

ESSENTIAL SERVICES COMMISSION WATER PRICING CONFERENCE (9 + 10 NOVEMBER 2015)

GAVIN DUFTY

10TH NOVEMBER 2015



Overview

Increasing focus from regulators, policy makers and the energy and water industry to engage/require engagement with consumers and advocates

Presentation is a view from a consumer and a consumer representative

A simple taxonomy of the types of consultation

How the consultation process shapes engagement and ultimately outcomes for consumers

Strategic *Policy* consultation – Retail

The strategic policy consultation open conversation: (semi structured) wide ranging so when a decision is made participants understand how it was arrived at - involved deeply in process from beginning to end, less adversarial very collegiate

Formation: CEO/Senior management, committee imbedded in business

Structure: is formalised and recognises that participants are valued

Scope: strategic policy conversations (new/enhanced customer products and services – also assist in emerging issues e.g. technologies pricing etc.)

Duration: ongoing, evergreen

Culture: respectful views and participants are valued

Outcome: better outcomes for consumers and community growing dynamic organisation

Strategic *Program* consultation – Networks (infrastructure) it is different in subtle ways

Similar to strategic policy but company delivery focused

Formation: senior management mainly operations issues occasionally policy

Structure: *setting around work programs*

Scope: business performance in efficiency and customer experience

Duration: long-term commitment

Culture: respectful views are valued

Outcome: focused on better outcomes – continuous improvement in delivery, meeting and exceeding regulatory KPIs

Project/issued based consultation

More common and a lot more variability in elements of consultation

Project based – Structured consultation - limited scope for what information is legitimate – often time constrained – often less understanding of how decisions were arrived at – people can feel sidelined or not valued

Formation: management (varies can include contactors/consultants)

Structure: variable

Duration: can be one off or a number of consultations as completion date – time limited

Culture: formal

Outcome: project completion



Stakeholder management as consultation

Stakeholder management - views tend to be “managed” rather than explored – factions can form – can be adversarial - duration until issue has moved off agenda – parties try to move issue off or keep it on

Formation: tends to be when issue is politicised/polarised views

Structure: defined and “managed”

Duration: undefined, generally until issues have passed

Culture: less collegiate, can be adversarial

Outcome: make the issue go away or at least keep it contained

Obligation based -Legislative/regulatory compliance initiated consultation

More and more of this appearing!

And thinking about the 4 models above it can be all of them but often seen as:

Obligation driven process – this shapes the nature of relationship of participants (WE have to do this - YOU have to do this) – often lack of clarity around expectation of the consultation method what it's trying to achieve – often becomes an individual's responsibility rather than organisational - can be contracted out – raises many questions i.e. what is the regulator's role, government role company role – consumer role

Increasing burden on consumers and advocates

Lack of clarity around key elements of what is a successful consultation process model

limited guidance on: Ownership, Resourcing, Success etc.

