Energy Charter Disclosure Report 2023

July 2022 – June 2023





As a founding signatory of the Energy Charter, I am delighted to present our fourth Disclosure Statement. This report comprehensively outlines our accomplishments and performance in alignment with the Energy Charter principles during the 2023 Financial Year, along with the disclosure of our Maturity Model assessment.

At AGIG, our commitment is to continually enhance our practices, dedicated to delivering value to our customers and the communities we serve. This report not only highlights our notable achievements but also delineates opportunities for further improvement. We strive to align our practices to the Energy Charter Principles, aiming to deliver for customers today, whilst making a positive contribution to building sustainable communities.

In 2023 we have continued to invest in renewable energy and delivering on our Hydrogen Park (HyP) Programs. A particular highlight was the expansion of our HyP SA facility, which now supplies around 4,000 homes and businesses with blended renewable hydrogen, up from 700 customers.

This year we have sharpened our focus on employee engagement, ensuring that we have the customer-centric culture that we are striving towards. To assist us with this, we launched a new Internal Customer Satisfaction (CSAT) program. This program was carefully designed as a platform for our employees to provide feedback on the level of support, collaboration, and care that they receive from teams when seeking to get their jobs done.

We anticipate an exciting 2024 with many new projects well underway. We are particularly focused on increasing awareness around our Australian-first Priority Services Program - supporting customers on our networks in South Australia and Queensland who are experiencing vulnerability. We are also looking at our CSAT performance, and what we could be doing to improve customers' experience with our service delivery.

Lastly, I extend my thanks to the members of our Reference Groups and our customers who actively engaged with us during the initial phases of this year's Energy Charter performance, notably our Maturity Model evaluation. I look forward to the continued collaboration ahead.

Message from our CEO

As a founding signatory of the Energy Charter, I am delighted to present our fourth Disclosure Statement.

Craig de Laine Chief Executive Officer

Our Customers and Communities

We deliver gas to more than 2.1 million customers across Australia, including to large commercial and industrial customers.

Whether it be through research programs, direct customer engagement or daily interactions, we are continually listening to our customers to better understand their needs, priorities, and relationship with energy, among many other things.

Below are a few insights that we commonly hear across our diverse customer base:

- Customers and communities value the safe delivery of gas. For most, they expect that we are doing this and will continue to deliver gas safely well into the future.
- Affordability of gas is a key concern for all customers, whether it be a young family or a large industrial customer.
- Customers and communities are interested in our decarbonisation journey, with many looking to us to support them in their own decarbonisation efforts.

Customer and Community Highlights

We have achieved a range of positive outcomes for our customers and communities in 2023, but there are a few that stand out:

- Delivering renewable gas to around 4,000 customers in South Australia - this not only showcases our commitment to reducing carbon emissions over time, but also lays the groundwork that preserves the benefits of gas for our customers well into the future.
- We are committed to maintaining stable distribution costs for Victorians in the 2023-28 regulatory period. Alongside this, we are dedicated to enhancing our customer service and introducing new services aimed at elevating the overall customer experience.
- We are actively implementing our Australian-first Priority Services Program in South Australia and Queensland, providing critical support to those who need it the most. This includes free gas appliance safety checks, repairs and rebates to ensure the safety and well-being of our Priority Service customers.



Our progress on our 2022 commitments

P1

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

Our Commitment

Continue to resource our Customer Care Team and improve service delivery to different customer segments, particularly those experiencing vulnerable situations

Our Progress

- Grown the Customer Care team from 4 employees to 7. Two of these roles are dedicated to the delivery of our Priority Service Program.
- Expanded the operating hours of the team to meet customer needs.
- Added a Customer Care role into the emergency response roster.

Our Commitment

Continue to deliver our joint engagement program with AusNet following the submission of our Victorian Access Arrangement Final Plans for MGN and AGN

Our Progress

- Fully delivered our joint engagement program with AusNet, achieving high levels of satisfaction (>86%) across all KPIs.
- The program was awarded the ENA's consumer engagement award in 2022.

P2

We will improve energy affordability for customers

Our Commitment

Continue to drive operational efficiencies across our networks.

Our Progress

• We have made significant progress on the delivery of our mains replacement program this year, including the completion of works in the Melbourne CBD. We are 100km ahead of target on our MGN network, and 10km ahead of target in SA.

Our Commitment

Continue to engage with our customers and communities on price and decarbonising the gas supply.

Our Progress

• We are actively engaged with customers and stakeholders on our network who will receive renewable hydrogen from our current Hydrogen Park projects in South Australia, Gladstone, and Albury Wodonga.

P3

We will provide energy safely, sustainably, and reliably

Our Commitment

Continue to invest in new renewable gas projects and work towards the delivery of our existing HyP Projects.

Our Progress

- We have made significant progress on our HyP projects in South Australia, Gladstone, and Albury Wodonga.
- As noted, the ongoing delivery of our mains replacement program increases the safety and reliability of gas supply and facilitates the delivery of renewable gas for very little additional cost.

Our Commitment

Deliver a fully function HyHome in 2023.

Our Progress

• We have delivered Australia's first 100% hydrogen display home, where traditional gas heating, cooking and hot water appliances along with the BBQ are powered by grey hydrogen, in Wollert, Victoria.

Our Commitment

Promote knowledge sharing and partnerships across the renewable energy sector

Our Progress

- We are committed to working with governments, industry and research organisations to develop renewable gas projects collaboratively. Our memberships and associations include but are not limited to: Australian Hydrogen Council; Australian Industry Energy Transition Initiative; Bioenergy Australia; Clean Energy Council; and the Future Fuels Cooperative Research Centre.
- We have hosted hundreds of visitors to Hydrogen Park South Australia (HyP SA) and produced a Knowledge Sharing Report on its performance to the Australian Renewable Energy Agency, who has now published the report on their website.
- We have participated and presented in more than 80 conferences, seminars, workshops and events regarding the energy transition to Australian and international audiences.

Our Commitment

Provide more information to our customers and the public about our transition to a renewable gas future

Our Progress

• We have dedicated marketing and communication efforts designed to educate and raise awareness among our customer base and the broader public about our renewable gas future.

Continued next page

Our progress on our 2022 commitments

Our Commitment

Adopt the recommendations of the Task Force on Climate-Related Financial disclosures (TCFD) by end of 2024

Our Progress

• We have begun aligning our ESG Reporting with disclosures required under the TCFD. This is a step to better understanding the potential impacts climate change may have on the business, allowing us to elevate our strategic mitigation and adaption effects.

Our Commitment

Progress our ESG targets each year and highlight how we are making a measurable difference to the environment, and our customers

Our Progress

• Progress with our ESG targets is reported annually in our ESG Report. The report is published in March. The most recent (2022) ESG report can be found here

P4 **We will improve the customer experience.**

Our Commitment

Focus on the customer experience across the business, targeting above industry benchmark performance

Our Progress

- Restructured our business to shine a light on the Customer Experience.
- We have commenced a CRM project which provides the platform for digital services and multichannel access for customers.

Our Commitment

Investigate how other industries measure and set CSAT targets

Our Progress

• This is an ongoing effort, particularly as we look to more digital approaches to capturing CSAT in 2024 (we currently use telephone surveying).

Our Commitment

Continue to measure, and identify improvement opportunities for, the dedicated Priority Service CSAT

Our Progess

• This is an ongoing effort, and particularly important now we have launched the program in SA and Queensland.

Our Commitment

Improve the Proactive Outage Management Tool by looking into automation

Our Progress

• We have implemented SMS messaging to keep impacted customers informed in regard to planned work.

P5

We will support customers facing vulnerable circumstances.

Our Commitment

Continue to grow our support for our communities and support our staff to make a difference through our Community Partnership Program (CPP) and drive increased volunteering hours

Our Progress

• Employees participated in 502.5 hours of community volunteering in FY2023 through our Community Partnerships Program this year, which is a 34% increase from the previous year.

Our Commitment

Deliver and launch our Priority Services Program for customers in South Australia and Queensland

Our Progress

- We have delivered and launched our Priority Services Program which is available to customers in South Australia and Queensland.
 - This program includes:
 - o Gas appliance safety checks
 - o Emergency gas appliance repairs
 - o Gas appliance rebates

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

Maturity Level



Customer and stakeholder supported

Our Key Metrics

Employee Engagement	64%
Internal CSAT	8.1
Community Partnership Program investment	\$500,000
Volunteering Hours	502.5

1.1 Our new internal CSAT program, improving how we deliver internal customer service.

Why do most network businesses measure external customer satisfaction but not internal customer satisfaction? Internal customer satisfaction (CSAT) measures how satisfied employees are with the level of service that is provided to one another across teams. It is well documented that good internal customer service (and subsequent satisfaction) builds a strong customer culture, is directly linked to improved employee engagement, and is reflective of how external customers are served.

We have launched a new internal CSAT program at AGIG. The survey research is designed to measure satisfaction with key elements of internal customer service, be it timeliness, professionalism, quality of work, collaboration, level of respect and support, and communication. This survey research is distributed to all employees twice yearly and supported with training and development opportunities.

We are making a difference by focusing on our own actions and how we can improve internal customer service delivery with the ultimate goal of driving a culture at AGIG that, in turn, delivers exceptional external customer service.

We will baseline our internal CSAT score in 2023 and consider performance targets for 2024.

1.2 Engaging Victorians on the future of our networks: Our award-winning engagement approach.

Why do network businesses run parallel but separate engagement programs when the objective is the same - to deliver valued services in the long-term interests of all customers?

We have delivered a joint engagement program to inform and shape our service delivery and pricing plans for Victorian gas customers over the 2023–28 regulatory period. In November 2022, our joint program won the Energy Networks Australia and Energy Consumers Australia's Consumer Engagement Award. This industry award recognises an Australian energy network business that demonstrates outstanding leadership in consumer engagement.

Over a three-year period, the program delivered close to 100 engagement activities. Across these activities, we scored satisfaction ratings of >86%, exceeding our 80% targets. One stakeholder noted "the integrated process has allowed stakeholders to have more visibility across the three businesses, enabling easier comparison between Draft Plans and provided an opportunity for cumulative feedback".

We are making a difference by working together so that customers and stakeholders only need to provide feedback once and all distribution businesses can better understand customers' needs. The joint approach allowed the three Victorian gas networks to work as 'one team' and develop plans that were consistent for all Victorian gas customers.

We will continue to seek opportunities where we can work collaboratively with the industry to deliver projects and initiatives where this collaboration will ultimately improve customer outcomes.

1.3 Continued investment in our dedicated Customer Care team.

We understand that customers' expectations of what constitutes good customer services is continually evolving and that we need to keep up with these changes. We also know that customers today are facing unique vulnerability challenges, with many requiring extra levels of care and support from us.

We have continued to invest in our dedicated Customer Care team which was established in 2021. This year we have seen the team grow from 4 employees to 7 with 2 of these employees specifically trained to assist our Priority Service customers. We have also expanded the operating hours of the team to better meet customer needs.

We are making a difference by adjusting our customer service approach in ways that better support our customers and remain fit-for-purpose in a changing operating environment. We are differentiating our service offering according to customer segments, providing tailored advice around renewable gas, and managing queries and complaints in an empathetic way. All of these improvements are ultimately lowering customer wait times, reducing customer effort, and improving the overall experience that they have when dealing with us.

We will continue to assess and invest in our Customer Care team to ensure it meets both the expectations of our business and customers. With the launch of our Priority Services Program in Victoria in 2024 we will again see the team grow in size and expertise.

We will improve energy affordability for customers.

Maturity Level



Customer and stakeholder supported

Our Key Metrics

	AGN VIC	AGN SA	AGN Qld	MGN
Typical residential customer network charges in \$ 2023/24 (nominal):	\$405	\$555	\$430	\$391

2.1 Appliance efficiency rebates offered through our Priority Services Program.

When affordability remains the top priority for energy customers, particularly those experiencing vulnerability, what can we be doing to better assist them? This question is of particular importance when also considering that those customers experiencing vulnerability tend to be less able to adopt technology, replace appliances and modify their energy use in response to higher prices.

We have designed and introduced an energy efficiency rebate as part of our Priority Services offering to customers in South Australia and Queensland. Our Priority Services customers are eligible for a once-off rebate of up to \$1,250 to replace a broken or inefficient gas appliance in their home. We will manage the process of sourcing and installing the appliance on behalf of customers, thus removing the bulk of that administrative burden for them. The aim of this rebate is to assist customers in lowering the operating costs of their gas appliances, and ultimately drive down their gas bill costs.

We are making a difference removing the economic barries often faced by our most vulnerable customers when seeking to access safer and more efficient gas appliances in their home. We are in the early stages of rolling out this rebate and will be measuring its impact particularly in relation to customer satisfaction. We will be in a better position to report on customer outcomes in 2024, however, early feedback suggests that customers are grateful for this offering.

We will continue to build awareness of our Priority Services Program, and energy efficiency rebate, to ensure that all customers on our South Australian and Queensland networks who are eligible are accessing the supports that are available to them.



Principal ()3

We will provide energy safely, sustainably, and reliably.

Maturity Level



Customer and stakeholder supported

Our Key Metrics

	AGN VIC	AGN SA	AGN Qld	MGN	DBP
TRIFR	2.5			3.2	10.1
LTIFR	1.1			2.1	1.7
FRI	13			5	2
Number of unplanned interruptions affecting 5 + customers	10	23	2	48	-
Number of customers having 3+ interruptions within 12 months	5	1	0	217	-

3.1 Delivering our Low Carbon Strategy.

We began planning for a decarbonised future of gas some time ago, including through the delivery of our Hydrogen Park (HyP) South Australia – Australia's first and largest renewable hydrogen facility.

Our Low Carbon vision outlines our commitment to a net-zero future – and importantly, clearly outlines the timelines we are working to. This includes targets to deliver at least 10% renewable gas blend across our distribution networks by 2030, and a target to achieve full decarbonisation of our networks by 2050 at the latest, with a stretch target of 2040.

We have made significant progress against several projects designed to achieve our Low Carbon Vision in 2023. Over the past 12-months we have:

- Expanded the supply of blended renewable hydrogen in South Australia, increasing from 700 homes to nearly 4,000 homes and businesses in Mitchell Park, Clovelly Park and parts of Marion.
- Received Development Approval from the Gladstone Ports Authority for HyP Gladstone and its new site. Gladstone will be the first city in Australia where the entire gas distribution network will supply customers with a blend of up to 10% (by volume) of renewable gas.
- Reached financial close for our HyP Murray Valley facility in Albury Wodonga - one of the most significant hydrogen production facilities in Australia. The facility will deliver an up to 10% renewable hydrogen blend (by volume) into the existing natural gas supply to over 40,000 customers in the Albury Wodonga region.
- Unveiled Australia's first 100% hydrogen-powered home (HyHome), providing a window into future low-carbon energy solutions for Australians.
- Produced and published a Knowledge Sharing Report on the performance of HyP SA to the Australian Renewable Energy Agency, who has now published the report on their website.

We are making a difference by demonstrating a pathway to renewable gas and building knowledge and capability in the sector, allowing us to take on more projects and expand existing operations. We are also providing access to renewable gas solutions, therefore making a considerable effort to reach our own net-zero targets.

We will continue to work towards our HyP Gladstone and HyP Murray Valley delivery dates of early 2024 and 2025, respectively. We are also continually scoping and exploring new projects, and in particular targeting biomethane opportunities across our networks, together with renewable hydrogen, in assisting us achieve our Low Carbon Vision.

Continued next page

We will provide energy safely, sustainably, and reliably.

3.2 Our commitment to Sustainable Development Goals, and ESG Reporting.

We are committed to delivering the targets outlined in our 2022 Environmental, Social and Governance (ESG) report. The report follows our inaugural 2021 report and reaffirms our commitment to focus on long-term impacts to the environment in the interest of our customers, community and employees while delivering best-practice performance as one of Australia's largest gas infrastructure businesses.

We have made significant progress towards delivering our ESG targets in 2023. This year we outlined our work to align with the Task Force on Climate-Related Disclosures and restated our commitment to net zero targets. We also extended focus on our gender and diversity reporting this year, which we'll continue to evolve in future reports.

We are making a difference by committing to targets that will lower carbon emissions, transparently reporting where we are at, being honest about our current performance and striving to do better. Our business is working closely with industry, suppliers, customers, government, stakeholders, and the community to support Australia's future gas network. We see significant future opportunity in supporting our partners to deliver on their net zero ambitions, and we are exploring the possibilities of diversified business and infrastructure offerings.

We will progress our ESG targets each year and continue to highlight how we are making a measurable difference to the environment, our customers, and the communities in which we operate.

Case Study

Australia's first 100% Hydrogen Home (HyHome).

Our HyHome, located at the Dennis Family homes display centre in Wollert, north of Melbourne, looks and feels like any normal home, except that many of the cooking, heating and hot water appliances run off hydrogen, demonstrating future energy use.

We believe that the development of hydrogen-compatible appliances represents a key step forward in the energy transition.

HyHome demonstrates ongoing choice for households. It also shows that Australians can continue to enjoy the convenience of and reliability of gas, while progressively moving towards future energy sources.

We will improve the customer experience.

Maturity Level



Customer and stakeholder supported

Our Key Metrics

	AGN VIC	AGN SA	AGN Qld	MGN	DBP
Customer Satisfaction	8.4			8.1	8.9
Net Promoter Score	-4				-
Complaints	447 (52 Ombudsman)			189 (167 EWOV)	-

4.1 Supporting communities through our Community Partnerships Program.

We own and operate a portfolio of assets that deliver energy to a range of diverse communities across Australia. Our Community Partnerships Program is an important initiative that demonstrates our commitment to being a socially and environmentally responsible business that makes a positive contribution to the communities in areas our business operates.

We have continued our support of organisations that focus on helping those in the community that are vulnerable, are environmentally sustainable, support education, promote diversity or support local communities to prosper.

This is the third year of our Community Partnerships Program, and in 2023 we supported:

- Four Flagship partners
- 19 Community Partners
- 37 Charities (via staff fundraising and dollar matching donations)
- Two Community Groups through staff-led partnerships.

We also increased our volunteering leave to employees from one to two full days and have totalled 502.5 volunteering hours across AGIG which is equivalent to more than 13 working weeks.

We are making a difference by supporting the communities in which we operate. Notable outcomes of our 2023 program included:

- 140,000 meals were provided for Australians in need.
- 16 Indigenous boys were supported to attend high school.
- 60 girls from vulnerable backgrounds were educated and empowered with life skills.
- 24 people experiencing homelessness provided access to Life Skills Program.
- 1 Guide Dog trained.

We will undertake a strategic review of our Community Partnership Program in late 2023. We will also look to appoint new flagship partners in 2024.

4.2 Recognising outstanding performance with our Customer Service Excellence Awards.

Who doesn't like to be recognised for a job well done? Recognition, when given in a workplace environment, has several positive outcomes. First, awarding employees and contractors for exemplary performance is a great way to recognise people and teams that are committed to business values and service delivery expectations. Further, awards programs help businesses attract and retain top talent as people like to work where they know their talent and efforts will be recognised and it also tends to boost morale within the business.

We have launched our Customer Service Excellence Awards in 2023. The award is open to employees and contractors and recognises instances where people go "above and beyond" to deliver initiatives which lead to longer term improved customer outcomes.

We are making a difference by showing our employees and contractors how much we care about them, their jobs and excellent customer service through the delivery of this new awards program.

We will be announcing the winners of our first Customer Service Excellence Awards in late 2023 at a dedicated awards ceremony.

4.3 Restructuring our business to shine a light on the customer and employee experience.

When the correlation between a positive employee experience and an enhanced customer experience is strong, it becomes important to structure our business in a way that sheds light on these critical functions.

We have restructured aspects of our business to create dedicated Employee Experience (EX) and Customer and Community (CX) Experience functions. The EX-team is focused on improving employee engagement and driving workplace improvements. The CX team brings together our strategic customer functions with a particular focus on uplifting our digital capability to meet the communication needs of our customers. The two functions will work closely together to ensure that there is collaboration and continued alignment across the two programs of work.

We are making a difference by honing our focus to improve employee and customer outcomes. We believe that by providing a great experience to our employees, they will be better placed to then provide superior customer service to our customers.

We will continue to invest in and grow our EX and CX teams at AGIG and monitor our success across a range of initiatives in 2023.

We will support customers facing vulnerable circumstances.



Our Key Metrics

Priority Service CSAT (coming in 2024)

5.1 Our National Priority Service Programs.

What can network business do to better support customers on their networks experiencing vulnerability? This is a question we asked ourselves almost 4 years ago when preparing our plans for our South Australian and Queensland networks. What resulted was our Priority Services Program which was developed and codesigned with stakeholders and experts from the social service sector. When heading into our recent Victorian pricing submission for the 2023-28 regulatory period, together with AusNet, we asked ourselves the same question again.

We have launched our Priority Services Program in South Australia and Queensland and commenced work to deliver the Victorian Priority Services Program. These programs offer support to customers across a range of areas including (i) by offering financial support for customer who would like to undertake checks and repairs on their gas appliances (ii) offering appliance rebates to customers (iii) by making changes to our systems and processes to ensure that engaging with us is simple and easy, with a particular focus on training our frontline employees and (iv) by reviewing and updating our communication materials to ensure that they meet the needs of our Culturally and Linguistically Diverse customers.

We are making a difference by adapting and expanding our service offerings so that we can better support our customers who need us the most.

We will continue to promote the Priority Service Program in South Australia and Queensland to ensure that eligible customers are accessing the available supports. We will also work towards the implementation of the Priority Services Program in Victoria in 2024. Our priority is to make sure extra help is available to customers who need us most

Appendix A Maturity Model: Self-Assessment

Principle	Elementary	Emerging	Evolved	Empowered	Exceeding
P1. We will put customers at the centre of our business and the energy system			2022, 2023		Aspiration
P2 . We will improve energy affordability for customers			2022, 2023	Aspiration	
P3 . We will provide energy safely, sustainably, and reliably			2022	2023	Aspiration
P4. We will improve the customer experience		2022	2023	Aspiration	
P5. We will support customers facing vulnerable circumstances			2022, 2023	Aspiration	

Rationale behind our 2023 Maturity Model Self-Assessment

P1

- We will maintain our 'evolved' status in 2023.
- This assessment is based on the fact that we (i) have a strong culture of putting the customer at the centre of our business, including values that reflect this (ii) consider customer and community needs when designing programs and delivering our services, and (iii) report CSAT outcomes and progress against strategic customer initiatives to our ELT, Boards and Committees regularly.
- To advance to an 'empowered' status we need to identify some lead indicators of measuring customer centricity.
- Customers and stakeholders support our assessment.

P2

- We will maintain our 'evolved' status in 2023.
- This assessment is based on the fact that we (i) undertake significant engagement with customers and stakeholders during the drafting of all Access Arrangements, to test their support/need for the services and initiatives that we intend deliver over the 5-year period, and the cost impacts associated with that (ii) consider cost implications in all business implications (iii) offer financial support to customers where it is appropriate and needed (e.g., efficiency rebates).
- To advance to an 'empowered' status we need to identify some lead indicators of affordability that drive continual improvement.
- Customers and stakeholders support our assessment.

P3

- We have progressed to an 'empowered' status in 2023.
- This assessment is based on the fact that we (i) have a very strong culture of safety and performance metrics to match (ii) report safety KPIs across the business regularly (iii) are showing leadership in decarbonisation efforts, and have made significant progress on our projects this year (iv) are focussed on the safety and wellbeing of our people and have established an Employee Experience team to drive improvements in this space.
- Customers and stakeholders support our assessment.

P4

- We have progressed to an 'evolved' status in 2023.
- This assessment is based on the fact that we (i) are advanced in our customer engagement processes, building significant social licence for the business (ii) provide a range of tools and resources to customers to help them navigate our services and the energy sector (iii) continually review and update our claims and complaints processes to consider external best practices (iv) have an evolved CSAT program which is monitored at the ELT and Board level and drives strategic and tactical changes in our business.
- Customer and stakeholders support our assessment.

P5

- We will maintain our 'evolved' status in 2023.
- This assessment is based on the fact that we (i) have programs and policies in place to support customers experiencing vulnerability (ii) are tracking our performance to improve new service delivery, (iii) are partnering with social service organisations to deliver our programs and policies and better understand vulnerable customer needs.
- To advance to an 'empowered' status we need to move towards the early identification of customers at risk and intervene to prevent them falling into vulnerability.
- Customer and stakeholders support our assessment.

