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# **Energy Charter Disclosure Report**

## **2020**

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July 2019 – June 2020

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**Australian Gas  
Infrastructure Group**

# Introduction by CEO

We are proud to be a founding member of the Energy Charter. Last year's inaugural report was an opportunity to evaluate our business and how well we deliver against our Vision and against the Charter principles. In contrast, this year is all about delivery. Have we addressed the areas for improvement identified last year? Have we made a difference for our customers this year?

This has been a challenging year: along with bushfires, floods and the COVID-19 pandemic, we have had a 'one in ten' cold and wet winter in Victoria that has tested our gas supply reliability at Multinet. When times are tough it is more important than ever to put the customer first and learn from the challenges to improve.

## A strong performance overall in 2020

Overall, we have delivered well for customers in 2020. We've achieved our highest ever Customer Satisfaction and emergency leak response scores. We're on track to meet targets for mains replacement, including in the Melbourne CBD, which will improve reliability and reduce customer interruptions. We have reduced operating costs which will be passed through to customers. We have proposed price cuts in South Australia and Western Australia with plans well supported by stakeholders, and we're leading in renewable hydrogen.

## Improvements since 2019

We have made good progress on many of the 'to do' areas identified in 2019. Our process safety indicators in our transmission business are ahead of target. We've overhauled our communications collateral to make sure our customers find our approach to be simple, engaging and clear cut. We have embedded customer satisfaction as a KPI for everyone in our business. We are winning transmission and midstream business across Australia. And we are making real progress on securing the transition of our networks from natural gas to green hydrogen, with the launch of the National Hydrogen Strategy, the Technology Investment Roadmap, and with our Hydrogen Park SA project about to introduce green hydrogen into a section of our Adelaide distribution network.

## Work still to do

We are working hard on the areas where we still have work to do. We've started a collaborative 'new connections' working group and are implementing new processes to ensure customers are connected faster. We're referencing best-practice approaches developed by other businesses to create our own company-wide vulnerable customer strategy, which – as the 2019 report demonstrated – is a journey we are only beginning. The 2020 winter has been tough for our Multinet business, but we are learning to communicate better with our customers to keep them updated when they are off supply.

And we have new ambitions for 2021: to further elevate the voice of the customer within our business, to further improve communications to customers when off supply, including via SMS if possible, and to move beyond demonstration projects and into 'delivery mode' on system scale hydrogen blending.

We acknowledge we still have a way to go. We need to continue our work on new connections and customer complaints by increasing reporting and communication to ensure quicker resolution and greater customer satisfaction. Given the impact of COVID-19, our work on vulnerable and hardship customers becomes more important.

This year's maturity model has highlighted our strong focus on safety and cost efficiency, but also our need to continue to build a culture where all teams think 'customer first' and proactively work together for better customer outcomes. Making customer satisfaction a corporate KPI in 2020 is one of the ways we're embedding a customer-centric culture across our entire organisation.

All of us that work at Australian Gas Infrastructure Group are focused on delivering continual improvement against our Vision and the Energy Charter principles. We look forward to delivering further on this plan in the coming twelve months.



**Ben Wilson**  
Chief Executive Officer

# 2020 Highlights

Since our 2019 Energy Disclosure Report we have advanced on many of our commitments to the Energy Charter.

## What have we delivered against our vision?

	Public Safety	Reliability	Customer Service
Delivering for the Customer	<ul style="list-style-type: none"> <li><b>Best ever results in leak response.</b> Our leak response continues to improve with 99.5 % 2 hr response in AGN and 98.8 % 1hr response in MGN.</li> <li><b>Leading indicators on the Dampier to Bunbury Pipeline (DBP) implemented.</b> For Tier 3 and Tier 4 Process Safety events leading indicators have been implemented.</li> <li><b>Dampier to Bunbury Natural Gas Pipeline (DBNGP) in line inspection completed.</b> No major faults or weaknesses detected.</li> </ul>	<ul style="list-style-type: none"> <li><b>MGN increased mains replacement.</b> We are on track to complete 530km of low pressure mains replacement in the five-year period (2018 to 2022).</li> <li><b>DBNGP 100% reliability</b> and zero reportable environmental incidents.</li> </ul>	<ul style="list-style-type: none"> <li><b>Customer satisfaction scores continue to improve</b> across the business. AGN &amp; DBP's aggregate satisfaction score is 8.4. MGN also improved and trending towards 7.9.</li> <li><b>Online Engagement.</b> Delivered engagement portal, Gas Matters, enabling 24/7 engagement for our customers and stakeholders.</li> <li><b>Covid19 Responses.</b> Distribution Business (DB) Relief Packages #1 &amp; #2 delivered to customers.</li> </ul>
A Good Employer	Health and Safety	Employee Engagement	Skills and Training
	<ul style="list-style-type: none"> <li><b>Lost time injuries (LTIs) across AGIG are on a continued three-year decline.</b> The number of Lost Time Injuries across AGIG (January - June 2019) is currently 1, down from 5 in 2018 (Jan-Dec).</li> </ul>	<ul style="list-style-type: none"> <li><b>Uniform IT user experience.</b> Standardised end-user devices, communications and operating systems.</li> <li><b>Top quartile employee engagement.</b> While 2019 results decreased slightly on 2018 (67% from 70%), we remain high in the second quartile benchmark.</li> </ul>	<ul style="list-style-type: none"> <li><b>Online performance reviews and development plans established</b> to make skills management more streamlined and easier to use.</li> <li><b>Distribution training material aligned with Contractors.</b></li> <li><b>Our Transmission apprenticeship program</b> continues to develop young people for industry.</li> </ul>
Sustainably Cost Efficient	Working within Industry Benchmarks	Delivering Profitable Growth	Environmentally and Socially Responsible
	<ul style="list-style-type: none"> <li><b>Strong expenditure management.</b> Our operating expenditure is within our regulatory targets, ensuring we achieve the lowest possible cost of providing sustainable service and reliability to our customers.</li> </ul>	<ul style="list-style-type: none"> <li><b>Expansion of our Tubridgi gas storage facility</b> in response to strong demand in the WA domestic gas market and provided our customers with the flexibility they require to meet their energy needs.</li> <li><b>New Waitsia Inlet Facility to the DBNGP</b> delivered connecting the existing Xyris gas plant to major gas users in WA. The new inlet has been designed to be easily upgradeable when future connection to the larger Waitsia field is required.</li> </ul>	<ul style="list-style-type: none"> <li><b>Renewable Gas project advancements.</b> HyP SA construction complete and moved to commissioning. DBP Hydrogen Feasibility Study has commenced. Australian Hydrogen Centre established. HyP Gladstone blending project approved.</li> <li><b>Community Partnerships Program established</b> which include Angel Flight Aust (SA), Hutt Street Centre, Foodbank, Australian Red Cross and Clontarf Foundation.</li> <li><b>Heritage Management.</b> Complete review of our Project Heritage Obligations.</li> </ul>

## Our progress on last year's areas of improvement

	Public Safety	Reliability	Customer Service
Delivering for the Customer	<p><b>Lodge AGN's Victorian Safety Case with Energy Safe Victoria.</b> AGN Victoria Safety Case is being resubmitted in 2020.</p> <p><b>Embed Process Safety Tracking as business as usual.</b> Process Safety Leading and Lagging indicators have been introduced and in place to align with Occupational Health and Safety Leading and Lagging indicators.</p>	<p><b>Improve the performance of the MGN network in wet weather.</b> Higher than average rainfall in Victoria meant that while MGN is still meeting industry standard response times, it is currently performing below expectations regarding responsiveness to supply fault repairs.</p> <p><b>Reliability of the DBNGP was 100%.</b> All shipper requirements were delivered. No shipper was curtailed due to critical compressors at CS9 and 10 not starting when called upon.</p>	<p><b>Continued improvement in customer satisfaction scores.</b> Following an extensive redesign, our communications material at MGN is now more direct, easier to read and understand. Customer satisfaction scores continue to improve across the business.</p> <p><b>Connections Performance.</b> YTD MGN and AGN are delivering 99.4% of all connections within 20 business days, with initiatives launched between all VIC DB's to align our framework to make connecting to gas easier for our customers.</p> <p><b>Vulnerable customers.</b> Increased awareness and response to customers in vulnerable situations.</p>
A Good Employer	<p><b>Reduce the number of trips, slips, strains etc.</b> Improved for MGN with a targeted development plan to drive further improvements for AGN &amp; DBP.</p> <p><b>Reduce the number of asset strikes.</b> While good progress has been made, work continues with initiatives planned to reduce asset strikes.</p>	<p><b>Embed the Energy Charter principles in the business.</b> In response to IAP feedback in 2019, we have made customer satisfaction a corporate Key Performance Indicator (KPI) to ensure all employees are responsible for customer satisfaction.</p>	<p><b>Embed the technical training program.</b> A framework has been created for continued compliance.</p> <p><b>Establish one-AGIG non-technical training program.</b> Non-technical Training Framework on-track for delivery by November 2020, for use in our 2021 performance planning.</p>
Sustainably Cost Efficient	<p><b>Working within Industry Benchmarks</b></p> <p><b>AGN Melbourne Central Business District (CBD) MRP behind target.</b> After concentrated effort we are now on track to meet our commitments.</p> <p><b>Deliver Western Australian and South Australian price resets.</b> Our Final Plan for the AGN South Australian (SA) network proposed an upfront price cut of 7% (after inflation) from 1 July 2021, while our Dampier Bunbury Pipeline (DBP) Final Plan proposed cuts in total expenditure and revenue that would deliver a price cut of 6% for customers on negotiated contracts and a 4% increase for customers on reference service contracts.</p>	<p><b>Delivering Profitable Growth</b></p> <p><b>Restore connections growth in Victoria.</b> While connections have remained steady throughout the year, the effects COVID-19 restrictions in Victoria are starting to be seen.</p> <p><b>Enhance our east-coast pipeline credentials.</b> We executed Memorandum of Understanding between AGIG, Central Petroleum and Macquarie Mereenie for a proposed 950km pipeline – an alternate transportation route capable of supplying gas to east coast capital cities.</p>	<p><b>Environmentally and Socially Responsible</b></p> <p><b>Secure renewable gas as the primary fuel for the decarbonisation of heat.</b> We will be delivering a 5% renewable hydrogen blended gas to around 700 customers in our South Australian network at Mitchell Park by the end of 2020.</p> <p><b>Vulnerable customers.</b> Through consultation with our South Australian (SA) Reference Group and customer advocates, we have proposed a Vulnerable Customer Assistance Program in our Final Access Arrangements plan.</p>

## Our maturity against the principles

Principle	Maturity model assessment Current	Initiatives	Maturity model assessment Aspiration
<b>Principle 1</b>  We will put customers at the centre of our business and the energy system.	 Emerging	<p><b>1.1 Embedding a customer centric culture within our business</b> Customer Service elevated to Corporate KPI.</p> <p><b>1.2 Listening to our DBP Shippers means better service.</b> Holding an open engagement process with shipper customers.</p>	 Exceeding
<b>Focus areas for 2021</b>			
• Increased customer-focused metrics reporting to Executive Management Team (EMT) and Board.			
• Collaboration with customer representative groups and across the industry chain with an aim to improve customer outcomes.			
• Elevate “Voice of Customer” insights to Executive Level.			
<b>Principle 2</b>  We will improve energy affordability for customers.	 Emerging	<p><b>2.1 An upfront, proactive price cut for customers</b> Tariff reductions / inclusions from customers above and beyond regulatory requirements.</p> <p><b>2.2 Helping our retailers and their customers affected by COVID-19.</b> Rebates and deferred payments for small and large retailers.</p>	 Empowered
<b>Focus areas for 2021</b>			
• Deliver price cuts in WA (on the DBNPGP) and SA.			
• Investment in customer systems (CRM) that allow more analysis of usage drivers to provide more tailored energy solutions to customers.			
• Continue to drive operational efficiencies across all areas of AGIG in order to deliver savings to customers as part of Access Arrangements.			
<b>Principle 3</b>  We will provide energy safely, sustainably and reliably.	 Evolved	<p><b>3.1 Innovating in renewable hydrogen.</b> Leading in renewable hydrogen across the nation and across the energy value chain.</p> <p><b>3.2 Increasing safety and reliability in Melbourne and Adelaide CBD.</b> Higher costs &amp; complexity in Melbourne but meeting commitment.</p> <p><b>3.3 Getting customers reconnected faster after supply faults.</b> Response to water in mains requires improvement.</p>	 Exceeding
<b>Focus areas for 2021</b>			
• Identify specific areas of network systems that are having the most impact on customers from poorer supply issues and use innovative approaches to address. Improve customer communications.			
• Continue with renewable gas development / investments and take a lead advocate role.			

Principle	Maturity model assessment Current	Initiatives	Maturity model assessment Aspiration
<b>Principle 4</b> We will improve the customer experience.	 Emerging	<p><b>4.1 Clearer communication, happier customers.</b> Revamp of MGN field collateral.</p> <p><b>4.2 Resolving and reducing customer complaints.</b> Initiatives including Ombudsman collaboration with case reviews, establishing management review for escalated cases, improved complaints reporting.</p>	 Empowered

#### Focus areas for 2021

- Increase focus of complaints and complaint management to EMT and Board to ensure there is appropriate corporate focus to identify areas where improvement in service delivery is required, and that accountability is assigned to implement these improvements.
- Continue to expand the interaction with regulatory bodies and stakeholders such as Ombudsman schemes to drive continue improvement in customer service.

<b>Principle 5</b> We will support customers facing vulnerable circumstances.	 Elementary	<p><b>5.1 Establishing who is vulnerable, and how we can best help.</b> Understand how to best identify and support these customers.</p> <p><b>5.2 Increasing field team assistance of customers in vulnerable situations.</b> Increased awareness and response to customers in vulnerable situations.</p>	 Empowered
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#### Focus areas for 2021

- Internal assessment of vulnerable domestic customer segments and understand where these customers are likely to interact with AGIG delivery across the end to end customer journey. Identify a program of work to mitigate the impact on customers in vulnerable circumstances.
- Implement SA Access Arrangement initiatives and establish a network of community service groups to partner with the delivery of these AGIG programs.
- Continue to review and work with Community Partnerships and Sponsorships to maximise opportunities to improve outcomes for customers in vulnerable situations.

**Full details on our customers and communities can be found in Appendix 1.**

For a full assessment of AGIG's Maturity Model Assessment ratings, please see Appendix 2.

## Principle 1:

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

#### Maturity level

Current  Emerging

Aspiration  Exceeding

#### 1.1: Embedding a customer centric culture within our business

**Why:** Our business has historically had a strong operation and engineering focus along with safety. We needed to expand the importance of customer experience beyond customer delivery areas.

**We have** elevated customer satisfaction to a corporate Key Performance Indicator (KPI). Service Delivery KPIs and customer satisfaction scores are monitored by our Board and executives, reported regularly to all employees, and form part of our employee corporate incentive plan.

**We are making a difference by** establishing customer metrics as a corporate KPI to set clear expectations of performance, and to ensure **all** employees are focused on customer satisfaction. In this way, our customers are receiving better experiences and outcomes. Aggregate Customer Satisfaction (CSAT) scores for the last 12 months show AGN at 8.4, up from 7.5 in 2018. DBP also have a considerable increase, from 7.2 in 2018 to **8.4<sup>1</sup>** in 2020. We still have a way to go with MGN, which sits at **7.7**, up from 7.6 in 2018 (*Appendix.3*).

**We will** continue to build employees' awareness of customer satisfaction in their roles in delivering improved customer outcomes, leading to increased satisfaction scores. We'll work with other supply chain participants such as retailers and builders and track the expectations of customers to understand where there is an opportunity to improve. Key areas for monitoring and encouraging performance will be leak responses and repairs, planned interruptions, emergency callouts, complaint resolution and new connection times.

#### 1.2: Listening to our Dampier Bunbury Pipeline (DBP) Shippers means better service

**Why:** DBP has a track record of responding to the needs of its customers (also referred to shippers in the context of transmission pipeline). Services offered on the Dampier to Bunbury Natural Gas Pipeline (DBNGP) have largely been tailored and negotiated to meet the unique needs of individual shippers. With an expectation that shippers may be more likely to use reference services, AGIG saw a need to increase engagement with its shippers on plans to be proposed to the ERA.

Building on DBP's annual Shipper Forum and existing strong relationships with its shippers, an area of innovation has been regular Shipper Round Tables during the regulatory review with the ERA. AGIG has received positive feedback from shippers that the increased engagement and collaboration has improved overall understanding of the regulatory process and issues faced by AGIG in operating the DBNGP.

**We have** continued to hold open engagement processes with shipper customers, including Roundtable meetings chaired by our CEO. Using feedback gathered via this collaborative approach, we completed our Access Arrangement Plan for 2021-25, centering our focus on price and reliability which are our customers' key interests. This approach was welcomed by our customers (*Appendix.4*).

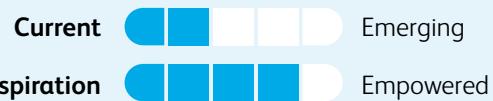
**We are making a difference by** listening to our customers and embedding a 'no surprises' approach to provide more opportunity to understand our customers' interests and meet their needs for safety, reliability and value. We've made improvements to our day-to-day service, including more online information about available services and improvements to our billing system.

**We will** continue Shipper Roundtable meetings supported by ongoing relationship management with our commercial team. We will also host Shipper Forums twice a year and conduct online engagement via Gas Matters (our digital engagement platform).

## Principle 2.

### We will improve energy affordability for customers

#### Maturity level



#### 2.1: An upfront, proactive price cut for customers

**Why:** Customers tell us that affordability is a top priority, and that they want to understand future price paths to help manage their bills. Retaining current levels of service reliability is also critical, especially for business customers.

**We have** proposed South Australian tariff reductions and after discussing price directly with our SA customers, delivered our Final Plan to the AER proposing an upfront price cut of 7% (after inflation) from 1 July 2021, which follows on from a 23% cut 5 years earlier. As a result, residential customers will save around \$170 over five years; commercial and industrial customers will save between \$16,000 and \$85,000. At DBP, after an extensive 18-month engagement program with customers in Western Australia, we have proposed cuts in expenditure and revenue that will result in a 6% price cut for some customers on negotiated contracts compared to a 4% increase on the current reference service price.

**We are making a difference by** not just committing to lower bills, but also ensuring that clear discussions on price are part of every engagement with our customers. This meets our customers' expectations for fair and transparent pricing, a service not always delivered well by the energy industry. Customer feedback indicates this approach has 'instilled confidence' that AGIG is working to meet customer expectations.

**We will** continue to drive operational efficiencies across all transmission, distribution and investment areas of AGIG towards top quartile cost performance in this sector. We'll implement further innovative programs within planning stages and Access Arrangements driven by customer analysis and advocacy, so we can pass on savings to the customer. And we'll extend our customer consultative panels to ensure this same level of customer focus and input goes into planning our Victorian Access Arrangements.

#### 2.2: Helping our retailers and their customers affected by COVID-19

**Why:** With small businesses and residential customers heavily impacted by 2020's business closures and job losses, providing support to our retailers and their affected customers was critical. Our first COVID-19 network relief package, while designed in consultation with other distribution businesses and in conjunction with the Energy Networks Association (ENA), was implemented without adequate consultation with retailers – so we listened to their feedback about the complexity around its implementation.

**We have** implemented two COVID-19 network relief packages. The first package provided energy retailers with rebates or deferrals to pass through to their small business and residential customers. Taking onboard feedback from retailers we streamlined the second voluntary relief package, removing unnecessary processing and eligibility requirements and focusing on better options for small retailers, providing them a six-month deferral for payment of 20% of the total network tariff invoices.

**We are making a difference by** refining our relief package to deliver a pragmatic, targeted response to the ongoing challenges smaller energy retailers are facing during these unprecedented times. Importantly, this current solution has provided assistance to customers by helping them manage costs and pay their bills.

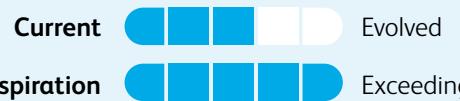
**We will** continue to implement initiatives that increase customers' understanding of available options – such as The Energy Charter's We've Got You campaign – and implement a trial with retailers of contacting customers prior to disconnection, to help reduce customer disconnections and encourage customers with payment difficulties to instead establish payment arrangements.

1. 84% of respondents were satisfied with AGN customer service and delivery.

## Principle 3:

### We will provide energy safely, sustainably and reliably

#### Maturity level



#### 3.1: Innovating in renewable hydrogen

**Why:** Our customers have told us that lowering carbon emissions is important to them and they support a lower carbon future (*Appendix 5*). In addition, all State Governments have net zero emissions targets and hydrogen strategies.

**We have** developed Hydrogen Park South Australia (HyP SA), an innovative energy project that will produce renewable hydrogen gas using water and renewable electricity. The renewable hydrogen will be blended with natural gas at volumes of up to 5% and supplied through existing networks to homes in southern areas of Adelaide's Mitchell Park from spring 2020 (*Appendix 6*). Customers will not notice any difference to the quality of the gas or the price they pay.

**We are making a difference by** demonstrating how blending renewable hydrogen with natural gas can reduce carbon emissions and deliver affordable, reliable, safe and cleaner energy to our customers. We are aiming to blend up to 10% renewable hydrogen across Gladstone and will pursue other opportunities across the regions we serve.

**We will** continue to lead the hydrogen industry's development through the Australian Hydrogen Centre, which will study the feasibility of a 10% hydrogen blend across our South Australian and Victorian networks before eventually moving to 100% hydrogen gas.

#### 3.2: Increasing safety and reliability in Melbourne and Adelaide CBD

**Why:** Driven by public safety, we're replacing old cast iron and steel pipes in the Melbourne and Adelaide central business districts (CBD) that are at their end of useful life. Gas leaks can cause harm to property or – in worst case outcomes – loss of life.

**We have** successfully replaced gas mains in the Melbourne and Adelaide CBDs within or ahead of schedule. Replacing approximately 56km of gas mains in Adelaide and 27km in Melbourne is an extremely complex task given high-density traffic and infrastructure. This complexity was especially prevalent in Melbourne – meaning replacement costs have been 2-3 times that approved by the Regulator – yet we've kept our commitment and are on track for completion in the current regulatory periods.

**We are making a difference by** increasing supply reliability and community safety. Replacing aging infrastructure means customers will experience fewer faults, especially those caused by water in mains, with the introduction of high-pressure mains. Community safety will also be improved as the new mains, made from modern polyethylene and steel, are less susceptible to leaks.

**We will** upgrade 53km of high-risk distribution mains in Adelaide CBD by 2021, and 27kms of mains in Melbourne by 2022.

#### 3.3: Getting customers reconnected faster after supply faults

**Why:** Higher than average rainfall in Victoria and more people at home during the 2020 Winter meant higher rates of fault and leak reports. Whilst MGN were meeting industry-accepted response times to ensure leaks were repaired, we were lagging behind our other businesses in rectifying some supply incidents.

**We have** established weekly meetings between field teams, MGN departments and service provider to more effectively prioritise response. This allows MGN to deploy field teams promptly to areas with repeat supply faults.

**We are making a difference** by reducing interruption timeframes for customers experiencing supply faults and delivering our best leak response performance to date (*Appendix 7*). We are removing over 100kms of Low-Pressure mains and replacing with High-Pressure mains annually and are on target to complete approximately 530km in this five-year period (2018 to 2022), targeting areas that suffer interruptions due to weather.

**We will** continue our focus to reach well above target, acknowledging that MGN is currently performing below our expectations regarding responsiveness to supply fault repairs. We will continue to improve how we communicate to customers, including increased use of technology, about the duration of supply interruptions.

## Principle 4:

### We will improve the customer experience

#### Maturity level



#### 4.1: Clearer communication, happier customers.

**Why:** External provider analysis shows that some customers are not always getting the right or timely information or didn't understand what we were trying to say. We needed clearer collateral (e.g. planned interruption notifications); better communication by field crews; and standardised processes for builder-requested gas connections.

**We have** sought to deliver integrated improvements to how we communicate with customers. We engaged an external engagement specialist to update collateral and implemented new customer-responsive procedures for field works that were delivered by our field teams. We also set up a trial working group with other Distribution Businesses and a retailer to align how we inform our customers, and to review timing and new connection requirements across all Victorian Gas distribution businesses.

**We have made a difference by** giving customers greater understanding and notice of upcoming planned works and interruptions, and time to prepare. We've given builders and customers consistent requirements, processes and improved status updates for new connections, which has meant timely connections. Reducing interruption timeframes for customers experiencing faults has ultimately improved the customer experience. Success in these initiatives are reflected in the continuing improvement of customer satisfaction scores.

**We will** continue to gather feedback about our call centres and resolution teams through customer communications capture, and we'll hold reference panels after Access Arrangements are finalised to ensure we're delivering on our commitments. We'll use technology and internet access for self-service by customers and move to customers self-nominating connection and appointment times that meet their needs.

#### 4.2: Resolving and reducing customer complaints.

**Why:** We identified that our complaint management and reporting processes needed improvement as customers were not being given adequate resolution updates or timeframes. Resolving customer complaints more efficiently will improve overall customer experience and reduce complaints escalated to the Ombudsman.

**We have** implemented 'complaint driver' reports that are more easily shared and understood across the business and analysed this data to focus our efforts on complaint resolution. We also completed an internal review of Ombudsman cases to identify where we may have been consistently failing at internal complaint resolution, and areas for possible improvement. To ensure this approach met external expectations, we reviewed these findings and recommendations with the Energy and Water Ombudsman of Victoria (EWOV). In addition to this, we have established a Senior Management review practice for escalated cases and installed a Customer Service Accountability Panel to review aged and escalated complaints.

**We have made a difference by** improving the end-to-end process, which should see a measurable difference to customers' experience when making a complaint. By improving fault reporting by field crews to customer resolution teams we are keeping customers better informed on repair status. We have also increased accountability and problem solving among our Customer Service Accountability Panel members – in one case addressing supply problems that had previously resulted in 300+ faults.

**We will** increase the focus of complaints and complaint management by the Executive Management Team and Board to ensure ongoing corporate focus and accountability. We'll expand our interaction with regulatory bodies and stakeholders such as Ombudsman schemes to drive continued improvement in customer service, and continually assess field procedures to improve customer focus.

## Principle 5:

### We will support customers facing vulnerable circumstances

#### Maturity level



#### 5.1: Establishing who is vulnerable, and how we can best help.

**Why:** We know some of our customers are in vulnerable positions. We are at the early stages of a journey to understand how to best identify and support these customers.

We have collaborated with Northern Gas Networks and other industry participants and sought insights from Thriving Communities Partnership and authorities outside of our industry to understand better where our business activity intersects with and impacts vulnerable customers. Equipped with this broader knowledge, we are developing our Vulnerable Customer Policy to frame initiatives to assist customers in vulnerable circumstances. During our stakeholder engagement for the South Australian Access Arrangements, we included co-design workshops with the social services sector and energy retailers focused on Vulnerable customers. Our Final SA Plan proposes a series of initiatives and rebates via a Vulnerable Customer Assistance Program.

**We are making a difference by** developing long-term, sustainable strategies that ensure our vulnerable customers remain connected to essential energy services – and are empowered to ask for assistance.

**We will** continue to define our vulnerable customer identification process so that we can target those in need and develop clear procedures for providing assistance. We also plan to finalise and launch our Policy in 2020 and will continue training sessions with service providers to make sure both the technical and contextual elements of this Policy are well understood. We propose to provide tailored services and improve communications to give vulnerable customers fair and dignified access to efficient gas appliances and safety audits. Subject to SA Access Arrangement approval we will also implement a rebate assistance plan.

#### 5.2: Increasing field team assistance of customers in vulnerable situations.

**Why:** Without a clear definition of what is a vulnerable customer, MGN field crews are not always able to recognise or report when a customer is in a vulnerable situation. We understand that an interrupted gas supply or disruption due to street works can have a greater impact for vulnerable customers.

**We have** worked closely with service providers and field crews to provide awareness training to improve field teams' understanding of vulnerable customers. This has seen improvement in field crews identifying vulnerable customers and assisting them directly or escalating these cases to the customer service team. Specific customer groups have also been the focus of improvements – we have enhanced the process of recording and monitoring customers on life support to ensure these customers' gas supply is not disconnected. We've put in processes to ensure all Retailer requested disconnections comply with AER/ESCV requirements specifically during COVID-19. We have developed instructions for Service Providers on how to manage planned and unplanned outages impacting Life Support customers.

**We are** making a difference through small gestures that have gone a long way to making immediate improvements to the lives of vulnerable customers. Field crews have initiated welfare checks to Police and social services, and we have provided electric heaters and hot plates for cooking when gas cannot be connected for a prolonged period. We have covered vulnerable customers' costs to fix leaks and our crews now have heightened awareness of vulnerable customers during bad weather events.

**We will** continue to educate teams across AGIG to recognise where we're already interacting with vulnerable customers, and how to ensure customer-facing teams provide support. Increased reporting and case analysis will help us tailor and refine our vulnerable customer offerings.

# Appendix

## Appendix. 1: Our Customers and Communities

Our vision is to be the leading gas infrastructure business in Australia.

Through the Energy Disclosure process, we have worked with our customers and communities to help us define our key objectives and accurately assess our level of maturity against the Energy Charter Principles. Together with retailers, customer stakeholder groups, community organisations and other businesses along the industry chain we have established achievable milestones and created a roadmap to reach them. And at every stage we have requested and implemented feedback to ensure we are working toward objectives that make a tangible, measurable difference to all our customers.

For a full business profile, including our Vision, our Values and Portfolio of AGIG businesses, please visit the ‘About Us’ page at [www.agig.com.au](http://www.agig.com.au)



## Appendix. 2

The below table outlines AGIG's self-assessment of our current position on the Energy Charter's Maturity Model, and where we aspire to be in three years. This assessment incorporates feedback from our community stakeholder groups.

Principle	Our current maturity rating assessment	Our maturity rating aspiration
1	<b>Emerging</b>  We need to expand the importance of customer experience beyond customer delivery areas.	<b>Exceeding</b>  Building a culture where all teams think 'customer first' and proactively collaborate, internally and across the industry.
2	<b>Emerging</b>  As a regulated business, we are focused on keeping costs low by operating efficiently and bettering industry benchmarks.	<b>Empowered</b>  We implement programs as part of Access Arrangement planning that are driven by customer analysis and advocacy.
3	<b>Evolved</b>  Stakeholder groups tell us we meet their expectations and extremely high industry standards for delivering gas safely and reliability.	<b>Exceeding</b>  Safety is a critical driver for us so we set our aspirations at the highest possible level. The transition to cleaner energy sources is important to AGIG and we envisage a continued leading role in this area.
4	<b>Emerging</b>  We have policies and procedures in place for improving the customer experience, but we don't always proactively put the customer first.	<b>Empowered</b>  A strong focus on measuring, analysing and improving customer experience delivery where we can have impact.
5	<b>Elementary</b>  We are at the start of our vulnerable customer journey. We are listening, learning and understanding who our vulnerable customers are.	<b>Empowered</b>  Better understanding of customers in vulnerable circumstances, and early identification to best assist / mitigate harm.

## Appendix. 3

### Aggregate Customer Satisfaction Scores 2010

CSAT SCORE (OVERALL)	July 2019 - Jun 2020	July 2018 – June 2019
AGN (Aggregate)	8.4	8.2
MGN	7.7	7.4
DBP	8.4	7.2

## **Appendix. 4**

### **Feedback on engagement process**

Our shipper customers have told us that they value the recent engagement process:

- 100% of shippers agreed that the Shipper Roundtables had provided a useful format to engage with AGIG as part of its planning process.
- 91% of shippers agreed that AGIG adopts a ‘no surprises’ approach.
- 85% of customers attended at least one meeting in the last 12 months.
- DBP has CSAT KPIs and customer satisfaction has increased from 7.2 in 2018 to 8.4 in 2020.

### **Stakeholder feedback from 18-month consultation period with DBP customers:**

*“We have observed this process (WA Customer and Stakeholder Engagement Program) to be engaging and collaborative, with information freely shared and that customer feedback was responded to and/or acted upon.”*

KPMG Customer Engagement Report, Dampier Bunbury Pipeline Western Australia Jan 2020

*“With regard to the stakeholder consultation process, Wesfarmers found the approach beneficial and commends AGIG’s efforts. The opportunity to share different point of views highlights the challenges in forming a consensus on a broad range of issues”*

Wesfarmers Chemicals Energy and Fertilisers Submission to the ERA, April 2020

*“The customer engagement and roundtable discussions conducted by AGIG have been valuable in providing transparency and understanding of the building blocks that form the regulated tariff. NPK has appreciated this engagement”*

NewGen Kwinana, June 2019

## **Appendix. 5**

Responses from National Voice of the Customer survey (residential customers and other stakeholders) plus stakeholder groups as part of AGN SA engagement program workshops):

- 50% of our national gas consumers surveyed rated environmental considerations as extremely important.
- 1 in four AGN customers surveyed rate environmental sustainability as their number one priority, ahead of price and reliability.
- 87% of our customers surveyed considered it very important or extremely important for us to consider ways to lower carbon emissions; and
- 84% of our customers surveyed supported us further investing in carbon reduction initiatives at a cost to customers.

## **Appendix. 6**

### **Phases of HyP SA:**

**2018**

#### **Phase 1**

**August 2018 to Mid 2020**

Planning, design and construction of onsite infrastructure at Hydrogen Park South Australia (located at the Tonsley Innovation District).

#### **Phase 2**

**Winter 2019 to Spring 2020**

Mitchell Park community introduced to the project and supported through ongoing engagement. Construction of the Hydrogen Park South Australia facility complete.

#### **Phase 3**

**Spring 2020 to Spring 2025**

Properties within the southern area of Mitchell park will receive blended gas (55% renewable hydrogen with natural gas)..

#### **Phase 4**

**Spring 2025**

Project benefits are assessed with consideration given to the future supply of blended gas to residential suburbs.

**2025**

## Appendix. 7

### Leak response above regulatory targets:

Our Priority 1 Publicly Reported Leak Response is currently achieving above the company set target of 97.5 %, and above regulatory targets across states.

(Priority 1)

- Victoria - 98.5 % (MGN) and 98 % (AGN) within 1 hour with more than 7,500 calls;
- NSW AGN, 99.8 % within 2 hours with more than 500 calls;
- QLD AGN within 2 hours with more than 1,600 calls;
- SA AGN 98.7 % within 2 hours with more than 10,200 calls.

Our Priority 2 Publicly Reported Leak Response is 97.7 % in Victoria (more than 12,600 jobs responded) and greater than 98 % for combined AGN across Australia.

### Leak repairs completed in 7 days:

- Target: 98 %
- Australia-wide AGIG: 98.6 %
- MGN: 96.5 % (Improved from 94.5 in July 2019)

	Target	MGN 2019/2020	MGN Jan to June 2019	AGN 2019/2020	AGN Jan to Jun 2019
Unplanned Interruptions (unplanned outages greater than 5 customers)	MGN <15  AGN  12 (averaged across VIC, SA & QLD)	20	8*	33	18*
Gas supply interruption events not restored within 12 hours	MGN 400  AGN  25 (averaged across VIC, SA & QLD)	936	148*	67	37*
Emergency Calls <10s	>90 %	92.5 %	85 %	93.9 %	92.5 %
Customer Calls <30s	>80 %	88.8 %	92.4 %	94.4	84.4 %
Complaints resolution (2 days)	>75 %	94.2 %	91.9 %	92.1	90.4 % (averaged across VIC, SA & QLD)

\* Note figure is for 6 months data, not 12 months.

**Customer Service Tracking:**

	MGN	AGN
	2019/20	2019/20
<b>CSAT New Connections</b>	7.3	7.9
<b>CSAT Planned Interactions</b>	8.0	8.3
<b>CSAT Unplanned interactions</b>	8.0	8.9
<b>Complaints resolution (2 days)</b>	94.2	92.1