



The Energy
Charter

Energy Charter

REPORT 2018-19



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This report covers the Energy Queensland Group's (the Group's) Energy Charter disclosures from 1 July 2018 to 30 June 2019.

It reports the contribution of Energex Limited, Ergon Energy Corporation Limited, Ergon Energy Queensland Pty Ltd, and Yurika Pty Ltd.

This Energy Charter Report is on our website at www.energyq.com.au/publications

We welcome feedback to help us improve our reporting. Comments can be directed to energycharter@energyq.com.au

In keeping with our commitment to connect respectfully with Aboriginal and Torres Strait Islander peoples and communities, we acknowledge Aboriginal and Torres Strait Islander people as the first people of Australia and the Traditional Custodians of this land and its waters.

We pay our respects to Elders past, present and future for they hold the memories, the traditions, the culture and knowledge of Aboriginal Australia.

Energy Queensland - About us

Energy Queensland is the group of electricity distribution, retail and energy services businesses owned by the State of Queensland.

As a Government Owned Corporation, we deliver electricity across Queensland through our 'poles and wires' businesses Energex and Ergon Energy Network. Our retailer, Ergon Energy Retail sells this electricity to customers throughout regional Queensland.

These essential service activities are also supported by a range of innovative products and services delivered through our energy services, Yurika and other market brands.

The Group, formed in June 2016, energises Queensland communities from Tweed River to Torres Strait and from Brisbane across to Birdsville.



Message from our Chairman and Acting CEO

PHIL GARLING AND PETER SCOTT

On behalf of the Energy Queensland Board and Executives, we advocate for and embrace the changes required of us and the energy industry as a whole to better meet community and customer expectations and together, deliver energy for a better Australia.

The way we energise our communities, power our homes, support our businesses and keep our economy moving is a story of constant adaptation, progress and innovation.

We've seen significant energy sector changes over the years in industry structure, energy markets, and government regulation - with communities and customers wanting to be part of that continuing transformation.

In response to this increasingly customer-driven change, Energy Queensland signed up to the Energy Charter in January 2019.

We embrace this opportunity to collaborate with others across the supply chain and to be part of a world-first energy industry framework to achieve the right outcomes for communities and customers.

We also acknowledge that as a Government Owned Corporation and portfolio business we

have a strengthened capability and are in a unique position to provide significant insight, experience and commitment to the delivery of the Energy Charter.

Since June 2016, Energy Queensland has been working hard to shape our course and meet the needs of our communities and customers now and into the future.

We've been listening carefully through customer forums, workshops and engagement with our community groups across Queensland and we are integrating these insights into our decision making.

Through the process of preparing this, our first Disclosure Report to the Accountability Panel, we've taken the first step to embed the Energy Charter into our business strategies and operations.

After reflecting on our business activities and initiatives we've evaluated them against the Energy Charter Principles in Action.

In doing so, we recognised where we've delivered positive outcomes, and then focused on the gaps and opportunities where we can better meet the diversity of our customers' needs.

The overwhelming feedback we've received from our leaders and people to date is one of genuine commitment to the Energy Charter.

On behalf of the Board and Executives, we advocate for and embrace the changes required of us and the energy industry as a whole to better meet community and customer expectations.



PHIL GARLING
Chairman



PETER SCOTT
Acting CEO

Message from our Customer Council

As the Customer Council for Energy Queensland, we welcome Energy Queensland being a signatory to the Energy Charter.

We believe that the Energy Queensland Group is making progress to align business strategy and operations with the principles in the Energy Charter as they seek to provide better outcomes for customers in line with community expectations.

Although, as highlighted in the report, there are many positive initiatives and programs in place, we believe Energy Queensland needs to address weaknesses where they arise in every-day service delivery operations to ensure services are delivered in an accurate and timely manner so that Energy Queensland can build, or where required, rebuild trust.

We commit to continuing to work with Energy Queensland and hold Energy Queensland to account in realising the benefits the Energy Charter can bring to the communities and customers in Queensland that we represent and for whom we advocate.

Customer Council Members

Gabriel O’Keeffe

Andrew Barger

Karin Swift

Georgina Davis

Pamela Bessette-Guard

Michael Fullelove

Judene Andrews

Luke Reade

Robyn Robinson

Colin Coverdale

Martin Zaltron

Anthony King

Chamber of Commerce and Industry Queensland

Queensland Resources Council

Queenslanders with Disability Network

Queensland Farmers Federation

City of Gold Coast

Local Government Association Queensland

Uniting Care Queensland

Queensland Council of Social Service

Council on the Ageing

Small Business Association of Australia

Urban Development Institute of Australia (Queensland)

Master Electricians Australia

Performance overview

2018-19

PERFORMANCE INDICATORS		TARGET	RESULT
CUSTOMER	Customer Index We continued to focus on the customer experience and met our target with some great results. We do, however, recognise to deliver exceptional customer experiences we need to do better.	≥6.7	6.7
	Customer Enablement Index Our employees indicated they have a better understanding of our customers and feel more empowered to deliver for them – the improvement from the previous year allowed us to exceed our target.	≥5.6	6.2
COMMUNITY	Minimum Service Standards Network performance met all but one of the 12 performance measures. There is more work required to improve reliability for our long rural customers.	100 %	92 %
	Program of Works Delivery Index We delivered 94 per cent of the customer and business-initiated works program within our planned targets.	≥90 %	94 %
OUR PEOPLE	Employee Engagement Survey Results Our employee engagement score improved, while remaining short of our target as we continue to strive towards best practice – the result is above the average for energy and utility businesses.	≥68 %	62 %
WORKPLACE SAFETY	Total Recordable Injury Frequency Rate We outperformed our TRIFR target in 2018-19, following targeted initiatives in the previous year, including a Musculoskeletal Injuries Action Plan and a Switching Performance Improvement initiative.	≤8.3	7.8
	Lost Time Injury Frequency Rate In 2018-19 we experienced a decrease of lost time injuries, meaning our people are safer at work.	≤2.4	2.1

Our Approach

BB Delivering on the Energy Charter requires transforming the way we do things to deliver better customer outcomes, a path Energy Queensland embarked on from the outset of its formation as a merged entity in 2016. DD

- Peter Scott, Acting CEO

The formation of Energy Queensland was a response to the need for a stronger focus on delivering better outcomes for customers. This is evident in the creation of customer functions both centralised and embedded in business units as part of our organisational structure.

Guiding these functions is our Customer Strategy 2018-20 supported by a Customer Experience Roadmap, a three-year program of activities geared toward cultural and operational change to embed customer-focused decision making.

Central to this goal was the formation of our internal Customer Strategy and Insights Council and Customer Experience Network at General Manager (Level 2) and Manager levels (Level 3 and 4) respectively, with the role of representing the customer in their business units and collaborating to overcome pain points and deliver a seamless customer experience.

The recent elevation of the customer function to an Executive General Manager of Community, Customer and Corporate Affairs demonstrates our further commitment to making better customer-focused decisions.

In this context, we participated in the development of the Energy Charter in recognition of the momentous impact industry collaboration and advocacy for change, led by Chief Executive Officers of organisations, has within the energy supply chain.

We have integrated the Energy Charter into our organisational narrative and the deliverables for Energy Queensland's Customer Advocate, Strategy and Insights team.

The Principles in Action advance our Customer Strategy goal by providing clarity on what our business units should be collectively striving to achieve.

In July and August 2019, a series of workshops across Queensland asked our employees to contribute to this report. Additionally, each workshop focused on understanding the role, gaps and opportunities in delivering on the Principles in Action for a specific business unit.

Key outcomes included articulating the traits of a customer-centric culture and integration of the Energy Charter into our business planning process, with advocacy

embedded into our internal Customer Strategy and Insights Council and Customer Experience Network.

In alignment with our process around significant change and customer-decision making, prior to submission we shared this Disclosure Report with our Customer Council, a group of external stakeholders and customer advocacy groups acting on behalf of customer interests.

This Report complements our Annual Report. It is prepared and governed in a similar way whereby our Board, Executive Leadership Team, and Government stakeholders review and approve prior to submission, and by doing so acknowledge and support continued implementation of activities to improve customer outcomes, in alignment with the Energy Charter Principles in Action.

For more information and details in relation to our Key Performance Indicators and operations, please view the latest Annual Report at www.energyq.com.au

Principle 1

We will put customers at the centre of our business and the energy system

With our business delivering products and services across the energy supply chain, it is critical that we have a strong organisational culture that focuses on making decisions that produce better customer outcomes in line with community expectations.

In April 2018, our Board approved our 2018-20 Customer Strategy: Focusing on the Customer

Experience, and our Customer Experience Roadmap, which provides a framework to embed customer-focused decision making.

The framework implements governance, systems and processes to grow a customer-focused culture measurable through our Corporate Performance Indicators for customer experience (Customer Index) and employee experience

(Customer Enablement Index).

These measures demonstrate the critical role our employees' experiences have on our customers' experience.

Case Study 1

Key Performance Indicators - Customer

Energy Queensland has two Corporate Key Performance Indicators to drive customer outcomes, being the Customer Index and the Customer Enablement Index.

The Customer Index is based on our Voice of the Customer program where we annually survey around 15,000 customers to record and report on their respective interactions with us. Customer Index results are reported monthly and annually to the Energy Queensland Board, internal Customer Strategy and Insights Council and Customer Experience Network.

The Customer Enablement Index measures customer culture within the Group and provides our people an opportunity to offer their insights on the customer experience. In 2018-19, the Customer Enablement Index comprised of four key questions in the annual Employee Engagement Survey (conducted by an independent third party).

While measures have been met, the need for continuous improvement has been recognised for both customer metrics and work is underway. In 2018-19 the Customer Index was extended to the four brands across the Group, and now

encompasses 17 customer service interaction touchpoints across eight customer groups.

A notable improvement was the introduction of an automated close-the-loop system enabling employees to directly contact customers post-survey, which gives teams an opportunity to listen with empathy and respond to improve. Work continues on improving analysis of customer comments to identify areas of improvement.

Case Study 2

Customer issues and complaints reporting

We recognise there is a significant need to build trust, be accountable and increase transparency of customer issues.

While we have always relied on our complaints processes within each of our brands, to better manage our customer experiences, in 2018 we enhanced [our governance](#) to include regular reporting to our Risk and Compliance Committee. Following evaluation by Risk and

Compliance Committee members, reports are tabled at Energy Queensland Board meetings.

The reporting includes qualitative insight on community and customer issues being managed within the organisation, and a quantitative report of customer complaints across the Group. In addition, the report includes case studies detailing customer experiences and outcomes, as well as business responses and continuous

improvement activities and opportunities.

Through these reports, Board members are given direct access to the operational barriers constraining employees from delivering good quality customer outcomes, and can act accordingly.

Case Study 3

Stand Alone Power Systems

In alignment with our Future Grid Roadmap we have initiated a project 'Transforming Supply for our Fringe of Grid Customers'. The project is focused on rural and remote customers supplied by Single Wire Earth Return networks.

Energy Queensland is working with Queensland Government, customers, communities and other stakeholders to develop transition strategies and business models that ensure our customers continue to have access to safe, secure, affordable, reliable and efficient energy supply solutions.

We have approximately 65,000 kilometres of Single Wire Earth Return lines, one of the largest Single Wire Earth Return networks in the world supplying only 4 per cent of Ergon Energy Network's customers. The majority of the Single Wire Earth Return network was installed in the 1970's and 1980's and is located in western Queensland where it is sparsely populated.

Providing cost-effective and reliable electricity supply in remote locations is challenging and as the network comes to the end of its life, alternative future supply options are being investigated.

Stand Alone Power Systems is one of our initiatives focused on different supply models for our fringe-of-grid customers. The Stand Alone Power Systems typically include renewable generation (predominately solar PV), battery storage with back-up diesel generation.

Advances in battery management systems and reductions in the cost of battery technologies are enabling Stand Alone Power Systems to become increasingly economically viable compared to traditional network supply, by poles and wires, in remote locations.

These technologies will improve individual customer experiences, particularly for remote customers who are supplied electricity over long distances, whilst providing the opportunity to

lower the cost of providing energy services in the future.

The current regulatory framework does not allow distributors to disconnect customers from the grid and supply them by Stand Alone Power Systems.

In May 2019, the Australian Energy Market Commission released a final report recommending that the regulatory framework should be changed to allow distributors to supply customers by Stand Alone Power Systems where it is more cost efficient to do so, compared to a traditional network solution.

We continue to advocate and work with regulatory bodies to deliver community and customer focused energy supply solutions.

We are trialling Stand Alone Power Systems as an alternative to network supply for individual customers supplied by long Single Wire Earth Return lines and exploring the long-term opportunities Stand Alone Power Systems may provide for our customers.

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>1.1 Have a Board that actively oversees the business' culture so as to be aligned with Energy Charter Principles.</p>	<ul style="list-style-type: none"> • Direct Board advocacy has led to a culture that supports and actively seeks customer feedback as part of the decision-making process, leading to improved customer experience 	<ul style="list-style-type: none"> • Through 2018-19, we continuously measured the customer experience through the Customer Index and reported results monthly to the Board and Executives. We also met our end of year target for customer experience. • In October 2018, we commenced regular reporting on customer issues and complaints to the Risk and Compliance Committee, including case studies, to increase transparency of operations and customer impacts. • Customer engagement opportunities are a regular part of the role of our Energy Queensland Board members. • In recognition of the importance of customers to our organisation, the Energy Queensland Board created a new position for Community, Customer and Corporate Affairs at the Executive General Manager level. 	<p>The Board have encouraged a number of strategies and frameworks that drive a customer focused culture:</p> <ul style="list-style-type: none"> • Vision, Purpose and Values (Energy Queensland) • Monthly Performance Reports (Energy Queensland) • Monthly Retail Business Unit Reports (Ergon Energy Retail) • Customer Issues and Complaints Reporting (Energy Queensland) • 2018-2020 Energy Queensland Customer Strategy: Focusing on Customer Experience and Customer Experience Roadmap (Energy Queensland) • 2018-2020 Community Strategy (Energy Queensland) • Regulatory Proposal - Tariff Structure Statement Working Group Summary Reports available on Talking Energy (Energex and Ergon Energy Network) • Energy Queensland Annual Report for Customer Index and Customer Enablement Index results (Energy Queensland) • Energy Queensland Board involvement in Customer Engagement Activities (Energy Queensland)
<p>1.2 Have management operationally accountable for embedding a 'customer at the centre' culture.</p>	<ul style="list-style-type: none"> • Customer needs and expectations drive business decision-making and practices improving the customer experience in interacting with the business 	<ul style="list-style-type: none"> • The Customer Index and Customer Enablement Index, which tracks our customer culture, continued to be corporate Key Performance Indicators that were used in performance agreements to drive strong customer outcomes across all of Energy Queensland. • Work continued on the Energy Queensland Transformation Program - identifying critical packages to deliver for Customer, Community and Culture. • The Executive Leadership Team collaborated to build the concept of 'Electric Life', which provides a future vision of the role energy will play in customers' futures and provides employees with a future focus to aspire to. • We exceeded our 2018-19 target for the Customer Enablement Index, which measures customer culture amongst our people and identifies opportunities for improvement in customer experience. 	<ul style="list-style-type: none"> • Customer Strategy and Insights Council meeting agendas and presentations (Energy Queensland) • Customer Experience Network agendas and presentations (Energy Queensland) • Energy Queensland Business Plan and Business Unit Plans incorporating customer and community objectives (Energy Queensland) • Executive General Manager, Community, Customer and Corporate Affairs performance agreement (Energy Queensland) • General Manager, Community and Customer Strategy performance agreement (Energy Queensland) • Quarterly Customer Insights Forum (Ergon Energy Retail) • Board, Executive Leadership Team and Senior Leadership Team taking the lead and setting the example in customer engagement forums (Energy Queensland)

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>1.3 Ensure their work force is engaged and incentives are aligned to drive positive customer outcomes.</p>	<ul style="list-style-type: none"> Customers experience improved service outcomes 	<ul style="list-style-type: none"> Our performance indicators are linked to customer and community outcomes and remuneration. In November 2018-2019, the Ignite Energy Queensland program was launched, which enabled our people to be recognised and rewarded for delivering improved customer outcomes. At Ergon Energy Retail, we continued our tradition to recognise our top performing people in relation to customer outcomes and reward them with the opportunity to attend customer events. 	<ul style="list-style-type: none"> Success Factors - Performance Agreement Framework incorporating SKILLED (Safe, Knowledgeable, Innovative, Leading, Listening, Engaged, Diverse) values, behaviours, development plans (Energy Queensland) Chief Executive Officer, Executive General Manager and General Manager bonuses are linked to achieving corporate Key Performance Indicators including those relating to customer (Energy Queensland) Business Plan and Business Unit Plans incorporating customer objectives (Energy Queensland) Local Heroes Awards (Ergon Energy Retail)
<p>1.4 Have robust processes to determine customer and community needs and be accountable on how feedback has been considered and incorporated into decision making.</p>	<ul style="list-style-type: none"> Community and customer needs and expectations influence decision making Customer benefits are considered as part of investment projects Decisions are considered as part of the overall customer service delivery chain 	<ul style="list-style-type: none"> Members of the Board, Executive Leadership and Senior Leadership teams, engage directly with customers across the State, including visiting customer premises and attending customer forums such as our Regulatory Proposal – Tariff Structure Statement Working Group, Regional Forums, Agriculture Forum and Major Customer Forum providing insights directly to decision-makers in the Group. The Community Strategy team developed 17 Community Overview profiles providing Energy Queensland senior managers and our people with an understanding of Queensland communities and their needs by geographical boundaries. General Managers from across the business meet regularly to discuss the Customer Index results and action insights within their own teams. We continued to implement improvements to our engagement forums, including aligning Energex and Ergon Energy Roadshows. We introduced customer personas and customer experience journey mapping across Energy Queensland as a better way to understand customer needs and improve customer experiences. As part of our research program to inform Energex’s and Ergon Energy Network’s 2020-2025 Draft Regulatory Proposals for the Australian Energy Regulator, we undertook extensive research into understanding customer needs and expectations. We undertook the 2018 Queensland Household Energy Survey to obtain a measure of customer behaviours in relation to energy use and their likely future requirements and used these insights to inform strategic decisions. 	<ul style="list-style-type: none"> Board Stakeholder Engagement Register (Energy Queensland) Energy Queensland and Distribution Network Service Provider Board customer site visits (Energy Queensland) Community Profile Overviews (Energy Queensland) Brand research and qualitative business customer research (Energy Queensland) Internal Customer Strategy and Insights Council meetings (Energy Queensland) Major Customer, Agriculture, Developer, and Energy Academy (electrical industry partners) Forums (Energy Queensland) 2020-2025 Draft Regulatory Proposal for Australian Energy Regulator and Tariff Structure Statement 2020-25 (Energex and Ergon Energy Network) Customer research for 2020-25 Regulatory Proposals and Tariff Structure Statements (Energex and Ergon Energy Network) Queensland Household Energy Survey 2018 report and presentations (Energex and Ergon Energy Network)

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>1.5 Demonstrate a culture of innovation and collaboration for positive customer outcomes, including through the sharing of insights with government, research institutions and across the supply chain, as well as joint advocacy on regulatory, policy and operational issues.</p>	<ul style="list-style-type: none"> • Business customers provided with energy management solutions • Network investment and tariff designs better reflect customers' desired outcomes • Specific residential and business customer issues identified and explored 	<ul style="list-style-type: none"> • Through our Innovation Pipeline, several customer focused initiatives were piloted. • We launched new energy solutions through Energex and Ergon Energy Network in collaboration with industry partners to help more customers manage their air-conditioning use. • We shared customer research publicly, with Government and key stakeholders to assist in collaborative and informed customer-focused decision making. • Through Community Leader forums and customer forums held across Queensland, we sought customer feedback as part of the decision-making process for our Regulatory proposals 2020-2025 and Tariff Structure Statements 2020-25 for Energex and Ergon Energy Network. • We continued to work with Queensland Government departments on energy use in remote areas that aligned with customer preferences by replacing diesel generators with solar and battery systems, and work towards regulatory change to support customer preferences. 	<ul style="list-style-type: none"> • Presentations to, Minutes and Reports from Agriculture, Developers, Major Customer and Energy Academy (electrical industry partners) Forums. (Energy Queensland) • Information shared via Talking Energy website including Queensland Household Energy Survey 2018 and Regulatory Proposal-Tariff Structure Statement Summary Reports (Energex and Ergon Energy Network) • Customer Council Charter, agendas, presentations and minutes (Energy Queensland) • Engagement with Queensland Government departments on energy use in remote areas and card operated meter projects (Ergon Energy Retail) • Initiatives including Solar Enablement Initiative and Energy Savvy Families (Ergon Energy Retail) • PeakSmart air-conditioning program (Energex and Ergon Energy Network) • Isolated Systems - Bamaga, Mapoon, Pormpuraaw and Doomadgee (Ergon Energy Network)
<p>Continuous improvement for the Principle – expected focus areas for July 2019 - June 2020</p>	<ul style="list-style-type: none"> • Launch of Energy Queensland's first segmentation for residential and business customers based on understanding customers' needs and build customer strategies. (Energy Queensland) • Deliver Energy Savvy Families 2 – learn more about digital meters and how to influence customer behavior (Ergon Energy Retail) • Continue to work with Government to change regulations around connection requirements to enable innovation for new electricity supply solutions delivering more balanced outcomes. (Yurika) • Continue to work with government and other key stakeholders to develop regulations for Electric Vehicle charging. (Energy Queensland) • Area Managers will be trained in community consultation (Energex and Ergon Energy Network). • Outworking of our Stakeholder Materiality Assessment to collaboratively address key stakeholder and community issues. (Energy Queensland) • Build on the results of the Western Grid Project Stand Alone Power Systems Trials. (Energy Queensland and Ergon Energy Network) 		

Principle 2

We will improve energy affordability for customers

Through extensive engagement activities, we understand that affordability and energy prices continue to be the primary concern for the vast majority of our residential and business customers.

As an essential service, we recognise our role in delivering affordable energy solutions for customers.

Yurika delivers cost-effective energy solutions and metering tailored to business customers.

Ergon Energy Retail continues to develop products and services that help customers to manage their energy use, and address affordability.

Energex and Ergon Energy Network are also improving network management through

new technologies for our customers to take advantage of renewables, batteries and smart technologies.

The opportunity to work collaboratively across the energy supply chain via the Energy Charter Better Together Initiative on Tariff Reform provides further opportunity for an industry-wide response to improving energy affordability.

Case Study 4

EasyPay

Our customers told us they wanted choice in the way they paid their bills, so Ergon Energy Retail began offering EasyPay Rewards in November 2017.

EasyPay Rewards offers our customers a simple and convenient way to manage their electricity bills and rewards them for helping Retail reduce the cost-to-serve.

Part of the Queensland Government's Affordable Energy Plan, EasyPay Rewards provides customers surety of their energy payments.

The product is a combination of direct debit, email billing and smooth-pay that provides a set-and-forget service to help customers better manage their household budgets.

Residential customers access \$75 and business customers \$120 in annual rewards when they sign up for the product.

Customers have provided positive feedback on EasyPay Rewards and there has been increased uptake in 2018-19. We plan to extend EasyPay to our hardship customers in 2019-20.

Case Study 5

Energy Savvy Families

Many low-income households have told us that paying their bills can be difficult and technologies such as digital meters and devices to track energy usage are out of reach. The Energy Savvy Families program, is making a difference for these customers by providing technology and support to help better manage these challenges.

Led by Ergon Energy Retail, the Energy Savvy Families is a partnership with the Queensland Department of Natural Resources, Mines and

Energy, Queensland Council of Social Service and CitySmart to provide low-income families across regional Queensland an opportunity to better balance their household budgets by giving them greater choice and control on how and when they use their energy.

Using the HomeSmart Savvy portal on their computer, tablet or smartphone, families can review their electricity use daily and can see how it's tracking over the longer-term with access to weekly, monthly and annual reports. Customers

can set notifications for when they are reaching the limit of their budget and smaller more manageable monthly billing makes payments easier. Energy Savvy champions are also on hand to provide support and advice for families.

As at 30 June 2019, a total of 3,009 customers had received a digital meter under the program.

Case Study 6

Regulatory Proposal and Tariff Structure Statement Consultation

During 2018-19, for both Energex and Ergon Energy Network, we sought the opinions and ideas of customer and stakeholders through an intensive engagement program to develop our draft Regulatory Proposals and Tariff Structure Statements.

We appreciate and acknowledge the feedback provided by our customers and stakeholders, and are working to improve the way we engage with our customers and stakeholders to in turn deliver better customer outcomes.

As we commenced our engagement there were very early indications from our customers they were expecting a commitment to price reductions to assist with affordability from the outset. We collaborated with our Regulatory Proposal – Tariff Structure Statement Working Group to explore areas of potential savings and incorporated this into our Draft Regulatory Proposals 2020-25 (Energex and Ergon Energy Network)

Feedback commented on the quality and variety of the customer engagement forums and brought about new ways of thinking.

While we learned for areas of improvement along the way, including earlier engagement of project resources, on the whole, customers believed the quality of the submission was

strong, due to good quality discussions and stakeholder management.

A key customer outcome we are proposing includes a 10 per cent reduction on the network component of the average customers' bill.

In addition to the Regulatory Proposals, we engaged on the development of our Tariff Structure Statements for both of Energex and Ergon Energy Network with the goal of developing new more cost reflective tariffs that provide customers with choice and greater affordability.

While similar engagement techniques were used for this consultation, our customers and stakeholders have communicated we have not met their expectations for this process.

Our customers have highlighted a number of opportunities for improvement, including:

- More engagement around changing tariffs with customer friendly explanations.
- Consistent terminology to describe the same tariffs.
- Provide pre-reading material in a more timely manner to allow sufficient preparation for engagement discussions.

- Consistent and timely communication.
- Provide further customer impact analysis to assist stakeholders in assessing the proposed tariffs.
- Guide the engagement sessions to ensure all attendees can provide feedback and contribute to the overall purpose.

We are also working closely with the Australian Energy Regulator and following recommendations to work with third parties such as the University of New South Wales, to develop models to demonstrate potential tariff impacts on customers' bills.

We have also engaged CitySmart to assist in developing a customer education campaign to make it easier for customers to better understand our proposed tariffs and develop the tools they require to make informed tariff choices.

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>2.1 Ensure that investment, commercial and operational decisions are cost efficient, and explain how customers benefit from these decisions.</p>	<ul style="list-style-type: none"> Lowering the cost of delivering electricity Customers receive products and services of value 	<ul style="list-style-type: none"> Customer Benefits are required to be outlined in Energy Queensland Business Templates. At Energex and Ergon Energy Network, we aligned connections' processes to deliver consistent customer experiences and increased efficiencies. We delivered the Distribution Virtual Contact Centre meaning all contact centres can take all calls from customers on behalf of either Energex or Ergon Energy Network. Energex and Ergon Energy Network implemented the delivery of bundled work – incorporating regulated and unregulated work requests contracted by Yurika, Energex and Ergon Energy Network to lower the cost of service provision. At Ergon Energy Retail, we optimised processes to increase first call resolution and make it easier and more efficient for customers. We aligned the network scheduling processes, control centre systems and processes to deliver efficiencies to lower the cost of delivering electricity to customers. 	<ul style="list-style-type: none"> Business Case Templates (Energy Queensland) Our Regulatory Proposals 2020-2025 (Energex and Ergon Energy Network) Connections process improvements (Energex and Ergon Energy Network) Program Supervision and Scheduling Project (Energex and Ergon Energy Network) Aligned Geographic Information Systems (Energex and Ergon Energy Network) Distribution Virtual Contact Centre Project Management Plan (Energex and Ergon Energy Network) Retail Customer Experience Project Phase 1 Benefits realisation (Ergon Energy Retail) Digital Enablement Program Business Case (Ergon Energy Retail)
<p>2.2 Offer customers energy deals that best meet their needs, supported by effective tools and incentives for customers to manage their energy use and cost.</p>	<ul style="list-style-type: none"> Choices to help customers afford and manage their electricity bills 	<ul style="list-style-type: none"> The application process for Energex and Ergon Energy's Demand Management Program was revised and improvements implemented to make it easier for customers to benefit from the Program. Work commenced on Energex and Ergon Energy Network tariff reform through the Tariff Structure Statements to make tariffs easier to understand and provide options to benefit customers. Ergon Energy Retail's customers were provided access to detailed information on their energy consumption and tailored advice on how to manage energy through Energy Analysis, which is incorporated into My Account, Ergon Energy Retail's customer portal. Ergon Energy Retail rolled-out EasyPay, providing customers with options to make it easier to manage paying their energy bills. 	<ul style="list-style-type: none"> PeakSmart Air-conditioning Program (Energex and Ergon Energy Network) Draft Tariff Structure Statements (Energex and Ergon Energy Network) Energy Savvy Phase 1 and Phase 2, EasyPay, Energy Analysis via My Account (Ergon Energy Retail)

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>2.3 Work cooperatively across the supply chain and with other stakeholders to improve affordability over the short and long term.</p>	<ul style="list-style-type: none"> Lowering the cost of electricity for customers 	<ul style="list-style-type: none"> We demonstrated our commitment to customers as one of the first signatories to the Energy Charter and signed up to several Better Together Initiatives. Within Energex and Ergon Energy Network, our Distribution Improvement Forums continued to meet regularly to identify customer service failures within the delivery of network solutions to customers and to design and deliver solutions to increase efficiencies. The Energex and Ergon Energy Network Customer Market and Operations Team implemented the 'Hot-House' an internal forum focused on identifying improvement opportunities in a collaborative environment and adding those to the Customer Market Operations Improvement Program of Work. At Ergon Energy Retail, we rolled-out two payments of the Asset Owners Dividend, on behalf of the Queensland State Government. At Energex and Ergon Energy Network, we delivered the Energy Efficiency Appliance Program where customers were offered an incentive to replace white goods with more energy efficient appliances. Ergon Energy Network and Ergon Energy Retail jointly rolled-out a power card for customers in isolated communities enabling easy access to energy rebates. 	<ul style="list-style-type: none"> Signatory to Energy Charter (Energy Queensland) Energy Charter Better Together Initiatives (Energy Queensland) Distribution Improvement Forums (Energex and Ergon Energy Network) The Hot-House (Network's Improvement Forum) where managers and teams collaborate on improvements to customer experience (Energex and Ergon Energy Network) Customer Market Operations Improvement Program of Work (Energex and Ergon Energy Network) Asset Owners Dividend and Solar on Public Housing (Ergon Energy Retail) Power card roll-out (Ergon Energy Network, Ergon Energy Retail) Collaboration with the Department of Housing and Public Works, Department of Natural Resources, Mines, and Energy, to trial solar on public housing to enable eligible public housing tenants in government-owned houses to access the benefits of roof-top solar power and overcome barriers to installing solar PV. (Ergon Energy Retail, Ergon Energy Network, Yurika)
<p>2.4 Innovate to deliver competitive energy solutions for business and residential customers.</p>	<ul style="list-style-type: none"> Improved products and services available in keeping with customers' changing needs 	<ul style="list-style-type: none"> At Yurika, we launched the Smart Connected Solar package and Virtual Power Plant providing commercial customers tailored energy solutions to help manage their energy bills and improve environmental outcomes. At Energex and Ergon Energy network we continued to deliver the Large Customer Adjustment Program, Large Customer Adjustment Trial audits and the Agriculture Demand Management Trial to assist large business customers prepare for new tariff arrangements. At Ergon Energy Retail, we offer residential and business customers a solar feed-in-tariff, and an energy portal enables customers to more easily manage their bills. 	<ul style="list-style-type: none"> Smart Connected Solar (Yurika) Agriculture Demand Management Trial (Ergon Energy Network) Large Customer Adjustment Program (Ergon Energy Network) Large Customer Adjustment Trial audits (Ergon Energy Network) Energy Savvy Families (Ergon Energy Retail) Virtual Power Plant (Yurika) Sunny Savers Program (Ergon Energy Retail)

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>2.5 Advocate on behalf of customers to improve energy affordability through engagement in regulatory and policy processes.</p>	<ul style="list-style-type: none"> Lowering the cost of electricity for customers 	<ul style="list-style-type: none"> In response to customer feedback during the engagement for the next regulatory period for Energex and Ergon Energy Network, we proposed on average a 10 per cent saving on network tariffs in our Regulatory Proposals 2020-2025. At Australian Energy Market Operator and Australian Energy Market Commission Working Groups, representatives from our networks and Ergon Energy Retail continued to champion customer outcomes around affordability. 	<ul style="list-style-type: none"> Our Regulatory Proposals 2020-2025 (Energex and Ergon Energy Network) Australian Energy Market Operator Working Group (Energex and Ergon Energy Network and Ergon Energy Retail) Australian Energy Market Operator Working Group and AEMC Working Group (Energex and Ergon Energy Network and Ergon Energy Retail)
<p>Continuous Improvement for the Principle – expected focus areas for July 2019 - June 2020</p>	<ul style="list-style-type: none"> Continued work on Energex’s and Ergon Energy Network’s Tariff Structure Statements will respond to customer feedback to provide better modelling and evaluation of customer impacts to assist customer advocates in providing informed feedback for our consideration. (Energex and Ergon Energy Network) In 2020, the Energex and Ergon Energy Network will commence outworking the Australian Energy Regulatory Determination, working toward the proposed 10 per cent average reduction in network costs. (Energex and Ergon Energy Network) Work has commenced at Energex and Ergon Energy Network to unify our geo-spatial systems, which will equip employees with the same design tools, processes and standards for a consistent customer experience; in addition improving ease of access for information through a single source for customers, as well as lowering costs through single systems. (Energex and Ergon Energy Network) Implement the Dynamic Customer Solutions, delivering more efficiencies to further place downward pressures on the cost of electricity distribution. (Energex and Ergon Energy Network) Efficiencies from Energex’s and Ergon Energy’s programming, scheduling and supervision program will be realised (Energex and Ergon Energy Network) We will deliver Phase 2 of Energy Savvy Families, to further improve outcomes for vulnerable customers. (Ergon Energy Retail) We are planning to run a trial of home energy management systems through the Market-Delivered Demand Response Pilot to explore and quantify customer, network and aggregator benefits. (Energex and Ergon Energy Network) 		

Principle 3

We will provide energy safely, sustainably and reliably

At Energy Queensland, our purpose is to safely deliver secure and sustainable energy solutions with our communities and customers. The safety of our customers, communities and our people continues to be our priority, requiring due focus and investment, particularly in maintaining safe networks.

In addition, we continue to strive to meet customers' expectations on reliability, while recognising the role we have in delivering affordable energy. While we recognise these

continue to be the most important factors in a responsible energy organisation, the growing customer preference for cleaner energy solutions is undeniable. In our core role of enabling our communities and customers to have safe, sustainable and reliable energy solutions, we're driving innovation to think more about energy solutions, rather than connections.

Across the board, we've committed to enabling the connections of renewable energy to our networks, from the residential home customer to

large-scale wind and solar farm customers.

For our remote communities in regional and far north areas of the mainland and surrounding island communities, we are advancing towards new, more sustainable ways of delivering safe and reliable energy solutions. Internally, we continue to seek to be a strong corporate citizen and also look for ways to reduce our own environmental footprint.

Case Study 7

Community safety

During the year, there were 694 community electrical safety incidents across Queensland involving contact with our network. While these figures decreased from 760 the year prior, we continue to target our community safety campaign efforts to minimise harm.

Most incidents recorded during 2018-19 were motor vehicle and road transport accidents however, building and construction, vegetation management, agriculture and earthmoving industries recorded high incident numbers. These identified at-risk sectors continue to be a focus with targeted communications and engagements planned for 2019-20.

To further support safe behaviours in the air and on the ground, we released the Look up and Live mapping tool. This online mapping tool pinpoints the location of more than 178,000 kilometres of powerlines and 1.7 million poles across the state.

Already proving valuable, the tool has been embraced by many sectors including aviation, construction, transport and the agricultural industry and provides maps of critical infrastructure and clearance zones of electrical assets nearby. The tool was also recognised by the Aerial Application Association of Australia's Leland Snow award for innovation.

Our new community safety campaign 'Take care, stay line aware' launched in September 2018.

The state-wide advertising focuses on powerline safety messaging in regard to high risk areas such as storm and cyclone safety, industry safety, and motor vehicle safety. The campaign has been rolled-out across television, radio, traditional and social media, cinema and digital channels.

Case Study 8

Electric vehicle superhighway

Recent studies have shown an increase in the uptake of electric vehicles in Queensland with further significant uptake expected from 2020 and continuing to climb over the coming years.

Yurika, our energy services business, owns and operates the largest electric vehicle (EV) fast charging network in Australia in the Queensland Electric Vehicle Superhighway, with the aim of supporting customer adoption of electric vehicles in Queensland.

The charging stations, located from Cairns to Coolangatta and west to Toowoomba, use green energy, either through direct green energy credits or offsets, making them a carbon-neutral and pollutant-free transport option. An electric vehicle fully recharged by solar can save 2.7 to 3.8 tonnes of greenhouse gas emissions annually when compared to a fossil fuel vehicle (driving 15,000 kilometres per year).

Phase one of the Queensland Electric Vehicle Superhighway commenced operation in June 2017 and has 17 electric vehicle fast charging stations.

Phase two is being developed with a further 14 fast charging stations planned to assist customer transition transport options with new and emerging technologies.

Case Study 9

Power reliability for dairy farmers

Following the February 2019 storms, two dairies in regional Queensland lost power as a shed had taken down powerlines delivering supply to these properties.

At the time, the communication from Ergon Energy Network advised customers power would be restored in 2-3 hours upon each customer enquiry. Despite this, our Outage Finder tool on the Ergon Energy website indicated customers had power supply. In addition, the Queensland Dairy Organisation attempted to contact Ergon Energy Network on behalf of

the impacted customers on the 1300 number provided, however, were unable to get through. Furthermore, access to this information became constrained over time as mobile phones and computers were unable to be charged.

The extended period without power had economic and welfare implications; if there is no power for around 18 hours, milk quality can be comprised. Most dairy farmers are in south east Queensland, where power outages generally are fixed within 12 hours.

On behalf of dairy farmers, the Queensland Farmers Federation have communicated the needs of these customers as "honest timeframes for reconnection of services to manage animal welfare issues and decide if back-up power generation is necessary".

Following this event, dairies have now been prioritised for communication and re-establishing supply after an event. We are also working with industry on the importance of business continuity plans.

Case Study 10

Lockhart River

Communities in remote areas have been telling us they would like to increase their renewable energy options and work together to reduce their reliance on diesel fuel.

In 2018, we worked collaboratively with the Department of Natural Resources, Mines and Energy, the Department of Housing and Public Works, Ergon Energy Retail and Yurika, to deliver the Lockhart River Solar Project.

The trial project resulted in the installation of a 200kW rooftop solar farm installed at four government-owned buildings. With the support of a 16.9kW battery energy storage system,

around 10 per cent of the local community's energy needs are now powered by the sun.

Other community and customer benefits include:

- Installing the solar arrays directly onto existing rooftops reducing the amount of community land needed for infrastructure.
- Diesel fuel savings of 1,629 kilolitres.
- A reduction in greenhouse gas emissions of 4,395 tCO₂e.
- A significant reduction in electricity costs for the Lockhart River community.

- The project is also expected to reduce the Government subsidy required to supply affordable electricity to isolated communities.

Ergon Energy Network and Yurika will take some of the learnings and apply energy solutions to Doomadgee, Mapoon, Bamaga and Pormpuraaw communities.

Case Study 11

The Future Grid Roadmap

Our Energy Queensland Future Grid Roadmap provides the business strategy and operational requirements to support the shift to a cleaner energy system, and empowers customers with greater choice, control and autonomy while enjoying the benefits and security of a grid connection.

Through the Future Grid Roadmap, customers with distributed energy resources will be able to extract more value from their investment, while customers without distributed energy resources will benefit from downward pressure on network prices.

The Roadmap responds to community interest on how we're modernising the network to achieve greater efficiencies and reduce costs overall, and to support renewables (to both deliver

economic value and to help reduce greenhouse gas emissions).

The Roadmap articulates our response to this challenge by providing a long-term plan for the network to achieve this, primarily through improved connection, integration of customer distributed energy resources.

The Roadmap was finalised in late 2018 following significant internal engagement, as well as consultation with our external Customer Council and Regulatory Proposal – Tariff Structure Statement Working Group as part of the Australian Energy Regulator regulatory determination process. Early engagement and input from key stakeholders contributed to this outcome. Successful deployment of the initiatives

identified in the Roadmap, due to commence in late 2019, will result in a secure and reliable electricity supply with improved affordability.

Delivery of the initiatives will require significant collaboration across the business, as well as ongoing consultation with customers.

The future of the energy ecosystem is also uncertain, so flexibility to adopt different approaches or ways of thinking will be required in coming years as the network evolves.

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>3.1 Maintain the highest standards of safety for their people, the community and the environment.</p>	<ul style="list-style-type: none"> • Our people, communities and customers are kept as safe as possible around and when using the network and energy solutions • Our communities and customers are aware of the dangers of electricity 	<ul style="list-style-type: none"> • We continued to uphold safety as our priority through the incorporation of safety measures in our Corporate Key Performance Indicators • The Take Care, Stay Line Aware campaign was launched on behalf of Energex and Ergon Energy Network, using a concept that was translated into tailored messages for customer groups including residential and agriculture customers. • Safety continued to be our organisational priority, demonstrated by the roll-out of Safety is Defence to all employees, the Safe Entry Policy and Safety as the first agenda item for team meetings. • We supported the mental health of employees through our roll-out of Mates in Energy across Energy Queensland. • Through a trial with a third party energy company, Energex and Ergon Energy Network piloted a device in customers' meter boxes with the aim to ensure the continued delivery of safe energy to customers. • Our Regulatory Proposal-Tariff Structure Statement Working Group and other customer and stakeholder engagement forums relating to our Regulatory Proposals 2020-25 investment plans. 	<ul style="list-style-type: none"> • SKILLED Values (Safe, Knowlegable, Innovative, Leading, Listening, Engaged, Diverse)– Safety first (Energy Queensland) • Our Workplace Safety measures (Energy Queensland) • Minimum Service Standards (Energex and Ergon Energy Network) • HazChat, Incident Management Framework (Energex and Ergon Energy Network) • Line Aware Campaign (Energex and Ergon Energy Network) • Community Safety Plans (Energex and Ergon Energy Network) • Safety Heroes Schools Program (Energy Queensland) • Safety is Defence (Energex and Ergon Energy Network) • Safe Entry Policy (Energy Queensland) • Environmental Standards/Obligations/policies and reporting breaches (Energy Queensland) • Mates In Energy (Energy Queensland) • Redback Network Monitoring Trial (Ergon Energy Network)
<p>3.2 Engage with customers and the community on investments, and manage operations in line with their expectations, demonstrating how communities' benefit.</p>	<ul style="list-style-type: none"> • Ensuring customers are kept informed and involved (where appropriate) in the planning process 	<ul style="list-style-type: none"> • At Energex and Ergon Energy Network, we continued to engage with customers to deliver infrastructure projects such as the Warwick Solar farm and Lockhart River. • We continued to deliver benefits to our communities through sponsoring organisations including the Royal Flying Doctor Service, State Emergency Service, Rural Fire Service, and local community organisations. 	<ul style="list-style-type: none"> • Our Engagement Plan relating to our Draft Regulatory Proposals 2020-25 (Energex and Ergon Energy Network) • Regulatory Proposal - Tariff Structure Statement Working Group Summary Reports (Energex and Ergon Energy Network) • Warwick Solar Farm and Lockhart River Project (Ergon Energy Network) • Royal Flying Doctor Service Sponsorship (Ergon Energy Retail) • Energy Queensland cultural heritage and environment assessment (Energex and Ergon Energy Network)
<p>3.3 Develop business strategy and manage operations to respond to the shift to a cleaner energy system that is already underway.</p>	<ul style="list-style-type: none"> • Using energy from more sustainable sources, contributing to improved environmental outcomes 	<ul style="list-style-type: none"> • Energex and Ergon Energy Network developed a roadmap to facilitate integrating renewables and new technologies into the grid. • The solar forecast was made visible in the Energex and Ergon Energy Network control room to assist in managing network dynamics and lower impacts to customers. • We continued to evolve work practices internally to reduce our environmental footprint. 	<ul style="list-style-type: none"> • Future Grid Roadmap (Energex and Ergon Energy Network) • Solar Forecast (Energex and Ergon Energy Network) • Environment Strategy (Energy Queensland)

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
3.4 Work with government, other energy businesses, the community and industry bodies to develop a planned transition to a cleaner energy system.	<ul style="list-style-type: none"> • Access to safe, affordable, reliable and sustainable energy solutions 	<ul style="list-style-type: none"> • Energex and Ergon Energy Network worked with the Queensland government to develop a strategic plan to reduce emissions due to the transmission of electricity to remote areas, while providing reliable energy solutions. • Through our work with isolated communities, we are enabling more sustainable energy solutions. 	<ul style="list-style-type: none"> • Fringe of Grid Strategic Plan (Energex and Ergon Energy Network) • Lockhart River Community Solar Program (Ergon Energy Retail, Ergon Energy Network, Yurika)
3.5 Facilitate new services and technologies that support sustainable energy solutions that meet the changing needs of the market.	<ul style="list-style-type: none"> • Choice and access to new services and technologies to deliver safe, affordable and reliable and sustainable energy solutions 	<ul style="list-style-type: none"> • At Energex and Ergon Energy Network, we worked with government and partners to develop the Electric Vehicle Super Highway. • At Yurika (through our Metering Dynamics brand), we commenced the roll-out of Pay-As-You-Go meters on behalf of an energy retailer providing customers with information on energy usage and make informed choices 	<ul style="list-style-type: none"> • Electric Vehicle Super Highway (Yurika) • Network Monitoring Trial (Energex and Ergon Energy Network) • PAYG Meter Installation Program (Yurika) • Solar Enablement Initiative (Energex and Ergon Energy Network) • Energy Savvy Families (Ergon Energy Retail)
3.6 Implement solutions across the supply chain: (a) that support energy connection, service and reliability that meets customers' needs and (b) resolve service issues that impact customers and the community.	<ul style="list-style-type: none"> • Customers have a reliable energy supply that meets customer needs • Customers have power restored quickly after severe weather events 	<ul style="list-style-type: none"> • Combined, Energex and Ergon Energy Network paid 41,150 customer claims through our Guaranteed Service Levels scheme. • Energex and Ergon Energy Network's continued to collaborate internally and externally to prepare for severe weather events. • Energex and Ergon Energy Network's outworked the new Australian Standard for demand response, enabling more customers to participate in the market. • At Ergon Energy Retail, we rolled-out a pop up hub to support the Townsville Monsoon Event recovery to provide essential services to customers including withholding bills to impacted properties, as well as referring customers into the Hardship Program. • Following a survey of Lockhart River customers, at Ergon Energy Retail, we developed digital offering to improve our recovery support. • Energex and Ergon Energy Network advocated for and implemented a change from regulatory 240V supply to 230V, delivering a more reliable electricity supply for customers and increasing tolerance for solar PV connections to the network. 	<ul style="list-style-type: none"> • Guaranteed Service levels (Energex and Ergon Energy Network) • Summer Preparedness Plan (Energex and Ergon Energy Network) • Community Recovery Plan (Energex and Ergon Energy Network) • Disaster Response Group (Government, Industry, Community Stakeholders) (Energy Queensland) • Demand Response Australian Standard (Energex and Ergon Energy Network) • Pop-Up Hub (Ergon Energy Retail) • Disaster Response App (Ergon Energy Retail)
Continuous Improvement for the Principle – expected focus areas for July 2019 - June 2020	<ul style="list-style-type: none"> • We will continue to roll-out community and employee safety initiatives including, targeting at-risk industries. (Energy Queensland) • We are progressing the Network Controller Assessment Training and Recruitment Program, where we are collaborating with Macquarie University to improve the skills of network controllers using CUE visualisation research which results in more effective network management and a reliable and safer network for customers. (Energex and Ergon Energy Network) • We are developing an electric vehicle tariff strategy. (Energy Queensland/Ergon Retail) • We will continue to outwork our Future Grid Roadmap. (Energex and Ergon Energy Network) • We will review our Summer Preparedness Plan with a focus on disasters and periods of peak demand. (Energex and Ergon Energy Network) 		

Principle 4

We will improve the customer experience

Our 2018-20 Customer Strategy focuses on customer experience and has the goal of understanding the diversity of our customers' needs and delivering value.

A key piece of work underway is our customer segmentation, which will provide the Group with a single view of the customer and enable a seamless customer experience.

Central to our Customer Strategy are our Customer Principles:

1. Know our customer

2. Deliver value

3. Make it easy

By knowing who our customers are and what their needs are, we can continue to work to

deliver valued products, services and experiences they value. When we talk about 'making it easy' for our customers, we recognise that in doing so, we need to listen to our own people and empower them to deliver the right customer outcomes.

By living up to these principles, we will drive improvements of our customer experience across the Group.

Case Study 12

Customer service kiosk

Our customers have told us they want additional ways to talk with us and the option to interact with us face-to-face. To respond, Ergon Energy Retail trialed a customer service kiosk providing a new channel for communication that meets customer needs, when and how they require.

The three-month trial sought to go beyond traditional phone and online channels and to replicate this face-to-face engagement utilising a video conference service facility in Rockhampton.

Using the kiosk, customers were able to connect with a customer service agent using audio and video to discuss a range of enquiries about their retail bill including refunds, rebate applications and managing their debt.

Results show that more than 85 per cent of customers who used the video kiosk said they would use it again, with a high rate of first contact resolution.

We recognise customer expectations have changed, especially when it comes to

engagement channels, and the trial feedback shows that we are taking steps towards providing relevant and valuable channels that make it more convenient for customers to engage with us in ways that suit them.

After learning these valuable insights into technology and customer experience, Ergon Energy Retail will undertake a further video kiosk trial in a remote community to understand how the channel can assist these customers in managing their energy accounts.

Case Study 13

Safe Entry Policy change

In December 2018, Energy Queensland fast-tracked a proposal to improve the safety of meter readers when entering private properties where unrestrained dogs were believed to be present. The Safe Entry Policy, restricting our people from entering a property where there was an unrestrained dog, was rolled-out in January 2019.

While dog bites to our people have significantly reduced since the policy change, the change in practice has in some circumstances negatively impacted the customer experiences around

meter reading and bills. Both our network and retail call centres experienced a significant increase in negative customer contact related to the change in policy, and customers also provided significant negative commentary in traditional and social media.

At Energex and Ergon Energy Network, we responded to the customer impact by fast-tracking improvements, including making self-meter reading options available to impacted customers. Further digital improvements are planned as part of our Business Improvement

and Automate Systems project.

To support an improved customer experience, Ergon Energy Retail leveraged customer self-service opportunities to enable more capacity to take customer calls relating to Safe Entry.

While the initial improvements provided some relief, feedback around the change in process is anticipated to continue until the digital solutions are fully rolled-out.

Case Study 14

Smart Connected Solar solution

Offering commercial and industrial customers energy deals that best meet their needs, Yurika's Smart Connected Solar product assists customers to manage high and hard-to-control energy costs for their businesses by bundling individual distributed energy components.

Yurika designed and engineered the 177kW solar project, incorporating solar PV on both the club roof and carpark shades, and an energy portal that provides real-time data about electricity use, solar generation, grid-use and cost analysis.

Savings on electricity costs for the Cowboys Leagues Club are estimated at more than 10 per cent. The solution is designed to be relatable, scalable and usable and is being rolled-out to other customers with similar needs.

Queensland's first Smart Connected Solar solution was delivered to the Cowboys Leagues Club in Townsville last year.

Local contractors were employed to install the solar PV panels.

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>4.1 Enable customers to get fair outcomes regardless of their ability or desire to participate in the energy market.</p>	<ul style="list-style-type: none"> All customers have access to products and services to assist them in a way to provide them choice 	<ul style="list-style-type: none"> We commenced a redesign of the Ergon Energy Retail bill, actioning customer feedback on the difficulties in understanding information contained in the bill. At Energex and Ergon Energy Network, the Connections Program improved transparency of fees and charges. At Ergon Energy Retail, we delivered a targeted local campaign to encourage take-up of My Account to help customers manage energy use. 	<ul style="list-style-type: none"> New Bill Design Project (Ergon Energy Retail) Connections Program (Energex and Ergon Energy Network) MyAccount Campaign (Ergon Energy Retail)
<p>4.2 Empower customers by: (a) making sure all communication is clear, in plain terms, accessible and understandable; (b) providing insightful and useful information and accessible tools; and (c) streamlining access to, and portability of, customer energy data.</p>	<ul style="list-style-type: none"> Customers receive the information they need in a way they can understand and use to make decisions to meet their needs 	<ul style="list-style-type: none"> At Ergon Energy Retail, we expanded our interpreter support services for customers with cultural and language differences to better reflect our customer-base. Notably, to include Aboriginal and Torres Strait Island languages. We expanded our communication channels at Ergon Energy Retail to enable access to information, including increasing our face-to-face engagement in the community. Energex and Ergon Energy Network developed a Memorandum of Understanding (MoU) for standalone power system trials with customers to communicate changes and impacts in plain language. We reviewed all of Ergon Energy Retail's email correspondence to rationalise and provide a consistent experience as part of Phase 1 of their Retail Customer Experience Project. At Ergon Energy Retail, we rolled-out Energy Analysis (via My Account customer portal) providing access to portable energy data to customers. We rolled three Ergon Energy Retail portals - Home Smart, Energy Check and My Account - into one My Account to enable easy access to all functions via a single log-on. 	<ul style="list-style-type: none"> Review of Interpreter Services (Ergon Energy Retail) Customer Service Kiosk (Ergon Energy Retail) Website connections improvements (Energex and Ergon Energy Network) Interactive Voice Recognition (IVR) changes (Ergon Energy Retail) Language interpreter service (Energex and Ergon Energy Network, Ergon Energy Retail) Pay-As-You-Go metering (Yurika) Energy Analysis - My Account (Ergon Energy Retail) My Account (Ergon Energy Retail) Memorandum of Understanding – Stand Alone Power Systems (Energex and Ergon Energy Network) Retail Digital Enablement Program – Phase 1 (Ergon Energy Retail)

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>4.3 Ensure that innovation and design in products and services, as well as communication platforms and tools, are driven by customers' needs and preferences.</p>	<ul style="list-style-type: none"> • Products and services continue to evolve to reflect the changes in the energy market to proactively provide customers solutions that meet their needs 	<ul style="list-style-type: none"> • At Ergon Retail, we successfully trialled and implemented the Customer Service Kiosk, leveraging technology to provide customers the option to visit an office location and see the customer service representative via a digital solution, overcoming logistic issues in resourcing a service desk. • We rolled-out Yurika's Smart Connected Solar product, offering tailored solutions for business customers, notably the Cowboys Leagues Club in Townsville. • At Energex and Ergon Energy Network, we delivered improvements to the customer experience by making the online portal easier to access and use for online applications. • We conducted research and customer needs analysis to redesign our Ergon Energy Retail customer bills in line with their feedback. • At Ergon Retail, we completed a redesign of user interface and experience across all digital channels. 	<ul style="list-style-type: none"> • Customer Service Kiosk (Ergon Energy Retail) • Smart Connected Solar (Yurika) • Connections Improvement Program (Energex and Ergon Energy Network) • Demand Management Review of Online Application Process (Energex and Ergon Energy Network) • Energy Academy (electrical contractor) Forums (Energex and Ergon Energy Network) • Distributed Energy Resource Trials – Solar Enablement Initiative (SEI) and Evolve (Energex and Ergon Energy Network) • My Account, Energy Analysis, IVR (Ergon Energy Retail) • Bill Redesign Project (Ergon Energy Retail)
<p>4.4 Have effective and accessible dispute resolution processes, co-ordinated across the supply chain, to resolve customer issues and implement process improvements in response.</p>	<ul style="list-style-type: none"> • Empower customers to have their voice heard 	<ul style="list-style-type: none"> • At Energy Queensland, we researched for best practice to develop a single complaints management policy as the first step to creating a consistent customer experience in relation to complaints. • In alignment with the policy, Energex and Ergon Energy Network implemented an improved and aligned Complaints Management Standard. • We rolled-out a single complaints' management process to all brands under the Yurika business unit. • We implemented a customer relationship management system in Yurika to better track customer enquiries and manage customer experiences. • At Ergon Energy Retail, we made continuous improvements to the complaints process, including implementing a Quality Framework to assist employees in delivering improved complaints management customer experiences. • Customer experience training was implemented across our Energex and Ergon Energy Network employees, including both frontline and support employees. • At Ergon Energy Retail, we commenced the roll out of the Retail Customer Experience Project Phase 2 where we streamlined processes and provided employees access to comprehensive customer and customer experience data via a customer relationship management system to better understand and meet customers' needs. 	<ul style="list-style-type: none"> • Energy Queensland Complaints Management Policy (Energy Queensland) • Complaints Management Standard (Energex and Ergon Energy Network) • Ergon Energy Retail Complaints Handling Process (Ergon Energy Retail) • Complaints Handling Standard (Yurika) • Customer Experience Training (Energex and Ergon Energy Network) • Retail Customer Experience Project – Phase 2 (Ergon Energy Retail)
<p>Continuous Improvement for the Principle - expected focus areas for July 2019 - June 2020</p>	<ul style="list-style-type: none"> • A new Customer Advocate related role is being recruited to the Energy Queensland Customer Strategy and Insights Team, providing the resourcing required to further address customer issues. (Energy Queensland) • A redesigned bill for improved customer understanding will be rolled-out to our regional residential customers. (Ergon Energy Retail) • We will continue to deliver online service improvements for customers including: the ability to manage customer information; provide self-meter reads; subscribe to notifications for unplanned and planned outages; report power outages, faulty street lights, graffiti/vandalism, and trees in powerlines. (Energex and Ergon Energy Network) 		

Principle 5

We will support customers facing vulnerable circumstances

We recognise that some households and businesses may experience vulnerable circumstances requiring support from energy providers and which may require collaboration with governments and community service organisations.

Not all experiences of vulnerability will be the same and providing support requires solutions

tailored for different circumstances.

While we have made some significant steps towards supporting our vulnerable customers, our understanding of the definition of a 'vulnerable customer' continues to mature as we further understand our communities' and customers' needs and expectations.

Currently, our 'vulnerable customers' include Life Support customers, customers impacted by drought and other severe weather events, and customers in financial distress and require support to pay their electricity bills.

Case Study 15

Financial Inclusion Action Plan

In February 2019, Ergon Energy Retail launched our Financial Inclusion Action Plan which outlines practical actions we are taking to improve financial inclusion and provide even more support for customers facing hardship.

The development of the Financial Inclusion Action Plan adds to our existing programs and processes in Ergon Energy Retail, like Customer Assist, and places a greater focus on providing training to improve overall knowledge and skills, attitudes and behaviours in the business - particularly those that have a direct impact on a vulnerable customer's financial inclusion and resilience.

Our plan was developed in alignment with Good Shepherd Microfinance and its partnership group's plans to better support customers, our people and the broader community to achieve their financial goals.

To further assist, our teams undertook training to provide services that are financially inclusive for vulnerable customers, increasing understanding and reducing stigma around financial hardship while collaborating with other organisations to deliver an industry-wide approach to vulnerability.

This places Ergon Energy Retail alongside leading companies in industries including banks, utilities, law firms, charities, governments and universities who have committed to developing a Financial Inclusion Action Plan.

Case Study 16

National Electricity Customer Framework breaches

In 2018-19, Energex and Ergon Energy Network reported breaches of the National Energy Customer Framework relating to six different obligations. While there was an 18 per cent reduction on breaches in 2018-19 compared to the previous year, we remain committed to further improvements.

In all instances where a life support customer has been involved, there has been immediate follow-up with the customer to ensure their health and well-being. While there have been no detrimental impacts to health as a result of any of these breaches, there has been inconvenience to our customers.

We seek to eliminate future risk by investigating each breach, identifying root causes, and implementing improvement initiatives.

For example, in the 2018-19 financial year, there were six protected period breaches, compared to 15 protected period breaches the previous year. Investigations identified the root cause when a disconnection for debt service order is carried out prior to 8am or after 3pm Monday to Thursday, or on a Friday, weekends, day prior to a public holiday or the day of the public holiday.

Communications were deployed targeting workgroups associated with these service orders,

including Field Delivery, Dispatch and contract crews performing these works.

Additional training was rolled-out. Reminder stickers were issued to fleet vehicles as a last line of defence and visual prompt for crews conducting disconnections.

Processes have been updated to also ensure that on identification of any protected period breach, crews are deployed as soon as possible to reconnect the customers supply.

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>5.1 Have processes to enable early identification of and engagement with customers at risk of vulnerability, coupled with intervention measures that can prevent customers falling into hardship.</p>	<ul style="list-style-type: none"> Intervention and opportunity to reduce impact of domestic violence on a scale that makes a difference Hardship customer needs and expectations being met in relation to interactions and service delivery 	<ul style="list-style-type: none"> At Ergon Energy Retail, we rolled-out our Financial Inclusion Action Plan to improve identification and support services to vulnerable customers. Energex and Ergon Energy Network aligned their Life Support Program to improve the way we capture information on life support customers and improved the communications with energy retailers to safely manage power impacts for both planned and unplanned work. At Ergon Energy Retail, we commissioned a third party to audit the Life Support policy, processes and tools to ensure compliance with NECF and customer expectations and outcomes. At Ergon Energy Retail, we continued to identify vulnerable customers requiring additional support and proactively refer them to the Vulnerable Team for case management. 	<ul style="list-style-type: none"> Financial Inclusion Action Plan (Ergon Energy Retail) Life Support Program (Energex and Ergon Energy Network) Life Support Program (Ergon Energy Retail) Triage Team and Vulnerable Team (Ergon Energy Retail) Customers are extremely satisfied with Ergon Energy Retail's Hardship and Triage Teams - Customer Index result was 9.0 (Ergon Energy Retail)
<p>5.2 Provide products and services that are tailored to customers facing vulnerable circumstances and support them to get back on track.</p>	<ul style="list-style-type: none"> Customers are supported to overcome circumstances that may lead to hardship 	<ul style="list-style-type: none"> Our EasyPay roll-out for Ergon Energy Retail enabled customers to smooth their bill by regular, monthly payments. Within Ergon Energy Retail, our Triage Team continued tailored payment solutions to prevent customers from falling into hardship. 	<ul style="list-style-type: none"> EasyPay (Ergon Energy Retail) Hardship Program (Ergon Energy Retail)

Principle in Action	Customer outcomes 2018-19	Activity	Evidence
<p>5.3 Provide flexible solutions that are easy to access and are provided by specially trained frontline staff with expertise in supporting those customers who face additional barriers to engaging with the energy market.</p>	<ul style="list-style-type: none"> Customers are provided advice and choice of solutions to best suit their needs 	<ul style="list-style-type: none"> Work continued via Ergon Energy Network and Yurika (through the Metering Dynamics brand) to provide card operated meters to isolated areas. Our Ergon Energy Retail Hardship Program continued to enable customers to get back on track with managing their energy bills. 	<ul style="list-style-type: none"> Digital PAYG Metering roll-outs (Yurika and Ergon Energy Retail) Hardship Team (Ergon Energy Retail) Connections Program (Energex and Ergon Energy Network)
<p>5.4 Take a collaborative approach, partnering across the energy supply chain and with government and community service organisations to implement innovative solutions that improve outcomes (affordability or experience) for customers facing vulnerable circumstances.</p>	<ul style="list-style-type: none"> Meaningful change is delivered to customers to assist in supporting them out of vulnerable circumstances 	<ul style="list-style-type: none"> Energy Queensland signed up to the Thriving Communities Partnership - Queensland Chapter, collaborating with corporate organisations to collectively address issues faced by customers in vulnerable circumstances at an individual and community level. Working parties were held on relieving domestic violence and improving customer and community recovery after extreme weather events. Ergon Energy Retail worked with the Queensland Department of Housing to have solar installed on their houses. This package included an energy portal to help customers monitor their consumption and solar generation with an aim to reduce their energy bills. Through Ergon Energy Retail, we administered the Home Energy Emergency Access Scheme and Drought Relief from Electricity Charges Scheme to support vulnerable/hardship customers financially. At Ergon Energy Retail, we collaborated with local stakeholders to support customer and community after recovery and to identify potentially vulnerable customers after a large employer closed operations in Rockhampton. At Ergon Energy Retail, we partnered with Queensland Council of Social Services and supported energy education (including bill education) by providing for meetings with specialised employees. Ergon Energy Retail educated business community representatives to increase understanding of electricity bills. Energex and Ergon Energy Network worked with government and stakeholders to promote concession card rebates via social media channels. 	<ul style="list-style-type: none"> Thriving Communities Partnership participation and Domestic Violence and Community Resilience initiatives (Energy Queensland) Solar on Public Housing (Ergon Energy Retail and Yurika) Emergency Response Restoration Plan (Energex and Ergon Energy Network) Home Energy Emergency Access Scheme, Drought Tariffs, Tailored Payment Plans, Debt Waivers (Ergon Energy Retail) Social media posts advertising bill payment support options available to impacted employees following closure of a large Rockhampton-based company (Ergon Energy Retail) Ongoing participation in the fortnightly "Coffee with Townsville Chamber of Commerce" meeting increasing engagement and assistance with ongoing improvements to the local business environment. (Ergon Energy Retail) Social media campaign to increase uptake of concessions rebates (Ergon Energy Retail)
<p>Continuous Improvement for the Principle – expected focus areas for July 2019 - June 2020</p>			<ul style="list-style-type: none"> We will continue to work with the Traditional Owners, Elders and community leaders to plan initiatives based on improving outcomes for these customers. The initiatives will be location based, relevant and able to be based within the unique context of each community. (Energy Queensland) We will continue to refine the implementation of our Hardship Policy through a Working Party, in anticipation of regulatory change and improved customer outcomes. (Ergon Energy Retail) We will continue to work with other corporate organisations through the Queensland Chapter of Thriving Community Partnerships to better support vulnerable customers. (Energy Queensland) We will continue to advocate for and maintain initiatives that support all customers, such as not charging for paper bills.



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