

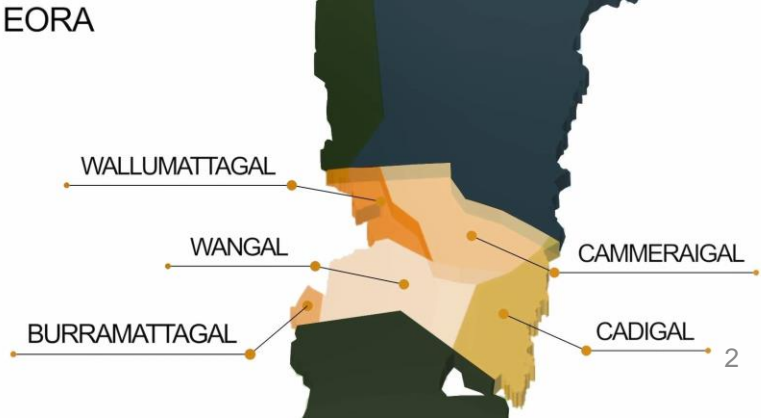
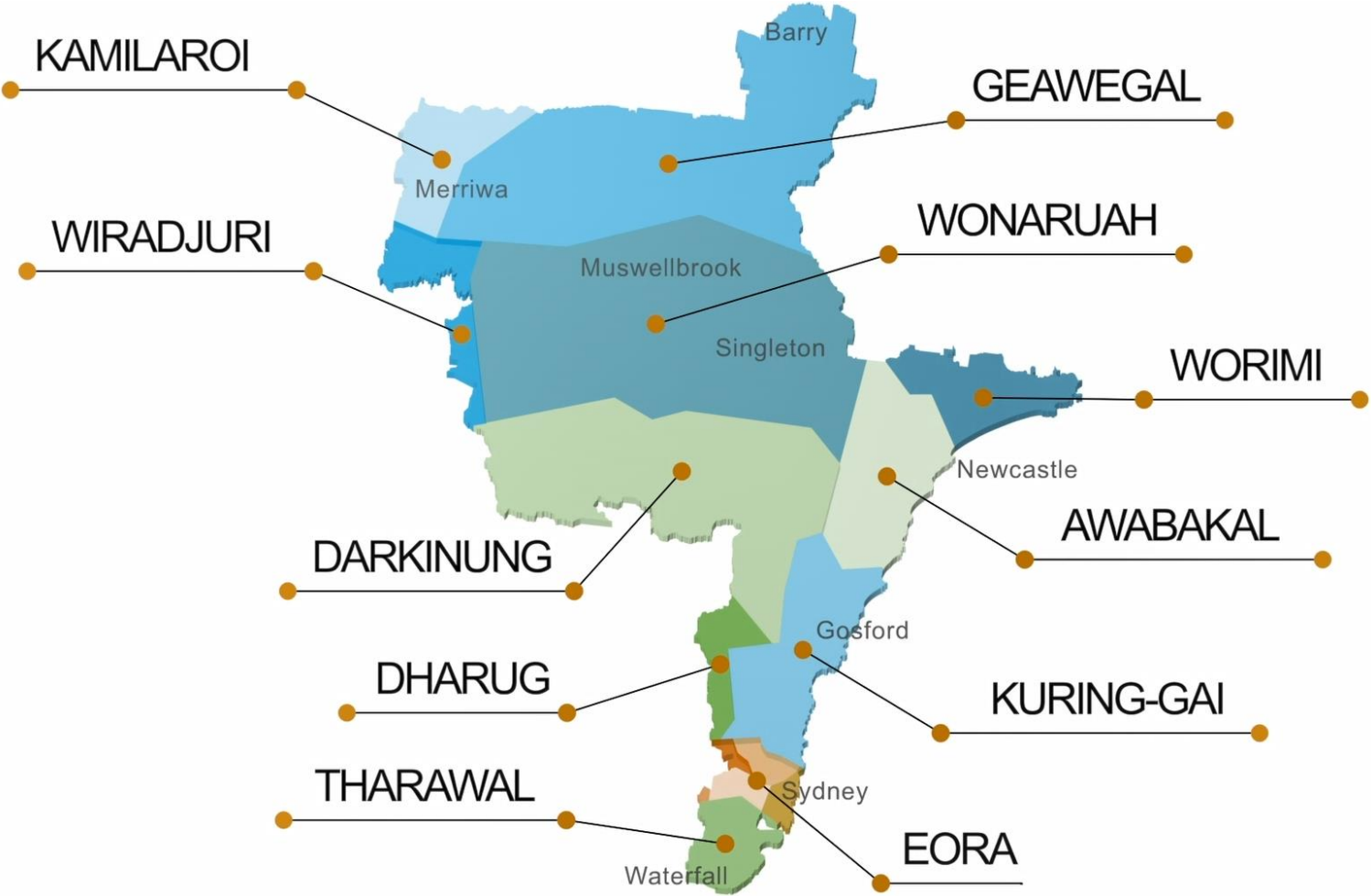


Ausgrid Customer Advocate Engagement Model

Follow up workshop
6 May 2021



Acknowledgment of Country



Safety Share

Session purpose

- Share engagement model
- Address questions on operation of model
- Seek CCC support for engagement model
- CCC views will be shared with Ausgrid Board
- Discuss engagement innovation
 - Independent Chair (and selection)
 - Funding for RCP research
 - Report on Regulatory Proposal drafted by RCP

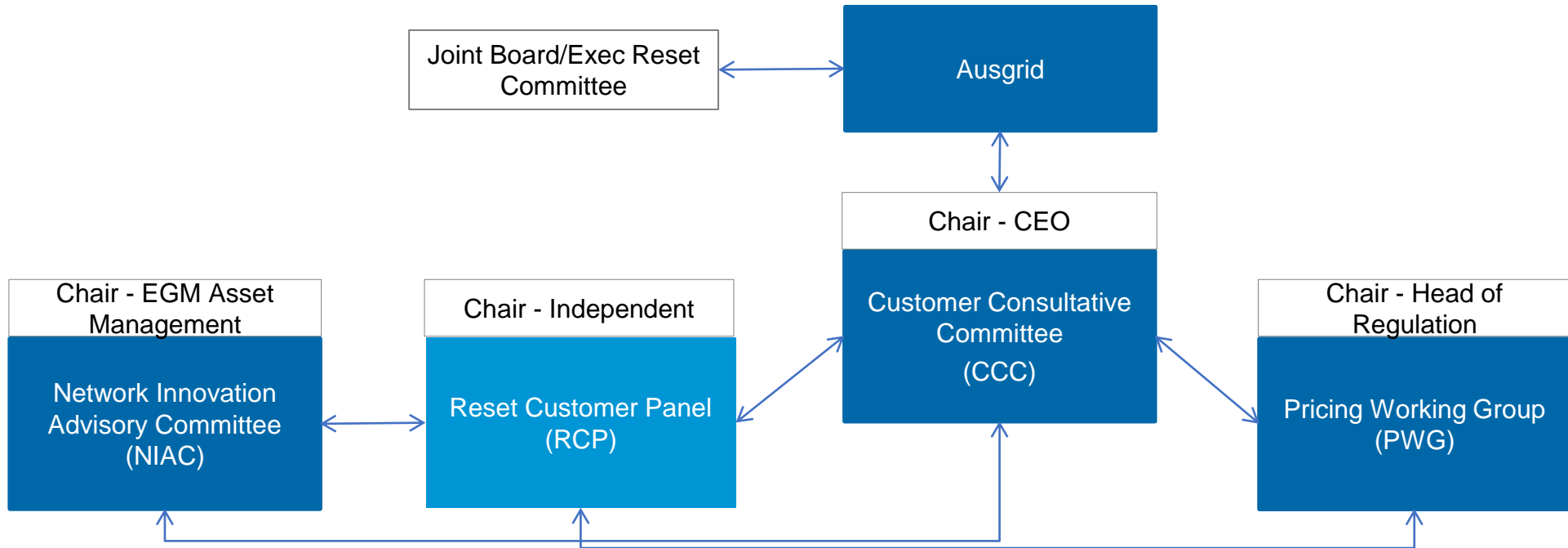
Workshop overview

#	Session	Lead	Timing
1	Welcome, Acknowledgement of Country, Safety Share, Session Purpose	Richard Gross	1:00 – 1:10 (10min)
2	Present model <ul style="list-style-type: none">- Revised criteria presentation- Presentation of model and committee functions- Assess model against revised criteria	Rob Amphlett Lewis	1:10 – 1:30 (20 min)
3	Small Group Assessment	Session Facilitators	1:30 – 1:55 (25 min)
Break – 5 min			
4	Satisfaction Scale and identification of potential changes	Session Facilitators	2:00 – 2:50 (50 min)
5	Next Steps <ul style="list-style-type: none">- Process to set up new model- Commence Engagement planning	Alex McPherson	2:50 – 3:00 (10 min)

Criteria revised with workshop feedback

Criteria	The model gives members the opportunity to....
Commits Ausgrid to a high level of business engagement	<ul style="list-style-type: none">• access all levels of the business, including the Board, CEO and Executive• influence Ausgrid's long-term priorities and strategy
Builds trust in Ausgrid	<ul style="list-style-type: none">• hear how their views and preferences have been considered• challenge Ausgrid in an open, transparent and respectful environment
Allows for genuine collaboration	<ul style="list-style-type: none">• build capacity and engage at a level at which members wish to be engaged• set the engagement agenda and co-design solution• obtain appropriate funding support from Ausgrid
Facilitates independent advice	<ul style="list-style-type: none">• seek funding for their own research• hear from multiple stakeholders on key issues
Values a diversity of views	<ul style="list-style-type: none">• present the views of Ausgrid's diverse customer base and be valued for their significant experience• advise Ausgrid in how we engage with our diverse customer base

Proposed customer engagement model



- **CCC** retained as peak consultative body – membership to be refreshed.
- Establishment of the **RCP** with Independent Chair to focus on 2024-29 Reset
- Ausgrid to collaborate with **RCP** and:
 - **NIAC** on current period and 2024-29 innovation program; and
 - **PWG** on 2024-29 Tariff Structures Statement
- Key 2024-29 Reset positions require **CCC** alignment.
- Ausgrid Board members engage primarily with **CCC** on business and Reset strategic issues and decisions

Reset Customer Panel

Role	<ul style="list-style-type: none"> • Represent the long-term perspectives of our customers and challenge Ausgrid on key issues relating to the 2024-29 Regulatory Determination
Members	<ul style="list-style-type: none"> • Members to be drawn from CCC members (EOI process) • Independent Chair
Support	<ul style="list-style-type: none"> • Ausgrid secretariat provided
Funding	<ul style="list-style-type: none"> • Members will be paid \$750 / day or part thereof to attend meetings • Payment of Chair will be assessed following review of similar roles
Key Functions	<ul style="list-style-type: none"> • Form an independent view on the degree to which Ausgrid’s Draft Regulatory Proposal, Regulatory Proposal and Revised Regulatory Proposal have been shaped by customer views and preferences • Achieve alignment with CCC on key Reset issues and outcomes (with Ausgrid) • Co-design Customer Engagement Plan • Inform Ausgrid’s customer research program and seek their own research/advise (including from AER) in order to understand and best represent customer views • Seek to understand Ausgrid’s business including revenue requirements • Enable in depth review and testing of key aspects of the Ausgrid’s Regulatory Proposal • Input to the development of the Regulatory Proposal • Provide advice on communications of materials and channels to support diversity of views • Develop and publish independent reports on Ausgrid’s Draft Regulatory Proposal, Regulatory Proposal and Revised Regulatory Proposal

Reset Customer Panel Independent Chair

Selection	<ul style="list-style-type: none"> Selected by Ausgrid from a shortlist of applicants reviewed by a suitably independent body (e.g. ECA, AIG, AER)
Responsibilities	<ul style="list-style-type: none"> Overall effective functioning of the RCP and facilitate proper information flow to the CCC Achieve alignment with CCC on key Reset issues and outcomes (with Ausgrid) Encourage respectful collaboration and a diversity of viewpoints to be presented and heard Lead discussions with Ausgrid on behalf of RCP on issues subject to agreement by all RCP members Approving the agenda and minutes of each RCP meeting
Chair attributes	<ul style="list-style-type: none"> Credible advocate for consumer interests, significant experience in consumer issues Highly effective communicator Record of influence and impact Effective leader and strong team builder Demonstrated capacity to quickly understand technical and complex information Ability to negotiate decisively and pragmatically Has worked at executive or board level roles
Remuneration and support	<ul style="list-style-type: none"> Ausgrid will fund the role of the Chair and provide a meeting secretariat

New model assessed against criteria

Criteria	How proposed model and committee functions meet criteria
Commits Ausgrid to a high level of business engagement	<ul style="list-style-type: none"> • The Board will be invited to engage with the RCP throughout the Reset process • RCP meetings will be scheduled to maximise Board/Exec attendance • Members can request meetings with Ausgrid SMEs on particular issues
Builds trust in Ausgrid	<ul style="list-style-type: none"> • Ausgrid will need to report how member feedback is influencing Ausgrid's thinking and decision-making in a timely manner • Members can meet without Ausgrid in attendance, including requesting Ausgrid staff to leave an RCP meeting for a period of time
Allows for genuine collaboration	<ul style="list-style-type: none"> • Independent Chair has final say on the meeting agenda • The Chair will be provided an Ausgrid Secretariat • Payment is included for all members, valuing each other's resources • The RCP will jointly consider matters of common interest with the PWG, CCC, and NIAC (e.g. TSS and innovation program)
Facilitates independent advice	<ul style="list-style-type: none"> • Establishment of Independent Chair for RCP, with members drawn from CCC • RCP has scope to commission advice and seek advice from AER • RCP can request Ausgrid invite key stakeholders to present to the RCP on relevant matters
Values a diversity of views	<ul style="list-style-type: none"> • RCP membership (5-7) will reflect diversity of Ausgrid customer base to the extent practicable • RCP will jointly develop the Customer Engagement Plan with Ausgrid, including tools/techniques adopted • The Customer Engagement Plan to incorporate techniques to allow for stakeholders to 'push in' and 'pull out' of engagement • RCP will support engagement and communications planning across multiple channels to allow flexible and varied levels of engagement over time (e.g. in-language engagement)

Small Group Assessment

Satisfaction Scale and Potential Changes

Next Steps

Milestone	Timing
CCC meeting on proposed Model	Today
Feedback on Committee TORs	By end May
Confirm membership of CCC, NIAC, PWG and seek EOIs for RCP	
Recruitment of Independent Chair	May/June
Next CCC meeting (progress update)	2 June
First meeting of RCP	Early July

CLOSE

Appendices

- A. Terms of Reference - Outline
- B. Committee functions
- C. CCC feedback against original criteria

Terms of Reference - Outline

Overview

Engagement approach

- engagement objective, principles, engagement criteria

Terms of reference for all committees

Customer consultative Committee

- Purpose, Role, Membership, meetings

Pricing Working Group

- Purpose, Mandate, Membership, meetings

Network Innovation Advisory Committee

- Purpose, Mandate, Guiding Principles, Membership, Meetings

Reset Customer Panel

- Purpose, Functions, Membership, Independent Chair, Relationship with other committees, Meetings, Funding and Administrative support

Proposed key elements of each committee

Committee	Role	Meeting	Relationship with RCP
Customer Consultative Committee	<p>Role: Peak body for engaging with customer advocates .</p> <p>Members: Customers and stakeholders representing diverse customer perspectives whilst also remaining a manageable size. Will call for new members.</p> <p>Ausgrid Rep: CEO, CCO, Head of Customer to attend all meetings, Ausgrid SME's attend as required.</p> <p>Key activities:</p> <ul style="list-style-type: none"> • Input to corporate strategy, policies, service plans and service delivery • Input to customer research and the breadth of customer engagement • Review of resulting business improvement plans • Receive reports on activities of other committees 	Quarterly	RCP chair will report to CCC
Pricing Working Group	<p>Role: Engage with customer advocates on tariff reform, tariff structures and pricing issues.</p> <p>Members: Maintain current membership.</p> <p>Ausgrid Rep: Head of Regulation and Pricing Manager</p> <p>Key activities:</p> <ul style="list-style-type: none"> • Development of Tarif Structure Statement and input in to ongoing tariff design and pricing policy • Collaborate with other DNSPs on policy harmonisation 	As needed	RCP to collaborate with PWG
Network Innovation Advisory Committee	<p>Role: Execution of network innovation program and network transformation initiatives.</p> <p>Members: Maintain current membership.</p> <p>Ausgrid Rep: Executive General Manager Asset Management, Manager Network Innovation.</p> <p>Key activities:</p> <ul style="list-style-type: none"> • Development of innovation chapter for Regulatory Proposal and input into transformation narrative • Provide advice on prioritisation of innovation projects. • Committee members may also propose additional projects for the committee's consideration. Opportunities for collaboration with other networks may also be identified and acted upon. 	Quarterly	RCP to collaborate with NIAC
All committee	<p>Payment: Proposing payment of \$750/day or part there off to attend CCC meetings, PWG and NIAC meetings</p> <p>Resources: Ausgrid to provide administrative support for each committee</p>		
The functions of the Technical Review Committee will be subsumed into the CCC.			

Key elements of Reset Customer Panel

Committee	Role	Meeting
Reset Customer Panel	<p>Role: Represent the long-term perspectives of our customers and challenge Ausgrid on key issues relating to the 2024-29 Regulatory Determination.</p> <p>Members: Will release expression of interest to CCC members and any new CCC members. Expression of interest for Chair will go out broadly.</p> <p>Ausgrid reps: Chief Customer Officer, Executive General Manager Asset Management, Head of Regulation to attend all meetings. Board members from Regulation Reset Executive Committee will attend RCP meetings. Cadence to be determined</p> <p>Support: Ausgrid will provide administrative resource to support Independent chair and committee members.</p> <p>Key activities:</p> <ul style="list-style-type: none"> • Form an independent view on the degree to which Ausgrid's Regulatory Proposal has been shaped by customer views and preferences. • Co-design Customer Engagement Plan including, scope of engagement topics and level of engagement for relevant topics and themes and engagement methodology. • Inform Ausgrid's customer research program and if needed, commission new research or advice or utilise CCC member channels to understand and confirm customer perspectives and preferences on key themes. • Input into the development of the Draft Regulatory Proposal, by bringing customer views to key components of the plan and explore potential trade-offs between aspects of a regulatory proposal, based on customer views. • Seek to understand Ausgrid's business including revenue requirements • Test key aspects of the Ausgrid Regulatory Proposal such as, operating expenditure, major augmentation capex projects, revenue path profile, customer experience, customer hardship arrangements and tariff reform. • Provide advice on communication of engagement materials to ensure they are accessible and will encourage customer contributions and can support a diversity of views. • Develop and publish independent reports on Ausgrid's Draft Regulatory Proposal, Regulatory Proposal and Revised Regulatory Proposal • Key deliverables and milestones will be developed with the RCP when it is stood up. 	To be determined when RCP established.
Interrelationships	<ul style="list-style-type: none"> • A member of the RCP will also be a member of the PWG and another a member of the NIAC to ensure there is a channel for RCP input on tariff reform and innovation program as they are developed. 	
Committee Support	<p>Payment: Proposing payment of \$750/day or part there off to attend RCP</p> <p>Resources: Ausgrid to provide administrative support for RCP</p>	

Reset Customer Panel – Appointment of Independent Chair

Committee	Role
Reset Customer Panel	<p>Independent Chair:</p> <ul style="list-style-type: none"> The RCP will have an independent chair selected by Ausgrid from a shortlist selected by Energy Consumers Australia, business representative organisation (such as Australian Industry Group) and under advisement of the AER. <p>The Chair is responsible for:</p> <ul style="list-style-type: none"> Overall effective functioning of the RCP including managing the conduct of meetings and facilitating proper information flow to the CCC. Conduct RCP meetings in a way that encourages respectful collaboration and a diversity of viewpoints to be presented and heard. Achieve alignment with CCC on key Reset issues and outcomes (with Ausgrid) Lead discussions with Ausgrid on behalf of RCP on issues subject to agreement by all RCP members Approve the agenda and minutes of each RCP meeting. <p>Chair attributes:</p> <ul style="list-style-type: none"> Credible advocate for consumer interests, significant experience in consumer issues Highly effective communicator Record of influence an impact Effective leader Strong team builder Has worked at executive or board level role Demonstrated capacity to quickly understand technical and complex information Proven ability to negotiate decisively and pragmatically <p>The above elements will be drafted in to the Chair's position description Ausgrid will fund the role of the Chair and provide a meeting secretariat.</p>

Criteria for assessment for Stream 1 model - version shared 24 March

Criteria	Does the model...	FEEDBACK 24 March
Allows for a genuine partnership when designing and assessing options and solutions.	...allow for a participation level of “Collaborate” on the IAP2 public participation spectrum?	<p>Reframe to be more commitment to consumers and contributes to long term strategy</p> <p>Reframe focus on collaboration rather than vaguer ‘genuine partnership’</p> <p>Prioritise outcomes that customers value through joint agenda setting</p>
Facilitates provision of independent advice	...provide a credible and suitably independent body that can inform and challenge Ausgrid’s thinking?	Group should have a mix of skills, own resources and access to independent advice
Can facilitate discussion on a broad range of topics, while allowing for in depth consideration of issues when needed	...allow for customers to be engaged at an appropriate level of detail, not just ‘high level’?	Model should build trust, address power imbalances
Enables a diversity of customer views to influence our thinking	...allow for our diverse customer base to be genuinely engaged and supported in the development of the proposal?	<p>Different modes of engagement will be required for each topic</p> <p>Care should be taken to ensure views are genuinely representative</p>
Enables a high level of business engagement	...involve all levels of the business, including the CEO and Board, to an appropriate degree?	Frame this as clear commitment
Is cost-effective and simple	...represent value for money and an efficient use of time and resources?	Decided to remove criteria as – feedback showed this implied being cheap

NB: Feedback references taken from bd infrastructure - outcomes report