



# ATTACHMENT 04.100 VOICE OF CUSTOMER: STAKEHOLDER INSIGHTS REPORT

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ATCO 2020-24 REVISED PLAN

EIM # 98984542

PUBLIC

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**ATCO**

The ATCO logo is displayed in white, bold, sans-serif font. A thick orange horizontal line is positioned directly beneath the letters 'T' and 'C'.

**ATCO**

# VOICE OF CUSTOMER

Insights that matter to ATCO and its team

9 May 2019

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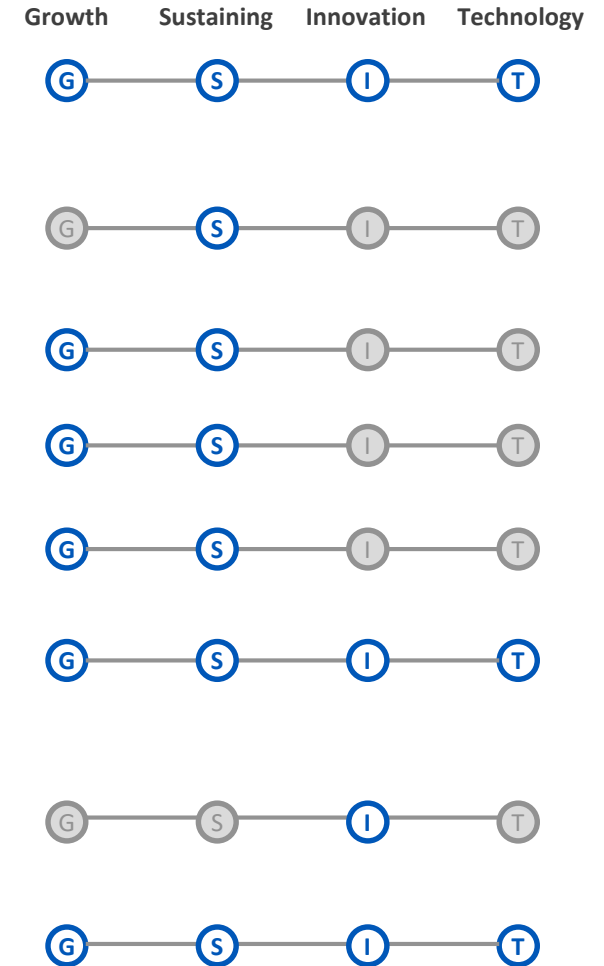
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# High Level Insights

Eight high level insights were uncovered during the Engage Phase that impact ATCO's 2020-2024 Plan.

- 1 Residential Customers supported the proposed cost increases**  
Providing they understood the trade offs or potential impacts, residential customers were supportive of the proposed prices for impacts or service
- 2 Residential Customers had a preference for reliability**  
The group discussed potential scenarios around disruption to supply and the impact it would have on their personal lives, local businesses, including the cost of alternatives and switching costs.
- 3 Opportunity for Choice**  
Both customer segments preferred expansion and energy options, for greener and cheaper gas over electricity.
- 4 Residential Customers regarded gas as an essential service**  
Segment expected gas to be available in new developments.
- 5 Most customers preferred a lower cost energy source**  
Recognising that gas was a lower cost alternative than Electricity or LPG and more environmentally friendly
- 6 Innovation is Critical**  
Both customer segments supported innovation, including the research into clean energy options and saw potential benefits of smart meters. They also saw innovation as a path to creating the workforce of the future and job creation.
- 7 Preference to Go Green**  
Customers supported the Clean Energy Innovation Hub and wanted environmentally friendly energy options and expected organisations like ATCO to invest in R&D.
- 8 Is Our Feedback Being Taken Seriously by ERA**  
Both segments were interested in the feedback and decision making process.









# Engagement Approach

The focus of this engagement was to provide a progress update to the Residential and Small/Medium Enterprise customers and capture any additional feedback.

## Voice of Customer Workshops

Progress Update | Thursday, 9 May 2019

Customers		Stakeholders			
 <b>Residential</b> 1 workshop 12 participants	 <b>Small/Medium Enterprise</b> 1 workshop 10 participants	 <i>Commercial/Industrial</i> <i>Not part of this document</i>	 <i>Builders and Developers</i> <i>Not part of this document</i>	 <i>Peak/Industry Bodies</i> <i>Not part of this document</i>	 <i>Retailers</i> <i>Not part of this document</i>

# Initiatives Focus


The Voice of Customer engagement focused on the four initiative areas.

The images below provides a snapshot of the updates presented in the Voice of Customer workshops and customer responses are captured in the following slides.

## Growth

**G** GROWTH  
Network Expansion and Infill

90% Customer Support



**What we said we will do:**

- New gas infrastructure in new developments
- Connecting new customers to the network
- Supporting growth in WA

**Progress to date:**

- Current indicative support for 10% of program

**Where to from here:**

- Demonstrate importance of program to support WA growth and connection for customers

## Innovation

**I** INNOVATION  
Clean Energy Innovation hub



**What we said we will do:**

- ATCO's R&D project for hybrid energy solutions
- Integrated natural gas, solar, battery and hydrogen power
- Solutions for our customers that lower emissions and costs
- Safe, reliable and affordable energy options for our customers
- Maintaining the highest standards of safety
- Developing the workforce of the future

**Progress to date:**

- Opportunity to shift thinking to longer term benefits
- Provide further details and analysis on CEIH


**Where to from here:**

- Further discussions to demonstrate innovation value

## Technology / IT Projects

**T** I.T. PROJECTS  
I.T. Portfolio

93% Customer Support



**What we said we will do:**

- Streamlined Customer Experience
- Customer Care and Billing
- Digital Portals and CRM
- Asset Management and Service Delivery Enhancements
- Predictive Maintenance
- Inventory Management

**Progress to date:**

- 74% of I.T. Program approved


**Where to from here:**

- I.T. enables efficient & effective operations & ultimately customer service
- Provide further information of benefit of the I.T. program

## Sustaining

**S** SUSTAINING  
Continuity of Supply

94% Customer Support



**What we said we will do:**

- Set out to reinforce network
- Backup lines – interconnection
- Reduce risk of loss of supply
- Reduce the time it takes to bring gas back online

**Progress to date:**


- Determination has not been decided on risk assessment approach

**Where to from here:**

- Working through further analysis and research
- Provide further information on determination of customers affected and impact

SUSTAINING  
Mains Replacement Program

100% Customer Support



**What we said we will do:**

- Replace 305 km of our pipes with PE (Polyethylene)

**Progress to date:**

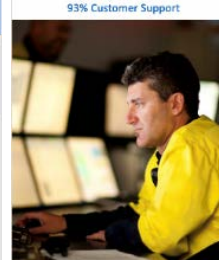
- Approved 277 km
- Further analysis required for the remaining 28 km

**Where to from here:**

- Further information to be provided on efficiencies of the additional mains replacement
- Further consultation with local shires and councils for minimising disruption

SUSTAINING  
Network Monitoring Program

93% Customer Support



**What we said we will do:**

- Introduce automation of network to operate more effectively
- Enable remote meter reading in harder to access locations
- Enhance data acquisition
- Collect data automatically (pressure and quality)
- Implement remote monitoring and control software
- Enable consistent monitoring and improvement of gas quality

**Progress to date:**

- Network monitoring – not full program as planned

**Where to from here:**

- Further discussion and evidence required to clarify benefits to customers

## Key insights

- **Residential customers supported the proposed cost increases.** Once they understood the trade offs and potential impacts, residential customers were supportive of the proposed prices for impacts or service.
- **Opportunity for Choice.** Both customer segments preferred expansion and energy options, to ensure that they could choose their greener and cheaper gas option over electricity.
- **Residential customers regarded gas as an essential service.** Customers expected gas to be available in new developments.
- **Most customers preferred a lower cost energy source.** They recognised that gas was a lower cost alternative than electricity or LPG and more environmentally friendly.
- **Innovation is critical.** Both customer segments supported innovation, including the research into clean energy options and saw potential benefits of smart meters. They also saw innovation as a path to creating the workforce of the future and job creation.
- **Is our feedback being taken seriously by ERA.** Both segments were interested in the feedback and decision making process.

## Topics Detailed findings

## Key quotes

Topics	Detailed findings	Key quotes
Network Expansion	<b>RESIDENTIAL / SME</b> <ul style="list-style-type: none"> <li>• Both segments overwhelmingly preferred network expansion and energy options over cost reduction.</li> </ul>	<b>RESIDENTIAL</b> <p><i>"Don't understand why they aren't doing this, much safer than bottles – I don't see why they see why bottles are an acceptable answer"</i></p> <p><i>"We've got the technology there – why aren't we using it??"</i></p> <p><i>"Why is this not a standard service that we have access to?"</i></p> <p><i>"It will lower the property value and a lot of people won't rent it"</i></p> <p><i>"It's just stupid" "is not just common sense to put it through?"</i></p> <p><i>"Can't beat a gas heater"</i></p> <p><i>"Who made the decision that natural gas is not an essential service?"</i></p>
	<b>RESIDENTIAL</b> <ul style="list-style-type: none"> <li>• Preferred connections for new developments / subdivisions over cost reduction</li> <li>• Preferred expansion to provide energy options over cost reduction</li> <li>• Customers supported growth in WA</li> <li>• Agreed "It's better and safer to put gas connections in first" when developing land</li> <li>• Supported a price increase to have gas availability in all suburbs</li> </ul>	<b>SME</b> <p><i>"Electricity is expensive, I find it expensive. It's a rip off"</i></p> <p><i>"I can't fathom not having gas as choice, even in my home. I mean around my home everything I can run gas, I will"</i></p> <p><i>"It's better for the environment, and it's better for my wallet"</i></p> <p><i>"I'm thinking it would be a lot cheaper to put it in first. Than once the houses are in"</i></p> <p><i>"Yeah, I would at least want the option"</i></p> <p><i>"Being a small business shouldn't we have more green options such as gas over electricity?"</i></p> <p><i>"I've come from the UK and I can't believe that you can't have the choice"</i></p>
	<b>SME</b> <ul style="list-style-type: none"> <li>• Unanimously agreed that Gas was greener and cheaper, and they would want the choice of gas at a new property</li> <li>• Majority agreed that energy options affected the viability of business and would weigh on their decision-making process to expand their business if gas were not available.</li> </ul>	

## Key insights

- **Residential customers supported the proposed cost increases.** Once they understood the trade offs and potential impacts, residential customers were supportive of the proposed prices for impacts or service.
- **Residential customers had a preference for reliability.** The group discussed potential scenarios around disruption to supply and the impact it would have on their personal lives, local businesses, including the cost of alternatives and switching costs.
- **Opportunity for Choice.** Both customer segments preferred expansion and energy options, to ensure that they could choose their greener and cheaper gas option over electricity.
- **Residential customers regarded gas as an essential service.** Customers expected gas to be available in new developments.
- **Most customers preferred a lower cost energy source.** They recognised that gas was a lower cost alternative than electricity or LPG and more environmentally friendly.
- **Innovation is critical.** Both customer segments supported innovation, including the research into clean energy options and saw potential benefits of smart meters. They also saw innovation as a path to creating the workforce of the future and job creation.
- **Is our feedback being taken seriously by ERA.** Both segments were interested in the feedback and decision making process.

Topics	Detailed findings	Key quotes
Continuity of Supply	<p><b>RESIDENTIAL / SME</b></p> <ul style="list-style-type: none"> <li>• Preferred reliability over proposed cost increases</li> </ul> <p><b>RESIDENTIAL</b></p> <ul style="list-style-type: none"> <li>• Preferred replacement of old piping over the cost reduction</li> <li>• Supported the need for proactive maintenance</li> <li>• Preferred long term security of supply over loss of gas</li> <li>• Unanimously supported the Networks Maintenance program</li> </ul> <p><b>SME</b></p> <ul style="list-style-type: none"> <li>• Majority supported the Continuity of Supply Program recognising the impacts to people, families and businesses from loss of gas</li> </ul>	<p><b>RESIDENTIAL</b></p> <p><i>"If you don't have gas, the only alternative you have is electricity. Electricity is very expensive to produce. It's highly polluting. The government seems to be going down the path, that you'll use electricity."</i></p> <p><i>"I just think this is a no brainer, why wouldn't you give gas to every householder who wants it. When the alternative is electricity is a real bad scene. It's dangerous."</i></p> <p><i>"I just think, Water, Electricity and Gas should be the three essential services offered to every household."</i></p> <p><i>"The other thing is, if you have a big outage, you don't have the staff on standby to fix it up do you?. If you put in the preventative measures, you don't need to, it's going to be quicker and easier to rectify."</i></p> <p><b>SME</b></p> <p><i>"If the gas does go down.... people won't put on electric heaters, cause they can't pay those bills"</i></p> <p><i>"It becomes a health risk. Yeah it's not a 3rd world country and we shouldn't have to live like that."</i></p> <p><i>"I just find it bizarre, that you know they don't think you need a back up for that. Cause if we're talking about the economy. You (the regulator) are wiping out small businesses if that whole line went down."</i></p> <p><i>"Isn't that the same as life insurance. You hope you never use it. You've got it just in case."</i></p> <p><i>"Our social systems will never support the stress that will be put on people, when it comes to an increase in peoples expenses. I think that it's not acceptable "</i></p>



# Key Insights | Sustaining continued

Topics	Detailed findings	Key quotes
Mains Replacement	<p><b>ESIDENTIAL / SME</b></p> <ul style="list-style-type: none"> <li>• Preference for reliability over proposed cost increases</li> <li>• Unanimously supported the mains replacement program</li> </ul> <p><b>RESIDENTIAL</b></p> <ul style="list-style-type: none"> <li>• Preferred the replacement of old piping over cost reduction</li> <li>• Supported the need for proactive maintenance over cost reduction</li> <li>• Preference for less street disruption over cost reduction</li> </ul>	<p><b>RESIDENTIAL</b></p> <p><i>"If you know it is going to be replaced, why not just do the rest?"</i></p> <p><i>"We've taken our time to give feedback and I feel that they (regulator) are disregarding this"</i></p> <p><b>SME</b></p> <p><i>"I think the big issue and disruptions with the city. I think minimising disruption is a really big deal."</i></p>
Network Monitoring	<p><b>RESIDENTIAL / SME</b></p> <ul style="list-style-type: none"> <li>• Supported network monitoring over the proposed cost increase</li> </ul> <p><b>RESIDENTIAL</b></p> <ul style="list-style-type: none"> <li>• Supported the smart meters project, believing benefits would be delivered over the long term.</li> </ul> <p><b>SME</b></p> <ul style="list-style-type: none"> <li>• Believed that network monitoring was already in use in other parts of the world.</li> <li>• Majority supported the network monitoring program</li> <li>• Believed the use of Data was beneficial</li> </ul>	<p><b>RESIDENTIAL</b></p> <p><i>"The government want to go back to the dark ages. The don't see the benefit in it. Or the regulator for that matter"</i></p> <p><i>"Smart readers, I love this idea"</i></p> <p><i>"The cost of the smart meter is expensive to start with but then the benefits in the long run will be there"</i></p> <p><i>"For a five year plan for infrastructure is very limited, it's ok for a career but not for something that continues to evolve – this will service for 50 years and I thought that this is what they should be looking at. Need to understand that the benefits go beyond"</i></p> <p><b>SME</b></p> <p><i>"Well I see it from a disruption point of view it would help, if you have that information but also if you want to operate more efficiently, save money, save energy, we need the data. I'm a big one for data and I think it's a no brainer."</i></p> <p><i>"I think you need intelligence, innovation"</i></p> <p><i>"We're moving into a digital era. This is going to be inevitable anyway. Very surprised Australia isn't signing into this"</i></p> <p><i>"If you look at best practice around the world, at the US and the UK, they're already implementing this technology. I'm very surprised that Australia or WA is not onboard."</i></p> <p><i>"I think the smart meters are a great idea."</i></p> <p><i>"There is smart automation in your home now anyway." "You can turn on your heater with your phone" "So I am sure you could probably integrate that technology with something like this as well eventually" "People like that and are on-board with the type of thing."</i></p> <p><i>"I would have thought that the regulator would be delighted that you are monitoring, because, it reduce the risk of disruption of the supply... and therefore, they would have to spend less on the tangible things, or making a replacement."</i></p> <p><i>"If they were thinking purely of saving dollars, this would be a darn good investment."</i></p>

## Key insights

- **Residential customers supported the proposed cost increases.** Once they understood the trade offs and potential impacts, residential customers were supportive of the proposed prices for impacts or service.
- **Preference to “go green”.** Customers supported the Clean Energy Innovation Hub and wanted environmentally friendly energy options and expected organisations like ATCO to invest in R&D.
- **Innovation is critical.** Both customer segments supported innovation, including the research into clean energy options and saw potential benefits of smart meters. They also saw innovation as a path to creating the workforce of the future and job creation.
- **Is our feedback being taken seriously by ERA.** Both segments were interested in the feedback and decision making process.

## Topics Detailed findings

## Key quotes

Topics	Detailed findings	Key quotes
The Energy & Innovation Hub	<b>RESIDENTIAL / SME</b> <ul style="list-style-type: none"> <li>• Customer supported Innovation over proposed cost increases</li> </ul>	<b>RESIDENTIAL</b> <p><i>“We have got to learn how to be innovative and we need to start now”</i></p> <p><i>“We would love to see this continue (the hub)”</i></p> <p><i>“How else are are you going to improve or grow, if there is no ongoing research and development?”</i></p> <p><i>“Innovation has to happen at some point. It doesn’t happen overnight”</i></p> <p><i>“How else are you going to improve or grow? If there is no research about the future?”</i></p> <p><i>“It’s exciting... working with my daughter this week on power... we need to do it”</i></p>
	<b>RESIDENTIAL</b> <ul style="list-style-type: none"> <li>• Unanimously agreed we would love to see it continue (Clean Energy Innovation Hub)</li> <li>• Some customers believed the benefits of Innovation would be delivered in the long term and there was a need to pursue research now</li> </ul>	<b>SME</b> <p><i>“This (the innovation hub) was a huge thing that I talked about with my children... I’ve spoken about the potential to drive so many initiatives within the industry”</i></p> <p><i>“Workforce of the future is also very important and the STEM part is huge and this is a great opportunity”</i></p> <p><i>“From a disruption point of view that will help but also if you want to be more efficient and green then you need data”</i></p> <p><i>“Do the regulators have sustainability in their agenda? ... surely they have got something, somewhere about sustainability.”</i></p> <p><i>“Surely because of their guidelines, (the 5 year period), they can’t see the benefits. They’re not supporting it.”</i></p>
	<b>SME</b> <ul style="list-style-type: none"> <li>• Majority believed Innovation was important to their own businesses</li> <li>• Believed Innovation could contribute to long term sustainability</li> </ul>	

## Key insights

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- **Is our feedback being taken seriously by ERA.** Both segments were interested in the feedback and decision making process.

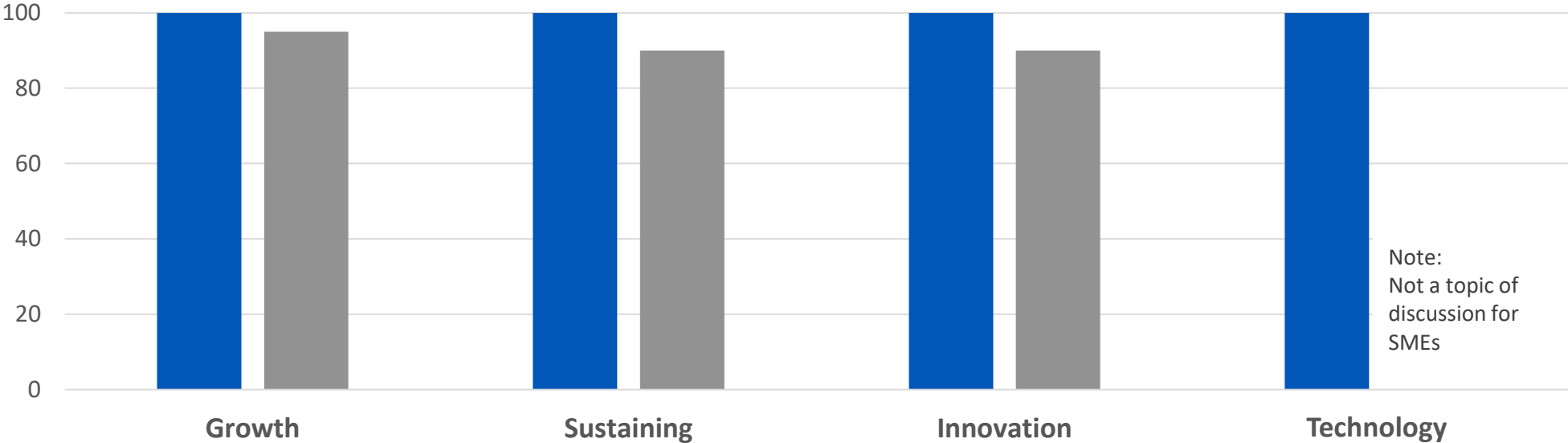
Topics	Detailed findings	Key quotes
IT Portfolio	<b>RESIDENTIAL</b> <ul style="list-style-type: none"> <li>• Preference for online communication to enhance customer experience</li> <li>• Supported I.T. Projects to enhance customer experience</li> <li>• Customers valued being able to find information themselves and having alternative channels for communicating with ATCO</li> </ul>	<b>RESIDENTIAL</b> <p><i>“Is this an internal thing?”</i></p> <p><i>“The cost is so minimal, I just don’t know why you don’t just do it”</i></p> <p><i>“At least get the app so that you can communicate to these people”</i></p> <b>SME</b> <p>I.T. Projects were not presented or discussed with the SME Group</p>

# Customer Summary | Polling Results

Customers were largely aligned in their views

### Customer Response to Polling Questions

% of "yes" responses to statements below



Note:  
Not a topic of discussion for SMEs

Preference for ATCO to progress with network expansion and new development connections over cost reduction.

Preference for ATCO to progress with the following initiatives:

- Continuity of Supply
- Mains Replacement
- Network Monitoring

Support for ATCO to continue to drive innovation.

Support for ATCO to implement I.T. systems that support customer experience and efficient operations

Residential Response    SME Response

Note: Refer to Tracking Tool for full details

# Customer Summary | Key Quotes

Summary of positive responses from customers who ATCO interacted with during the recent workshops.

## Growth

"Why is this not a standard service that we have access to?"

*Response to Network Expansion Residential*

"I don't see why they see bottles (LPG) bottles as an acceptable answer"

*Response to Network Expansion Residential*

"Being a small business shouldn't we have more green options such as gas over electricity?"

*Response to Network Expansion SME*

"I've come from the UK and I can't believe that you can't have the choice"

*Response to Network Expansion SME*

## Sustaining

"If you don't have gas and you can only have electricity it's quite expensive "

*Response to Continuity of Supply Residential*

"We've taken our time to give feedback and I feel that they (regulator) are disregarding this"

*Response to Mains Replacement Residential*

"Our social systems will never support the stress that will be put on people, when it comes to an increase in peoples expenses. I think that it's not acceptable "

*Response to Continuity of Supply SME*

"I think that the smart meter is a great idea"

*Response to Network Monitoring SME*

"The cost of the smart meter is expensive to start with but then the benefits in the long run will be there"

*Response to Network Monitoring Residential*

"We're moving into a digital era. This is going to be inevitable anyway. Very surprised Australia isn't signing into this"

*Response to Network Monitoring SME*

## Innovation

"We have got to learn how to be innovative and we need to start now"

*Response to Innovation & Energy Hub Residential*

"It's exciting... working with my daughter this week on power... we need to do it"

*Response to Innovation & Energy Hub Residential*

"This (the hub) was a huge thing that I talked about with my children... I've spoken about the potential to drive so many initiatives within the industry"

*Response to Innovation & Energy Hub SME*

" From a disruption point of view that will help but also if you want to be more efficient and green then you need data"

*Response to Innovation & Energy Hub SME*

## Technology

"The cost is so minimal I just don't know why you don't just do it"

*Response to IT Portfolio Residential*

"At least get the app so that you can communicate to these people"

*Response to IT Portfolio Residential*

This was not a point of discussion in the SME workshop.

**SME**

# Customer Summary | Sentiments

The observers used a tracking tool to capture customer sentiments and classified into categories.

## Summary Extract from Tracking Tool

Customer Sentiment and Preferences	# Times customer stated preference			
	Residential		Small / Medium Enterprise	
	YES	NO	YES	NO
<b>Growth</b>				
Preferred expansion and energy options over cost reduction	21	-	11	-
Preferred connections for new developments/subdivisions over cost reduction	15	-	2	-
Customer supported growth in WA	5	-	2	-
<b>Sustaining</b>				
Preferred reliability over proposed cost increases	12	1	9	1
Preferred replacement of old piping over cost reduction	7	-	1	-
Supported need for proactive maintenance over proposed cost increases	7	-	1	-
Preferred to have less street disruption over cost reduction	3	-	2	-
Supported network monitoring over proposed cost increases	7	2	15	1
Preferred long term security of supply over loss of gas	5	-	5	-
<b>Innovation</b>				
Customer supported innovation over proposed cost increases	9	-	16	-
Preference for environmentally friendly energy options	7	-	6	-
Customer supported Clean Energy Future	10	-	9	-
<b>Technology / I.T. Projects</b>				
Preference for online communication to enhance customer experience	4	-	-	-
Supported IT Projects to enhance customer experience	3	-	-	-
<b>Price Path</b>				
Supported proposed cost increase over service reduction	12	-	11	-

Note: Refer to Tracking Tool for full details