

2022 Energy Charter Disclosure Report



*Owned by the
people of WA*

HORIZON
POWER


Acknowledgement of Country

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

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

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

Location: Gascoyne

An aerial photograph showing a rugged coastline. The sea is a vibrant turquoise color, with white foam from breaking waves crashing against dark, jagged rocks. The rocks are scattered across the shoreline, some partially submerged. The overall scene is dynamic and captures the raw beauty of a coastal environment.

CEO & Board Report

Our journey toward becoming a more customer-centric organisation continued this year, as we made significant progress to further embed the customer voice across our business.

Evolving into a customer-centric business takes time, but over the past three years we've worked diligently at both the Executive and Board level to help embed a customer-focused culture at Horizon Power.

We are pleased to share our progress on this journey in this year's disclosure report, our third annual update since Horizon Power became the first Western Australia-based signatory to the Energy Charter in November 2019.

As a vertically integrated electricity utility, our operations extend across all facets of the energy supply chain: generation, transmission, distribution and retail services. We recognise that, in many instances, Horizon Power is the only power solution on offer for our customers. However, notwithstanding the limitations that a non-contestable market can impose on a customer base, our goal is to always seek the opinions of our customers, embrace their feedback and to continually look for ways to best meet their current needs and prepare for the future.

Our role as an Energy Charter signatory aligns with our guiding principles of Community Involvement; Aboriginal and Torres Strait Islander Commitment; Cleaner, Greener; and Regions First. This drives us to foster a positive customer experience at every stage of our customer's journey. From completing an online new account application, requesting an extension for bill payment, managing energy costs through our Prepaid Power App, lodging an application for a rooftop solar system, or discussing future energy systems across WA, we proactively engage and listen to our customers - evolving our products and services to reflect their feedback and insights whenever possible.

We're proud of the way we're creating and delivering the energy transition journey with our customers. Our work in Esperance with the Shark Lake Renewables Hub is just one example of how our community engagement is paying dividends for our customers - in this instance, helping the community evolve toward an energy system powered by approximately 50% renewable energy.



Stephanie Unwin
Chief Executive Officer



Sandra Di Bartolomeo
Director / Chair Horizon Power People, Safety and Culture Committee

We have worked closely with customers to build a solid understanding of their challenges and how we can design solutions to solve these problems. This year we resolved the complex challenge of hosting capacity constraints on our microgrids. This extensive project revised technical calculations for each microgrid, helping us identify additional hosting capacity whilst maintaining network reliability and stability. These revisions enabled the release of an additional 7MW of additional hosting capacity, benefiting 1,060 customers.

We're proud of the progress we made this year, but recognise we still have work to do. In the coming year, we will establish a Customer Council as an enduring, independent customer advocacy mechanism to elevate key decision making across the organisation. Plans are also well underway for the development of products and services that level the playing field and provide greater opportunities for customers to reduce their energy bills.

We are pleased to share our recent progress with you and look forward to your feedback and ongoing collaboration as we work together to deliver the Energy Charter vision.

A handwritten signature in black ink, appearing to read 'Stephanie Unwin'.

Stephanie Unwin
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Sandra Di Bartolomeo'.

Sandra Di Bartolomeo
Director and Chair of the People, Safety and Culture Committee

Highlights

Key customer outcomes

Improving the customer experience

51

Net Promoter Score

2021 = 59 (record high)

Energy industry NPS benchmark: -23 to -38[^]



Launched our new public website to improve the digital experience and enhance self service for customers

~25%

Hardship debt reduction



Enhanced the experience for customers and solar installers by launching an automated online renewable energy system application on our new website.

9

9 new local call centre members

Launched local, phone-based support service across six regional depots



16 hours hydrocarbons off in Kalumburu

Improving energy affordability

\$14.51M

In relief payments

Delivered \$400 household energy credit, effective 1 July 22, to every residential customer on behalf of the State Government.

1,060

customers approved for solar

Resolving technical challenges and reviews have supported the release of approximately 7 MW of hosting capacity

69%

Increase in customer concessions

Added concessions to an additional 1,589 customer accounts

Improving support for customers facing hardship

19%

reduction in hardship customers

1,353 customers effectively managed through the Hardship Customer Assistance Program with successful case management resulting in a 19% reduction in overall hardship customers under management



Customer Service on the Move

We launched Customer Service on the Move to provide personalised services for customers in remote towns unable to access our offices



Proactive hardship assistance

Launched the Household Energy Efficiency Scheme ('HEES') to educate and empower hardship customers through the 'Energy Coach' behavioural change program

Focus areas for 2023

While great progress has been made to remove constraints to rooftop solar installations through the revision of technical hosting capacity calculations, we must continue to find more ways to enable customer access to renewable energy.

Ensuring reliability and stability of the network with increasing levels of renewable energy integration is a priority and a strategic initiative has been developed to resolve these challenges. We will deploy distributed energy resource management systems (DERMS) so we can remove hosting capacity limits and increase solar access for our customers.

Developing tailored products to support equitable access to renewable solutions and to improve energy affordability continues to be a focus area. Solutions in development include subscriptions to community scale renewable energy services and demonstrating the benefits of electrification and transitioning appliances to energy-efficient electric equivalents.

Enhance customer self service opportunities and provide tailored personalised digital communication on the new Horizon Power App for residential and business customers.

Promoting energy efficiency behaviours through further customer behavioural campaigns to assist with reducing cost-of-living pressures for our customers.

Preparing regional WA for electric vehicles (EV) and providing public charging infrastructure, EV products and services designed and ready to promote the adoption of zero emissions vehicles.

Improving outage management and how we communicate this with our customers, particularly customers on life support, is a priority focus for our business.

[^]Energy industry NPS benchmark : -23 to -38 across jurisdictions (-32 for small business) : source : Energy Consumers Australia : Sentiment Survey Findings

Principle 1

STATUS: **ON TRACK**

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

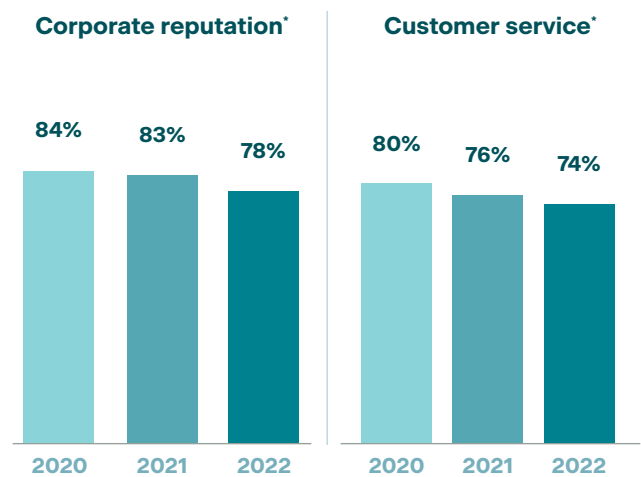


We place customers firmly at the centre of all that we do at Horizon Power, in alignment with our guiding principles and to ensure their needs are considered in decision making at all levels of the organisation. Engaging with customers provides us with valuable information as we develop innovative products and services to continue to meet the evolving needs of our customers.

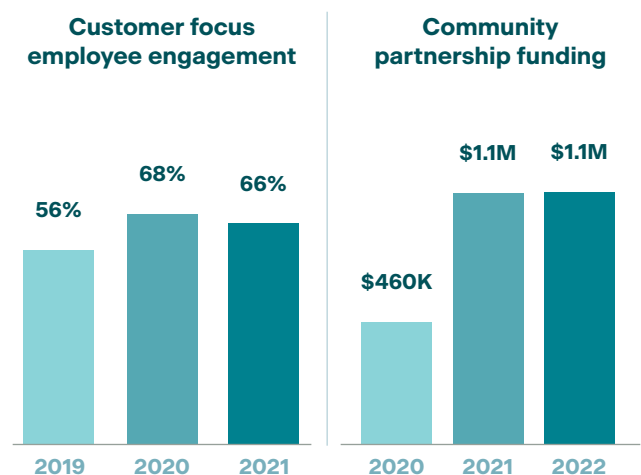
Outcomes achieved

- To ensure frequent and ongoing engagement to our remote towns outside of our regional depot locations, we developed our Customer Service on the Move program. The program provides our customers with an opportunity to seek information and share their opinions and service requests with us. The engagement schedule commenced in July 2022, as the program roll-out was impacted by resourcing constraints and impacts from COVID-19.
- IAP3** We expanded our **Voice of Customer (VoC) framework** beyond the Board level, capturing customer insights from our bi-monthly pulse surveys, contact centre reports and community engagement events for use in our internal channels and to inform decision making. Insights are themed according to prevailing customer topics, with customer stories rolled out internally via physical activations through life-size customer persona avatars.
- IAP2** **IAP3** We now include a 'customer share' in each of our depot's pre-start meetings to increase and elevate the customer focus across the organisation. The VoC continues to be included in the People, Safety and Culture Committee (PSCC) Customer Report, the VoC highlights report and the customer onboarding pack for new Board members.
- Expanded deployment of Integrated Resource Planning (IRP) across 10 regional towns. Community Engagement was conducted at each location, with key stakeholder consultation and customer workshops delivered. Valuable customer insights are incorporated into the design and decision-making process as we develop the future generation systems, with an ambition to increase the level of customer solutions.

How we measure outcomes



*Source: 2022 Annual Brand and Customer Satisfaction Survey. While residential customer ratings of reputation and customer service remain steady, the decline in results is attributed to lower results from business customers due to sentiment toward generation outages. An action plan to improve outage notifications for business customers combined with system operational improvements is underway.



Expanding opportunities for personalised customer support and direct contact for customers to share their service needs with us.



\$1.1M

2022 Community partnership funding

Work in progress



A 'Customer Essentials' program is in development to establish customer-centricity principles and improved understanding of our customers for all employees. The program incorporates

empathy questions to be answered after listening to a series of customer service calls. This Customer Essentials program will be introduced as a mandatory requirement for new employee inductions, and rolled out retrospectively to all existing employees, Executive and Board members.

Commitments for the future

IAP4 While we have extensive community and stakeholder engagement activities across our business, we have now formalised this process through a **Community & Stakeholder Engagement Framework** which has been approved by Horizon Power Executive and embedded across the business.

IAP2 **IAP4** **IAP12** We have committed to establish a Customer Council as a decentralised, independent accountability review panel, and as a more enduring customer advocacy mechanism to elevate key decision making.

We are committed to delivering our next zero hydrocarbon town. Feasibility studies are underway to identify the most viable location for this to proceed. This will be delivered through the IRP process and with extensive community engagement to ensure this is a co-created solution.



Esperance customer

How we're tracking on the promises we made

✓ Achieved

Implemented a regular and structured roster of face-to-face engagement across all remote towns with the Customer Service on the Move program. This program provides tailored services to customers who otherwise would not be able to receive personalised support and will particularly benefit customers with language or other challenges.

✓ Achieved

Implemented the enterprise-wide Voice of Customer program which is now in Phase 2, being deployed across the business.

Principle 2

STATUS: ON TRACK

We will improve energy affordability for all our customers.



Delivering solutions that enable customers to reduce their energy bills supports our 'energy affordability' strategic goal. Despite the Uniform Tariff Policy, northern WA's climate drives substantially higher energy consumption compared to the Perth metropolitan area, resulting in electricity bills which often run 70-90% higher than the rest of the state. We aim to do all we can to ease this financial burden and have an ambitious goal to provide products and solutions that will enable customers to reduce energy bills by 2025.

Outcomes achieved

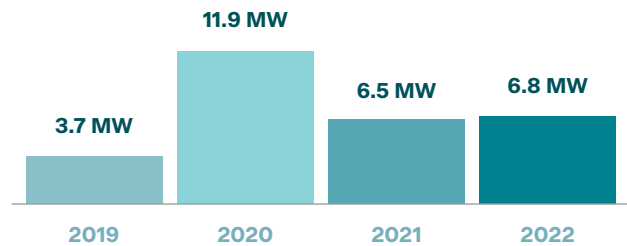
- The success of our **Distributed Energy Resources Management System (DERMS)** in Onslow demonstrated the ability to overcome the technical barriers of increased renewable energy on our networks so more of our customers can install rooftop solar and reduce their energy bills. With approximately 60% of our systems currently facing hosting capacity constraints, the lessons learned from Onslow are helping us realise our strategic goal of 'zero refusals when connecting to rooftop solar by 2025'. We are well on our way to achieving this goal, with additional revisions to technical calculations enabling 1,060 customer applications for the 7MW of hosting capacity in the most recent financial year.
- We continued to roll out a combination of nine utility scale power station **battery energy storage systems (BESS)** and network-scale community batteries to support the release of solar hosting capacity and enable new products such as Solar Smoothing Services. The BESS solution improves power supply reliability for our customers and enables the storage of surplus energy. The project will allow 3,000 households in regional WA to switch to rooftop solar systems and realise potential savings of 8-10% annually in high energy consumption towns.
- We're on track to commission our first **community batteries** in Broome later this year, enabling more customers to participate in rooftop solar. The batteries will facilitate more than 1,400 kW of hosting capacity; the additional allocation was exhausted in 15 minutes in February, demonstrating the growing appetite for rooftop solar in our communities. Our community battery project supports our new **Solar Smoothing service** for business customers. The subscription-based service makes it easier for businesses to access solar energy and avoid costly up-front expense of purchasing, installation and ongoing maintenance costs of their own smoothing batteries. The Solar Smoothing service was fully subscribed at launch, with three business customers saving a total of \$1.35m in avoided upfront battery costs and a forecast improved solar payback period of 50%.
- We introduced the **Renewable Energy System Application (RESA)** tool, allowing us to process all solar applications on an equitable basis. The redesigned RESA process resolves customer and solar installer pain points and sets the foundation to support the transition to more renewables across regional WA, helping us deliver on our commitment of zero refusals when connecting to rooftop solar by 2025.
- **IAP9** We're continuing to help schools across WA reduce their energy bills as we expand our current **Solar Schools initiative**; installation is now complete on 30 schools with a further 32 regional schools planned for installation through June 2023. Funded through the State Government's Schools Clean Energy Technology Fund, these new solar systems will collectively reduce the Department of Education's greenhouse gas emissions by more than 1,000 tonnes annually, equivalent to permanently taking 300 petrol cars off the road. We expect the program to reduce schools' annual electricity bills by approximately 24% – a meaningful reduction, as energy costs often represent a significant portion of a school's operating budget.
- We engaged with local governments before developing our business case to deliver **energy-efficient LED streetlights** across regional WA to help reduce local council energy bills, improve night-time visibility and safety in our local communities. We are currently seeking external grant funding to support the project and eliminate related costs from contributing to increasing LED tariffs as part of the program delivery.

Work in progress

- We're collaborating with Synergy to deliver the charging infrastructure for the State Government's **electric vehicle (EV) fast-charging network** by installing 98 EV chargers at 49 locations across the state. The first of 98 stations is expected to be operational early in 2023. These fast-charging stations are a first step in reducing the barriers for EV use across our vast state. Understanding the impacts and benefits of EVs within the context of our microgrids is critically important. We have plans in place for a vehicle to grid trial, which will help us gain insights into how EVs and smart chargers can play a pivotal role in future energy systems. Additional work will involve developing tariffs to encourage vehicle charging during off-peak times so our microgrids can support EVs once they are more widely in use.
- We have developed a product strategy and are progressing to assess the viability of new tariffs and energy solutions, with new concepts developed through our customer co-creation framework. Our tailored products and solutions will provide opportunities for all customers to reduce energy bills and ease cost of living pressures.
- The Esperance Energy Transition Project** is our demonstration of the benefits of electrification through transitioning gas appliances to energy-efficient electric equivalents. The energy transition has the potential for up to a ~40% residential energy bill decrease compared to existing gas bills. The project will serve as a case study to identify opportunities for broader implementation of electrification for low income households. The energy transition will be complete by March 2023 with up to ~96 tonnes of carbon emissions reduction per annum expected. We are

How we measure outcomes

Additional customer rooftop solar approved*



*Source: Renewables Application Tracker

collaborating with the WA Department of Communities (DoC) to develop a holistic, systemic retrofitting of DoC homes in regional WA.

- We're preparing to launch a **new customer product** in the coming year, a subscription-based renewable energy service for our residential customers who are unable to access conventional rooftop solar. This product addresses the current inequity for customers who cannot access renewables due to renting, financial constraints and hosting capacity limitation. This product will launch early 2023, and takes advantage of lower-cost renewable energy available in the Shark Lake Renewables farm. We plan to review opportunities to extend this new product offering to other towns with Horizon Power renewable farms.

Commitments for the future

Plans are in place to establish a #BetterTogether working group within the business to develop broader participation and commitment to initiatives that improves energy affordability for our customers.

Learnings from the Esperance Energy Transition Project, specifically customer and community engagement and bill reduction outcomes will be captured and will help define future electrification programs to reduce customer energy bills and contribute towards carbon emissions reduction targets.

How we're tracking on the promises we made

✓ Achieved

Prepaid Power has been rolled out as an opt-in product to an additional nine towns. This is the first time Prepaid Power has been available outside of remote Aboriginal communities with 1,410 customers now enjoying the product. We are assessing its viability to new customer segments before further scaling it as an option for all customers.

✓ Achieved

We completed improvements to customer systems architecture and have conducted an independent third-party audit of billing and energy management to ensure accuracy and integrity of our systems.

✓ Achieved

We applied learnings and insights from a review of distributed energy resources technical trials, and revised technical calculations. This supported additional hosting capacity release to 1,060 customers.

Principle 3



STATUS: **DELAYED**


We will provide energy safely, sustainably and reliably.



Ensuring we provide safe and reliable energy is fundamental to successfully meeting the day-to-day power needs of our regional customers. Our customers look to us to meet their energy needs, both today and in the future. Working together, we'll prepare for the energy transition by continually looking for ways to decarbonise and develop and deliver sustainable energy solutions that meet the needs of our customers.


Outcomes achieved

- Our work in **standalone power systems (SPS)** continued this year with the installation of 18 additional SPS across our service area. Leading our growth in this space is Boundary Power, a joint venture between Horizon Power and Ampcontrol Limited, bringing together expertise, design, development and deployment of scalable, renewable SPS. We partnered with Telstra this year to transition WA's first remote mobile communications tower to an SPS, a part of Telstra's ongoing efforts to strengthen its overall network resiliency. We have been allocated \$45.8 million to install a further 150 SPS units across regional WA by 2025 as a part of the State Government's SPS commitment.
-   **We upgraded the existing thermal power station in Denham** with the addition of a solar farm, battery and a green hydrogen demonstration plant. The project will test how microgrids can be constructed using hydrogen as a base load power source, potentially delivering a 100% renewable energy supply in a sustainable way. Internal estimates project a 15% annual reduction in diesel consumption and emissions for the Denham community. We expect to commission the plant during Q1 FY2023.
- **We are in the process of upgrading the Lake Argyle backup power station** to address the response time from loss of supply to backup generation availability. The existing backup generation system does not have remote switching capability or auto start function in the event of a main power failure, requiring staff to travel to the site to manually reset. Access to the site is sometimes impacted by flood conditions, increasing the length of power outages. Ongoing delays of this nature increase our System Average Interruption Duration Index (SAIDI) and results in Lake Argyle system poor performance. We are in the process of installing a new generator with remote switching capabilities to address this issue and improve supply reliability for our customers.
- **We continued to evolve our workplace safety practices**, ensuring a strong understanding of our critical risks and their control during work, inclusive of public safety. We are reviewing and improving our processes for contractor authorisation to ensure our contractors are capable and qualified for the work they engage in. We completed an internal audit of our contractor management process as well as an external expert review. Additionally, we completed a contractor management improvement plan that will deliver continuous improvement into the future.



18 additional standalone power systems installed across our service area

150 standalone power systems to be installed by 2025

- Identifying that solar installers play a key role in advising and connecting our customers to rooftop solar, we developed and launched the first of our technical webinar series accessed via the Clean Energy Council's continuing professional development portal. This professional development content improves the required technical knowledge relevant to the microgrids of regional WA and has received the highest rating by installers completing the module. The second module will be deployed before 30 June 2023.
- We delivered new electrical safety campaigns this year in a proactive response to community safety incidents. A tailored electric shocks and tingles campaign was deployed to tourism and accommodation providers after we received notice of a limited number of safety events. This included proactive face-to-face engagement with the accommodation providers to reinforce the safety message. New safety awareness campaigns were also developed to address an increase in pole accidents caused by customers' inattention and service wire damage.
-  We commissioned our Esperance Power Project (EPP) in February 2022. The EPP has increased the renewable power generation capability of our network and the new state-of-the-art wind turbines and solar farm provides ~50% renewable energy for the Esperance community. This means we are significantly lowering the town's carbon footprint, enabling us to reduce emissions by approximately 50% across the region.
- We are successfully achieving **16-20 hours per day of zero hydrocarbons off** in Kalumburu, enabling us to increase the system's renewable energy by almost 65%. We reduced our reliance on diesel power by 63% and improved system reliability following the installation of BESS. We're proud of our efforts to support local sub-contractors during the delivery phase of this project.

Work in progress

- IA99 A priority focus for our operations is to resolve the technical challenges currently impacting performance of our systems so we improve the number of performing systems and continue to deliver reliable energy supply. We understand that future power systems will look very different to the traditional model we have utilised over the past several decades. As such, we are improving how we integrate and operationalise high levels of customer DER to resolve the complex challenges this presents for our microgrids.
- IA98 IA99 We have set an ambitious goal to transition our business to reduce our emissions by 80% by 2030. A goal which underpins our 'lead the energy transition' strategic theme. The 80% emissions reduction (abatement) is an ambitious target for Horizon Power and moves our focus away from a carbon offset discussion, placing our emphasis on genuine abatement activities and increasing access to renewable energy wherever possible. While we recognise that both offset and abatement actions play a role in the current climate change debate, we believe our focus on abatement more closely and authentically aligns with our 'cleaner, greener' guiding principle and with the step-change that is occurring in customer and community expectations regarding carbon emissions.
- IA100 With customer insights research and our co-creation framework as a foundation, we are developing products to improve equity for vulnerable customers, which may include behind the meter renewable energy solutions.
- We acknowledge opportunities for improving our outage management systems and process for communicating outages to our customers. Of particular focus is the process management and outage notifications for customers on life support. Comprehensive enterprise system reviews are nearing completion and will be combined with lessons learnt and independent audits to ensure we resolve these critical deficiencies.
- Horizon Power reported two Type 1 breaches: Life Support Customer Outage Notification. A detailed investigation and ICAM report was completed which identified the failure for the event. In response, we have undertaken an enterprise-wide systems and process review to determine the best solution to prevent future similar incidents.

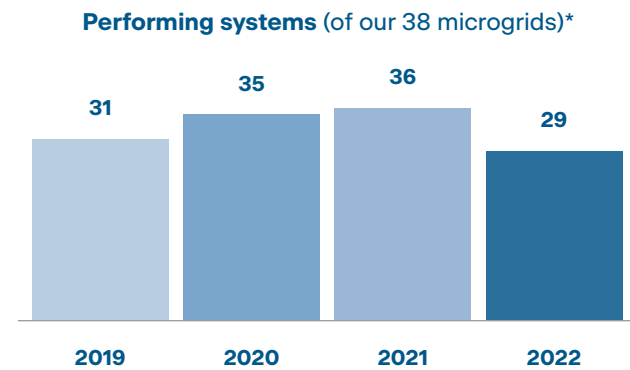
Commitments for the future

IA100 We understand the challenges presented when integrating increasing levels of renewable energy sources into our microgrids. The ambitious goal of achieving an 80% total reduction in our emissions by 2030 will require overcoming significant technical challenges with this integration. To ensure continuity of reliable energy supply during this energy transformation, we have committed to a strategic initiative to resolve these complex challenges to enable further integration of renewable energy sources in our microgrids.

Under a tri-agency partnership we are aiming to regularise and improve the energy supply and service for 118 remote Aboriginal communities across the Kimberley region. This is a five-year undertaking with the early 'discovery' phase underway.



How we measure outcomes



*Source Asset Management Reports

The number of performing systems in 2021/22 decreased to 29 systems primarily due to the commissioning of new generation technology, higher than normal lightning and storm activity in the Kimberley and wildlife interactions with the network.

How we're tracking on the promises we made

✓ Achieved

Deployed Critical Risk workplace safety practice across the organisation, including customer safety risk.

✓ Achieved

Completed regularisation of electricity for 12 remote Aboriginal communities to improve safety and reliability.

✓ Achieved

For the Household Energy Efficiency Scheme (HEES), we developed and implemented improved safety protocols for working within customer's premises. This ensures we deliver a seamless and coordinated practice when engaging customers in their home for the 'Energy Coach' HEES program for hardship customers.

Principle 4

STATUS: ON TRACK

Improve the customer experience.



To be a successful enterprise, a business must continuously evaluate how to meet and exceed changing customer expectations. To do this, we regularly engage with our energy consumers to ensure we deliver positive customer outcomes and remain relevant in today's evolving consumer market.

Outcomes achieved

- **IAP11** To offer additional services directly to our customers, and eliminate the need to refer customers to our call centre, we expanded our local, phone-based support services this year, with the launch of our distributed call centre program. We trained nine staff across our six regional depots to provide consistency in call centre services.
- **IAP7** We created a customer behavioural communications framework providing us with guiding principles for effective behaviour change messaging, with a focus on energy efficiency for our residential and business customers. Key framework principles are being integrated into relevant collateral and marketing campaigns. We incorporated components of the framework in the Household Energy Efficiency Scheme (HEES) program development, including goal setting and visual prompts.
- To improve the customer experience to avoid unnecessary contact regarding debt collection, we changed payment channel providers for our real-time payment channels.
- **IAP2** We developed our **Customer Service on the Move** program, to improve the customer experience for customers in remote locations unable to access our regular customer services. The program delivers customised face-to-face support and access to account services, energy literacy and safety awareness. Tailored culturally and linguistically diverse ('CALD') resources are developed to further support customers in these remote locations. The program commenced in July 2022 and includes regular visits to each remote location.
- We launched the new public website in January 2022 completing the first phase of our digital experience program (DXP). The new website provides a tailored customer experience and has improved accessibility features achieving AA standard to support customers experiencing a range of accessibility issues. Progress is well underway to simplify and streamline digital processes and customer self-services on the Horizon Power App and MyAccount with completion due early 2023.

In our efforts to continually improve customer experience, we are introducing a new technology later this year which aims to increase our percentage of first-call resolution and reduce the need for transferring calls .

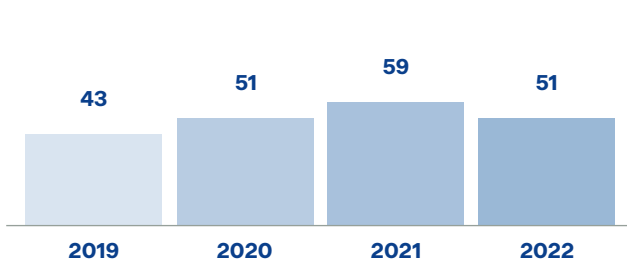


To deliver on our commitment of improving the customer experience, we explored the customer and solar installer pain points and needs during the renewable system application process. The redesigned renewable energy system application (RESA) tool combined human-centred design and innovative technologies to redefine how we assess the end-to-end renewable application process, creating a new, seamless customer experience.



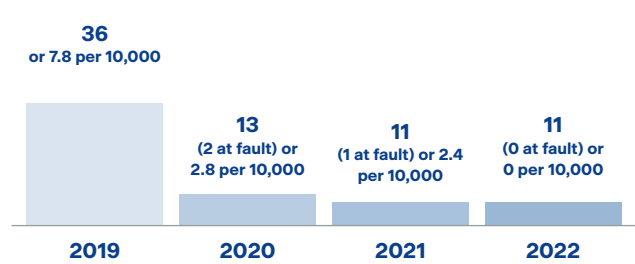
How we measure outcomes

Net Promoter Score (NPS)*



*Source Customer Service Monthly Report

Ombudsman complaints*



*Source Energy Ombudsman and Customer Service Monthly Report

Work in progress

- IAP11 By Feb 2023, we will have launched an improved customer registration process for our customers to safely access their account details through a secure authenticated digital portal. This will be delivered through a new, rebuilt Horizon Power digital App that will be remodelled to address existing customer pain points based on customer feedback. The new App will provide an integrated and seamless digital customer experience and elevate customer self-service functionality.
- We introduced a continuous improvement program to document our existing practices, compare to industry best practices and define a program of work to deliver an improved scope of work. The program also addresses outage management with a focus on a revised protocol for life-support customers.
- Horizon Power works closely with the WA Energy Ombudsman to resolve customer complaints. The following information is tracked and advised by the Ombudsman.
 - In 2022 there were 11 Stage 1 inquiries and all progressed to Stage 2 complaints, of which five have proceeded to investigation (current). Of all closed complaints / inquiries, Horizon Power has not been found at fault for any.

Commitments for the future

- Acknowledging we have a diverse customer base distributed across many regional areas, we will develop an optimised channel strategy to ensure customers can access information, services and products on their preferred channel. The channel strategy will be developed based on guiding principles of human-centred design and co-creation with customers to ensure an optimal, seamless and consistent customer experience.
- IAP14 In 2023 we will launch the new Horizon Power App to deliver a seamless digital experience for customers to access self service including access to power outage notification, bill prediction and payments, and sign up to new products and services.

How we're tracking on the promises we made

Achieved

We launched our new public website in February 2022 which also included the stretch goal of implementing an automated, renewable energy system application form. The rebuild of this complex process now provides visibility for solar installers and customers throughout the process. We have been shortlisted in the 2022 INCITE Awards Innovating Government Category, for this significant service transformation.

In progress

Inputs from customer co-creation workshops helped shape the new customer App and portal and the complex authentication process. This work is well underway and the new customer App will be launched by February 2023.

In progress

Make it easier for customers to register for online service through a streamlined Horizon Power App.

Achieved

We opened temporary retail spaces in Kununurra and Carnarvon to ensure customers continued to have access to face-to-face customer support services whilst both regional office locations were undergoing refurbishment.

Principle 5

STATUS: ON TRACK

Support customers facing vulnerable circumstances




We're acutely aware of the cost-of-living pressures our customers face and understand that energy bills are a major contributor. We aim to do all that we can to ease this financial burden across regional WA, and providing a range of hardship measures is a standard tenet of 'business as usual' at Horizon Power. Our aim is to proactively identify customers facing vulnerable circumstances, and help educate and inform them to reduce the length and severity of debt accumulation.

Outcomes achieved

- IAP15** In partnership with Energy Policy WA, we launched the Household Energy Efficiency Scheme (HEES) in November 2021. HEES is part of a State Government initiative aimed at reducing power costs by improving energy efficiency for our customers in financial hardship. Together with our regional non-government organisation partners, we enlisted 13 financial hardship customers and completed home visits to conduct energy efficiency assessments and energy coaching discussions with this customer segment. Ongoing coaching then aims to reduce household energy debt over time. Outcomes will be identified in the post-implementation report. The HEES program is primarily educational, and is further supported by our behaviour change framework, with our customer relationship officers working closely with disadvantaged customers to regularly assess and review their energy use.
- IAP15** **IAP17** In consultation with Western Australian Council of Social Service (WACOSS), Financial Counsellors Australia (FCA), Energy Policy WA (EPWA), and Western Australian Advocacy for Consumers of Energy (WAACE), we continued to expand and improve our hardship programs, which included 1,353 families participating in the program to help reduce energy debt and keep their electricity connected. The successful customer case management has seen this number decrease to 1,000 customers now actively managed in our hardship assistance programs.
- IAP5** **IAP17** We automated the process that checks Centrelink entitlements and concessions for all customers and automatically applies this to accounts. We also delivered marketing campaigns to encourage customers to access further rebates and financial supports for which they may be eligible.

IAP14 **Emergency credit balances for Prepaid Power customers in remote Aboriginal communities was modified in 2020 as part of the State Government's ambition to ensure no-one was disconnected during COVID-19. The rise from \$20 to \$100 emergency credit resulted in many Prepaid Power customers accruing larger levels of debt than they were able to resolve once their power was disconnected for non-payment. As a result, we completed extensive consultation throughout remote communities for customers' input into their desired and manageable level of credit. Through co-creation, we have revised the level of emergency credit to \$30 to relieve financial pressures for this customer segment.**

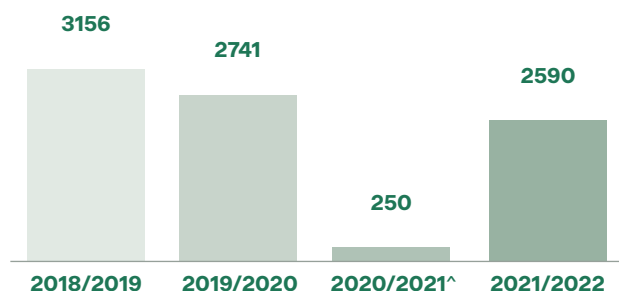


Work in progress

- IAP15
 The HEES program has completed 13 home visits in South Hedland with the customers participating in an Energy Coach pilot for six months. COVID and Non-governmental organisation resourcing presented delivery challenges for the pilot phase; the program has now been extended and we are expanding the pilot to include Carnarvon and Broome.
- IAP17
 Adopt the Victorian Payment Difficulty Framework as the benchmark for supporting customers whose debt levels built up during COVID-19. We implemented a 'knock before you disconnect' initiative contextualised for Horizon Power's service area and customers, based on the #BetterTogether initiative.

How we measure outcomes

Residential customer disconnections for non-payment*



*Source ERA Annual Performance Data CCR40 (excludes prepayment customers)

[^]COVID-19 disconnection moratorium in place

Commitments for the future

IAP14 We unequivocally aspire to keep all customers connected. We plan to have at least 70% of our customers that are in financial hardship be successfully case managed to avoid disconnection, with an aspiration that 100% of our customers remain connected in the future. We recognise that there will be circumstances where customers will be disconnected as a last resort and only where non-payment has occurred and we cannot contact them after multiple attempts. Disconnection acts as a trigger for customers to get in touch which allows us to help, and we can get the power back on quickly, usually within 30 minutes. We have redesigned the debt collections pathway to incorporate greater empathy and opportunity for customers to make payment with extended payment timeframes. We will continue to monitor and improve communication and service design to assist customers with making payment and to stay connected.

We will continue to scale the deployment of Prepaid Power to be available to all residential customers statewide. The Prepaid Power product will provide alternatives for energy bill management, budgeting and payment options.

How we're tracking on the promises we made

✓ Achieved

IAP16 Implemented a tailored version of the #BetterTogether 'Knock before you disconnect' initiative. Where practicable, our teams provide a 'knock' or a calling card before any disconnection commences, resulting in a reduction in disconnections.

🔄 In progress

We launched Prepaid Power in nine additional towns. Further scaling to all residential customers will occur once product viability has been assessed; this is expected to be complete by the end of 2022.

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