



Work program 2021–22

Essential Services Commission



An appropriate citation for this paper is:

Essential Services Commission 2020, Work program 2021–22: Essential Services Commission, 1 December

Copyright notice

© Essential Services Commission, 2020



This work, Work program 2021–22, is licensed under a Creative Commons Attribution 4.0 licence [creativecommons.org/licenses/by/4.0/]. You are free to re-use the work under that licence, on the condition that you credit the Essential Services Commission as author, indicate if changes were made and comply with the other licence terms.

The licence does not apply to any brand logo, images or photographs within the publication.

Work program 2021–22

We are pleased to present the summary of our annual operational plan.

The plan outlines our key priorities for the year in the context of a three-year strategy describing the key environmental factors, opportunities and risks affecting our work. It identifies key projects, performance measures and targets for the year as well as indicative timeframes for the release of public reports and decisions.

Our changing environment

The regulatory space is evolving, presenting us with several challenges and opportunities over the next three years.



Our powers and functions are proposed to undergo legislative reform over the coming years.



The coronavirus pandemic has had a direct impact on our operating environment, consumers and the businesses we regulate, and has dramatically changed the economic environment.



Climate change and increased frequency and intensity of extreme weather is driving demand for greater energy efficiency and innovation and putting greater demands on infrastructure.



Regulators are increasingly being challenged to take effective and appropriate enforcement action.



The increasing use of data and knowledge is driving changes to technology requirements, privacy considerations and decision-making.



Understanding how our role affects customers experiencing vulnerability has become critical to our work in promoting the long-term interests of Victorians.

Our three-year strategy

We've set goals and targets to improve customer outcomes for Victorians over the next three years. They are:

We will be a strong and fair regulator

To increase trust that we will deliver in the best interests of consumers we will:

- hold regulated businesses to account, and deter behaviour that is not consistent with the rules we administer
- promote behaviour in the best interests of consumers
- make use of all the powers available to us in our legislation.

We will be an active regulator

- To continue to respond effectively to the changing environment and solve real problems we will:
 - engage with the community and stakeholders to understand their needs and expectations
 - use data sources and intelligence to assess what is happening in regulated sectors
 - continuously improve our regulatory processes and reform our codes
 - look for ways to proactively solve issues
 - break down barriers to consumers accessing essential services.

We will create incentives for regulated businesses to provide value for customers

To ensure regulated businesses deliver value for customers we will:

- ensure our regulatory frameworks and practices are designed to create effective relationships between those who deliver essential services and their customers
- create incentives for regulated businesses and markets to have strong governance, systems and culture
- promote transparency and accountability for and in regulated businesses
- hold events and campaigns to inform consumers about their rights.

We will deliver value to Victorian consumers

To enable us to deliver our services effectively and efficiently we will:

- prioritise to ensure resources are focused on the areas that deliver the most value
- be innovative in our delivery of projects
- have a clear understanding of the effectiveness of what we do
- make quality and timely decisions.

Creating the right culture, systems and processes

We will ensure our business processes are set up to support us in achieving our goals.

Effective processes for engaging with stakeholders

Effective engagement and building trust with the community, regulated businesses and other stakeholders is critical for all aspects of our regulatory process. We will:

- ensure our engagement approaches are inclusive
- listen and learn to continue to adapt our engagement processes
- use a range of methods for stakeholders to contribute meaningfully to our work.

Effective data, evidence and information management

All our goals require us to effectively manage data and information associated with, cases, evidence, and analysis. We will:

- ensure our information management is appropriately designed and integrated
- build our data analysis capability to enable the effective use of data
- make better decisions based on data, knowledge and information.

People with the right mix of skills and knowledge

As we reform the different core processes that deliver outcomes for customers, we need to ensure that we have the right mix of people to get the job done. We will:

- undertake ongoing assessment of the range of skills and knowledge required to deliver the benefits associated with our new functions
- ensure that everyone is given the opportunity to display and develop leadership
- create opportunities to collaborate and form connections across the commission and with the community.

A workplace that promotes diversity, inclusion and flexibility

To deliver on our goals we must attract the best talent, and provide a modern, safe and supportive workplace for our people. We will:

- build a flexible environment where all employees work at their best
- have a clear pathway for diversity and inclusion at the commission
- deploy technology that supports new ways of working.

Our 2021–22 priorities

Each division has developed its 2022–23 operational plan to align with the goals and priorities of the 3-year strategy and meet the requirements of the Statement of Expectations issued by the Assistant Treasurer.

All our work is geared toward promoting the long-term interests of Victorian consumers, having regard to the price, quality and reliability of essential services as required by our overarching legislation – the Essential Services Commission Act 2011.



Energy

We will:

- take enforcement and compliance action to ensure Victoria’s energy laws are adhered to, and develop our processes and procedures in respect of the new laws that will govern the commission and Victoria’s energy sector
- process pending licence applications, with decisions being made in line with our legislative framework, and assess new applications in a timely way
- provide strategic insights into the energy market (by using intelligence effectively and undertaking expert analysis) - and be recognised as a credible contributor to regulatory and policy issues facing the energy sector
- remake codes of practice as subordinate legislative instruments – making the Energy Retail Code of Practice and work to develop an Electricity Distribution Code of Practice
- review the payment difficulty framework.



Price monitoring and regulation

We will:

- conduct our first five yearly review of the port to assess compliance with the pricing order providing confidence for port users
- set the Victorian Default offer, which will continue to provide a fair price for Victorian electricity consumers
- revise our PREMO water pricing framework to provide further incentives to water businesses to provide value to consumers
- publish performance reports on water and our annual compliance report in local government to inform Victorians of the services they are receiving and compliance with the rate cap.



Victorian Energy Upgrades

We will:

- plan and resource to effectively implement the VEET Act review outcomes and expansion of program activities
- maintain and update our existing Victorian Energy Upgrades IT registry system whilst progressing the development of a new IT system
- strengthen our risk-based compliance and enforcement approach in delivering our regulatory functions
- embed engagement with stakeholders in our operational decision making and in planning for program reform and expansion.



Organisational performance

We will:

- enable divisions to achieve their goals, by being a trusted and expert source of corporate services
- ensure that our projects, initiatives and business-as-usual activities will enable the organisation to deliver their regulatory outcomes, with a focus on our people, relationships, budgets, governance and continuous improvement
- contribute a series of enabling activities to achieve the organisational goal of effective and efficient service delivery.

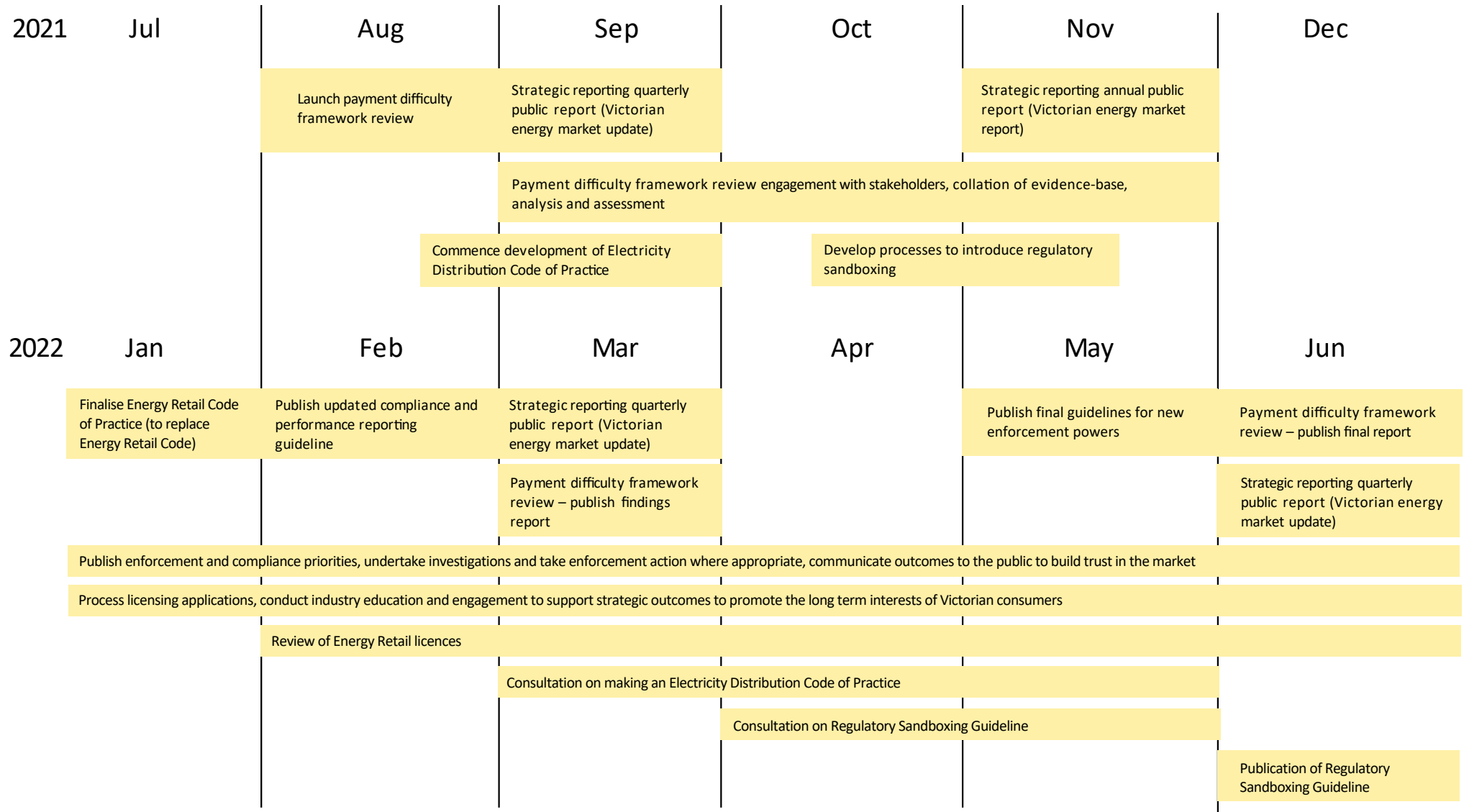


Strategic communication

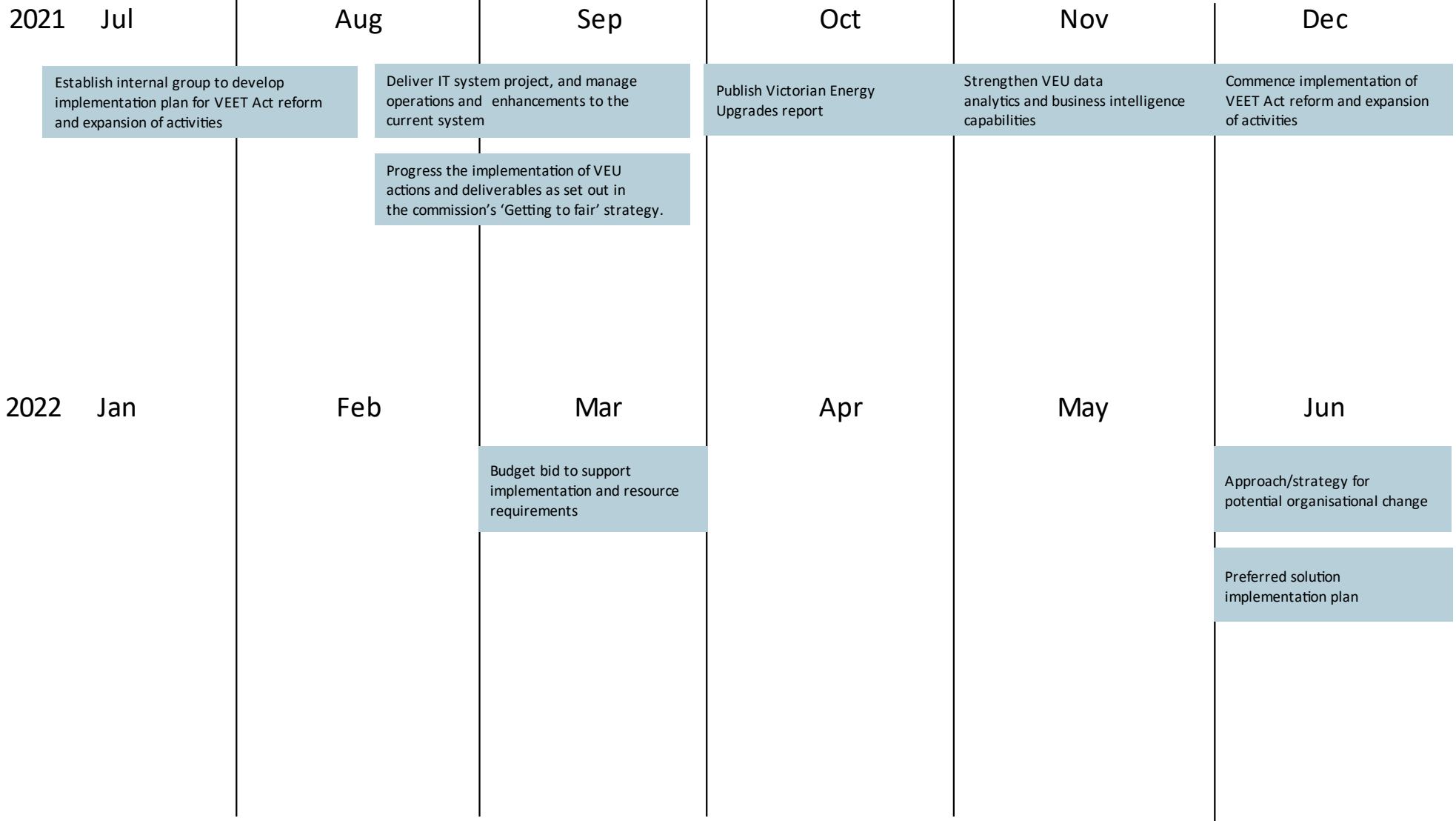
We will:

- develop strategic relationships with key groups who are aligned or integral to achieving our organisational objectives (memorandums of understanding review)
- develop our communication and engagement with consumers experiencing vulnerability (vulnerability strategy)
- develop an organisation-wide standard to improve the consumer contact experience (phone/online/written) and integrate with issues management (consumer contact strategy)
- develop a more strategic approach to media management that makes use of our data and expertise to tell the stories of the impact we're having (media strategy)
- focus on digital accessibility of our content and reaching new audiences by expanding use of our social media channels including hyperlocal content on Facebook (digital strategy).

Energy



Victorian Energy Upgrades



2021	Jul	Aug	Sep	Oct	Nov	Dec
	Develop media strategy and content calendars		Scope review of handling and monitoring of customer enquiries and complaints	Submit 2020–21 Annual Report to parliament	Conduct review of customer enquiries and complaints processes and outcomes	
	Produce 2020 –21 Annual Report					Review publication process roadmap
	Review and evaluate engagement activities of 2020 –21, develop 2021 –22 plan			Conduct six -monthly content audits with recommended actions		
					Update Memorandums of Understanding guideline and template to incorporate changes in regulations, update timeline to complete review of existing memoranda by Jul 2022.	
						Finalise measurement and evaluation framework for Getting to fair strategy
2022	Jan	Feb	Mar	Apr	May	Jun
	Conduct review of implementation of stakeholder engagement framework with particular focus on any recommendations of Getting to fair strategy			Present stakeholder engagement framework review findings and recommendations to board		
	Finalise review of handling and monitoring of customer enquiries, present options to board		Finalise new customer contact standard and develop implementation plan for required changes		Implement new customer contact standard (aka correspondence and complaints handling)	
	Finalise measurement and evaluation framework for Getting to fair strategy					
	Roll out new guideline for memorandums of understanding to staff and report to board on status of reviews					

Price monitoring and evaluation

2021	Jul	Aug	Sep	Oct	Nov	Dec
	Victorian Default Offer consultation paper		Victorian Default Offer draft decision	Revised PREMO pricing framework for next water price review	Release of report on local government rate cap compliance	Final advice on review of port's compliance with pricing order
	Quarterly perception survey			Quarterly perception survey	Victorian Default Offer final decision	Advise Minister for Local Government on rate cap
	Develop engagement plans for key projects.				Water regulatory audits	Publish water performance report, coronavirus monitoring reports, outcomes report and customer perception reports
					North East Water mid-period review	Water regulatory account activities
2022	Jan	Feb	Mar	Apr	May	Jun
	Setting of minimum electricity feed-in tariffs	Victorian Default Offer consultation paper		Victorian Default Offer draft decision	Assessment of council rate cap applications	Victorian Default Offer final decision
	Quarterly perception survey	Setting of minimum electricity feed-in tariffs			Quarterly perception survey	Review and revision of water customer codes
					Review of best practice approaches to family violence	Annual water tariff approvals
	Promote better practice by utilities in responding to family violence	Implement stakeholder engagement plans that uphold the principles of the stakeholder engagement framework.		Enable effective data, information and evidence management by supporting the modelling community of practice		Promote flexibility and diversity in recruitment processes, including in position descriptions

