

Summary of findings from Independent Accountability Panel Report

- High level of value placed on the CEO meetings, panel gained further insights than what was reported in Disclosure Statements.

Six major themes

1. Know your customers and communities

- Need to demonstrate better understanding of our customers, their attributes and needs and what we are doing to meet their specific needs
- Need a tighter definition of ‘customer’ – panel suggested definition of: *first and foremost the end-consumers of energy and associated services – individual households and enterprises large and small*
- Develop a breakdown of enterprise customers into meaningful groups with respect to needs and preferences
- Little evidence of gaining a deep understanding of these customer views on issues such as reliability
- Placed emphasis on hearing customer voice at all levels of the business, suggested customer representation at Board level and need for good customer engagement with Board and senior executives.

2. Go above and beyond compliance

- Need to demonstrate how we are going above and beyond compliance with legislation, rules and regulation
- Vulnerability is encouraged – acknowledging failure to meet required standards is commendable for demonstrating need to build honesty and trust
- Good existing BAU practices are relevant and can provide examples of alternative approaches.

3. Leverage high-impact points for change together

- Want to see signatories working together at different points in the energy system
- Want to strengthen incentives for all staff and broaden to include areas such as design of regulation, customer engagement and non-network solutions
- Expect greater scope for policy and regulatory advocacy among signatories with common interests.

4. Develop metrics and report on progress

- Disclosures should reflect a shared approach to reporting key metrics, ensuring comparability where appropriate as well as meaningful context from historical trends, targets, timetables and benchmarks
 - Want to see customer satisfaction outcomes linked to senior management remuneration
 - Called out good measure is staff engagement specific to alignment with customer outcomes
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- Mentioned that the AER benchmarking seemed relevant, although few signatories made reference to it
- Strong suggestion for collaboration with consumer advocates to refine a manageable set of shared measures across the supply chain.

5. Close the loop on initiatives

- Questions on the effectiveness of signatories' feedback processes, lack of evidence to support outcomes
- Need to demonstrate how feedback was actioned to resolve an issue or change a process which led to a failure in outcomes
- If referring to innovation projects, those which have progressed beyond an initial trial to serious pilot stage are more relevant.

6. Elevate and optimise dispute resolution

- Recommend that complaints management processes are audited against AS/NZS 10002:2 'Guidelines for complaint management in organisations'
- No signatories mentioned they had audited their complaints management policy against this standard.

Recommendations

The following table outlines the report's 32 recommendations:

	Recommendation
1	Develop an analysis of Signatory customers and directly-impacted communities, appropriate for the purposes of the Energy Charter.
2	Develop a breakdown of both small and enterprise customers into meaningful groups with respect to needs and preferences, especially in the different aspects of vulnerability.
3	Engage appropriately with, and measure outcomes for, the specific customer groups as evidence to demonstrate improvements against those customer groups' specific needs. This includes customer groups who may not engage as easily via digital means and/or inbound calls.
4	Research the characteristics of customers who may be least likely to complain (yet sometimes face the greatest hardship) and use the results to predict, engage and collaborate to improve outcomes for them.
5	Prioritise community and stakeholder partnerships and corporate / staff giving programmes which are clearly linked to engaging staff with customer needs, and/or improving energy customer outcomes.
6	Demonstrate how Signatory behaviour and proactive initiatives – above and beyond compliance with energy law, rules and regulation – improve customer outcomes.
7	Work together to develop a shared framework for high-impact leverage points in the energy system, by identifying methods of collective action which deliver greater and / or more rapid improvements in customer outcomes than Signatories can achieve acting on their businesses alone.

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8	Apply the framework to high-impact leverage points which may include (1) joint advocacy for improved customer outcomes (2) tariff co-design and rollout (3) pooling of customer contact details for the purposes of improved customer experience, especially in the case of outages and operational impacts (4) better identification and support of customers facing vulnerabilities and (5) broader access to the benefits of distributed energy resources, addressing the challenges arising from the barriers to adoptions faced by many customers.
9	Initiate a broad conversation with customers and their representatives about addressing capacity to pay as a key aspect of affordability, and explore an 'affordability mindset' in energy pricing (prior to any design discussions and engagement with regulatory processes about implementation).
10	Develop a clear understanding about the characteristics of appropriate metrics for measuring progress under the Energy Charter, for each Signatory individually.
11	Collectively agree an appropriate priority group of high-quality metrics which can meet the challenge of comparability across many Signatories, and allow future benchmarking – harmonising with existing regulatory reporting where possible and appropriate.
12	Ensure the focus begins and ends with the customer or impacted community in relation to new products and services, investments, operations, and interactions – this includes first engaging to determine needs and preferences, then closing the loop back by confirming those needs and preferences have been met.
13	Ensure customer feedback and complaints are elevated to a governance and strategic level in the Signatory business, using the feedback as a key source of systemic improvements to customer outcomes.
14	Consider the suggestions provided to Signatories by the Ombudsmen to ensure customer feedback, internal and external dispute resolution processes are best practice.
15	Develop appropriate industry-wide dispute-resolution processes for enterprise customers of any size to satisfy Principle Four, acknowledging the multiple participants in the value chain and the lack of access to an Ombudsman service.
16	Consider the voice and experience of the customer at the governance and strategic level of the Signatory business – including in relation to Board expertise and senior management advocacy.
17	Ensure Signatory staff and appropriate external stakeholders are broadly involved in the development of Energy Charter Disclosures.
18	Advocate to major shareholders to ensure mandates or other directions do not conflict with or restrict adherence to the Energy Charter – and seek to ensure such mandates are published and accessible.
19	Consider the quality of incentives - weighing up the benefits of alignment with customer outcomes through KPIs and at-risk elements of remuneration, against the risks of poorly-designed incentives leading to perverse outcomes for customers.
20	Consider and seek to act upon all dimensions which contribute to the customer experience of affordability – not just the price of energy or the efficient costs of the system.
21	Develop a clear position on sustainability consistent with the cited GRI Sustainability Reporting Standards, supported by current metrics on emissions (perhaps based on NGERs) and future targets.
22	Broaden the evident focus in Disclosures on workplace health and safety to include safety and environmental impacts from Signatory assets and operations on host communities.

23	Ensure the impacts of transition on customers and communities – particularly communities which host Signatory assets which may close or change their operations – are included in actions under this Principle.
24	In addition to consulting with customers on the trade-off between reliability and cost, ensure there is also a focus on improving the customer experience when reliability events occur.
25	Ensure there is equivalent attention to the needs of enterprise customers in relation to fair outcomes.
26	Provide evidence of empowerment of customers by streamlining access to, and portability of, customers' data.
27	Work together across all parts of the energy supply chain to agree on the highest standards for managing energy debt in a manner consistent with the Energy Charter.
28	Determine and apply the best practice hardship standards to all customers, and advocate for harmonisation of regulation between jurisdictions at this level.
29	Develop strategies to optimise concession outcomes for customers, including advocacy on their behalf, consideration of shared incentives to reduce the volume of their energy usage, and systems and processes to ensure available concessions are provided to eligible customers.
30	Extend efforts on early identification, engagement and collaboration with customers at risk to a more proactive analysis and engagement, including analysis of data and outreach to those customers who may not self-identify or even contact their supplier when facing potential hardship.
31	Consider developing hardship programmes based on a mindset of supporting customers for success – both for the Signatory and the customer – in moving out of hardship.
32	Develop and partner in initiatives to structurally improve energy efficiency for customers facing vulnerabilities.

Suggested improvements from Panel on Disclosures

1. Include an introduction which clearly identifies customers and directly-impacted communities, as well as the relevant grouping of those customers for the Signatory and includes a summary of the Disclosure development and approval process.
2. Include clear and specific self-reported areas for improvement, including acknowledgement that current as well as past performance may be below the levels demanded by the Energy Charter.
3. Target shorter Disclosure length, indicatively a maximum of 20 pages in a minimum of 10-point font.
4. Only briefly summarise and refer onward to other publications (such as Annual or Sustainability Reports) if relevant.
5. Avoid repetition where a single matter may span multiple Principles or Principles in Actions. Describe appropriately once and cross-reference.
6. Link choices to disclose activities with stakeholders other than end-consumers of energy clearly to improved outcomes for end-consumers (or directly-impacted communities).
7. Avoid reference to outcomes which are related to compliance with energy law, rules or regulation.
8. Avoid detailed reference to initiatives which are very early-stage and unable to demonstrate a clear path to improved customer outcomes.

9. Ensure discussion on the affordability, safety, sustainability and reliability considers the customer experience of these attributes – which may be different from a Signatory's perceptions based on regulatory or other external or internal metrics commonly used.
 10. Provide clarity about how KPIs and incentives for staff, and staff (and other stakeholder) engagement is directly relevant to measurable improvement in relevant customer outcomes (in Principle in Action 1.3).
 11. Ensure balance across the safety of people, the community and the environment rather than drawing too heavily upon internal workplace safety examples (in Principle in Action 3.1).
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