

# Together we create energy solutions

Energy Charter Disclosure 2018/19



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Throughout this report, we have used the term 'customer' to refer to a broad range of stakeholders. These stakeholders include:

- employees and contractors,
- shareholders (the people of Queensland),
- retail and wholesale customers,
- host communities and neighbours where our assets are located,
- business partners and suppliers,
- regulators,
- other energy industry participants, and
- interest groups.

**We welcome feedback from all our stakeholders on our Energy Charter disclosure report. For all enquiries and feedback, please contact us at [EnergyCharter@stanwell.com](mailto:EnergyCharter@stanwell.com)**

## Executive summary

Our first Energy Charter Disclosure is a significant milestone for us.

It represents a number of things:

- an acknowledgement of the importance of considering all customers when making business decisions;
- a commitment to get better in those areas where we have fallen short of expectations;
- a recognition that we are doing some things well and that these provide a good foundation to drive further improvement; and
- a shift in the way we think and talk about our business, from focusing on us to focusing on our customers.

There are some areas in which we need to improve:

- We have no formal and measurable process for understanding the status of our relationships with our key stakeholders. To address this, we will undertake a project in 2019/20 to provide us a clear understanding of what our stakeholders expect of us and how we are performing. This approach will highlight gaps between stakeholder expectations and their perceptions of our performance, which in turn will identify improvements and actions for our business to close any gaps.
- In the past, we have tended to take an insular approach to doing business. Going forward we will take an 'outside in' approach. We will purposefully look outside the organisation for opportunities to work more transparently with our customers, neighbours, host communities, regulators, shareholders, business partners and suppliers, to achieve mutually beneficial outcomes over the long term.

At the same time, there are some achievements that we are really proud of:

- In 2018/19, our power stations delivered more than 19,200 GWh of electricity (equivalent to 33 per cent of Queensland's total energy demand), increasing supply to the market and helping to put downward pressure on wholesale electricity prices. Our generation portfolio achieved an average [availability](#) of 87.7 per cent and a reliability factor of 95.9 per cent. This compares favourably to an average market availability factor of 75.1 per cent and an average market reliability of 95.0 per cent.
- We have built strong relationships with our host communities. We work closely with community leaders, near neighbours and stakeholders in each region to understand their priorities and to create relationships of trust.

- The voluntary installation of continuous emissions monitoring systems at Tarong Power Station this year means both of our coal-fired power stations now have access to real-time emissions data. We will use this data to better manage our operations and control our emissions.
- Over the past two years, we have been increasing the flexibility of our coal-fired power stations so we can meet consumers' changing demand needs. As more solar energy comes online, there is less demand for coal-fired generation in the middle of the day. We have trialled running our power stations more flexibly by ramping our generation to meet peak demand requirements.

There is more work to do to embed the Energy Charter in our business. And while what success looks like is not immediately clear, we commit to working through a process which helps us understand the opportunities for both us and our customers in working more closely together.

## Statements and sign-off

At Stanwell, we recognise that the future of our business depends on meeting the needs of our customers.

When we speak about our customers we are not simply talking about those to whom we sell electricity. Rather, we are referring to every person who comes in contact with our business, whether they are a neighbour of one of our power stations, a supplier to our business, other businesses in the energy supply chain, an employee at one of our sites or offices, a regulator, or market operator, or a member of an interest group.

For us, the Energy Charter guides us in pursuing our vision of *Together we create energy solutions*. We intend to use our commitment to the Energy Charter to create new opportunities to engage with customers, understand their priorities, and work together for mutual benefit. Whatever challenges we face as a business and an industry, there is always more to learn, people to learn from, and better, smarter ways of doing things.

This first disclosure report for Stanwell is important to us, as it establishes a baseline for how we are delivering energy in keeping with customer and community expectations.

Importantly, it commits us to improving our performance in relation to each Energy Charter principle and to holding ourselves publicly accountable for our progress.

We know we have some work to do but we also believe we have a great business with talented people who take pride in their work. Using this as a foundation, we will strive to get better at listening to what our customers want and then working with them and across the supply chain to achieve better outcomes.



Richard Van Breda  
Chief Executive Officer

## About our business and customers

Customers want to know that they are getting value for money in the energy market. However, value for money means different things to different customers. It may mean lower carbon energy, or lower prices, or contract terms and conditions that suit individual needs.

As an [energy business, with a diverse portfolio of assets](#), we have an impact (either positively or negatively) on whether customers believe the energy industry is working in their best interests. Throughout Stanwell's value chain (owning or sourcing fuel and water, generating and selling electricity, selling gas and coal) we interact with and impact a wide range of businesses and individuals.

We own the fuel supply for a number of our power stations or have access to long-term competitively priced fuel contracts. Fuel is often the largest expense in running our power stations so it can determine at what price we are able to sell electricity.

We own and operate more than 4,000 MW of generation capacity at coal, gas-fired and hydro sites throughout Queensland. We employ approximately 1,100 people, the majority of whom live in regional Queensland. Through our business partners, we also indirectly employ more than 500 people who live in our local communities.

We bid our electricity into the National Electricity Market (NEM). The NEM is a wholesale market where generators sell and retailers buy electricity. Retailers then resell electricity to businesses and households. There are more than 100 generators and retailers participating in the market, so it's highly competitive and therefore an efficient way of maintaining relatively competitive electricity prices in the wholesale market.

Stanwell participates in both the physical and financial energy markets. The way we bid our electricity into the NEM can have a longer term impact on the prices paid by end users. In recent years, wholesale energy prices have had a significant impact on retail prices paid by customers, making up a proportionally higher percentage of the total bill. Our bidding strategies are designed to provide greater electricity price stability and align with social expectations regarding affordability.

We have an electricity retail business, [Stanwell Energy](#), which sells electricity exclusively to large industrial and commercial customers along the eastern seaboard of Australia. These are businesses across the mining, industrial, retail, healthcare, government, education and commercial sectors that use more than 4 GWh a year of electricity. Finally, through our power stations, we provide services to the electricity market to deliver secure and reliable energy. This includes frequency control and ancillary services. These services are essential to managing grid stability and security for all end users.

Our business is owned by the people of Queensland. They are also the end users of the electricity we generate. Our business must service their needs, both as owners and as end consumers. All of our profits are returned to our shareholders as dividends and are used to fund a range of public programs and services.

## What The Energy Charter principles mean to us

The unique nature of our business means the Energy Charter has a distinct meaning for us.

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

For Stanwell, this principle is about having a culture, championed by our Board and executives, which is focused on innovation and collaboration for positive customer outcomes.

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

For Stanwell, this principle is about controlling our costs, tailoring energy contracts to customers' needs, ensuring we consider the long-term implications for wholesale prices when we make strategic decisions, working with other organisations within the supply chain on strategic initiatives when it is appropriate to do so and considering energy affordability in formulating our position on key energy issues.

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

For Stanwell, this principle is about continuing to pursue our safety goal of zero harm today; engaging with our neighbours and host communities to ensure we conduct our business in a manner that considers environmental and social impacts; ensuring the community understands the reasons for our business decisions, and working with our customers to tailor energy products to their needs.

### Principle 4: We will improve the customer experience

For Stanwell, this principle is about improving customer satisfaction, the responsiveness of our account managers, the provision of industry information to our customers, the flexibility of our contract terms, the systems we have in place to ensure ongoing and regular customer contact and support, and the clarity and transparency of our billing processes.

### Principle 5: We will support customers in vulnerable circumstances

For Stanwell, this principle is about how we work with our customers (who are exclusively large commercial and industrial businesses) when they are experiencing business hardship to help them get back on track. It is also about how we are supporting the regional communities which host our coal-fired power stations. Some of these communities are among the most economically disadvantaged in Queensland. This support will be increasingly important as the energy market transitions to a lower carbon future.

### Performance scorecard

At Stanwell, we measure our performance in a range of areas. Below are some of our performance indicators as they relate to our customers. We commit to further building on this scorecard as we mature in line with the Energy Charter principles.

Indicators		Target 2018/19	Result 2018/19
SOCIAL	<b>Community index</b> <i>Stanwell does not currently have any formal measures in place to gauge community sentiment. In 2019/20, we will undertake a stakeholder research project to gain a clear understanding of our stakeholders' expectations of us, as well as how they think we are performing on these expectations. We will disclose these details in our next report.</i>	N/A	N/A
	<b>Customer index</b> <i>Stanwell does not currently have any quantitative measures in place to gauge customer sentiment. In 2019/20, we will undertake a stakeholder insights project to gain a clear understanding of the status of the relationships between Stanwell and its customers and will disclose these details in our next report.</i>	N/A	N/A
	<a href="#">Employee Engagement Survey</a> (% employees engaged in the business) <i>Prior to 2018, Stanwell last measured how engaged our employees were in 2015. Our 2018 data has established a new baseline for measurement in future years.</i>	N/A	64%
	<a href="#">Total Recordable Injury Frequency Rate (TRIFR)</a> <i>We did not meet our TRIFR target for the year. The increase in injuries was mainly due to injuries sustained to hands and fingers in the first quarter of the year. A corporate-wide hand safety campaign has since been progressively implemented.</i>	<3.61	5.30
	<a href="#">Lost Time Injury Frequency Rate (LTIFR)</a> <i>We did not meet our LTIFR target for the year. Again, this increase in injuries was mainly due to injuries sustained to hands and fingers in the first quarter of the year.</i>	<0.33	0.96

Indicators		Target 2018/19	Result 2018/19
ENVIRONMENTAL	CO <sub>2</sub> intensity <i>Stanwell's CO<sub>2</sub> emissions intensity trajectory is likely to diverge from the NEM average as further coal-fired power stations are withdrawn and new renewable energy generation capacity comes online.</i>		
	Tarong power stations (t CO <sub>2</sub> -e/MWh) Stanwell Power Station (t CO <sub>2</sub> -e/MWh)	None set None set	0.86* 0.87*
	Ash reuse (%) <i>Through the burning of coal we create coal combustion products and it has been a focus to increase the availability of these products for reuse.</i>	None set	8.9
	Water use <i>Stanwell is a large industrial water user and we are looking at measures to more accurately audit our water use across our sites. This will include areas such as the production cycle, which takes into account factors like the multiple reuse of water through our cooling tower process.</i>	To be undertaken in 2019/20	To be undertaken in 2019/20
COMMERCIAL	Cost leadership (\$m) <i>This measures our performance against our budgeted operational costs for the year.</i>	<\$272.5	\$257.8

\* This result is for 2017/18 and is the most recent and audited emissions data available.

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

### Outcomes for customers

- A customer focused culture delivering better customer outcomes.
- A new retail strategy that improves the choice of products and services available to customers and a better customer experience.
- Customer/social benefits and implications are part of our decision making processes leading to better customer outcomes.

As part of our commitment to continuously improve outcomes for customers, we have committed to a range of [actions in 2019/20](#).

### 1.1 Have a Board that actively oversees the business' culture so as to be aligned with The Energy Charter Principles

#### Board practices and initiatives that focus on customers

When it comes to making decisions at a Board level, the impacts and consequences on stakeholders are considered. The Stanwell Board does this in a number of ways:

- meeting with regional stakeholders in our two largest communities (Rockhampton and the South Burnett) on at least an annual basis. This provides our directors with the opportunity to hear first hand from a range of stakeholders, including neighbours, key community leaders, elected state and local representatives, indigenous leaders, and community service organisations. These sessions are important for directors in understanding local issues and the role Stanwell can play as both an energy business and a member of the community. In 2019/20 we will work with The University of Queensland to carry out research which will provide us with further quantitative information regarding our stakeholders, and ensure we focus our efforts on those areas which matter most to our host communities. This will provide a baseline for future ongoing measurement.
- this year, the Board approved a move away from an Environmental Policy to an [Environmental Sustainability Policy](#). Previously, our decision making focused on our environmental compliance obligations. *Under* the new policy, when we make business decisions, we consider a wider range of environmental and social consequences and opportunities alongside commercial imperatives. This move acknowledges the importance of a 'social licence' to our ongoing business;
- earlier this year, the Board approved a new Risk Appetite Statement for the business. The Risk Appetite Statement sets out the levels of risk which we are prepared to accept in doing business. A new category of 'Customer and

Reputation' has been included and recognises that to achieve our business objectives and preserve our social licence to operate, we must have the trust and respect of our stakeholders, including the communities in which we operate. It also signifies a willingness to engage with those stakeholders whose objectives differ to ours but, through engagement, may provide an opportunity for us to do things a better way;

- in 2017, the Board approved a [new vision](#) for the business which continues to guide the business in its activities. Our vision *Together we create energy solutions* commits us to collaborating with stakeholders (internal and external to the business) to deliver mutual benefit.

Supporting these practices is a corporate governance system which includes:

- a [Board Handbook](#) that outlines the Board's responsibility to engage with stakeholders;
- a [Board Charter](#) which expressly outlines the expectation for directors to give attention to the interests of all stakeholders; and
- a [People and Safety Board Committee Charter](#) which charges committee members with responsibility for overseeing development and monitoring of strategies to engage with external stakeholders to deliver mutual benefit.

## 1.2 Have management operationally accountable for embedding 'customer at the centre' culture

### Meeting customer needs through our strategy

Through the four elements of our strategy, we seek to meet customers' short and long-term needs.

- Our coal-fired power stations were designed to run at a relatively constant high level of output. Today, as more solar energy comes online, there is less need for coal-fired generation in the middle of the day. However, we need to be ready to respond when demand increases in the evening. Over the past two years, we have been looking at how the role of our coal-fired power stations needs to change to support an increasing level of renewable generation. We have trialled running our power stations at [low load](#) and then ramping up our generation to meet peak demand requirements. We are also trialling the impact of 'two shifting' where a generation unit is shut down during the middle of the day and then restarted and loaded up for the evening peak. This is part of the flexible and competitive element of our strategy. It means we operate efficiently to reduce our power generation costs and putting downward pressure on wholesale prices, while increasing the flexibility of our portfolio so it can meet consumers' changing demand needs.

- We need to work closely with our customers to understand their exact requirements and then [tailor energy solutions to their needs](#), as technologies and consumer expectations evolve. This may include power purchase agreement options, green products, customised billing, long-term pricing, hybrid contracting arrangements, and self-management of consumption and environmental certificate requirements. For the first time in 2018, Stanwell [surveyed our retail customers](#) to understand their expectations of us as their energy provider, as well as their perceptions of our performance. There is further room for growth in this area, with a planned survey of our wholesale customers in 2019/20.
- On 31 October 2019, Stanwell's low and no emissions power stations will be transferred to a new Queensland Government owned entity known as CleanCo. With the transfer of these assets to CleanCo, Stanwell's generation portfolio will consist entirely of coal-fired units (with the exception of the gas-fired Mica Creek Power Station which is not connected to the National Electricity Market). As a result, our average portfolio emissions are likely to be out of step with average NEM emissions. We are exploring opportunities to evolve and renew our portfolio to include low and no emission generation. We may do this in a number of ways. We may trade the output from renewable energy assets or we may purchase the electricity directly from renewable generators. We are also investigating co-firing with [biomass](#) at one of our coal-fired power stations. Biomass, which is considered a renewable energy fuel, provides greater dispatch control relative to other forms of renewable energy.
- The final element of our strategy is about simplifying the way we do business; attracting and retaining the right people in our workplace; keeping our people safe; and operating in ways which benefit our customers as well as our business.

Some of the initiatives we're working on include a diversity and inclusion program to grow career pathways and offer greater workplace flexibility for our people. We have also taken steps to reduce the [gender pay gap](#) within the business.

We successfully rolled out a new system which provides a consistent approach to managing safety at all our sites. However, in 2018/19 while we met the majority of our leading health and safety indicators, we did not meet some of our lagging safety indicator targets. This includes our Total Recordable Injury Frequency Rate and Lost Time Injury Frequency Rate which fell short of our previous year's result (which was our safest year on record). We discuss this further in [Principle 3](#).

For more information on how we evolve our strategy with an 'outside in' approach, see our case study '[Aligning our vision and strategy to serve energy users](#)'.

## Management incentive payments linked to affordability and reliability

In 2018/19, we adopted two measures (Operating Costs and Plant Availability) for our business which were used to determine a portion of employee incentive payments, including our Executive Leadership Team. These measures focused us on delivering affordable and reliable electricity to consumers.

### What our retail customers told us

Our retail business, [Stanwell Energy](#), sells electricity exclusively to large industrial and commercial customers along the eastern seaboard of Australia. In 2018, we surveyed our existing, former and potential customers. Our key takeaways were:

- Stanwell Energy is highly regarded for the service it provides to customers. In particular, the accuracy of our billing and the responsiveness and quality of service provided by our account managers.
- Customers are asking for more value added services. In particular, they are demanding greater assistance with ongoing monitoring of their energy use to help manage their energy bills. Stanwell is not always perceived to be proactive in this area.
- Customers have several key drivers of satisfaction, including: accurate billing, responsive account management, flexibility (contract terms and high/low usage tolerance) and transparent charging. In the vast majority of cases, Stanwell is delivering consistently on these satisfaction drivers.

[Learn more](#) about how we are translating these findings into customer outcomes.

### A new retail strategy informed by customer feedback

We used the feedback from our retail survey to inform a new retail strategy which was approved by our Executive Leadership Team in May 2019. This new strategy recognises that we need to develop and implement new solutions to meet our customers' changing needs. Customer feedback has been used in the development of new products and services. For example, we have commenced a real time energy monitoring program with one of our retail customers. We are also looking at how we can offer our smaller customers the same types of sophisticated purchasing products as large customers. Previously, we had considered products such as progressive purchasing contracts to be too complex for some of our smaller customers, but based on feedback from our retail survey, we are now working to make these products available and suited to the needs of this customer segment.

### Engagement with our retail customers

During the year, we held retail customer events in Queensland, New South Wales and Victoria. Attended by our Chief Executive Officer and other members of our Executive Leadership Team, these events provided the opportunity to engage

directly with existing and prospective customers and hear first hand their expectations and perceptions of Stanwell Energy.

### Changing our decision making processes to consider customers

In a significant shift for the business, this year we transitioned from an Environment Policy to an Environmental Sustainability Policy. Under the previous Environment Policy our focus was on maintaining our environmental 'right to operate' by ensuring full environmental compliance. Our [Environmental Sustainability Policy](#) provides a public statement regarding our environmental position and values, performance intentions and direction. It articulates a commitment to moving beyond compliance, to continuous improvement. It also requires that our people consider environmental and social consequences and opportunities along with commercial imperatives when we make operational decisions.

Some early examples of how we are putting this policy into action are the installation of a [continuous emissions monitoring system at Tarong Power Station](#) and the in-house development of a boiler combustion technique at Stanwell Power Station which has delivered significant safety benefits and a reduction in emissions. Our goal for 2019/20 is to further develop our approach to sustainability. Some of the ways in which we will do this will include evolving our approach to [consultative committees](#), and adopting the International [Association for Public Participation](#) (IAP2) framework to guide our engagement processes.

## 1.3 Ensuring our work force is engaged and incentives are aligned to drive positive customer outcomes

### Engaged employees = better outcomes for everyone

In 2018, we ran a series of surveys to understand how our people feel about working for Stanwell, their impressions of our vision, our strategy and how they're informed of things happening across our business. We published the results every quarter on our intranet, so everyone could see how we're tracking.

Based on a 62 per cent response rate, our 2018 engagement index reveals that:

- 64 per cent of our people are committed to Stanwell, are enthusiastic about the work they do, loyal and willing to go the extra mile;
- 23 per cent of our people feel "a little frustrated" about some aspects of their work and this prevents them from being fully engaged; and
- 13 per cent do not feel connected to Stanwell and what we are trying to achieve. According to Gallup, the estimated cost of disengagement is approximately \$3,400 for every \$10,000 in salary or 34 per cent. For Stanwell, this equates to approximately \$4 million in lost productivity.

In response to these findings, we developed an action plan around the themes of engagement, leadership, decision making and removing barriers. This action plan was published on our company intranet and accessible to all our employees. Some of the actions included removing unnecessary two-tier approval processes, and streamlining key processes and procedures.

#### **Incentives aligned to affordability and reliability**

We offer eligible employees a financial incentive based on the achievement of pre-determined key performance targets. In 2018/19, to be eligible for part payment of the incentive, the business had to meet a strict safety performance threshold. Once eligible, employees had to meet to performance indicators:

- Operating costs (50 per cent weighting); and
- Power station availability (50 per cent weighting).

This focused the business on delivering affordable and reliable electricity to consumers. In 2018/19, we achieved 70 per cent of the 2018/19 Corporate Incentive Target based on:

- 50 per cent achievement of the 'Availability' target; and
- 90 per cent achievement of the 'Cost' target.

#### **1.4 Have robust processes to determine customer and community needs and be accountable on how feedback has been considered and incorporated into decision making**

##### **Stakeholder input into social investment decisions**

In Rockhampton and the South Burnett, the communities that host our two large coal-fired power stations, we have established [Community Partnership Funds](#). The funds support projects that build community economic capacity, preparedness and resilience. In each community, the fund is administered by a Community Reference Group consisting of community representatives and senior Stanwell managers. This ensures money is invested in those projects which the community identifies as being the most important.

##### **Listening to customers to improve our operations, products and services**

We used customer feedback from our [2018 retail survey](#) to develop a new retail strategy which will see new products and services become available to customers.

We have also used [community feedback to change our operations at Meandu Mine](#) so that we are better meeting environmental and social expectations.

#### **1.5 Demonstrate a culture of innovation and collaboration for positive customer outcomes including through the sharing of insights with government, research institutions and across the supply chain, as well as joint advocacy on regulatory, policy and operational issues**

Stanwell has participated in policy, regulation and guideline development in 2018/19, with a view to minimising the long-term cost of the energy system for which consumers ultimately pay. Our approach includes:

- improving market transparency, including rule changes associated with transparency of new projects, enhancement of the Reliability and Emergency Reserve Trader, and Market Making Arrangements in the National Electricity Market;
- avoiding unnecessary complexity such as the Draft Interim Qualifying Contract and Firmness Guideline, and Short Term Forward Market consultation rule changes; and
- ensuring change (and the cost of change) is based on a holistic assessment of overall benefits being delivered to consumers and avoiding "change for changes' sake", including Short Term Forward Market consultation, Retailer Reliability Obligation Draft Rules, and Prohibiting Energy Market Misconduct Bill 2018.

We are active members of the Australian Energy Council and participate in a number of their industry working groups, including the Wholesale Markets Working Group, Policy Committee, Health and Safety Committee, CEO Forum and Board meetings.

##### **Supporting retail competition through voluntary market making**

We have commenced voluntary market making on the Australian Securities Exchange (formally commenced 1 July 2019 but agreed in 2018/19) which is expected to improve confidence that consumers can access both price information and hedging volumes consistently using standardised products.

This initiative requires signatories including Stanwell to provide buy and sell orders on the Australian Securities Exchange for contracts out to three years. This will provide small and medium sized retailers with access to market based hedges. In doing so, the retailers will be able to secure contracts that support their marketing activities aimed at increasing competition and choice in many customer segments, including residential and small business customers.

##### **Supporting better customer outcomes through regulatory engagement**

During the year, we made a number of public submissions to various consultation processes in support of better customer outcomes. Copies of our full submissions are available at [stanwell.com](#)

- Short Term Forward Market (STFM) consultation paper submission, May 2019

*“Stanwell’s primary concern with the rule change request is that the issues that an STFM will address are not identified. This means that stakeholders cannot assess whether an STFM will be of any benefit to market and customer outcomes or simply add cost and complexity.”*

- Enhancement to the Reliability and Emergency Reserve Trader draft rule determination submission, March 2019

*“Stanwell agrees that while product standardisation may make the tendering process easier, it could restrict the number of RERT providers (i.e. exclude RERT providers who do not provide a standardised product), potentially leading to higher costs and less efficient outcomes.”*

- Demand Response Mechanisms consultation paper submission, December 2018

*“Care must be taken to not just look through the lens of maximising consumer choice, but also maximising the benefits to the system as a whole. Facilitating consumer choice is optimised by a holistic approach which limits any market cross-subsidisation.”*

- Enhancement to the Reliability and Emergency Reserve Trader options paper submission, November 2018

*“RERT costs for summer 2017/18 were \$52 million. While AEMO estimates this equates to an annual average of less than \$6 per household (0.3 per cent of an average household bill), this downplays the impact of large, unbudgeted RERT charges on Commercial and Industrial (C&I) customers. Energy affordability is a key priority, particularly for customers in energy-intensive, trade-exposed industries.”*

- Market Marking Arrangements in the NEM consultation paper, October 2018

*“Stanwell believes that a Market Liquidity Obligation supports the National Electricity Objective by providing price transparency, liquidity and access to contracts for all participants, including new entrant retailers.”*

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

### Outcomes for customers

- By reducing our operating costs, we bid more competitively and increase our proportion of supply into the market, which puts downward pressure on energy prices for consumers.
- Increasing our plant flexibility enables us to manage changes in electricity demand patterns so we maintain a reliable and secure supply of electricity for consumers.
- Greater customer choice and ‘fit for purpose’ energy supply contracts ensure our retail customers get the energy products that are best suited to their needs and provide them with value for money.
- As a diversified energy company, we draw upon the expertise across our business to provide our retail customers regular industry development and market updates. These updates keep our customers informed on trends that may impact their operations and helps them to better understand their energy requirements.
- Stanwell’s market making activities on the ASX ensures non-vertically integrated retailers have access to the energy contracts they need, supporting competition in the retail sector.

As part of our commitment to continuously improve outcomes for customers, we have committed to a range of [actions in 2019/20](#).

### 2.1 Ensure that investment, commercial and operational decisions are cost efficient, and explain how customers benefit from these decisions

#### Flexible and efficient operations to meet changes in how customers use electricity

The daily patterns of grid demand are changing as more renewables come online. With increased solar generation during the middle of the day, there is less demand for coal-fired generation at that time. However, we need to be ready when demand increases in the evening and solar goes offline.

Our coal-fired power stations are designed to run most efficiently at a relatively constant high level of output. Ramping up and down in response to demand changes is less efficient and more costly. However, we recognise we need to adapt the way we operate so we can better support the electricity market of the future. To do this, we have been conducting trials at our power stations to find ways to run them more flexibly (i.e. deeper load cycling).

Improving the flexibility of our coal-fired power stations will ensure we can respond to changing market conditions. It will allow us to reduce our exposure when renewable generation levels are high (thereby putting downward pressure on wholesale pricing) and to ramp up in the evening (when solar goes offline) to support peak demand and to ensure electricity users have secure and reliable energy supply. Unfortunately, the trials have demonstrated that running our plant flexibly increases emissions and wear and tear on the plant. In 2019/20, we will continue our investigations into plant flexibility to try and find the best balance between flexibility, emissions and efficient operations. Gas-fired generators have the ability to ramp up and down quickly in response to demand requirements. Over the summers of 2017 and 2018, we brought our 385 MW gas-fired Swanbank E gas-fired power station online to provide extra generation during peak demand periods. The increased supply provided energy security and stable prices for end users.

#### Reducing our operating costs to make electricity as affordable as possible

Operational costs across the supply chain have an impact on end users' bills. To ensure the energy we dispatch is affordable, we strive to run our operations as cost-efficiently as possible.

Our fuel supplies were a key focus of our cost leadership effort in 2018/19. We commenced a tender process to select an organisation which will operate our Meandu Mine over coming years (this process is ongoing), with a view to realising a reduction in our cost of coal. The cost of coal from Meandu Mine is approximately two thirds of the cost of generation at the Tarong power stations.

We also negotiated a long-term, cost competitive fuel supply agreement for Stanwell Power Station. This agreement secures a reliable, low cost supply of dispatchable electricity from Stanwell Power Station into the future, enabling Stanwell Power Station to support the safe and reliable transition to higher levels of renewable energy integration

## 2.2 Offer customers energy deals that best meet their needs, supported by effective tools and incentives for customers to manage their energy use and cost

#### Personalised account management

Our retail customers are large industrial and commercial businesses across a range of sectors. Our account management model provides personalised service to our customers. Each customer has a dedicated account manager as a single point of contact with direct contact details for any enquiries. Our account managers take a proactive approach to customer service including:

- account management plans to ensure consistency of service and relationship building;
- regular engagement with customers to keep them informed about regulatory changes, contractual matters, industry developments and market updates;
- visits to customers to better understand their operational needs;
- regular account reviews to ensure customers' contracts are suited to their needs; and
- retail events that provide customers the opportunity to engage with Stanwell and other large customers, and hear about the latest industry developments.

In 2019/20 Stanwell Energy will increase its focus on informing account managers to create a more streamlined, cohesive and consistent approach to customer service delivery. This training will ensure all customers receive the highest and most informed level of customer service from their personal account manager.

#### Bespoke contracts to suit our customers' needs

We work in collaboration with our customers to provide tailored solutions.

- Around 37 per cent of our customers are on highly tailored contracts. This means customers are able to proactively manage their exposure to the energy and environmental markets based on their own sophisticated requirements and risk appetite.
- Ten per cent of our customers have requested long-term price certainty. We work closely with these customers to protect them from price volatility by providing long-term contracts (of five or more years) that are competitive to the current market. We also provide flexible wholesale products to meet customer affordability and sustainability needs.

Through our retail survey, our customers told us they place a strong value on flexibility. To meet this need, in 2019/20 we will be offering new flexible solutions, providing more variety and making them simpler and more accessible to our customers. Stanwell Energy will also deliver a range of new contract offerings that are better aligned with broader customer requirements, giving customers greater control over how their electricity is procured.

#### Advance notice of significant bill impacts

Customers contract with Stanwell to achieve price certainty. However, when events outside of Stanwell's control occur, such as AEMO enacting the Reliability and Emergency Reserve Trader (RERT) mechanism, we advise our customers of impending pass through charges and where possible estimated impacts to their bills.

## 2.3 Work cooperatively across the supply chain and with other stakeholders to improve affordability over the short and long term

### Demand response arrangements with customers to manage affordability

To support system security and reliability, we have demand response arrangements in place with customers who have the means to generate their own behind-the-meter electricity during periods of peak demand. This reduces demand in the market during periods of high stress; supports downward pressure on wholesale prices for energy consumers by reducing volatility in the spot market; and provides cost savings to those customers on demand response arrangements.

### Fostering relationships with third party brokers

Third party brokers and consultants are key decision influencers in contracting decisions with existing and potential customers. Stanwell Energy regularly meets with third party brokers and consultants to understand any changes in contracting requirements for present and potential customers.

Each year, we hold events in Sydney and Melbourne to facilitate networking and discussions with meter data providers, network participants, and embedded network managers. This allows us to develop working partnerships with participants across the electricity market to help our customers get better outcomes i.e. leveraging these relationships to provide our customers access to more timely solutions to metering issues, connection problems, network and metering billing queries etc.

In 2019/20, we will focus on building relationships with third party brokers, specifically seeking opportunities for collaboration, so we can offer the best possible solutions to our customers.

## 2.4 Innovate to deliver competitive energy solutions for business and residential customers

To support increased competition in the small business and residential markets in Queensland, we have signed long-term wholesale deals with a number of small to medium sized energy retailers. These deals allow the retailers to be active in the market.

We have also commenced voluntary market making on the ASX (formally commenced 1 July 2019 but agreed in 2018-19) which is expected to improve confidence that consumers or their representatives can access both price information and hedging volumes consistently using standardised products. This initiative is aimed at increasing competition in many customer segments, including residential and small business.

## 2.5 Advocate on behalf of customers to improve energy affordability

### Involvement in reform processes to achieve customer affordability

With a view to minimising the long-term cost of the system which consumers ultimately pay for, we participate in policy, regulation and guideline development. Throughout 2018/19, major commitments were made in relation to:

- improving market transparency (e.g. Transparency of new projects, Enhancement to the Reliability and Emergency Reserve Trader, Market Making Arrangements in the NEM rule changes);
- avoiding unnecessary complexity (e.g. Draft Interim Qualifying Contract and Firmness Guideline, Short Term Forward Market consultation rule changes); and
- ensuring change (and the cost of change) is based on a holistic assessment of overall benefits being delivered to consumers (e.g. Short Term Forward Market consultation, Retailer Reliability Obligation Draft Rules, Prohibiting Energy Market Misconduct Bill 2018) and avoiding “change for changes sake”.

Stanwell actively contributes to discussions on the evolution of the NEM and associated regulatory framework across the energy industry, both through responding to consultation processes and industry working group/committee participation.

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

#### Outcomes for customers

- With safety one of our core values, our primary safety focus is to achieve our goal of Zero Harm Today for our communities, contractors and employees.
- We develop partnerships that foster the sustainable development of our host communities, and support activities that make a genuine 'quality of life' contribution for the long-term.
- Stanwell is aiming to encourage the growth of a hydrogen export industry in Central Queensland which would drive energy load growth in the region, ease pressure on the electricity network and support the growth of renewable energy.
- By regularly participating in activities and exercises we ensure our power stations are prepared for periods of peak demand and have the capability to provide safe and reliable electricity to Queenslanders.

As part of our commitment to continuously improve outcomes for customers, we have committed to a range of [actions in 2019/20](#).

#### 3.1 Maintain the highest standards of safety for our people, the community and the environment

##### Safe workplaces = healthier communities

To support our goal of Zero Harm and the ongoing development of our strong safety culture, we have implemented a single safe work system at all power stations. Previously we had three safe work systems used across the business and by consolidating these three systems into one, we have created consistencies and standardised our safety processes for everyone who works on our sites.

We rolled out a number of health, wellbeing and safety initiatives, including the MATES in Energy program, focused on prevention of suicide. Several of our safety initiatives were recognised by industry awards at a [national](#) and state level.

#### 3.2 Engage with customers and the community on investments and manage operations in line with their expectations, demonstrating how communities benefit

##### Water security and sustainable water practices

Coal-fired power stations need access to water in order to operate. Water security is also a key priority for many regional water users whose livelihoods depend on it, and it is often challenging to achieve the right balance for all parties. This is certainly the case within the South Burnett region, a primarily agricultural area of Queensland, which hosts our Tarong power stations and Meandu Mine.

To address competing needs around water use, we consult with irrigators and community leaders to consider their needs as well as the needs of our operations and the electricity market. [Learn more](#) about how we balance our water usage with the water needs of the community.

In 2019/20 we will adopt the International Association for Public Participation (IAP2) framework to guide our stakeholder engagement processes. This will allow us greater ability to review and improve our engagement, as well as provide us measures to report on our engagement in more detail. By moving to this model, we expect to be able to bring those impacted by our decisions and operations "into the tent" earlier and address their concerns more quickly.

##### Understanding our emissions profile and the impact on our stakeholders

The electricity sector remains the largest carbon dioxide emitting industry in Australia. Stanwell is a significant contributor. In 2017/18:

- For Oxides of Nitrogen and fine particulate matter, Stanwell Power Station and Tarong Power Station were in the top ten emitters in the Australian electricity generation industry, as reported in the [National Pollutant Inventory](#).
- Stanwell was third highest carbon dioxide emitter ([scope 1](#)) in Australia at 18.4 million tonnes as reported in the [National Greenhouse and Energy Reporting Scheme](#).

While our emissions are within allowable ranges, these rates are unfavourable to the market average. From 31 October 2019, when our renewable energy generation assets transfer to CleanCo Queensland, our coal-only NEM-connected portfolio will be even more unfavourable to benchmark levels for emissions. We are exploring [opportunities to evolve and renew our portfolio](#) to include low and no emission generation.

Air quality at and around our sites is important to our neighbours, local communities and our people. Stanwell operates within licence limits set by the Queensland and Federal Governments. These licence limits apply to a range of environmental parameters including air emissions. The air emissions at our power stations are monitored to ensure we stay within licence limits and are reported to the regulator, the [National Pollutant Inventory](#) and the [National Greenhouse and Energy Reporting Scheme](#).

We consider the way we operate our assets and the effect this has on our emissions. We actively monitor our operations in real-time, making operational adjustments as required to manage our emissions.

[Learn more](#) about our move to more transparently report our emissions.

## Supporting the communities in which we operate

We are a large economic contributor in the communities in which we operate. For example, Stanwell is the largest employer in the South Burnett region and is responsible for approximately one-third of the Gross Regional Product.

As such, we have a responsibility to support these communities in terms of building community economic capacity, preparedness and resilience.

We work closely with community leaders, near neighbours and stakeholders in each community to understand their priorities and to create relationships of trust. We do this through:

- participating in events that are important to the community;
- establishing community panels in relation to our community funding programs to determine the sorts of projects we attract and support; and
- listening to what our neighbours and communities tell us and adjusting our operations as appropriate.

Our employees also play an important role in our communities by regularly contributing their time and expertise to supporting community groups and regional learning initiatives including [STEM](#) in local schools and TAFE.

We support activities that make a genuine 'quality of life' contribution to the communities that host our assets, through our [Corporate Sponsorship Program](#) and their long term viability through our [Community Partnership Funds](#) at Tarong and Stanwell power stations. In 2018/19, we invested approximately \$290,000 in our local communities to support a variety of initiatives which will deliver long-term value to our host regions.

Going forward, there will be a greater focus on supporting activities and organisations that secure long-term sustainability and viability of the coal-dependent communities in which we operate. We will tailor our sponsorship and partnership funds program to support the development of new opportunities and work with our communities to support them in the energy transition to a future.

## Employment for local communities

We work with local communities to establish and maintain mutually beneficial relationships. A key part of this is employing locally. Stanwell employees live and work in the communities where we operate, and are actively involved in local community programs and activities. Our site leaders are well known in our communities and accessible to our neighbours at a range of community and regional development forums, site information evenings and site tours. As at 30 June 2019, we employed 697 (FTE) people at our sites and offices, the majority of whom are located throughout regional Queensland. We also indirectly employ

hundreds of contractors, through our business partners, in the local communities in which we operate.

## Procurement and local purchasing benefiting local businesses

Supporting local businesses is an important component of our procurement and purchasing decisions. Where possible, we 'buy local' to support the growth of local businesses, create local jobs and help the communities in which we operate. In 2018/19, more than 80 per cent of our total procurement spend was within Queensland.

## Investment in our power stations delivers economic and employment benefits to our local communities

Power station outages and overhauls provide significant flow-on economic and employment benefits to the regions in which we operate.

- In June 2018, a major overhaul of Stanwell Power Station's Unit 4 saw site numbers increase by more than 600 people and an estimated \$11 million injected into the local Rockhampton economy during the 77-day program.
- In September 2018, \$35 million was spent on Tarong Power Station Unit 3 overhaul works which saw 50 local people engaged by Stanwell's contractors for the duration of the outage.
- In June 2019, Stanwell Power Station's \$54 million overhaul of Unit 1 provided more than 650 short-term employment opportunities and provided \$10 million in flow-on economic benefits to the Rockhampton region.

We are mindful of the shift away from a fossil fuels economy which is currently occurring in many countries throughout the world. We acknowledge that the eventual closure of our coal-fired assets (currently planned to occur between 2036 and 2046) will have significant implications for our host communities. We are starting now to work with community leaders and a range of external experts to understand the role Stanwell can play in the decades leading up to this transition process.

## 3.3 Develop business strategy and manage operations to respond to the shift to a cleaner energy system that is already underway

### Flexible operations to support the move to a lower carbon future

In 2018/19, we completed a series of [low demand response trials](#) at Stanwell Power Station and Tarong power stations to prepare our plant for changing demand requirements and to allow us to better support Queensland's renewable energy future.

### Investigating biomass co-firing to reduce emissions

We are engaging with biomass suppliers to investigate the possibility of co-firing at either Tarong or Stanwell power station. Co-firing with biomass (which is considered a renewable energy fuel) has the potential for an alternative long-term fuel supply, and greater dispatch control relative to other forms of renewable energy.

### Precipitator improvements to reduce dust emissions

During 2018/19 Stanwell improved the [electrostatic precipitator rapping procedure](#) at Tarong power stations, which reduced airborne particulate concentrations released to the surrounding environment.

### The move to more transparently report our emissions

As part of our commitment to transparently report air emissions, [continuous emissions monitoring systems](#) (CEMS) have been installed at Stanwell and [Tarong power stations](#).

While the majority of generators in Australia use generic emissions factors to calculate their emissions to the National Pollutant Inventory (NPI), we made the decision to use real-time data (known as continuous emissions monitoring system or CEMS data) to report our 2017/18 data for Stanwell Power Station. This is considered a more transparent and robust method of reporting.

The voluntary move to CEMS provides greater transparency of air emission data that will assist us to modify our operations and decisions to limit impacts to our surrounding community and environment. CEMS was also installed at Tarong power stations in early 2019.

In 2019/20 we will undertake a portfolio wide assessment process to identify areas of priority across our key environmental aspects including particulates, other emissions, water and noise. This will allow us to develop supporting improvement initiatives. Based on the initiatives identified, associated complexities and cost, we will then build these into our five year budgets and business plans.

## 3.4 Work with government, other energy businesses, the community and industry bodies to develop a planned transition to a cleaner energy system

### Innovative network support agreement assists renewables connection to grid

Grid stability is essential to a secure electricity supply for Queenslanders. Through the operation of Kareeya Hydro Power Station, Stanwell is providing network support services to enable the Haughton Solar Farm to generate in compliance with grid system security requirements.

Stanwell is continuing to explore opportunities to provide network services that facilitate the introduction of additional renewables to the grid and support Queensland's transition to a lower carbon future.

## 3.5 Facilitate new services and technologies that support sustainable energy solutions that meet the changing needs of the market

Decisions about what generation capacity we can own and the extent of our involvement with new energy solutions sit with our shareholders, the Queensland Government. We are working with them to identify opportunities to meet evolving customer and market requirements. Within our existing mandate, we are also pursuing a range of opportunities to evolve our portfolio through new services and technologies.

### Hydrogen investigations support electricity security and reliability

We are investigating a [hydrogen demonstration project at Stanwell Power Station](#). A hydrogen plant would enhance the flexibility of Stanwell Power Station and enable us to continue playing an important role in facilitating Queensland's transition to a lower carbon future by providing network support services to facilitate additional renewable generation connections. Stanwell is engaging with potential customers, partners, technology providers, governments and industry groups to ensure the project considers multiple perspectives. Over time, the hydrogen industry could introduce new load into the Central Queensland area which would help offset the impact of transmission line constraints and loss factors, easing pressure on the electricity network and supporting the growth of renewables in the region.

### New services to support a safe and secure grid

Ancillary services are used by the Australian Energy Market Operator to manage the power system safely, securely, and reliably. These services maintain key technical characteristics of the system, including standards for frequency, voltage, network loading, and system restart processes.

As demand for electricity changes continuously across the system, generation needs to be adjusted to protect the system from collapse.

In 2018/19, we finalised the upgrade of the control systems at Stanwell Power Station to provide additional services that can be called upon to stabilise the grid when the frequency moves outside the acceptable range. We also offer these services from Tarong Power Station, making Stanwell the largest single supplier of a range of frequency control services in Queensland.

### 3.6 Implement solutions across the supply chains that support energy connection, service and reliability that meets customers' needs; and resolve service issues that impact customers and the community

#### Testing our ability to restart power supplies

This year, Tarong and Stanwell power stations participated in a collaborative ['trip to house load'](#) activity with Powerlink, Ergon, Energex and the Australian Energy Market Operator. The aim of the exercise was to prove our power stations have the capability to restore power to Brisbane - and Queensland more broadly - in the event that the system goes "black". A black system means a major part of the system, even a whole state, blacks out and is isolated from the rest of the National Electricity Market.

As part of the activity, Tarong Power Station rolled back to operating at its minimum operational load in response to a signal simulating a system "black" event and gradually increased generation to allow transmission to be reinstated to energise the transformer at South Pine – the main transmission node for Brisbane. Tarong Power Station's success in the pre-emptive activity proved we can turn the lights of Brisbane back on should the city ever face a blackout event.

Stanwell regularly participates in activities such as this as part of our summer preparedness initiatives.

#### Swanbank E Power Station's ability to meet demand response quickly

In 2017, we returned the gas-fired Swanbank E Power Station to full operational capacity. The decision ensured there was additional generation in the market to meet the demand for electricity. Since then, we have also successfully implemented flexible operating mode for Swanbank E Power Station, with the asset achieving 100 per cent availability during the peak electricity demand period of January to March 2019.

Being gas-fired, Swanbank E Power Station can respond more quickly to changing demand requirements than a coal-fired power station. Recent low load trials have successfully demonstrated that when online and operating at a low load (113 MW), the plant is able to ramp up to a high load (370 MW) within 10 minutes, ensuring electricity is available to meet the changing demand levels throughout the day.

### Principle 4: We will improve the customer experience

#### Outcomes for customers

- Simplifying bespoke arrangements and providing information and data on our customer portal improves the accessibility of structured products for smaller customers.
- Our personalised account management approach allows us to better understand our customers' needs and tailor their contract requirements as their needs change over time. This provides our customers a better level of service quality and consistency.
- Customer education and networking empowers our customers to make decisions and have greater control over their energy use and costs.
- Providing opportunities for our host communities to visit our sites and meet our people provides them avenues to provide feedback and raise concerns.

As part of our commitment to continuously improve outcomes for customers, we have committed to a range of [actions in 2019/20](#).

#### 4.1 Enable customers to get fair outcomes regardless of their ability or desire to participate in the energy market

##### Increasing access to products and offers through customer education

Large users often take advantage of structured products as a way of locking in current pricing for a portion of their long term billing, with the flexibility to take advantage of favourable market conditions as they occur in the future. This requires customers to have a thorough understanding of market factors – something larger businesses generally have the sophistication/capacity for while smaller businesses may not, given the resource intensity required.

In 2019, our retail business reviewed its large customer products to determine how to adapt these products for smaller customers. As a result, we are simplifying bespoke arrangements and providing information and data on our customer portal to help smaller customers to engage in structured products should they want to (with appropriate market advice from a licensed provider).

In the year ahead, we will look for ways to further support our customers to make better decisions about their energy use, including offering monitoring systems to allow businesses to better understand their energy use so they can consider operational improvements to reduce energy consumption and costs.

## **4.2 Empower customers by making sure all communication is clear, in plain terms, accessible and understandable; providing insightful and useful information and accessible tools; and streamlining access to, and portability of, customer energy data**

### **Stanwell Energy website redevelopment**

Making a decision to change energy retailers can be complex for some customers, particularly large commercial customers who have electricity as their greatest operating cost. To support customers to better understand who we are and what we do, we redeveloped the [Stanwell Energy website](#) in 2018 to improve its accessibility. The site now contains:

- simple and easy to understand market information including 'Energy Explainer' videos;
- more detail on the range of service offerings available; and
- information about the Stanwell people with whom our customers will deal directly when they work with us.

The website redevelopment is the first stage of a complete overhaul of the Stanwell Energy online customer experience, with the second stage focused on redeveloping the customer portal over the next 12 months. Improved functionality and access to reports and data will be included in the customer portal upgrade. A digital newsletter will also be introduced to inform our customers about market conditions, regulatory matters and key drivers affecting their energy costs. This will support customers to make decisions about their energy contracts.

### **Face-to-face contact with customers**

Understanding electricity contracting and how different environmental factors affect billing can be complex and difficult to understand. We work closely with our retail customers to inform, support and empower them to understand and discuss their business' energy requirements.

Stanwell Energy's account management approach involves ongoing direct contact between account managers and customers. Account managers have face-to-face catch ups with customers at their place of business to see first-hand how the business operates so they can provide service tailored to customers' specific needs. These visits also provide an opportunity for our account managers to:

- provide customers feedback on market conditions and specific indicators regarding their contracts;
- inform customers on changes in the market and regulatory environments and explain how these conditions might impact their ongoing energy costs; and
- answer any questions customers may have.

Our relationship-focused approach allows account managers and customers to build relationships over the term of their contract. It also develops rapport and trust between account managers and customers. We enjoy long-term relationships with most of our customers, evidenced by retention rates of 60 to 70 per cent.

### **Working collaboratively to achieve positive customer outcomes**

We work collaboratively with our customers to ensure positive outcomes for their businesses. In 2018/19 we worked with three customers to help them complete independent studies into sustainable solutions for their business' energy consumption. We supported their processes by providing market information and indicative pricing for the market scan aspect of their investigations. We also offered flexible contracting arrangements to facilitate their adoption of solutions identified through their investigations. Customer feedback has confirmed that our assistance in these processes has been vital to their decision-making processes and helped them to determine their future course of action.

Over the next 12 months we will continue to look for new ways to help our customers make better decisions about their energy use. We are undertaking a proof of concept with a third-party provider to commercialise a product that will enable our customers to review and analyse their energy consumption and demand in real-time and use this data to drive efficiencies and cost savings in their businesses.

### **Customer forums and networking events**

To support our customers to better understand the energy market and factors that may affect their energy costs, we held customer forums and networking events throughout the year, providing market insights, industry updates and information on relevant regulatory changes. These events include a question and answer session and a networking session where customers have the opportunity to meet with people from across our business and network, including our Chief Executive Officer, and to ask any questions they may have.

We are a corporate member of the Energy Users Association of Australia, often speaking at their conferences and available to their Board and members for discussions on energy market related matters.

### **Community information sessions**

Our operations impact on our host communities – operational, employment, environmental, economic, etc. To provide our host communities the opportunity to understand our operations, and to have their questions and concerns addressed, we host near neighbour and community information sessions on site and in our host communities (four each year in the South Burnett, one a year in Central Queensland and as required at our other sites to attend to emerging issues or concerns). The onsite sessions provide attendees a tour of the site before sitting

down with our Chief Executive Officer and members of our executive and site leadership teams to discuss our operations, market information, and any other pertinent industry or community issues.

#### **4.3 Ensure that innovation and design in products and services, as well as communication platforms and tools, are driven by customers' needs and preferences**

##### **Service delivery improvements driven by customer feedback**

With customer needs evolving over time in response to market and operational drivers, we commissioned an independent survey of our existing, former and potential customers. Energy costs, pricing volatility and sustainability were raised as key issues.

While Stanwell rated well in terms of accurate, timely and transparent billing, proactive account management and flexibility, the need to adapt and update product and service offerings to meet the contemporary and future market appetite was identified as an area for improvement. The survey also provided insights into how we can improve our service offering.

Based on this feedback, we have revised our retail strategy and will be implementing new products and services over the next 12 months, including:

- investment in customer-focused systems to improve customer experience and ownership;
- renewed online retail portal to improve customer access to data and reporting, and to simplify and make customer information clear and easy to follow;
- new innovative products e.g. energy monitoring to support our customers to adopt more energy efficient practices; and
- improvements to internal systems and processes to facilitate a more efficient retail organisation, reduce margin for error, and to provide more streamlined end-to-end processing and relationship management.

#### **4.4 Have effective and accessible dispute resolution processes, co-ordinated across the supply chain, to resolve customer issues and implement process improvements in response**

##### **Complaints Handling Procedure**

We have a [Complaints Handling Procedure](#) which we make available on our website that outlines how we manage and respond to stakeholder complaints.

##### **Managing customer complaints**

Our retail customers have dedicated account managers as a single point of contact for customer enquiries. Our personalised account management model and performance reporting focuses on building relationships with our customers so they can feel comfortable raising concerns and have confidence their concerns will be addressed. Customers also have access to Stanwell Energy's organisational chart, allowing them to escalate concerns should they need to.

##### **Addressing community concerns**

We actively listen to community concerns and expectations and consider them in our business planning. Our Community Relations team members live in our host communities. They engage directly with neighbours and community members on a daily basis. When issues or concerns are raised, our Community Relations team can access the relevant operational people to work with the community member and develop a solution.

Our stakeholder engagement activities focus on accessibility and inclusivity. We actively map stakeholders through a range of mechanisms (e.g. monitoring networks) and approach stakeholders proactively rather than wait for them to come to us with issues or concerns, adjusting our operations accordingly. We actively promote points of contact, including details on our website, community newsletters, and introductions to site staff at information sessions so community members can recognise and confidently approach our staff in the community to raise concerns.

In 2019/20, we will be seeking formal accreditation of our engagement framework, and commence the integration of the framework into our internal decision making processes. We will also be investing in a centralised stakeholder engagement tracking tool to provide better data and analytics that will enable us to engage with our stakeholders more effectively and better manage our relationships.

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

### Outcomes for customers

- Our retail customers feel supported during times of financial hardship.
- Our local communities and employees understand the transition underway in the energy market, and feel that Stanwell is working in the long-term best interest of the region.

As part of our commitment to continuously improve outcomes for customers, we have committed to a range of [actions in 2019/20](#).

### 5.1 Have processes to enable early identification of and engagement with customers at risk of vulnerability, coupled with intervention measures that can prevent customers falling into hardship

Our account management approach means we can discuss, at the earliest possible time, any hardships a business may be facing and work together to develop a solution that works for both us and the client. This includes businesses which may be facing a short-term cash flow issue.

### 5.2 Provide products and services that are tailored to customers facing vulnerable circumstances and support them to get back on track

Through Stanwell Energy, we work closely with our customers who are experiencing hardship.

A recent example of this is one of our retail customers who was facing financial difficulties due to the drought in New South Wales. Together, we developed a payment plan that helped them get back on track with their payments, while ensuring they had the energy needed to keep their business running.

### 5.3 Provide flexible solutions that are easy to access and are provided by specially trained frontline staff with expertise in supporting those customers who face additional barriers to engaging with the energy market

We do not retail to residential or small business that are most at risk of facing barriers to engaging with the energy market. Our retail clients are sophisticated large commercial and industrial customers. We are focused on providing these large energy users with flexible and affordable solutions as detailed under Principle 4.

### 5.4 Take a collaborative approach, partnering across the energy supply chain and with government and community service organisations to implement innovative solutions that improve outcomes (affordability or experience) for customers facing vulnerable circumstances

#### Supporting workers during industry transition

The Queensland Government has established the Energy Skills Advisory Committee with dedicated resources to lead the development of a framework to help workers and communities as the economy transitions to renewables.

The committee will be made up of the Queensland Government owned energy businesses, including Stanwell, relevant unions, Jobs Queensland, the Department of Natural Resources, Mines and Energy, Queensland Treasury and the Office of Industrial Relations.

A major part of the industry transition will be the planning and investment in training and skills.

This will be particularly important in the South Burnett where Stanwell's Tarong power stations and Meandu Mine are situated. Stanwell is the largest employer in the region and is responsible for approximately one-third of the Gross Regional Product.

## Case studies

### 1. Aligning our vision and strategy to serve energy users

Stanwell's vision, *Together we create energy solutions*, commits us to working with our customers, neighbours, host communities, business partners, regulators and owners to evolve the way we do business, so that our stakeholders and our business both benefit over the long term. In an industry which is rapidly changing, we believe our business will only remain relevant if we work with our stakeholders to ensure they are better off for our presence.

Our strategy converts our vision into a practical plan for the future. Short-term, our strategy focuses on security and affordability for consumers by running our low-cost power stations at sustained high capacity; while longer-term we are meeting consumers' changing needs by evolving our products and services.

Each year, we invite stakeholders to have input into our strategy process by speaking at our annual strategy workshop. This workshop is attended by our leadership group. Following these stakeholder sessions, our leadership group works together to evolve our strategy in response to the insights from our stakeholders. From 2019 onwards, we will invite stakeholders to participate in formulating our strategic response to key issues which they raise.

During 2018, we conducted employee surveys to determine our people's understanding of:

- our vision and strategy;
- how their role contributes to our vision and strategy; and
- whether the vision and strategy provide meaningful direction for them.

The 2018 survey indicated our vision and strategy are clear and understood by a broad cross section of the business, with 68 per cent of our people agreeing or strongly agreeing that they understand how their role contributes to Stanwell's vision and strategy.

However, feedback received through the survey indicated that there are parts of our business where our people do not receive consistent messages about how the work they do contributes to outcomes for our stakeholders and our business. As a result, it can be difficult for our people to make day-to-day decisions that balance the needs of our customers, neighbours and host communities with the commercial requirements of the business. We are working to improve this area, and we will survey our people again in 2019/20 to understand how successful our efforts have been.

### 2. Ensuring our operations address environmental and social expectations

Environmental management, including air quality at and around our sites, is important to our neighbours, local communities and our people. More broadly, how our emissions contribute to air pollution and greenhouse gases is of interest to governments, environmental groups and the general public.

Since transitioning to our Environmental Sustainability Policy in 2018, we have undertaken significant work to conduct our business in a manner that considers environmental consequences and opportunities, in conjunction with social and commercial imperatives.

At Meandu Mine, we are working with our contracting partner, Downer, to embed sustainability across all facets of our operations in a way that shifts operational culture beyond core regulatory compliance.

Over a three year period to 2018, several neighbours submitted complaints that dust, blasting practices and noise levels at our Meandu Mine were surpassing their tolerance levels. In response to each complaint, our Community Relations team and site leaders met with neighbours individually to understand their concerns. In early 2018, all relevant Stanwell and Downer leaders attended a workshop to understand how we were impacting our neighbours, why, and what actions we could take to address the situation. We identified and implemented a range of actions, including the location of dust monitoring units, the status of some rehabilitation work, and reviewing our internal procedures in relation to noise and dust trigger action response plans. As a result:

- We now schedule operational activities based on the weather conditions, in an effort to lessen the impact of noise, dust or vibration at neighbouring properties. Feedback provided by our neighbours since these changes has been positive and continues to inform ongoing improvements in site practices.
- We have reviewed the KPIs agreed between Stanwell and Downer. We identified that the dust complaints we received contained a common theme that it "was worst in the morning". Investigations identified that a previously agreed commercial KPI to reduce water truck usage (in order to conserve water) was having the opposite effect of raising environmental concerns by neighbours. We reviewed all mine KPIs to ensure alignment with our Environmental Sustainability Plan and to ensure Downer was in a position to implement Stanwell's Environmental Sustainability Policy at Meandu Mine.
- Engineers have adopted a continuous improvement approach to blasting activities to identify and implement practices that lessen impacts on our near neighbours.
- We have established an Environmental Working Group that is led by employees who work with site leaders, to identify projects or activities that improve Meandu's environmental performance. Some focus areas have included

Meandu's obligations under its Environmental Authority, progressive mine rehabilitation, recycling, noise and water management. Some of the employees involved live near the site and have provided a valuable perspective about their experiences in the neighbourhood.

Our extensive environmental monitoring network around Tarong power stations and Meandu Mine includes four monitors located on neighbours' properties and three monitors located on site. These monitors provide real-time data that feeds into operational decisions and execution.

To ensure the integrity of the data captured, it is validated each month by a third-party specialist. While this data has already prompted us to implement some changes to planning and practices, a key priority for 2019/20 is enabling site personnel to better use our environmental monitoring network when they make operational decisions. This is particularly important in relation to identifying when weather conditions may heighten the risk of our operations negatively impacting our community.

Stanwell and Downer work together to actively build and maintain quality relationships with our neighbours. In November 2018 and March 2019, site leaders from Tarong power stations and Meandu Mine met with 30 neighbours to discuss operations, listen to feedback and partner in the establishment of a Neighbourhood Consultative Committee. This committee meets twice a year to discuss both short and long-term operations. Other opportunities to connect with our neighbours include small individualised site tours that enable them to experience the site's operations first-hand, meeting with the people who work there and answering any questions they have. Our next priority in relation to this committee is to research how other organisations structure consultative committees to ensure participants have maximum opportunity to provide feedback. We will then evolve the way we structure these interactions with neighbours, to ensure they achieve best value from their interactions with us.

Building trust and credibility with our near neighbours and the communities in which we both operate requires consistently working together, listening and partnering in shared solutions. Our neighbours and community leaders all have direct contact details for our on-site Community Relations Advisor so they can make contact at any time and Stanwell will respond in a timely manner.

### 3. The move to transparently report our emissions

The electricity sector remains the largest emitting industry in Australia. Stanwell is a significant contributor. In the 2017/18:

- For Oxides of Nitrogen and fine particulate matter, Stanwell Power Station and Tarong Power Station were in the top ten emitters in the Australian electricity generation industry, as reported in the [National Pollutant Inventory](#).

- Stanwell was third highest emitter ([scope 1](#)) in Australia at 18.4 million tonnes as reported in the [National Greenhouse and Energy Reporting Scheme](#).

While our emissions rates are consistent across recent benchmarking periods and are within allowable ranges; these rates are unfavourable to the NEM average due to increases in renewable generation. This presents significant challenges. Going forward, as our renewable energy generation assets transfer to CleanCo Queensland (31 October 2019), our coal-only portfolio will be more unfavourable to benchmark levels for emissions, particularly NGERs reporting.

We report our emissions annually to the National Greenhouse and Energy Reporting Scheme (NGERS), an initiative of the Australian Government's Clean Energy Regulator, as well as the Australian Federal Government's National Pollutant Inventory (NPI).

We used real-time data (known as continuous emissions monitoring system or CEMS data) to inform our 2017/18 NPI report for Stanwell Power Station as this is considered a more transparent and robust method of reporting. Previously, we had used generic emissions factors to report our emissions at Stanwell Power Station, as permitted under the NPI guidelines and in keeping with the practices of the majority of generators in Australia. The voluntary move to CEMS provides greater transparency of air emission data that will be used to further optimise our operations and improve coal ignition efficiencies.

In the case of NOx at Stanwell Power Station, there was an increase of 99.5 per cent between the use of the previously used generic emissions factor and the real-time measured data for the 2017/18 period. Year on year, Stanwell Power Station's actual emissions have remained relatively unchanged, in line with the amount of electricity our power station has generated. What has changed is the methodology we use to report the emissions. As part of our commitment to transparently report air emissions and develop continuous improvement initiatives, a \$2.0 million CEMS was also installed at Tarong power stations in early 2019. From 2019/20, emissions from Tarong power stations will be reported using the new system.

We also conduct comprehensive air quality monitoring at Tarong and Stanwell power stations. During the 2018/2019 period we made significant improvements to the electrostatic precipitator rapping procedure at Tarong power stations. This has helped to reduce airborne particulate concentrations released to the surrounding environment. At Stanwell Power Station, we have undertaken extensive work on optimising combustion of the boilers to control emissions, as well as installing low NOx burners on all four of the generating units. This has helped to reduce the formation of NOx during the coal combustion process.

#### 4. Sustainable water practices, a top priority for Tarong power stations

Water is an essential requirement for electricity generation. Over the past 18 months, we have evolved our operations to ensure sustainable water management and use at our sites. Our decision-making regarding water takes a balanced approach, considering the needs and priorities of other users, our operations and National Electricity Market conditions.

##### **Balancing our water usage needs with local communities and broader energy users**

Boondooma Dam is the primary source of water for Tarong power stations. The dam was purpose built to provide water to the power station. Our high priority water allocation from [Boondooma Dam](#) means we pay a premium price to ensure water security, with water the single biggest operating cost at Tarong power station.

Tarong power stations also have access to water from Lake Wivenhoe; however a substantial premium is paid for this water. Generally, we draw water from Lake Wivenhoe when Boondooma reaches 34 per cent capacity as we need to keep the cost of generation low in order to maintain downward pressure on wholesale electricity prices. However, in April 2019 after considering the current and future impact of drought conditions and the North and South Burnett communities' dependence on the Boondooma water supply, we started drawing water from Lake Wivenhoe before the 34 per cent threshold was reached. We currently draw 68 per cent of water required for generation at Tarong power station from Boondooma Dam, with 32 per cent sourced from Lake Wivenhoe.

We will continue to monitor dam levels at Boondooma Dam so we can respond to any potential water shortage by increasing supply from Lake Wivenhoe. We also discharge excess water from our operations back to Meandu Creek Dam, supplying irrigators along Meandu Barker Creek.

##### **Working with the community to shape our water strategy**

In the past five years, we have built and maintained strong relationships with other water users, taken on board their feedback, and kept the community informed as part of our planning processes.

We regularly meet with the Meandu Barker Creek Water Advisory Committee which includes downstream users and irrigators, to openly discuss their preferences and our long-term water strategy.

In October 2018, we assisted the Meandu Barker Creek Water Advisory Committee to hold its Annual General Meeting and elect a new committee. This committee and other users were invited to Tarong power stations in December 2018 and again in June 2019.

One of the issues raised by this group included a perception that Tarong power station water releases contributed to an overall increase in salinity levels within the groundwater catchment that Nanango's town water was drawn from.

A proactive approach has been implemented whereby Stanwell employees undertake additional sampling prior to each meeting to provide assurance and confirmation that the water discharges into the creek are both within Environmental Authority limits and further, not contributing to the broader salinity challenges for this locale.

Over the past 12 months, we also hosted two BBQs with other water users at Tarong power stations to provide them with information on Stanwell's water strategy.

##### **Our sustainable water practices**

Tarong power stations have been reusing cooling tower blowdown water to replace Boondooma Dam water. To enable this, we required approval to increase salinity discharge limits under the power station's Environmental Authority. Under the current approval, when Boondooma Dam is at 40 per cent, we are able to increase the number of times we recycle water through the site, in order to conserve water. The number of cycles is increased again when Boondooma Dam levels drop to 30 per cent. While the water we release into Meandu Barker Creek has a higher level of salinity as a result, it does meet the environmental release limits which have been put in place to protect the ecological values of the creek.

As required under our Environmental Authority, we undertake aquatic ecosystem surveys every three years or if conditions change, for example if we were to commence releasing a greater volume of water or water of a higher than normal salinity to Meandu Barker Creek. The surveys have indicated that our operations at Tarong power stations are not having an adverse impact on the ecosystem health of the creek. After each survey is completed, we share a summary of the results with the Meandu Barker Creek Water Advisory Committee who then distribute this information more widely with other downstream water users.

We will continue to look for additional cost-effective opportunities to reduce our overall water consumption and will continue to engage with local communities and other users to ensure responsible and sustainable use of water resources. We are currently working with Seqwater to develop a strategy to ensure Tarong power stations can use Purified Recycled Water (PRW) once the Western Corridor Recycled Water Scheme is re-commissioned and investigating solutions to issues associated with PRW and discharge limits in Meandu Barker Creek.

## Our focus in 2019/20

Action	Principle/s to which the action applies				
	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5
Review of company values, particularly as it relates to working with stakeholders and customers for mutual benefit					
Undertake a stakeholder research project to gain a clear understanding of the status of the relationships between Stanwell and its key stakeholders. The survey will be structured to compare expectations of Stanwell against perceptions of the business' performance and the level of trust we hold with our most important stakeholders. This approach will highlight gaps between stakeholder expectations and their perceptions of performance, which in turn will identify practical actions for Stanwell to ensure the way we do business is in step with our stakeholders' expectations of us.					
To address feedback from one of our 2018 employee surveys, we will work to improve our people's understanding of how their work contributes to outcomes for our stakeholders and our business. This will help them to make day-to-day decisions that balance the needs of our customers, neighbours and host communities with the commercial requirements of the business. Progress against this will be measured in a further survey planned for 2019/20.					
Leaders throughout the business will review their team plans for 2019/20 to ensure the plans recognise the value of engaging with stakeholders when delivering on initiatives/activities					
As part of our strategy process, we will invite stakeholders to participate in formulating our strategic response to key issues which they raise.					
Support our customers to make better decisions about their energy use, including implementing monitoring systems to allow businesses to better understand their energy use so they can consider operational improvements to reduce energy consumption and costs.					
Implement a more sophisticated tool to track issues and monitor stakeholder sentiment – use data in our decision making processes and to track our progress on achieving mutual benefit for our stakeholders and our business.					
Further refinement of our Environmental Sustainability Assessment Tool. It will be transitioned from an Excel-based application to a more robust and user friendly system. It will help incorporate environmental sustainability assessment requirements into Stanwell's decision making processes.					
Trial new ways to improve the flexibility of our coal-fired plant so that we can ramp up and down in response to changing demand patterns caused by the increasing amount of solar generation in the market.					
Develop a targeted performance and sustainability focus areas for each site in line with asset mission requirements and environmental sustainability policy.					

Action	Principle/s to which the action applies				
	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5
Complete an environmental scan of key factors influencing community and legislative expectations for key environmental aspects (Particulates, CO2, SOx, NOx, water and noise).					
Upgrade Stanwell Energy customer portal to improve functionality and access to reports and data, and make it more user-friendly with easy to understand information.					
Stanwell Energy to deliver a range of new contract offerings that are more aligned with broader customer requirements, giving customers greater control over how their electricity is procured.					
Stanwell Energy to introduce a newsletter for customers to inform and educate customers on market conditions, regulatory matters and key drivers affecting their energy costs. This will support our customers to make more informed decisions about their energy contracts.					

## Appendix: Principles in action evidence table

Principle in Action	Evidence	Outcomes	
<b>Principle 1: We will put customers at the centre of our business and the energy system</b>			
1.	Have a Board that actively oversees the business' culture so as to be aligned with Energy Charter Principles	<ul style="list-style-type: none"> <li>• Annual Board events to engage with regional stakeholders</li> <li>• A new Board approved Environmental Sustainability Policy</li> <li>• A new Board approved Risk Appetite Statement</li> <li>• A new Board approved vision</li> <li>• Board Handbook</li> <li>• Board Charter</li> <li>• People and Safety Committee Charter</li> <li>• Energy Charter disclosure signed off at Board level</li> </ul>	<p>Stakeholders feel that Stanwell does the 'right thing' to meet their individual needs</p> <p>A customer focused Board fosters a customer-centric culture and better customer outcomes</p> <p>A new retail strategy that improves the choice of products and services available to customers and a better customer experience</p>
2.	Have management operationally accountable for embedding a 'customer at the centre' culture	<ul style="list-style-type: none"> <li>• Corporate incentive payments linked to customer outcomes of 'affordability' and 'reliability'</li> <li>• Business strategy which seeks to meet energy users' short and long-term needs</li> <li>• A new management approved retail strategy and retail networking events</li> <li>• A new Environmental Sustainability Policy and a number of initiatives which have been approved under the new policy.</li> </ul>	<p>A new retail strategy that improves the choice of products and services available to customers and a better customer experience</p> <p>Customer/social benefits and implications are part of our decision making processes leading to better customer outcomes</p>
3.	Ensure our workforce is engaged and incentives are aligned to drive positive customer outcomes	<ul style="list-style-type: none"> <li>• Outcomes of 2018 employee engagement survey</li> <li>• Corporate incentive payments linked to customer outcomes of 'affordability' and 'reliability'</li> </ul>	
4.	Have robust processes to determine customer and community needs and be accountable on how feedback has been considered and incorporated into decision making	<ul style="list-style-type: none"> <li>• Established Complaints Handling Procedure</li> <li>• Community Partnership Fund</li> <li>• 2018 retail customer survey</li> <li>• Change in operations at Meandu Mine in response to stakeholder feedback</li> </ul>	
5.	Demonstrate a culture of innovation and collaboration for positive customer outcomes including through the sharing of insights with government, research institutions and across the supply chain, as well as joint advocacy on regulatory, policy and operational issues	<ul style="list-style-type: none"> <li>• Participation in policy, regulation and guideline development</li> <li>• Voluntary market making initiative</li> <li>• Regulatory engagement</li> </ul>	

Principle in Action		Evidence	Outcomes
<b>Principle 2: We will improve energy affordability for customers</b>			
1.	Ensure that investment, commercial and operational decisions are cost efficient, and explain how customers benefit from these decisions	<ul style="list-style-type: none"> <li>Changing our power stations' operations to be more flexible to respond to consumer demand for electricity</li> <li>Reduction in operating costs through efficiency and optimisation initiatives (including benchmarking exercise)</li> <li>Negotiated long-term, cost competitive fuel supply for Stanwell Power Station</li> <li>Commenced a competitive tender process for a new mine contract for Meandu Mine which is expected to reduce fuel costs for Tarong power stations</li> </ul>	<p>Reduced energy costs for customers</p> <p>A reliable and secure supply of electricity for consumer</p> <p>Increased visibility on pricing and 'pass through' costs/margins for customers</p> <p>Greater customer choice or 'fit for purpose' energy supply contracts</p>
2.	Offer customers energy deals that best meet their needs, supported by effective tools and incentives for customers to manage their energy use and cost	<ul style="list-style-type: none"> <li>37 per cent of customers are on highly tailored contracts</li> <li>10 per cent of our customers require long-term price certainty</li> <li>Personalised approach to account management – single point of contact</li> <li>Advance notice of significant bill impacts</li> </ul>	<p>Improved customer literacy on energy pricing</p>
3.	Work cooperatively across the supply chain and with other stakeholders to improve affordability over the short and long term	<ul style="list-style-type: none"> <li>Demand management response arrangements with customers</li> <li>Working with brokers to manage customer issues</li> </ul>	
4.	Innovate to deliver competitive energy solutions for business and residential customers	<ul style="list-style-type: none"> <li>Wholesale deals with small to medium sized retailers to increase competition in the small business and residential markets</li> <li>Participation in the voluntary market making initiative</li> </ul>	
5.	Advocate on behalf of customers to improve energy affordability	<ul style="list-style-type: none"> <li>Involvement in reform processes to improve affordability</li> </ul>	
<b>Principle 3: We will provide energy safely, sustainably and reliably</b>			
1.	Maintain the highest standards of safety for its people, the community and the environment	<ul style="list-style-type: none"> <li>Water management practices</li> <li>Emissions monitoring and management</li> <li>Health and safety performance</li> </ul>	<p>A safe workplace for our communities, contractors and employees</p> <p>Sustainable development of our host communities through activities that make a genuine 'quality of life' contribution for the long-term</p> <p>Through our hydrogen project, drive energy load growth, ease pressure on the</p>
2.	Engage with customers and the community on investments, and manage operations in line with their expectations, demonstrating how communities' benefit	<ul style="list-style-type: none"> <li>Social investment and community partnership funds</li> <li>Local employment outcomes</li> <li>Local purchasing and regional economic benefits</li> </ul>	

	Principle in Action	Evidence	Outcomes
3.	Develop business strategy and manage operations to respond to the shift to a cleaner energy system that is already underway	<ul style="list-style-type: none"> <li>Flexible operations to support the move to a lower carbon future</li> <li>Investigation of biomass co-firing to reduce emissions</li> <li>Continuous emissions monitoring initiative</li> </ul>	<p>electricity network and support the growth of renewable energy</p> <p>Our power stations are prepared for periods of peak demand and have the capability to provide safe and reliable electricity to Queenslanders.</p>
4.	Work with government, other energy businesses, the community and industry bodies to develop a planned transition to a cleaner energy system	<ul style="list-style-type: none"> <li>Progressive rehabilitation at Meandu Mine</li> <li>Network support agreement for Haughton Solar Farm</li> </ul>	
5.	Facilitate new services and technologies that support sustainable energy solutions that meet the changing needs of the market	<ul style="list-style-type: none"> <li>Hydrogen investigations support electricity security and reliability</li> <li>Ancillary services to support a safe and secure grid</li> </ul>	
6.	Implement solutions across the supply chain: a) that support energy connection, service and reliability that meets customers' needs b) to resolve service issues that impact customers and the community	<ul style="list-style-type: none"> <li>Working with energy market participants to test our ability to restart the power system</li> <li>Return to service of Swanbank E Power Station (including fast response trials to meet consumer demand for electricity)</li> </ul>	
<b>Principle 4: We will improve the customer experience</b>			
1.	Enable customers to get fair outcomes regardless of their ability or desire to participate in the energy market	<ul style="list-style-type: none"> <li>Simplified bespoke contracts</li> <li>Information and data on our customer portal</li> </ul>	<p>Simplified bespoke arrangements</p> <p>Information and data on our customer portal that improves the accessibility of structured products for smaller customers</p> <p>Personalised account management allows us to better understand our customers' needs and tailor their contract requirements as their needs change over time</p> <p>Customer education and networking empowers our customers to make decisions and have greater control over their energy use and costs</p> <p>Opportunities for our host communities to visit our sites and meet our people provides</p>
2.	Empower customers by: a) Making sure all communication is clear, in plain terms, accessible and understandable b) Providing insightful and useful information and accessible tools c) Streamlining access to, and portability of, customer energy data	<ul style="list-style-type: none"> <li>Stanwell Energy website redevelopment</li> <li>Personalised account management</li> <li>Studies into sustainable energy solutions for our customers</li> <li>Customer networking events</li> <li>Community Information Sessions</li> </ul>	
3.	Ensure that innovation and design in products and services, as well as communication platforms and tools, are driven by customers' needs and preferences	<ul style="list-style-type: none"> <li>New retail strategy informed by customer feedback</li> </ul>	

	Principle in Action	Evidence	Outcomes
4.	Have effective and accessible dispute resolution processes, co-ordinated across the supply chain, to resolve customer issues and implement process improvements in response	<ul style="list-style-type: none"> <li>Complaints handling processes</li> <li>Approach to community relations</li> </ul>	them avenues to provide feedback and raise concerns
<b>Principle 5: We will support customers facing vulnerable circumstances</b>			
1.	Have processes to enable early identification of and engagement with customers at risk of vulnerability, coupled with intervention measures that can prevent customers falling into hardship.	<ul style="list-style-type: none"> <li>Early identification of issues through personalised account management (dedicated account manager for customers)</li> </ul>	Our retail customers feel supported during times of financial hardship  Our local communities and employees understand the transition underway in the energy market, and feel that Stanwell is working in the long-term best interest of the region
2.	Provide products and services that are tailored to customers facing vulnerable circumstances and support them to get back on track.	<ul style="list-style-type: none"> <li>Payment plan for customer experiencing financial hardship</li> </ul>	
3.	Provide flexible solutions that are easy to access and are provided by specially trained frontline staff with expertise in supporting those customers who face additional barriers to engaging with the energy market.	<ul style="list-style-type: none"> <li>We do not retail to residential or small business that are most at risk of facing barriers to engaging with the energy market. Our retail clients are sophisticated large commercial and industrial customers. We are focused on providing these large energy users with flexible and affordable solutions as detailed under Principle 4.</li> </ul>	
4.	Take a collaborative approach, partnering across the energy supply chain, and with government and community service organisations to implement innovative solutions that improve outcomes (affordability or experience) for customers facing vulnerable circumstances.	<ul style="list-style-type: none"> <li>Supporting workers through the Energy Skills Advisory Committee</li> </ul>	