

2024 Energy Charter Disclosure Report



*Owned by the
people of WA*

HORIZON
POWER

Acknowledgement of Country

We acknowledge and pay our respect to Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia.

We are privileged to share their lands, throughout 2.3 million square kilometres of regional and remote Western Australia and Perth, where our corporate office is based, and we honour and pay respect to the past, present and emerging Traditional Owners and Custodians of these lands.

We acknowledge Aboriginal and Torres Strait Islander peoples' continued cultural and spiritual connection to the seas and the lands on which we operate. We acknowledge their ancestors who have walked this land and travelled the seas and their unique place in our nation's historical, cultural and linguistic history.



CEO & Board Report

At Horizon Power, we're committed to delivering sustainable, innovative and affordable energy solutions to regional and remote communities across WA. Our customers are at the centre of everything we do – and this is evidenced by our ongoing commitment to embed customer-centric products, services and systems across our organisation.

The cost-of-living crisis is being felt across WA and we are working proactively to support our customers through these challenging times. Our specialised teams are developing and delivering solutions to improve the ways we can identify customers experiencing hardship, family violence and other challenges, then respond with appropriate support such as programs, products or access to third party assistance.

As part of our customer-led energy transition, our product development centres around allowing for greater participation in renewable energy solutions, particularly for any households or businesses who have previously been unable to participate. As an example, our Smart Connect Solar program has delivered on our strategic goal of zero refusals when connecting to rooftop solar by 2025. This has also advanced our goal of an 80% reduction in retail emissions by 2030, compared with 2020 levels.

Over the past year, we have assumed responsibility for supplying power to an additional 117 remote Aboriginal communities. Since this transfer of service, we have made significant progress towards ensuring these communities receive the same standard of power and services as similar sized communities in WA. Our dedicated teams are working to close the gap for these communities by improving power services, providing more opportunities for Aboriginal engagement in WA's energy transition and refining our approaches to remote community service delivery.

We recognise the challenging conditions our remote and regional customers continue to experience, including the prolonged wet season and flooding in the Kimberley, Pilbara and Esperance/Goldfields regions, exacerbated by Ex-Tropical Cyclone Megan. The impacts of the events are still being managed by our communities, as we strengthen our planning and approaches to ensure the continuity of power supply in these extreme conditions.



Stephanie Unwin
Chief Executive Officer



Sandra Di Bartolomeo
Director/Chair Horizon Power Sustainability and People Committee

We continue to solve technical challenges to provide the best possible products and services. To enable this, our retail systems are undergoing review for major changes and upgrades as we develop and integrate new solutions to meet the changing needs of our customers.

In the coming year, our focus is on collaborating with our customers, bringing everyone along on our state's energy transition, and improving energy equity as we build a clean energy future to support thriving regional communities.

A handwritten signature in black ink, appearing to be 'S. Unwin'.

Stephanie Unwin
Chief Executive Officer

A handwritten signature in black ink, appearing to be 'S. Di Bartolomeo'.

Sandra Di Bartolomeo
Director and Chair of the Sustainability and People Committee

Highlights

Key customer outcomes

Improving the customer experience



56

Net Promoter Score
Customer Contact
Centre rating

5

Customer Effort Score
Average rating across digital channels#

Annual average ratings based on scale of 1 (difficult) - 7 (very easy)

79.1%

Calls answered within 30 seconds

Improving energy affordability



284

Smart Connect Solar applications
since Feb 24 launch (see page 3 for details)

161

Sunshine Saver customers

11% bill reduction (average)
(see page 11 for details)

30.36%

increase in customer concessions applied

Improving support for customers facing hardship



56

Customers onboarded to Energy Ahead Program

\$9.01m

Energy Relief Payments

Delivered \$9.01m as part of the National Energy Bill Relief automatically to every residential and small business customer in 2023. Work completed to deliver \$13.8m in household and small business energy credits on behalf of State and Commonwealth governments.



Customer Service on the Move

>40 visits in 21 towns

400+ customers served*

*estimated

Focus areas for 2024 - 2025

Our Distributed Energy Resource Management System (DERMS) was launched in February 2024. This platform enables the new 'Smart Connect Solar', allowing more customers who want to connect solar PV to be able to invest in their renewable energy and potentially reduce energy bills. Smart Connect Solar resolves the previous reliability and stability challenges faced when an excess of solar energy generation entered the network.

With this early completion of a major strategic goal, our focus ahead is to reimagine our product roadmap as customers are moving from consumers, to prosumers, to co-creators. Embracing new technologies and products that enable more Customer Energy Resources (CER) for greater participation are key areas of focus. Our goal is to make a meaningful difference to affordability and to improve reliability for the future system they are part of.

In an Australian first, we successfully completed the Esperance Energy Transition Project in 2023. In this project, we successfully converted approximately 400 homes and businesses from a reliance on the reticulated gas network towards energy-efficient electrification equivalents.

The results of modelling included in our 2024 knowledge sharing report shows residential customers who chose 100% electric alternatives for their cooking, heating and hot water are saving approximately 38% per year on their household energy bills.

In addition to the knowledge sharing opportunity across the Australian energy sector, learnings from this project are being incorporated into our electrification product concepts and customer experience strategies.

The WA EV Network is on track for completion by the end of 2024. This highly anticipated project will support WA's e-mobility ambitions, with bill reduction and emissions reduction benefits for regional WA homes and businesses.

Once complete, this will be the largest connected EV network in Australia and one of the largest in the world.

On track for delivery in 2025, our Life Support and Outage Management project will provide a single outage management system to give our crews visibility of our entire network. This will allow us to identify the customers impacted by outages and, through the integration of our systems, streamline and automate our outage notification process to improve the experience for this vulnerable customer segment.

This project aligns with end-to-end service design improvements to support our customers who rely on life support equipment.

Principle 1

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



Being a customer-centric organisation, we aim to foster a positive customer experience at every stage of the customer journey and build positive long-term relationships with our customers. We continually seek new ways to engage with our customers, understand their needs, and support and encourage them to participate in today's energy transition.

Outcomes achieved

Smart Connect Solar

- Smart Connect Solar launched in February 2024, and delivers on our commitment to resolve the technical challenges that previously prevented some towns from accessing rooftop solar due to hosting capacity constraints. Enabled by our advanced Distributed Energy Resource Management System (DERMS), Smart Connect Solar is a significant achievement that provides bill savings opportunities to our customers and stimulated regional solar installer business activity. We co-designed the application process with customers and installers for a seamless and improved experience for both audiences.
- The DERMS technology used in Smart Connect Solar incorporates analysed weather predictions and connects each customer's new solar PV system to the grid using an internet-based Horizon Power-supplied and maintained Secure Gateway Device. This advanced technology allows us to smooth energy fluctuations caused by solar energy generation in real-time, managing generation, and maintaining the integrity of our power systems.
- Comparing the 345 rooftop solar applications from FY2023 to the 284 Smart Connect Solar applications received in only five months since the February 2024 launch highlights strong demand. This also demonstrates the simplicity, speed, and efficiency of the application process and automated approvals.

284 customers connect to Smart Connect Solar*

2.6MW Smart Connect Solar connected

Our Sustainability & People Committee, a sub-committee of our Board of Directors, continues to provide ongoing oversight and governance for the business, including a focus on customer commitment, ensuring the voice of customer is represented at the highest levels of the organisation.

Work in progress



Established in 2023 to further our commitment to customers and community, the **Horizon Power Customer Council** is a collaborative, customer-led working group which represents our diverse regional and remote customer base. Council membership includes Horizon Power CEO, board member (Chair of Sustainability & People Committee), secretariat and other representatives, including:

- Western Australian Council of Social Service (WACOSS)
- Western Australian Advocacy for Consumers of Energy Forum (WA ACE Forum, facilitated by Energy Policy WA)
- Regional Chambers of Commerce and Industry WA (RCCIWA)
- Rural, Regional, Remote Women's Network
- Residential and business customers representing Kimberley, Esperance/Goldfields, and Gascoyne/Mid West regions.

During quarterly meetings, representatives advocate on energy issues affecting their regions including priority issues such as cost of living pressures and business challenges. The Customer Council provides a valuable and timely feedback service to our business on new customer products, services and major energy projects being deployed in their communities.

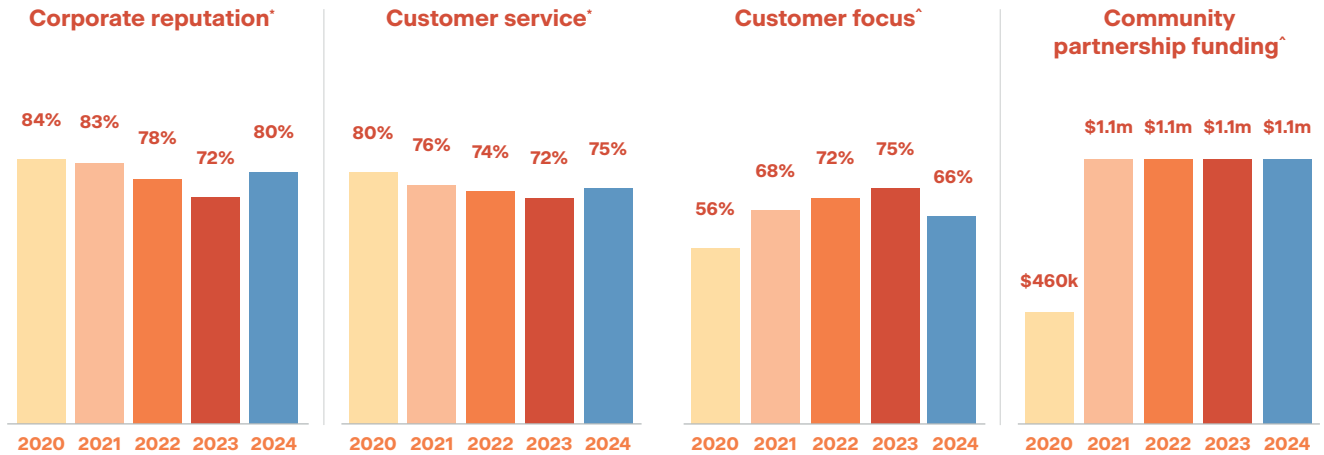
* as at 30 June 2024

Commitments for the future

Integrating our renewable assets seamlessly into our power systems to deliver value for our customers is a priority for our business. Delivery of these large renewable infrastructure projects has presented many challenges including how we integrate, operationalise and orchestrate with minimal delay or disruption to our customers.

This financial year, we developed the key processes, resources and frameworks necessary to address these issues. We will continue to take a customer-first approach to how we integrate and manage these advanced technologies, and ground-breaking innovations like green hydrogen, efficiently and appropriately for each individual community we serve.

How we measure outcomes



* Source: 2024 Annual Brand and Customer Satisfaction Survey. The uplift in corporate reputation this year is attributed to positive perceptions of our commitment and completion on renewable projects and improving customer access to renewable energy solutions.

^ Source: Customer focus results were obtained from the Horizon Power Employee Engagement May 2024 survey. The Customer Focus dimension gauges our employee's perception of our organisation's readiness to support employee ideas aimed at enhancing customer services and solutions. The result reveals that our employees consider more mechanisms are required internally to capture customer solution ideas originating within our organisation.

How we're tracking on the promises we made

Complete

With more than 25% of customers living outside our regional depot towns, our **Customer Service on the Move** initiative allows everyone to receive an equitable standard of face-to-face service.

This year we delivered more than 50 **Customer Service on the Move** visits to communities across our service area.

Complete

Our **Customer Essentials program, Voice of Customer Phase 2**, is complete and will be rolled out across Horizon Power from July 2024. Our interactive Customer Essentials Program will be delivered to our Board and Executive teams first, followed by all employees as part of their annual professional development learning program.

This program will also be incorporated into our new employee onboarding as a key component of embedding a customer-centric mindset and culture across our business.

Complete

Our commitment to actively listening to our customers and community when planning long-term future energy systems using our **Integrated Resource Planning (IRP)** achieved a first for Horizon Power. As part of our Kimberley IRP program we signed our first Indigenous Land Use Agreement with Nyul Nyul, the Traditional Owners for Beagle Bay. Subject to approvals, future energy system plans include a new hybrid solar, battery and thermal system, with the strong support of Nyul Nyul. As part of the agreement, Horizon Power is supporting the community through a range of benefits including airstrip lighting to improve safety for services such as the Royal Flying Doctors Service.

Principle 2

STATUS: ON TRACK

We will improve energy affordability for our customers.



According to data from the Australian Bureau of Statistics, the cost of living in Australia has reached an all-time high, and we are witnessing the impact this is having across our service area. We are committed to ensuring all customers have the opportunity to reduce their energy bills by offering a range of products that meet their specific energy needs. We will continue to inform and educate our customers, allowing them to be more efficient energy consumers and active participants in our energy transition.

Outcomes achieved

Maximising customer and environmental outcomes

- Our *Esperance Energy Transition Project Knowledge Sharing Report – November 2023* revealed bill savings of between 14 and 59% for Esperance customers who made the switch to electric alternatives following the cessation of reticulated gas supply to the town in 2023. Analysis of this project are being incorporated into the new product roadmap with a focus on electrification and energy efficiency.
- The **Esperance Energy Transition Project (EETP)**, combined with our **Shark Lake Renewables Hub** generating up to 37% renewable energy and reducing carbon emissions by more than 18,000 tonnes, has positioned Esperance as a model town on the pathway to net zero carbon emissions, as other locations nationally phase out gas and transition to low-carbon communities.

National Energy Bill Relief Credit

- In response to the cost-of-living crisis, we facilitated the payment of the **2023 National Energy Bill Relief payments** on behalf of the WA State and Commonwealth Governments. These credits provided a minimum of \$400 in financial relief for WA households, with additional relief for concession card holders. Small businesses that used up to 50 megawatt hours of electricity per annum were eligible for a \$650 credit. Horizon Power delivered a total of \$9.01m as part of the National Energy Bill Relief to eligible households and small businesses in July to December 2023.

Our **Distributed Energy Resources Management System (DERMS)** advanced technology enabled the removal of hosting capacity constraints, leading to the launch of Smart Connect Solar for thousands more households and businesses. This technology solved the technical limitations of our islanded microgrids and now allows more customers the ability to connect rooftop solar PV systems.



14-59%

bill savings for Esperance customers who chose to electrify in Esperance Energy Transition Project



2.6MW

Smart Connect Solar enabled by DERMS technology

Derby Regional Hospital

- We have installed a 910-panel, 364 kW large-scale rooftop solar PV system at Derby Regional Hospital, in partnership with WA Country Health Service. The rooftop solar system is supported by community batteries to help smooth power flows caused by fluctuating rooftop solar generation.
- The system is estimated to reduce the hospital's annual energy consumption from the grid by 24%, representing a potential annual saving of around \$70,000 in variable energy costs and a carbon emissions reductions of 300 tonnes annually.

Saving with Sunshine Saver

- For many of our residential customers, the benefits of rooftop solar are out of reach due to personal and financial barriers, including lack of home ownership or disproportionately high capital costs for rooftop solar installation in regional WA. To help address this equity gap, in October 2023 we launched **Sunshine Saver** in Esperance to help households save on their energy bills.
- Following the Esperance launch, in May 2024 Sunshine Saver became available to eligible customers in the Mid West towns of Wiluna, Yalgoo, Sandstone, Cue, Meekatharra, and Norseman, leveraging our investment in the Mid West Solar project. As we increase our investment in solar generation and battery energy storage systems, Sunshine Saver will be made available to even more customers across our service area.
- Although take up of this equity product may seem minimal, several of these towns have less than 50 residential customer accounts. For example, Yalgoo has a total of 36 residential customers and pleasingly nine have already joined Sunshine Saver.
- Sunshine Saver supports our strategic goals of delivering customer facing solutions to reduce energy bills. Since launch a total of \$59k savings has been provided to the 161 Sunshine Saver customers.

Work in progress

Supporting the uptake of electric vehicles

We're working with Synergy and the State Government to build Australia's longest connected **electric vehicle (EV) fast-charging network**. Due for completion by the end of 2024, the WA EV Network will be Australia's longest connected EV charging network, spanning more than 7,000 kilometres with 98 charging stations installed across 49 locations.

Significant progress has been made over the past year, with 30 active EV fast-chargers now installed across the **WA EV Network** in Horizon Power's service area. These charging sites are either grid-connected (through a town power supply) or off-grid (connected to a standalone power system).

Over the coming months, our Horizon Power standalone power system (SPS) powered EV chargers will be installed, using a combination of solar power, battery energy storage and a small amount of back-up diesel to deliver renewable electricity to power EVs.

The project is part of the WA Government's EV strategy and will help WA reach its net zero carbon emissions by 2050.

161

Sunshine Savers

55%

of customers are renters

22%

of customers are concession card holders

\$59k

Energy bill savings

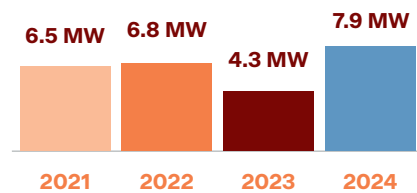


30

WA EV Network chargers live across regional WA

How we measure outcomes

Additional customer rooftop solar approved*



The FY24 increase in approved rooftop solar is largely attributed to the launch of DERMS enabled Smart Connect Solar in Feb 2024.

*Source: Renewables Application Tracker
Data shown in financial years

How we're tracking on the promises we made

Complete

Solar Schools Program

Our stage two Solar Schools Program installations are approaching completion with the final location being completed. In total the Program will deliver about 1.3 MW of rooftop solar across 35 schools in regional and remote WA.

It is estimated that annual energy costs for these schools will be reduced by approximately 24%, while cutting annual carbon emissions by about 1,000 tonnes. This is the equivalent of taking around 300 petrol engine cars off the road. The program is part of the WA Government's \$44.6 million Schools Clean Energy Technology Fund.

Principle 3

STATUS: **DELAYED**

We will provide energy safely, sustainably and reliably.



Balancing the delivery of affordable, reliable energy with our ambitious plans for decarbonisation is critical to our success – and a strategic priority for our business. Our customers depend on us to meet their energy needs today, while planning for a cleaner and sustainable future. We're committed to collaborating with our customers to develop new energy solutions that deliver greater levels of renewables across WA.

Outcomes achieved

Renewable energy delivered to the Mid West and Norseman

Many towns in remote parts of WA are heavily reliant on diesel for energy generation, which has high operational costs and associated carbon emissions. Our Mid West Solar Program has delivered centralised solar farms and Battery Energy Storage Systems (BESS) in five towns across the Gascoyne/Mid West region, and Norseman in the Esperance/Goldfields region.

Systems in Wiluna, Yalgoo, Sandstone, Cue and Meekatharra and Norseman are operational.

The project is expected to reduce 2,100 tonnes of carbon emissions annually, and local economic activity has been boosted throughout the construction, commissioning and maintenance processes.

Where feasible, our solar array installations used PEG substructure technology – a high-density, lightweight ground-mounted design with rapid installation and reduced capital expenditure benefits. This PEG framing technology uses less steel and concrete than a traditional solar farm, which helps to reduce the carbon footprint of the construction.

This project has been supported by funding from the Commonwealth and WA Governments.

Development of a Network Condition Monitoring Tool

The tool uses AI-powered advanced analytics to provide data-driven performance insights on our low voltage network, which leads to better power quality management and customer safety.

Decarbonisation Pathways for regional business

- For the second year, we have collaborated with independent research firm CoreData to develop a whitepaper that benchmarks energy transition maturity in regional WA businesses with an energy consumption of 50 MWh per annum or higher.
- Our **Decarbonisation Pathways index report** is informed by responses to an energy transition survey and provides insights into the energy transition goals, commitments and actions being taken by our business customers. This whitepaper highlights opportunities for strategic action and investment to help our customers set and achieve their emissions reduction targets.

Battery energy storage systems

Across our service area, 25 lithium-ion batteries have been installed to supply 31 megawatts (MW) of power and 33 megawatt hours (MWh) of energy storage capacity for our Horizon Power microgrids.

These batteries vary in size and deliver different functions depending on the requirements of the power system, customer and community.

31MW
Supplied by
25 batteries

Work in progress

Remote Communities

- On 1 July 2023, we assumed responsibility for the delivery of power to 117 remote communities formerly under the Department of Communities. Horizon Power now oversees all aspects of power generation, network operations and retail service delivery to these communities.
- Our first year of operations has been a period of significant learning and growth. As part of our commitment to engage with our new customers in these communities, our Remote Communities engagement team, fully staffed by Aboriginal employees with expert local knowledge, have already visited more than 50 communities. We have also built strong strategic partnerships with regional service providers to develop an understanding of specific community needs and identify future asset priorities.
- To support and promote safety for the residents within the remote communities, we have completed critical safety, inspectorate and asset remediation work. This includes the delivery of key capital works such as upgrading or replacing overhead transformers, fuel storage tanks, feeders, waste oil tanks, and engines.
- During the 2023/24 wet season, 79 remote communities were isolated due to road restrictions. Of these, 48 were in the Kimberley region, 18 across the Pilbara and Gascoyne/Mid West regions, and 13 from the Esperance/Goldfields region. Between February and May 2024, five fuel resupply exercises were successfully completed by air across the Kimberley.

SmartWorks

To promote more effective and efficient deployment and maintenance of power supply assets for our communities and to ensure safer work practices for our people, we have developed SmartWorks.

As we increase the amount of renewable generation into our power systems, SmartWorks will reshape the way we manage our assets. This system will allow us to:

- Standardise asset and works management processes
- Fully automate end-to-end works management processes
- Plan long range activities, and prioritise, schedule and execute work demands
- Manage resource capacity effectively
- Improve field execution and efficiency for field crews

Orchestrating bi-directional energy flows

In April 2024, we commenced a 12-month electric vehicle (EV) orchestration trial to test two-way charging using Vehicle-to-Grid (V2G) smart charging equipment in four Nissan Leaf EVs in place of the standard one-way EV batteries.

The Nissan Leaf EVs are being used by local Exmouth organisations who are partnering with Horizon Power to complete the trial: Gascoyne Development Commission, Shire of Exmouth, Exmouth Chamber of Commerce and Industry, and WA Country Health Service.

A first of its kind in Western Australia, the trial will allow us to test the effectiveness of our DERMS platform in orchestrating energy flows in a grid that incorporates smart chargers, including V2G capable units.

We officially opened our **Denham Hydrogen Demonstration Plant**, Australia's first remote renewable hydrogen microgrid, this year. Commissioning is now complete and the project team is preparing for operational handover and the start of the reliability run.

The plant is expected to produce green hydrogen energy for households and businesses in Denham, providing valuable insights to support commercialisation for future renewable hydrogen power generation. If replicated, future projects would reduce carbon emissions for remote towns traditionally powered by diesel-generated microgrids.

Commitments for the future

ESG Framework

We are currently developing an environmental, social and governance (ESG) key performance indicators (KPI) reporting matrix. Our intention is that this reporting matrix will:

- Establish clear linkages between our strategic initiatives and sustainability-related disclosures to ensure we are transparent about our ESG performance
- Ensure that appropriate processes are in place to demonstrate the disclosed ESG KPIs are well-founded and supported by evidence
- Assist in the process to prepare our sustainability-related disclosures.

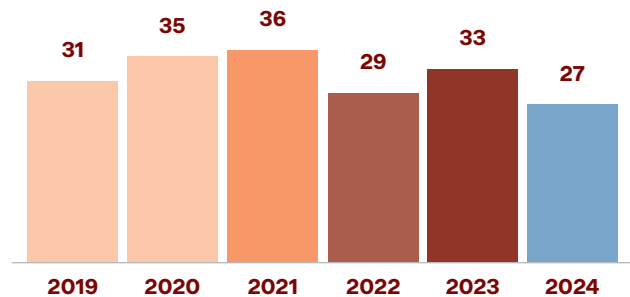
Advanced battery technology trials

Our experience in lithium-ion battery operation has allowed us to better understand the benefits and limitations of short-duration energy storage technology. An almost equal power output (MW) to energy storage capacity (MWh) ratio of many of our existing batteries means we are now exploring the next phase of battery performance through three long-duration energy storage trials. These trials aim to increase the proportion of energy storage capacity (MWh) in future battery projects.

We aim to leverage these trials to establish new forms of energy storage and help to diversify our long-duration battery solutions for extreme climates. This will be essential to achieving higher levels of renewable energy penetration, storing excess renewable energy and providing it to customers when demand is very high or renewable output is low.

How we measure outcomes

Performing systems (of our 38 microgrids)*



*Source: Asset Management Reports

Internal rating assessment of system performance within target SAIDI / SAIFI limits. (SAIDI - System Average Interruption Duration Index; SAIFI - System Average Interruption Frequency Index).

The number of performing systems has decreased to 27 out of 38 systems.

Generation outages, protection settings issues, heatwave conditions in the Midwest, safety for house fires, lightning and storm activity, and wildlife interactions have all impacted reliability performance in our systems.

Non-performing systems at Bidadanga, Carnarvon, Fitzroy Crossing, Gascoyne Junction, Halls Creek, Hopetoun, Hopetoun Rural, Laverton, Mount Magnet, Norseman and Onslow

How we're tracking on the promises we made

Exmouth Power Project

The Exmouth Power Project will pursue an 80 per cent renewable energy solution through solar generation and battery storage, becoming our largest renewable energy system outside of Kununurra. This project will provide a significant boost in renewable energy in the town's microgrid, paving the way for a greener and

more sustainable future for the community. The Exmouth Power Project is now progressing through the design and development stages. Environmental and heritage constraints for the renewable infrastructure site have been successfully managed, with completion set for 2026.

Principle 4

STATUS: **DELAYED**

Improve the customer experience.



The rapid pace of today's energy transition means we need to continually adapt to evolving customer needs and expectations. Our ongoing engagement efforts provide valuable insights, help us design new products and deliver positive outcomes for our customers.

Outcomes achieved

- The Esperance community has had ongoing telecommunications challenges for some time. To keep the Esperance community connected and informed at crucial times, we powered Australia's first remote mobile communications tower with a standalone power system (SPS) unit. This allows the telecommunications tower to continue operating during natural disasters and emergencies which may impact a traditional network of poles and wires.
- To support improved reliability and safety for farming communities, Horizon Power is further expanding a wider rollout of 150 SPS systems in regional WA. This is in addition to the 70 systems we have previously installed and the 150 systems will be delivered in three tranches in the Gascoyne/Mid West and Esperance/Goldfields regions. This initiative supports our goal of net zero emissions by 2050.
- Our SPS rollout has also resulted in several commercial farms going safely off-grid, with farmers no longer having to navigate large machinery around poles and wires on their properties. The customers also enjoy improved reliability outcomes.
- To improve the customer experience we have completed a customer experience (CX) strategy which included identifying priority areas to streamline service channels, and create options for more customer choice. This extensive insight-led and collaborative initiative developed an extensive customer journey map across the entire customer lifecycle. This helped us better understand our customer's specific pain points which then highlighted priority areas for developing new digital self-service options or areas to enhance existing non-digital services.

79
Standalone Power Systems

- This CX strategy initiative prompted us to further expand our customer persona profiles to more accurately represent our diverse customer base and their requirements and expectations of our business.
- We have continued to **refine our distributed call centre model this year**. An increasing number of customer calls are now answered by regionally based staff, allowing us to provide more complex service support for customers in hardship circumstances. The approach connects our customers with support from people who live and work in regional WA and who understand the unique challenges this entails. Our local customer-facing staff have been trained to provide energy advisory information and more expansive service supports for customers facing vulnerable circumstances.

Customer Service on the Move

To improve customer's access to Horizon Power's services and supports, we further expanded Customer Service on the Move to an additional 10 remote towns, bringing the total number of towns receiving this personalised service to 21. More than 400 customers received in-person service or advice from our customer & community teams who provided a range of assistance across application of concession cards, payment arrangements, HUGS and other rebates. This year the team also visited community centre locations such as Senior Citizens Club to make it easier for elderly or vulnerable customers to receive the benefit of in-person services.

Work in progress

Continuity of customer power supply in extreme weather conditions

- This year, our **summer readiness contingency plan** was activated due to the prolonged wet season and related flooding in the Kimberley, Pilbara and Esperance/Goldfields regions. These extreme weather conditions were further exacerbated by Ex-Tropical Cyclone Megan.
- Consecutive and sustained weather events extended road closures, which required vigilant monitoring of fuel levels, planning for fuel supply delivery where weather and road access permitted, and leveraging contingency plans when roads remained unpassable.
- We collaborated with local governments, the Department of Fire and Emergency Services and our regional service providers, and fuel provider Recharge to explore all possible fuel supply options.
- We were also faced with challenges in Laverton, where extreme weather conditions, access barriers, and equipment failures caused unplanned outages. We are now incorporating improved generation capacity and asset condition and replacement timeline data into our summer readiness planning as a preventative measure to avoid future issues.

Reconciliation Action Plan

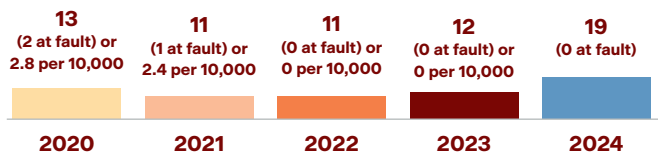
- This financial year, we progressed a large scope of actions from our **Innovate Reconciliation Action Plan 2022-2024** including establishing and strengthening relationships with Aboriginal stakeholders, encouraging employee participation in National Reconciliation Week and other reconciliation activities, and collaborating with like-minded organisations to develop innovative approaches towards reconciliation.

As a sign of our unwavering commitment to reconciliation, we signed our first Indigenous Land Use Agreement with the Nyul Nyul Traditional Owners of Beagle Bay and co-signed a Statement of Intent for the protection of Murujuga country.

- We have also worked with the Murujuga Aboriginal Corporation in relation to undergrounding of power lines on the Burrup Peninsula, allowing us to improve reliability of supply to Karratha's Airport while protecting heritage and the environment.

How we measure outcomes

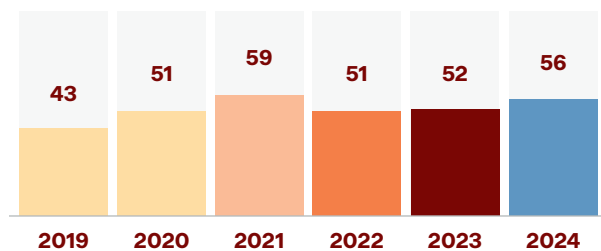
Ombudsman complaints*



*Source: Energy Ombudsman and Customer Service Monthly Report

Horizon Power works closely with the WA Energy Ombudsman to resolve customer complaints. The following information is tracked and advised by the Ombudsman. In FY2024 there were 19 Stage 2 complaints, of which six proceeded in investigation. Of all closed complaints, Horizon Power has not been found at fault for any. At the time of reporting, there is one active complaint at investigation.

Net Promoter Score (NPS)*



*Source: Customer Service Monthly Report

Net Promoter Score attained at the contact centre for customer service calls. Australian energy sector NPS benchmark = -23 (Source: Energy Consumers Australia)

Commitments for the future

Current limitations in our existing retail systems hinders our ability to offer the seamless online experience, products and services our customer's desire. We are progressing with the detailed requirements gathering for our **Retail Systems Replacement project** to allow our business to harness the contemporary capabilities required to deliver customer-led product including tailored and bundled renewable product solutions..

At the same time, we've launched a Customer Experience Improvement initiative to reduce retail operations risk and ensure business continuity during the transition of our existing systems. This includes improving the prepayment system for an improved recharge operator and customer experience. Other initiatives have reduced our contact centre average handling time, which has improved the customer experience.

How we're tracking on the promises we made

- ✓ We have implemented a **knowledge management system** to provide a streamlined customer service experience.

This system supports our customer-facing staff with simple, easy-to-access and up-to-date information to better equip our team to answer and address customer queries in an efficient, accurate and consistent manner.

- Our new **Horizon Power MyAccount** was launched in **December 2023**. Progress continues on the final stages of the mobile app version, with our aim to have this launched by the end of 2024. The reimagined customer user experience incorporates improved features and functionality which meet or exceed the requirements our customers identified during customer co-creation workshops.

Principle 5

We will support customers facing vulnerable circumstances.



We are committed to bringing all our customers along on the energy transition, and we offer a range of hardship measures for those customers needing extra support and assistance. Our goal is to proactively identify and assist customers facing vulnerable circumstances, working to inform and educate them to minimise the severity and length of debt and to provide additional supports where practicable to improve their experience when engaging with us.

Outcomes achieved

- We developed an algorithm to use payment data to proactively identify and assist customers in vulnerable circumstances, to support these customers and work to reduce their payment challenges. Our aim is to always consider the individual circumstances of our customers in hardship, and we consider disconnection as a last resort.
- Energy Ahead (previously known as Household Energy Efficiency Scheme – HEES) launched in Broome, Fitzroy Crossing, Derby and Bidyadanga in the Kimberley region of north WA. In person household visits underpin the success and sustainability of this program which guides the customer through ways to help improve energy efficiency and thereby reduce power costs for our most vulnerable customers.
- Delivered via our project delivery partner, Nirrumbuk Environmental Health and Services the program provides household energy audits, surveys, and low cost energy efficiency items. The program is proving very successful with 73 referrals into the program and 50 customers already completing the in-home energy audits. While these home visits and engagements have been very well received, it is too early to provide an evaluation of tangible customer benefits. Early feedback indicates some customers are enjoying an almost 50% reduction in energy bills, and an increase in card applications. A mid-term evaluation is being conducted now by Energy Policy WA to inform a Government decision as to the continuity of the program.

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Harboured Family Violence Customers

30.1%

increase in concession cards registered

- Last year we improved system reliability for Prepaid Power customers following a significant upgrade and stabilisation of the back-end technology. With this complete, we are now progressing with a review and upgrade of the front-end recharge operator interface to improve the user experience, optimise functionality, performance and efficiency for their service when providing prepaid power to customers. This improved experience will also provide a more streamlined experience for the customer purchasing Prepaid Power. We have employed human-centred design principles and customer insights during this initiative to arrive at the most desirable end solutions.
- We identified the increasing challenges impacting our regional small businesses, and that they are typically unable to access a range of support mechanisms that are available to residential customers. We also recognise the important role that small business plays as a foundation for enabling thriving regional communities. To better understand their challenges and how we may improve their circumstances, we undertook interviews with 16 small business owners from across all regions of WA. The insights were developed into a Small Business Action Plan comprising a range of initiatives that will be developed over the coming year. This is commencing with a Small Business Advisory Hub on our website providing practical energy advice. We are exploring further opportunities for a range of accessible tools, information, products and services to help support small businesses.
- To ensure customers eligible for concessions receive the energy bill savings they are entitled to, we ran a dedicated 'Concessions & Rebates' campaign. The multi channel campaign was tailored to specific customer segments, and presented in Aboriginal Kriol language for specific regional audiences. The campaign successfully motivated this target audience to make contact with us and register their concession cards. We've seen a 30.1% increase in concession cards registered as at 30 June 2024.

Work in progress

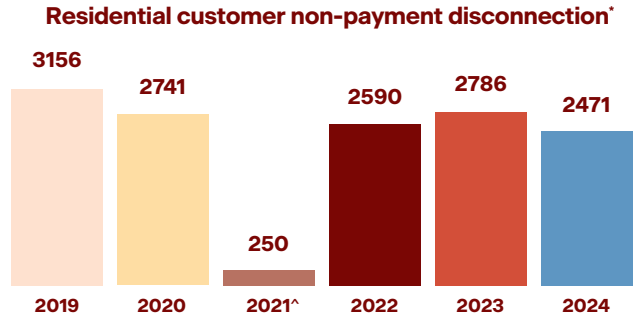
Vulnerability Framework

- We provide protection and support for customers in vulnerable circumstances who may be experiencing situations related to life support, family and domestic violence and financial hardship. We also understand that vulnerability exists across our regional customers for many reasons, including language, cultural, disability, health and literacy barriers. We are embarking on a review to discover how we can identify and support these customers, and equip our teams to better serve and meet their needs.

Commitments for the future

We are collaborating with the Energy Charter signatories on the priority **#Better Together customer-led tariffs and #BT Life Support customer initiative**. Our priority is to ensure we develop specific tariffs and products that meet the needs of our regional communities. Life Support customer communications workflow has been designed using human-centred design (HCD) practices to ensure our processes meet the needs of this vulnerable customer group. In its final stages of development, the new improved outage communication process is expected to be live to the initial towns in July 2024.

How we measure outcomes



*Source: ERA Annual Performance Data CCR40 (excludes pre-payment customers)

[^]COVID-19 disconnection moratorium in place



Horizon Power Customer Council members (Left to Right): Sandra Di Bartolomeo (Horizon Power Board), Connor Davies (Esperance), Justin Lee Menzies, Chris Twomey (Western Australia Council of Social Services), Stephanie Unwin (Horizon Power CEO), Evette Smeathers (Horizon Power), Kitty Prodonovich (Regional Chamber of Commerce & Industry WA), Louisa Frome (Horizon Power), Kendall Galbraith (Rural, Regional, Remote Women's Network), Brent Savage (Department of Mines, Industry Regulation and Safety).

How we're tracking on the promises we made

✔ Complete

We have successfully completed the technology system upgrade and resolved the reliability issues previously impacting the Prepaid Power customer experience. With this complete, we've commenced a review and upgrade of the Recharge Operator front-end system to further improve the experience for this important customer segment. Our customer solutions team will be undertaking a review of the Prepaid Power product in the year ahead to identify any further potential improvements.

🔄 To further improve customer safety, we are upgrading our **Life Support and Outage Management System** to provide full visibility over both our low voltage and high voltage networks, right down to the customer meter. Visibility of our entire networks means we can accurately identify customers impacted by outages and can streamline and automate our notification process for both planned and unplanned outages, resulting in improved customer outcomes. The project is expected to be completed by the end of 2024 calendar year and will deliver an end-to-end outage management solution to protect the most vulnerable members of our communities.

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