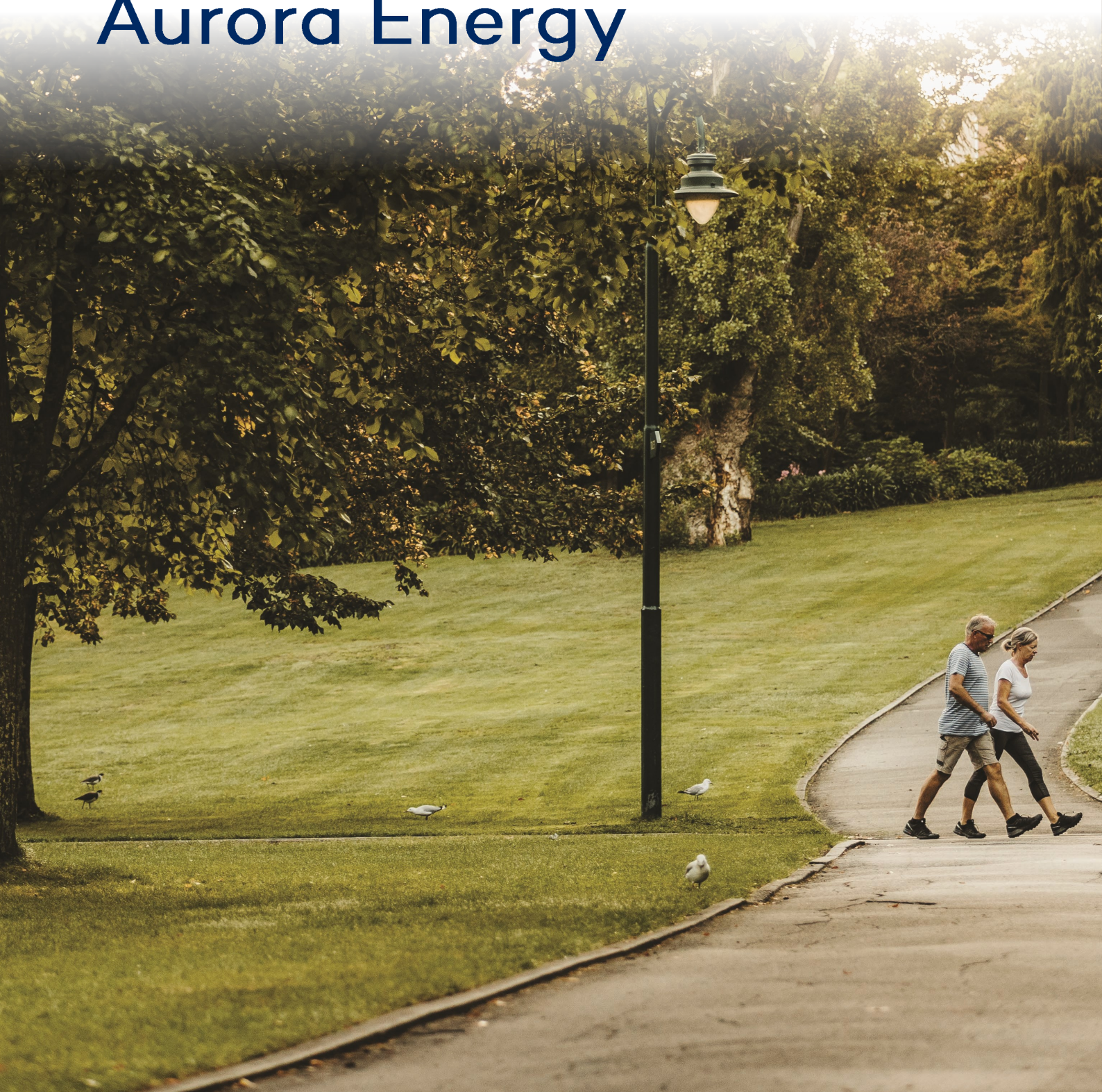




The Energy  
Charter  
SIGNATORY



# 2022 Energy Charter Feedback Summary Aurora Energy





# Introduction



Aurora Energy has been a strong supporter of the Energy Charter since its inception and is proud to be a founding signatory.

Aurora Energy's annual disclosure against the Energy Charter principles was released publicly in October 2022 and describes the customer outcomes that have been demonstrated by the business against the five Energy Charter Principles as at 30 June 2022, and identifies areas of continuous improvement for the coming 12 months.

This year saw the annual disclosure process move to a de-centralised accountability model whereby customer advocates and community groups engaged closer than ever in the assessment and development of Aurora Energy's Charter performance and reporting.

A key element of the decentralised accountability model is this 2022 Energy Charter Feedback Summary (Feedback Summary) that captures the range of comments, interactions and inputs received by Aurora Energy as it prepared and delivered its 2022 Disclosure Statement.

Notably, the decentralised accountability model is an outcome of the Strategic Review of the Energy Charter functions which has also recommended a focus on Better Together (#BT) initiatives as a key mechanism for delivering collaborative customer outcomes.

Aurora Energy is highly supportive of the #BT model and is committed to working alongside other signatories in the development of a Cost of Living Priority #BT under which we expect to participate in a number of actions designed to prevent instances of bill payment difficulty and provide support and relief against those ongoing challenges.

This collaborative approach was further embedded with a joint forum with TasNetworks on 13 October 2022 that focussed on developing collaborative ideas to address the cost of living pressures facing Tasmanian consumers. Aurora Energy commends TasNetworks for working with us in delivering the forum and the planning currently underway to help support Tasmanians experiencing affordability issues and/or participation in the ongoing transition of the Australian energy system.

This Feedback Summary represents the closing point for Aurora Energy's Energy Charter accountability steps for 2022 and we look forward to our continual engagement with the Energy Charter in 2023.

## Approach to Feedback

Under this first year of the decentralised accountability model, Aurora Energy convened a 'Dedicated Energy Charter Feedback Group' (Feedback Group) comprised of key Tasmanian customer and community organisations including:



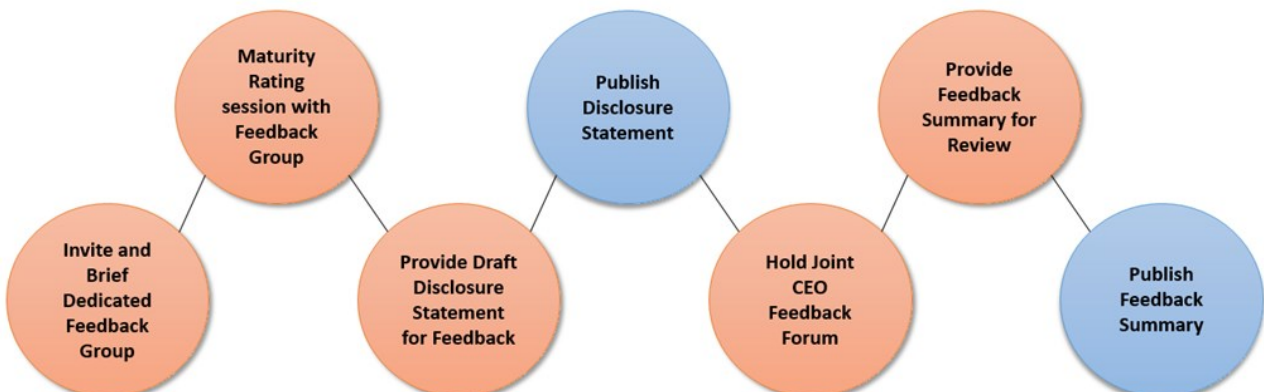
We thank this group for their involvement and feedback throughout the preparation of our 2022 Disclosure Statement and this Feedback Summary.

Aurora Energy notes that it has committed to further expand its 2022 Disclosure Statement engagement model with the establishment of a customer council comprising representatives from the Aurora Energy customer base as opposed to organisational stakeholders. Aurora Energy expects that for the 2023 Disclosure Statement it will operate a blended model of customer and customer advocate feedback.

Regarding process, Aurora Energy followed the guidance provided by the Energy Charter secretariat whilst ensuring it provided ample time and opportunity for its Feedback Group to engage.

This Feedback Summary has been circulated and endorsed by the members of the Feedback Group. When providing this endorsement, advocates recognised the need to summarise diverse feedback into an accessible document although, further detail on what was communicated throughout the entire process would be ideal.

The following process was followed across the period June to November 2022:



## Disclosure Statement Feedback

Aurora Energy has sought and received feedback throughout the preparation of its 2022 Disclosure Statement with this instrumental in shaping not only our maturity ratings and disclosure reporting but other actions not directly captured through our Energy Charter involvement.

Notably, the 2022 Disclosure Statement provides seventeen aspirations for continuous improvement that Aurora Energy will actively address in 2022-23 period.

The following is a summary of feedback provided by our Feedback Group across email and in person at the various engagement points including the recent Joint CEO Forum with TasNetworks.

### General and Performance Reporting

Broadly, advocates were supportive of the work to date by Aurora Energy across most of the Principles and this has been reflected in the agreement of Aurora Energy maturity ratings. Additional funding provided by Aurora Energy to the Salvation Army and the NILS Energy Saver loan scheme as well as work to remove the aurora+ product service fee were noted as key outcomes that delivered practical and beneficial support to customers.

However, across input from advocates, there was a clear desire to reinforce the impacts of decreased affordability and vulnerability in the 2022 Disclosure Statement. Aurora Energy's highlight sections were noted as positive explanations of key actions taken to support customers although input from advocates to reinforce the drivers of price increases was included in the final draft.

Regarding performance data, advocates sought more definition to explain what the measures were attempting to convey. Additional commentary was provided alongside new statistics on 'commitment to customer obsessed' and 'metering rollout volumes'. Aurora Energy notes that a request for comparisons to national averages has proved challenging as not all KPIs have public data points for ease of comparison.

### Maturity Ratings

At its initial meeting with our Feedback Group, Aurora Energy's 2022 maturity assessments were endorsed by the group, five unanimously and one in the majority (Principle 1). Feedback from advocates aligned with Aurora Energy's that some Principles are more difficult to address than others, based on the core nature of retailer operations. Aurora Energy subsequently communicated to advocates that it has set future goals for Principle 1 (Placing customers at the centre of everything) and Principle 3 (Providing energy safely, sustainably and reliably) at 'Evolved' rather than 'Empowered'.



## Principle 1 – Placing customers at the centre of everything

Advocates suggested that Aurora Energy needs to continue to be mindful of its varied messaging within the different client demographics it serves noting that specific strategies to target education and engagement to these distinct groups is key. Aurora Energy will address this targeted communication approach in its Customer Experience Strategy and outcomes over the remainder of the 2022-23 reporting period and beyond.

Advocates sought out examples of Aurora Energy's reporting on customer voices to its Board and at Aurora Energy's 26 September 2022 Community Consultation Forum, details of customer voice data provision to the Board was provided alongside further information on the work of the Aurora Energy Customer Strategy and Experience Team.

Regarding the development of Aurora Energy's new billing system, advocates sought a better understanding of the value to customers from the new Aurora Energy billing system. Aurora Energy will provide this in the first half of 2023 as it finalises implementation of its new Retail Energy Platform.

## Principle 2 – We will improve affordability for energy customers

Strong feedback from advocates was the cost of living pressures facing Tasmanian customers were only set to grow over the coming year. Whilst advocates understand that Aurora Energy is not one of the major components or drivers of electricity prices, the 1 July 2022 price increase of 11.88 per cent, although outside the reporting period, was too much for many customers, in particular customers already struggling to pay their bills.

Advocates also suggested that the highest maturity rating of 'Exceeding' will only be achieved when Aurora Energy initiates a Price Determination process that sets out a three year plan for decreasing costs for the Aurora Energy component of retail prices. Advocates highlighted that affordability is about more than prices noting suitable infrastructure (e.g. insulation and heat pumps) and customer energy literacy can both have more impact on energy costs than relatively minor changes to tariffs. Advocates would like to see more clearly defined Aurora Energy initiatives in this space.

Aurora Energy recognises the importance of affordable energy and noted it will continue to support customers through a range of measures including its right plan calculator and products such as aurora+, for which there is a commitment in the 2022 Disclosure Statement to see 130,000 customers take up aurora+ by 2024-25.

Small businesses are also impacted by cost of living challenges and advocates sought out greater knowledge and data on these impacts for small business customers noting not all small businesses fit neatly into the National Electricity Market definition of a small business customer. Aurora Energy takes this feedback on board and notes that in early 2023 it will be opening up the functionality of its aurora+ product to a greater range of small business customers and this will provide an enhanced level of energy consumption and impacts.

### **Principle 3 – Providing energy safely, sustainably and reliably**

Reporting against Principle 3 has historically proven challenging for Aurora Energy noting our lack of physical presence makes it difficult to report on energy safety and reliability. So too the Feedback Group found it hard to pass comment on Principle 3 as the most significant safety issues occur in the generation, transmission and distribution sectors.

### **Principle 4 – We will improve the customer experience**

Advocates also suggested that Aurora Energy should continue to prioritise improvements to customer service and engagement and by providing information that is accessible and meaningful. Our Customer Strategy Experience Team has outlined its strategy and roadmap and this will guide improvements through a range of actions including provision of aurora+ to a wider range of customers with the removal of the Product Service Fee alongside embedding an organisation wide principle that Customer Experience has to be core to our approach to engaging with our customers.

Advocates highlighted that both energy and digital literacy is a big barrier for customers in managing their energy bills. Digital literacy is a particular challenge for the uptake of products like aurora+. Collaboration with external services was suggested as the response to mitigate these outcomes. Aurora Energy has committed to working with community agencies to elevate not only digital literacy but the broader understanding of energy bills amongst disadvantaged groups. Aurora Energy notes delivering a Voices for Power ‘Train the Trainer’ model under the recently developed Cost of Living Priority BT will assist in this endeavour.

### **Principle 5 – We will support customers facing vulnerable circumstances**

The definition of vulnerability was raised as a key point for consideration as was how customers are addressed when facing bill payment difficulties, i.e. how customer centric language is used. In response, Aurora Energy committed to conduct a review of the Your Energy Support Program with a focus on reviewing criteria for entry as well as amending the Policy to included customer centric language. This Review has commenced with a revised YES Policy set to be provided to the Australian Energy Regulator for approval by December 2022.



## Collaborative focus on cost of living

On 13 October 2022, Aurora Energy and TasNetworks CEOs hosted a joint Feedback Forum focused on how both businesses can better support vulnerable customers, ease cost of living challenges and ensure that no one is left behind through the renewable energy transition. Attendees from the Energy Charter engagement groups for both businesses helped produce ideas for further investigation and collaboration including (but not limited to):

- The power of data and modern tools that can help with outage and usage communication needs.
- Targeting energy efficiency gains to assist customers in lowering their energy costs.
- Sharing of distributed energy resource benefits through community solar and/or battery systems.

Members of Aurora Energy's Feedback Group were supportive of the collaborative approach noting many of the issues overlap across Aurora and TasNetworks and a combined discussion allowed those issues to be addressed more collaboratively and potentially avoid duplication through two separate engagement processes.

Aurora Energy will work with TasNetworks on the broader ideas canvassed at the joint CEO Forum and engage with stakeholders and community representatives on next steps in early 2023.

Importantly, collaboration between the two businesses is already underway on the Priority BT, 'Knock to Stay Connected'. Both businesses are actively developing processes and tools for operational teams to deliver the program with a commencement date of early 2023. Advocates stressed the need for the two businesses to work together with pending changes to network tariffs from 1 July 2024 a notable point for further examination.

Tasmania's only two signatories to the Energy Charter will continue their commitment to prioritising customer outcomes in the best interests of our community by working with the Energy Charter on the new Priority Cost of Living BT that is currently under development. Both businesses have committed to delivering a 'Voices for Power' initiative to deliver a 'train-the-trainer' model across Tasmanian communities that require assistance in growing their understanding of their energy use, safety and costs.