



Energy Charter Disclosure Statement 2018/19



The Energy
Charter

Contents

Foreword.....	i
Introduction.....	1
Powerlink approach to the Energy Charter Principles.....	1
Powerlink Energy Charter scorecard.....	2
Powerlink case studies.....	5
Appendix – Principles in action 1.1 to 5.4.....	7
Index and abbreviations	18

About Powerlink Queensland

Powerlink Queensland is a Government Owned Corporation that owns, develops, operates and maintains the electricity transmission network in Queensland. Our transmission network runs approximately 1,700km from Cairns down to New South Wales. With electricity being a key enabler of the economy and supporter of our modern lifestyles, we have an important responsibility as part of delivering electricity to more than four million Queenslanders.

Powerlink's role in the electricity supply chain is to transport high voltage electricity, generated at major power stations, through its transmission grid to the distribution networks owned by Energex and Ergon Energy (part of the Energy Queensland Group) and Essential Energy (in northern New South Wales) to supply customers. We also transport electricity to high usage industrial customers such as rail companies, mines and mineral processing facilities, and to New South Wales via the Queensland/NSW Interconnector transmission line.

Foreword

Message from the Powerlink Chair and Chief Executive

Powerlink is proud to present this inaugural Energy Charter Disclosure Statement. Preparing this Disclosure Statement helps us review and report on the actions we have taken and are planning to take to create real improvements that benefit customers and ensure we meet their expectations. Importantly, this process has also highlighted to us the gaps where action has not been taken effectively and the areas we need to work on to ensure we deliver valued outcomes for customers.

As a foundation signatory to the Energy Charter, we signal our commitment to playing our part, within the wider energy supply chain, in delivering energy for a better Australia. Our commitment to the Energy Charter mirrors our corporate commitment to becoming a more customer-focused business. We look forward to Powerlink contributing to a future characterised by learning, collaboration, transparency and continuous improvement as our industry gains momentum in placing the customer at the centre of all we do.

We thank our customers and stakeholders for supporting our journey to improve customer outcomes by providing robust input and feedback through our [Customer Panel, surveys, forums and other engagement mechanisms](#). We are committed to listening and responding appropriately to this input as we continue to strengthen our customer centricity.

In this spirit, we welcome your feedback on our Disclosure Statement. Please send us your thoughts directly by emailing pqenergycharter@powerlink.com.au. Alternatively, you can provide your comments to the Energy Charter Independent Accountability Panel at submissions@theenergycharterpanel.com.au.

Kathy Hirschfeld AM
Chair

Merryn York
Chief Executive

Message from the Powerlink Customer Panel

As members of the Customer Panel, we aim to help shape processes and inform decision making for Powerlink.

The Customer Panel was encouraged to see Powerlink pledge its commitment to the Energy Charter as a foundation signatory. This is aligned to Powerlink's commitment to better understanding and then fulfilling customers' expectations and needs.

Powerlink has transformed their understanding of who their customers are and how they engage with them. We congratulate them on this transformation.

Powerlink has actively engaged with us during the development of the Energy Charter. We commend their efforts. We endorse this Disclosure Statement as an accurate reflection of Powerlink's customer activities and areas of future focus.

Our view is that Powerlink's publication of this Disclosure Statement enhances accountability and governance, which can drive continued improvement within the industry. We believe this will cultivate more trust with Powerlink's customers and stakeholders. We look forward to continuing our work alongside Powerlink.

Current Customer Panel members

Steve Straughan	Aurizon
David Hiette	BHP Billiton
Robyn Robinson	Council on the Ageing
John Gardner	CSIRO
Ian Christmas	Edify Energy
Shelley Ashe	Energy Consumers Australia
Sam Pocock	Energy Queensland
Erin Bledsoe	QGC/Shell
Dr Georgina Davis	Queensland Farmers' Federation
Andrew Barger	Queensland Resources Council
Chris Hazzard	St Vincent de Paul Society

Note: Energy Users' Association of Australia's (EUAA's) Mark Grenning is also a member of Powerlink's Customer Panel. However, due to conflict of interest requirements associated with EUAA's CEO Andrew Richards being appointed to the Energy Charter Independent Accountability Panel, the EUAA has not reviewed or taken part in any discussions regarding Powerlink's draft Energy Charter Disclosure Statement ahead of its finalisation since the publication of the EUAA's 'Managing Conflicts of Interest' statement in July 2019.

Introduction

As an [electricity transmission network service provider](#), Powerlink's role in the electricity supply chain was historically largely invisible and rarely understood by customers. From Powerlink's perspective, there was a long-held view that we only provided services to a handful of customers – generators, large energy users and two distribution networks. We saw ourselves as the technical and engineering experts who 'knew' what our customers needed – often without seeking their input or advice.

In recent years, we have taken a different approach. We looked beyond our large generators and loads, expanding our focus on who our customers are to include not only our directly connected customers but also the more than four million Queenslanders who use the energy we play a part in providing. This evolution is also reflected in our mission and vision, as well as our new corporate values – 'Accountability, Customer, Teamwork and Safety'.

Whether they are a directly connected customer or a Queensland household or business, our customers expect value for money, responsiveness and customer-focused decisions. In response, we put in place engagement frameworks to proactively seek customer feedback to improve our decision making and planning.

While we have made steps forward, we recognise that we need to embed customer centricity in our everyday thinking. We are working hard to get better at delivering on their expectations.

Powerlink approach to the Energy Charter Principles

Please refer to the Appendix for full details on the Principles in action 1.1 to 5.4.

Principle 1	We will put customers at the centre of our business and the energy system. Powerlink's vision is to be innovative and customer focused, with a stronger business and reputation. 'Customer' is one of our core values. As a transmission business, we need to continue to bring our customers 'to life' within our business and demonstrate the importance of the service we provide. Principle 1 will be a high focus area for Powerlink in 2019/20, with a particular focus on Principles in action 1.2, 1.4 and 1.5. We see these as building strong foundations for other Principles.
Principle 2	We will improve energy affordability for customers. We know that affordability is a prime concern for customers. We commit to ensuring the costs for transmission, which comprise seven per cent¹ of the average Queensland residential electricity bill, are economical, efficient and effective. Principles in action 2.1, 2.3 and 2.5 will be high focus areas for Powerlink over the next two years as we engage with customers on our next Revenue Determination process. As a transmission business, we have no direct contact with most energy users so do not have an explicit role in Principles in action 2.2 and 2.4, as these are more in the remit of a retailer.
Principle 3	We will provide energy safely, sustainably and reliably. A safe, cost effective and reliable supply of energy is at the core of our operations. With this in mind, Principles in action 3.1 and 3.2 are embedded in the way we operate at Powerlink. We also have a role to play in shifting to a cleaner energy future through connecting renewable energy sources to the network, noting existing regulations require us to be generation-type neutral which impacts Principles in action 3.3, 3.4 and 3.5.
Principle 4	We will improve the customer experience. Powerlink is fully committed to improving the customer experience, set within the context of a transmission business that has no direct relationship with households and most businesses. We have a dedicated team who engage with generators and high-use industrial customers who connect directly to the transmission network and a Landholder Relations team to engage with landholders and communities located near our infrastructure. Principle in action 4.3 will be a priority for our business in 2019/20, as we have just launched a new customer-focused innovation framework.
Principle 5	We will support customers facing vulnerable circumstances. As a transmission business, Powerlink has no direct relationship with residential and small business customers who may be facing vulnerable circumstances, so we consider Principles in action 5.1, 5.2, and 5.3 outside of our ability to influence in a direct and tangible way. However, we will work closely with businesses connected directly to our network, who may find themselves in vulnerable circumstances, to understand their situation and assist where appropriate. We see our most important role as influencing affordability, which ultimately helps vulnerable customers.

Powerlink Energy Charter scorecard

Please refer to the legend overleaf for more context on metrics.

Measure	Description	Current result	Previous result	Performance trend  Improving  Stable  Declining
Principle 1 – We will put customers at the centre of our business and the energy system.				
Customer service focus *	The extent to which staff understand they are responsible for identifying and satisfying the needs of customers. Scores are reported as percentiles, ranging from 1st (lowest) to 99th (highest). A percentile represents our performance in comparison to other organisations in the norm group (1,084 organisations), as opposed to an absolute performance figure out of 100.	7th percentile (November 2017)	4th percentile (November 2015)	
Principle 2 – We will improve energy affordability for customers.				
Financial performance score ^	Stakeholders' response when asked to rate Powerlink's financial performance.	11% excellent 28% good 11% satisfactory 49% don't know (December 2018)	10% excellent 28% good 15% satisfactory 1% fair 5% poor 41% don't know (November 2016)	
Customer view on affordability #	The extent to which customers agree or disagree with the statement: 'These energy suppliers are working to make electricity more affordable'. Scores are reported as 0 to 10, with 10 being full agreement and 0 being full disagreement.	4.5 (November 2018)	This question was asked for the first time in 2018.	N/A
Principle 3 – We will provide energy safely, sustainably and reliably.				
Customer view of reliability #	The extent to which customers agree or disagree with the statement: 'These energy suppliers provide my household with a reliable energy supply'. Scores are reported as 0 to 10, with 10 being full agreement and 0 being full disagreement.	7.4 (November 2018)	This question was asked for the first time in 2018.	N/A
Customer view of security of supply #	The extent to which customers agree or disagree with the statement: 'These energy suppliers give me a sense of security about my electricity supply.' Scores are reported as 0 to 10, with 10 being full agreement and 0 being full disagreement.	6.4 (November 2018)	This question was asked for the first time in 2018.	N/A
Total Recordable Injury Frequency Rate (TRIFR) ~	Identifies the frequency of Total Recordable Injuries as a proportion of the hours worked, expressed as the total number of lost time injuries and medical treatment injuries, per million hours worked for Powerlink employees (including contingents) and contractors for the previous 12 months (rolling 12-month period).	4.5 (30 June 2019)	7.3 (30 June 2018)	
Lost Time Injury Frequency Rate (LTIFR) ~	Identifies the frequency of lost time injuries as a proportion of the hours worked, expressed as the number of occurrences per million hours worked by Powerlink employees (including contingents) and contractors for the previous 12 months (rolling 12-month period).	1.2 (30 June 2019)	1.8 (30 June 2018)	

Stakeholder view on social performance ^	Stakeholders' response when asked to rate Powerlink's social performance.	8% excellent 29% good 25% satisfactory 2% fair 1% poor 35% don't know (December 2018)	7% excellent 43% good 14% satisfactory 5% fair 2% poor 25% don't know (November 2016)	
Stakeholder view on environmental performance ^	Stakeholders' response when asked to rate Powerlink's environmental performance.	10% excellent 33% good 15% satisfactory 2% fair 2% poor 38% don't know (December 2018)	9% excellent 44% good 10% satisfactory 4% fair 2% poor 31% don't know (November 2016)	
Notifiable environmental incidents ~	An environmental incident is an event involving Powerlink work undertaken by a Powerlink employee or contractor that may cause harm or potential harm to the environment and is reportable to an environmental regulator.	1 (2018/19)	13 (2017/18)	

Principle 4 – We will improve the customer experience.

Customer engagement satisfaction ^	Customers rate their perception of Powerlink's stakeholder engagement. Results are on a scale of 1 to 5, where 5 is highest.	3.64 (December 2018)	3.46 (November 2016)	
Social licence to operate ^	The level of acceptance or approval granted to Powerlink by its stakeholders. Results are on a scale of 1 to 5, where 5 is full trust.	3.98 (December 2018)	3.88 (November 2016)	
Net Promoter Score ^	The Net Promoter Score (NPS) asks stakeholders to rate Powerlink on a scale of 1 to 10, how likely they are to recommend the organisation. The NPS is calculated by subtracting the percentage of detractors from the percentage of promoters.	-24 (December 2018)	Powerlink measured NPS for the first time in 2018.	N/A
Reputation score ^	How stakeholders perceive public sentiment towards Powerlink. Results are a scale of 1 to 5, where 5 is the highest.	3.66 (December 2018)	3.47 (November 2016)	
Customer service score ^	Stakeholders' response when asked to rate Powerlink's customer service.	6% excellent 39% good 21% satisfactory 1% fair 33% don't know (December 2018)	8% excellent 38% good 16% satisfactory 6% fair 1% poor 31% don't know (November 2016)	
Customer trust score ^	This is measured as the mean of the promise keeping and listening scores. Results are on a scale of 1 to 5, where 5 is the highest.	4.04 (December 2018)	4.04 (December 2018)	
Complaints closed to customer satisfaction +	This is measured on a 12 month rolling average.	90% (30 June 2019)	88% (30 June 2018)	

Principle 5 – We will support customers facing vulnerable circumstances.

Powerlink has no specific quantitative metrics regarding customers in vulnerable circumstances. Detail about Powerlink's approach to customers in vulnerable circumstances is included within Principles in action 5.1 to 5.4 in the qualitative section of this Disclosure Statement.

Legend

Key	Source	Description of sample
*	Powerlink Culture Survey – November 2017 and November 2015	In 2017, a full Culture Survey was undertaken and sent to all 847 Powerlink employees. A total of 594 responses were received representing various demographics (including factors such as leadership level, work location, gender and work conditions). In 2015, a full Culture Survey was undertaken and sent to a random sample of 498 employees representing various demographics similar to the above. A total of 275 responses were received from the sample. 'Customer' in these surveys is defined as internal or external recipients of a good, service, product or an idea, including stakeholders.
^	Powerlink Stakeholder Perception Survey – December 2018 and November 2016	Powerlink conducts a full Stakeholder Perception Survey every two years, with a pulse survey conducted every other year. In 2018, a full survey was undertaken and involved 97 stakeholders across consumer advocacy groups, contractors/suppliers, customers, environmental/community groups, industry/research associations, landholders, Local Government, State Government, regulators, unions and utilities. The 2016 Stakeholder Perception Survey was completed by 101 stakeholders across the same stakeholder groups.
#	Queensland Household Energy Survey – November 2018	The annual Queensland Household Energy Survey is conducted jointly between Energy Queensland and Powerlink. Results are not separated by organisation, they are collaborative and jointly-owned measures. 'Customer' in this survey relates to indirect, end user customers who consume electricity. A sample of 4,957 Queensland households participated in 2018, with data weighted to ensure statistically representative results in line with census data.
~	Reporting against Powerlink's Statement of Corporate Intent (SCI) 2018/19	Targets are set in Powerlink's 2018/19 SCI. Performance against these targets is reported to shareholding Ministers in Powerlink's Annual Report.
+	Complaints management reporting	This measure relates to operational complaints which are defined as: <i>An expression of dissatisfaction made to Powerlink related to services, actions, conduct or the complaints handling process itself, where a response or resolution is explicitly or implicitly expected.</i>

Powerlink case studies

CASE STUDY 1 Customer Service Charter

While we have had an intent to build a more customer-focused culture for some time, we recognise that we needed to shift our culture from what had worked for us in the past to one that met the very different demands and expectations of the future.

One of our key actions was to develop a statement of our customer service promise. We engaged extensively with our employees, Senior Leadership Team and Board to develop a [Customer Service Charter](#) that outlined our customer service standards and responsibilities. We workshopped it to a final version that stated our delivery promise and service standards in relation to network performance, customer engagement and complaints resolution.

When we presented the final Customer Service Charter to our [Customer Panel](#), the panel members challenged as to why they had not been consulted earlier in the process. This was a key learning moment for us. We hadn't lived up to our customers' engagement expectations.

We acknowledged our error and invited feedback from panel members. With panel feedback integrated, the amended charter was then re-approved by our Board.

This experience helped us to understand the importance of seeking customer feedback as part of the co-creation process, so our engagement is authentic and respectful. We learnt an important lesson about including customer engagement early in our decision making process, when the outcome can be influenced.

CASE STUDY 2 Renewable Connections

Powerlink has seen unprecedented interest from renewable energy generators seeking to [connect our transmission network](#). We have connected 13 renewable energy projects with the capacity to generate 1,700MW over the past two years.

However, customer frustration grew due to a combination of high demand on Powerlink's resources, lack of clarity due to confidentiality arrangements, system strength issues and the complexity of the connection process itself delaying initial project timeframes.

Insights from our 2018 [Stakeholder Perception Survey](#) highlighted customer experiences and concerns:

"We would like more certainty on transmission connection. The process takes 12 months and can cost up to \$1 million. Even after signing the contract, the connection may not be available."

"Uncertainties around rules, definitions, lack of clarity and slow responses turn us away from potential investment."

In response, we have improved our communication approach to network connection customers, being more up-front and transparent about challenges and identifying opportunities to work together to resolve them. This more open communication approach provides better certainty and clarity about project progress for our customers.

For example, through Energy Networks Australia (ENA) we helped initiate a rule change with the Australian Energy Market Commission (AEMC) to allow publication of basic project information that is currently confidential, which improves transparency of activity within the network. We are sharing more customer-specific information on renewable connections than ever before in our [Transmission Annual Planning Report \(TAPR\)](#) and continuing to provide increased visibility of network capacity for proponents seeking to connect to our network.

For renewable customers, we are implementing a range of activities to improve our response times, clarifying connection agreement processes and providing greater flexibility where possible.

We recognise there are more improvements to make as we continue to work with renewable energy generators, particularly in understanding the information they need and providing access to that information in a timely manner.

CASE STUDY 3 Customer Engagement

Our customer engagement approach has been a learning process built on foundations laid more than a decade ago, when we hosted our first forum with customers and stakeholders on our TAPR.

While our annual forum has always been well-attended, it was a basic one-way flow of information, or an 'inform' process on the [International Association for Public Participation \(IAP2\) spectrum](#). There was very little opportunity for attendees to influence our decision making.

In 2016, we broadened the forum's scope to include interactive breakout sessions to facilitate meaningful engagement with customers and stakeholders. This change was well-received and led to more customer-focused planning and decision making on a range of matters. Our annual [Transmission Network Forum](#) now attracts more than 100 customer, government and industry representatives, and generates direct customer and stakeholder input on key aspects of our operations.

Through this forum, customer input has directly influenced many aspects of Powerlink's operations, including improvements in the renewable energy connection process and improved engagement to identify more non-network solutions to help put downward pressure on electricity prices.

The success of the forum's broadened scope was also off the back of establishing our Customer Panel in May 2015. Our panel now plays an important role in engagement on processes such as our [Regulatory Investment Test for Transmission \(RIT-Ts\)](#) and our upcoming Revenue Determination process for 2023-27. Our recent workshop to [co-design engagement for our next Revenue Determination process](#) was the first time a network business in Australia had used this approach.

We have made significant steps in improving our engagement with customers, but fully recognise our customers have helped our learning journey. We greatly value the expertise and time dedicated by our panel members, and other customers and stakeholders in providing their insights and feedback to us.

CASE STUDY 4 Complaints Management

Managing complaints is an important step in understanding our customer needs and perceptions. Before 2015, our visibility of overall complaints and customer satisfaction was limited as different parts of the business used individual systems to track and resolve complaints, without links to a corporate level view to monitor trends.

Since developing a corporate complaints management system and framework in 2015, we have been improving processes to better meet customer expectations.

Our [complaints process](#) is on our website, with information clearly outlining how a customer can talk to us and what our commitments are in resolving the matter. This process sets us up to respond effectively, manage complaints well and track resolution.

In 2018/19, we focused on better analysing complaints trends and tracking recurring issues to improve our customer service. For example, we identified a spike in easement management-related complaints and an investigation found the issues were mostly related to work being undertaken by an individual contractor. Relevant managers worked with the contractor to adjust work practices to eliminate further customer concerns.

In 2018/19, we worked towards a Key Performance Indicator of more than 70 per cent of complaints being closed to the customer's satisfaction, which we track through our complaints management system. In 2018/19, we consistently exceeded this KPI, with the majority of complaints closed with the customer's approval each month. As a result, in 2019/20 we have increased our target to 80 per cent to sharpen our focus on continuous improvement.

Over the next 12 months, we plan to initiate key process improvements so we have better quality data on complaint resolution and to audit our data to better understand trends and customer satisfaction. We will also ensure our staff are more consistently trained to improve their capability to manage complaints, enhancing employee engagement and delivering better outcomes for customers.

CASE STUDY 5 Corporate Values

During 2018, we undertook a comprehensive process to refresh our corporate values, which had been in place for more than five years. Our previous values were 'Safe, Respectful, Proactive, Ethical and Cooperative'. We did not recognise the customer in our corporate values, reflecting our focus at the time.

As part of this review process, we sought the views of staff, with more than 350 employees responding with their input. While we found that 'Safety' and 'Teamwork' resonated with our employees, it was only at the senior leadership level that 'Customer' was commonly identified as a desired corporate value. This highlighted the need to cultivate a shared understanding about customers and why they are important to us.

Through a series of workshops and briefings, we engaged our employees and leaders in refining our options down to four organisational values. The inclusion of a 'Customer' value was endorsed at a senior leadership level to formalise our customer focus across Powerlink.

We took our proposed values to our Customer Panel and sought feedback. The panel members supported the values and provided insights to help us plan how we could effectively embed the values within our business.

Our new values – 'Accountability, Customer, Teamwork and Safety' – now better align with our mission and vision. In particular, the inclusion of the 'Customer' value highlights our dedication to building our customer-centric capability. The 'Accountability' value emphasises our focus on achieving the best results for our customers and Powerlink.

We remain focused on embedding these values with our employees, with every employee's performance agreement having direct reference to how their behaviour aligns with the corporate values.

CASE STUDY 6 Innovation Framework

Innovation has always had a place at Powerlink, but we recognise we need to be more consistent with it so we can deliver on our customer-centric vision and mission, and achieve better customer outcomes.

We began to develop an innovation framework in 2017/18, working with Powerlink staff who shared an interest in growing our innovation capability. It was a bottom-up, organic approach that tackled innovation largely from a process perspective.

While the initiative delivered some solid innovative gains, we realised a customer lens was missing. We needed to ensure that it was a customer-driven innovation framework. We sought help from a partner with experience in designing customer innovation frameworks.

Defining innovation was a critical step. Innovation is now defined as a deliberate effort to deliver change that adds value. It is about finding solutions to current and future challenges to deliver better outcomes for our customers.

Our new framework focuses on creating a culture that supports innovation to grow our organisational innovation capability and lead to better customer outcomes.

The pilot project using the new framework involved improvements to our insulator replacement program. Through a range of actions, improved safety outcomes have been achieved with an 80 per cent reduction in driving, improved employee wellbeing and an increased productivity level of completing works on at least an additional transmission tower per day.

Appendix – Principles in action 1.1 to 5.4

Principle in action 1.1	
Have a Board that actively oversees the business's culture so as to be aligned with Energy Charter Principles.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
The Board has set the direction of Powerlink's progress from a low customer-focus base towards a customer-centric culture. The Board used the Energy Charter as a foundation for shaping Powerlink's Business Strategy 2019/20 update. We evaluated our customer-focused culture through an organisational culture survey, which the Board actively monitors. The Board also interacted with employees during meetings, briefings and site visits to see customer-centric behaviour and decision making in action. This has meant the Board is more intimately aware of customers' interests when setting our organisation's strategic direction.	We will continue to monitor our customer focus through a range of measures, including our organisational culture survey. The Board will continue to monitor the progress and effectiveness of culture change initiatives on a quarterly basis to guide Board strategy development.

Principle in action 1.2	
Have management operationally accountable for embedding a 'customer at the centre' culture.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We developed a new organisational 'Customer' value to prioritise customer-centric behaviour (see case study 5). Embedding this value is a work in progress and part of our culture roadmap. Customer focus is a leadership expectation that is embedded into all leaders' performance agreements. Additionally, we look for customer-focused leaders by integrating this value into our leader recruitment processes. We recognised customer focus achievements through our reward and recognition framework.	We will measure our success against metrics, which includes improved customer-focused measures, to embed our 2019/20 corporate scorecard. We will also evaluate our performance against the Energy Charter Principles and our Stakeholder Perception and Culture surveys which are reported in this Disclosure Statement. These tools will assess our ongoing progression to a more customer-centric culture.

Principle in action 1.3	Ensure their work force is engaged and incentives are aligned to drive positive customer outcomes
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We appointed a dedicated internal Customer Strategist, responsible for developing our Customer Strategy. The strategy focuses on building organisational capability to deliver better value for customers. We evaluated and rewarded employees' customer-focused work, through our annual performance review process. We presented six-monthly Business Strategy Awards to recognise employees delivering great customer service and encouraged other regular informal recognition opportunities. We hosted presentations with industry guest speakers discussing the importance of customer focus.	We will further develop and implement customer awareness training for our staff, relevant to their roles. Training will help employees to better understand who our customers are, what they value, and how employees can help meet customers' needs in their role.

Principle in action 1.4	Have robust processes to determine customer and community needs and be accountable on how feedback has been considered and incorporated into decision making.
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We introduced new approaches to customer engagement including our Engagement Co-Design Workshop for our 2023-27 Revenue Determination process. We also developed and implemented a RIT-T Stakeholder Engagement Matrix that gives customers better visibility of feedback opportunities on RIT-Ts. We hosted webinars on key network investment decisions including increasing transfer capacity between Queensland and New South Wales and a possible network reconfiguration in North Queensland. Input from these webinars helped us to better understand risks and opportunities, with two potential non-network solutions identified for the North Queensland network configuration project. Input from our Customer Panel directly influenced important issues including the AER Rate of Return Guideline, transmission pricing consultation, and the format and measures in this Disclosure Statement. We hosted our annual Transmission Network Forum asking customers and stakeholders for input on our 30-year Network Vision, the renewable connections process and ways to improve network utilisation. In partnership with Energy Queensland, we asked 5,000 households about their energy usage behaviours and intentions in the Queensland Household Energy Survey. The insights from this survey are used for the planning and operation of our network. Our Stakeholder Perception Survey obtained insights from 97 customers and stakeholders about our customer service and performance. These insights guided development of a dedicated roadmap to improve our processes and decision making to benefit customers and stakeholders. Our dedicated Landholder Relations team proactively engages with landholders, taking their needs into account in our operations on their property.	We will use customer input from the Engagement Co-Design Workshop to develop our Engagement Plan for our 2023-27 Revenue Determination process and consult with customers on the draft Engagement Plan. Our goal within this process is to undertake engagement to deliver a Revenue Proposal capable of acceptance by our customers, the AER and Powerlink. We will provide multiple opportunities for engagement on Revenue Proposal topics of most importance to our customers. As one of the lead partners on the Better Together Customer Engagement initiative, we will play our role in looking to uplift sector maturity in engagement and consultation. We will implement a roadmap responding to the Stakeholder Perception Survey findings to address areas for improvement. This includes improving communication and transparency, better educating customers and stakeholders on transmission pricing, strengthening our focus on delivering value for money, and boosting our leadership role in the energy sector to support the industry's continuing transition. We will investigate providing a dedicated budget for our Customer Panel to commission their own research into customer issues and perceptions as part of the Revenue Determination process. We will better support ongoing engagement with landholders and other stakeholders via updating land access and social licence training for staff, presenting information more clearly in our corporate brochures and exploring ways to enhance our communication with landholders.

Principle in action 1.5

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

Activities and customer outcomes

We continued shifting to a customer-centric approach to innovation, guided by our new Innovation Framework (see case study 6).

We collaborated extensively with the Queensland Government on our 2018/19 Summer Preparedness Plan, to ensure safe and reliable supply from our network over the challenging summer period.

We worked across the energy supply chain on key regulatory and market reform issues, such as streamlining regulatory approval processes to minimise customers' costs. We took the lead role in developing interim guidelines for Generator Performance Standards with AEMO to facilitate timely connection of renewable projects.

We collaborated with research bodies including universities, ENA, Electric Power Research Institute and the Australian Power Institute to investigate ways to improve efficiencies and deliver customer value.

Future actions and outcomes / continuous improvement

We will appoint a dedicated Innovation Manager to assist with embedding our customer-centric Innovation Framework to guide ongoing growth in innovation performance. This will include developing an innovation strategy in 2019/20. To implement the strategy, we will engage with external research institutions, government and the broader innovation community. We will strengthen our culture of innovation by identifying and pursuing 'bottom up' innovation missions.

We will continue to collaborate with the energy supply chain to develop solutions and influence regulatory frameworks to improve whole-of-system costs while retaining appropriate safeguards for customers. We will engage with customers about the benefits and impacts of these reforms.

Principle in action 2.1

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

Activities and customer outcomes

Applying our new RIT-T Stakeholder Engagement Matrix gave our customers and stakeholders a better opportunity to be involved with the RIT-T process that applies to all network investments and reinvestments above \$6 million. Input from our Customer Panel helped to shape the matrix. We applied the matrix to all 15 RIT-T processes initiated in 2018/19. We also held two specific RIT-T webinars and regularly updated our Customer Panel to improve our RIT-T engagement and documentation.

Future actions and outcomes / continuous improvement

We will continue to improve engagement with our customers and stakeholders on our future investments, and commercial and operational decisions. This requires us to respond to customer feedback, including the input to our Engagement Co-Design Workshop for our 2023-27 Revenue Determination process. We will use one-on-one briefings, forums and webinars to engage on issues important to customers including our more complex RIT-T consultations.

Principle in action 2.2

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

Activities and customer outcomes

As a network business, Powerlink does not sell energy or offer customers energy deals. The best way Powerlink can help customers to achieve the best energy deal is to ensure our part of the energy supply chain is cost-effective.

Future actions and outcomes / continuous improvement

Principle in action 2.3 Work cooperatively across the supply chain and with other stakeholders to improve affordability over the short and long term.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We worked to improve affordability by cooperating with other network service providers through ENA to influence regulatory and market matters, including AEMO's Integrated System Plan (ISP) and transmission pricing. Our aim is to optimise investment and whole-of-system costs, which influences affordability over the long term. We began initial engagement with our Customer Panel about transmission pricing to help identify where we could use pricing signals that better reflect the costs of using the transmission network at different times and in different locations. We are also working with Energy Queensland to identify how pricing arrangements can incentivise more efficient use of the network.	Improving affordability will be a key focus of our upcoming 2023-27 Revenue Determination process. To achieve this, our customer and stakeholder engagement process aims to deliver a Revenue Proposal capable of acceptance by our customers, the AER and Powerlink. We will continue to engage on transmission pricing to seek customer views on stronger pricing signals for more efficient use of the network and lower future network costs. We will continue our work with ENA to advocate for broad customer and stakeholder input to AEMO's ISP and RIT-Ts. In particular, we will provide this input to the Coordination of Generation and Transmission Investment (COGATI) reforms and the 2025 Market Design framework.

Principle in action 2.4 Innovate to deliver competitive energy solutions for business and residential customers.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
As a network business, Powerlink does not directly offer energy solutions to small business and residential customers. We are focused on applying innovative approaches to delivering our transmission service as part of the electricity supply chain.	

Principle in action 2.5 Advocate on behalf of customers to improve energy affordability through engagement in regulatory and policy processes.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We actively engaged in external regulatory, industry and market advocacy processes to influence outcomes that deliver benefits to our customers and enable a secure and reliable electricity system while maintaining sustainable business outcomes. We engaged in the COGATI Review to advocate for arrangements that minimise whole-of-system costs through efficient coordination of transmission and generation development. To drive efficiencies and reduce costs for customers, we advocated for the ENA rule change to increase transparency of connection enquiries and applications, and encouraged a more practical and straightforward approach to Generator Performance Standards.	We will continue to engage in relevant regulatory consultation processes, with a focus on improving energy affordability through efficiency. In particular, in 2019/20, we will advocate for market dispatch and customer pricing arrangements that encourage efficient wholesale market outcomes and achieve lower costs, better opportunities for generators to coordinate projects, and incentive arrangements that enable customers to share in benefits achieved by networks.

Principle in action 3.1	Maintain the highest standards of safety for its people, the community and the environment.
Activities and customer outcomes	Future actions and outcomes / continuous improvement
At Powerlink, safety is essential. Our Safe For Life program drives our Health, Safety and Environment (HSE) culture, so we make the safest choices for our employees, contractors and the communities in which we operate, as well as protecting the environment. We are undertaking an extensive review of our integrated HSE Management System to ensure our tools, practices and procedures reduce our operational risk, and improve our HSE performance.	We will continue to improve our HSE practices, processes and assets. We are building on our HSE culture with new initiatives that embed key principles to deliver improved outcomes. We will roll out our integrated HSE Management System with improved focus to keep everyone healthy and safe, and limit our impacts on the environment. Leaders will be trained and supported to implement the HSE management tool, and progress to embed this will be actively monitored. This customised management tool will empower our staff to achieve stronger HSE outcomes. We will continue to promote the value of careful planning, identifying hazards and reporting near hits as leading indicators, and proactively investigate these to improve by sharing lessons learned.

Principle in action 3.2	Engage with customers and the community on investments, and manage operations in line with their expectations, demonstrating how communities benefit.
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We engage with customers, stakeholders and the community on key network projects, by providing relevant information on project need and benefits. We invite feedback through our engagement processes and reflect how feedback has been incorporated into decision making where relevant. We initiated improvements in our engagement approach with proponents of directly connected projects in response to customer feedback. We are implementing actions to improve our response times and communication, as well as develop clearer connection agreement processes and greater flexibility where possible (see case study 2). We engage with our directly connected customers to understand their business operations and consult on plans for necessary network outages so that potential customer impacts are minimised. An improvement focus for Powerlink is how our operating expenditure performance benchmarks against other network businesses. A presentation was made to the Customer Panel in March 2019 to explain the AER benchmarking model and discuss possible strategies for Powerlink to improve our benchmarking performance. These included improving network utilisation without triggering augmentation and driving further operating expenditure efficiencies. We delivered sponsorship and partnership activities with a range of community groups to raise awareness of our operations, seek feedback and support local communities. Our Landholder Relations team engaged with landholders and communities to explain benefits from our activities including local employment opportunities and improved reliability of supply.	To support customers and the community to engage with us about our investments, we will provide access to information on our current and short-term investment plans. We will maintain engagement on key Powerlink activities in progress to highlight project need and associated customer and community benefits. We will continue to publish a 10-year outlook for network projects in the TAPR to provide better visibility of potential long-term activities. We will progress actions to better engage with proponents of directly connected projects. We will gain better visibility of planned future network outages and system strength considerations to better engage with our customers and minimise impacts on their operations. We will look at how to provide communities with more opportunities to engage with us about key activities and better incorporate community feedback about projects and our performance. We will continue to openly engage with customers and stakeholders on our benchmarking performance, in particular operating expenditure efficiencies as part of our Revenue Determination process. We will continue to implement sponsorship and partnership initiatives that offer valuable and cost-effective outcomes for local communities and Powerlink. We will seek to identify more opportunities for face-to-face landholder engagement through community information drop-in sessions.

Principle in action 3.3	Develop business strategy and manage operations to respond to the shift to a cleaner energy system that is already underway.
Activities and customer outcomes	Future actions and outcomes / continuous improvement
Our Board considered the transition to cleaner energy when developing our business strategy. Powerlink's 30-year Network Vision, launched in mid-2019, enabled us to meaningfully incorporate uncertainty about the shift to clean energy, and to identify associated opportunities and challenges. We are facilitating the shift to a lower carbon future. Over the past two years, we have connected 13 renewable energy projects with the capacity to generate more than 1,700 MW. In response to customer feedback and frustrations regarding our connection process, we have identified opportunities to deliver better customer outcomes and reduce costs. This is through helping to coordinate connection proposals, as well as offering more flexibility, responsiveness and open communication (see case study 2). Through ENA, we developed a Rule change proposal to allow greater transparency and information sharing to facilitate this improved coordination.	Through the actions identified in our Stakeholder Perception Survey Roadmap, we will focus on providing certainty and making the connection process more timely and cost effective, to better meet customer expectations. Our corporate strategy drives us to facilitate renewable connections by increasing transparency and proactively identifying areas of our network to best support renewables. With the aim of lowering costs to customers connecting to the network, we will consolidate network information including on system strength, network transfer capacity and marginal loss factors. We will collaborate with customers and industry bodies to improve the way we manage system strength and capacity, an issue that impacts on renewable network connections.

Principle in action 3.4	Work with government, other energy businesses, the community and industry bodies to develop a planned transition to a cleaner energy system.
Activities and customer outcomes	Future actions and outcomes / continuous improvement
When we signed on to the Clean Energy Council's Best Practice Charter, we publicly stated our commitment to engage respectfully with the communities in which we plan and operate projects, to be sensitive to environmental and cultural values, and to make a positive contribution in the regions in which we operate. We provided input to AEMO's ISP which addresses future network development while balancing priorities of security, clean energy and affordability. We organised for AEMO to present to our Customer Panel in March 2019 on development of and engagement opportunities for the ISP. We supported renewable energy proponents by hosting a forum about rule changes relevant to the renewable connection process, and improving information access. This includes a dynamic network map showing current capacity points, available system strength and current renewable connections; network connection process contestability documents to increase transparency of the connection process; and more regular updates to the publicly available Generation Capacity Guide.	We will continue to respond to clean energy initiatives. We will continue to engage with AEMO and provide input to the next ISP.

Principle in action 3.5	
Facilitate new services and technologies that support sustainable energy solutions that meet the changing needs of the market.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We collaborated with renewable connection customers to fully understand their needs and develop solutions that support their projects. We are investigating a System Strength as a Service (SSaS) solution in collaboration with customers to address AEMO's requirement on them to provide system strength remediation for new non-synchronous energy generation facilities. We are coordinating two Australian Renewable Energy Agency sponsored initiatives with customers regarding the use of shared scale-efficient synchronous condensers and customer battery installation to unlock additional transfer capacity.	We will continue to actively engage with our customers to ensure we understand the challenges they face, and identify potential opportunities to collaborate on technical or commercial solutions. We will continue our investigations into the value of the SSaS solution for customers. We will also explore opportunities to work with other network businesses and industry bodies to jointly develop services and technologies to more effectively address customer and market needs. We will continue to roll-out our innovation framework to explore opportunities that deliver customer benefits.

Principle in action 3.6	
Implement solutions across the supply chain: a) that support energy connection, service and reliability that meets customers' needs. b) to resolve service issues that impact customers and the community.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We support customers seeking to connect to our network through our robust connection process that provides a single point of contact across the project lifecycle. We progressed initiatives to support improved service and reliability to meet customer needs. We purchased a 132kV mobile switching bay to reduce customer disruption during outages. To reduce customer impacts caused by congestion, we are working with TransGrid to progress a RIT-T that investigates expanding the transfer capacity between Queensland and New South Wales. We participated in the International Transmission Assets Management Study to identify insights and opportunities for network asset management that align with customer expectations.	To understand and meet diverse customer needs and expectations, we will engage with customers to investigate potentially offering different levels of service to directly connected customers, with differing cost structures linked to customer requirements. We will progress the RIT-T to investigate expanding the transfer capacity between Queensland and New South Wales. We will be an active participant in the development of AEMO's next ISP.

Principle in action 4.1	
Enable customers to get fair outcomes regardless of their ability or desire to participate in the energy market.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We helped customers participate in the energy market by guiding them through the network connection process, with additional help for less experienced customers. We regularly engaged with our Customer Panel and shared current and emerging business issues that could impact customer outcomes. We also sought the Panel's input to our position on issues in the external environment, including investigations into network solutions, potential changes to transmission pricing arrangements, and key current and emerging regulatory and market issues.	We will continue to support existing and potential directly connected customers as they navigate the connection process. We will engage with our Customer Panel on key market and industry issues that may impact customer outcomes.

Principle in action 4.2	
Empower customers by: a) making sure all communication is clear, in plain terms, accessible and understandable; b) providing insightful and useful information and accessible tools; and c) streamlining access to, and portability of, customer energy data.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
Our business environment is complex, so we supported customers by providing easy to understand information about important topics. We shared this information on our website, social media channels, fact sheets and brochures. We used infographics, animations and videos with captions to simply explain complex topics. We shared targeted insights by presenting at forums and conferences. To check our information materials met customer needs, we sought feedback from our Customer Panel and other stakeholders (for example landholders) and our website was independently audited. We provided customers with information in advance of engagement opportunities, so they were across key information on the discussion topic. Our Stakeholder Engagement Framework was updated and made available on our website. Our dedicated Landholder Relations team proactively communicated with landholders to provide personalised, relevant information and seek their feedback as part of our operations.	Our stakeholder research identified a lack of visibility of our daily operations and how we add value. In response, we will develop a six-monthly stakeholder update outlining our activities and customer outcomes. We will build on our 'business as usual' engagement activities to enhance customer awareness of our business, particularly on transmission infrastructure and the regulatory environment, as part of our Revenue Determination process. To better inform customers, we will continue to make our 10-year network project outlook available on our website. We will develop simple and effective communication tools to better explain complex topics such as transmission pricing and key projects. We will also streamline our corporate brochure series and investigate website enhancements to enable customers to interact with mapping and online project engagement tools.

Principle in action 4.3	
Ensure that innovation and design in products and services, as well as communication platforms and tools, are driven by customers' needs and preferences.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We collect information about customers' energy needs, preferences and intentions through the Household Energy Survey and Stakeholder Perception Survey, as well as through input from our Customer Panel and other engagement forums. These inputs inform our business planning processes, for example guiding strategic decision making, driving demand forecasting and network planning, and influencing our response to regulatory and market processes. Our new innovation framework (see case study 6) promotes customer-driven innovation in all aspects of our business.	We will use inputs from customer engagement to help progress new ideas and activities within our innovation framework. We will continue to develop our innovation strategy to ensure it promotes activities that deliver better customer outcomes.

Principle in action 4.4	
Have effective and accessible dispute resolution processes, co-ordinated across the supply chain, to resolve customer issues and implement process improvements in response.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
Our role in the energy supply chain means we do not have direct contact with residential or small business energy customers, so we do not operate a customer call centre. Our complaints management process is available on our website and guides the way we resolve customer complaints (see case study 4). We implemented a stakeholder management system that also functions as a corporate complaints management system for tracking and trends analysis. This informs process improvements. To address specific landholder issues, a dedicated working group reviews and decides actions with the aim of resolving disputes to meet expectations.	We will focus on further process improvements, so we have better quality data on complaints resolution and our employees have greater capability to manage complaints. We will ensure all Powerlink employees with a role in managing complaints complete an updated complaints management training program. A new mobile application for our stakeholder management system will help our employees capture better data in the field. We will undertake quarterly audits of our complaints management data to better understand trends and ensure customer satisfaction levels.

Principle in action 5.1	
Have processes to enable early identification of and engagement with customers at risk of vulnerability, coupled with intervention measures that can prevent customers falling into hardship.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We do not have direct contact with residential and small business customers at risk of vulnerability. We proactively engage with customers seeking network connections to openly discuss contractual arrangements to facilitate their connection and assist less experienced customers to navigate the process. We promptly discuss any failure by a customer to meet financial obligations under a connection contract. Based on these conversations, we re-assess contracts on a case-by-case basis.	We will continue to have clear and early conversations with customers about our connection contracts, relevant financial obligations and the level of support available from Powerlink to navigate the connection process. We will investigate opportunities to contribute to cross-sector initiatives to alleviate customer hardship, although we do not have direct contact with residential and small business customers at risk of vulnerability.

Principle in action 5.2	
Provide products and services that are tailored to customers facing vulnerable circumstances and support them to get back on track.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
We proactively engage with directly connected customers about contractual arrangements, as described in 5.1.	

Principle in action 5.3	
Provide flexible solutions that are easy to access and are provided by specially trained frontline staff with expertise in supporting those customers who face additional barriers to engaging with the energy market.	
Activities and customer outcomes	Future actions and outcomes / continuous improvement
Our Business Development team assists customers to understand connection requirements on a case-by-case basis. We offer a number of ownership and investment models to support directly connected customers, providing flexible solutions to meet customer needs.	We will continue to publish up-to-date information on our website to support connection customers. To support customer investment decisions, we will engage directly with customers and industry representative bodies, such as the Clean Energy Council, on trends and changes in our transmission network.

Principle in action 5.4

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

Activities and customer outcomes

Our Customer Panel comprises representatives from customer advocacy, industry and energy organisations, who represent the interests of their stakeholders.

Powerlink works with directly connected customers with concerns regarding transmission charges impacting their overall competitiveness and seeks to utilise adjustments available under the National Electricity Rules.

Future actions and outcomes / continuous improvement

We will continue to engage with our directly connected customers to better understand their circumstances and assist where appropriate.

Index and abbreviations

TERM	ABBREVIATION	PAGE
Australian Energy Market Commission	AEMC	5
Australian Energy Regulator	AER	8, 10, 11
Clean Energy Council		12, 16
Complaints management		4, 6, 15
Coordination of Generation and Transmission Investment	COGATI	10
Customer Panel		i, 5, 6, 8, 9, 10, 12, 14, 17
Customer Service Charter		5
Customer service score		3
Customer trust score		3
Energy Networks Australia	ENA	5, 9, 10, 12
Energy Queensland		i, 4, 8, 10
Health, safety and environment	HSE	11
Integrated System Plan	ISP	10, 12, 13
International Association for Public Participation	IAP2	5
International Transmission Assets Management Study	ITAMS	13
Lost Time Injury Frequency Rate	LTIFR	2
National Electricity Rules	NER	17
Net Promoter Score	NPS	3
Powerlink Culture Survey		4, 7
Queensland Household Energy Survey		4, 8, 15
Renewable energy and renewable generation		1, 5, 6, 8, 9, 12, 13
Regulatory Investment Test for Transmission	RIT-T	6, 8, 9, 10, 13
Reputation score		3
Revenue Determination process		1, 6, 8, 9, 10, 11, 14
Social licence to operate		3
Stakeholder Perception Survey		4, 5, 8, 12, 15
Statement of Corporate Intent	SCI	4
System Strength as a Service	SSaS	13
Total Recordable Injury Frequency Rate	TRIFR	2
TransGrid		13
Transmission Annual Planning Report	TAPR	5, 11
Transmission Network Service Provider	TNSP	1, 10
Transmission pricing		8, 10, 14

Contact us

Registered office 33 Harold St Virginia
Queensland 4014 Australia
ABN 82 078 849 233

Postal address PO Box 1193 Virginia
Queensland 4014 Australia

Telephone +61 7 3860 2111
(during business hours)

Email pqenquiries@powerlink.com.au

Website www.powerlink.com.au

Social media    

