

FY20 Customer Interactions and Monitoring Report

Attachment 1: Energy Research Plan

1. Overview

This document outlines a proposed, ongoing research plan for AusNet Services. The plan covers research activities designed for each of our regulated networks (electricity transmission, gas and electricity distribution) over a 12-month period.

2. Overview of Research Activities

Most of the research conducted at AusNet Services has historically been undertaken as a part of five-year regulatory submissions. The output from these research efforts has sought to ensure that our submissions reflect the needs and preferences of our customers.

There are, however, several issues associated with conducting research sporadically and for regulatory purposes only. In the first instance, it tends to be quite costly. This is because a large quantity of research is typically required to update our understanding from five years ago in a timely manner, driving up research costs. Secondly, it means that the business has relatively infrequent (i.e., every five years) access to contemporary customer insights. This infrequency is undesirable given the rapid changes currently happening across the energy landscape, particularly when it comes to changing customer and regulatory expectations.

It therefore becomes increasingly evident that five-yearly customer research for regulatory purposes would not suffice. The business believes that it is important that we commit to more regular and ongoing research efforts to ensure that we understand our customers' changing behaviours and service level expectations. Our first regular research effort, the Customer Satisfaction program, was implemented in 2018. We intend to build on and develop this program of regular research.

The overarching objective for research efforts at AusNet Services is:

To understand our customers' needs, wants and preferences in a cost effective and continuous way, to ensure that we meet their expectations and improve the customer experience.

3. Description of Research Activities

Several research efforts have been designed for the ongoing research program. The current and planned activities (highlighted in grey) are presented in the Table 1 and discussed in detail below.

Table 1. Overview of the research activities.

Activity	Sample Characteristics					
	Customer type	N (p.a)	Elec (n)	Gas (n)	Transmission (n)	Sampling period
Customer Satisfaction Program	Residential (further breakdown available) SME Large customers	3060	1800	1260	12-15	Monthly data collection
Reputation Tracker	Residential SME	800	800	–	–	Yearly
Call Centre Mystery Calls	Call centre agents	600	N/A	N/A	N/A	50 assessment made each month
Call Centre Survey	Any customer calling into the call centre	520 -780	–*	–*	–	Daily data collection via SMS
Digital Energy Futures (Monash University)	Residential (segmented by digital needs)	Multiple studies	Approx. 400	–	–	3-year project
Energy Sentiments: Survey	Residential (segmented according to key customer groups) Small businesses	2000	1000	1000	–	T1 Summer (March) T2 Winter (Sept)
Energy Sentiments: Stakeholders	Large customers; Local Councils; Local Government; Gas fitters and electricians; solar installers	TBD	TBD	TBD	TBD	Yearly

Customer Satisfaction Program

The customer satisfaction program commenced at the beginning 2018 with the objective of developing a regular and deeper understanding of customers' satisfaction with performance across key operational activities, establish baseline results, and identify the levers for improvement.

The program comprises both qualitative and quantitative research. Qualitative research, in the form of face-to-face interviews, is conducted for our transmissions network. Specifically, we sample 12 to 15 directly connected customers, generators and distribution networks on a yearly basis to garner a better understanding of current performance and areas of improvement. Monthly telephone calls made to gas and electricity distribution customers represents the quantitative component of the program. The operational activities assessed in the survey include planned and unplanned outages, new connections (including solar and battery for electricity) and complaints. Customer Service Benchmarking Australia (CSBA) is the independent research partner delivering the program.

Specifically, across each of the operational activities outlined above, we examine the key drivers of satisfaction. Additional feedback, in the form of verbatim comments, are also captured in these telephone calls. The drivers of each interaction are summarised below.

Table 2. C-SAT interactions and drivers.

Interaction	Drivers of satisfaction
Planned Outages	<ul style="list-style-type: none"> - Duration - Tidiness - Professionalism - Communication - Overall quality - Advance notification - <u>Accuracy of start/finish</u> - <u>Quality of advice</u> - <u>Information provided</u>
Unplanned Outages	<ul style="list-style-type: none"> - Duration - Tidiness - Professionalism - Communication - Overall quality - <u>Knowledgeable</u> - <u>Ownership</u> - <u>Information provided</u> - <u>Accuracy of information</u>
New Connections	<ul style="list-style-type: none"> - Communication - Length of time - Professionalism - Quality of work - Tidiness of the property - <u>Delivery in the agreed time</u> - <u>Ease to contact correct person</u> - <u>Prior arrangements</u>
DER Connections	<ul style="list-style-type: none"> - <u>Information available</u> - <u>Online application</u> - <u>Process clear</u> - <u>Timeline communicated</u>

	<ul style="list-style-type: none"> - <u>Time taken approval / switch on</u> - <u>Communication</u>
Complaints	<ul style="list-style-type: none"> - Resolution speed - Ownership - Professionalism - Clearly informed on next steps - Ability to make complaint - Language

Bolded drivers are included in both the gas and electricity survey; Underlined drivers are included in the electricity survey only.

The output from this research activity is used in a number of ways, including:

- Underpins Corporate Targets and employee key performance measures.
- Embedded in all Regulated and Operational employee performance and remuneration outcomes.
- Used to measure progress on the customer centricity pillar of the energising futures corporate strategy.
- Informed the new Customer Service Incentive Scheme submitted in the upcoming regulatory period for the electricity distribution network.
- Informs customer experience improvements and is used as a performance metric by the team.
- Informs annual business plan development.
- Informs regulatory proposal development.
- Reported monthly to executive to monitor delivery of customer commitments.

Reputation Tracker

In May 2019, AusNet Services launched a new piece of repeatable research to allow the measurement of corporate reputation among electricity customers to assist in proactive planning and reputation and issues management. At this stage, we are targeting our electricity customers for the tracker with the specific objectives of:

1. Raising awareness and favourability of AusNet Services.
2. Establishing a baseline of awareness and understanding of AusNet Services.
3. Identifying drivers of favourability towards AusNet Services.
4. Assessment of any active campaign materials.

A mixed methods research approach was adopted to design this research. In the first instance, we conducted 6 face-to-face focus groups in Sale, Wangaratta, and Mernda. Online focus groups were also conducted with customers in Sale and Wangaratta. In total, 55 customers participated in these qualitative efforts. The purpose of the focus group discussions was to understand community awareness, perceptions, and concerns, including message testing and identifying new and emerging issues, like load shedding. These insights were used to inform the quantitative component of this research, which surveyed 800 customers (including 154 small business owners), to establish the benchmark reputation data.

The output from this research activity is used in a number of ways, including:

- Informs the external media and advocacy strategies.
- Guides improvements to communication and message development for campaigns.
- Reported to executive to monitor commitments to improve reputation.

Call Centre Mystery Calls

We undertake quality assurance assessments to monitor the performance of our call centre agents each month via mystery calls. On these calls, which are independently conducted by CSBA, our agents are assessed across a range of criteria to ensure that they deliver an exceptional customer experience to all customers who contact AusNet Services. Specifically, they are assessed on:

- **Success.** The degree to which the customer is able to accomplish their goals.
- **Ease.** The effort the customer had to expend to accomplish their goals.
- **Sentiment.** How the experience and interaction makes the customer feel.

The individual scores for each agent are linked to their performance assessment and remuneration outcomes for the year. In addition, the output from these assessments is used to inform performance gaps and areas of additional training for each agent. We are also benchmarked against other organisations undertaking this program within the sector.

Call Centre Survey

Every day our Customer Services team send out approximately 100-120 SMS text messages to customers who have made a call into the centre that day. The SMS invites customer provide feedback on their interaction with the customer service agent via a short online survey. An average of 10-15 customers will complete this survey each day. This is a relatively simple research activity, with output used to provide immediate feedback to agents and management and assist in further training requirements among the team.

Digital Energy Futures (Monash University Partnership)

AusNet Services has partnered with Monash University on a project with an overarching objective of understanding and forecasting changing digital lifestyle trends and their impact on future household electricity demand, including at peak times. The project will employ a mixed methods research approach that includes ethnographic interviews, online surveys and future scenario workshopping.

It is envisioned that the insights gathered through this project will be particularly useful to the Network Planning, Network Modernisation and Network Intelligence and Analytics teams as they work to forecast the impact that changing customer behaviour, as enabled by digital technology, will have on our network and how this change is best managed.

An Australian Research Council Linkage Grant was rewarded to this project in late-2018. As a Partnering Organisation, AusNet Services has committed cash and in-kind support for the term of the project (3 years). Other partners in the project include Ausgrid and Energy Consumers Australia.

Energy Sentiments: Survey – NEW

It is proposed that the Energy Sentiments program commence in FY21 or FY22. Focusing on a representative sample of gas and electricity distribution customers, the purpose of this survey is to continually track customers' opinions on our services, new technology and the energy sector broadly. Two data collection points have been proposed: immediately following the summer (March) and winter (September) periods. This will allow the business to identify any seasonal trends among customer opinions. A cross-section of customers will be recruited via a research panel to complete an online survey.

Over-time we will be able to compare the various iterations of this survey and report on trends. It is envisioned that the output will be beneficial to our customer experience, regulatory, strategy and projects and network planning teams as they design and plan for the future use of our networks and improved customer experience scenarios.

Energy Sentiments: Stakeholder – NEW

The proposed energy sentiments research program will also target a range of stakeholders who engage with and rely on AusNet Services. We intend to gather insights from our large customers, local council, gas fitters and electricians and solar installers to better understand their energy related needs and expectations of our services. This will be achieved via an annual online survey and face-to-face discussions where appropriate. The output from this research will be critical to informing customer experience improvements, regulatory submissions, future planning for our networks and customer strategy.