

# Statistical and Statutory Information Section

for the year ended 30 June 2002

EnergyAustralia was incorporated on 1 March 1996 as a *State Owned Corporation (SOC)* under the *Energy Services Corporations Act 1995*. It operates under the *Electricity Supply Act 1995*, the *State Owned Corporations Act* and the *Corporations Law*. The following statistical and statutory information provides an overview of the organisation and statutory reporting requirements.

## 1. SUMMARY OF KEY STATISTICS

	Units	June 1998	June 1999	June 2000	June 2001	June 2002
Employees	FTE's	3,017	3,089	3,282	3,384	<b>3,527</b>
Customers*	Active NMI's	1,366,348	1,383,616	1,403,855	1,428,429	<b>1,464,370</b>
Population served **	Estimated	2,940,000	2,981,160	3,023,500	3,066,000	<b>3,305,000</b>
Earnings before Interest and Tax	\$ M	419	378	391	321	<b>322</b>
Total Revenue	\$ M	1,882	1,870	2,135	2,203	<b>2,333</b>
Total Capital Expenditure	\$ M	174	193	312	323	<b>310</b>
Total Assets	\$ M	3,746	3,788	3,732	5,194	<b>5,268</b>
Return on Equity	%	14.7	11.2	18.6	8.4	<b>5.4%</b>
Lost Time Injury Frequency Rate (LTIFR)	Lost Time Injuries per million hours worked	10.2	8.0	6.4	8.2	<b>8.3</b>
Customer minutes off Supply (Standard SAIDI)	Minutes	101	97	87	101	<b>102</b>
Calls answered by the Contact Centre	Million	2.23	2.23	2.06	1.99	<b>2.01</b>
Average Speed of Answer (ASA)	Seconds	39	26	35	105	<b>67</b>
Customer Satisfaction Index	% satisfied	90.1	95.0	93.8	92.1	<b>96</b>

\* Customers now reported as active National Market Identifiers (NMI's)

\*\* Previously assumed approximately 1.4% population increase p.a. 2001-2002 figure now reflects 2001 census.

Note: When extrapolating annual trends in these statistics, consideration needs to reflect underlying events such as the preparation for, and staged opening of, the contestable electricity market, Y2K, the Sydney 2000 Olympics and Paralympics, storm events, load growth, asset revaluations and changing customer expectations. Details can be found in the relevant Annual Report.

## 2. HERITAGE ACT REQUIREMENTS

In accordance with Section 170 of the *NSW Heritage Act*, EnergyAustralia has established a register of the heritage assets it owns or controls. EnergyAustralia's Heritage Register contains 293 items including 10 items of State Significance. EnergyAustralia is currently undertaking a review of those items in our Hunter and Central Coast regions.

## 3. FREEDOM OF INFORMATION (FOI) STATISTICS

The following table shows all categories affected by the *Freedom of Information Act (1989)* requests in 2000-2001 and 2001-2002. Where a category is not shown, it is a nil return for both the years shown.

	Personal 2002	Other 2002	Total 2002	Total 2001
<b>Number of new FOI requests</b>				
New (including transferred in)	1	10	11	12
Total to be processed	1	10	11	0
Completed	1	9	10	12
Transferred out	0	1	1	0
Withdrawn	0	0	0	1
Total Processed	1	10	11	11
• What happened to completed requests?				
Granted in full	1	7	8	7
Granted in part	0	2	2	1
Refused	0	0	0	3
Completed	1	9	10	11
• Number of requests requiring formal consultation	N/A	N/A	1	2
• FOI requests granted in part or refused				
Section 19 – app. incomplete, incorrectly directed	0	1	1	0
Section 25 (1) (a1) – diversion of resources	0	0	0	1
Section 25 (1) (a) – exempt	0	2	2	0
Section 28 (1) (b) – documents not held	0	0	0	3
• Costs and fees of requests processed				
FOI fees received	N/A	N/A	\$240	\$365
• Discounts allowed				
Financial hardship – Pensioner/Child	1	1	2	0
• Days to process				
0 – 21	1	6	7	7
22 – 35	0	3	3	4
Over 35	0	0	0	1
• Processing time				
0 – 10 hrs	1	9	10	11

An assessment of FOI requirements on EnergyAustralia's activities found no major impact during the 2001-2002 financial year. There were no major issues that arose during the year with regard to EnergyAustralia's annual reporting compliance on FOI issues. There was no involvement by the Ombudsman or Courts in relation to any inquiries or appeals under the FOI Act.

## 4. EMPLOYMENT EQUITY

### Representation and recruitment of Aboriginal and Torres Strait Islanders and employees with a disability

2001-2002	Total Staff	ABTOR*	Minority Groups*	NESB*	PWD*	PWD – RA*
Total employees	3,630	10	212	206	109	14
Recruited	310	1	13	9	1	0

### Representation of EEO Target Groups within salary levels

	Total Staff	Respondents	Men	Women	ABTOR*	Minority Groups*	NESB*	PWD*	PWD – RA*
Below <\$27,606	77	35	75	2	0	3	3	0	0
\$27,606 – \$40,535	534	260	433	101	2	35	37	18	4
\$40,536 – \$51,293	1,236	619	953	283	5	53	51	39	4
\$51,294 – \$66,332	918	568	779	139	2	39	37	33	4
>\$66,332 (non SES)	865	648	769	96	1	82	78	19	2
SES	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3,630</b>	<b>2,130</b>	<b>3,009</b>	<b>621</b>	<b>10</b>	<b>212</b>	<b>206</b>	<b>109</b>	<b>14</b>
<b>Percentage of total staff</b>	<b>100%</b>	<b>58.7%</b>	<b>82.9%</b>	<b>17.1%</b>	<b>0.5%</b>	<b>10.0%</b>	<b>9.7%</b>	<b>5.1%</b>	<b>0.7%</b>

The above figures include full time and part time staff but exclude casuals.

ABTOR – Aboriginal and Torres Strait Islanders  
 Minority Groups – People from racial, ethnic, ethno-religious minority groups  
 NESB – People whose language first spoken as a child was not English  
 PWD – People with a disability  
 PWD – RA – People with a disability requiring work related adjustment

\* Figures are based on a survey of staff to which 58% of employees responded.

EnergyAustralia continues to ensure that its people programs are developed and implemented based on Employment Equity Opportunities (EEO) principles. Employee development in 2001-2002 has focussed on the enhancement of commercial and leadership skills and the full utilisation of talent in our diverse workforce. There has been a focus on encouraging equitable participation by EEO groups in the Leadership, Commercial Skills and Health Programs. At the Executive level, ongoing 360-degree assessment for general and senior managers focuses on accountability for demonstrated commitment to diversity. In the coming years, EnergyAustralia will be focusing on translating our Diversity Strategy into a specific plan to directly improve the number of Aboriginal and Torres Strait Islander staff recruited and retained in the organisation. We are re-surveying all staff to further clarify the representation of EEO groups within the organisation.

# Statistical and Statutory Information Section

for the year ended 30 June 2002

## 5. CONSULTANCIES

### Consultancies equal to or more than \$30,000

Supplier	Description of Services Provided	Amount
<b>Finance and accounting</b>		
ABN Amro	Advice on strategic investment options	\$126,776.90
NSW Treasury	EA component of coordinated study on asset valuation	\$83,934.00
NERA Australia Pty Ltd	Advice on network form of regulation	\$37,552.00
<b>Sub Total</b>		<b>\$248,262.90</b>
<b>Management services</b>		
PA Consulting	Advice regarding network capital expenditure	\$142,998.72
NSW Treasury	EA component of industry study on willingness to pay	\$86,073.14
<b>Sub Total</b>		<b>\$229,071.86</b>
<b>Engineering</b>		
UMS Group Aust	Asset management benchmarking study	\$116,433.87
<b>Sub Total</b>		<b>\$116,433.87</b>
<b>Total Consultancies equal to or more than \$30,000</b>		<b>\$593,768.63</b>
<b>Consultancies less than \$30,000</b>		
During the year, five other consultancies were engaged in the following areas:		
Management services		\$58,564.28
Engineering		\$26,278.00
<b>Total Consultancies less than \$30,000</b>		<b>\$84,842.28</b>
<b>Total Consultancies</b>		<b>\$678,610.91</b>

## 6. ANNUAL REPORT COST

Three thousand copies of the EnergyAustralia Annual Report have been produced at an estimated cost of \$47.00 per copy. Designed by Cobé Design, the Annual Report is printed on recycled paper.

for the year ended 30 June 2002

## 7. OVERSEAS VISITS STATISTICS

During the 2001-2002 year, employees travelled overseas on 25 separate occasions. Of these, 17 had travel expenses paid by customers. The other 8 occasions had expenses either partly or fully paid for by EnergyAustralia and are as detailed below:

Name	Position	Country	Dates	Purpose
Nabil Issa	Senior Consultant, Mains Development Enerserve	New Zealand	21 – 22 August	Attend meeting of Standards Association of Australia (SAA) Committee in Wellington.
Gunther Theisz	Manager, Product Compliance TCA Customer Service	Hong Kong China	15 – 20 October	Attend the Hong Kong Electronics Fair. Attend the Chinese Export Commodities Fair.
Peter Ryan	Manager, TCA Customer Service	Malaysia Singapore Hong Kong	3 – 25 November	Present at seminar conducted by TEEAM (The Electrical & Electronic Association of Malaysia). Meet new and existing clients to market TCA services.
Jeff Child	Engineering Officer, TCA Customer Service	United Kingdom	22 February – 7 March	Complete Association of Short-circuit Testing Authorities (ASTA). Observer training at ASTA Certification Services.
Leslie Howatt	Chief Information Officer, Corporate Strategy & Business Development	USA	28 February – 8 March	Information Technology Executive Conference and supplementary commercial visits.
George Maltabarow	General Manager, Finance & Corporate Secretary	Hong Kong Germany Spain England	10 – 26 April	Investigation of DSA (Distribution System Assets) Technology and Power Line Carrier technology for potential to leverage DSA for telecommunication purposes. Also development of utility service businesses and regulatory issues.
Geoff Lilliss	General Manager, Customer Service			
Peter Ryan	Manager, TCA Customer Service	Hong Kong	8 – 30 June	Market testing services at the Hong Kong ELENEX Electrical Trade Exhibition.
Pamela Henderson	Manager, Reliability Improvement Network	Hong Kong	17 – 24 June	Investigation of DSA Technology and network reliability at China Light & Power, Hong Kong.
Stephen Lam	Protection Engineer, East Enerserve			

## 8. FUNDS GRANTED TO NON-GOVERNMENT COMMUNITY ORGANISATIONS

EnergyAustralia had a comprehensive sponsorship program during 2001-2002, reflecting its brand values of integrity, excellence, respect for people and commitment to the community. The sponsorship encompassed the areas of Regional Development, Arts and Heritage, Sport and Community with a total commitment of around \$3m in cash and in-kind donations.

There were 45 organisations or events that benefited from EnergyAustralia's involvement. Major sporting beneficiaries included the Australian Olympic Committee, the Newcastle Knights – NRL, Surf Life Saving Australia (Northern Beaches, Hunter, Central Coast and Sydney branches); and Surfest 2002, an international surfing competition held annually in Newcastle. In addition, National Heritage Week, the Sydney Symphony Orchestra, Taronga Zoo and "Starstruck" – the Hunter region's school spectacular, all received sponsorship during 2001-2002.

EnergyAustralia also provided funding to the Hunter Valley Research Foundation, the Westpac Rescue Helicopter Service and Hunter Valley Tourism.

EnergyAustralia also contributes to The Handicapped Children's Appeal by matching staff donations raised through salary sacrifice and assists The Smith Family in their two key fund raising activities, the annual Winter and Christmas appeals.

## 9. CODE OF CONDUCT

EnergyAustralia operates Codes of Conduct for employees and use of computing resources. These cover what is expected from employees and use of its computing resources. The Codes have been established to support an organisational culture in which individuals and the organisation will prosper. The Codes apply to employees at all levels and locations and breaches may result in disciplinary action.

## 10. LEGISLATIVE CHANGE

As a NSW Statutory State Owned Corporation, EnergyAustralia is generally subject to the same statutory and general legal requirements as other businesses. The following lists the main legislative and other regulatory changes which have been made during the last financial year which particularly impact on EnergyAustralia as an energy services corporation. These changes principally relate to the energy regulatory environment, but include changes to the Privacy laws and Occupational Health and Safety Legislation.

### Full Retail Competition (FRC) in Electricity and Gas

A large number of changes were made to the energy regulatory environment to facilitate the introduction of full retail competition in the electricity and gas markets from 1 January 2002. The following is an overview of those changes.

#### Full Retail Competition in Electricity

The *Electricity Supply Amendment Act 2000* (which amended the *Electricity Supply Act 1995*) fully commenced on 1 July 2001 together with the *Electricity Supply (General) Regulation 2001*. The Act and Regulation facilitate full retail competition in the retail electricity market and implement a range of consumer protection initiatives for small retail customers. Small retail customers are those who consume less than 160 MWh of electricity per year. The main features of the provisions which commenced on 1 July 2001 are:

- separating the role of a distribution network service provider (DNSP) and a retail supplier by imposing separate licensing obligations and conditions, and removing the obligation of a DNSP to hold a retail supplier's licence;

- providing for the endorsement of some retail suppliers as "standard retail suppliers" in respect of a specified supply district. A standard retail supplier's endorsement includes:
  - i. an obligation to supply to any customer located in the standard retail supplier's district under a negotiated supply contract;
  - ii. an obligation to supply to any small retail customer located in the standard retail supplier's district under a standard form customer supply contract provided the small retail customer elects to be supplied under this contract;
  - iii. a requirement to provide a payment plan available to small retail customers;
- providing for consumer protection requirements to apply to small retail customers under a negotiated contract;
- prescribing the content requirements of standard form and negotiated customer contracts (including customer service standards);
- requiring a standard retail supplier to prepare a charter for a customer consultative group and the group appointed in accordance with the charter by 30 September 2001;
- providing small retail customers with a right to apply for a review of a decision by a retail supplier on any matter arising out of the retail supplier's conduct as a marketer; and
- providing for the Minister to make an endorsement on a retail supplier's licence specifying that the retail supplier is a "retailer of last resort" (RoLR) in relation to a specified supply district or specified customers. A RoLR must comply with the last resort supply obligations contained in the Regulation and in the market operations rules including the obligation to prepare and maintain a plan setting out the arrangements to be implemented by the RoLR in the event that it is required to supply electricity as a retailer of last resort.

Amendments to standard form and negotiated customer supply contracts brought about by the Act and Regulation and amendments to standard form customer connection contracts brought about by the Regulation were required to be made by 1 October 2001.

#### Electricity Supply (General) Amendment Regulation 2001

This Regulation was made under the *Electricity Supply Act 1995* and commenced on 1 January 2002. The Regulation amended the *Electricity Supply (General) Regulation 2001* to provide further arrangements to support full retail competition and consumer protection initiatives for small retail customers.

The main changes include:

- requiring suppliers to provide information relating to the availability of interpreter services in notices, bills, application forms and contracts;
- requiring standard retail suppliers to make specified documents available through the internet;
- enabling small retail customers to make a verbal application for review of a decision by a retail supplier;
- clarifying that arrangements relating to retailers of last resort apply to customers supplied with electricity under an exempt last resort supply arrangement or a new occupant supply arrangement; and
- enabling market operation rules to be made in relation to the transfer of information between licence holders.

The amendments required modifications to be made to customer contracts and other documents provided to customers by 1 April 2002.

#### Orders under the Electricity Supply Act 1995

The NSW Minister for Energy made orders under the *Electricity Supply Act 1995* affecting competition in the electricity market. Under the *Electricity Supply (First Termination of Transitional Retail Customer Status) Order 2001* customers who use between 40 and 100 megawatt-hours of electricity per year (about \$4,000 – \$10,000 per year) became eligible to choose their retailer from 1 July 2001.

## Legislative change continued

Under the *Electricity Supply (Second Termination of Transitional Retail Customer Status) Order 2001*, all customers became eligible to choose their retailer from 1 January 2002.

### Market Operation Rules

The Minister for Energy approved the following market operation rules under s.63C the *Electricity Supply Act 1995*:

- *Market Operations (Arranged Connection Services) Rule No. 1 of 2001* commenced on 1 January 2002. This rule facilitates the provision of electricity services to small retail customers by enabling a retailer to be a single point of contact for the customer when contracting for electricity supply and connection services.
- *Market Operations Rule (Network Use of System Agreements) No.2 of 2001* commenced on 1 January 2002 and applies to Network Use of System (NUOS) services provided by a DNSP to a retail supplier. A key feature of the rule is the deeming that a DNSP and a retail supplier have entered into a binding and enforceable access agreement in respect of NUOS services. However, the rule also provides for a retail supplier and a DNSP to enter into a negotiated agreement provided the agreement incorporates the rights and obligations regarding billing and charges set out in the rule and is consistent with the *National Electricity Code*.
- *Market Operations Rule (NSW Rules for Electricity Metering) No.3 of 2001* commenced on 1 January 2002. This rule regulates electricity metering to the extent not regulated by the *National Electricity Code* or the *NSW Metrology Procedure* published under that Code.
- *Market Operations Rule (NSW Transfer Rules for Retail Electricity Supply) No. 4* commenced on 30 November 2001. This rule provides for integration between the NSW requirements for the transfer of small retail customers from one retail supplier to another and NEMMCO's Transfer Systems. The rule replaced the *Market Operations (NSW Transfer Rules for Retail Electricity Supply) 2001*.
- *Market Operations Rule (Retailer of Last Resort) No.5 of 2001* commenced on 1 January 2002. This rule makes arrangements for the supply of electricity to a customer of a retail supplier by a retailer of last resort following the suspension of the retail supplier or the cancellation of the retail supplier's licence.

### Full Retail Competition in Gas

The NSW Ministry of Energy and Utilities has facilitated the development of arrangements and framework to support full retail competition in the NSW gas market. The key arrangements and framework include:

- The development of *Business Rules* which set out the procedures, obligations and rights of gas businesses participating in the retail gas market business systems;
- The establishment of the Gas Market Company Limited (then called GRMCo Limited), a gas industry owned company responsible for the development and operation of retail market arrangements; and
- The *Gas Network Code for Full Retail Competition* approved by the Minister which commenced on 15 December 2001. The Code applies to network operators and retailers and sets out the minimum service standards in relation to:
  - exchange of information, management and monitoring of inquiries by a network operator and retailer;
  - maintenance and security of meters;
  - maintenance affecting supply to a customer's premises;
  - gas connection;
  - discontinuance and recommencement of gas supply to a customer's premises; and
  - dispute resolution.

### Gas Supply Regulation

The *Gas Supply (Natural Gas Competition) Regulation 2001* was made under the *Gas Supply Act 1996* and commenced on 1 January 2002. The Regulation gives effect to a range of provisions as a result of the commencement of provisions of the *Gas Supply Amendment (Retail Competition) Act 2001* to allow all customers in NSW the right to choose their gas supplier from 1 January 2002.

The key provisions of the Regulation are similar to those which apply to electricity and sets out the obligations of supply on standard suppliers including conditions of endorsement, and provides consumer protection mechanisms including guaranteed customer service standards and minimum provisions for standard form and negotiated contracts for small retail customers. A small retail customer is a customer who consumes less than 1,000 gigajoules of gas per year.

### New Energy Marketing Code of Conduct

A new *Energy Marketing Code of Conduct* ("Code") was approved under the *Electricity Supply Act 1995* (NSW) and the *Gas Supply Act 1996* (NSW) by the NSW Minister for Energy and commenced on 1 June 2002. The new Code replaced the *Electricity Marketing Code* and the *Gas Marketing Code* that covered retail marketing of electricity and gas by marketers (including electricity and gas retail suppliers) in NSW. As with the previous Codes that have been replaced, the new Code specifies the minimum level and quality of information to be provided by marketers to small retail gas and electricity customers. The Code requires marketers to comply with specified standards of conduct including:

- explaining the main provisions of the contract to the customer;
- disclosing to the customer any commission received by the marketer;
- providing information in a plain and understandable format;
- complying with telephone, internet, email and personal contact guidelines; and
- taking steps to protect unauthorised access or use of customer information.

The Code contains new provisions:

- imposing an obligation on a marketer to inform a customer about the customer's rights and obligations as prescribed by the Regulations following the cooling-off period; and
- specifying the circumstances in which a requirement under the Code is met electronically by a marketer in accordance with the *Electronic Transactions Act 2000* (NSW).

### Privacy Act

The *Privacy Amendment (Private Sector) Act 2000* commenced operation on 21 December 2001. The Act amends the *Privacy Act 1988* and regulates the way private sector organisations handle personal information. EnergyAustralia, as a state owned corporation, became subject to the *Privacy Act* from 1 June 2002 through the enactment of the *Privacy (Private Sector) Amendment Regulations 2002 (No. 1)*. The Act gives effect to 10 National Privacy Principles which define the minimum standards that must be met when handling personal information. The Principles deal with:

- collection;
- use and disclosure;
- data quality and security;
- openness;
- access and correction; and
- sensitive information.

Legislative change continued

**OHS Legislation**

The *Occupational Health and Safety Act 2000* and the *Occupation Health and Safety Regulation 2001* commenced on 1 September 2001. The Act imposes a new duty on employers to consult with employees on matters affecting their health and safety, and establishes when and how consultation is to be undertaken. The Regulation requires the adoption of a risk management approach to workplace health and safety including systems to identify, assess, eliminate and/or control health or safety risks. There is a transitional period of 12 months for businesses to implement new requirements within the Regulation.

**Judicial decisions**

There were no significant judicial decisions affecting EnergyAustralia, or the users of the services provided by EnergyAustralia, during the year.

**11. PROPERTY DISPOSAL**

EnergyAustralia disposed of 15 properties. The disposals attracted a total value of \$17,288,545. The properties disposed of were generally surplus to EnergyAustralia's needs and the proceeds from the sales were placed in general revenue. EnergyAustralia is not aware of any family connection or business association between any party who acquired the properties and any member of EnergyAustralia who approved the sale or was involved in the sale process.

During the year, the former Five Dock Establishment at 48 Great North Road and the four (4) adjoining residential properties at 57-63 Fairlight Street, Five Dock were sold under the hammer at auction on 14 May 2002 for \$12.1m. The sale of the Five Dock properties is subject to a delayed settlement of six (6) months. The proceeds from the sale have been taken up in this year's accounts.

Application for access to documents concerning details of properties disposed of may be made in accordance with the *Freedom of Information Act, 1989*.

**12. ACCESS TO INFORMATION / STATEMENT OF AFFAIRS**

As a large decentralised organisation, EnergyAustralia holds many files, documents, instructions and manuals on its operations. A number of publications are available free of charge from EnergyAustralia or are available on the EnergyAustralia website [www.energy.com.au](http://www.energy.com.au)

The public can also have input in relation to EnergyAustralia's policies by making representations, recommendations and/or complaints to EnergyAustralia. After a review by the Managing Director, these may result in a report to the Board.

Requests for access to the following documents are treated on their merits in accordance with the *Freedom of Information (FOI) Act*: Files; Personnel Records; Corporate Directives; Regulations; Technical Instructions/Technical Standards; Procedure Manuals; Reports (including administrative, testing); photographs; and Customer Details.

Access to documents can be obtained by making a request in writing to the Freedom of Information Coordinator supplying all details required and should be accompanied with the application fee. Applications may be lodged in person or posted to the FOI Coordinator. The FOI Coordinator is available during business hours of 8.00am to 4.45pm or a meeting can be arranged by prior appointment.

Contact details for the FOI Coordinator are:

FOI Coordinator  
EnergyAustralia  
570 George Street, Sydney  
Telephone: (02) 9269 2941  
Facsimile: (02) 9269 2830

**Or post to:**  
FOI Coordinator  
EnergyAustralia  
GPO Box 4009  
SYDNEY NSW 2001

**13. PUBLICATIONS**

EnergyAustralia publishes an extensive range of publications to assist in keeping our customers informed. These publications include the Annual Report, Enerserve Corporate Profile, EnergyAustralia and You, EnergyEfficiency tips booklet, EnergyEmergency, EnergyFix, EnergySafety, PureEnergy, PureEnergy Annual Report, Trees and Power Lines, YourEnergy and EnergyExtra, Risk Management Report, Statement of Corporate Intent, Employment Equity Plan, Employment Equity Annual Report.

These publications are typically free of charge and are generally available at EnergyAustralia Customer Service Centres or by calling 13 15 35. Information on EnergyAustralia and the services provided is also available on our website [www.energy.com.au](http://www.energy.com.au)

**14. RESEARCH AND DEVELOPMENT**

EnergyAustralia is involved in industry-based research in a wide variety of areas to enable us to continue a watching brief on a full range of emerging energy technologies. We work closely with suppliers to develop and introduce innovative solutions for electricity networks and maintain close links with universities and other research institutions such as the Australian Co-operative Research Centre for Renewable Energy (ACRE). EnergyAustralia is a shareholder in ACRE and represents member utilities on the Board of Directors. Current research involvements primarily focus on the impact and potential benefits of distributed generation on electricity networks. EnergyAustralia is a continuing member of the Australian Strategic Technology Program which is coordinated by the Electricity Supply Association of Australia (ESAA) and EA Technology.

EnergyAustralia also provides topics and support for Bachelor of Engineering graduates theses each year and follow on projects.

**15. CONSUMER RESPONSE**

EnergyAustralia's Customer Council has continued to meet on a regular basis throughout 2001-2002 to allow ongoing consultation between customers and EnergyAustralia, and to ensure compliance with regulatory requirements. The forum allows issues of concern and new initiatives to be discussed, allowing Council members the opportunity to provide EnergyAustralia with feedback for improvement. The Council officially endorsed the Children's Electricity Safety Program and has actively participated in some initiatives of the safety program.

Customer consultation and stakeholder management continues to be a major role for EnergyAustralia with ongoing customer management remaining a priority. EnergyAustralia has developed an innovative consultation model to ensure that the community's views are considered when planning for major infrastructure projects. The model is a first for the electricity industry, and encourages community "ownership" through the establishment of a representative group that helps shape the planning for, and addresses issues associated with infrastructure development. EnergyAustralia continues to provide direct assistance to customers in affected areas during emergencies.

EnergyAustralia receives over 2 million calls annually into our Contact Centre, and during the year also experienced a dramatic increase in the number of enquiries received via email and the website. Towards the end of the year, phase one of the customer complaints system was completed facilitating standardisation of complaint handling across the company. Improved recording and handling of complaints provides an efficient and fair resolution process, ensuring the issue is handled by the most appropriate person within EnergyAustralia, in accordance with Australian Standards.

Consumer response continued

EnergyAustralia continues to work pro-actively with the Energy and Water Ombudsman Scheme (EWON) to ensure customer disputes (complaints that are escalated to the Ombudsman) are resolved within a reasonable timeframe. During the year, EnergyAustralia had 1762 matters with EWON, which is slightly higher than the number of matters last year, attributable to full retail contestability related issues and compliance with the new regulations. The number of complaints per 10,000 customers, however, was similar to that experienced by other member companies in the EWON Scheme.

**16. MINISTRY REPORTING REQUIREMENTS**

The following statistics are supplied to meet our obligations under the Electricity Supply Act, our Electricity Distributors Licence, our Retail Licence and further environmental guidelines.

**Carbon Dioxide And Other Greenhouse Gas Emissions**

Greenhouse gas emissions relating to the production of electricity supplied by EnergyAustralia in NSW were as follows:

	Carbon Dioxide (CO <sub>2</sub> )	Methane CH <sub>4</sub>	Nitrous Oxide N <sub>2</sub> O	Carbon Dioxide equivalent (CO <sub>2</sub> -e)
Emissions in gigagram or kilotonne (Gg)	20,560.8	-20.0	0.2	20,198.0

These figures have been calculated in accordance with the methodology approved by the Minister for Energy in October 2000 and independently verified by PricewaterhouseCoopers.

EnergyAustralia offers a range of energy options to customers as part of our strategies to reduce greenhouse gases, including natural gas and renewable energy. EnergyAustralia now includes greenhouse gas emissions data on energy bills, and also offers energy efficiency advice to customers and sales of high efficiency appliances.

**Source of Electricity Supplied**

EnergyAustralia purchases (summarised in the table below) are primarily from the wholesale market, but the Corporation is actively developing purchases from sustainable sources.

Source	% of total
Unassigned generators ("the pool")	99.08%
Assigned generators less than 30 MW ("embedded generators")	0.62%
Grid connected photovoltaic cells	0.01%
Other sources (biomass generators not embedded in the EA network)	0.29%
<b>Total</b>	<b>100.00%</b>

**Demand Management Strategy**

In compliance with the requirements of its Distributor Licence, EnergyAustralia considers the circumstances of major distribution expansion proposals in order to determine whether it would be reasonable to expect that Demand Management (DM) options would be cost effective. If so, then investigations of DM are carried out.

Emerging constraints on the supply system are identified through the planning process, and published in the Annual Electricity System Development Review (AESDR). Major constraints are assessed to determine whether it is reasonable to expect that DM might be cost effective.

This "Screening Test" is the first step in the DM investigation process. It includes an analysis of the drivers behind the emerging constraint, the rate of load growth and the DM requirement. Considerations include the approximate size and nature (time of day, seasonality etc.), of the DM that would be needed to defer the proposed investment for at least one year. The analysis provides the basis for a decision on whether to proceed with a DM investigation.

The first stage of a DM investigation is a "DM Scoping Investigation". Based on the DM requirements identified in the screening test, this investigation identifies the possible DM options that might exist in the study area, and determines the approximate amount available and cost of each of the identified options. Options are identified based on existing knowledge, field visits and consultation with the public and/or specific customers. The public consultation at this stage is focussed on identifying potential options and uncovering available information. The DM Scoping Investigation provides a more rigorous basis for further exploration of specific options (a Detailed DM Investigation) or a recommendation not to proceed further with DM options.

The final stage of the investigation process is the Detailed DM Investigation. This is more narrowly focussed on the specific opportunities identified in the Scoping Investigation, and is intended to provide quality information on the practicality, size and likely cost of DM options that can be used to prepare a DM Implementation Strategy. The strategy may include a range of implementation options, including RFP's, standard offers, marketing programs and direct customer negotiations depending on the DM options being sought.

Over the past 12 months, EnergyAustralia has advertised public calls for submissions for DM for the Zetland / St Peters / Mascot / Alexandria areas, the Lindfield / Pymble / Turramurra / St Ives areas, the Erina / Avoca areas, the Berkeley Vale / Chittaway Bay / Tuggerah areas, the Lisarow / Wyoming areas and the Cessnock area. EnergyAustralia has also conducted field studies in each of these areas to identify possible DM options.

In conjunction with the Public Interest Advocacy Centre (PIAC), EnergyAustralia has implemented the "REFIT" program to investigate the feasibility and cost of reducing overall demand in the residential sector. Aimed specifically at the low-income, rental sector in the Lower Hunter region, the project provides free energy refits to help disadvantaged customers with their energy costs while reducing their demand. EnergyAustralia is providing funding of up to \$300,000 for a 12 month program which is more than half complete.

EnergyAustralia is also actively working with the Government and regulatory bodies on DM. We have worked with the Ministry of Energy and Utilities on the Code of Practice for DM, contributed to the IPART Section 12A Report to the Premier on DM issues and worked with the Sustainable Energy Development Authority (SEDA).

EnergyAustralia has a long and notable history in the promotion of controlled off-peak hot water heating as a primary means of DM. The utilisation of ripple control systems, together with detailed sizing policies for hot water tanks, has resulted in the current position where approximately 800 MW of demand has been shifted from the EnergyAustralia evening peak load profile.

# Statistical and Statutory Information Section

for the year ended 30 June 2002

Ministry reporting requirements continued

## Demand Management Projects 2001-2002

Description of Demand Management Investigations	Demand Management Actions Implemented	PV of Costs of Demand Management Strategies	PV of Total of Capital Expenditure Deferment plus Operating Expenditure Savings
<b>INDIVIDUAL LARGE PROJECTS</b>			
Scoping and detailed investigation including public call for submissions for North Sydney and Crows Nest areas	DM investigations in progress	DM investigations in progress	DM investigations in progress
Scoping investigation including public call for submissions for Cessnock area	DM assessed as not cost effective	N/A	N/A
Scoping investigation including public call for submissions for Lindfield / Pymble Turramurra / St Ives areas	DM assessed as not cost effective	N/A	N/A
Scoping investigation including public call for submissions for Berkeley Vale Chittaway Bay / Tuggerah areas	DM investigations in progress	DM investigations in progress	DM investigations in progress
Scoping investigation including public call for submissions for Erina/Avoca areas	DM investigations in progress	DM investigations in progress	DM investigations in progress
Scoping investigation including public call for submissions for Lisarow / Wyoming areas	DM investigations in progress	DM investigations in progress	DM investigations in progress
Scoping and detailed investigation including public call for submissions for Zetland / St Peters Mascot / Alexandria areas	DM assessed as not cost effective	N/A	N/A
Analysis of PFC Capacitor DM potential at customers premises in the Bunnerong Area	Investigations in progress	Investigations in progress	Investigations in progress
Power Factor Correction at City South	PFC capacitors installed	\$0.36m	\$0.84m
Power Factor Correction at City Central	PFC capacitors installed	\$1.60m	\$3.76m
Power Factor Correction at Avoca	PFC capacitors installed	\$0.30m	\$0.58m
	Sub-totals	\$2.26m	\$5.18m

for the year ended 30 June 2002

Description of Demand Management Investigations	Demand Management Actions Implemented	PV of Costs of Demand Management Strategies	PV of Total of Capital Expenditure Deferment plus Operating Expenditure Savings
---	---------------------------------------	---	---

## CONSOLIDATED PROJECTS

Use of Standby Generators for network support at North Ryde	Negotiations in progress	Negotiations in progress	Negotiations in progress
Additional Load Control	Load Control of new customers	\$1.80m	\$7.84m
	Sub-totals	\$1.80m	\$7.84m
	Totals	\$4.06m	\$13.02m

Notes for table

- This table refers to investigations (being investigations to ascertain whether it would be cost-effective to avoid or postpone the expansion by implementing demand management strategies) in circumstances in which it would be reasonable to expect that it would be cost-effective to avoid or postpone the expansion by implementing such strategies.
- Reports are required for large projects reported separately and for small projects reported collectively. Optionally, small projects may be individually listed, but must not be counted again in the consolidated report.

## Standards of Service

EnergyAustralia has produced a Customer Contract, Information Guide to the Electricity Supply and Electricity Supply Standards that outline the standard of customer service and electricity supply customers can expect from EnergyAustralia. Under our Customer Contract, EnergyAustralia guarantees to meet Standards of Service such as:

- timely provision of connection services;
- timely notification of planned interruptions to supply;
- repair of faulty streetlights;
- punctuality in keeping appointments; and
- provision of a telephone hotline.

Customers can obtain a copy of our Contract and Service Standards, which became effective from 12 September 1998 from EnergyAustralia offices or by calling our Contact Centre on 13 15 35.

The following table defines EnergyAustralia's performance regarding the Guaranteed Customer Service Standards (both Network and Retail), as defined in clause 10 of EnergyAustralia's Standard Form Customer Connection and Supply Contract of 12 December 1998. For each breach, compensation was paid to the customer.

Measure	Target	Total Number	Number of breaches	Compliance
Timely provision of connection services	< 5 days	18,760	0	100%
Timely notice of planned interruptions to supply	> 2 days	967 interruptions (34,629 customers)	4	99.9%
Repair of faulty street lights	< 5 days	33,325 requests	831	97.5%
Punctuality in keeping appointments	Within 15 minutes	19,611	7	99.9%
Provision of telephone hotlines	24 hour hotline (13 13 88)	100%	Nil	100%

# Statistical and Statutory Information Section

for the year ended 30 June 2002

for the year ended 30 June 2002

## 17. SENIOR EXECUTIVE SALARIES

Name	Position	Remuneration & 2001-2002 Bonus	Statement of performance
P. Broad	Managing Director	\$463,000 Bonus \$72,228	Has been in this role for the full reporting period and performed well against agreed targets particularly in relation to financial management stakeholder relations and readiness for full retail contestability.
N. Saphin	General Manager, Retail & Marketing	\$271,000 Bonus \$43,360	Has been in this role for the full reporting period and performed well against agreed targets particularly regarding customer retention and acquisition, management of operating costs and brand awareness.
M. Davies	General Manager, Network	\$240,000 Bonus \$36,960	Has been in this role for the full reporting period and performed well against agreed targets particularly in the areas of asset management, regulatory relationships and issues management.
J. Eisenhuth	General Manager, Enerserve	\$229,300 Bonus \$35,770	Has been in this role for the full reporting period and performed well against agreed targets particularly in the areas of contribution from external business, delivery of the network capital program and maintaining environmental certification.
A. Jones	General Manager, Corporate Strategy & Business Development	\$229,300 Bonus \$35,770	Has been in this role for the full reporting period and performed well against agreed targets particularly in the areas of implementation of new IT Infrastructure, delivery of systems capability for full retail contestability, industrial relations and public affairs management.
G. Maltabarow	General Manager, Finance & Corporate Secretary	\$229,300 Bonus \$37,146	Has been in this role for the full reporting period and performed well against agreed targets particularly in the areas of regulatory strategy, delivery of key financial outcomes and stakeholder relations.
T. O'Grady	General Manager, Energy Risk Management	\$219,000 Bonus \$36,354	Has been in this role for the full reporting period and performed well against agreed targets particularly in the areas of contribution to the profitability of the Retail business, effective management of market risk and the development of trading tools.
G. Lilliss	General Manager, Customer Service	\$222,000 Bonus \$34,188	Has been in this role for the full reporting period and performed well against agreed targets particularly in the areas of profitability of external business, metering business development and efficiencies in the handling of customer enquiries.

Performance payments are based on an assessment of actual results in relation to corporate, divisional and individual performance. Performance payments are independently assessed and measured against actual results.

As at 30 June 2002, EnergyAustralia employed 142 staff whose remuneration package exceeded SES Level 1, 25 of whom were female employees. This compares with 124 staff at 30 June 2001, 22 of whom were female employees.

## 18. EXEMPTIONS FROM THE REPORTING PROVISIONS

### List of Financial and Annual Reporting Exemptions for agencies in competition

Statutory Requirements	Act/Regulation References	Comments
<b>FINANCIAL REPORTING EXEMPTIONS</b>		
<b>Format of financial statements</b>	<b>Public Finance and Audit Act</b>	
<b>Financial statements</b>	S.41B(c) PF&AA	Exemption from preparing manufacturing, trading and profit and loss statements. Required to prepare a summarised Operating Statement (ie summarising major categories of revenues and expenses).
<b>Notes – Income and expenditure</b>	<b>(Schedule 1, Part 1): PF&amp;A Reg</b>	
Amounts set aside for renewal or replacement of fixed assets	Item 2	
Amounts set aside to any provision for known commitments	Item 4	
Amount appropriated for repayment of loans / advances / debentures / deposits	Item 6	
Material items of income and expenditure on a program or activity basis	Item 13	Required to summarise the material items of revenues and expenses on a program or activity basis.
<b>Notes – Additional information</b>	<b>(Schedule 1, Part 3): PF&amp;A Reg</b>	
Excess of non-current asset value over replacement cost	Item 13	
<b>ANNUAL REPORTING EXEMPTIONS</b>		
<b>Budgets</b>		
• detailed budget for the year reported on	s.7(1)(a)(iii) ARSBA	
• outline budget for next year	s.7(1)(a)(iii) ARSBA	
• particulars of material adjustments to detailed budget for the year reported on	cl 6 ARSBR	
<b>Report of Operations</b>	s.7(1)(a)(iv) ARSBA	Exemption subject to a condition. The condition is that comments and information relating to the "summary review of operations" are to be disclosed in a summarised form.
<b>Management &amp; Activities</b>	Schedule 1 ARSBR	Exemption subject to a condition. The condition is that comments and information relating to "Management & Activities" are to be disclosed in a summarised form.
<b>Research &amp; Development</b>	Schedule 1 ARSBR	
<b>Human Resources</b>	Schedule 1 ARSBR	Exemption subject to a condition. The condition is that overseas visits with the main purpose highlighted are required to be disclosed.
<b>Consultants</b>	Schedule 1 ARSBR	Exemption subject to a condition. The condition is that the total amount spent on consultants is to be disclosed along with a summary of the main purposes of the engagements.
<b>Land Disposal</b>	Schedule 1 ARSBR	
<b>Consumer Response</b>	Schedule 1 ARSBR	Exemption subject to a condition. The condition is that comments and information relating to "consumer response" are to be disclosed in a summarised form.
<b>Payment of Accounts</b>	Schedule 1 ARSBR	This exemption only applies to statutory SOCs as they are not subject to the payment of accounts provisions in s18 of the Public Finance and Audit Regulation.
<b>Time for Payment of Accounts</b>	Schedule 1 ARSBR	As above.
<b>Report on Risk Management &amp; Insurance Activities</b>	Schedule 1 ARSBR	Exemption subject to a condition. The condition is that the comments and information are to be disclosed in a summarised form.
<b>Disclosure of Controlled Entities</b>	Schedule 1 ARSBR	Exemption subject to a condition. The condition is that the names of the controlled entities are to be disclosed along with a summarised disclosure of the controlled entities' objectives, operations and activities and measures of performance.
<b>Investment Management Performance</b>	cl.12 ARSBR	
<b>Liability Management Performance</b>	cl.12 ARSBR	
<b>Financial Statements of Controlled Entities</b>	s.7(1)(a)(ia) ARSBA	Exemption from preparing manufacturing and trading statements. Required to prepare a summarised Operating Statement (ie summarising major categories of revenues and expenses).

# Reference

ARSBA – Annual Reports (Statutory Bodies) Act 1984

ARSBR – Annual Reports (Statutory Bodies Regulation 2000)

PF&AA – Public Finance & Audit Act 1983

PF&A Reg – Public Finance & Audit Regulation 2000

Index	Page no.		
<b>A</b> Abbreviations	inside back cover	<b>I</b> Independent Audit Report	70
Annual Report cost	74	Internal communications	27
<b>B</b> Board of Directors	33	Internal Control and Risk Framework	35
Brand	15	<b>J</b> Judicial decisions	80
<b>C</b> Capital expenditure	36	<b>K</b> Key results	10,11
Carbon Dioxide and other Greenhouse		<b>L</b> Legislative change	76
Gas Emissions	82	Lost time injury frequency rate	8,10,27
Chairman and Managing Director's review	6,7	<b>M</b> Metering	15
Code of Conduct	76	Ministry reporting requirements	82
Community consultation	24	<b>N</b> Net profit after tax	9,37
Company profile	2	Network outages/incidents	20
Competition	12	Network upgrades	16,19
Consultancies	74	<b>O</b> Operating expenditure	36
Consumer response	81	Operating revenue	36,37
Contact Centre	20,23	Organisational chart	31
Contact details	inside back cover	Outages	20
Contents	5	Outlook for 2002-03	37
Corporate governance	33-35	Overseas visits	75
Customer base	71	<b>P</b> Performance report	36,37
Customer Council	24,81	Profitability	36
Customer minutes without supply	9,10,71	Property disposal	80
Customer satisfaction	8,11,71	Publications	81
<b>D</b> Demand Management	84,85	<b>R</b> Research and development	81
Directors	32-34	Results at a glance	8,9
Directors' Committees	35	Retail business	12
Directors' Declaration	69	Return on Equity	36,37
Directors' meetings	35	Returns to Shareholders	36,37
Directors' report	33-35	Risk Mitigation	16
<b>E</b> Electricity demand	16	<b>S</b> Safety	19,27
Employment equity	73	Senior Executive remuneration	86
EnergyFix	15	Source of Electricity Supplied	82
Enerserve	15	Sponsorships	15
Environment	15,19	Standards of Service	85
Executive team	31	Statement of Affairs	80
External Business	9,15	Statement of Cash Flows	42
Exemptions from the Reporting Provisions	87	Statements of Financial Performance	40
<b>F</b> Financial Overview	37	Statements of Financial Position	41
Financial Statements – Index	39	Statement of Corporate Intent (SCI)	37
Freedom of Information (FOI) statistics	72	Statistical and statutory information	71
Full Retail Competition	12,27	Summary of key statistics	71
Funds granted to non-government community organisations	76	Supply of electricity	8,16
<b>G</b> Greenhouse emissions	6,15	Sydney CBD supply projects	19
<b>H</b> Heritage Act requirements	72	<b>T</b> Testing and Certification Australia	15
Human resources programs	27	Tree management	23

## Abbreviations

<b>V</b>	<b>volt</b>	A volt is the unit of potential or electrical pressure.
<b>W</b>	<b>watt</b>	A measurement of the power present when a current of one ampere flows under a potential of one volt.
<b>kW</b>	<b>kilowatt</b>	One kW = 1000 watts.
<b>kWh</b>	<b>kilowatt hour</b>	The standard unit of energy which represents the consumption of electrical energy at the rate of one kilowatt for one hour.
<b>kV</b>	<b>kilovolt</b>	One kV = 1000 volts.
<b>kVA</b>	<b>kilovolt ampere</b>	A unit of apparent power in an alternating current circuit equal to 1000 volt amperes.
<b>MVA</b>	<b>megavolt ampere</b>	A unit of apparent power in an alternative current circuit equal to one million volt amperes. (A unit commonly used when expressing the rating of a large power transformer).
<b>MW</b>	<b>megawatt</b>	One MW = 1000kW or one million watts.
<b>MWh</b>	<b>megawatt hour</b>	One MWh = 1000 kilowatt hours.
<b>GWh</b>	<b>gigawatt hour</b>	One GWh = 1000 megawatt hours or one million kilowatt hours.
<b>Gg</b>	<b>gigagram</b>	One Gg = 1 kilotonne.
<b>Gj</b>	<b>gigajoule</b>	One gigajoule = 1000 megajoules. A joule is the basic unit of energy used in the gas industry.

## Contact details

**Head Office**  
570 George Street  
Sydney NSW 2000  
Telephone 13 15 35  
Facsimile 02 9269 2830

Postal address:  
GPO Box 4009  
Sydney NSW 2001

**Hunter Area**  
145 Newcastle Road  
Wallsend NSW 2287

Postal address:  
PO Box 487  
Newcastle NSW 2300  
Telephone 13 15 35

EnergyAustralia offices are open between 8.30am and 5.00pm Monday to Friday

Emergency services are available 24 hours a day  
Telephone 13 13 88

Internet address [www.energy.com.au](http://www.energy.com.au)