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# Endeavour Energy's 2021/2022 Energy Charter Disclosure Report



## Acknowledgement of Country



Endeavour Energy acknowledges the traditional custodians of Country where we work - the people of the Dharug, Wiradjuri, Dharawal, Gundungarra and Yuin nations - and recognises their continuing connection to Country, cultures and community.

## About Endeavour Energy

Endeavour Energy manages an electricity distribution network for 1,060,000 connected customers in Sydney's Greater West, the Blue Mountains, Southern Highlands, the Illawarra and South Coast.

A population of over 2.6 million depend on us every day for safe, affordable and reliable power so they can go about their lives and livelihoods, trusting us to look after their energy interests. We power some of the fastest growing regions in New South Wales, including Sydney's Greater West, home to NSW's second international airport and the surrounding City of Bradfield.

Keeping downward pressure on electricity prices without compromising safety or reliability has been a priority for Endeavour Energy over the past decade. Safe, affordable and reliable electricity drives jobs and the economic prosperity of the communities in which we operate and contributes substantially to NSW's economic success.

We employ close to 1,710 people across 19 locations, making us one of the largest employers in Sydney's Greater West. We work in a complex and challenging environment and interact with a diverse range of customers and stakeholders.

Our Customer and Communities pillar of our strategy and our stakeholder engagement framework guides authentic, broad and deep engagement so that we continue to deliver safe, affordable and reliable electricity, while we transition to a low carbon environment, now and in the future.

### We serve:



**2.6** million people



**25,000** square km across 23 Council areas



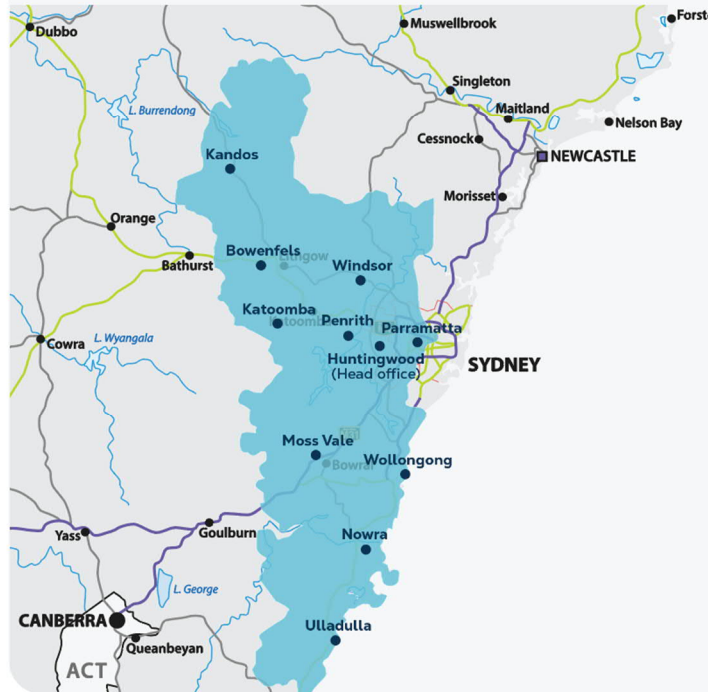
**32,000** life support customers



**221,000** customers with renewable energy generation



**20,000** new customers per year in some of the largest and fastest growing regional economies in the state. Over **50%** of Sydney's population will reside in Greater Western Sydney by 2036.



### By the numbers:

**207** major substations

**20,000+** new customers per year

**430,000+** power poles

**>25,000** km<sup>2</sup>

**60,000+** km of powerlines

**225,000** streetlights

**221,000** customers with renewable energy

**2.6m** people

**1m+** customers

**32,000** life support customers

**85%** of our area is bushfire prone

## Chair and CEO's foreword

Once again it was a challenging year for our customers as the nation adjusted to a "COVID normal" existence and three significant floods across the Hawkesbury, Nepean and Colo River systems repeatedly disrupted many of our customers lives.

We are proud of the community minded, decisive action taken by our people to assist our customers when they needed us the most.

From these major events emerged fresh opportunities to put customers first and 'find a better way.' We are pleased to report that this core value has led to the many successes reported throughout our fourth Energy Charter Disclosure, including:

- Being the first electricity network in Australia to deploy an engineering grade digital twin to help combat the impacts of climate change and extreme weather events. While piloting the platform, we were able to simulate the impact of major flooding to help restore power to affected customers in a safe and timely manner, eliminating 300 hours of inspection time and targeting our response to customers in greatest need.
- Collaborating with five other networks and local government to develop an industry wide approach to resilience, using scientific climate modelling to develop Endeavour Energy's resilience strategy.
- Significantly improving customer communication through consistent, impactful messaging across expanded channels, reflected in new surveyed reputation benchmarks relative to our peers.
- Actioning plans to drive further cultural change by incentivising employees with an employee profit share scheme tied to customer outcomes and set goals to lift employee engagement. Pleasingly, engagement has increased steadily from 51% in 2018 to 58% in 2022. We're aiming to reach the top quartile of 71% by 2024. Significantly, questions about our customer focus improved by 8% points in FY22.
- Given our enduring focus on affordability, we welcomed the AER's benchmarking that placed us amongst the most efficient network businesses in Australia. We coupled this with the development of our

new customer value framework that helps to quantify benefits and constrain unnecessary investments and renewed our commitment to keep downward pressure on our part of the bill.

- We affirmed our commitment to reconciliation with First Nations people through our Reconciliation Action Plan, which outlines how we will take meaningful steps to build relationships, respect and opportunities with Aboriginal and Torres Strait Islander peoples, noting our area includes the largest indigenous population in Australia.
- We collaborated with our Peak Customer and Stakeholder Committee to guide our Sustainability Strategy, and became the first known electricity distribution network service provider in Australia to access sustainability linked financing.

We were disappointed to not meet requirements for updating life support information and have entered into an enforceable undertaking with the AER to address this. We initiated our "Powering Life Program" aimed at improving organisational focus and awareness to strengthen protections for all Life Support customers and include Life Support customer data and risk status in weekly safety reporting. We are also working with the Energy Charter's Life Support team to understand best practice approaches.

Throughout FY22, we have also engaged deeply, broadly and authentically with our many customer segments to better understand their needs and preferences while planning for a vastly different future.

This is our third maturity assessment and we are pleased to report we have met last year's ambition to improve performance across all principles, with positive progress towards 'empowered' by FY24 for most.

We recognise that better customer outcomes are the direct benefits of strengthened collaboration across the energy industry, government and customer advocates. We thank the hard working members of our Peak Customer and Stakeholder Committee for their guidance, expertise and positive contributions towards shaping better customer outcomes.



Hon. Robert Webster  
**Independent Chair**



Guy Chalkley  
**Chief Executive Officer**

**Endeavour Energy's Peak Customer and Stakeholder Committee** brings together customer and stakeholder representatives who meet with senior decision makers to provide oversight and advice to Endeavour Energy on its goal to achieve better customer outcomes. Endeavour Energy wants to embed a customer centric culture and engages Committee members in policy, planning, services and decision making designed to drive improvements.

As an original signatory to the Energy Charter, Endeavour Energy also seeks advice and support from the Committee on how we can realise improvements against its five principles.

In 2022, the Committee helped shape and guide Endeavour Energy's Reconciliation Action Plan, Sustainability Strategy, customer service improvements and support for vulnerable customers. Substantial effort was invested by members of the Regulatory Reference Group and Future Grid committees to co-design investment priorities and plans for the next 5-10 years with Endeavour Energy's Board, Executive and senior leadership team.

This approach is a first for Endeavour Energy and has helped to reinforce a customer-centric culture, led from the top, and supported by many subject matter experts. Together, this helped to focus efforts on critical issues as the industry transforms to a low carbon environment while balancing the need to demonstrate affordable, safe and reliable electricity for customers and fair returns for shareholders.

A sub group of the Committee also helped shape Endeavour Energy's Customer Value Framework, regarded by the AER as an important development to help optimise investment decisions.

The Committee was also informed of the ongoing efforts in responding decisively and sensitively to COVID, climate change, and historic and repeated flooding across its network area.

Following a strategic review of the Energy Charter accountability process in 2022, a new, devolved accountability model will be trialled. Our CEO and Executive will meet with our Peak Customer and Stakeholder Committee in October to provide feedback on our progress against the five Energy Charter principles and opportunities for improvements. A report of the Committee's feedback, and Endeavour Energy's response, will be published by 30 November 2022.



## Our customers and communities

Our customers and communities depend on us to power their homes and businesses safely, reliably and affordably. They also expect us to plan for Australia's vastly different energy needs as Australia rapidly moves to a clean energy future. Our main customer and stakeholder segments are shown here, according to their energy needs and interests.

The largest segment includes 980,583 households located in urban and surrounding rural areas. A rapidly growing subset of this group includes 33,338 life support customers who depend on reliable electricity to power medical equipment. We also have 221,000 solar customers, an annual increase of 2.5%. We expect this group to continue to grow as battery storage becomes more efficient and affordable.

We serve 88,766 commercial customers and 5,879 industrial customers who rely on large amounts of affordable and reliable electricity for their businesses to thrive. They include local councils, hospitals, government businesses, major shopping centres, manufacturers and a group of high voltage customers. Data centres are expected to consume the largest portion of load of any customer segment over the next decade. Retailers are our largest customers by revenue.

Due to FY22 challenges as the pandemic continued and floods recurred, our focus has been keeping people safe and the lights on for communities, particularly homes, small businesses and vulnerable customers. To this end, we significantly increased our capacity to respond to unexpected events through better targeted, impactful and direct communication, overlaid with technology automation.

Type	Electricity consumption	Number
Residential	<160 MWh per annum	980,583
Commercial	<160 MWh per annum	88,766
Industrial	>160 MWh per annum	5,879





## Principle 1 – We will put customers at the centre of our business and the energy system

Elementary	Emerging	Evolved	Empowered	Exceeding
		FY21	FY22	FY23/24

Having the right culture underpins the way we do business, the decisions we make and the outcomes we deliver. Endeavour Energy's customers live and work in some of the fastest growing economies in Australia. Their success, and ours, is inextricably linked to a workplace culture that is customer focused and constantly looking to find a better way. This culture understands customers' and communities' energy needs and preferences and looks to collaborate with partners to deliver services and products aligned to those understandings.

Measure	Description	FY19	FY20	FY21	FY22	Trend
Customer service	Net promoter score relating to customer experience with general enquiries, planned and unplanned interruptions (results not comparable FY22 due to new Voice of Customer metrics)	-	+ 22	+ 30	+8*	
	Customer Satisfaction - outages and general enquiries ( averaging between 400-700 surveys per month from Jan 22)	8.0	7.5	7.5	6.5*	
Customer improvement	Milestones met from FY19 Energy Charter disclosure	-	43%	72%	95%	
Reputation - stakeholders	Benchmarked reputation score of stakeholders (new)	-	-	-	83.7	<b>new</b>
Reputation - community	Quarterly benchmarked score of customers – (new)	-	-	-	74	

Completed	In progress	The future – goals to FY24
<ul style="list-style-type: none"> <li>To deliver better customer outcomes, the Board and executive team led our most ambitious stakeholder and customer engagement program to date, delivering a significant uplift in customer centricity with a 91% participant satisfaction score.</li> <li>To deliver better customer experience, identify customer needs, substantial investments were made to modernise customer information systems, launch a new website, and improve data systems.</li> <li>We completed 50% of actions of our new Reconciliation Action Plan.</li> <li>To embed customer experience improvement throughout the business we created an employee profit share scheme, tying results directly to improved customer outcomes.</li> <li>To put customers at the centre of our decision-making process, we launched our Voice of Customer program in December 2021 providing real-time feedback following an outage / enquiry, helping transition to new customer satisfaction measures.</li> <li>To drive continuous improvement and customer centricity, we commissioned an annual RepTrak study to measure Endeavour Energy's reputation among its key stakeholders and customers. A monthly customer study of 300 customers is continuing.</li> </ul>	<ul style="list-style-type: none"> <li>To put customers at the centre of our decision-making around future service and pricing, we continue the second year of our extensive customer and stakeholder engagement program to support future investment plans, centred on four investment themes informed by customer research.</li> <li>Customer preferences continue to shape our future plans due to a significant uplift in engagement across the business, led by our Board and Executive team with management operationally accountable.</li> <li>To ensure our customer-centric decision-making is backed by data we will measure and action customer feedback via quarterly reputation surveys and monthly Voice of the Customer surveys.</li> <li>To help ensure our work force is engaged and incentives are aligned to drive positive customer outcomes, we have developed organisation wide plans to lift our employee engagement score from 58% FY22 to 71% in FY24.</li> </ul>	<ul style="list-style-type: none"> <li>Embedding authentic, best practice engagement as business as usual, including actioning the learnings from our regulatory engagement program, is a strategic priority so that we can drive customer centricity further.</li> <li>To build a culture of service excellence, plans are in progress to equip our people with the skill, knowledge and understanding of how to place our customers at the centre of all we do. We are leveraging our refreshed brand program to drive this program of work throughout FY23.</li> <li>Achieve a goal of 71% (high quartile) employee engagement by FY24, as research suggests customer satisfaction is 20-30% higher in high quartile businesses compared to companies with low engagement.</li> </ul>

### Case study: Co designed customer engagement

**Challenge:** Every five years, Endeavour Energy engages with customers to develop a Revenue Proposal that funds customer outcomes over the next five-year period. The Australian Energy Regulator prescribes that the proposal must be prudent, efficient and customer-centric, delivering on both the immediate and long-term interests of customers.

**Solution:** To develop our 2024-2029 proposal, we have listened carefully to what our customers and stakeholders have to say to understand what they value most, their expectations, priorities, and preferences. We have worked with customer experts to co-design a robust, authentic and deep engagement plan that will help build the capacity of many different customer segments to have their say on their energy future.

\* Not reflective of a change in service, it is attributable to the survey method changing from outbound calls to SMS links.

The program involves an iterative exploration of key issues via a mix of fit-for-purpose engagement activities including workshops, stakeholder deep dives, deliberative customer forums and, in another first for Endeavour Energy, in-language, in community engagement.

**Results:** The feedback we receive is consistently incorporated into the development of our proposal via feedback loops, keeping customer voices central to its development. Participants have scored engagement as 91% very good or excellent. This approach has been recognised by our industry regulator, the AER, in our successful application for an 'early signal pathway.' This will enable us to invest more time in delivering better customer outcomes. By working with customer advocates to co design our plans, we can best meet the challenges and opportunities of the future and deliver the services our customers need and want.



## Principle 2 – We will improve energy affordability for customers

Elementary	Emerging	Evolved	Empowered	Exceeding
		FY21	FY22/FY23	

Endeavour Energy has worked hard to reduce our contribution to energy bills over the last decade with network unit costs now amongst the lowest in the National Electricity Market due to sustained efficiency programs. In FY22, the AER assessed Endeavour Energy as the fourth most efficient business according to independent benchmarking. We recognise that the job is not done, given the economic impacts of COVID on businesses and households as well as the inflationary impacts of geopolitical instability and the future costs required by governments to transition to a clean energy future.

Measure	Description	FY19	FY20	FY21	FY22	Trend
Affordability	Average residential network charges (5MWh p.a.)	\$574.56	\$556.88	\$537.88	\$465.00	
	Average small business network charges (23MW p.a.)	\$2,226.15	\$2,159.31	\$2,075.31	\$1,586.00	

Completed	In progress	The future – goals to FY24
<ul style="list-style-type: none"> <li>To keep downward pressure on prices and improve customer service, response times and safety, we are using analytics to improve productivity, aided by an ambitious technology transformation program which helps to keep our operating costs down so that savings can be passed onto customers.</li> <li>Technology improvements have led to real time information for customers on planned and unplanned outages.</li> <li>We completed the first year of operation of Offpeak+, installing smart meters at 2,800 homes in our network giving customers greater control over their off peak energy usage and lowering energy bills, by turning their hot water system into a battery.</li> <li>To ensure customers do not pay any more than is necessary we developed and implemented an industry-leading Customer Value Framework, aligned to the Board's risk appetite.</li> <li>We achieved an average price across all customers amongst the lowest in the NEM and our non-residential prices are the cheapest (sourced from AER RIN data)</li> </ul>	<ul style="list-style-type: none"> <li>We will continue keeping downward pressure on our part of electricity bills through innovation, productivity improvements and operational efficiencies, aided by benefits flowing from recent investment in modern information systems.</li> <li>To ensure customers continue to enjoy an affordable, reliable and secure supply of electricity over the next five years, we are deliberating with an on line customer panel comprising 89 residential and small to medium customers to assess 7 trade off questions linked to future investments. To date, they have completed a total of 1,335 hours of activities and provided 7,162 unique responses to questions. We are balancing their feedback with stakeholder input in a series of deep dives as part of our regulatory proposal. We are continuing to actively engage with customer advocates, NSW Government, retailers, the Clean Energy Council, Energy Charter signatories and key stakeholders to help shape our future plans.</li> <li>We will continue to drive affordability by targeting a 1.4% real reduction in annual network charges through to 2024.</li> </ul>	<ul style="list-style-type: none"> <li>We know the next few years will see electricity bill pressures increase due to factors in the external environment. To create value for customers, we will continue our focus on measurable improvements in efficiency, productivity and innovation and ongoing customer engagement.</li> <li>To equip customers with the tools they need to manage their energy usage, we will support efforts to expedite the faster roll out of interval and smart meters and cost reflective tariffs, noting our analysis shows 90% of Endeavour Energy's customers will benefit from cost reflective tariffs.</li> <li>We plan ongoing listening to customers about their experience so that we can become more efficient and productive in what we do and what we focus on as a business.</li> <li>More effective collaboration with retailers will assist the design of products that allow customers to control usage and costs.</li> </ul>

### Case study: An energy concierge service

**Challenge and Solution:** As part of our efforts to build customer value against the rising backdrop of rising living costs, a new energy concierge service was trialled in FY22 in partnership with the Australian Energy Foundation to support customers to be more energy efficient and to transition to renewable energy. It was designed to help customers understand home energy use, identify improvements and provide comparative quotes for sustainable investments in homes, reviewed current energy bills and advised customers where they achieve savings on their bill. The service was available to all Endeavour Energy customers, with promotion centred in the Penrith area in partnership with Penrith City Council.

**Results:** While the program targeted up to 500 customers, implementation was delayed due to repeated flooding events in the Penrith area and the closure of the Australian Energy Foundation due to COVID impacts by year's end. Sixty nine customers took part in programs generating an estimated total savings of around \$7,000. While final results were disappointing, this was an important service innovation for Endeavour Energy designed to increase customer value.



## Principle 3 - We will provide energy safely, sustainably and reliably

Endeavour Energy's network area includes some of the worst-affected areas when it comes to NSW floods and bushfires. Our customers are increasingly trusting us with more and more of their lives and they are telling us they want more reliable and robust power day to day and during emergencies. Their lives and livelihoods depend on it. With the move to 'electrify everything,' electricity is increasingly central to our customers who are dependent on reliable power for transport, water, finance and telecommunications. At the same time we are at a critical point in the energy transition and Endeavour Energy will play a crucial role in moving use towards the future integrated and low carbon energy future. We are well placed to meet these challenges through our innovation program and Future Grid, Resilience and Sustainability Strategies.

	Elementary	Emerging	Evolved	Empowered	Exceeding
3.1 Safety performance			FY21	FY22/23	
3.2 Environmental performance				FY21	FY22/23
3.3 Shift to a cleaner energy system				FY21	FY22/23
3.4 Connection, service and reliability			FY21	FY22/23	

Measure	Description	FY19				FY20				FY21				FY22				Trend			
Worker safety	TRIFR - Number of lost time and medical treatment injuries per million hours worked for employees and contractor	15.2				11.5				8.5				5.7							
	LTIFR - Frequency of lost time injuries per million hours worked by employees and contractors	1.1				0.7				0.7				0.2							
Public safety*	Public safety incidents (car hit pole   pole failures   domestic shocks   conductor strikes)	241	2	128	3	207	2	100	7	249	1	104	19	162	0	94	62**				
Sustainability	Global Real Estate Sustainability Benchmark	-				4 stars				5 stars				Pending							
	Greenhouse gas emissions (direct and indirect)*	669kt CO2-e				632kt CO2-e				621kt CO2-e				609 kt CO2-e							
	Nature positive (new) - Compensating for the vegetation management and other land clearing activities of the business	-				-				-2.6ha				-0.5 ha Net habitat gain target met							
	Landfill diversion (new)	-				35%				52%				70% (60% target)							
Reliability	Unplanned SAIDI (normalised) average duration of minutes interrupted per customer	78.0 mins				87.6 mins				66.0 mins				91.58 mins*							

Completed	In progress	The future – goals FY23 - FY40
<ul style="list-style-type: none"> <li>We kept our people safe and kept lights on for customers by driving significant improvement in TRIFR and LTIFR results underpinned by increased leadership presence across sites, near miss reporting and early incident reporting.</li> <li>We have improved safety for our people and communities through major technology investment.</li> <li>Delivered leading and lagging measures created for solar generation levels and two-way power flows as well as market data to inform new tariff design.</li> <li>* Reliability result reflects the impacts of outages due to numerous flooding events being excluded or partially excluded from SAIDI.</li> </ul>	<ul style="list-style-type: none"> <li>We are safely deploying leading network monitoring and control systems that enable parts of the network to 'self-heal' to deliver better reliability performance for customers and faster response times in natural disasters.</li> <li>We will continue to use our digital network twin to simulate natural disasters and other disruptions so that we can improve response times for customers.</li> <li>We are improving community resilience and transitioning from a traditional network to a future grid by piloting our first community microgrid underway at Bawley Point/Kioloa on the South Coast.</li> </ul>	<ul style="list-style-type: none"> <li>We will improve public safety by investing \$650,000 in a 'Black Spot' pole relocation program in FY23..</li> <li>We will enable the grid to provide customer and community benefits, as noted in our co designed Future Grid strategy. This sets out key innovations and milestones through to 2029.</li> <li>More microgrids, community batteries and grid connected batteries are planned to speed the transition to a low carbon future.</li> <li>Our Sustainability Strategy sets of multi year goals. By 2023 we will regenerate 50% more habitat and develop measurable, social impact programs</li> </ul>





## Principle 3 - We will provide energy safely, sustainably and reliably

Completed	In progress	The future
<ul style="list-style-type: none"> <li>To chart a course and set targets for the positive impact we believe Endeavour Energy should have on our people, customers and communities we developed a comprehensive sustainability strategy with our Peak Customer and Stakeholder Committee. It is industry leading in that it includes nature positive measures.</li> <li>We engaged widely with the CSIRO, local government, other networks, AER, RRG and the Committee for Sydney to develop a comprehensive resilience strategy using climate change data and supplemented this with a resilience investment program.</li> <li>We announced a partnership with JOLT to build a network of free and fast electric vehicle charging stations across Western Sydney.</li> <li>We achieved 5-star global benchmarking result in the Global Real Estate Sustainability Benchmark rating 95 where the average was 72 and peer average was 89. This ranked Endeavour Energy 29<sup>th</sup> out of 549. This was also a ranking of 1<sup>st</sup> out of 7 for a performance score within network utilities.</li> <li>We gained a Family Inclusive Workplace Certification</li> <li>We completed 50% of actions in our Reconciliation Action Plan</li> <li>We generated 2,255 MWh of solar generation on our properties, saving over \$500,000 and improving our efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>We are continuing to deliver key elements of our resilience strategy and make prudent investments that strengthen our network and communities. Our resilience strategy is based on climate change modelling across different major events.</li> <li>We are continuing discussions and developing the businesses case on renewable PPAs.</li> <li>We are engaging Greening Australia to determine planting exercise sapling counts to assess Nature &amp; Biodiversity annual target contributions.</li> <li>To provide a more equitable customer experience, we are continuing our program to improve reliability in poorest performing areas of the network.</li> <li>We are modernising our network connections process to address key customer pain points revealed through customer journey mapping and satisfaction surveys. We have redesigned a process to fast track less complex applications, cutting, on average, ten weeks in a pilot phase and achieving 82% satisfaction. We are in the final stages of digitising the application process, providing greater visibility in tracking progress and improving the customer experience.</li> </ul>	<ul style="list-style-type: none"> <li>By 2025               <ul style="list-style-type: none"> <li>90% employee participation in wellbeing program</li> <li>Divert 90% of waste from landfill</li> <li>50% apprentice and graduate roles filled by women</li> <li>Nature positive</li> </ul> </li> <li>By 2030               <ul style="list-style-type: none"> <li>40% emission reduction (scope 1 and 2, excluding line losses)</li> <li>Connect 590,000 solar systems and batteries</li> <li>100% of new fleet be zero emissions</li> <li>Waste neutral</li> </ul> </li> <li>By 2040               <ul style="list-style-type: none"> <li>Climate positive by 2040</li> </ul> </li> </ul>

### Case study: Sustainability-Linked Loan

**Opportunity:** SLLs are loan facilities where the borrower is incentivised through loan pricing to achieve pre-agreed sustainability performance targets (SPTs). Endeavour Energy is committed to improving customer and community outcomes by supporting a renewable and more sustainable energy future and is focused on driving sustainability throughout its business.

**Solution:** Endeavour Energy, via its financing entity, Network Finance Company Pty Ltd, signed a landmark A\$920 million five-year sustainability-linked loan (SLL) facility, becoming the first known electricity distribution network service provider (DNSP) in

Australia to access sustainability linked financing.

The funds raised under the sustainability-linked loan can be used for general corporate purposes, however, the pricing of the loan is tied to the Endeavour Energy achieving a set of agreed sustainability performance targets focused on four areas including greenhouse gas emissions reduction, landfill waste diversion, net habitat gain and mental health and wellbeing. The mechanism causes a direct link to financial loss or gain from our commitment to meeting sustainability targets. Where performance targets are achieved, Endeavour Energy is rewarded with a decrease in interest rates however if we do not

achieve a target, we are penalised with an increase in rates.

**Results:** The sustainability performance targets underpin Endeavour Energy's corporate strategy and is a key consideration for the planning and implementation of ongoing work. We hope they become an effective tool for driving improved sustainability performance throughout the business as we work towards a net zero future.





## Principle 4 - We will improve the customer experience

	Elementary	Emerging	Evolved	Empowered	Exceeding
4.1 Fair outcomes for customers		FY21	FY22	FY23	
4.2 and 4.3 Clear customer communications		FY21	FY22	FY23	
4.4 Handling complaints		FY21	FY22	FY23	

We recognise that customers value experiences that are easy, fair and respectful, especially when things go wrong and that outcomes should be transparent. Changes in the energy industry should benefit all customers. Customers expect businesses to be well placed to understand where their pain points exist across industry sectors and work to overcome them. We are committed to making it easy for people to get the best service regardless of their ability to engage with us. We will continue to improve our processes and communication with customers.

Measure	Description	FY19	FY20	FY21	FY22	Trend
Ease of service	Total EWON casework	219	208	172	150	
	Per 10,000	2.09	1.95	1.59	1.5	

Completed	In progress	The future – to FY24
<ul style="list-style-type: none"> <li>Made it easier to interact with us via improved communication and engagement opportunities.</li> <li>Resolved customer issues more efficiently by enabling escalation for consideration of exceptional circumstances.</li> <li>Improved customer outage communications to realise improvements from the implementation of our Advanced Distribution Management System.</li> <li>Expanded customer information choices through more consistent use of social media aligned to content preferred by customers.</li> <li>Implemented the Customer Advocacy System (CAS) replacing multiple legacy systems for complaint management allowing us to: better understand our customers; make smarter, quicker decisions; and centrally manage all complaints for transparency, consistency and seamless case management.</li> </ul>	<ul style="list-style-type: none"> <li>To improve the customer experience across all our touchpoints, including our website, we will continue to use customer journey mapping insights.</li> <li>This mapping has led to a greatly enhanced customer experience when connecting to the network by digitising processes and creating self-service capability. This has been shaped by customer voices and insights.</li> <li>So that customers can engage with us on their own terms, we will continue to use our popular community engagement hub as a key online engagement channel.</li> <li>Continuing to improve CALD engagement through lessons learned from our reg reset engagement activities, including engaging in language and in community.</li> <li>Prioritising customer improvement initiatives to address common pain points including empowering customers with better information before, during and after an outage; consolidating and promoting information and offering relevant support to customers in need.</li> </ul>	<ul style="list-style-type: none"> <li>Deliver better tailored service and remove customer pain points via customer account managers for high voltage, commercial and industrial customers, local government, data centres, accredited service providers.</li> <li>Strengthening relationships with retailers and other energy businesses to identify and relieve customer pain points.</li> <li>We will improve customer information for outage management – proactively providing customers with information via their preferred communication channel.</li> <li>Voice of Customer program will continue highlighting opportunities for improvement, encompassing additional steps in the customer journey.</li> </ul>

### Case study: Customer awareness of our brand and what it stands for

**Challenge:** To better understand customer and stakeholder expectations and their perceptions of Endeavour Energy's brand, we wanted to measure and track improvements to our reputation, over time. Our people are customer focused and constantly looking to find a better way and insights from this research helps to drive better performance and customer outcomes.

**Solution:** As part of our efforts to drive continuous improvement and customer centricity, we commissioned surveys to measure Endeavour Energy's reputation among key stakeholders annually and customers monthly. The surveys provided a foundation for Endeavour Energy to measure, monitor and think of how to manage its reputation based on current levels of trust, admiration and respect. It also provided actionable insights to inform BAU communications and engagement strategy.

**Results:** Results provide quantifiable, benchmarked evidence to shape Endeavour Energy's communications, reputation and stakeholder management strategies, bringing a better, more tailored service to our customers. The latest data showcased our strongest reputation score to date, off the back of a direct pivot to focus on innovation, workplace and products and services which were spotlighted as areas of improvement in prior surveys. The results have also allowed us to strengthen the line of sight from reporting metrics to the accountable parties.



## Principle 5 - We will support customers facing vulnerable circumstances

Elementary	Emerging	Evolved	Empowered	Exceeding
	FY21	FY22	FY23	

This has been a priority for us throughout the year. Customers in vulnerable circumstances need tailored support and extra levels of care and flexibility to stay connected. It is important for customer-facing staff to be trained in identifying the varied underlying causes of vulnerability, and in aiding vulnerable customers in the pathways that will provide the right support. Disappointingly, we failed to meet legislated requirements for outage information and prompt registration of customers needing power for life support equipment and were fined \$474,000 by our industry regulator for 17 breaches of national legislation. We signed an enforceable undertaking to address these shortcomings and will report outcomes by FY23.

Measure	Description	FY19	FY20	FY21		FY22	Trend
Network hardship support	Customer payment plans (% affected customers for network defects.)	30%	14%*	8 payment plans		16 payment plans	
	Ex gratia payments	58	474	434		441	
	\$COVID FY21 / \$Flood assistance FY22			8,538	\$1.55m	\$824,250	
				11,039	\$1.88m		

Completed	In progress	The future – FY23
<ul style="list-style-type: none"> <li>Successfully trialled a 'knock-before-disconnect' program to encourage customers in financial stress to contact their retailer and avoid over 47% of disconnections. In FY22, 2,151 customers avoided disconnection due to this innovation.</li> <li>Implemented a Customer Assistance Package to help customers and communities get back on their feet after historic flooding across the Hawkesbury Nepean Valley. The package included:               <ul style="list-style-type: none"> <li>undertaking free inspections of meter boards to determine if safe to reconnect;</li> <li>waiving all application, site establishment and electrical contractor fees (valued between \$350-\$600) for customers reconnecting; and</li> <li>pausing disconnections and follow up on private powerline defects.</li> </ul> </li> <li>Partnered with other Energy Charter signatories and community partners to deliver targeted customer assistance and upskill our contact centre to better recognise hardship customers.</li> <li>Delivered Phase 1 of the Customer Advocacy System</li> <li>Created a Social Program team responsible for the oversight and education of employees and customers facing vulnerable circumstances</li> <li>Established Community Liaison Officers responsible for supporting customers with their energy needs through emergencies</li> <li>Introduced the "Support and Resources Hub" which is accessible to our customers to seek more information including:               <ul style="list-style-type: none"> <li>Customer service standards, customer owned assistance loan, guaranteed service levels, public lighting code payments</li> <li>Government rebates available year-round to assist with energy affordability</li> <li>Summaries of additional resources available for customers around affordability</li> <li>Guidance on who should register for life support, what this means, how to create a backup plan.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Improving the safety of 33,500 life support customers by delivering the necessary actions of the AER's enforceable undertaking to improve outage notification and record keeping of registered life support customers, with LS safety performance reported to the Board.</li> <li>To better manage customer claims, payment plans and life support requirements we will deliver phase 2 of an on line Customer Advocacy system by FY24.</li> <li>A Social Programs Lead will oversee customer support programs and develop further support initiatives for customers facing vulnerable circumstances.</li> <li>Continuing to provide immediate support for customers during incidents via the new Community Liaison team.</li> <li>Roll out knock-before-disconnect across the whole network area as part of business-as-usual activities and optimise the program through:               <ul style="list-style-type: none"> <li>QR code to support and resources webpage hosting a growing list of external resources to assist with energy affordability. This also allows CALD customers to use their everyday translation services to view information to assist them with their bill.</li> <li>Increased training for our field staff to direct customers to relevant resources when speaking to customers at risk of disconnection.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>As an Energy Charter signatory, we seek to exceed our regulatory responsibilities for life support customers via a dedicated, tailored and benchmarked program across the business that improves Life Support processes and treats them with respect by equipping them with the information and support they need.</li> <li>To help catch customers who might be experiencing hardship, we plan to continue upskilling Contact Centre employees to better identify and support customers, acting on recommendations from customer advocates and previous Independent Accountability Panel Reports.</li> <li>Every year, our communities benefit from additional in kind and paid support through various social investment programs. We want to measure and benchmark this investment using the industry recognised global framework B4SI so that we can track and measure community impacts across our diverse communities, relative to our financial performance, and align this to our Sustainability strategy.</li> </ul>



## Principle 5 - We will support customers facing vulnerable circumstances cont.

Completed	In progress	The future
<ul style="list-style-type: none"> <li>Additional outreach of Customer Service Standards eligibility was extended in FY22 with social media posts. Related information was shared with community groups, external partners and in-person at EWON events.</li> <li>60 customers referred to Uniting's Powering Hope Program via Endeavour Energy channels. 44% of these referrals were CALD customers.</li> <li>Flood affected customers received personalised service via the Community team who attended community preparedness events.</li> <li>Developed a Social Investment Strategy to ensure our investment is having the greatest impact where its most needed, allowing us to align our community partnerships to community needs.</li> </ul>	<ul style="list-style-type: none"> <li>Helping our communities 'return to normal' post COVID.</li> <li>Helping customers to be better prepared for the likelihood of power outages during flooding and other major natural disaster by analysing locations most likely to be affected via the continued use of our digital network twin and sharing this information with customers.</li> </ul>	<ul style="list-style-type: none"> <li>We will launch a community grants program that will offer funding to organisations that deliver clear benefits for the community in the areas of education, health and wellbeing, environment, and social welfare.</li> </ul>

### Case study - Improved flood preparedness, response and support

**Challenge:** Customers residing in the Hawkesbury/Nepean region were impacted by four historic flood events in the last 18 months. The floods broke records and Endeavour Energy had to rally its resources and rely on its preparations to ensure customers were kept safe and could recover quickly.

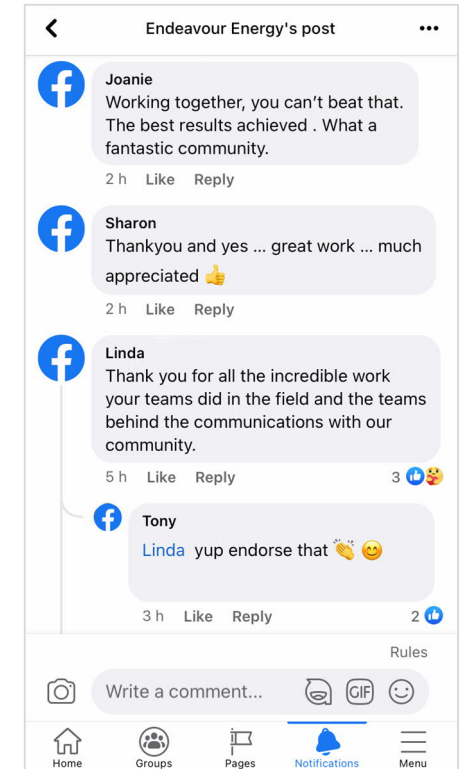
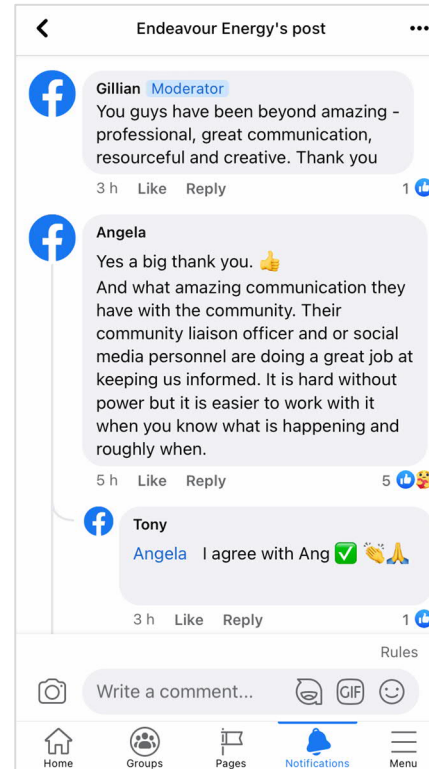
**Solution:** Endeavour Energy's approach to floods in its network area focuses on preparation, response and support.

**Preparation:** We used learnings from past incidents and with each new incident evolved our infrastructure and our methods of response. We also developed new methods of communicating to customers, improving our ability to deliver granular and relevant information. Our preparation was helped by the fact that we were the first electricity network in Australia to deploy an engineering grade digital network twin to combat the impacts of climate change and extreme weather events.

**Response:** Our digital twin allowed us to simulate the impact of major flooding in the Hawkesbury and Nepean Rivers, enabling us to focus our efforts where they were most needed and restore power to affected customers in a safe and timely manner. We also established Community Liaison Officers responsible for supporting customers with their energy and providing representation at Recovery Centres and Evacuation Centres. Our communications approach was multi-channelled across SMS, phone, email, social media, news media and the Endeavour Energy website. Connecting to community Facebook groups achieved further exposure of messaging and enabled us to understand the key customer concerns and identify emerging safety issues.

**Support:** Customer Assistance Packages were offered to customers to help get them back on their feet.

**Results:** Flood affected customers were better informed, better supported and had their power restored faster through a combination of innovative technology and tailored, personal assistance.





## Case study appendix

### Case study: Bawley Point/Kioloa Microgrid

**Challenge:** Bawley Point and Kioloa customers, living at the edge of the traditional grid and recently bushfire affected, needed more resilient, reliable and sustainable energy. This demand came off the back of a challenging few years for the regional community, who had faced regular power outages due to bushfires, storms and population spikes during holiday periods, placing strain on their regular electricity supply.

**Solution:** In a first for Endeavour Energy, we collaborated with local residents, businesses and Shoalhaven City Council to design a community microgrid to generate a renewable and reliable electricity supply which will reduce the frequency of outages and improve the community's resilience. As part of our commitment to keep customer voices central to our plans for the future, we established a Community Reference Group to serve as a sounding board for community issues and ideas. We also collaborated with customers to have their say by attending regular community workshops or via our online engagement portal.

**Results:** Revolutionary benefits will flow to the community when the microgrid is operational in mid 2023, including fewer and shorter power interruptions, more choice over how electricity is consumed and reduced risks in times of major storms, fire and other emergencies. Significantly, the community is also seeking to contribute to sustainable goals around reducing their carbon footprint and being part of a program to build the greater good. This innovation will change the way we design the grid of the future for remote communities.

### Case study: Partnership with Jolt

**Challenge:** We are hearing loud and clear from our customers that they want to move towards a renewable future, and they're calling on us to support this transition in their daily lives. One way we can do this is by partnering to support the rollout of electric vehicles and build the infrastructure needed to encourage their uptake.

**Solution:** We announced a partnership with JOLT to build a network of free and fast electric vehicle charging stations across Western Sydney. This partnership harnesses the exciting momentum around electric vehicles and upholds our commitment to build a modern grid that can support the sustainability aspirations of every customer on our network.

**Results:** More than 230 EV charging stations will be installed on existing Endeavour Energy streetside substations by 2025 with the number expanding to more than 1000 chargers over the next decade throughout the partnership. Providing free charging in more urban locations will allow more people into the EV market, breaking down the key barriers to EV adoption and helping our customers to realise the benefits of a greener future.

### Case study: Sustainability strategy

**Challenge:** One of our greatest opportunities and challenges is to lead the shift from a traditional electricity network to a smarter, cleaner and more efficient energy system. One that democratises, decentralises and decarbonises the future grid. We are aiming high, and holding ourselves to account. The challenge is to do this in a way that the entire organisation can action.

**Solution:** We launched our new Sustainability Strategy which focuses on material issues where we can have the most impact and sets clear priorities and short, medium and long-term targets. Our focus is in three areas.

- Renewable Revolution – creating a modern, clean energy grid that keeps everyone reliably connected.
- Regenerative Economy - Working towards a circular economy that recovers resources and protects the planet.
- Resilient Communities – Ensuring health, wellbeing and inclusion for our people and communities.

We have committed to:

- regenerate 50% more habitat and develop social impact programs by 2023;
- 90% employee participation in wellbeing programs, divert 90% of waste from landfill, 50% apprentice and graduate roles filled by women and being nature positive by 2025;
- 40% emission reduction (scope 1 and 2 excluding line losses), connect 590,000 solar systems and batteries, 100% of new fleet to be zero emissions, being waste neutral by 2030; and
- Being climate positive by 2040.

**Results:** The sustainability strategy has provided us with the direction to implement several initiatives and meet key FY22 targets:

- 70% landfill diversion from a 60% target
- met net habitat gain targets undertaking tree planting and restoration activities in bushfire affected communities at Lake Conjola and Manyana
- 3% reduction in scope1 and 2 emissions
- Net Zero Business Plan and Climate Target Benchmarking Report approved and implementation commenced
- Local Government Workshop on electricity networks & investing for community resilience insights report received
- Family Inclusive Workplace Certification achieved.