

Stakeholder engagement

ENA stakeholder workshop
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Network business are all different

- From Victorian sector restructure in the 1990s, lack of customer facing people for businesses that had little need for them for the next 15-20 years
- Network businesses were 'comfortably anonymous', stakeholder engagement not required
- UE through multiple iterations and business models, including being run by a handful of people with everything, including the customer, outsourced
- This story of history shows that all network businesses are different, they are starting from different points, facing different learning curves on stakeholder engagement

Where to start?

- Building capacity, learning by doing
- Our learning curve is and has been quite steep
- You wouldn't choose the electricity price review as the first thing to meaningfully talk to customers about – highly complex, broad
- If you're going to start a conversation with stakeholders, there are easier places to start e.g. single issue, capital works
- But you have to start somewhere

The case for change

- Internal change assisted by strong buy-in from senior management and our Board
- Regulatory driver is an effective trigger for change in a compliance driven, highly regulated sector
- Longer-term, sustainable driver is social licence
- Employee engagement research consistently shows that our people are most inspired by the essential service nature of our business i.e. the service of our community, as a main driver of motivation

Methods of engagement

- Customer Consultative Committee
- Working groups
- Residential and business customer focus groups
- Surveys
- Bilateral meetings
- Our website and social media
- Direct mail
- Shopping centres
- News media
- Advertising
- Consumer Challenge Panel



Methods of engagement

- Willingness to pay – ‘Discrete Choice Experiments’ (DCE) methodology aligned with what the Consumer Challenge Panel had identified as best practice in its critique of engagement in other states
- *“While the sub-panel believes that choice modelling is the preferred technique for estimating the WTP of consumers, the results of any individual study undertaken by network businesses will also be affected by the choice set design, sampling approach, and sample size, among other things.”*

Consultation phases and key elements

- **Strategy:** developed with external assistance and tested with external stakeholders, designed with the objective of transitioning our strategic approach to BAU (December – February 2014)
- **Understanding our community:** Greater cultural diversity, rationale for our support of the Rewired pilot project
- **Research:** research review, focus groups, workshops, willingness to pay (March – July 2014)
- **Community outreach and in-depth consultation** (July – December 2014)
- **Preliminary draft proposal** for public comment (February 2015)
- **Draft proposal** (April 2015)

Learning by experience

- General customer outreach challenging e.g. shopping centre roadshow
- Three weeks more than 1,000 people visited
- We would adapt this approach into an environment where people might be more willing to engage in conversation e.g. community events



Challenges

- Unique representation difficult – Victorian networks ‘sharing’ stakeholders
- Difficult to move beyond ‘consult’ (IAP2 spectrum) too quickly
- Broad scale promotion difficult in inner urban area, need back to basics grassroots community engagement
- Meaningful metrics and measurement, avoiding tick-a-box compliance

What have we learnt so far?

- Social licence is not a fad
- Highly valuable, constructive contributions from stakeholder groups
- Board and senior management buy-in is critical
- Customer vs. customer groups - Councils critical
- Capacity building



Questions