

Annual Stakeholder Engagement Perception Survey

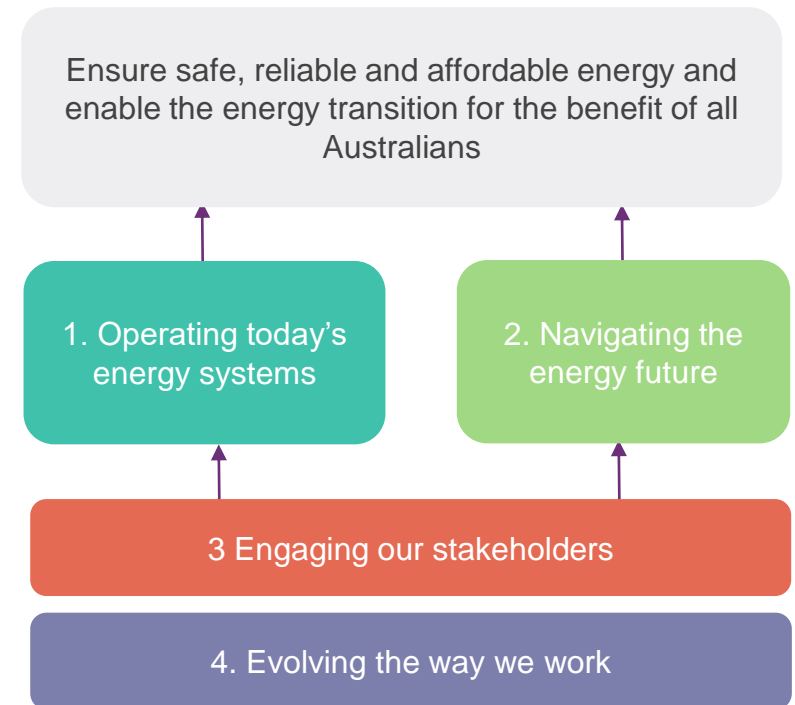
Summary of Results



Why engaging our stakeholders matters

- Our stakeholders are critical to our success and to the success of the energy transition.
- The complexity of the transition means we have to work together to find and deliver solutions.
- To do our job better – keep the lights on and achieve the energy transition – we need to understand, influence and work with our stakeholders.
- **Trust** is the critical enabler of success for our engagement. Without it, we will not be able to perform and will lose our ability to influence and mandate to deliver.

AEMO Strategic Corporate Plan FY24



Background

Purpose

- Conducted annually since 2020, this is the fourth wave of annual stakeholder research conducted by SEC Newgate for AEMO.
- This research guides AEMO's understanding of what is driving our reputation with key stakeholders, where we are doing well and where we can focus efforts for improvement.

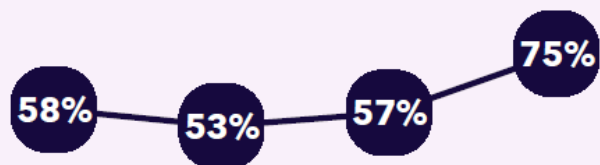
Methodology

- More than 50 participants were engaged, with a mix of in-depth interviews and online.
- All were asked the same rating questions.
- Participants represent 10 key stakeholder segments. Segments for this year's study were expanded from 2022 with the addition of Generators: Coal and Gas, Retailers, and the separation of the previous 'Networks' group into Distribution Network Service Providers (DNSPs) and Transmission Network Service Providers (TNSPs).
- Weightings are applied if necessary to all stakeholder groups to ensure group results are quantitatively equal.
- As surveys are anonymous AEMO cannot identify which participants provided what feedback.

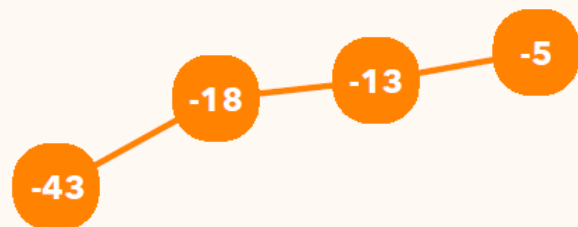
Quantitative results

	2020 (n=40)	2021 (n=34)	2022 (n=37)	2023 (n=52)
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Reputation Score



Net Advocacy Score



Trust Scores

Metric A: Delivering on the NEO



Metric B: Doing what it says it will do



Performance against key reputation indicators (% who rated AEMO 7 or more out of 10)

	2020	2021	2022	2023	Point change 2023 to 2022
The quality of your relationship with AEMO	73	91	86	91	+5
Effective operation of Australia's energy market, i.e., helping to keep the lights on	90	97	92	88	-4
Providing you with timely, accurate and easily understood information~	54	71	70	76	+6
Working collaboratively with other stakeholders to help shape and plan Australia's energy future	50	55	62	75	+13
Being accountable to its members*	35*	48	49	73	+24
Being transparent*	35*	52	46	67	+21
Efficient operation of Australia's energy market, i.e., provides value for money	37	57	33	58	+25
Efficient energy market planning, i.e., spending money on the right things	48	69	35	51	+16

TABLE LEGEND

* In 2020 this was one attribute: 'being transparent and accountable'

~ In 2022/23 this was calculated as an average of performance ratings 7+ for 'its information being easy to understand', 'providing information and reports in a timely manner' and 'the accuracy of its information and analysis'

+ In 2022/23 this was calculated as an average of performance rating 7+ for 'being accountable to its industry members' and 'being accountable to its federal and state government members'

Quantitative results by segment

Overall Reputation by segment (0 to 10 scale)	Average Rating	
	2022	2023
All stakeholders	6.2	6.8
Government and Market Bodies	7.5	7.2
Generators: Renewables	4.6	6.3
Generators: Coal and Gas	N/A	6.5
Transmission Network Service Providers ('Networks' in 2022)	6.6	6.3
Distribution Network Service Providers ('Networks' in 2022)		7.4
Retailers	N/A	5.6
Gentailers	5.8	N/A
Industry Associations	6.0	7.2
Consumer Advocates	5.4	7.3

Segments for this year's study were expanded from 2022 with the addition of Generators: Coal and Gas, Retailers, and the separation of the previous 'Networks' group into DNSPs and TNSPs.

Green text denotes statistically significant changes from 2022 (at least +/- 1.0 points).

General themes – qualitative feedback

Our core strengths

- Confidence in AEMO's leadership
- Handling of the 2022 market suspension
- Improvements in stakeholder engagement and communications
- Trusted advisor particularly to government
- Enhanced onboarding of talent with energy industry experience who bring a more realistic/pragmatic approach to understanding industry stakeholders needs and nuanced appreciation of commercial impacts of our decisions

Where we can improve

- Operations and financial management – e.g. explaining our spending and investment decisions more clearly
- Operating within our core remit and being clear in our role, responsibilities and scope with respect to policy making
- Enhanced speed, efficiency and flexibility in decision-making
- Balancing a high safety and reliability focus with cost-efficiencies and affordability for consumers
- Adopting a pragmatic and balanced (versus engineering-focused) approach to meet the needs of the fast-paced energy transition
- Authenticity in stakeholder communications, engagement and consultation

Priority areas of impact

- Eight key attributes were found to have the most impact on AEMO’s reputation.
- The four attributes highlighted in orange, with Performance Scores of 70% or below, are considered priorities for improvement.
- The four attributes highlighted in pink, with Performance Scores of 71% or higher, are key strengths to leverage and maintain.

Priority Key Attributes	Reputation Impact (%)^	Performance (%)*
Its governance and leadership overall	34	79
Being transparent	19	67
Being accountable to industry members	14	64
Efficient energy market planning (i.e. spending on the right things)	9	51
Efficient operation of Australia’s energy market (i.e. provides value for money)	8	58
Its collaboration and engagement with stakeholders overall	4	75
Effective operation of Australia’s energy market (i.e. helping to keep the lights on)	3	88
Being good people to deal with	3	89

Priorities for improvement

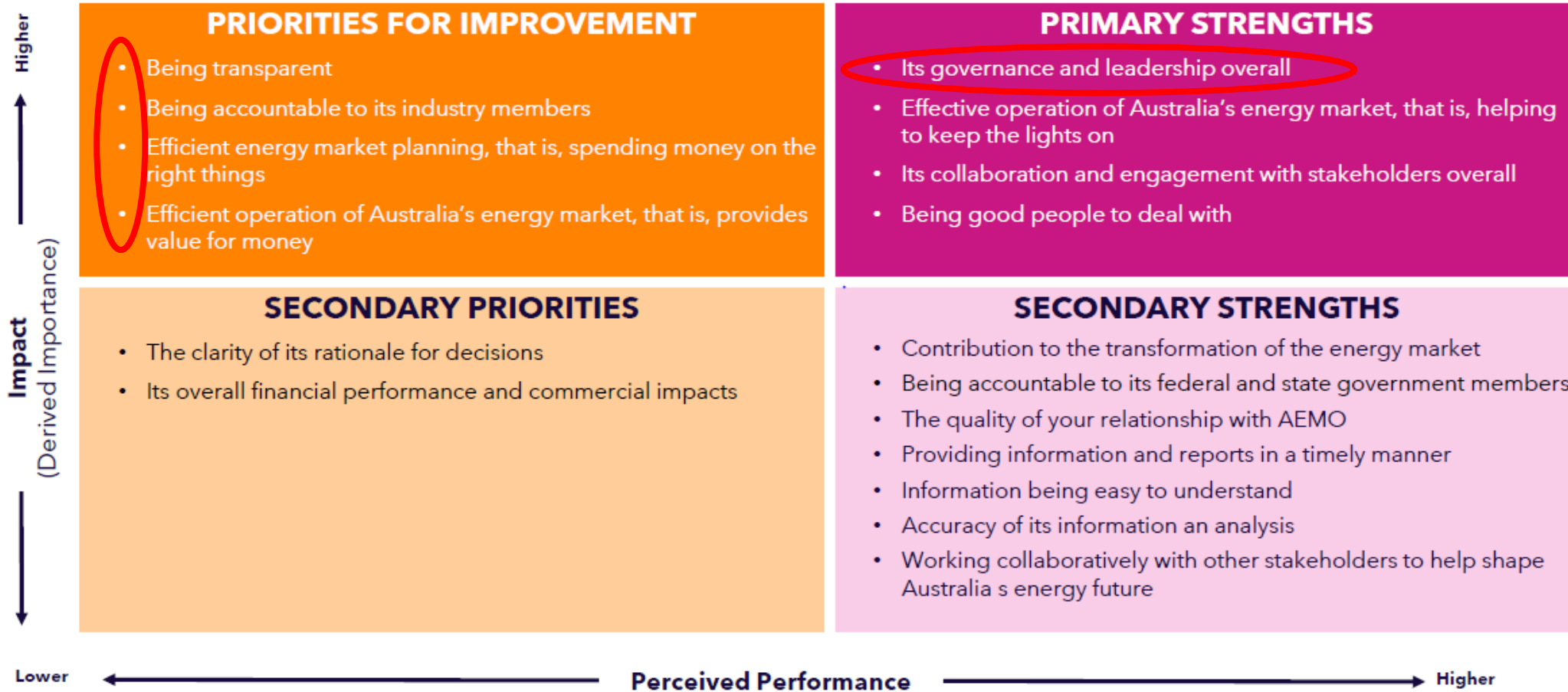
Primary strengths

Secondary priorities

Secondary strengths

^Impact Scores from driver modelling represent the relative impact of each attribute on overall reputation.
 * Performance Score is the net % giving a rating of 7-10 out of 10 (excludes 'Don't know' responses).

Strategic action priority matrix



AEMO's top 5 key drivers of reputation and trust are circled in red:
 1 is a strength, 4 are priorities for improvement.

Leveraging our opportunities

SEC Newgate identified five key opportunities for AEMO to pursue:

Leverage trust in relationships,
engage via CEO and other
senior leaders

Continue to improve
transparency, timeliness and
authenticity of communications
and engagement

Concerted focus on industry
stakeholders

Demonstrate greater financial
rigour

Emphasise our ongoing
expertise in effective operation of
the market in our
communications and
engagement

We will action input from our stakeholders through our FY24 Strategic Corporate Plan initiatives

AEMO STRATEGIC CORPORATE PLAN | FY24



Engaging our stakeholders

Be a trusted partner working with our stakeholders to deliver better energy outcomes for consumers and the community.

As the energy transition progresses, the stakeholder landscape is evolving and growing. Tackling the increasingly complex challenges of the transition requires genuine collaboration and cooperation with and between market bodies, industry participants, jurisdictions and consumers.

As a trusted source of technical expertise for our stakeholders and jurisdictions, we will continue engaging transparently, openly and collaboratively to deliver the best outcome for all Australians.

AEMO is committed to contributing to the social licence needed for the transition by ensuring that consumers and communities are heard and understood, and that the distribution of benefits and costs of the transition are kept front-of-mind.

How we will achieve the outcomes of this priority:

Enhance trust in AEMO

We enhance trust by delivering value to consumers, members and stakeholders, and by working with jurisdictions and stakeholders to achieve positive energy transition outcomes.

- **Improve openness and transparency** for our stakeholders.
- **Improve accessibility of AEMO information and publications.**
- **Seek timely stakeholder input and feedback**, ensuring appropriate 'feedback loop'.
- **Ensure AEMO stakeholder engagement forums** are efficient, effective and inform AEMO's work and value.
- **Increase collaboration with stakeholders** to achieve better energy outcomes, including through industry and jurisdictional forums.
- **Uplift AEMO's stakeholder engagement capability**, including execution of the Stakeholder Engagement Maturity Roadmap.

Embed a consumer and community focus

We enhance our focus on the energy consumer and the community.

- **Develop and commence execution of AEMO's Consumer Engagement Plan.**
- **Seek to better understand consumer priorities, preferences and challenges**, particularly in the context of the energy transition.
- **Help build greater understanding and awareness** of the energy transition with consumers and the community through our communications and publications.
- **Work effectively with local communities** to deliver the VNI West and Western Renewables Link transmission projects.

Thank you

