

Customers are at the centre of our planning

July 2021 - June 2026



**Draft Customer and Stakeholder
Engagement Plan for consultation**

Australian Gas Networks, South Australia
April 2019

Contents and Consultation Questions

Contents

Message from the CEO	04
Delivering for Customers in SA	05
Our Vision and Values	06
About AGIG	08
Our Role in the Gas Industry	10
Our Role in SA	12
Our Commitments	13
Our Stakeholders	14
The Energy Charter	15
Our Engagement Approach	16
Engagement Activities	18
Co-Design	20
Our Timeline	22

Consultation Questions

01	Are these principles appropriate to develop plans that deliver for our customers and stakeholders?	13
02	Have we identified all relevant customer and stakeholder groups?	14
03	Are the Energy Charter principles appropriate for considering how we engage with customers and stakeholders?	15
04	Do the Energy Charter principles align with key themes which should be considered in engaging with customers and stakeholders?	15
05	Have we considered opportunities to involve, consult and collaborate with our customers and stakeholders?	16
06	Is our proposed approach open and transparent?	16
07	Are there ways we could improve our proposed approach?	16
08	Are our proposed engagement activities appropriate for our customers and stakeholders?	19
09	How would you like to participate in our process?	19
10	Should we engage individual key segments of customers, and if so which segments?	19
11	Should we include co-design as part of our program of activities?	20
12	Have we provided sufficient activities and time to allow meaningful engagement to take place?	22

We are Australian Gas Networks.
We deliver gas safely and reliably to more than 450,000 South Australian homes and businesses every year.

Part of the Australian Gas Infrastructure Group, we own and operate the gas distribution network in South Australia.

We serve residential, commercial and industrial business customers in Adelaide (from Two Wells to Aldinga) and regional centres in the upper North, Barossa, Riverland and South East of the state. We have a strong track record of service to customers in South Australia, dating back more than 150 years.

We understand that affordability, reliability and sustainability of energy services are important to South Australians, both now and in the future.

With this in mind, our future plans will be developed by ensuring we listen, understand and respond in the interests of our customers.

Message from the CEO

Customers are at the forefront of our thinking, from our daily operations to our long term strategy. We will only be successful if we act in the best interests of our current and future customers.



We are a critical part of the energy supply chain in South Australia. More than 450,000 South Australian homes and businesses rely on us to deliver gas safely and reliably maintain the gas distribution network.

We have seen much debate on energy policy nationally. Energy reliability and affordability are top of mind for many South Australians, particularly individuals, families and businesses who are struggling to pay their energy bills. At Australian Gas Infrastructure Group (AGIG) we are listening. Our charges make up around half of the final retail gas bill customers receive (production, transmission and retail charges make up the remainder). We are committed to playing our part to keep bills down, while continuing to deliver services our customers value – both now and in the future.

It is our vision to be the leading gas infrastructure business in Australia. We will do this by delivering for customers, being a good employer, and being sustainably cost efficient. We have delivered strong performance in South Australia over the last few years. In 2016, we cut prices by 23%. In 2018, we attended to leaks within 2 hours and completed repairs promptly – 99% of the time. Our leak survey program achieved 100% compliance. Customer satisfaction is also tracking well with a score of 8.0 – the highest across the states where we operate.

The future of gas is green. As a business we are taking active steps to contribute to a low carbon economy. We are proud to be leading the way through Hydrogen Park South Australia (HyP SA) – an Australian first integrated power to hydrogen demonstration at the Tonsley Innovation District. By mid 2020, hydrogen, a carbon free gas, will be produced using renewable electricity, and blended into our network – making the gas we supply cleaner and greener.

We are currently planning our future investment priorities for our South Australian gas distribution network to 2026. We do this through a process under the National Gas Rules which is administered by the Australian Energy Regulator (AER). In June 2020 we will submit our plans to the AER in the form of an Access Arrangement (AA) for the period July 2021 – June 2026. Our gas network must meet standards and technical requirements set by the Essential Services Commission of South Australia (ESCOSA) and the South Australia Office of the Technical Regulator (OTR).

Our objectives are to develop a South Australian plan which delivers for current and future customers, is underpinned by effective engagement, and is capable of being accepted by our customers and the regulator.

We are committed to best practice engagement and will put customers at the centre of our planning. This document outlines our approach to engaging with customers and stakeholders in preparing our plans.

We value your feedback and encourage you to help shape our engagement plans to ensure we deliver in the interests of current and future customers.

Ben Wilson
Chief Executive Officer

Delivering for Customers in South Australia

As the owner of the gas distribution network in South Australia, we deliver gas safely and reliably to over 450,000 residential, commercial and industrial customers in Adelaide, the Upper North, Barossa, Riverland and South East of the state.

In 2018 we exceeded our performance targets in delivering for customers across the areas of public safety, customer service and reliability.

A Snapshot of Our Recent Performance – 2018



Public Safety

	2018 Target	2018 Performance
Responding to gas leaks within two hours	>98%	99%
Leak survey compliance	100%	100%
Repairing leaks (Class 1 & 2)	>98%	99%



Customer Service

	2018 Target	2018 Performance
Customer satisfaction score	>7.8	8.0
Complaints resolution within two days	>55%	87%
Connections within 20 days	>98%	99%



Reliability

	2018 Target	2018 Performance
Number of unplanned interruptions affecting more than five customers	20	21
Number of customers having more than three interruptions within 12 months	4	7

ESCOSA Performance Reporting Indicators



Percentage of calls answered within 30 seconds to our leaks and emergency telephone number



Average answer time (seconds) for calls to the leaks and emergencies number



Number of customers experiencing interruptions longer than 12 hours



Number of customers experiencing two interruptions with a year

Our Vision

Our vision is to be the leading gas infrastructure business in Australia. In order to deliver this we aim to achieve top quartile performance on our targets.



Delivering for customers

Public safety

Reliability

Customer service



A good employer

Health and safety

Employee engagement

Skills development



Sustainably cost efficient

Working within industry benchmarks

Delivering profitable growth

Environmentally and socially responsible

Our Values

They drive our culture, how we behave and how we make decisions.



Perform

We are accountable to our customers and stakeholders, we are transparent on our performance and we deliver results. We continuously improve by bringing fresh ideas and constructive challenge.



Trust

We act with integrity, we do the right thing, we are guardians of essential Australian infrastructure. We act in a safe and professional manner and we take a 'no surprises' approach.



Respect

We treat our customers and our colleagues the way we would want to be treated, and we embrace and respect diversity.



One Team

We communicate well and support each other, and we are united behind our shared vision.

About Australian Gas Infrastructure Group

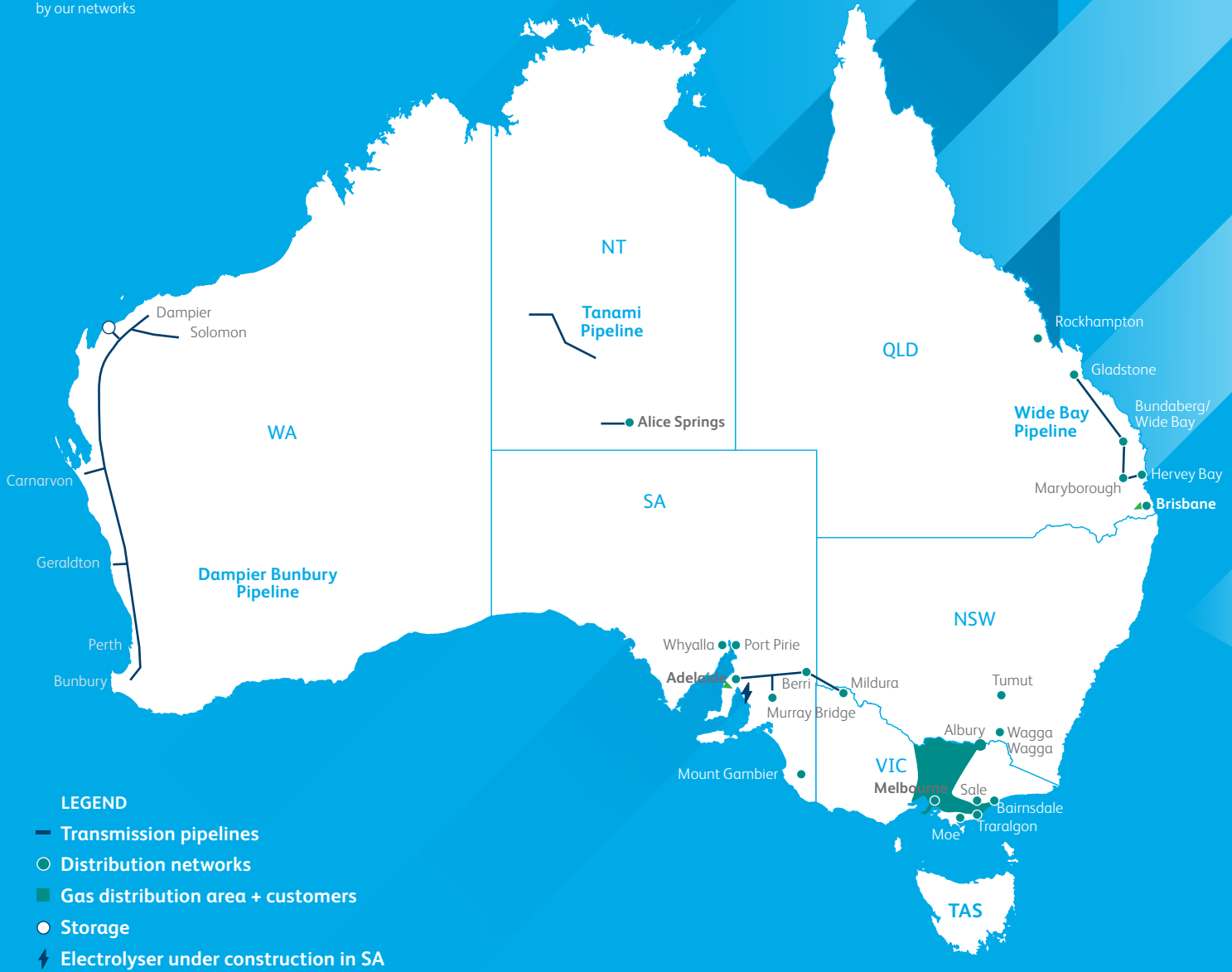
We are one of Australia’s largest gas infrastructure businesses.

Australian Gas Networks is part of the Australian Gas Infrastructure Group. AGIG has over two million customers across every Australian mainland state and the Northern Territory, 34,000km of distribution networks, over 4,000km of gas transmission pipelines and 42 petajoules of gas storage capacity.

We own and operate infrastructure that delivers gas to Australian homes, businesses and communities. We also deliver and store gas that supports the Australian economy – for power generators, mines and manufacturers. Our portfolio of companies delivers for customers across Australia. Dampier Bunbury Pipeline (DBP) operates in Western Australia and the Northern Territory. Multinet Gas Networks (MGN) operates in Victoria. Australian Gas Networks (AGN) operates in Victoria, South Australia, Queensland, New South Wales and the Northern Territory.



Note: Penetration rate is an estimate of the percentage of homes connected to the gas in areas served by our networks



Queensland

- 104,098 customers
- 8GJ per annum average residential consumption
- 30%+ penetration
- Distribution 3,022km
- Transmission 313km

South Australia

- 451,718 customers
- 17GJ per annum average residential consumption
- 90%+ penetration
- Distribution 8,108km
- Transmission 484km

New South Wales

- 59,087 customers
- 36GJ per annum average residential consumption
- 90%+ penetration
- Distribution 1,979km
- Transmission 84km

Victoria

- 1,387,217 customers
- 51GJ per annum average residential consumption
- 90%+ penetration
- Distribution 21,246km
- Transmission 504km

Northern Territory

- 1,138 customers
- Distribution 38km
- Transmission 601km

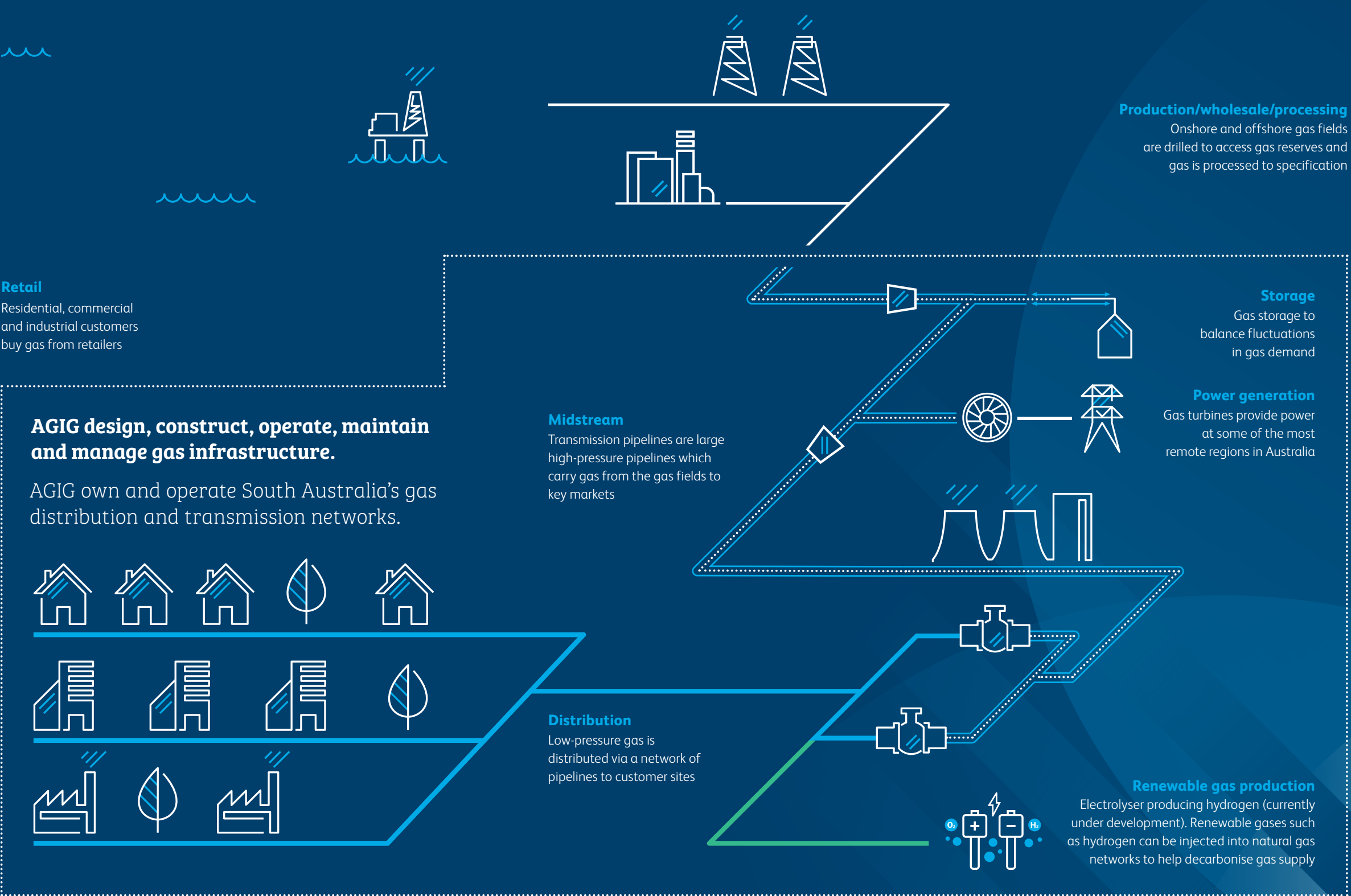
Western Australia

- Transmission 2,431km
- 42PJ gas storage
- 36 Shippers

Our Role in the Gas Industry

We do not own the gas in our networks, we deliver it on behalf of energy retailers and large customers across the gas supply chain. We serve the needs of producers, major energy users, and residential and business users.

We are one of Australia's largest energy infrastructure business, proudly headquartered in Adelaide. Our gas distribution, transmission and storage facilities serve more than 2 million customers. We are currently pursuing new hydrogen production projects.



Our Role in South Australia

We are a critical part of the energy supply chain here in South Australia.



Our South Australian distribution network serves residential, commercial and industrial business customers in Adelaide (from Two Wells to Aldinga) and regional centres in the Upper North, Barossa, Riverland and South East of the state.

Natural gas is delivered to more than 450,000 homes and business via our distribution network. Our South Australian natural gas network consists of more than 8,100km of pipes in South Australia. Natural gas is transferred from the transmission pipelines into our distribution network where the pressure is reduced.

Our customers choose their gas retailer, who purchase the gas on customers' behalf. The gas is transported through transmission pipelines and our distribution network to customers' premises. Retailers pay charges to the transmission business and our distribution charges which are passed on to customers through retail gas bills. In South Australia, approximately 50% of the average household bill is from our distribution charge.

In South Australia, at Tonsley we are building an an Australian first integrated power to hydrogen demonstration production facility. By mid-2020, renewable electricity will be used to produce hydrogen - a carbon free gas which can be blended into our distribution network.

South Australian Gas Infrastructure



Our Commitments

We are committed to actively engaging with our customers and our stakeholders to shape our future plans. We have adopted a series of engagement principles to guide how we intend to engage with our customers and stakeholders.

01. Consultation Question

Are these principles appropriate to develop plans that deliver for our customers and stakeholders?



Genuine and committed

- We listen and respond to the needs of our customers and stakeholders, driving a culture of delivering value for our customers.
- Engagement is led from the top
 - Stakeholder engagement is embedded in our business planning
 - We are always looking for ways to improve



Clear, accurate and timely communication

- We provide information that is clear, accurate, relevant and timely.
- Online and print fact sheets
 - Briefings and information forums
 - Publication of the Draft Plan



Accessible and inclusive

- We involve customers and stakeholders on an ongoing basis in a meaningful way, to ensure that our plans deliver for our customers.
- Stakeholder meetings
 - Roundtables and workshops
 - Forums and information sessions
 - Online engagement



Transparent

- We clearly identify and explain the role of customers and stakeholders in the engagement process, and consult with customers and stakeholders on information and feedback processes.
- Publication and consultation of our proposed engagement approach
 - Online public reporting
 - We publish and consult on our reports
 - We report how we used stakeholder insights to inform plans



Measurable

- We measure the success, or otherwise, of our engagement activities.
- Seek stakeholder feedback at all key stages of our engagement
 - Report on feedback
 - Identify ways we can improve our approach

02. Consultation Question

Have we identified all relevant customer and stakeholder groups?



We have identified a number of stakeholder groups – all have an interest in how we plan, manage and operate our gas distribution network.

The Energy Charter

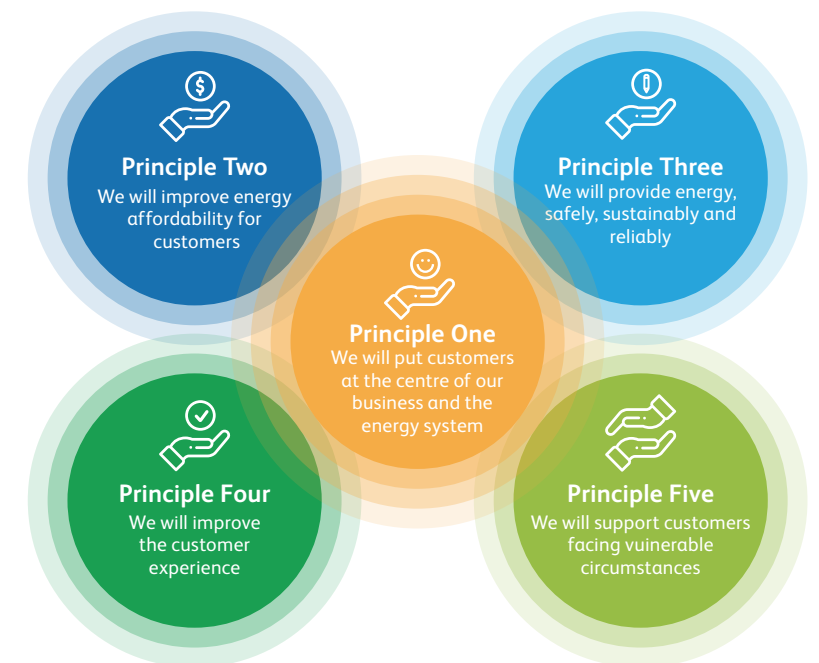
We are one of the founding businesses across the energy supply chain who have committed to the Energy Charter, to progress the culture and solutions required to deliver energy in line with community expectations.

It is the vision of the Energy Charter that together, energy business will deliver energy for a better Australia. It is an industry led initiative and is a world-first whole-of-sector initiative to address customer expectations.

Work on the Energy Charter commenced in February 2018 and took effect from 1 January 2019. It has been developed in consultation with stakeholders from the energy sector, customer forums and representative bodies.

The Energy Charter is focused on embedding a customer-centric culture and conduct in energy businesses to create real improvements in price and service delivery, through commitment to the Five Principles illustrated below. The Energy Charter, is a principles-based disclosure regime that can be applied to all businesses across the gas and electricity supply chains. We have agreed to publicly disclose how we are delivering against the Charter Principles.

We intend to use these principles to frame our engagement discussion and ask customers and stakeholders how we should respond to these principles in developing our plans.



03. Consultation Question

Are the Energy Charter principles appropriate for considering how we engage with customers and stakeholders?

04. Consultation Question

Do the Energy Charter principles align with key themes which should be considered in engaging with customers and stakeholders?

Our Engagement Approach

We are proposing to adopt a four stage approach to engage and involve customers and stakeholders in our planning process.

05. Consultation Question

Have we considered opportunities to involve, consult and collaborate with our customers and stakeholders?

06. Consultation Question

Is our proposed approach open and transparent?

07. Consultation Question

Are there ways we could improve our proposed approach?

We are proposing to adopt a four stage approach to engage customers in our planning process (as illustrated overleaf).

Our four stage approach provides a clear and transparent process for how we engage customers and stakeholders in the development of our plans.

We are committed to continuously improving our engagement practices. With this in mind, we are keen to explore opportunities where we can collaborate more closely with customers and stakeholders to design services and solutions together.

Our four stage process allows opportunities for us to engage with customers and stakeholders as illustrated in the IAP2 (International Association of Public Participation) engagement spectrum www.IAP2.org.au.



Stage 1 Strategy and research

Feb - May 2019

Purpose
This is a research stage to better understand customer and stakeholder need and expectations, and consult on our proposed engagement approach.

IAP2 Spectrum
CONSULT/INVOLVE

- Engagement Activities**
- Publish and distribute our Draft Customer and Stakeholder Engagement Plan for Consultation
 - Meet with key stakeholders
 - Expand our reference group membership
 - Agree reference group schedule & role
 - Engage with retailers and regulators (Retailer Reference Group)
 - Establish partnership opportunities with customers and stakeholders (e.g customers workshops)

Key Deliverables

Stage 1 Engagement Report

A report which summarises feedback on our engagement strategy



Stage 2 Developing our Draft Plan

May - Nov 2019

Purpose
In this stage we will run a series of engagement activities designed to inform the development of our Draft Plan.

IAP2 Spectrum
INVOLVE/COLLABORATE

- Engagement Activities**
- Series of reference group meetings
 - Two rounds of deliberative workshops
 - Co-design team workshops (cross functional)
 - Briefings/meetings with key stakeholders

Key Deliverables

Stage 2 Engagement Report

A summary report of customer and stakeholder input into developing our Draft Plan. Will include co-design case studies.



Stage 3 Consultation on our Draft Plan

Jan 2020

Purpose
This stage focuses on consultation on our Draft Plan.

IAP2 Spectrum
CONSULT/INVOLVE

- Engagement Activities**
- Publish and distribute Draft Plan (together with a customer and stakeholder consultation guide)
 - Customer and Stakeholder Forum Event
 - Meetings/ briefings with key stakeholders

Key Deliverables

Draft Plan

As part of our Draft Plan we will include a summary guide to assist our customers and stakeholders to provide feedback on our Draft Plan.



Stage 4 Refinement and engagement

1st Half 2020

Purpose
Consultation feedback from Stage 3 will be used to finalise our plan.

IAP2 Spectrum
INFORM/INVOLVE/CONSULT

- Engagement Activities**
- Publish and distribute Draft Plan (together with a customer and stakeholder consultation guide)
 - Submit final plan to AER

Key Deliverables

Final Stakeholder Engagement Report and submission of our final plan to AER

A summary report of customer and stakeholder engagement feedback and input across all stages of our engagement program.

Engagement Activities

We will engage with our customers and stakeholders using fit for purpose engagement activities, designed to meet their needs and preferences.



Stakeholder Reference Group

Description

We have a Reference Group to guide the development of our plans for South Australia for the period 2021/22-2025/26. Membership represents a wide cross section of the community to ensure the plan is developed in the long-term interests of customers and stakeholders. A series of meetings will be held to bring members together to understand customer values and preferences and to test our proposals.



Retailer Reference Group

Description

Representatives of gas Retailers in South Australia. A series of meetings will be held to bring members together to understand customer values and preferences and to test our proposals.



Customer Forums

Description

Facilitated forums with residential, industrial and commercial customers from across metropolitan Adelaide and regional South Australia to understand customers, their needs and expectations and to report back on what we heard and how it influenced our plans.

Sessions to be held at:

- South metropolitan
- North metropolitan
- Adelaide CBD
- Upper North
- South East
- Barossa



Co-design

Description

We will work with Reference Group members to identify opportunities to co-design initiatives that help meet expectations and are in the interests of customers, particularly older Australians, vulnerable customers and culturally and linguistically diverse customers.

Please refer to page 18.



Stakeholder Meetings

Description

We will meet with regulators, stakeholders including major customers, large users, and government agencies on an ongoing basis throughout all stages to ensure our plans meet community expectations.



Surveys

Description

We will use surveys when appropriate to encourage stakeholder feedback.



Online Engagement Portal – Gas Matters

Description

We will be providing customers and the community with opportunities to have a say and access information through our online engagement tool.



Digital Updates

Description

To ensure we keep all stakeholders informed throughout the process we will be providing regular updates in the form of bulletins/factsheets.



Additional Information Sessions/Forums and Community Events as Required

Description

Additional forums, deep dives and community events will be scheduled if and as required.

08. Consultation Question

Are our proposed engagement activities appropriate for our customers and stakeholders?

09. Consultation Question

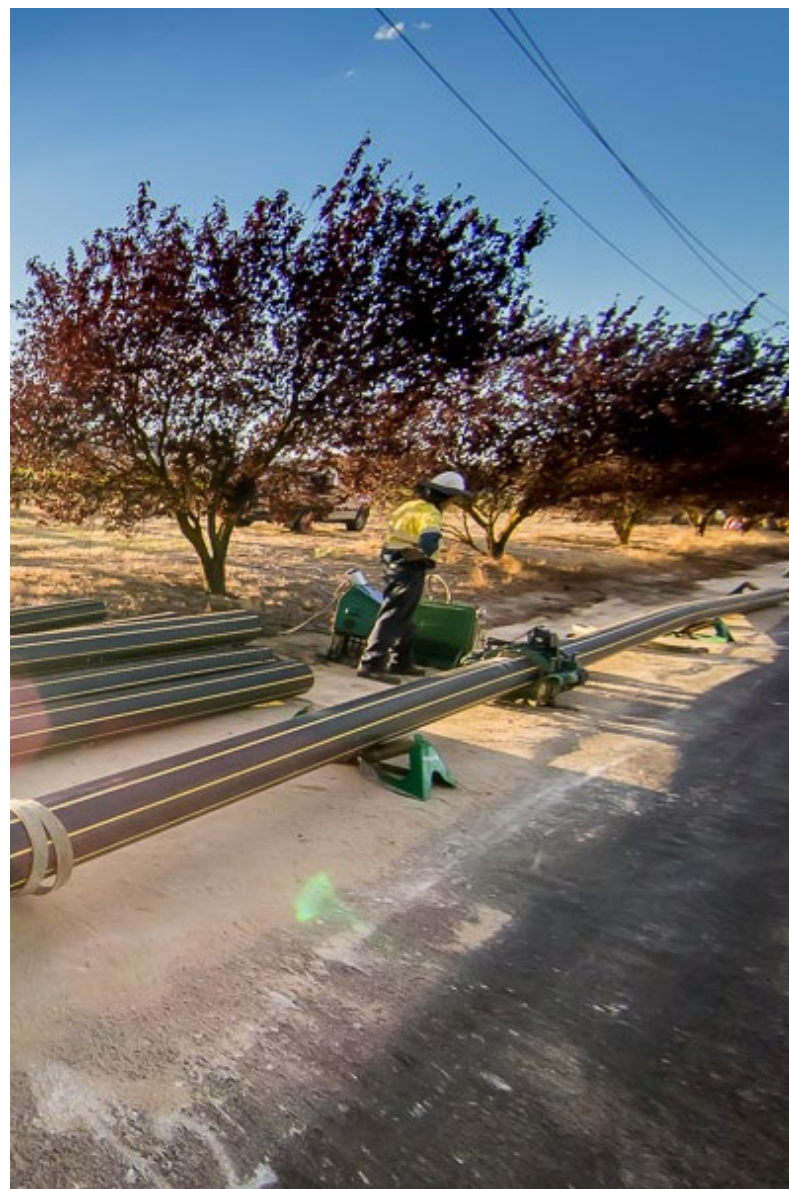
How would you like to participate in our process?

10. Consultation Question

Should we engage individual key segments of customers, and if so which segments?

Co-Design

We will introduce co-design into our engagement methodology and will work with the community as active participants in the design process, to create shared value.



During this engagement program we are proposing to look for more opportunities to collaborate with customers and stakeholders to design services together.

We are considering a process known as co-design as a way to be more collaborative in designing key elements of our plans.

Co-design is an engagement method that brings together customers and key stakeholders as active participants in the design process, to create shared value.

We are proposing to establish co-design teams on key topics with representatives from all stakeholder groups, and give them collective responsibility to design the solution. We will identify a co-design topic or challenge with clear scope and parameters. Our staff will participate in the teams and provide expertise, but the group will design the solution(s) together.

We will respond to the recommendation of the team, subject to testing with customers and endorsement by the regulator.

Potential examples for co-design might be:-

- Outage notifications to customers
- How to support vulnerable customers

11.

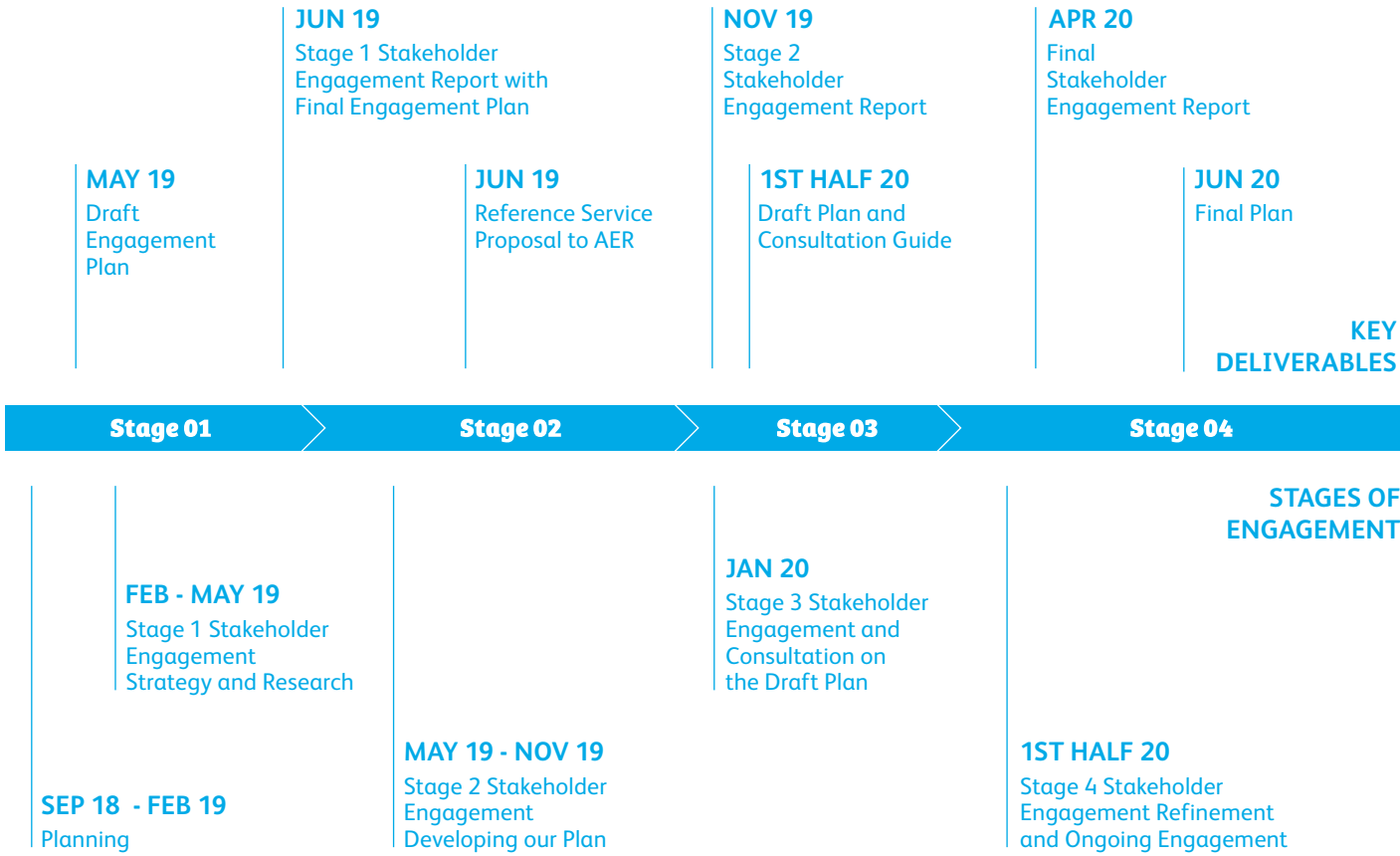
Consultation Question

Should we include co-design as part of our program of activities?



Our Timeline

Our timeline of engagement activities is illustrated below. This timeline shows the periods for consultation and how we will report against our engagement activities.



12. Consultation Question

Have we provided sufficient activities and time to allow meaningful engagement to take place?

For more information, or
to set up a stakeholder
meeting, please contact:

Phil Jones

Stakeholder Engagement Advisor

D +61 8 8418 1115

M 0429 675 586

E phil.jones@agig.com.au

Kristen Pellew

Senior Manager Stakeholder Engagement

D +61 8 8418 1137

M 0413 454 697

E kristen.pellew@agig.com.au

Post

AGIG

Level 6, 400 King William Street

Refer to our website

www.agig.com.au

