



# The Energy Charter

## Better Practice Customer Engagement Toolkit



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Charter



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## 1. WHO IS THIS TOOLKIT FOR?

At the Energy Charter, we're committed to putting customers at the centre of the energy sector. We know that energy businesses come in lots of different shapes and sizes and have differing levels of maturity when it comes to engaging with their customers, consumers and communities.

We've put this Better Practice Customer Engagement Toolkit together to help drive robust processes to determine customer and community needs and to encourage energy businesses to be accountable on how feedback has been considered and incorporated into their decision making. This is an important commitment under the Energy Charter (principle 1.4).

We hope this Better Practice Customer Engagement Toolkit assists you whether you are a small new energy start-up, an energy company that engages regularly through a customer council or a traditional energy business with no direct engagement with end-users but assets in communities.

If you have thoughts or feedback on this Better Practice Customer Engagement Toolkit, please email us at [director@theenergycharter.com.au](mailto:director@theenergycharter.com.au).

## 2. WHY DO WE LISTEN TO CUSTOMERS?

All energy businesses are here to serve our customers and communities. Put simply, without customers (whether they are residential, small & medium business, or large commercial and industrial) we would not have a business.

To deliver our products and services in a way that meets customer and community needs and expectations, we first need to understand: what are those needs and expectations? That's why engaging with your customers, consumers and communities is critical.

It gives you the opportunity to understand:

- Who is using our products and services?
- Who might benefit from our products and services?
- Why are they using them?
- How and where they are being used?
- How can they be improved?
- Do our products and services meet future needs and expectations?
- How is a community impacted by your activities and how might there be shared value for all?

For some energy businesses, listening, gathering customer insights and responding actively to consumers is also an expectation of our regulators and funding bodies, such as ARENA.

## 3. BETTER PRACTICE ENGAGEMENT PRINCIPLES

Before you engage with customers and communities, give some thought to the values that you wish to bring to that engagement. Ideally, these should align to your corporate values and be customer centric. These values will guide your engagement and could be shared with those that you are engaging with.

The types of better practice principles include:

- **Clear purpose** - Let customers and stakeholders know whether engagement is to inform, consult, involve, collaborate or empower
- **Genuine** - Really listen and respond to the needs of customers and stakeholders
- **Clear accurate and timely communication** - provide information that is clear and accurate and with enough time to be read
- **Accessible and inclusive** - offer different ways to engage including face-to-face and online forums
- **Open and transparent** - be prepared to be questioned and respond to information customers and stakeholders are after
- **Close the loop** - record feedback, communicate what you heard and how you are responding to it.
- **Measurable** - conduct surveys to find out how well the engagement went and ways to improve.

Your engagement principles will be the same for engagements with all customers and community. Ideally, you will develop individual engagement plans in collaboration with your different groups of customers and stakeholders. This is about being genuine, open and inclusive! Some examples of better practice principles are in Appendix A.

## 4. DESIGNING AN ENGAGEMENT PROCESS

While it may be part of your day job to engage with customers and communities, it may not be theirs to engage with you. So, it's important to design a customer engagement process that is inclusive. Here's some tips below. **Remember: there's no one size fits all.**

### What's the purpose of your engagement?

- Why are you talking to customers and communities?
- What do you want to achieve?
- How are you going to put customers voice at the centre of your engagement activities?

Perhaps it's as specific as getting potential customers to test a new demand response program or electric vehicle charging station? Maybe you need to engage for the purposes of your regulatory process. Regardless, you should consider customer engagement as a unique longer-term opportunity to gain the trust of your customers and communities.

## Who do you need to talk to? Do they want to talk to you?

There are a diverse range of people that we may interact with, so it's important to narrow down who you want to talk with to align to your overall purpose. For example:

- Customers currently or prospectively using your products or services
- Specific categories of customers that you wish to understand more about
- Representative groups of customers or stakeholders such as "customer councils"
- Stakeholders or communities impacted by your operations or decisions
- Other stakeholders that may be keen to observe the way that you are genuinely engaging with customers and communities.

The COVID-19 pandemic has impacted the way that we can engage with customers and communities. So, to maximise interest and participation, it's even important to reduce any barriers to engagement. Remember that some people are great at engaging, (have the empathy, approach, listening skills) but there's always scope for engagement training (IAP2) and your staff may need to be initially supported in the field. Experience and knowing you are supported builds confidence to engage which in turn build skills and capacity to engage.

Note: given the prevalence of customer councils in the energy sector, Appendix B contains some tips on customer councils drawn from Energy Charter signatories.

## What do you want to engage about?

- What are the topics that you want to talk to customers and communities about?
- Can you frame these in a way that makes it relevant to stakeholders, so that they want to speak to you and share their thoughts and insights?

It's important that you align what you wish to engage about with the right target audience. There's no use talking to customer in vulnerable circumstances about a new energy product that they'll struggle to afford. When you commence the engagement, it is also important to be clear about what you wish to engage about and why to align expectations. However, be open to allowing customers and communities to provide feedback on what's important to them, even if it seems out of scope. This could be a valuable opportunity to gain insights.

## And now, the how and the where...

There are many ways to engage authentically with customers and communities. What's fit for purpose for you will depend on how you answered the questions above.

A useful tool is the [IAP2 Spectrum](#) which is a framework underpinned by seven core values for decision-focused, values-based public participation.

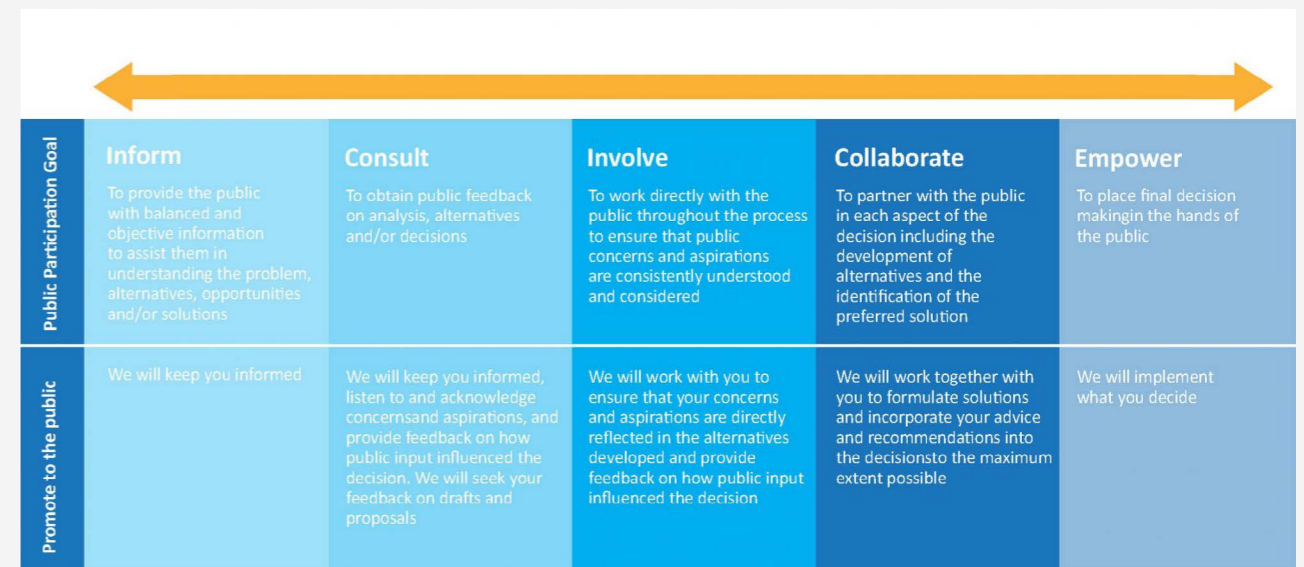


Diagram: IAP2 Spectrum

You may wish to visit the Energy Charter [Shared Learning Customer Engagement Platform](#) to see better practice case examples categorised within the IAP2 Framework – inform, consult, involve, collaborate, empower - where Energy Charter signatories are getting to know their customers and communities, how this improves participation and what the improved customer outcomes are.

## 5. INFLUENCING OUTCOMES

People engage with an expectation that they will be listened to and something may change as a result of this feedback. Therefore, closing the feedback loop to those that you have engaged with on how their feedback has influenced outcomes is important.

At the outset, ensure that you have support within your business for the engagement and a commitment to responding to it. This may be by actively involving your CEO or Board.

After the engagement activities it will be important to document how the feedback you received has been responded to. You should also reflect on the engagement activities you undertook, and with the help of those involved, focus on continuous improvement for future engagement activities.

Think about opportunities to involve customer or stakeholder in decision-making process of your business. And look for opportunities to involve people across the business in engagement activities so that they can build their skills and capacity to engage.

Does your organisation have a Reconciliation Action Plan (RAP)? If not, why not? A RAP provides a wonderful opportunity to provide a governance and accountability structure within the business, while creating opportunities for involving employees in engagement delivery, and Aboriginal and Torres Strait Islander people in the development and implementation of programs and initiatives.

## Appendix A: Better Practice Principles

Australian Energy Regulator

The Australian Energy Regulator (AER) [Consumer Engagement Guideline for Network Providers](#) refers to best practice principles as:

- Clear accurate and timely information
- Accessible and inclusive
- Transparent
- Measurable

Key elements of the engagement strategy are setting priorities, delivery, results, evaluation and review.

### Inclusive engagement principles

Capire suggests leading-practice inclusive engagement principles include:

1. We ask if it is the right time to engage
2. We give people time and information to participate
3. We provide people with multiple opportunities to participate
4. We support people to participate
5. We understand the community and target diverse groups
6. We create opportunities for community connection

## Appendix B: Customer Councils Q&A

1. **Volunteer Time** - reserving time to prepare and physically attend meetings is a challenge. Some organisations do not have a resource allocated to energy, or a representative based in the local geographical area. How do you get attendance and engagement? Do you find a difference between level of engagement in gas vs electricity? Some reps expect payment for their time. How do we keep this fair, manageable and consistent?
  - Clear terms of reference help to set expectations. These should cover composition, expectations, meeting frequency, timing of agendas and documents.
  - Expectations for the panel members can be outlined in Terms of Reference or Position Descriptions, including the need for active participation, proxies and substituting members.
  - Some organisations pay for travel expenses and/or sitting fees (depends on the nature and frequency of the engagement and type of panel member).
  - Transparency of materials such as presentations, agendas, minutes and communiques (e.g. on website – see Powerlink Customer Panel).
  - Ask “what is a worthwhile trade off?” for panel members to attend e.g. there must be a balance between what the business and the members want to talk about and topics that everyone is genuinely interested in.
  - Give opportunities for the members to share what is relevant to them (e.g. Essential Energy encourages members to present).
  - Set expectations clearly so that there is a level of “control” for members – this may be about their ability to influence business decisions or how and when the meeting is held.
  - Some committee members may sit on many customer panels. Make it easier for members by liaising with industry peers on meeting dates. I.e. In NSW Ausgrid, TransGrid, APA, Endeavour and Essential Energy check in to make sure there are no date clashes.
2. **The Customer Council** - while there is a degree of overlap and shared intent, individual organisations have distinct focus areas, and in some cases, quite different motivations and expectations for engagement. How do you deal with an Us and Them culture? How do you balance different focuses from different organisations who may have different individual goals? We all have charters, but does anyone have a clear position description for their committee members?
  - Diversity of panel members – not just the usual suspects, to ensure that new ideas and perspective are put forward.
  - Encourage the most senior folk that can make an ongoing commitment to attend regularly.
  - There may be a need for an overarching panel together with more issue or place specific reference groups or customer groups. The interaction between these can be to leverage the guidance of the Panel on how to shape the engagement with the reference group or customer groups. Insights from the reference groups or customer groups can be shared with the overarching panel.
  - Engage with the panel members out of session – build trust and relationships and see if you can really understand the issues that they are facing.



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3. **Content** – timely, inclusive and/or in-depth consultation can be a challenge in a rapidly changing environment. How do you set a compelling meeting agenda? How do you deal with the complexity of the industry and knowledge required to have a meaningful discussion? How do you ensure the info presented doesn't appear overly polished, or intended to persuade rather than invite discussion?
  - Frame your panel as a “circle of powerful friends” with Chatham House rules that allow for rich discussion about topical issues with impact.
  - Meeting agendas can focus on topics where the business may have a unique perspective and expertise and is willing to share that openly with the panel.
  - Ask members to provide topics for the agenda.
  - Show and share for discussion. At Essential Energy familiarisations can be part of the meeting experience - getting out in the field.
4. **Meetings** – making them work. How do you get the conversation going? What techniques do you use for ensuring discussion happens and all views are heard? How do you encourage processes that give independence of the chair? What processes work for agile decision making?
  - Ensure that the panel session is run with a series of activities – e.g. presentation to begin (shared ahead of time) and pose the key questions (shared ahead of time), then break out paper based activities that give everyone one the opportunity to contribute. This also allows for artefacts to be created.
  - Independent chairs can work well however not always necessary if there is somebody in the business that can hold the space for participation – particularly CEOs can play a really great role here.
  - An Independent chair may hold the business more to account!
  - Survey panel members afterwards to test how it went and where are the areas for continuous improvement.
5. **Closing the loop** - how do we demonstrate how the input provided at meetings has been considered? What engagement should occur between meetings?
  - Always provide detail after the meeting about what was heard, how feedback has been considered and if that feedback impacted activities and plans.
  - Essential Energy uses an online communication hub to share information and generate discussion between meetings. It is also a ‘one stop shop’ for all communications including meeting presentations, consultation documents, project updates, survey questions etc.
  - Is there an opportunity to feed into member engagement and communication channels?