

21 June 2021

Essential Services Commission Victoria

Via email: [consumervulnerability@esc.vic.gov.au](mailto:consumervulnerability@esc.vic.gov.au)

To whom it may concern,

### **Getting to fair: breaking down barriers to essential services – draft strategy**

Australian Gas Infrastructure Group (AGIG) welcomes the opportunity to make this submission on the Essential Services Commission of Victoria (ESCV)'s *Getting to fair: breaking down barriers to essential services* (the draft strategy). We are strongly supportive of ESCV's draft strategy and commend the ESCV in addressing the barriers many consumers face in accessing essential services in Victoria. We recognise that this will be a substantial challenge and will require ongoing efforts from all parts of industry.

The importance of supporting customers in vulnerable circumstances has become even clearer through the COVID-19 pandemic. As referenced by ESCV, more than 35,000 Victorian gas consumers asked for, and received assistance from, their energy retailer to help stay on top of their bills.

The provision of assistance to customers in vulnerable circumstances in the energy sector has traditionally been in the domain of retailers, not-for-profit organisations and governments. However, it has become clear through our stakeholder engagement processes and the development of the Energy Charter (which AGIG is a signatory to, described below), that networks also have a larger role to play in providing support. This is becoming an increasingly important element of our social licence to operate. AGIG is committed to playing an active part in breaking down barriers to access gas services.

After introducing AGIG, this letter provides an overview of the work AGIG is currently doing on consumer vulnerability and provides comments on the key aspects of the draft strategy with a particular focus on energy.

#### **About AGIG**

AGIG is Australia's largest gas distributor and one of the country's largest gas infrastructure businesses. Its origins date back almost 150 years. Today, AGIG has over two million Australian customers across Queensland, South Australia, Victoria and several regional networks in New South Wales and the Northern Territory.

In Victoria, we reliably distribute gas to over 1.3 million customers through over 21,000km of distribution network. Australian Gas Networks (AGN) and Multinet Gas Networks (MGN) serve much of Victoria including the Melbourne CBD, the eastern and south-eastern suburbs, and much of eastern and central Victoria extending north to Wodonga and east to Bairnsdale.

We are proud to be a founding member of the Energy Charter.<sup>1</sup> The heart of the Charter, a commitment to put customers at the centre of our business, aligns perfectly with the core element of AGIG's vision: to Deliver for the Customer. One of our 2020 Disclosure Report commitments was to formalise initiatives across AGIG and to develop a strategy for customers in vulnerable circumstances. Focus areas will include:

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<sup>1</sup> For more information see: <https://www.agig.com.au/the-energy-charter>

- Continue to build our understanding of customers in vulnerable circumstances;
- Provide training to employees and service providers about customers in vulnerable situations;
- Improve our processes to minimise negative impact on vulnerable customers;
- Identify where further assistance may be required to provide direct support to customers; and
- Utilise our Community Partnership initiatives to assist vulnerable communities.

### **Our Vulnerable Customer Assistance Program is a first of its kind amongst network businesses across Australia**

Our vulnerable customer assistance program (VCAP) represents a new initiative developed in response to feedback through our recent AGN South Australian Access Arrangement customer and stakeholder engagement program. Our customers and stakeholders told us that we should be providing better support to customers facing vulnerability. Specifically, 77 per cent of the participants in our customer workshops actively supported a VCAP at a cost of \$1-\$2 per annum on their bill, with a number noting that supporting customers in vulnerable circumstances was “the right thing to do”.

Through our review of a typical gas customer journey, we identified that we have many direct touch points with our gas customers that are separate from a retailer and other government supported initiatives. This represented an opportunity where we could deliver a materially better service than what we currently offer.

We ran a series of three co-design workshops with social service experts and other key stakeholders to help those in our community in need. We also examined the measures that gas distribution networks in the UK have implemented to support their customers facing vulnerable circumstances.

We have scoped out the following new services we may include as part of VCAP:

- Free gas safety appliance checks, for South Australian householders to keep them safe;
- Financial support for switching to more efficient gas appliances for customers to help manage their bills;
- During a planned or unplanned outage, AGIG will provide tailored support, such as temporary cooking, heating or washing needs;
- Vulnerable customers can access funding for emergency appliance repairs, keeping those in need connected;
- We will help engage, identify and refer vulnerable customers for support, as AGN field crews have face to face interactions with customers and the community; and
- Customers who are vulnerable will only tell us their story once and our call centre and field crews will provide a tailored service.

#### We intend to extend our program AGIG wide, including Victoria

Looking forward, our next step will be to engage collaboratively with key stakeholders to ensure we continue to improve our understanding of customer vulnerability and capability to respond appropriately. From there we will seek to design and implement a fit for purpose program in order to deliver the required services in partnership with others.

We are planning to start rolling out VCAP in South Australia and Queensland in 2021 with an intention to deliver VCAP across our AGIG business including Victoria. We plan to seek the views of our Victorian customers and stakeholders through the Victorian Access Arrangement review process. If there is support, we will ensure that any design of VCAP aligns with ESCV’s strategy and look forward to engaging with ESCV on these initiatives.

## **We support the definition of 'consumer vulnerability' proposed by the ESCV**

We are supportive of defining 'consumer vulnerability' based on the circumstances and barriers with which our gas customers are faced with, rather than as a personal characteristic. Similar to the ESCV's experience, when we ran our VCAP co-design workshops, we heard that identifying customers as 'vulnerable' can be experienced as being shameful and is not well accepted in describing a customer. The proposed definition recognises that the state of vulnerability can change over time, vulnerability may be long-term, short-term or ad hoc, and anyone can be at risk or experience vulnerability – it can strike unexpectedly.

Moving forward, AGIG intends to adopt the terminology 'customers facing or at risk of facing vulnerability' replacing the term 'vulnerable customers' in our internal and external communications when referring to our gas customers who may be or at risk of being in vulnerable circumstances.

## **The draft strategy themes and goals are appropriate**

We consider that the eight themes identified by ESCV are reflective of the main barriers faced by consumers in accessing essential services and implementing the identified goals will assist to improve outcomes for consumers. We consider that the objective of a VCAP strongly aligns with the draft strategy, in particular on the following themes VCAP proposes to address:

- Theme one<sup>2</sup> – we are working to improve all our communications channels whether in person, through digital channels and through our call centre so the information we provide on our support services are appropriate, consistent and in a manner that is accessible to our customers.
- Themes four<sup>3</sup> and five<sup>4</sup> – training our customer service and field based staff (including contractors) who have face to face interactions with our customers and the community is a priority, so they are trained to engage, identify and refer customers facing or at risk of facing vulnerability for appropriate support. In addition, by having a priority services register in place, our customers will only have to tell their story once and our call centre and field crews can provide tailored support.
- Theme seven<sup>5</sup> – in developing and designing a VCAP, we are highly cognisant of the need not to add to further confusion and place unnecessary burden on our customers in seeking support. We are working together with retailers and community organisations in trialing and refining the program to ensure the services are complementary to existing support services and are of value to our customers.

In terms of the possible initiatives for the energy sector, we welcome industry education to support better practice approaches for retailers and distributors and will ensure that a VCAP implemented in Victoria will align with any guidance provided.

## **Customer satisfaction should be measured**

One possible initiative the ESCV should consider implementing is around measuring customer satisfaction on the services received by customers facing or at risk of facing vulnerability. At AGIG, we have established customer metrics as a corporate key performance indicator to set clear expectations of performance, and to ensure all employees are focused on customer satisfaction. In this way, our customers are receiving better experiences and outcomes.

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<sup>2</sup> Consumers are receiving inappropriate, inconsistent or inaccessible communications

<sup>3</sup> Consumers who need support are not being identified and supported effectively

<sup>4</sup> Support offered to consumers is inconsistent, which means it is not always appropriate or flexible

<sup>5</sup> Government, industry and community organisations don't coordinate effectively to address issues across the system

As part of VCAP we will be implementing a dedicated CSAT for customers on the priority register so we can quantifiably measure the services we deliver. This will keep us accountable and so will push us to continually improve on the services and support we provide to our customers.

Once again, I would like to thank you for the opportunity to provide a submission on draft strategy. We would like to work with the ESCV and customers and stakeholders more broadly, to provide better services to customers facing or at risk of facing vulnerable circumstances. Should you have any queries about the information provided in this submission please contact Kristen Pellew ([REDACTED] or [REDACTED]).

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Craig de Laine', with a stylized flourish at the end.

**Craig de Laine**  
**Executive General Manager Customer and Strategy**