



Customer Insights Collaboration – Release One Stakeholder Steering Group Invitation for expressions of interest December 2021

1. Overview

The Customer Insights Collaboration (the Collaboration) is an Energy Security Board (ESB) led initiative to bring multiple stakeholder interests together, building an evidence base of customer insights to inform reforms (and related activities) in the Post-2025 DER Implementation Plan. The ESB is seeking expressions of interest from parties interested to participate in the Stakeholder Steering Group (SSG) that will support Release One of the Collaboration.

This paper provides information about the Collaboration and the role of the SSG, as well an application form (**Attachment A**) to express an interest in being a part of the SSG for the first release which will run over Q1-2 2022.

Interested stakeholders are invited to submit expression of interest to the ESB using the attached form by **24 January 2022**. The ESB will consider applications and engage the SSG ahead of first meeting of the Group in late February 2022.

2. Context

2.1. Implementing the Post 2025 reforms

In its Post-2025 Market Design Final Advice, the ESB recommended a Distributed Energy Resources (DER) Implementation Plan to support the effective integration of DER and flexible demand. The Plan prioritises activities now to address emerging risks, and sequences technical, market and regulatory reforms over the next three years to enable co-design and collaboration with industry stakeholders and customer groups as a key part of its delivery. Reforms are intended to leverage technology and data, improve access and efficiency, enhance market participation, and strengthen customer protections and engagement.

The Plan includes reforms aimed at:

- **rewarding customers for their flexible demand**, enabling access to products and services that innovation offers, and managing risks to customers through the right protections, no matter how customers choose to use or receive energy, or their level of engagement;
- **integrating flexible DER and flexible demand** into the market at all levels, safely and effectively'
- **supporting a phased implementation of reforms** where possible, to enable parties to transition earlier to new arrangements where standards are in place, and where barriers to enter the market can be safely removed; and
- **development of reforms using a customer centric approach**. A collaborative approach will be used to consider and co-design solutions to key customer challenges, with insights informing activities and reforms across each horizon of the DER Implementation Plan pathway.

Energy Ministers have tasked the ESB with progressing the DER Implementation Plan. This includes progressing and coordinating the immediate and initial regulatory, technical and market reforms identified in the Plan, as well as providing Energy Ministers with advice on additional reforms that will be developed as part of it.



The ESB has published material setting out the scope of works for delivery of the DER Implementation Plan over Horizon One (2022) and these can be found on the ESB website.¹

2.2. Customer Insights Collaboration to support design and implementation

In developing reforms to integrate DER and flexible demand, customer input will be key to test assumptions and to understand how customers might want to engage with different service providers or products. While the DER Implementation Plan will not be developing energy products or services, feedback from a customer perspective as to how they need or intend to use their customer owned assets, will inform development of standards to support effective switching, or inform where risks or harms may emerge with new services becoming available.

The Final Advice approved by Ministers included an initiative called the Maturity Plan to streamline engagement by bringing multiple stakeholder interests together and build an evidence base of customer insights to inform reforms (and related activities) in the DER Implementation Plan.

As part of approaching the delivery of the DER reform activities, this has been renamed the Customer Insights Collaboration (**The Collaboration**) to more clearly articulate the intention of the mechanism set out in the Final Advice.

2.3. Customer Insights Collaboration structure

The Collaboration will be organised around six-month blocks of work on key customer issues relevant to DER Implementation Plan reform activities. It will involve active engagement with stakeholders through iterative co-design workshops. These workshops will be independently facilitated and follow human-centred design principles to support customer centric thinking from those participating and will leverage use cases to test practical implementation issues.

Customer research and direct customer engagement will be incorporated into the program as well as any additional technical work to inform the process.

At the end of each release, a knowledge sharing report will be published to detail the insights and possible solutions emerging from the work. At that stage, the next Release will begin. The Collaboration is not a decision-making body and does not replace existing governance process. The Collaboration will instead provide decision and policy makers with insights on cross cutting issues facing customers today.

The SSG will help guide the collaboration, including by reviewing relevant evidence and exploring different perspectives to refine problem statements, identifying the key issues to be explored through the stakeholder workshops, and interpreting the insights to be captured in the knowledge sharing reports. The SSG will be independently facilitated and operate on a consensus basis.

A new SSG will be established for each release, with a diverse membership of five to seven people, including stakeholders from technology, networks, retailers, market bodies, consumer organisations, clean energy providers and academic institutions. Where more interest is received than positions available for each release, the ESB will work with peak bodies to nominate members with skills and expertise relevant to the issues being considered.

The SSG will meet to plan and work through insights from the workshops and will require a total time commitment of approximately 30 hours over the course of six months.

The SSG will be supported by the ESB as a key of part of facilitating the Collaboration:

- ESB Board

¹ <https://esb-post2025-market-design.aemc.gov.au/>

- Receive knowledge sharing reports and consider implications for DER Implementation Plan delivery
- Publish knowledge sharing reports to build collective knowledge base of key insights from each release
- ESB Secretariat
 - Resource and support the collaboration
 - Engage independent facilitators
 - Engage Stakeholder Steering Group
 - Gather evidence and commission research
 - Draft and publish knowledge sharing reports, working with SSG and independent facilitator
- Independent facilitator
 - Plan and facilitate the collaboration workshops, drawing on relevant human-centred design methodologies
 - Ensure all voices and perspectives are heard

3. Customer Insights Collaboration Release One

3.1. Release One topic

The topic for the first release of the Collaboration is to: **consider the barriers and enablers to customers being rewarded for their DER and flexible demand.**

Insights will inform DER Implementation Plan Horizon One reform activities, which are set out in detail in the ESB scope of work document.²

There is limited participation of DER and flexible demand in the wholesale energy market today, particularly at a household and small business level. There are significant customer challenges to be overcome if participation is to increase, and the long-term market benefits from DER and flexible demand realised.

Electricity is an essential service, and its use is embedded in the way people live their lives and run their businesses, meaning some households may have limited flexibility to change their energy usage. For example, flexible management of heating and cooling may be constrained by the energy efficiency performance of housing stock. Some customer groups may also face barriers to investing and installing rooftop solar PV and other forms of DER because, for example, the upfront cost of DER technologies, or because they rent or reside in apartments.

Many households and businesses who have invested in rooftop solar PV to date, have done so to meet their own energy needs, with opportunities to trade or otherwise leverage their assets for financial reward as part of a larger market a secondary consideration. A key motivator for many has been a desire to become more energy independent.

New energy services may also create new risks for customers, and adequate protections will need to be in place to give people the confidence to explore new opportunities.

The first release of the Collaboration will seek to gather insights about how to grow access to the benefits of DER and flexibility services, make it easy for customers to make choices, as well as simple and safe to switch between service providers, the level of risk customers are prepared to take (e.g., safe default settings on devices), explore customer needs and expectations around rewards for the

² <https://esb-post2025-market-design.aemc.gov.au/>



flexibility that they may choose to provide to the system (in ways they wish to be rewarded), and how to design arrangements that work for all customers (not just those with DER assets).

3.2. Stakeholder Steering Group – engagement for Release One

The SSG will meet to plan and work through insights from the three workshops and will require a total time commitment of approximately 30 hours between late February and June-July 2022. The ESB will not remunerate SSG members for their time, however the ESB is willing to discuss financial support for participation on an as needed basis to support a diversity of participation for the release.

At this stage the ESB intend for the workshops to be held online and run for approximately three hours each. Health and travel restrictions permitting, these workshops are intended to be held in person and opportunities to do so will be considered as the year progresses in consultation with stakeholders.

The ESB will use the following criteria to assess applications:

1. Expertise and experience driving customer outcomes in energy markets relevant to the Release One topic: *Barriers to customer reward for DER and flexible energy use*
2. Expertise supports building a diverse membership of the SSG that reflects different parts of the energy supply chain for customers. This will include a diverse mix of the following: consumer organisations, clean technology providers, networks, retailers, aggregators, market bodies, energy providers and academic institutions.
3. Interest in multi-disciplinary collaboration and human-centred design methodologies to generate customer insights
4. Brings an independent perspective to the work of the SSG

A new SSG will be engaged for each release, and the ESB will seek to ensure a diversity of interests and participants are represented in each SSG over the course of the three-year DER Implementation Plan.

As set out in the ESB scope of works paper for delivery of the DER Implementation Plan, we also note there are a range of ways stakeholders can participate in the Collaboration outside of the SSG. This includes through participation via the public workshops, where the primary work of the Collaboration will be carried out, and in response to calls for evidence where stakeholders can assist in building the research and evidence base on issues for each release.

3.3. Gathering evidence and insights to support Release One

The ESB is undertaking a piece of work to leverage insights from existing and recent research activities. This work will synthesise research evidence about barriers and enablers to customers being rewarded for flexibility from their DER and flexible energy use.

These high-level insights will be collated and used as a public input into the first release of the Collaboration.

To inform this work, the ESB is issuing a call to customer groups, industry stakeholders, research institutions and interested parties for evidence and insights about barriers and enablers to customers being rewarded for flexibility from (largely) customer owned DER assets and flexible energy use.

The call for evidence can be found on the ESB website.³

³ <https://esb-post2025-market-design.aemc.gov.au/>



3.4. Customer Insights Collaboration schedule - Release One – Q1-Q2 2022

Indicative timing	Activities
December 2021	<ul style="list-style-type: none">• Launch Release One<ul style="list-style-type: none">○ EOI's to recruit interested parties for Stakeholder Steering Group○ Call for evidence for Release One: <i>Removing barriers to reward for customer DER and flexibility</i>
February 2022	<ul style="list-style-type: none">• Publish knowledge sharing report to inform Release One activities• Stakeholder Steering Group meeting• Collaboration Workshop 1
March 2022	<ul style="list-style-type: none">• Stakeholder Steering Group meeting
April 2022	<ul style="list-style-type: none">• Collaboration Workshop 2• Stakeholder Steering Group meeting
May-June 2022	<ul style="list-style-type: none">• Collaboration Workshop 3• Stakeholder Steering Group meeting
June-July 2022	<ul style="list-style-type: none">• Publish knowledge sharing report



Attachment A

Customer Insights Collaboration

Stakeholder Steering Group – Release One Q1-2 2022

Expression of interest Application Form

Applicant details	
Name of Applicant	
Job Title	
Organisation	
Affiliations (relevant peak body membership – where applicable)	
Contact details	Phone Number: Email:
All applications are to be submitted to the ESB via info@esb.org.au by 24 January 2022 .	

ASSESSMENT CRITERIA

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3. Interest in multi-disciplinary collaboration and human-centred design methodologies to generate customer insights.
4. Brings an independent perspective to the work of the SSG.

A new SSG will be engaged for each release, and the ESB will seek to ensure a diversity of interests and participants are represented in each SSG over the course of the three-year DER Implementation Plan. Where more interest is received than positions available for each release, the ESB will work with peak bodies to nominate members with skills and expertise relevant to the issues being considered.

Please provide brief responses to the assessment criteria as part of a written response.