

The Energy
Charter
**INDEPENDENT
ACCOUNTABILITY
PANEL**

Seeking Feedback on 2019 Disclosures

October 2019 – Brisbane, Sydney, Melbourne and Online



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Purpose of Today

Seeking high-quality stakeholder feedback on the Disclosures

The Energy Charter Independent Accountability Panel (the “Panel”) will report on the 2019 Disclosures at the end of November

Stakeholder feedback is sought, to assist us in critiquing the Disclosures. This forum provides an opportunity to:

1. Learn about the Charter;
2. Provide us with some direct feedback; and
3. Consider how best to contribute your feedback to the Panel via a formal submission.

We want to know:

To what extent do the Disclosures represent your experience in the first half of 2019?

**Key resource – the Panel’s [Issues Paper and Call for Submissions](https://theenergycharterpanel.com.au/panel-reports/) available at:
<https://theenergycharterpanel.com.au/panel-reports/>**

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The Energy Charter

Industry-wide principles which place the customer at the centre

The Energy Charter was launched in January 2019.

18 founder-signatories have volunteered to join the charter, which commits them to five principles:

1. We will put **customers at the centre** of our business and the energy system
2. We will improve energy **affordability** for customers
3. We will provide energy **safely, sustainably and reliably**
4. We will improve the **customer experience**
5. We will support customers facing **vulnerable** circumstances

Each Principle is to be fulfilled via 24 more detailed “Principles in Action”.

Key resource – the [Energy Charter](https://www.theenergycharter.com.au/publications/) available at:
<https://www.theenergycharter.com.au/publications/>

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Signatories

A diverse group of energy sector businesses

Signatories represent **an excellent cross-section of energy-sector businesses:**

- Active in all regions of the National Electricity Market
- Government-owned, privately-owned and hybrid ownership; listed and unlisted
- A spectrum from fully-regulated to fully-deregulated business models
- Monopoly businesses to small new-entrants
- Vertically integrated or specialists in one part of the value chain
- Gas and electricity
- Generation, transmission, distribution, retailing and service activities

More info – the **Energy Charter Signatories** available at:
<https://www.theenergycharter.com.au/signatories/>



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Disclosures

Public statements supporting Signatories commitment and progress

Disclosures are typically 20-30 pages – there was no strict common format, but typically we find:

- Introductory material indicating the Signatory's commitment, support and process – usually CEO and/or Board endorsement
- Detailed disclosure about how the Signatory assesses itself against each Principle / Principle in Action
- Identified areas for improvement

The challenge for all of us – the Panel, stakeholders here today, and the Signatories – is to assess these Disclosures, and form a view about where the industry is placed overall, and where the opportunities for improvement and examples of best practice lie.

**Key resource – the [Energy Charter 2019 Disclosures](https://theenergycharterpanel.com.au/industry-disclosures/) available at:
<https://theenergycharterpanel.com.au/industry-disclosures/>**

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The Energy Charter Independent Accountability Panel

Representing stakeholders in assessing commitment and progress

The four-member panel is tasked with **reviewing the Disclosures against the Principles**



Wendy Craik AM
Panel Chair



Andrew Richards
(EUAA)
C&I Customer
Representative



Cassandra Goldie
(ACOSS)
Small Consumer
Representative



Phil Weickhardt
(ex-MD, Orica)
Industry
Representative

More info – the [Energy Charter Independent Accountability Panel](https://theenergycharterpanel.com.au/about-us/) available at:
<https://theenergycharterpanel.com.au/about-us/>

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Our Report – Early Themes

What is the Panel’s first response on reading inaugural Disclosures?

- We are interested in **evidence of commitment** throughout the organisation to the process, including external “consumer council” input and validation, and linkage of KPIs / remuneration to Principles.
- We encouraged open “warts and all” Disclosures – have we seen a **realistic view of the current state?** Is it supported by examples and (ideally) some “case study” examples which reveal the customer’s voice?
- The current state is perhaps less important than the outlook for improvement – do the Disclosures show a **credible plan and associated resource commitments to drive improvement** against areas of weakness?
- Pinpointing position and direction will be challenging – we look for **metrics** (evaluation criteria) which are:
 - **Measurable** – rather than just conceptual or directional
 - Supported by some history to **illustrate a trend**
 - Involving a **specific target**
 - Backed by some **allocation of resources**
- Will Signatories be able to work together and coalesce around metrics which are reasonably consistent (at least within common areas of the value chain) to allow **comparability** between Signatories (and potentially non-Signatories) and over time?
- How should Signatories distinguish between **measures which have been dictated to them externally** (e.g. the VDO/DMO, AER regulated revenues) and **measures which have been taken freely?**

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Guiding Questions for Submissions

How can your submissions help us with our perspective?

In the Issues Paper, the Panel suggested **five questions we believe can help our assessment**:

1	What are specific examples of practices or behaviour by Australian energy businesses which are contrary to the Energy Charter Principles and Principles in Action , which should be discouraged?
2	What are specific examples of practices or behaviour by Australian energy businesses which are consistent with the Energy Charter Principles and Principles in Action , which should be more widely encouraged?
3	What emerging or innovative technology, systems, practices or processes exist to help energy businesses move closer toward the Principles of the Energy Charter?
4	Are there examples of analogous customer-centric behaviours, processes or metrics in other Australian industries, or internationally , which might be adopted by Australian energy businesses to better meet the Energy Charter Principles?
5	For particular Principles in Action, what metrics might be most appropriate to assess and measure progress over time – and why?

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The Good, the Bad & the Unacceptable

Submission criteria

Submissions are encouraged – but must be **focused on the role of the Panel** to assess the Disclosures:

- Ideally, please consider and use the **guiding questions** to structure your input.
- Refer to specifics:
 - Identify clearly the **relevant Principles / Principles in Action** and / or the **relevant Disclosures**.
 - **Reinforce, rebut or provide alternative points of view** to the Disclosures
- **Input related to non-Signatories may be relevant** – but the Submission should seek to compare against Signatory behavior and / or Disclosures. Non-Signatories may offer better or worse examples of conduct.
- Remember the **assessment period of January – June 2019**. Disclosures refer to the “here and now”. Submissions which refer to the past will not be relevant to the Panel.
- Help us to understand the human perspective as an energy consumer – this can be powerfully communicated via specific **case studies and stories about your experiences**.

Unacceptable as submissions:

- **Individual, current complaints** about your energy services. Refer to Issues Paper for where to seek assistance.
- **Out-of-scope material** – for example directed at broader issues of energy or climate policy. Submissions will only be considered if they are clearly directed at the Energy Charter.

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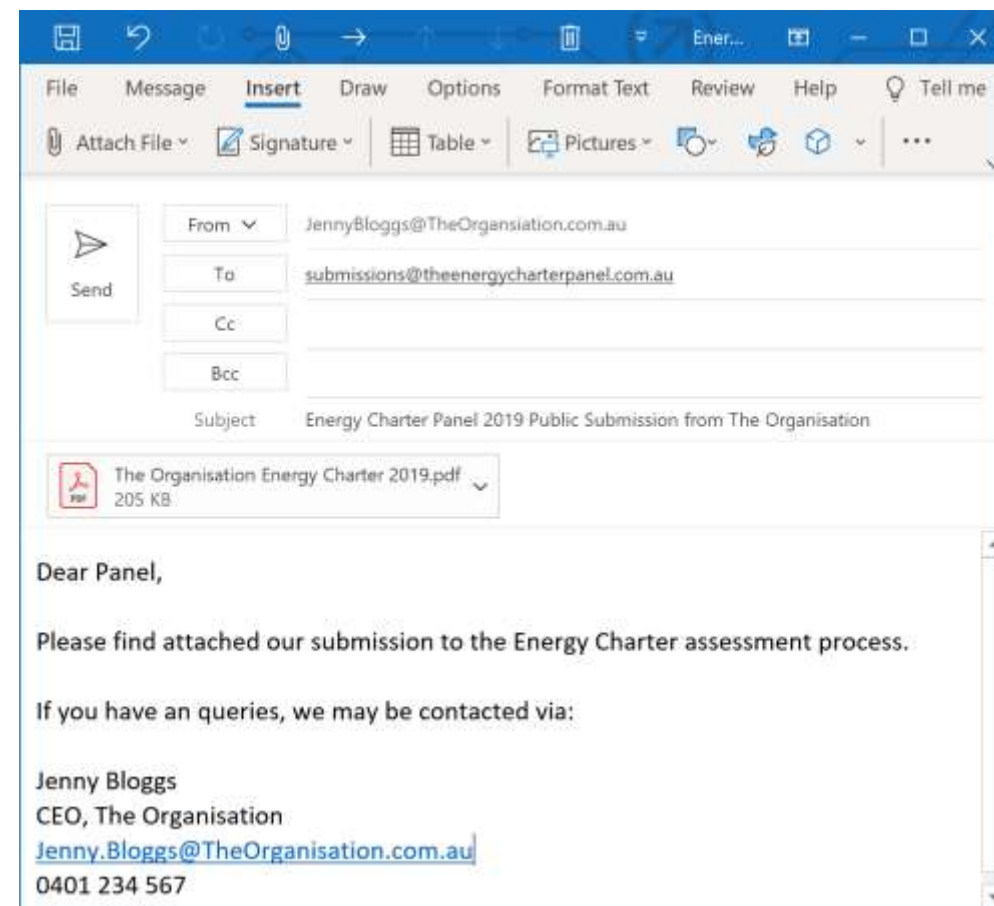
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Submission Logistics

How to contribute

- Deadline:** 5pm Sydney time, Friday 25th October 2019
- Submission:** via email to:
submissions@theenergycharterpanel.com.au
- Format:** pdf document
- Document Title:** [name] Energy Charter 2019.pdf
- Email title:** Energy Charter Panel 2019 Public Submission from [name]
- Confidentiality:** The Panel cannot accept confidential submissions – this is an open process
- Contact details:** Name of submitter and a means of contact must be included



Thank You for attending

We look forward to your feedback

