
Energy Charter Disclosure Report 2021

July 2020 – June 2021

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Introduction by CEO

We are pleased to report on our progress in delivering against the Energy Charter principles for 2021. Taking on industry and customer feedback, we have again, built on key improvement areas identified during the past two years, and with a careful and measured focus on customers facing vulnerable circumstances. We have also delivered significant progress on our 'low carbon strategy' which was endorsed by our Board earlier in 2021.

In this Disclosure Report we are upfront about those areas where we need to do more, while also proudly outlining where we have gone 'above and beyond' – as we strive to create a culture that embodies Charter ideals and makes a measurable difference to our customers, and the communities in which we operate.

A strong performance overall in 2021

Despite ongoing pandemic restrictions, we've delivered well for customers in 2021, demonstrating our commitment to safety and reliability through all our operations. We once again delivered our best network leak response, responding to 98.8% (AGN) and 98.7% (MGN) of reported leaks within the target timeframe. We've also achieved our highest customer satisfaction scores to date at AGN and MGN.

We're on track with mains replacement targets and have implemented new processes to reduce instances of water-in-mains, minimising customer impact. We have developed our South Australian and Western Australian access arrangements with more stakeholder and customer engagement and support than ever before. This year our hydrogen projects made historic headway, with HyP SA delivering a 5% blend of renewable gas to more than 700 customers, and the continued development of HyP Gladstone – Australia's first whole-of-gas-network decarbonisation project.

Improvements since 2020

In 2020, we identified that we had a long way to go in supporting customers facing vulnerable circumstances and made progress with the development of our company-wide Vulnerable Customer Strategy. In response to this, we've taken new steps to elevate our focus on customers, including adopting an award-winning engagement approach for our widely supported SA plan. We've also followed through on our #BetterTogether New Connections initiative, standardising requirements across three Victorian distribution businesses to ensure customers are connected faster.

Work still to do

Of course, we still have work to do. Our 2021 maturity model assessment (see Appendix A) has highlighted the need to continue to improve reliability and the customer experience. We need to persevere with our work to reduce customer complaints, enable quicker resolution and greater customer satisfaction. We will continue with internal processes to improve communications with builders and severe weather planning to reduce unplanned interruptions.

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



Ben Wilson

Chief Executive Officer

Feedback from AGIG Customer Councils

Our South Australian customer reference group has acknowledged our commitment to the Energy Charter and our approach to the self-reporting process; commending our ongoing work to improve outcomes for customers facing vulnerability. The group also acknowledges our efforts in transitioning to renewable hydrogen and are eager to hear more about the challenges we face in educating our customers and the public about this transition. Their request to be included in our plans for public education about renewable gases is positive. We appreciate the support and invaluable input of our customer groups while we navigate a changing and dynamic energy landscape.

What we have achieved against our Vision

Delivering for the Customer	Public Safety	Reliability	Customer Service
	<ul style="list-style-type: none"> • Best-ever leak response: Above target performance across the period, with improvements across 1-hour response at MGN (98.7%) and AGN (98.8%). • Outstanding transmission assets safety performance: We beat our targets for each of the four tiers of measurable safety events. 	<ul style="list-style-type: none"> • 4,700+ days without an outage on DBP, even throughout Tropical Cyclone Damien. • 400+ km of gas mains replaced, increasing reliability of supply to the cities and surrounds in Adelaide, Melbourne and Brisbane. • Improved winter performance at MGN. 	<ul style="list-style-type: none"> • Best-ever Customer Satisfaction scores for AGN and MGN: AGN (8.6), MGN (8.1). • Received National Network Customer Engagement Award for our engagement work with stakeholders and customers. • SA and QLD vulnerable customer plan approved.
A Good Employer	Health and Safety	Employee Engagement	Skills and Training
	<ul style="list-style-type: none"> • Zero-harm approach to COVID-19 health challenges (including training series). • 850 Leadership Engagements demonstrating individual interactions which reinforce positive HSE behaviours. • Introduction of Just Culture policy ensuring that any incident involving safety misconduct is evaluated using a fair and consistent approach. 	<ul style="list-style-type: none"> • 2020 Employee Engagement Survey top decile for Alignment and Engagement across the business against a targeted benchmark group. • Diversity and Inclusion Strategy developed, including four key groups of initiatives and Flexible Working policies introduced. 	<ul style="list-style-type: none"> • Introduced new Online Learning Management System (LMS) as a single solution across AGIG, which: <ul style="list-style-type: none"> - Allows users to search and self-nominate for training - Allows users to request training not currently in LMS. - Includes a technical training and process library. - Allows AGIG service providers to access and perform training. - Includes new modules in non-technical training.
Sustainably Cost Efficient	Working within Industry Benchmarks	Delivering Profitable Growth	Environmentally and Socially Responsible
	<ul style="list-style-type: none"> • Completed our Five-Year Final Plan for our South Australian gas distribution network, which delivered savings to customers. • Regulatory support to source renewable gas to replace a portion of unaccounted for gas in South Australia. • Strong expenditure management. Our operating expenditure is within our regulatory targets, ensuring we achieve the lowest possible cost of providing sustainable service and reliability. 	<ul style="list-style-type: none"> • 29,500 new customers connected which reduces overall costs per household. 	<ul style="list-style-type: none"> • Green hydrogen produced, blended and delivered to customers through our Australian first Hydrogen Park South Australia Project. • Expanded our Community Partnership Program and increased funding across our national operations.

What we have achieved against our 2020 Commitments

Independent Assessment Panel Outcomes

Following the release of our 2020 Report, the IAP made several recommendations to both AGIG and industry as to how performance against the Energy Charter’s five principles could be improved. **!** This icon has been used to indicate key themes the IAP is keen for Energy Disclosure Participants to highlight.

Our progress on our 2020 commitments and IAP recommendations

P1 - We will put customers at the centre of our business and the energy system			
<p>Increased customer-focused metrics reporting to Executive Management Team (EMT) and board.</p> <ul style="list-style-type: none"> ! IAP8 CSAT now corporate-level KPI for employee incentives ! IAP8 EMT Customer Dashboard created for MGN and AGN distribution businesses. Increased focus on MGN winter performance. 	<p>Collaboration with customer representative groups and across the industry chain to improve customer outcomes.</p> <ul style="list-style-type: none"> Standardised gas connection requirements across Victorian gas distribution businesses. Tracked customer expectations through Victorian builders and retailers to find improvement opportunities. 	<p>Elevate “Voice of Customer” insights to executive level.</p> <ul style="list-style-type: none"> Stakeholder co-design consultation process supported our Vulnerable Customer Assistance Program (VCAP) and renewable gas initiatives which offsets our unaccounted-for gas (UAFG). 	<p>Customer consultation for our Victorian Access Arrangements.</p> <ul style="list-style-type: none"> ! IAP9 Stakeholder reference groups have been established in Victoria. We will continue to consult with established customer reference and retailer reference groups. We have also held customer workshops as a key input into our Victorian Final Plan.
P2 - We will improve energy affordability for customers			
<p>Drive operational efficiencies across all transmission, distribution and investment areas of AGIG.</p> <ul style="list-style-type: none"> Delivered price cuts to our customers in WA (on the DBNGP), SA and QLD. IAP4 Decarbonisation planning with stakeholders to supply a reliable and affordable energy source. 	<p>Investment in customer systems (CRM) to provide tailored energy solutions to customers</p> <ul style="list-style-type: none"> Investigation into CRM scheme will occur as part of our Vulnerable Customer Assistance Program (VCAP). 		
P3 - We will provide energy safely, sustainably and reliably			
<p>Identify specific areas of network systems that are having the most impact on customers from poor supply issues and use innovative approaches to address.</p> <ul style="list-style-type: none"> Upgraded 53km of high-risk distribution mains in Adelaide CBD and on target for 27kms of mains in Melbourne by 2022. 	<p>Continue to lead the hydrogen industry’s development through the Australian Hydrogen Centre.</p> <ul style="list-style-type: none"> HyP SA commissioned and delivering a 5% hydrogen blend to SA customers. ARENA funding approved for Hydrogen Park Murray Valley Victoria. AGIG’s board has endorsed a low carbon strategy for AGIG. ! IAP5 AGIG is playing a key role across renewable gas working groups* 	<p>Improve supply reliability performance of MG network and improve communications to impacted customers.</p> <ul style="list-style-type: none"> MGN Preplanning to establish MGN Winter Program to reduce impact to customers from gas supply interruptions. Increased SMS and emails to provide customer updates on rectification durations. 	

*Industry Renewable Gas working groups include Australian Hydrogen Centre, Australian Hydrogen Council, Australian Industry Energy Transition Initiative, Bioenergy Australia, Clean Energy Council, Future Fuels Cooperative Research Centre.

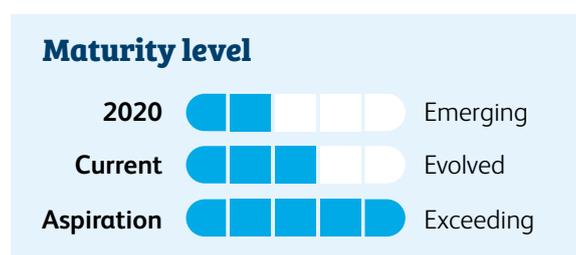
P4 - We will improve the customer experience

<p>Increase focus of complaints and complaint management to EMT and board to identify service delivery improvement requirements.</p> <ul style="list-style-type: none"> Internal complaint management audit identified opportunities for improvements, including aligning KPIs across distribution businesses. Customer complaint reporting elevated to primary metric for the Customer Dashboard. 	<p>Expand our interaction with regulatory bodies and stakeholders such as ombudsman schemes to drive improvement in customer service, and continually assess field procedures to improve customer focus.</p> <ul style="list-style-type: none"> CEO meetings with EWOV as part of systemic supply investigation in MGN. Implemented Priority Outage tool that assists work program and responses to ombudsman. 	<p>Continue to gather feedback about our call centres and resolution teams through customer communications capture.</p> <ul style="list-style-type: none"> MGN captures First Call Resolution feedback from customer at call end. Our review has improved the quality and timeliness of new connection status that can be provided to customers.
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P5 - We will support customers facing vulnerable circumstances

<p>We will continue to support our teams in identifying customers in vulnerable situations.</p> <ul style="list-style-type: none"> New reference guides developed for crews to refer customers to Customer Service team for support. Meter readers trained to increase awareness of customers quarantining due to COVID-19. 	<p>Implement SA Access Arrangement initiatives and establish a network of community service groups to partner for the delivery of VCAP.</p> <ul style="list-style-type: none"> SA and QLD vulnerable customer plan approved; AGIG initiating program design. Currently seeking approval to expand the program to Victoria. Training for field crews and fitters responding to supply outages, i.e., when to arrange temporary heaters and cookers. 	<p>Continue to review and work with community partnerships and to improve outcomes for customers in vulnerable situations.</p> <p>IAP11 Supporting customers and communities impacted by COVID-19 with financial and volunteering support to more than 20 partner organisations across Australia.</p> <p>Includes Foodbank, Food Share and Hutt St Centre (SA), St Mary's House of Welcome (Vic) and Street Chaplains (WA)</p>
<p>To reduce the number of customers disconnected for non-payment we will implement a trial of contacting customers prior to disconnection.</p> <p>IAP 12 Launched #BT initiative 'Knock prior to Disconnection' as an industry trial in MGN area.</p>	<p>Develop and launch Vulnerable Customer Policy and continue training sessions with service providers</p> <ul style="list-style-type: none"> Vulnerable Customer Policy draft established. Consultation will be sought from customer advocates and stakeholders. 	<p>Increased reporting and case analysis will help us tailor and refine our vulnerable customer offerings.</p> <ul style="list-style-type: none"> To be addressed during development of VCAP initiatives. Leverage with ongoing developments for CRM and Priority Outage Management tool.

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



1.1 Award-winning stakeholder engagement process in South Australia (SA)

Why: With affordability top of mind for our customers, we needed to be sure we understood what else really matters to them. This would allow us to get the balance right – and offer the right services at the right price. We set out to integrate customer engagement as a key input into developing our future plans.

We have created a strategy centered on genuine engagement to deliver the best outcomes for customers, winning the Energy Networks Australia and Energy Consumers Australia Consumer Engagement Award in 2020.

Early in the process we consulted widely on our Draft Plan for the delivery of services to SA gas distribution customers. In parallel, we also consulted on our engagement principles – to make sure these met the expectations of our customers. Stakeholder

feedback in this regard encouraged us to further collaborate, so we included a customer co-design methodology into our approach – a first for AGIG. Together, we designed a program that included 22 iterative customer workshops, where customers could have open discussions with AGN, then tested and validated our proposals with our customers, including CALD¹ communities. We also included a new online engagement platform (Gas Matters) to support face-to-face engagement.

We are making a difference by delivering a plan that responds directly to customer needs. This includes a price cut for customers and innovative new proposals like our Vulnerable Customer Assistance Program and an initiative to replace lost gas with renewable gas. We lodged our Final Plan with the AER² on 1 July 2020, with 96% support from customers. Over 90% of customers and stakeholders told us our program was inclusive, transparent, well run and of a high standard. 98% of customers felt they had the opportunity to have their say.

We will continue to use and expand this engagement methodology to ensure we are delivering against the expectations of our customers and stakeholders. We understand that involvement by the executive team shows customers their views are being heard and acted on; engagement activity must be genuine; and customers and stakeholders value being part of early discussions that inform decisions. With our South Australian plan now approved by the AER, we will begin implementing against our promises.

1.2 Engaging Victorians on the Future of our Networks: A joint engagement approach

Why: Victoria is served by three gas distributors: AGN, MGN and AusNet Services. With all three businesses running engagement programs, customers and stakeholders could have been called to participate in several at once. Consumer advocates, especially, were experiencing competing demands for participation in customer councils and forums.

We have developed a joint engagement approach across the three distribution businesses to develop our five-yearly service delivery and pricing plans, enabling us to engage with key stakeholders via a single coordinated program. To begin, the three businesses consulted stakeholders on our engagement approach, and then agreed on joint engagement commitments and delivery principles. We began running engagement activities in May this year and will submit our plans to the AER on 1 July 2022.

We are making a difference by working together so that customers and stakeholders only need to provide feedback once and all distribution businesses can better understand customers' needs. Since we began engagement in early 2021, we have seen strong attendance rates at workshops and high levels of engagement by consumer advocates. Our aligned research across customer workshops is capturing feedback at a state-wide level for the first time, and we are also identifying ways to streamline aspects of service delivery (such as Contract Terms and Conditions) across all three gas distribution networks. Our KPI targets were: Over 80% of roundtable workshop participants and forum members are satisfied that the engagement process is accessible and inclusive, and more than 80% feel their feedback has been addressed and will be integrated. We have also set ambitious KPIs for 2022 so we can continue to achieve in this area.

We will continue to deliver our joint engagement program, which includes workshops with 450 residential and business customers (including CALD customers via the ECCV³); a series of forums to understand what's important to our major customers (with EUAA⁴ and Ai Group); ongoing meetings with the Victorian Gas Network Stakeholder Roundtable and the Retailer Reference Group; and a Future of Gas Co-Design Expert Panel.

1.3 Customer at the Centre: Restructuring of Customer and Strategy teams

Why: To advance our Vision and Energy Charter commitments we identified the need for a dedicated group to be accountable for driving customer-centric culture and embedding and elevating the Charter within AGIG. This group would also further align our business culture with our "customer at the centre" principles.

1 Culturally and Linguistically Diverse (CALD)

2 Australian Energy Regulator (AER)

3 Ethnic Communities Council of Victoria (ECCV)

4 Energy Users Association of Australia (EUAA)

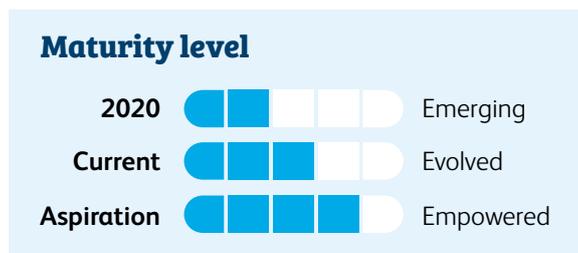
We have: Early in 2021 we saw an opportunity to reorganise our divisions, combining our Customer team and Strategy team to create the new group ‘Customer and Strategy.’ Previously under two different Executive General Managers, this group combines the two areas of our business critical to driving a customer focus. Customer and Strategy ensures we have mechanisms in place to communicate with customers on their current and future needs, provide feedback on our current performance and take action where we need to improve. The move has improved the focus of our teams and enhanced the learning and leveraging of ideas between staff at all levels of the organisation. In short, we now have a team structure that has all the necessary functions to drive improved customer service.

We are making a difference by honing our focus to improve customer outcomes. When some stakeholders considered our initial VCAP⁵ proposal as an overlap of services already offered by retailers, the Customer team worked with our Stakeholder groups to clearly identify vulnerable customer touchpoints that exist for retailers and distributors. This ‘touch point’ analysis allowed improvements to the design of AGIG’s VCAP and has been used within the Energy Charter as an example of how industry can better support customers.

Because the team combines both short-term (service) and longer term (strategy) personnel, a broader and more knowledgeable approach is also possible – such as when communicating with customers and stakeholders about our hydrogen projects and the need to develop plans for transition to renewable gas for all our customer segments.

We will continue to leverage the focus of the Customer and Strategy team to ensure all customer segments are considered, especially in the transition to a renewable energy future.

Principle 2: We will improve energy affordability for customers



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.

We have listened closely to our customers, enabling them to guide the development of our plans and proposed prices. This has helped us deliver tariff reductions for our South Australian customers for the next five-year pricing period, beginning July 1, 2021. A two-year engagement process has resulted in the AER’s Final Decision (released 30 April 2021) of an upfront price cut of 6% after inflation, following on from a 23% price cut five years earlier. At DBP⁶, we sought input from users of the transmission pipeline, including on our proposed price. The ERA⁷ confirmed a flat price path (held constant) for customers on the current reference service price, following a previous 6% price cut for customers on negotiated contracts.

We are making a difference by committing to lower bills. In the first year in South Australia, residential customers will save around \$35; commercial customers \$395 and industrial customers between \$2,000 and \$8,000. This is important given energy prices make up a relatively large portion of household and industry costs. We’re also ensuring that clear discussions on price are part of our formal engagement with our customers. 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. For the upcoming Victorian Access Arrangements, we continue our engagement with customers on lower costs (new prices come into effect on 1 July 2023) and decarbonising the gas supply.

5 Vulnerable Customer Assistance Program (VCAP)

6 Dampier Bunbury Pipeline (DBP)

7 Energy Retailer’s Association (ERA)

Principle 3: We will provide energy safely, sustainably, and reliably

Maturity level

2020  Evolved

Current  Evolved

Aspiration  Exceeding

3.1 Hydrogen Park Projects: Leading in renewable hydrogen across the nation

Why: We have a corporate responsibility to ensure environmental sustainability and address climate change. Renewable and carbon-neutral gases will help reduce emissions while keeping costs low, helping our customers and the whole of Australia achieve sustainability goals. To this end, our Board endorsed our low carbon strategy, which targets a carbon-free gas supply by 2040 (see Appendix B).

We have begun developing our \$4.2 million HyP Gladstone facility in Queensland, Australia's first whole-of-gas-network decarbonisation project. This will produce renewable hydrogen to be blended with natural gas at volumes of up to 10% for supply to more than 770 existing connections on Gladstone's entire gas network. This follows from HyP SA, which currently delivers a 5% renewable gas blend to more than 700 homes and has received numerous awards for demonstrating a pathway to cleaner gas energy.

We are making a difference by continually developing new sustainable energy projects and partnering to increase our impact. Two projects, Hydrogen Park Murray Valley in Victoria (with ENGIE) and the Clean Energy Innovation Park in Western Australia (with ATCO Australia) recently received funding from ARENA. These are both 10MW projects that will blend renewable gas into distribution networks and supply industry and transport.

We will continue to work toward our HyP Gladstone production date of September 2022, delivering the highest volume of hydrogen by an existing gas network. We are developing plans to blend between 10% and 100% renewable hydrogen into networks in South Australia and Victoria through the Australian Hydrogen Centre and are assessing the introduction of hydrogen into the Dampier to Bunbury Natural Gas Pipeline (DBNGP) in WA, starting with a focus on fuel gas.

3.2 Committing to targets and industry standards

Why: During our South Australian customer and stakeholder engagement program, 87% of respondents told us it is 'very important' or 'extremely important' that we consider ways to lower carbon emissions.

We have set ambitious, board-endorsed renewable gas targets as part of our broader push to achieve net zero emissions.

We are making a difference by setting targets that will drive change, including 10% renewable gas by volume on our distribution networks by 2030 and offering 100% renewable gas to new home estates by no later than 2025. We plan to fully decarbonise our distribution networks by 2040 (as a stretch target) and no later than 2050. This delivers on Australian state and territory targets of net zero carbon by 2050.

We will partner with government and industry to reach our targets and continue to provide our midstream and transmission asset customers with infrastructure needed to transition their businesses towards net zero. We will work to reduce 'direct scope one and two' emissions from transmission and midstream assets, including the DBNGP, targeting net zero by 2050 at the latest. We will also provide more information to our customers and the public about our transition to a renewable gas future, and utilise feedback from our Reference Groups in this process to ensure we understand the needs of all market segments.

3.3 MGN Winter Performance – emphasis on improving reliability

Why: MGN network has approximately 1600 km of ageing low-pressure gas mains susceptible to water ingress, which can cause outages and interruptions. Whilst MGN has a program to upgrade or replace all these gas mains, it will take up to 15 years to complete. We needed to identify a quicker way to minimise interruptions and mitigate customer impact, especially during winter when outages are most frequent.

We have been working closely with Energy Safe Victoria and EWOV⁸ to define the impact on customers from repeat supply interruptions. The MGN team have implemented solutions including better crew resourcing to minimise response times, targeted scheduling of mains replacements to address areas with repeat supply issues and improving delivery of status updates to impacted customers.

In 2020 we made several changes to our Customer Service Accountability Panel (CSAP), improving the methods we use to monitor outages so that resources can be allocated to where they will make the greatest difference to supply reliability for our customers. This year we have implemented the Priority Outage Management (POM) system, which has improved the data with which we prioritise field crew responses. It helps us target areas that require urgent attention, thereby minimising the impact on customers in vulnerable circumstances and reducing the number of supply outages – and complaints – experienced in repeat-problem areas.

Further ‘heatmap’ analysis also showed that some customers had experienced multiple supply outages but had never reported them. Despite not having received customer complaints in these areas we began weekly meetings between our customer and network operation teams and set new priorities for repairs and investigations to target these areas – and improve customer experience.

We are making a difference by minimising the impact and number of outages while still staying on track with our long-term mains upgrade. We have ensured we have better knowledge of those experiencing multiple outages and of customers in vulnerable circumstances impacted in repeat-interruption areas. Our improved system analysis with better syphon data (the amount of water extracted from the gas system), and MGN’s new field supervisor dedicated to managing supply faults, means we can address problems more quickly and effectively. Supply interruptions greater than 12 hours reduced to 250 this year compared to 936 in 2019/20.

We will continue with our extensive mains replacement program, as well as further develop the POM tool to target other problems like intermittent gas supply. We will develop a systematic field response process for repeated supply issues, implement a winter preparedness and performance review process, and continue to use the learnings from 2020 and 2021 winter periods to improve operational processes.

3.4 Deliver renewable gas to meet our unaccounted-for gas requirements

Why: During our South Australian Access Arrangement engagement process, our customers told us that we need to do more to reduce our carbon emissions.

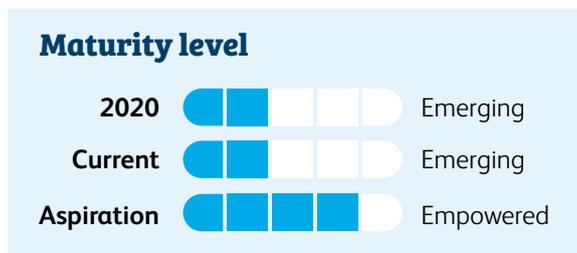
We have sought and identified an option to use renewable gas to meet part of our unaccounted-for gas requirements. Unaccounted-for gas includes gas that may be lost as it is transported through our network, which we are required to supply. Our proposal to purchase renewable biogas to offset the lost gas would result in the direct injection of renewable biogas into our network, rather than the biogas being burned to generate electricity.

We submitted our Final Plan to the AER with a proposal to offset 20% of our unaccounted-for gas with renewable biogas for a cost impact well below what customers deemed acceptable during the engagement process. The AER approved the proposal on 30 April 2021.

We are making a difference by reducing the carbon emissions of our network for a cost below the accepted customer range. We are enabling biogas producers to have their renewable gas injected into the local gas network (one of the first such direct injections in Australia) which demonstrates the capability of existing gas infrastructure and its role in Australia’s decarbonisation journey.

We will search for similar opportunities for our other networks across Australia. We are also looking to use renewable hydrogen from HyP SA to offset our unaccounted-for gas in South Australia.

Principle 4: We will improve the customer experience



4.1 Development of customer experience initiatives framework

Why: With AGIG running multiple initiatives to improve the customer experience, it was becoming challenging to effectively prioritise projects and assign limited resources. This led to a lack of resources for some initiatives and reduced focus and outcomes.

We have built on AGIG's existing CSAT data from monthly analysis reports to develop a consolidated roadmap of customer experience (CX) improvement initiatives. Our CX program management framework involves prioritising improvement initiatives as well as planning, tracking, reporting on and evaluating them. This will help us organise and drive effort and, importantly, learn from our experience. We can also use it to plan future initiatives with accountability, evaluate potential resourcing and allocate timeframes as needed.

We are making a difference by more quickly and effectively improving processes for new customer connections, unplanned interactions, and planned interactions. Through this new framework we will reach our CX initiative goals more quickly, thus improving our customers' experience. We hope to see some of these initiatives reflected in our CSAT scores within the next 12 months.

We will use this framework to monitor, track and progress our list of CX initiatives. We will measure the results of these improved processes through feedback and metrics such as our CSAT scores. As we do this we will continue to assess and build on the framework itself to continuously improve it.

4.2 New connections collaboration with Victorian Distribution Businesses

Why: Each of the three gas distribution businesses in Victoria had slightly differing requirements for new gas connections and worked to different timings. This meant the process was often complex and confusing for builders and other customers. If a site has not been prepared according to site readiness guidelines when the field crew arrives, the new connection cannot be installed and a return visit is likely, delaying the connection. Builder feedback asked for improved and more timely communications and more clarity and consistency around site readiness and connection requirements.

We have established a collaboration process with the three Victorian gas distribution businesses. In 2019 we created standardised site readiness guidelines, and in 2020 we formed a working group with distributors and some gas retailers to help align requirements. In May 2021 we launched the initiative.

We are making a difference by making sure new connections can be completed the first time, every time. For customers, this means getting connected with less confusion, fewer delays, and better communications. Through our collaboration, all Victorian gas distributors have now committed to the same new-connection process and timeline. Customers and retailers only need to be aware of one set of connection requirements, regardless of the distributor. New collateral regarding these requirements was delivered to retailers to roll out to their respective builders from May 2021.

We are tracking the effectiveness of the initiative via reporting from retailers on site readiness percentages, timelines and other delays or issues. In the two months since the initiative was launched, we have seen a slight increase in the percentage (up to 5%) of sites ready for connection on first visit. It will take some time to educate retailers, builders and plumbers and we are confident we will see notable change.

We will continue gathering connections data for retailers to track progress and are having regular meetings with the three gas distribution businesses and retailers to identify improvement opportunities.

4.3 Outage customer communications

Why? Customer complaints about planned works and unplanned emergency outages showed a consistent theme: communications about these events were insufficient or not being received.

Although MGN delivers two notifications for planned works – the first ten business days before the work commences and another 48 hours in advance, these notifications were not always getting through to the right person.

We have started an SMS opt-in trial to address the issue. In May 2021, the MGN Customer Resolution Centre (CRC) team issued a bulk mail-out to 3000 customers on our distribution network, inviting them to register for ongoing SMS updates. The letters invited customers to opt-in for SMS or email notifications from MGN about scheduled works, as well as information regarding unplanned emergency works.

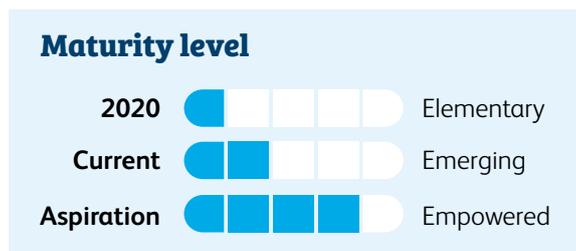
In response to customer feedback, we have also initiated an SMS service that provides status updates to customers who have made complaints or enquiries to the Customer Resolutions Team.

In addition, we have launched a new review process whereby the CRC team meets with project crews weekly to discuss planned works and monthly to review customer enquiries and find solutions to complaint trends.

We are making a difference by putting a stronger focus on ensuring customers are informed. We used SMS to inform customers of safety measures during recent storms and advise when crews would arrive; to provide service updates to carers and family members of customers facing vulnerable circumstances; to send updates and information to customers who had lodged a complaint, and to notify customers when crews need to gain access to their premises. Due to improved communications, complaints for planned project works have reduced by 50%. The average opt-in rate for the trial was 8-10%. After we made improvements to the communication language this increased to 20%.

We will aim to register as many customers as possible, implement this process into BAU practices, and look to improve on the 20% opt-in rate. For planned projects, we are working towards making the second notification an SMS notification. For unplanned outages we need to address the way we invite customers to opt in, and we are considering how we can use social media for opt-ins or notifications.

Principle 5: We will support customers facing vulnerable circumstances



5.1 A new Vulnerable Customer Strategy

Why: AGIG is committed to supporting customers facing or at risk of facing vulnerability, especially where the aftermath of COVID-19 may be felt for years to come. In addition, feedback from our recent AGN South Australian Access Arrangement engagement program confirmed that stakeholders believe we should be providing better support to customers facing vulnerability. Specifically, 77% per cent of the participants actively supported a Vulnerable Customer Assistance Program, even at a cost to them of \$1-\$2 per year. We've also identified that we have many direct touch points with our gas customers that are separate from those of retailers and other government supported initiatives.

We have developed a draft Vulnerable Customer Strategy under our commitment to the 2020 Energy Charter. We ran a series of three co-design workshops with social service experts and other key stakeholders and we also examined measures that UK gas distribution networks have implemented to support their customers facing vulnerable circumstances. In June 2021 we submitted

a response supporting the ESCV's 'Getting to Fair – breaking down barriers to essential services' draft strategy, where we outlined our own strategy of supplying those customers in need. Our AGIG Vulnerable Customer Strategy is being developed around five principles:

- Build relationships with key stakeholders and grow AGIG's understanding of customers in vulnerable circumstances.
- Provide training to employees and service providers about customers in vulnerable situations
- Improve AGIG processes to minimise negative impact on customers in vulnerable situations
- Make use of AGIG's Community Partnership initiatives to assist vulnerable communities.
- Identify where further assistance may be required to provide direct support to customers.

Part of this strategy includes our Vulnerable Customer Assistance Program (VCAP), developed in response to feedback from the SA AA engagement process. This is the first of its kind amongst Australian network businesses. We have also employed a Customer Strategy Manager who will seek assistance from community organisations in the co-design and implementation of our VCAP.

We are making a difference by: Training our service providers and field crews to identify customers and communities facing vulnerability and refer them to us. The VCAP initiative will assist customers with funding for emergency appliance or fitting line repairs, help them purchase new appliances if theirs are unrepairable, and offer financial support for switching to more efficient gas appliances. Importantly, we believe customers should be able to tell us their story once before receiving tailored service and support from our call centre and field crews.

MGN currently provides some support such as short-term appliance loans for cooking, heating or washing to customers in vulnerable circumstances that have been left without gas supply. MGN is also developing training programs for service providers to help identify and effectively assist customers facing vulnerability during planned and unplanned outages.

We will further develop our Vulnerable Customer Strategy, learning from customer advocates and impacted customers to best meet the needs of customers and communities. We plan to increase customer referrals to community support organisations; expand MGN's vulnerable customer strategy to the AGN business; and further develop and embed the Proactive Outage Management process to minimise impact on customers and communities facing vulnerability.

5.2 #BetterTogether Door knock prior to disconnection

Why: We know some customers are in a vulnerable position and facing financial hardship, especially now due to the global COVID-19 pandemic. Inability to pay utility bills can often mean people are cut off from essential services when they need it most. AGIG is committed to playing an active part in breaking down barriers to access gas services. We realise that we have many direct contact points with our customers and could do more to prevent disconnections from occurring.

We have developed an initiative to contact the customer in person before disconnection occurs. To do this we collaborated with three gas retailers (Alinta, Powershop and Energy Australia) to run a trial of door knocking prior to disconnection. The customer is encouraged to contact their retailer and is provided with a letter containing further steps they can take to avoid disconnection. This gives the customer the opportunity to discuss payment options that meet both their and the retailer's needs, ensuring they stay connected to the gas network.

We are making a difference by keeping more of our customers connected to the gas services they need for hot water, cooking and heating – even when formal post and email communications fail to be received or understood. So far, we have been unable to obtain accurate measures of the success of this initiative, as COVID-19 support packages included a pause on gas disconnections over 2020/21. While this has resulted in lower customer disconnections, the results from the knock prior to disconnection initiative have not yet been quantified to a point where additional retailers have agreed to participate. We are committed to proceeding with this initiative and anticipate the number of prevented disconnections will increase as we continue to enhance our processes to support customers.

We will continue to evolve the #BT 'knock prior to disconnection' process and work to include other retailers in the trial, ensuring we protect a greater customer base from unwanted disconnection.

APPENDIX

Appendix A

Maturity Model – Self Assessment

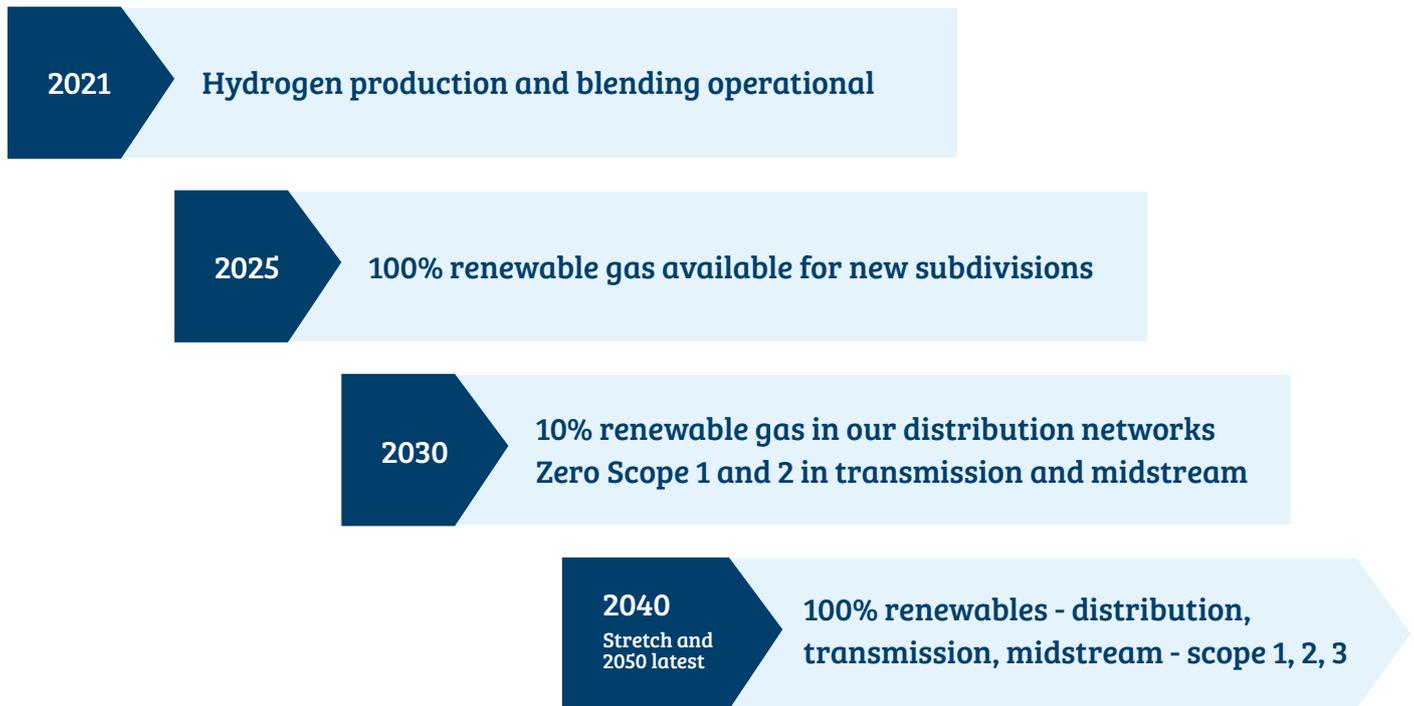
Energy Charter Principles	Elementary	Emerging	Evolved	Empowered	Exceeding
1. We will put customers at the centre of our business and the energy system		2020	2021		Aspiration
2. We will improve energy affordability for customers		2020	2021	Aspiration	
3. We will provide energy safely, sustainably and reliably			2020/21		Aspiration
4. We will improve the customer experience		2020/21		Aspiration	
5. We will support customers facing vulnerable circumstances	2020	2021		Aspiration	

Principle	Rationale behind our 2021 Maturity Model self-assessment.
1	Strong stakeholder engagement as evidenced in consultation and deliverables around Hydrogen Park, SA VCAP, WA and SA Access Arrangement. Customer and stakeholder’s input has driven regulatory submission and advancements in this space.
2	Delivered against 2020 Initiatives: Tariff reductions in WA and SA Access Arrangement. In particular, our delivery of the DB Relief Package responding to COVID 19 demonstrates our ability to do even more to improve affordability for the customer.
3	Hydrogen Park Projects - leading in renewable hydrogen across the nation and across the energy value chain. Mains Renewal - Melbourne and Adelaide CBDs meeting commitments. We will continue to focus on supply reliability within the older areas of our networks.
4	CSBA related initiatives. Collaboration across Vic DBs for connections, Internal processes to improve communications with builders, Unplanned Interruptions (Severe weather planning). Customer Service focus within planned works. Complaint Management. Ombudsman collaboration, establishing SMT review for escalated cases, improved complaints reporting. While work has advanced in this area, we don’t yet feel it reflects enough of the process we want to make in order to advance up the maturity model.
5	We’re happy with the process we’re making in this area, including approval for a SA AA Vulnerable Customer Assistance Program (VCAP) for SA and QLD, continued development of AGIG Vulnerable Customer policy and further development of our AGIG Community Partnerships Program.

Appendix B

Gas Vision 2050

AGIG's Low Carbon Vision 100% by 2040



Appendix C

Performance Measures

AGIG 2020 / 2021 Performance Table

Performance metric	2021 Target	AGN (VIC, SA, QLD)	MGN	2020
One Hour Victoria	98 %	98.8%	98.7%	AGN 98.0% MGN 98.5%
Two Hour Leak Response	98 %	VIC 98.5% SA 99.6% QLD 99.3%		VIC 99.8% QLD 99.7% SA 98.7%
Leak Survey Compliance	100 %	100%	100%	AGIG 98.6%
Class 1 & 2 Leak Repairs	>98 %	99.9%	99.5%	AGN 98.9% MGN 95.6%
Customer Satisfaction Distribution (MGN & AGN)	>8.3 AGN	8.6		8.3
	>8.0 MGN		8.0	7.8
• CSAT New Connections	8.0 AGN	8.6		7.9
	7.2 MGN		7.9	7.3
• CSAT Unplanned Interruptions	8.5 AGN	8.9		8.9
	8.4 MGN		8.4	8.0
• CSAT Planned Interruptions	8.4 AGN	8.7		8.3
	8.4 MGN		8.3	8.0
Customer Satisfaction DBP		8.0		8.4
Emergency calls < 10s*	>90 %	92.8%	91.7%	AGN 93.9% MGN 92.5%
Customer Calls < 30s*	>80 %	90.6%	85.9%	AGN 94.4% MGN 88.8%
2 Day Complaints Resolution / Acknowledgement	>85 %	96.2%	92.3%	AGN 94.2% MGN 92.1%
Complaints	AGN	609		AGN 610 MGN 512
	MGN		461	
Ombudsman	AGN	85		AGN 34 MGN 438
	MGN		306	
Connections Within 20 Days	>98 %	VIC 98.8% SA 98.8% QLD 99.8%		VIC 94.5% SA 98.6% QLD 99.9%
	>98 %		99.4%	99.1%
Unplanned Interruptions (5+ customers)	37 AGN	217		33
	15 MGN		175	20
Customers with 3+ Interruptions	18 AGN	257		39
	20 MGN		194	106
Supply Interruptions (> 12 hours)	74 AGN	64		67
	400 MGN		250	936