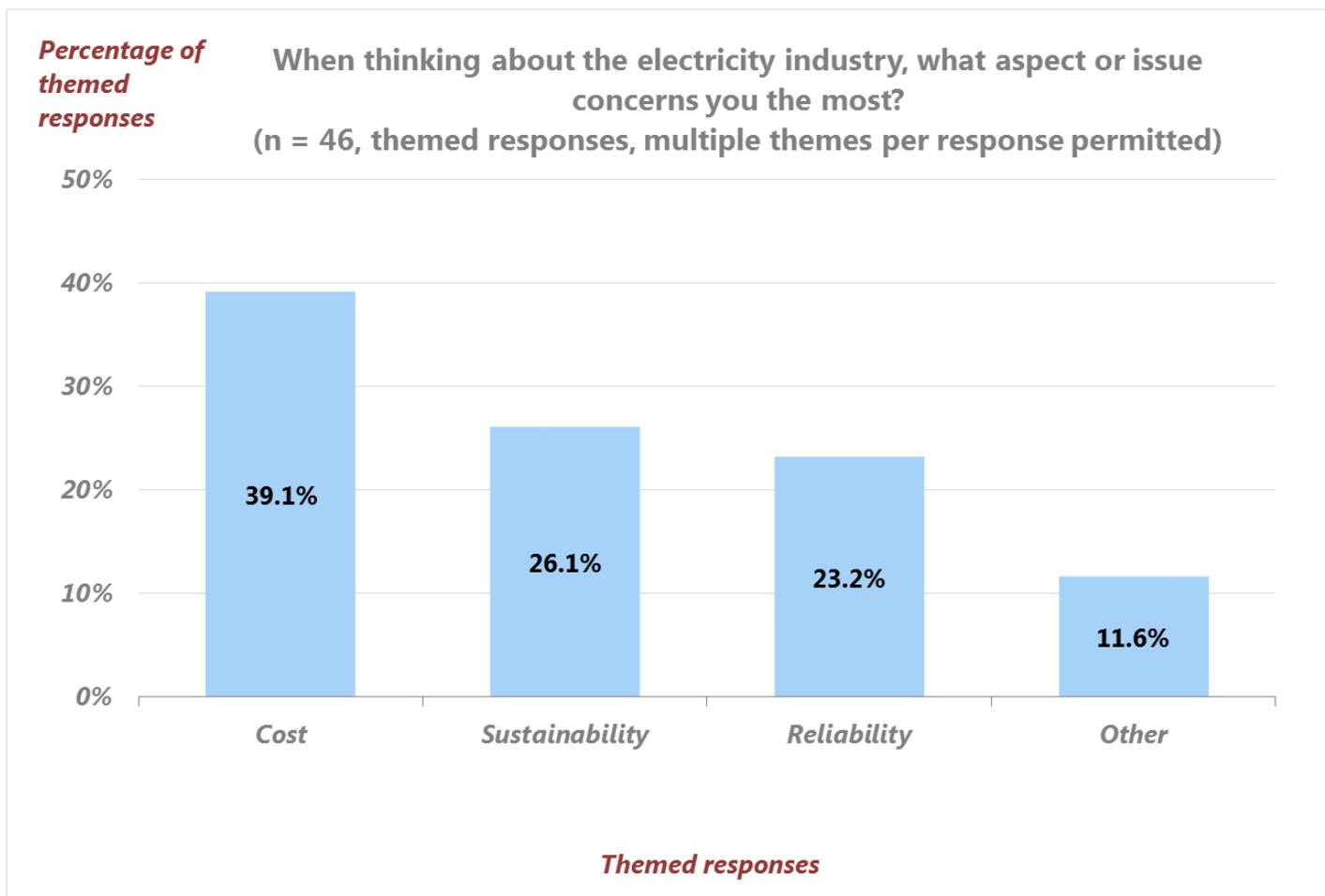


Figure 23 - Participant aspects or issues of concern with the electricity industry. Themed responses, multiple themes per response permitted.

Even though the question implied that participants should give a single answer, the majority of participant answers gave multiple aspects or issues. Cost was the most common single issue cited by participants (39.1%), followed by sustainability (26.1%) and reliability (23.2%).



3.1.4. Do participants know what TasNetworks does?

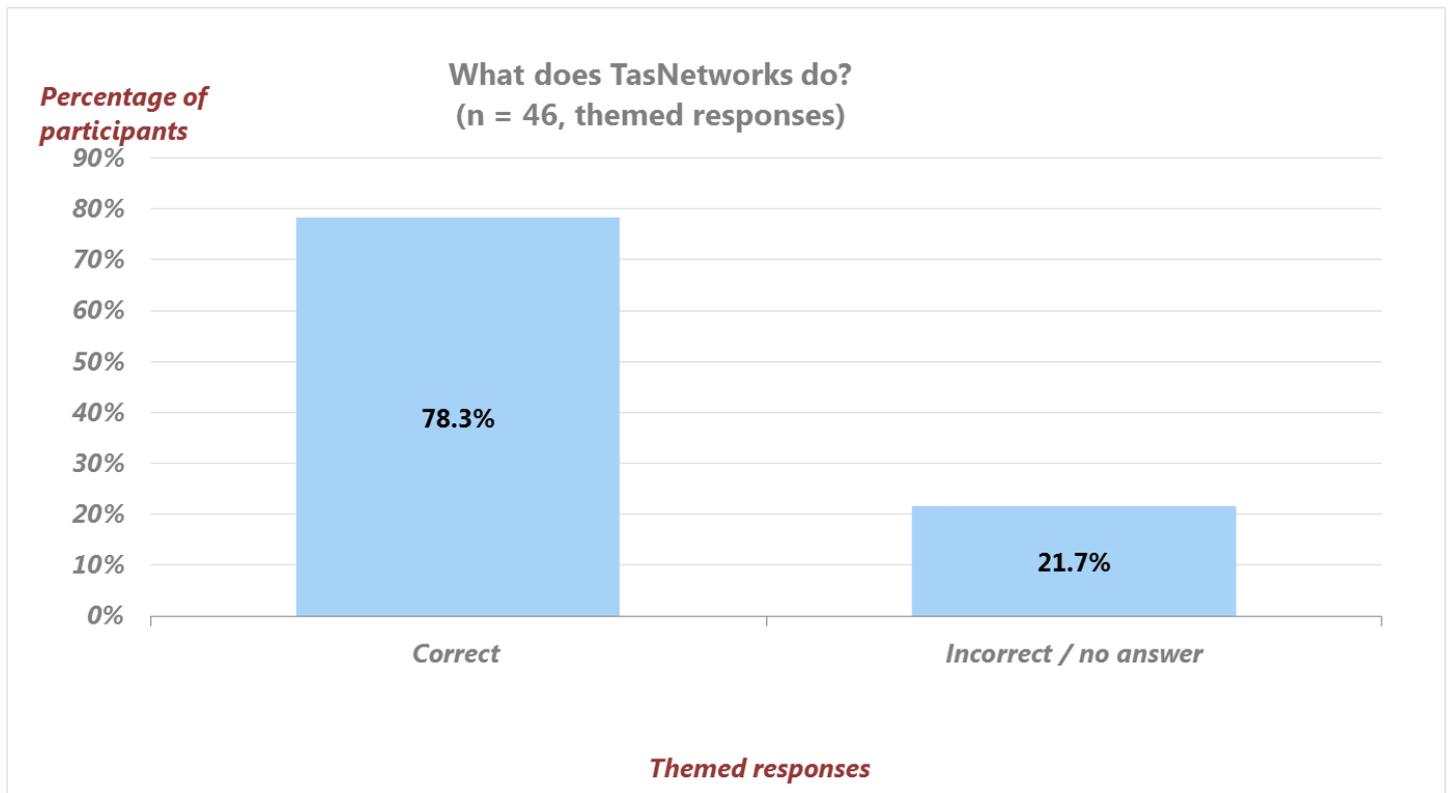
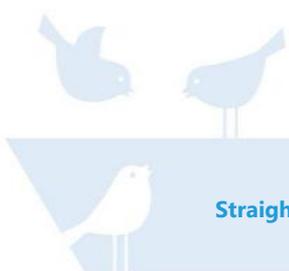


Figure 24 - Participant knowledge of TasNetworks' role

Responses were grouped as "correct" if they mentioned transmission, distribution, or a synonym, and did not name a role that TasNetworks does not perform (like generation).

The majority, over three quarters, of participants, correctly identified that TasNetworks was involved in transmission and distribution of electricity (78.1%).



3.1.5. Participant understanding of how TasNetworks decisions affect participants

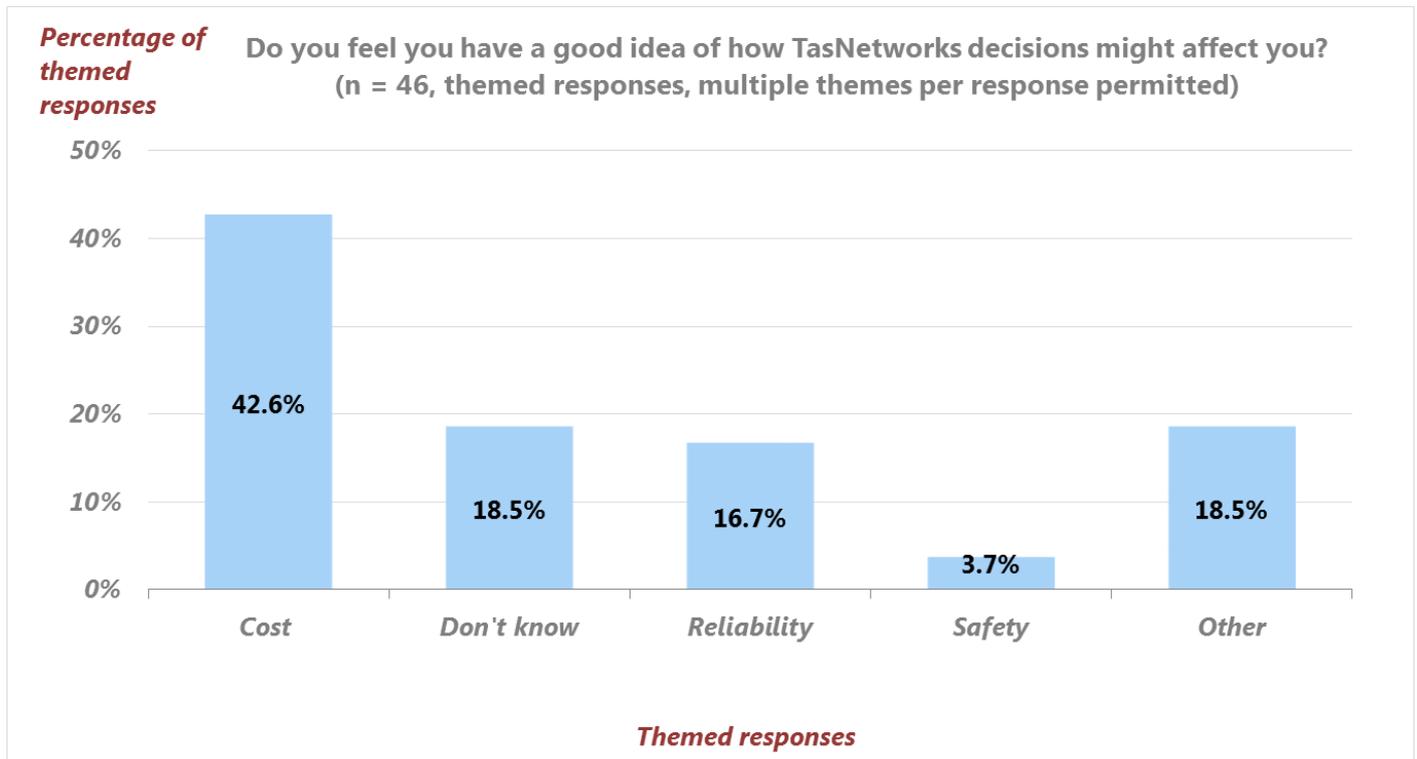
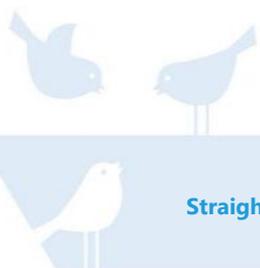


Figure 25 - Participant explanations of ways that TasNetworks' decisions might affect them, themed responses, multiple themes per response permitted

The most common way that participants believed TasNetworks' decisions might affect them was cost (42.6%). The next most common group of participant responses was participants saying they didn't know how TasNetworks' decisions would affect them (18.5%). Reliability was another way that many participants thought TasNetworks' decision would affect them (16.7%).



3.1.6. Participants previous experience with community engagement

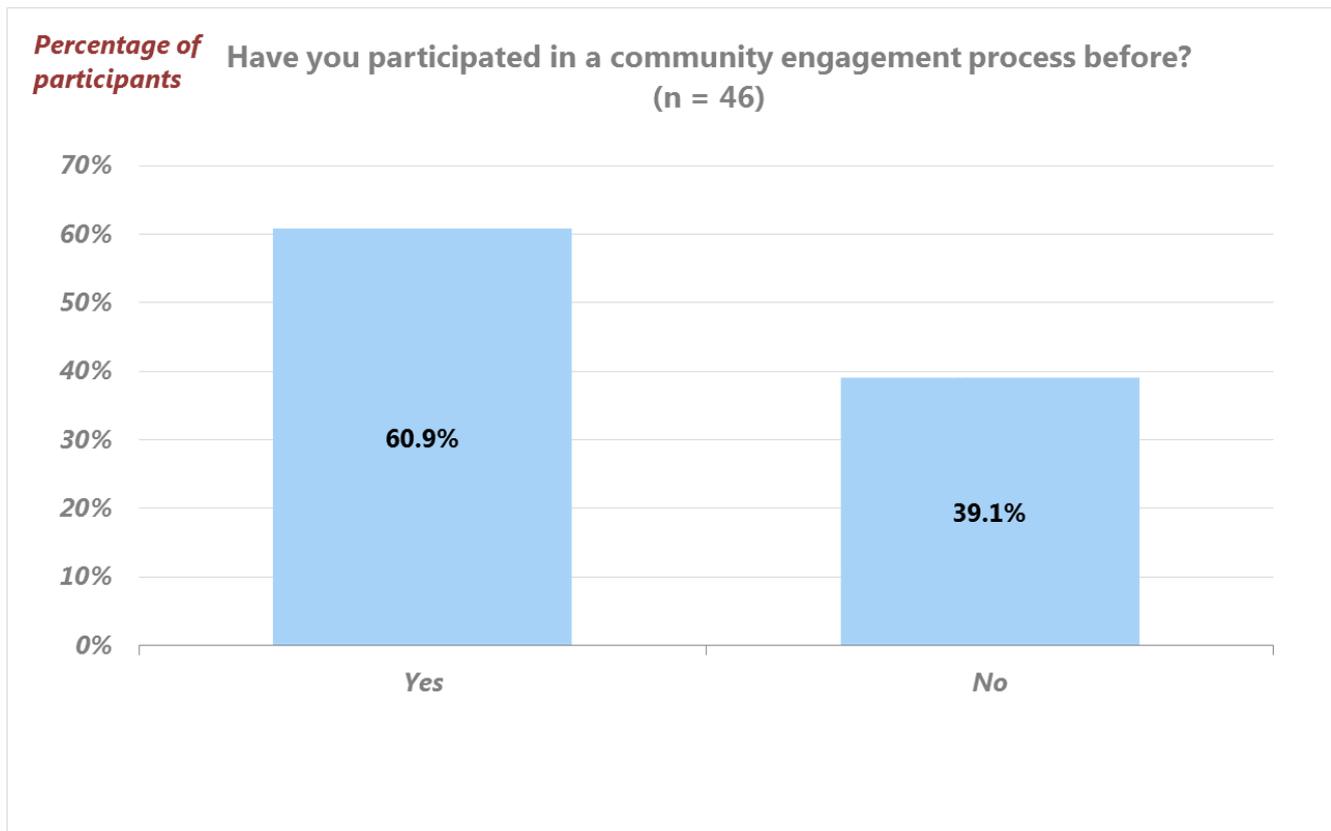
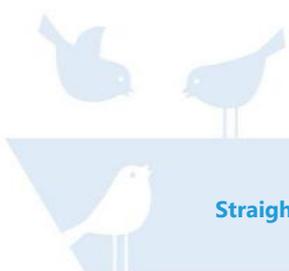


Figure 26 - Participant responses to question on previous participation in community engagement

The majority of participants had participated in a community engagement process before (60.9%).



3.1.7. Participant understanding of community engagement

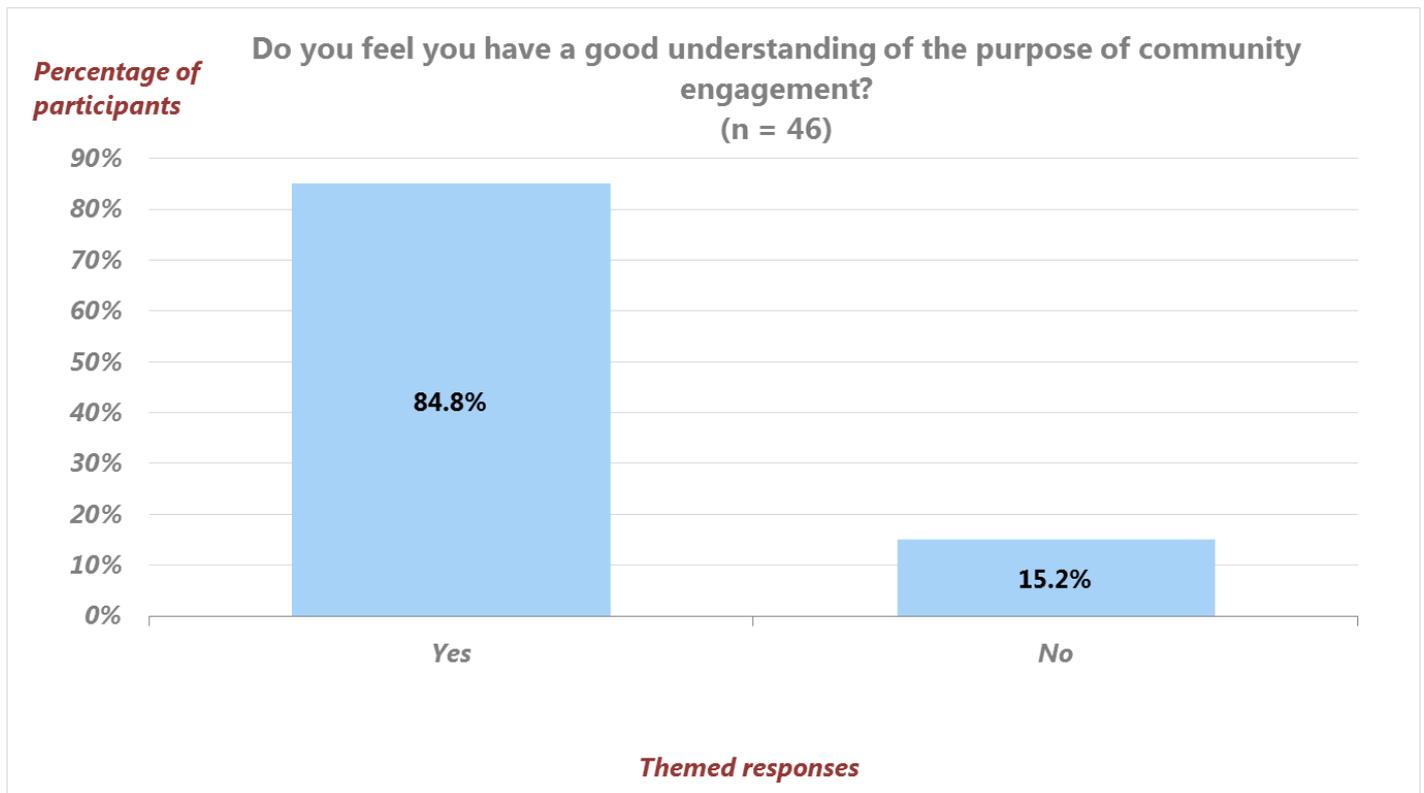


Figure 27 - Participant understanding of community engagement. Unsure or equivocal answers were grouped into "no"

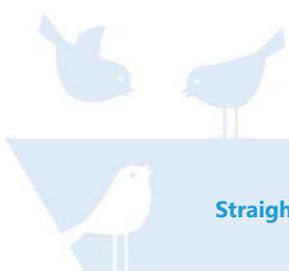
The vast majority of participants felt they had a good understanding of the purpose of community engagement (84.8%).

3.2. Post-workshop survey

Following each workshop, participants were asked to complete another survey about their experience.

3.2.1. Participant feelings about workshop

Participants were asked "Do you feel that your participation today was worthwhile? Why or why not?". 100% of participants felt that their participation was worthwhile.



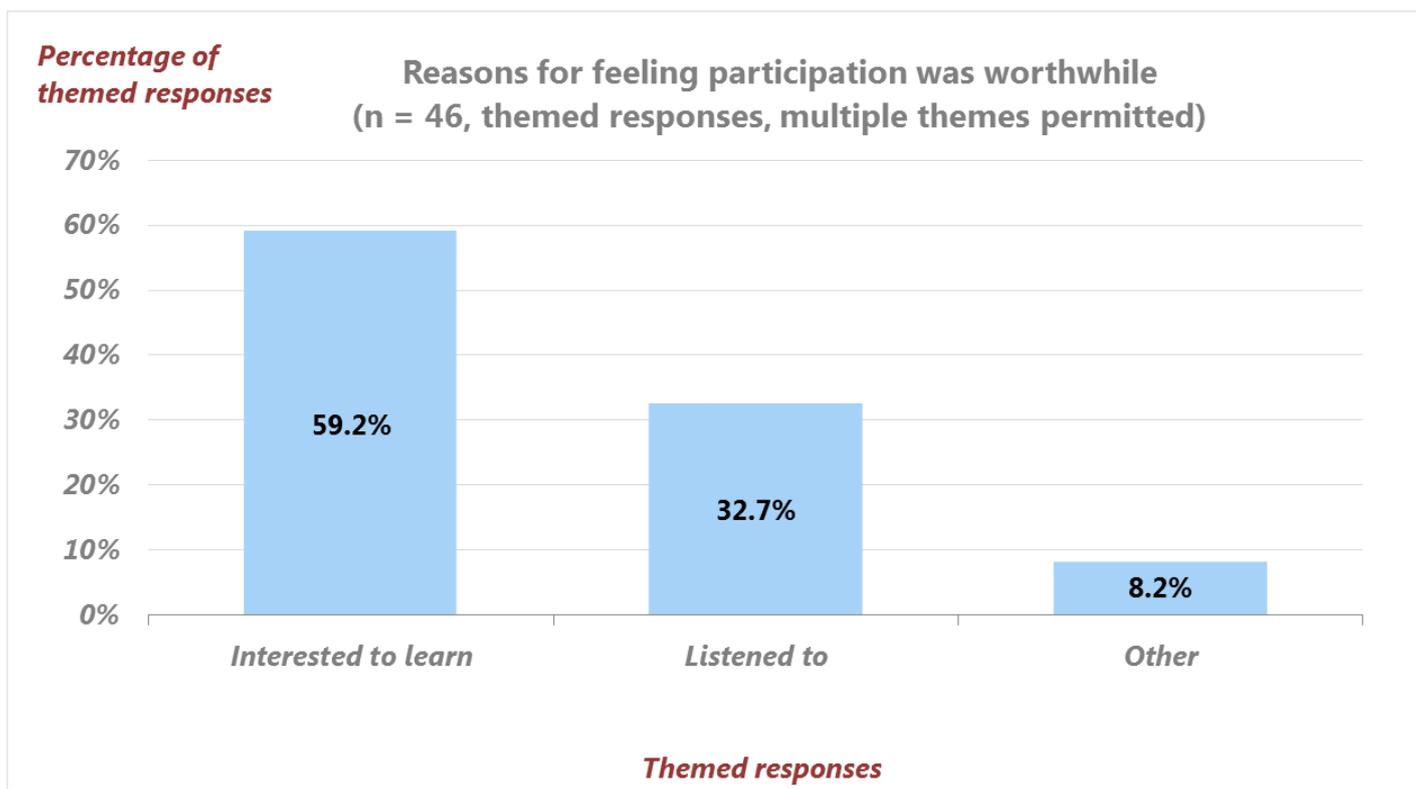


Figure 28 - Participant reasons for feeling participation was worthwhile, themed responses, multiple themes per response permitted

The most common reason given that a participant felt that participation in the workshop was worthwhile, was they were interested to learn about the electricity industry and/or TasNetworks (59.2%). The other common reason given was that participants felt listened to in the workshops and/or that TasNetworks would act on that feedback (32.7%).

3.2.2. Participant understanding of electricity industry

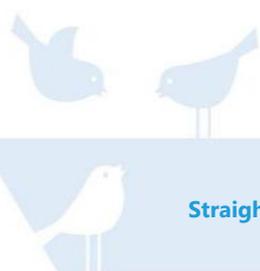
Participants were asked "Do you feel you now have a better understanding of the electricity industry?". All participants responded that they did, except two participants who responded that they already understood the electricity industry going into the workshop.

3.2.3. Participant understanding of TasNetworks' role

Participants were asked "Do you understand what TasNetworks does? If not, what could have been better explained?". All participants expressed that they do understand what TasNetworks does.

3.2.4. Participant understanding of TasNetworks' decision making processes

Participants were asked "Do you feel you understand TasNetworks' decision making processes? If not what could be better explained?"



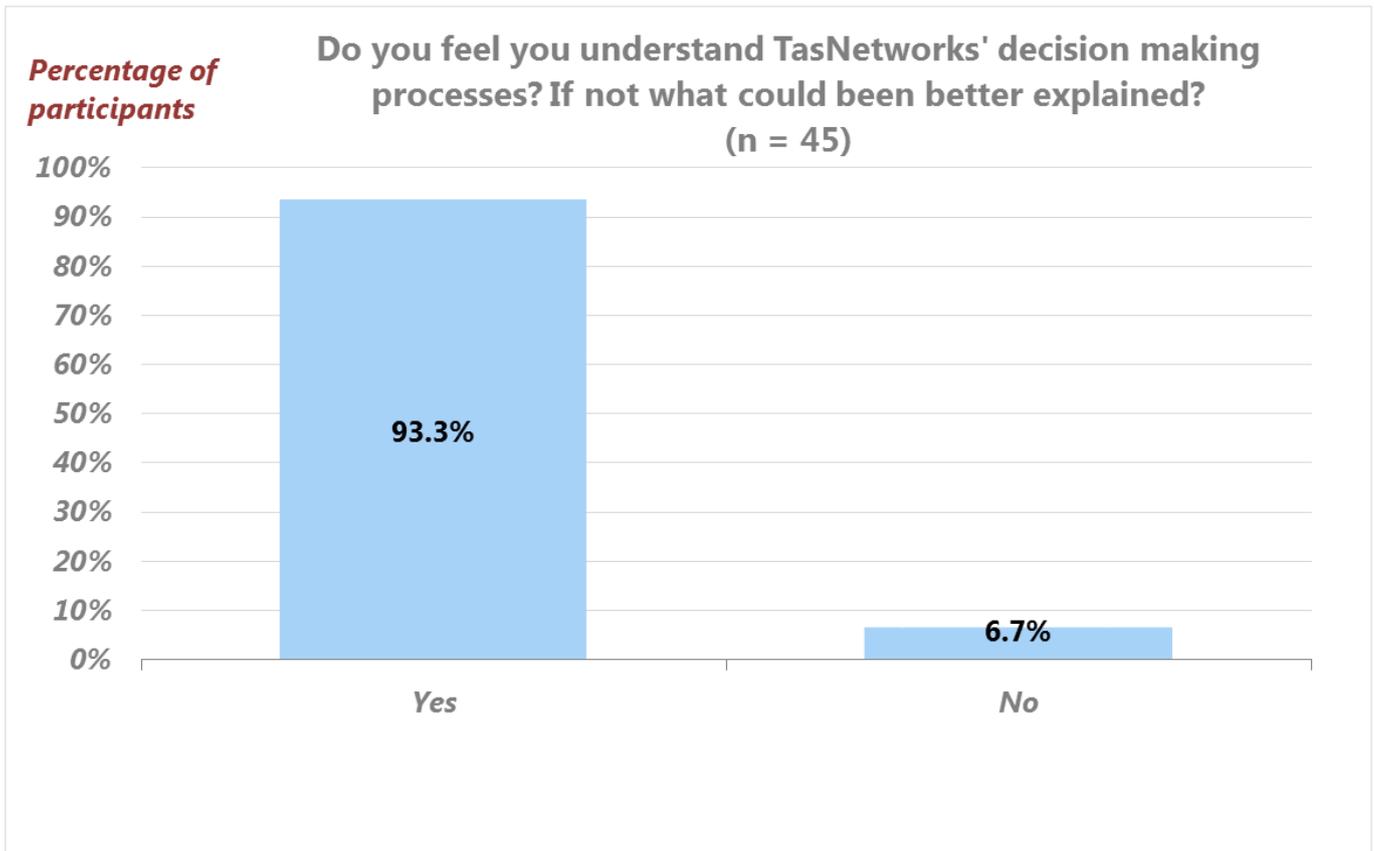


Figure 29 - Whether participants felt they understood TasNetworks' decision making processes

The vast majority of participants felt they understood TasNetworks' decision making processes (93.3%). All suggestions for explaining this better are included below.

Suggestions:

- 👉 "Understanding price structure, future technology, e.g. smart meters and pricing"
- 👉 "Cost/reliability trade-off is needed"
- 👉 "Not really, any decision that matter will be made by experts in the field, with data not dumbed down for a 2 minute explanation"

3.2.5. Most interesting component

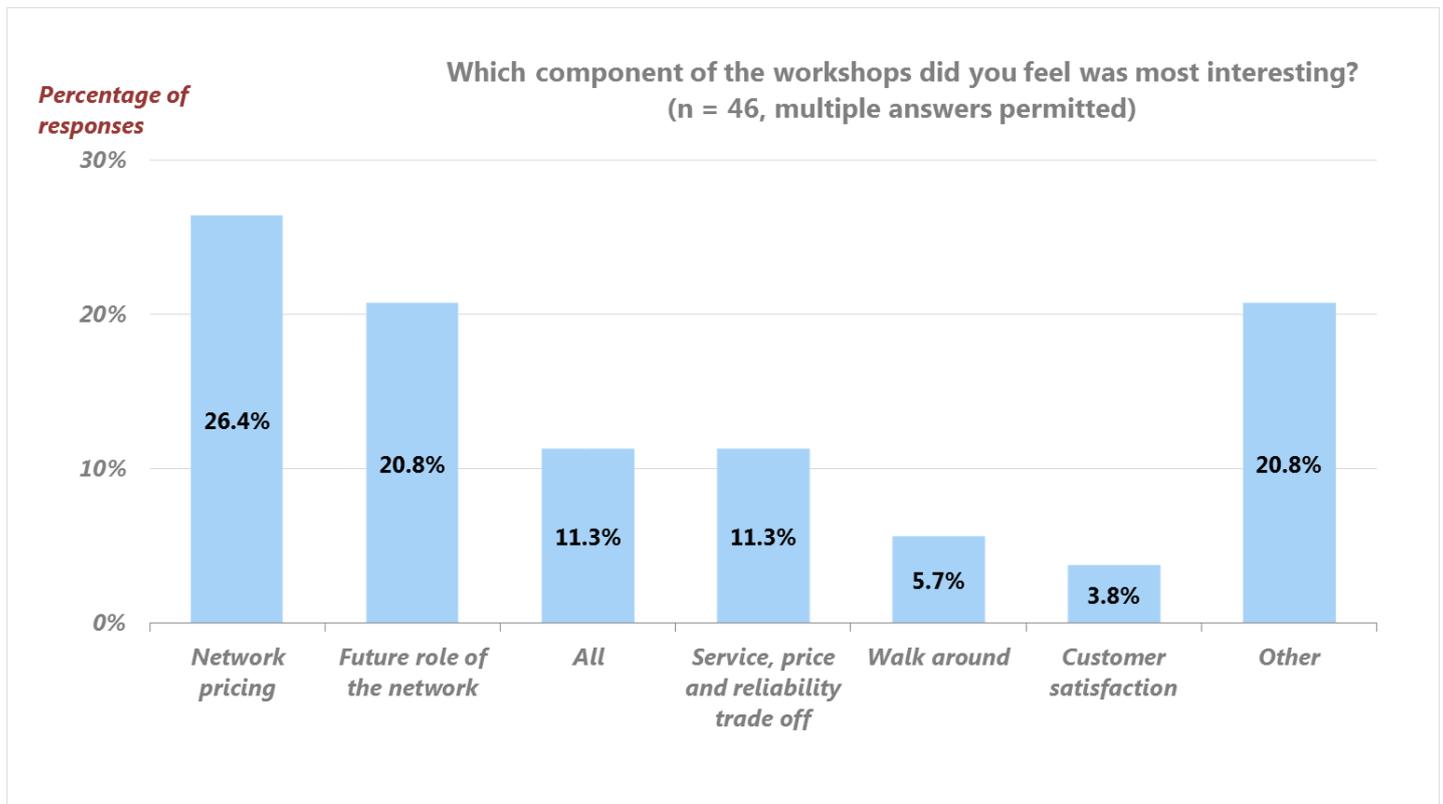


Figure 30 - Components participants nominated as the most interesting

Even though this question implied participants should give a single answer many nominated multiple components. The most frequently nominated workshop component was the Network pricing section, with a little over a quarter of all responses (26.4%). Also popular was the section "Future role of the network" (20.8%). A significant proportion of responses also indicated that all sections were interesting (11.3%). The service price and reliability trade off component was another relatively popular part of the day (11.3%).



3.2.6. Least valuable component

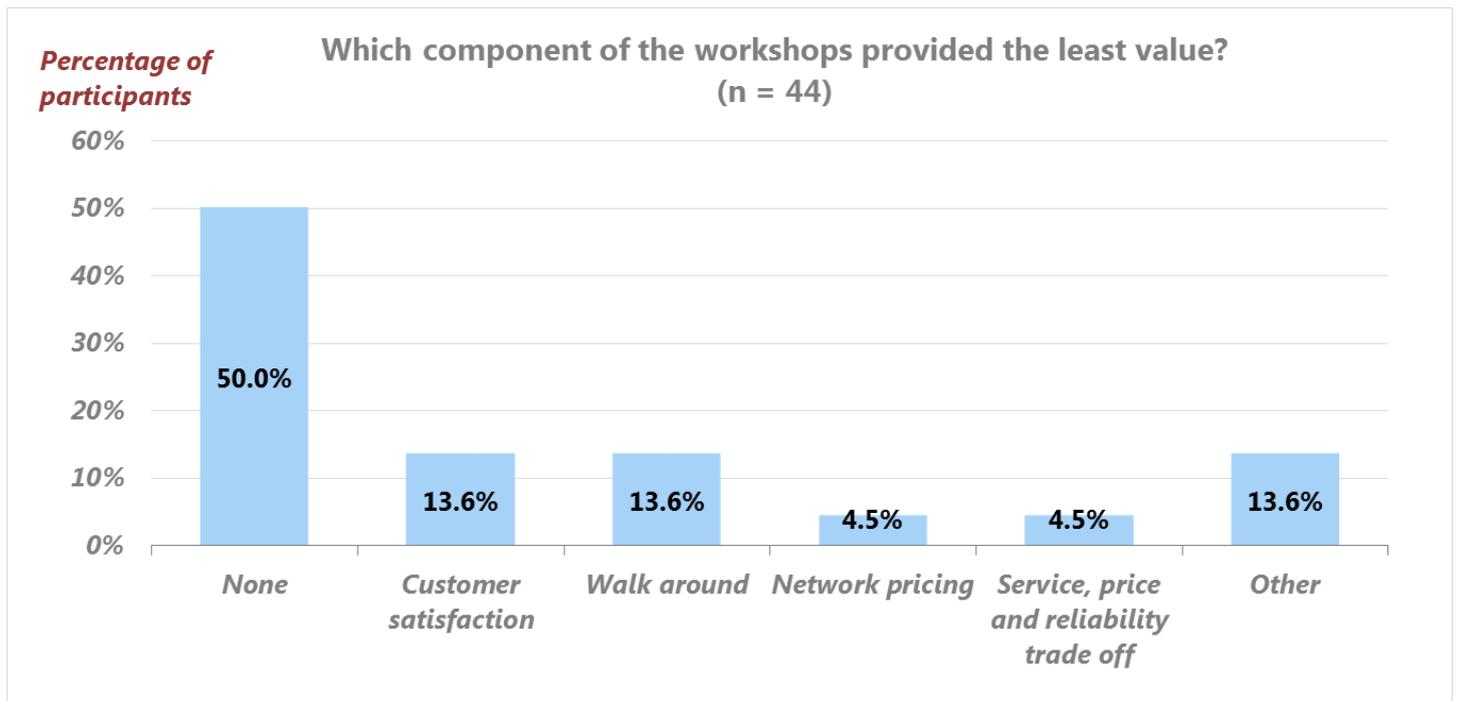


Figure 31 - Which components were nominated as least valuable

In general participants were reticent to nominate a component as least valuable with exactly half of all participants refusing to do so, and indicating all were of all value. The most common single components to be nominated as least value were the customer satisfaction exercise and the 'walk around' (TasNetworks infrastructure) component (both 13.6%).

3.2.7. Clarity of subject matter

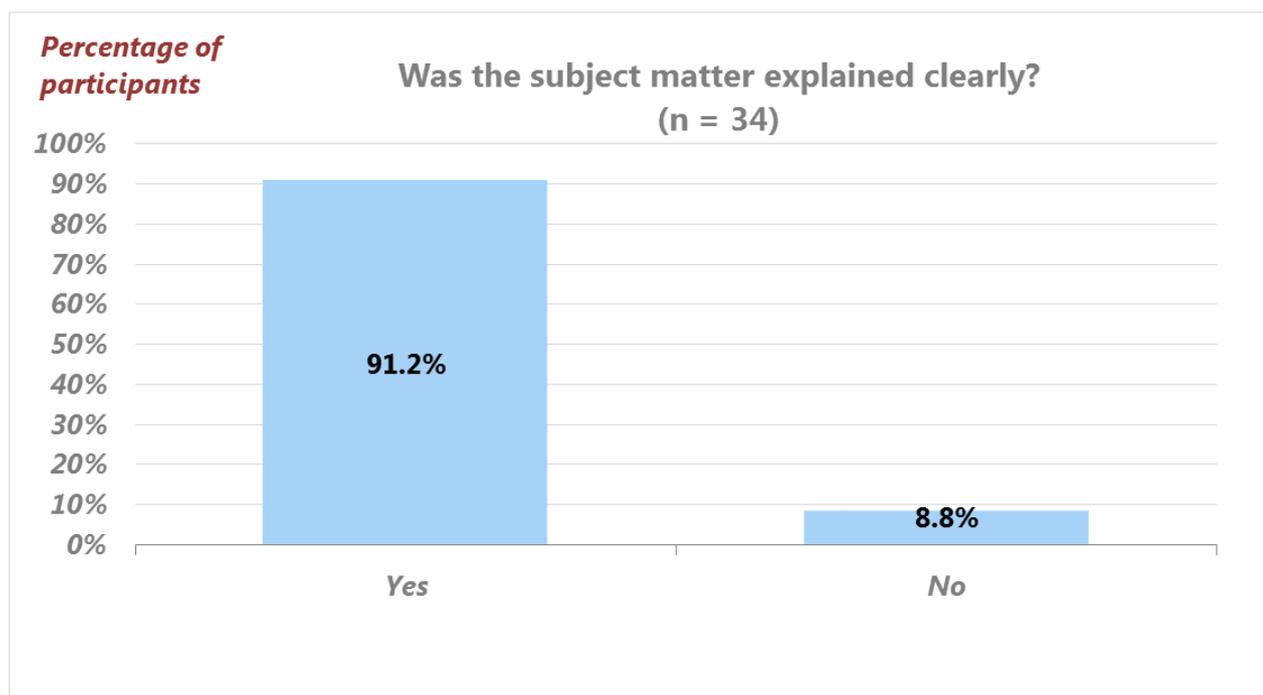


Figure 32 - Participant views on whether the subject matter was explained clearly

The vast majority of participants believed the subject matter was explained clearly (91.2%). Some suggestions on how the workshops could have been more clear were offered by participants, they are shown below:

- 👉 "All of them [workshop components] had too much detail"
- 👉 "Not too much detail but perhaps difficult to absorb"
- 👉 "Abbreviations and jargon - and you fixed it when asked"
- 👉 "Too much detail, tried to listen to as much as possible"
- 👉 "Too little in pricing again because it isn't in your domain, but if you are going to put up new pricing models, provide a comparison"

3.2.8. Potential improvements to the workshop

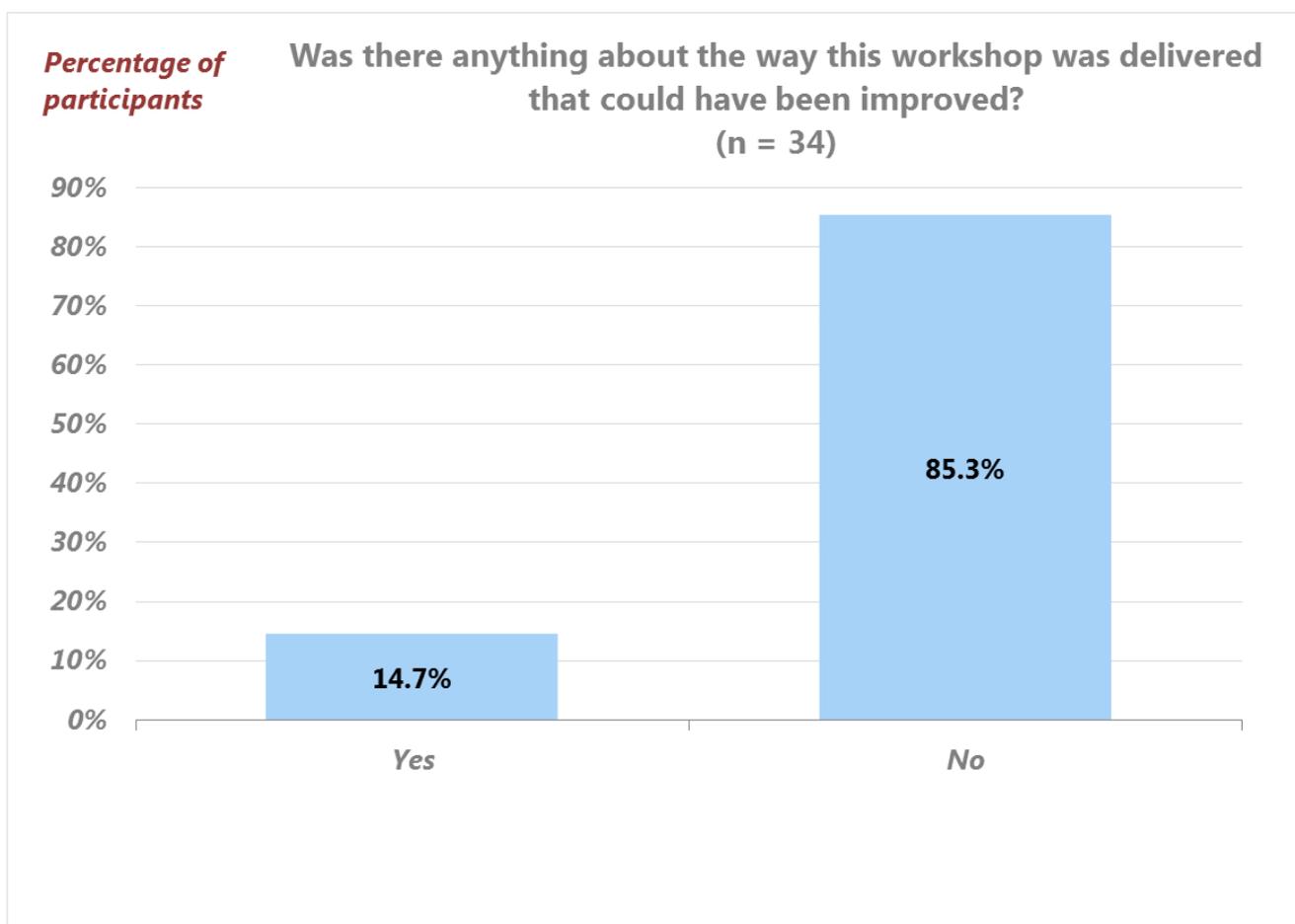


Figure 33 - Participant responses to question on whether workshop could have been improved

The vast majority of participants felt that the workshop could not have been improved. A small number of participants offered suggestions on how the workshop could have been improved, these are provided below:

- 👉 "Glossary, list of presenters and job titles provided"
- 👉 "Less telling by you, more by us"
- 👉 "A bit cold - air cond. Otherwise all good."

👉 "Wasted money by printing out information that was already on the wall posters"

3.2.9. Improving participants' experience

Participants were asked what could have improved their experience. None of the participants made a suggestion, however well over half left a complimentary message about their experience on the day.

3.2.10. Interest in participating in an ongoing engagement process

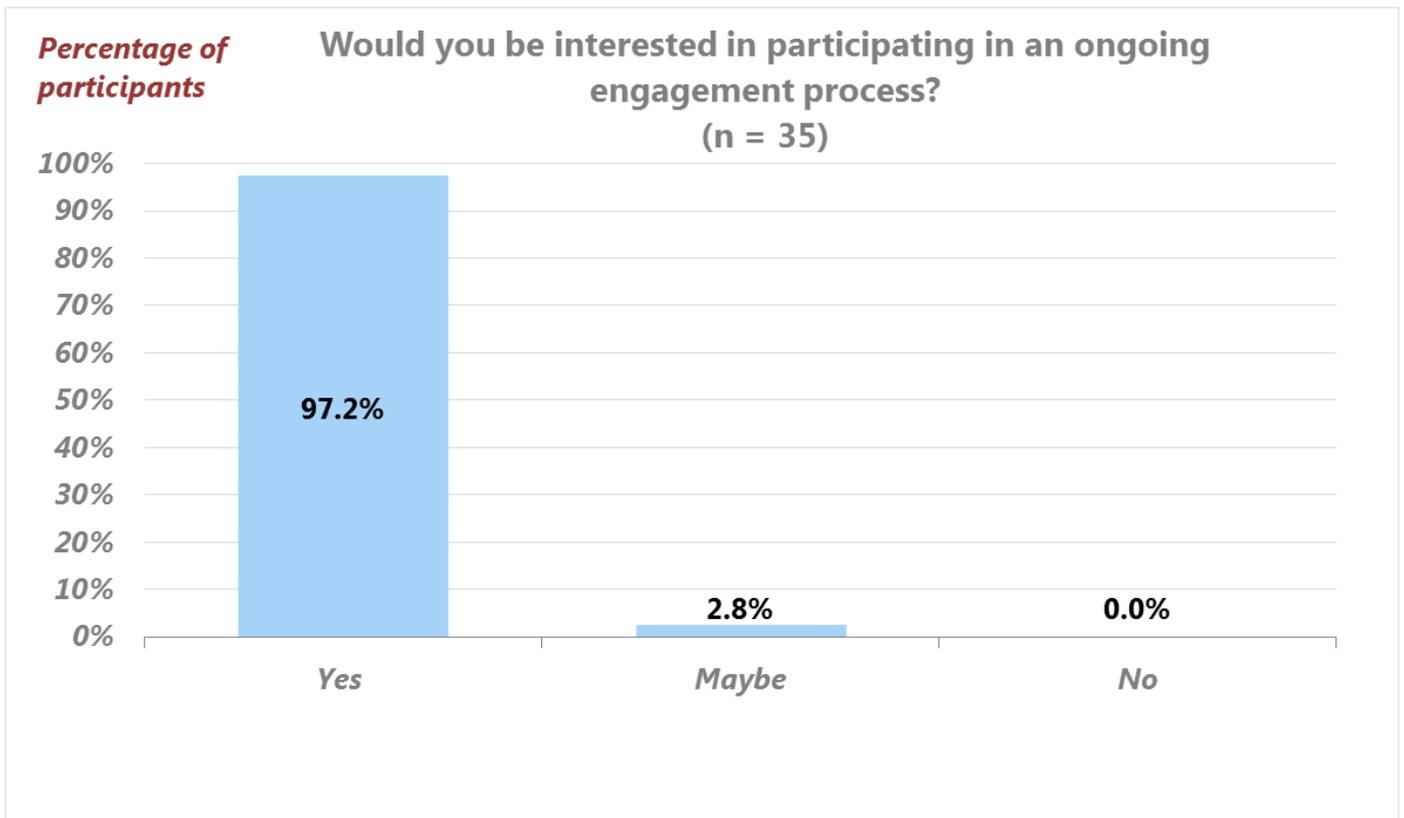
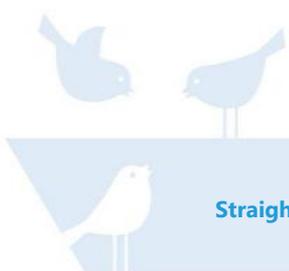


Figure 34 - Participant interest in participating in an ongoing engagement process

Participants were asked "If TasNetworks decided to undertake an ongoing engagement process, such as a consumer referral group, would you be interested in participating?"

The overwhelming majority (all except one participant) answered yes.



3.2.11. Usefulness of \$150 stipend incentive

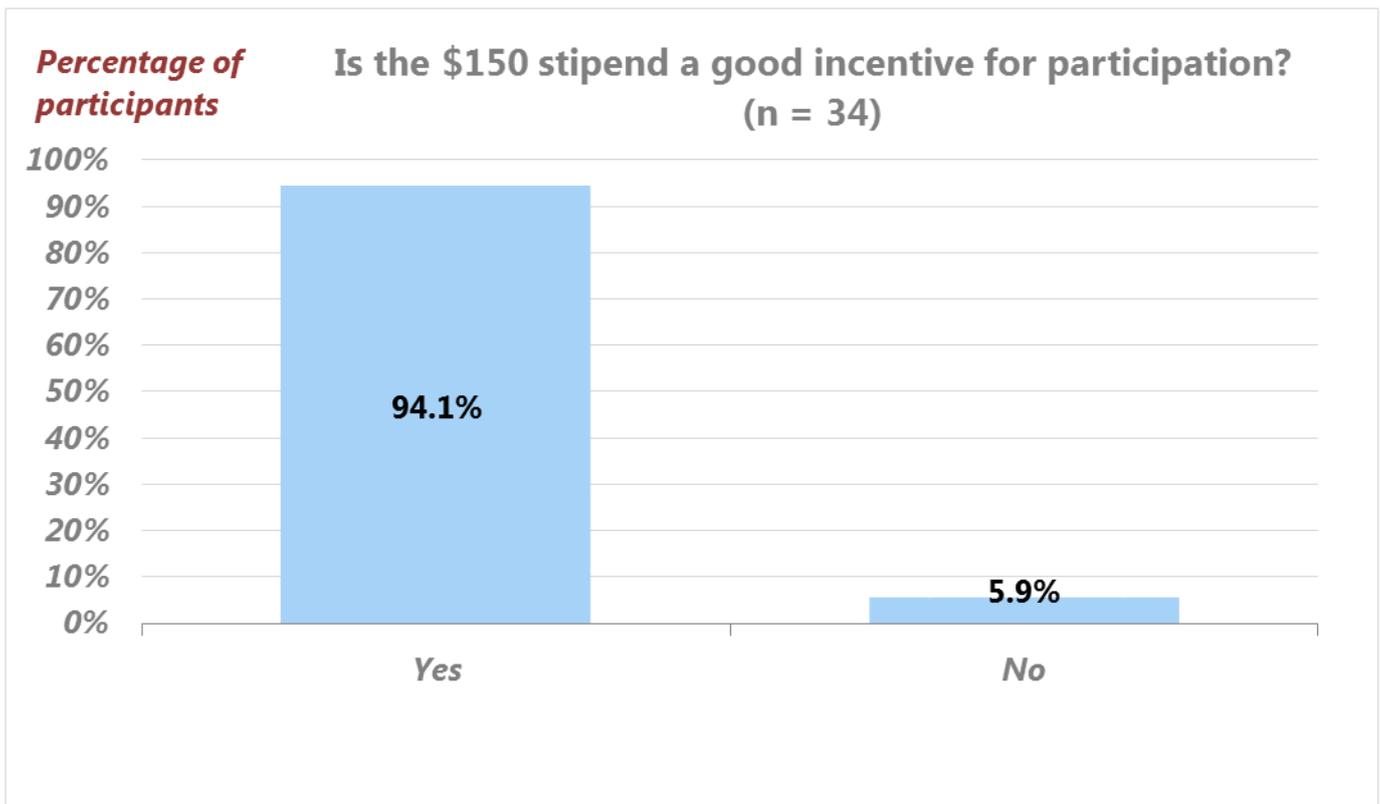


Figure 35 - Participant opinions on whether the \$150 stipend is a good incentive for participation

The overwhelming majority of participants thought that the \$150 stipend was a good incentive for participation. Two participants offered differing opinions, their comments are listed below:

- 👉 "It isn't a deciding factor for me"
- 👉 "just the opportunity to participate"

