

Victorian Energy and Water Ombudsman's Investigation of Consumer Experiences (VOICES)



In early 2020 the Energy and Water Ombudsman Victoria (EWOV) and the Victorian Department of Environment, Land, Water and Planning (DELWP) jointly commissioned social research by the Australian National University's (ANU) Battery, Storage and Grid Integration Program (BSGIP) to investigate the qualitative consumer experience of new energy products and services in Victoria.

At EWOV, we were motivated to deepen our understanding of the issues customers face with new energy products and services (such as home batteries, electric vehicles, home energy management systems, microgrids and virtual power plants), to prepare for the coming energy system transition and to understand our role in it.

As Victoria's energy system transforms to increasingly embrace Distributed Energy Resources (DER), it is critical that we remain abreast of the changing customer experience. Ultimately, we must ensure that we are continuing to provide relevant and accessible services to customers experiencing challenges with energy.

The VOICES Report follows our 2020 desktop research report ‘Charging Ahead’. Charging Ahead investigated new energy products and services and the consumer issues they are causing (or will cause) in Victoria, and highlighted that we currently have limited scope to resolve disputes involving many of those products and services.

VOICES provides valuable qualitative research¹ to complement *Charging Ahead*, and spans the full residential customer journey with new energy products and services. The report also examines the broader market and regulatory settings within which householders make their purchasing and use decisions, and how those settings can affect decision making.

The VOICES Report generated findings across a range of factors including:

- Consumer motivations, attitudes and expectations regarding new energy products and service,
- Information sources that consumers rely on to make purchasing and use decisions, and their preferences regarding that information,
- Consumer experiences with installation and use of new energy products and services; and
- Householder views on emerging business models and reforms related to new energy products and services.

Valuable conversations with customers are detailed throughout the report, providing rare insight into a field where the customer voice is seldom heard. The drivers and experience of customers actively engaged in emerging energy technology will be instrumental in assisting us to in consider our role and how we respond to a changing system, including the need to handle complaints across a wide range of new issue heads.

In reaching its conclusions, the VOICES Report identifies that customers are ready and willing to engage with new energy products and services, but information failures currently make that engagement more challenging than necessary.

Active measures are needed to bolster consumer trust and confidence, and protect industry growth. Sensible measures would include improving the quality and accessibility of consumer information; and ensuring that consumers of new energy products and services have access to a free and independent dispute resolution service with specialist expertise in the energy sector, for when things do go wrong.

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The three key take-aways for EWOV arising out of the VOICES Report are:

- 1. Consumers have leaped ahead of government and regulators. They are ready and willing to engage with new energy products and services and understand the necessity of the energy transition. There is a degree of consumer frustration at the lag of leadership in this space.**
- 2. The energy sector does not currently provide adequate support to consumers who engage with new energy products and services. This forces engaged consumers to do more ‘work’ more than they should have to, and can deter others.**
- 3. An improved consumer protection framework - including access to an external dispute resolution service - should form part of the currently missing support. This would protect industry growth and meet consumer expectations.**

¹ From June 2020 until February 2021 the ANU researchers spoke to 92 householders, businesses and industry experts about their experiences with new energy products and services. Research methods included semi-structured interviews and technology tours; focus groups; content analysis of a popular online user forum and a secondary analysis of user data. Due to the COVID-19 pandemic, most of this work had to be conducted remotely. This was a unique challenge for the researchers, but did not affect the depth or quality of the insights gained.