

AEMO ISP Consumer Panel engagement survey and insights

In February 2021, the Integrated System Plan (ISP) Consumer Panel launched an online stakeholder survey to understand how, when and what consumers want to be engaged on during development of the 2022 ISP.

The survey was designed to collect baseline data that would influence how the ISP Consumer Panel interact with stakeholders during development of the 2022 ISP as well as how the Panel could advocate to AEMO to improve its consumer engagement strategy.

The survey had 20 questions and there were opportunities for respondents to provide open comments. The survey was hosted by AEMO and the link had a limited distribution to existing stakeholders that were actively participating in AEMO's monthly Forecasting Reference Group (FRG), webinars and surveys.

The survey closed on 19 March 2021. At the close of the survey, 39 stakeholders had submitted responses representing organisations and individuals of which more than half operated NEM-wide.

The narrow distribution of the survey has limited input from stakeholders not already engaged with AEMO on development of the 2022 ISP. Only 10 respondents of the 39 had not already participated in an engagement activity for development of the 2022 ISP.

How this information will be used by the Panel

The [ISP Consumer Panel's](#) role is to provide independent expert advice and promote the views and ideas of consumers during development of the 2022 ISP. Our focus is to ensure the long-term interests of consumers are front and centre in all deliberations related to the ISP. We see our role as part of an ongoing process with AEMO to shape a collaborative and fit for purpose approach that is focused on ensuring stakeholder views and diverse inputs are considered.

The survey feedback received from stakeholders and insights from our other engagement activities including our participation on the FRG forums and dedicated consumer group briefing forums will be used to frame our recommendations to AEMO's ISP stakeholder engagement strategy and approach.

Recommendations from the Panel will also be incorporated into the main report which is due in September 2021 on the Inputs, Assumptions and Scenarios Report (IASR), required to be published under the rules.

The Consumer Panel can be contacted via ispconsumerpanel@aemo.com.au

Summary of key insights

The below insights have been drawn heavily from the qualitative, open responses, as the sample size is not large enough to draw statistically valid quantitative conclusions. They are also biased towards those already engaged with AEMO. Both the qualitative and quantitative data would be strengthened by a more extensive engagement program with disengaged or inactive stakeholders to determine what barriers are preventing them from participating and how future engagement can be designed to be inclusive, flexible, relevant, timely, informed and accessible.

1- Stakeholders want meaningful and genuine engagement

There is a perception among some stakeholders that engagement is disingenuous, either because their input is not reflected in decision-making or because engagement methods appear to be exercises in box-ticking. Those who expressed dissatisfaction with engagement activities – be it timing, facilitation, the information provided or the opportunity to provide feedback – were more likely to say they did not feel their feedback was listened to or considered during development of the 2020 ISP.

Respondents expressed a desire for genuine listening, open minds, a willingness for AEMO to hear alternative views and explanations when stakeholder views were not supported.

“AEMO developed the ToR for the FRG in isolation from stakeholders and simply presented the ToR as complete. Whilst AEMO has the FRG, often I think is somewhat under sufferance as a “tick the box” outcome to indicate they are consulting with stakeholders. The FRG des have value though in that as a group we get to ask questions and hear AEMO’s replies, otherwise, AEMO would act in isolation and greater effort would be required to encourage knowledge sharing and discussion between different stakeholders. This is what I see is the real value of the FRG.” – Retailer, NEM-wide

“When a stakeholder makes a strong point that is difficult for AEMO to rationally argue against, AEMO revert to ‘AEMO are the statutory authority and as such we will implement our preferred option’.” – Retailer, NEM-wide

“AEMO need to accept that alternative views are just as well based as their views. This could be accomplished by an increase in sensitivity analysis.” – Retailer, NEM-wide

“Get AEMO staff to listen rather than have a closed mind.” – Individual, NEM-wide

“Early, meaningful engagement with stakeholders to build consensus on issues and confidence in both the process and in AEMO as an independent expert.” - Individual, NEM-wide

2- Stakeholders want plain English and more information to help them provide informed input

Effective stakeholder engagement provides participants with the information they need to participate in a meaningful way. Respondents indicated a need for more information provided more regularly or as it is released, especially as it related to the scope of the ISP and modelling and assumptions used. They also requested more plain English information for stakeholders without a technical background.

“So much AEMO engagement assumes full, prior knowledge so regular briefings for non-engineers would be a good start.” – Community welfare organisation, South Australia

“Show where the previous models were improved, and assumptions have changed.” - Individual, NEM-wide

“Talk to the impacts on mums and dads rather than MW.” – Individual, NEM-wide

“I would like to know what is included, but also what is excluded from modelling and why - it would be nice to have this listed in an appendix.” – Government, NSW

“Provide more information on how climate impacts are being accounted for and focus on informing people without a technical background.” – Individual, NSW

“Better updates of what new data and reports have been published. It can be very difficult to find anything on the AEMO website let alone keep up to date with what is updated.” – Consultancy/Advisory Firm, NEM-wide

3- Stakeholders want engagement to be flexible and designed in consultation with them

There was a strong desire from those already engaging with AEMO for greater flexibility and alternative ways to provide input and feedback. Many noted a lack of resources or time to prepare written submissions and would like to see a greater mix of formal and informal methods used. This included interviews online, by phone or in person, the return of face-to-face workshops and focus groups.

“Conducting targeted interviews with key stakeholder groups who may not have time or resources to participate otherwise (eg consumer advocates) And use these interviews similar to written submissions in making policy or modelling decisions.” – Community welfare organisation, South Australia

“AEMO should engage with market participants one-on-one. This informal communication could than be used to drive topics to cover in larger settings / submissions.” – Generator/Gentailer, NEM-wide

“More informal session and targeted focus groups. Submissions while transparent require significant amount of time and resources.” – Individual, NEM-wide

Respondents expressed an interest in helping design the engagement program to ensure it met the needs of different stakeholder groups as well as being responsive to industry changes that may require changes to the engagement program.

“Continual development to fit needs of participants.” – Community Welfare Organisation, NEM-wide

“AEMO workshop day for analyst and economics modelers to come and interact with AEMO modelling team.” – Individual, Victoria

“There are so many engagements happening concurrently, resourcing is problematic.” - Energy Consumer Peak Body, NEM-wide

AEMO have since have had two targeted feedback forums with consumer groups. The discussion and feedback received from the group was used as a formal submission. This was a direct action to improve the process and was welcomed by the organisations represented at that forum.

4- Engagement needs to be inclusive

The limited sample size and distribution of the survey was reflected in the survey responses themselves, with respondents suggesting a greater need for AEMO to be inclusive of all stakeholder

groups. This included a call for greater representation from developers and consumer groups and the offering of incentives for consumer advocates to be involved.

“It is imperative that workers and their representatives are meaningfully engaged in this process. There is much knowledge and experience we can bring to the process, and decisions should not be made in isolation that have the potential to adversely impact the employment of those in the industry.” – Union, NE-wide

“Greater representation from consumer groups.” – Individual, NEM-wide

“Increased involvement from the supply side, through improved consideration of suitable consultation style and materials.” – Energy consumer peak body, NEM-wide

“Paying consumer reps for time to be briefed to keep up with the issues and for time in engagement activities would help.” – Community welfare organisation, South Australia

“Some developers have been planning for the development of REZ for ten or 15 years and some on those REZ are now Priority REZ. Those developers, if they have been paying due attention to social licence and environmental impacts have a wealth of information that has not been recognised in the past and needs to be recognised now.” – Individual, NSW

While inclusion emerged as a key theme, stakeholders also want specific interests acknowledged and balanced against those of other groups.

“Categorising stakeholders with specific interests for weighting - i.e. a gas company representatives is obviously going to promote the role of gas and this needs to be factored in.” – Union, NEM-wide

“Provide details of how respondees are prioritised.” – Individual, Victoria

5- Engagement needs to be relevant and current

Stakeholders are time-poor and want to be engaged in discussions that are relevant and focused. This includes presenting materials so they are useful for stakeholders for whom electricity regulation is only part of their remit or role. They also want AEMO to focus on actual market developments and challenges and employ a less conservative approach to the ISP. For example, one stakeholder said a large number of parties experiencing current connection delays and difficulties meant there are no resources left for engagement on longer term planning.

“Stop pushing process involvement and start focusing stakeholders on the real issues.” – Individual, NEM-wide

“What is the value of ISP if states have their own renewable schemes. I consider myself an informed customer but I am lost with almost daily energy announcements. Is ISP relevant in light of these announcements?” – Individual, NEM-wide

“Previous ISPs were weak in predicting the rate of change in the transition from fossil fuels to renewables and failed to facilitate the transition. Last minute incorporation of Priority REZ and State government commitments to renewable energy in the 2020 REZ meant insufficient focus was given to connecting the REZ and types of resources most needed for the transition. The supposedly even-handed assessment of a multitude of REZ instead of focus on those best able to meet the needs, and excessive focus on interconnectors made the ISP far less useful than it should have been. The incrementalism of the Rules created an incrementalism in planning that has until now failed to address the rapid transition that is occurring.” – Individual, NSW

“Due to its conservative assessment of new projects, it continuously trails actual market developments as the near-term develops more quickly than AEMO considers possible. It is not uncommon for projects to be close to commissioning by time the AEMO considers them committed.”
– Consultancy/Advisory Firm, NEM-wide

6- Engagement should be undertaken in a timely way

This applied both to the engagement process – starting early, at significant stages or on the release of significant reports and data – and to the duration of specific engagement activities. The timing and duration of activities, especially workshops and webinars, was an issue for many people who felt there was not enough time to discuss matters or for everyone to have a say.

They also want more regular “push” communication and updates as it relates to the development of the ISP, and any available drafts provided to stakeholders early. Although this does need to be balanced with the issues of relevance. Some stakeholders were more supportive of updates only when something had changed rather than at a set regular occurrence.

“The duration of some of the workshops seeking input with break out groups was too short, thus not allowing for the participants to provide sufficient input.” – Developer, NSW

“Due to COVID restrictions, meeting and webinar are often too short for effective engagement and consultation. Meeting durations could be increased.” – Retailer, NEM-wide

“To provide more time during engagement - too often discussions are closed down due to time constraints.” – Energy consumer peak body, NEM-wide

“Introduce key hold points in development to stop and engage/consult on before proceeding in response to material gov't policy change or if unexpected results/opportunities are coming out of the modelling.” – Individual, NSW

7- Engagement outcomes should be shared and transparent

Communicating to stakeholders how their input affected or influenced decision-making is a key but often forgotten requirement of effective engagement. Stakeholders expressed a desire for AEMO to “close the loop” and provide clearer and more direct communication that details how stakeholder input has been considered.

“Clearer and/or a more direct response to or inclusion of stakeholder feedback or input.” – Individual, NEM-wide

“Maintain transparency of the process and facilitate discussion, recognising that at a point in time a call will need to be made by AEMO.” – Renewable Energy Owner/Operator, NEM-wide

“More honesty in communications. Having one factor of many in a scenario occurring does not mean the scenario is occurring, only one factor in the scenario is occurring. This comment is in reference to AEMO statement that ‘The step change is already happening’ in response to DER outcomes in the Central scenario only being exceeded. AEMO is seen as an ‘authoritative voice’ but is not behaving as one.” – Retailer, NEM-wide