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About this report

Target audience
ActewAGL’s Annual Report contains information about the organisation’s activities and performance during the financial year.
ActewAGL’s primary stakeholder segments are its:
• customers
• suppliers and industry partners
• owners
• employees
• federal and local government
• community groups.

Reporting period
The information and data presented in this report covers ActewAGL’s significant activities and operations during the 2012–13 financial year (1 July 2012 until 30 June 2013).
All information contained within this report was relevant at 30 June 2013.

Report scope and boundary
This report covers ActewAGL’s activities and operations of which is primarily based in the ACT in Australia. This report covers the operations, activities and performance of ActewAGL during 2012–13.

Assurance
ActewAGL’s Financial Report was audited by the ACT Auditor-General’s Office.

Sustainability report
ActewAGL publishes its Sustainability report separately. The Sustainability report is published online to reduce ActewAGL’s impact on the environment.
For information relating to ActewAGL’s performance against the Global Reporting Initiative (GRI) framework, please refer to the Sustainability Report which will be available from actewagl.com.au.

Images
Images used throughout this report are sourced from iStock, ActewAGL (own) and various photographers that ActewAGL engages.

Contact us
This report can be downloaded from actewagl.com.au or you can obtain a hard copy by calling 13 14 93.

Australia’s first energy Joint Venture
On 3 October 2000, ACTEW Corporation and the Australian Gas Light Company formed a Joint Venture, ActewAGL, which became the first multi-utility in Australia operating as a public-private partnership.
About ActewAGL

Two partnerships
The ActewAGL Distribution partnership is equally owned by Jemena Networks (ACT) Pty Ltd (a subsidiary of SPI (Australia) Assets Pty Ltd) and ACTEW Distribution Ltd (a subsidiary of ACTEW Corporation Ltd).

The ActewAGL Retail partnership is owned equally by AGL ACT Retail Investments Pty Ltd (a subsidiary of AGL Energy Ltd) and ACTEW Retail Ltd (a subsidiary of ACTEW Corporation Ltd).

About ActewAGL’s owners
ACTEW Corporation is owned by the ACT Government. Its voting shareholders are the ACT Chief Minister and Deputy Chief Minister. ACTEW Corporation owns and operates the ACT’s water and wastewater assets.

Jemena is one of Australia’s leading energy infrastructure companies and is owned by SPI (Australia) Assets Pty Ltd.

ActewAGL’s functions
ActewAGL Distribution owns and operates the electricity network in the ACT and the gas network in the ACT, Shoalhaven and Queanbeyan regions.

ActewAGL Distribution provides corporate services to ACTEW Corporation under a Corporate Services Agreement.

The ActewAGL Retail partnership provides customer service and marketing of electricity and gas.

The Retail partnership also provides customer billing services for water under a Customer Services Agreement with ACTEW Corporation.

Area of operations
ActewAGL’s energy network operations are located in the ACT, but the retailing of energy occurs throughout the Capital region which extends to areas such as Goulburn, Booroowa, Yass, Young, and Shoalhaven (please see “Map of Capital region” on page 41).

The ActewAGL Joint Venture Board
ActewAGL is governed by a Joint Venture comprised of six Board members, of which three are appointed by the ACTEW partners and three by the AGL partners. For Board member profiles, please see “Joint Venture Board members” on page 16. For information about the Board's committees and functions, please see “Corporate governance” on page 12.
Chairman’s report

This is my last report as Chairman of ActewAGL as I have resigned as Chairman of the ActewAGL Board effective from 30 June 2013. Since my initial appointment as CEO of ACTEW Corporation in 1998 I have had the pleasure of playing a part in the establishment of ActewAGL and to turn what was a relatively small business into the utilities leader that it is today. I am proud to have been a part of an organisation that is a service and price leader and considered to be one of the best places to work in the ACT.

Financial performance

ActewAGL returned an operating profit after tax of $194.4 million for 2012–13, compared to $182.6 million in the previous year. The increase in profit can be attributed predominantly from the divestment of Water division to ACTEW Corporation.

The Joint Venture returned a total of $97.9 million to the Joint Venture owners in 2012–13 compared to $87.4 million in the previous year. ActewAGL currently has no significant borrowings. Please see the “Summary financial report” on page 42.

Safety

The safety of ActewAGL’s people continues to be a primary focus for ActewAGL. The Environment, Health, Safety and Quality (EHSQ) division continued to implement the EHSQ Strategy. During the year, EHSQ focused on improving incident investigation and reducing muscular stresses and strains.

In 2012–13 ActewAGL focused on positive KPIs relating to safety to improve its performance. These included improved identification and reporting of near misses which had a positive impact on the number of near misses reported.

The Safety and Environment Committee advises the Joint Venture Board on ActewAGL’s strategies and performance against its safety and environment responsibilities.

The Safety and Environment Committee visited ActewAGL’s operational sites in Fyshwick and Actew as well as a pole replacement crew in Griffith to discuss matters of safety and environment with staff.

Board membership

There were a number of changes to the Board during 2012–13. I resigned from the Board effective from 30 June 2013, and Paul Frazer, who was appointed to the Board on 31 August 2012 by the Jemena partners, was appointed Chairman from 1 July 2013. Mr Frazer has been with AGL since 2006 and has prior experience in business development, finance advisory, law and regulation.

Both Michael Fahey and Lim Howe Run resigned from the Board during the year. I would like to thank Mr Fahey and Mr Lim for their contributions to the Board and wish them well in their future endeavours.

On 1 August 2012, Law Chin Ho was appointed by the AGL partners.

Michael Easson was appointed Deputy Chairman of ActewAGL on 1 July 2013.

The ACTEW partners appointed Wendy Card to the Board on 1 July 2013.

For information about the Joint Venture Board members, please see page 16.

Strategic Outlook

The ActewAGL Board endorsed the Strategic Outlook 2012 – 2022. The Strategic Outlook sets out ActewAGL’s objectives for the next 10 years and in particular, identifies priorities for the initial planning horizon (to 2015).

ActewAGL’s initial priorities include embedding an effective safety culture throughout the organisation, finalising a series of internal restructuring and improved information management systems, ensuring the business is well-positioned to respond to competition and procuring satisfactory outcomes in upcoming regulatory reviews.

A price on carbon

From 1 July 2012, a fixed carbon price of $23 per tonne of carbon emissions took effect, moving to a fully flexible price under an emissions trading scheme on 1 July 2013. The Independent Competition and Regulatory Commission (ICRC) announced a 17.74 per cent increase to the regulated price of electricity from 1 July 2012, and estimated that for a typical residential customer, electricity costs increased by around $5.25 a week. Of this amount, approximately $4.19 a week is a direct result of the carbon pricing mechanism.

With customers facing increases in the cost of living, ActewAGL’s focus remains on helping its customers manage their energy costs. Even with these changes, ActewAGL Retail’s electricity prices in Canberra are still the cheapest in Australia, according to the Australian Energy Market Commission report, Electricity price trends final report – possible future retail electricity price movements.

ActewAGL Retail continued to develop the ActewAGL Assist program during the year which gives customers improved access to services that help them manage their energy costs.

National Energy Customer Framework

The National Energy Customer Framework (NECF) legislation was introduced in the ACT on 1 July 2012 and in NSW on 3 July 2013. The new legislation provides harmonised national laws that provide further consumer protection for electricity and gas customers.

NECF sets out requirements that ensure customers can:

- access electricity and gas no matter what their financial circumstances
- get full details of the terms of their energy contract and have the contract explained in terms they can understand, before they sign up
- get help if they are having difficulty paying their bill
- be protected from poor marketing practices, unwanted calls or poor customer service
- be protected from disconnection if they are registered as having life support equipment at the premises.

NECF is monitored by a national regulator, the Australian Energy Regulator (AER). One change customers might notice is the addition of information on electricity bills comparing the customers’ electricity use with an average figure for similar sized households in their area.

Moving from six different energy rules and laws to national laws will make it easier for customers to understand their rights and obligations and their protection will be consistent nationally.

Regulation and pricing

Distribution

The Australian Energy Regulator (AER), a national body, is responsible for economic regulation of ActewAGL’s ACT, Queanbeyan and Palerang gas network and the ACT electricity distribution network.

Substantial changes were made to the rules governing the AER’s regulation of networks in November 2012. As a result, the AER must develop new guidelines on several important issues by 30 November 2013, and a transitional regulatory period will be in place for the ACT electricity network for 2014–15.

The AER approved a price increase for the electricity network from 1 July 2013 of four per cent, equivalent to a real increase of 1.68 per cent, from 1 July 2012. The main drivers of the price change are increases in electricity network charges and passing through costs of green schemes.

Natural gas

In the ACT, ActewAGL set an average price increase of 1.82 per cent, equivalent to a real increase of 2.02 per cent, to its natural gas tariffs from 1 July 2013. This increase incorporates the approved rise in network charges.

The Independent Pricing and Regulatory Tribunal (IPART) regulates prices for ActewAGL’s retail gas services in NSW.

In NSW, a new Voluntary Pricing Agreement (VPA) was negotiated with IPART for the period 1 July 2013 to 30 June 2016. On 17 June 2013, IPART approved the 2013 – 2016 VPA which allows for full pass-through of network costs, annual reviews of the carbon and retail components, and a price path of CPI plus 1.5 per cent on the retail component for 2013–14. In accordance with the VPA, IPART approved ActewAGL’s 2013–14 NSW gas retail prices providing for an average price increase of 1.7 per cent of 2013 7.5 per cent, 4.2 per cent and three per cent in the Capital, Queanbeyan/Bungendore, and Shoalhaven regions respectively.

Please refer to the Economic Aspects section on page 37 for more information.

Thank you

I would like to thank my fellow Board members, CEO Michael Costello AO and his executive team, ActewAGL’s owners, and its employees for their contributions to making ActewAGL what it is today and for supporting me over the 15 years I have been associated with the organisation, both as CEO and Chairman. I wish Mr Paul Frazer all the best in his new role as Chairman of the ActewAGL Board.

Additionally, I would like to thank the community for its ongoing support of ActewAGL.

John Mackay
Chairman (until 30 June 2013)
The last few years have tested the resilience of this organisation. In 2011, we published our first Strategic Outlook which highlighted the need for changes that ensure we are able to retain our position as a leader in the utilities industry in future. We committed to achieving a number of objectives that will help us become the type of organisation we aim to be by 2022. While working towards these goals, we have had to quickly adapt to the changing industry.

I am proud of the way ActewAGL has met these challenges. ActewAGL’s people have conducted themselves professionally, continuing to deliver a high quality of service and business as usual, all the while remaining positive and effective. We have embraced these challenges as opportunities to improve the business, and demonstrate commitment to our customers and valued stakeholders.

**Water division integration**

The Joint Venture Board and Partners endorsed the integration of the Water division into ACTEW. The integration provides ACTEW with greater strategic flexibility in developing its water, wastewater and water recycling business within an evolving regulatory environment. In addition, it enables the long-term balancing of profit, customer value and community wellbeing. Similarly, the integration allows ActewAGL to extend its long-standing commitment to providing efficient and valued corporate and customer services to ACTEW. The transition took effect from 1 July 2012.

Both ActewAGL Distribution and ActewAGL Retail continue to provide a range of services to ACTEW, as set out within two formal agreements. These agreements reflect a commitment to build long-term, collaborative, value-adding relationships to the mutual benefit of the organisations, their customers and the broader community.

In addition to this major change, we successfully implemented the National Energy Customer Framework (NECF), ACT Energy Efficiency Improvement Scheme, and the Federal Government’s carbon pricing legislation.

**Safety**

Safety continued to be a major priority for myself and the executive. Over the past few years, ActewAGL has worked towards its objective of being recognised as a safety leader in the industry and in turn, ensuring the safety of its people, property and the environment.

In 2012–13 ActewAGL introduced positive performance indicators for environment, health and safety instead of purely focusing on lost time injury rates as our key safety measure. A total of twelve positive indicators focused on improving safety communication, consultation and engagement, implementing leader commitments to undertake safety actions, identifying hazards via inspection programs across the business, as well as improved incident and near miss reporting and investigations. This renewed focus has resulted in numerous positive safety outcomes, particularly the number of near misses reported during the period.

The EHSQ Program 2012 – 2013 commenced the delivery and implementation of several key health and safety projects. Under the program, EHSQ delivered projects which targeted the top four incident and near miss types in addition to areas which required a level of improvement. These projects included incident investigations, bushfire management, driver vehicle safety awareness, muscular stresses and strains, hazardous substances and health monitoring, as well as electrical safety. While the safety journey continues for ActewAGL, I am pleased to see evident results from the changes implemented so far. Employees are more aware of their own safety and the safety of others, they are well informed on safety matters, and have provided positive feedback about the changes.

**A future-proof network**

During the year ActewAGL Distribution continued work to ensure the electricity network is able to keep up with demand as Canberra grows. We completed stage one of the southern part of the supply to the ACT at Williamadale and stage two is now underway. These works are the most significant upgrade to the ACT network in decades and will enhance network security and improve capacity to the Williamadale to Theodore 132 kV line.

We are working on a new zone substation in Eastlake that will increase network capacity to the Fyshwick, Canberra Airport and South Canberra areas, along with a new zone substation in Molonglo Valley to meet the needs of the 20,000 homes that are being constructed in the area. The existing Civic zone substation will be upgraded due to new construction and development. ActewAGL Distribution also completed the majority of work on the Gilmore to Williamadale and Angle Crossing overhead earth wire system.

Work on the gas network continued under the capital works program, representing an investment of over $35 million in new infrastructure. Again, these works will ensure that the network is able to meet the growing needs for gas supply in the future. We completed construction on the Fyshwick Trunk Receiving Station, Narrabundah to Hume primary mains extension and Hume primary regulating station, Hume to Tuggeranong interconnection and Googong extension.

For further details about these works, please see network assets and maintenance on page 21 and major projects on page 24.

**Our people**

ActewAGL conducted its second annual employee engagement survey in May 2013. ActewAGL achieved a corporate engagement score of 60 per cent, an improvement on the 2012 score (57 per cent). To put this in context, the energy and utilities benchmark score for 2013 was 45 per cent.

The survey provided positive feedback. The areas that scored highly included safety awareness, sense of accomplishment and work tasks. As a result of the survey findings, ActewAGL will be making efforts to improve in the areas of leadership, change management, managing performance and career opportunities. ActewAGL introduced the Corporate Health Strategy 2012–13 as a step beyond our legislative obligation to promote ActewAGL's commitment to improving and maintaining staff wellbeing, health and safety.

As part of this commitment ActewAGL has commenced a number of strategies to improve the health and wellbeing through a uniform approach to workers’ compensation, improved income protection insurance entitlements for all employees and improvements to the company doctor arrangement.

**Core Systems Replacement Program**

Over the past year, ActewAGL has dedicated significant time and resources to the Core Systems Replacement Program (CSRP) which will simplify IT applications used by Finance and Human Resources divisions, as well as a billing solution for ActewAGL Distribution.

The Program Initiation Document was unanimously approved by the Board and the design phase was completed in July 2013. The CSRP will commence implementation in early August. The program is expected to be complete by 30 June 2014.

**Centenary of Canberra**

ActewAGL and its predecessors have played an essential role in Canberra and the region dating back as far as 1915. Therefore, it was only fitting that ActewAGL play a major part in celebrating the Centenary of Canberra as principal partner of the event. The program includes a range of activities that celebrate the nation’s capital and everything it has to offer. The celebrations run throughout 2013 and cover sport, science, arts, community, architecture, education, environment, diversity and big ideas. To find out more, visit canberra100.com.au.

**Farewell to John Mackay**

John Mackay resigned as Chairman of the ActewAGL Board effective from 30 June 2013. Mr Mackay has a long history with ActewAGL as he was former CEO from 2000 to 2008 and later, Chairman of the ActewAGL Joint Venture Board from 2008 to 2013. Mr Mackay was the founder and leader who turned this relatively small energy business into the extraordinary success that it is today. During his involvement with ActewAGL, Mr Mackay took it upon himself to make a difference in the Canberra community, contributing to landmarks such as the National Arboretum and the Canberra Glassworks, and working very closely with local charities. Mr Mackay helped to transform ACTEW, ActewAGL and TransACT into some of the most highly regarded businesses not only in the ACT, but across Australia. He led us through some difficult times, including the bushfires which ravaged our community a decade ago, and has shown us how important it is that we continue to transform our energy business across the ACT for the benefit of our customers. Those who had the fortune to work with Mr Mackay would know that he is an inspirational leader with an abundance of passion for achieving great things. I think I can speak on behalf of everyone at ActewAGL when I say that Mr Mackay will be greatly missed.

**Executive management team**

The ACTEW Corporation / ActewAGL separation resulted in Water division being moved to ACTEW Corporation. As a result, General Manager of Water division Asoka Wijeratne left the ActewAGL executive management team. I worked closely with Mr Wijeratne for many years and valued his contribution to the organisation. I wish Mr Wijeratne all the best for his future endeavours.

There were no other changes to the executive team during the financial year.

To find out more about our executive management team, please refer to page 18 for profiles on each of the members.

**Thank you**

I acknowledge the hard work and dedication of my executive management team and employees. It hasn’t been an easy year, particularly with ongoing strategic changes and the many other challenges we have faced so appreciate their dedication and willingness to power through with a positive attitude.

As always, I’d like to take this opportunity to thank the members of the Joint Venture Board who have consistently provided invaluable support and guidance throughout the year.

Michael Costello
Chief Executive Officer

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Michael Costello
Chief Executive Officer
Key priorities

Since its formation in October 2000, ActewAGL has consistently:

• operated and maintained the most reliable distribution networks in Australia
• led the Australian market by offering the lowest cost electricity rates
• achieved an extremely high overall customer approval rating
• delivered strong annual returns to its owners.

ActewAGL intends to retain its leadership position in these key areas. In addition, ActewAGL will:

• significantly improve its safety performance
• ensure the organisation is well-placed to meet future operational challenges and requirements efficiently and effectively.

The Strategic Outlook provides a high level overview of ActewAGL’s proposed objectives over the period 2012 – 2022. Specifically, by 2022, ActewAGL aims to:

• be recognised within the utilities sector as a safety leader by eliminating harm to people, property and the environment
• provide a rewarding and stimulating work environment to a diverse, skilled and adaptable workforce
• continue to consistently deliver strong annual returns to its owners
• be acknowledged within the industry and by customers for providing affordable and efficient services
• be the leading presence in the ACT retail energy market and a market leader in the surrounding capital region
• operate a retail business that provides a range of energy and sustainability-related services as well as supplying energy needs
• deliver outstanding and innovative customer service
• operate a modernised, automated electricity distribution network better able to effectively manage distributed intermittent generation, distribution network assets and end-use applications
• maintain and enhance the asset value of its regulated gas networks business
• build, own, operate and maintain alternative generation assets, including natural gas co-generation and solar generation facilities, in commercial developments, industrial sites and town centres
• build, own, operate and maintain a number of energy-related network businesses, such as electric vehicle infrastructure
• own and operate a number of larger scale solar power facilities.

ActewAGL has structured its ten-year strategic outlook into three broad (and overlapping) planning horizons. In the initial planning phase (to 2015), ActewAGL will:

• embed an effective safety culture throughout the business and complete the implementation of a comprehensive environment, health, safety and quality strategy
• finalise and implement the internal organisational restructures and replace of legacy information management systems necessary to ensure the business is equipped to operate effectively and efficiently in the future
• ensure the business is well-positioned to respond to increasing competition in the retail market and changed customer service requirements
• achieve regulatory review outcomes that meet business needs.

Information on ActewAGL’s progress against these key priorities is detailed in “Major projects” on page 24.
Corporate governance

The ActewAGL Joint Venture Board is comprised of six members. Three members are appointed by the ACTEW Corporation partners and three are appointed by the AGL partners.

Joint Venture Board overview

Members can only be removed by the partners that appointed them. A quorum for a meeting of the Board is at least one member appointed by the ACTEW Corporation partners and at least one member appointed by the AGL partners.

Board member obligations are set out in the ACTEW Corporation and AGL Umbrella Agreement. Members act in the best interests of the partnerships as a whole. Although the ActewAGL Joint Venture Board members are not “Directors” under the Corporations Act 2001 (Cth) terms, they adhere to the standards required of directors under the Act.

The Board monitors business performance through progress reports on key projects and divisional progress against budgets and activity plans. The Board sets performance targets and makes decisions related to business strategy.

The Board met six times between 1 July 2012 and 30 June 2013.

A member of the Board may appoint an alternate member to attend a meeting on their behalf. Telephone participation during meetings is also permitted.

Participation in meetings

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Board meetings attended</th>
<th>Number of Board meetings eligible to attend</th>
<th>Number of committee meetings attended</th>
<th>Number of committee meetings eligible to attend</th>
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<td>John Mackay</td>
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<td>Michael Easson</td>
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<td>Mark Sullivan</td>
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<td>4</td>
<td>5</td>
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<td>Paul Adams</td>
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<td>3</td>
<td>9</td>
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<td>Lim Howe Run</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>Michael Fahey</td>
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<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Paul Frazer</td>
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<td>5</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Law Chin Ho</td>
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<td>6</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Joanne Pearson</td>
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<td>0</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>(alternate for Paul Adams)</td>
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Board membership

During the 2012–13 year the following changes were made to board membership.

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<thead>
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<th>Date</th>
<th>Board member</th>
<th>Representative of</th>
<th>Change</th>
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<tr>
<td>1 August</td>
<td>Lim Howe Run</td>
<td>AGL</td>
<td>Resigned</td>
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<tr>
<td>1 August</td>
<td>Law Chin Ho</td>
<td>AGL</td>
<td>Appointed</td>
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<tr>
<td>1 August</td>
<td>Shaun Reardon</td>
<td>Alternate, Law Chin Ho</td>
<td>Appointed</td>
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<td>31 August</td>
<td>Michael Fahey</td>
<td>AGL</td>
<td>Resigned</td>
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<tr>
<td>31 August</td>
<td>Paul Frazer</td>
<td>AGL</td>
<td>Appointed</td>
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<td>30 June 2013*</td>
<td>John Mackay</td>
<td>ACTEW</td>
<td>Resigned</td>
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</tbody>
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* Wendy Caird was also appointed by the ACTEW partners on 1 July 2013.

Committees

Safety and Environment Committee

Members: Michael Easson (Chairman), Mark Sullivan and Paul Adams.

In May 2011, the Board established the Safety and Environment Committee to advise the Board on the effective discharge of its responsibilities in relation to safety and the environment. This Committee replaced the Environment Management Committee.

The Committee met four times during 2012–13 to ensure that ActewAGL pursues best practice safety and environmental management and to assist the Board in promoting a culture in ActewAGL where safety and the environmental awareness is embedded in everyday business practices.

The Committee visited ActewAGL operational sites in Fyshwick and Acton as well as a pole replacement crew on site in Griffith to discuss safety and environment issues with employees.

Audit and Risk Management Committee

Members: Ted Mathews (Chairman), Michael Easson, Paul Frazer, Paul Adams and Joanne Pearson (alternate for Mr Adams).

The Audit and Risk Management Committee charter states that the Committee will assist the Board by providing quality assurance of financial and management information, financial statements, business risk management, internal control frameworks, and maintaining legal and regulatory compliance processes.

The Committee reviewed the end of financial year results and financial statements. The Committee also reviewed the outcomes of internal audits carried out during the year.

The Committee met four times during 2012–13.

Remuneration Committee

Members: John Mackay (Chairman), Mark Sullivan, Michael Easson, Paul Frazer, Paul Adams and Law Chin Ho.

The Remuneration Committee, in accordance with its charter, deals with the remuneration and terms and conditions of the Chief Executive Officer. The Committee, in consultation with the Chief Executive Officer, discusses issues of senior executive remuneration and performance appraisals. The Board sets collective management performance targets.

The Remuneration Committee comprises all members of the ActewAGL Joint Venture Board. The Chairman of ActewAGL is the Committee’s Chairman.

The Committee met twice during 2012–13.

Internal audit

Internal audit is an integral part of the corporate governance framework, providing the Board and management team with independent assurance regarding the implementation and operation of appropriate internal controls. ActewAGL uses a co-sourced service delivery model for Internal Audit with some in-house resources supported by external service providers as required to provide capacity and subject matter specialist knowledge.

The Manager Assurance and Risk manages ActewAGL’s Internal Audit program. The Internal Audit function maintains unrestricted access to the Chief Executive Officer and Chairman of the Audit and Risk Management Committee.

There were 13 reviews performed as part of the 2012–13 Internal Audit program. These reviews covered:

- process management
- correspondence with customers
- electricity network system control
- IT governance and security
- risk management
- procurement and contract management
- program management.

A similar broad program of reviews has been approved by the ActewAGL Audit and Risk Management Committee for 2013–14.
Risk management
Risk management is a fundamental component of ActewAGL’s corporate governance. ActewAGL maintains a comprehensive, integrated and effective Risk Management Framework that is consistent with AS/NZS ISO 31000:2009 Risk management – principles and guidelines. The Risk Management Framework incorporates risk management policy and procedures, governance arrangements, training and support, and arrangements for ensuring ongoing review and continuous improvement.

Risk registers are maintained by each division and key risks are reported twice annually to the Audit and Risk Management Committee and the Board, with emerging risks reported as required by an established procedure.

The General Counsel and Board Secretary provided a Management Assurance report to the CEO, who in turn provides assurance to the Audit and Risk Management Committee regarding the adequacy and effectiveness of arrangements for risk management.

Code of conduct
ActewAGL is committed to building a diverse workforce where employees’ individual differences and attributes are respected and valued.

ActewAGL is committed to its staff and ensuring their health and wellbeing. The organisation does not tolerate discrimination, unsafe work practices, fraudulent behaviour and other inappropriate behaviour.

ActewAGL requires all workers to adhere to the guidelines outlined in the Code of conduct and its policies and procedures.

Licence compliance
ActewAGL Distribution is licensed under the Utilities Act 2000 (ACT) to provide electricity and gas distribution services and connection services. Compliance is reported to the Australian Energy Regulator (AER) and Independent Competition and Regulatory Commission (ICRC).

ActewAGL Distribution also holds a Retriculator’s Authorisation under the Gas Supply Act 1996 (NSW) for its gas distribution systems in Greater Queanbeyan, Palerang and Nowra and a pipeline licence for the Eastern Gas Pipeline interconnect from Hookrington in NSW to the ACT border.

ActewAGL Retail surrendered sufficient certificates to meet calendar year 2012 compliance obligations under the: (i) Large-scale Renewable Energy Target, (ii) Small-scale Renewable Energy Scheme, (iii) NSW Energy Savings Scheme as well as maintaining (iv) National GreenPower Accreditation for its Greenscheme products. Compliance with the GreenPower program was verified via an independent audit completed during April.

Legal compliance
There were significant improvements to ActewAGL’s Legal Compliance Framework during the year.

ActewAGL reviewed its corporate support services (e.g. policies and procedures, training and technology) This resulted in improvements to the program and better reflected the good governance principles established within AS13806 (Compliance programs).

Operational compliance projects were implemented to complement the corporate compliance framework and to ensure that compliance is embedded in ActewAGL’s day-to-day operations.

ActewAGL implemented a new legal obligations management system, CMO. The new system enhances and integrates the individual components of ActewAGL’s legal compliance framework. CMO enables improved visibility and understanding of ActewAGL’s legal obligations. It also makes it easier to trace compliance against legislation.

ActewAGL provided over 50 employees with access to comprehensive online legal training in workplace relations, privacy, contract law, the Competition and Consumer Act 2010 (Cth) and environmental law.

Legislative framework
The Utilities Act, National Energy Retail Law, National Electricity Law, National Gas Law and associated regulations and rules form the legislative framework that governs ActewAGL’s utility operations in the ACT. While the Independent Competition and Regulatory Commission (ICRC) regulates prices for water and wastewater services, economic regulation of the energy network business (electricity and gas) is the responsibility of the Australian Energy Regulator (AER) under the National Electricity Law and National Gas Law. The AER also regulates the electricity and gas transmission networks.

Non-price energy distribution and retail functions, including standard contracts and consumer protection, transferred from the ICRC to the AER with the implementation of the National Energy Customer Framework in the ACT on 1 July 2012. The ICRC continues to license utilities that provide distribution and connection services for electricity and natural gas in the ACT.

On 1 July 2012 the AER assumed responsibility for administering the ring fencing guidelines in the ACT. To date, the AER has not amended, revoked or replaced the ring fencing guidelines that were issued by the ICRC in November 2002. As a result, the ICRC guidelines, which require clear separation of operations and accounts between the Distribution and Retail partnerships, continue to apply in the ACT in addition to any ring fencing provisions under the National Electricity Law and National Gas Law.

Staff volunteer program
Each year, ActewAGL staff donate their time and skills to complete a project that assists a not-for profit organisation as part of ActewAGL’s staff volunteer program. In previous years, our staff have visited the Galilee school and L’Arche. This year, ActewAGL staff constructed an outdoor pergola and garden area, installed a water tank and other environmentally friendly infrastructure for the residents of the Carers ACT Respite Centre.
Joint Venture Board members at 30 June 2013

JOHN MACKAY MB, BA, FAIM
Mr Mackay was appointed Chairman of ActewAGL on 1 July 2008 until 30 June 2011. Mr Mackay was also Chairman of ACTEW Corporation. He is Chancellor of the University of Canberra and chairs the Board to the National Airforce Bicentenary Canberra. He is a Director on the boards of Canberra Investment Corporation Ltd, the Little Company of Mary Healthcare and the Canberra Raiders. He is also an active board member of several community organisations including The Salvation Army Advisory Board and the Canberra Club of Canberra. Mr Mackay was previously Chief Executive Officer of ActewAGL Corporation from 1998 to 2000 and Chief Executive Officer of ActewAGL from 2000 to 2008. He was appointed a Member of the Order of Australia in 2004, was Canberra Citizen of the Year in 2008, and was awarded an honorary doctorate from the University of Canberra in 2009.

MARK SULLIVAN AG, BEl, FCFA, FAIM, MAICD
Mr Sullivan is the Managing Director of ACTEW Corporation and was appointed as a member of the ActewAGL Board in July 2008. Mr Sullivan was previously Secretary of the Department of Veterans’ Affairs (DVA), President of the Repatriation Commission and Chair of the Military Rehabilitation and Compensation Commission. Before being appointed Secretary of the DVA, Mr Sullivan was Secretary of the Department for Family and Community Services, Chief Executive Officer of the Aboriginal and Torres Strait Islander Commission, and Deputy Secretary at the Department of Immigration and Multicultural Affairs. He has extensive senior managerial experience in both the private and public service sectors including WANG Australia, SBS, the Department of Social Security and the Australian Taxation Office. Mr Sullivan received an Australian Centenary Medal in 2003 and was made an Officer of the Order of Australia in 2008. This recognition was for his work in multicultural affairs, Indigenous affairs, community services and with veterans.

LAW CHIN HO CPA, CFA
Mr Law joined the ActewAGL Board on 1 August 2012, appointed by the AGL Partners. He joined AGL in 2006 and is currently Head of Group Business Development. Prior to joining AGL he led the financial, legal and regulatory team for Victorian energy retailer Red Energy, which he helped establish. Mr Frazer previously worked in a variety of business development, financial advisory and financing roles with Contact Energy Ltd and the Chase Manhattan Bank.

PAUL FRAZER BA, MBA, CA
Mr Frazer was appointed Chairman of the ActewAGL board in July 2011. He joined the ActewAGL Joint Venture Board on 31 August 2012, appointed by the AGL Partners. He joined AGL in 2006 and is currently Head of Group Business Development. Prior to joining AGL he led the financial, legal and regulatory team for Victorian energy retailer Red Energy, which he helped establish. Mr Frazer previously worked in a variety of business development, financial advisory and financing roles with Contact Energy Ltd and the Chase Manhattan Bank.

PAUL ADAMS BEng (Hons), FAIM, FIEAust
Mr Adams was appointed to the ActewAGL Board in February 2011. He is a member of the Audit and Risk Management Committee, Safety and Environment Committee and the Remuneration Committee. Mr Adams is Managing Director of Iemena Ltd and holds directorships at Energy Networks Association, SPI (Australia) Assets Pty Ltd and various other companies. He has a wealth of experience in the energy sector, having worked across many facets of the gas and electricity industries for more than 30 years. Mr Adams has held various senior roles including Manager Finance and Corporate Services, Manager Operations, and General Manager Networks for TXU.

MICHAEL EASSON AM, BA (Hons), MSc, PhD, FRICS FAICD
Mr Easson has been a Board member of ActewAGL since October 2000, is Chairman of ActewAGL’s Safety and Environment Committee, and is a member of the Audit and Risk Management Committee. He was Deputy Chairman of ActewAGL from October 2008 to 2010 and again since 2013. Mr Easson is Chairman of the EG Property Group, Chairman of Ridley & Co, and a Director of Australia Management Ltd. Mr Easson has been a Director of ACTEW Corporation since July 1995 and Acting Chairman since July 2011. Mr Easson was made a Member of the Order of Australia in 1998.

Organisational structure at 30 June 2013

[Diagram of organisational structure]

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[Graphical representation of organisational structure]

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[Diagram of organisational structure]

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[Graphical representation of organisational structure]
Executive management team at 30 June 2013

MICHAEL COSTELLO  
AG, BA, LLB, FACE, AFAIM, AICD  
Chief Executive Officer
Mr Costello is the Chief Executive Officer of ActewAGL. Before his appointment to ActewAGL in 2008, he was Managing Director of ACTEW Corporation, a member of the ACTEW Board and a member of the ActewAGL Joint Venture Partnerships Board from 2003.

Mr Costello is a member of the Advisory Council of the Australian National University’s Crawford School of Economics and Government.

Mr Costello was previously Deputy-Managing Director of the Australian Stock Exchange. He was Chief of Staff to the Hon. Kim Beazley AC, a former Labor Opposition Leader and to the Hon. Bill Hayden AC when he was the Minister for Foreign Affairs. He has been the Secretary of the Department of Foreign Affairs and Trade and the Department of Industrial Relations. Mr Costello has held a number of diplomatic posts including Ambassador to the United Nations.

JOHN KNOX  
BFA, FCFA, MAICD  
Chief Finance Officer
Mr Knox is responsible for the general financial management across the ActewAGL Group including statutory financial and tax reporting, treasury management, group performance analysis and internal advisory services. He is also responsible for the provision of procurement, property and security services to all ActewAGL business divisions and oversees Regulatory Affairs and Human Resources.

STEPHEN DEVLIN  
BEng(Electrical), MBA, MCenta  
General Manager Asset Management
Mr Devlin is responsible for ActewAGL’s energy network asset strategy and planning functions. He is also responsible for the gas networks business, technical regulatory standards, customer solutions and program development.

ROB ATKIN  
BEng(Electrical), with Honours  
General Manager Network Services
Mr Atkin is responsible for the delivery of services on ActewAGL’s electricity network including design, construction, maintenance and network operations. He is also responsible for the call centre, logistics and customer service functions associated with the electricity network.

STEFANIE BARRIGA  
BIT, MBA  
Chief Information Officer
Mr Barriga is responsible for Information Technology Governance, service delivery and operations, applications, infrastructure, telecommunications, system processes and IT project management. He is a senior member of the Australian Computer Society and the CID Executive Council.

PAUL WALSH  
CMTP  
Director Marketing and Corporate Affairs
Mr Walsh is responsible for ActewAGL’s marketing, media, marketing, communications, online communications, social media, sponsorships, events management and graphic design.

DIANNE WALTERS  
BA (Prof. Writing), LLB (Hons), MAICD  
Director Human Resources
Ms Walters is responsible for ActewAGL’s human resources management framework at ActewAGL. She is responsible for corporate Human Resources management, including enterprise agreement negotiations, workplace relations, recruitment and selection, organisational capability, capability planning, employee health, injury management, bullying and harassment prevention and awareness, equity and diversity, remuneration and benefits, strategic Human Resources projects, and employment policies and procedures.
Network assets and maintenance

Electricity
ActewAGL continued to deliver efficient asset management throughout the year. The Asset Management division reviewed the overarching Asset Management plan and monitored progress against the plan.

ActewAGL aims to build upon and continue to deliver a well-planned and well-executed infrastructure replacement program that focuses on meeting customer network demands while efficiently managing costs. To achieve this, the Asset Management division currently has the following major capital investment programs in place:

- modernisation and construction of new zone substations
- transmission and High Voltage (HV) distribution line augmentations
- replacing operational systems to improve monitoring and control of the network

Throughout the reporting period, ActewAGL delivered strategic asset management through the following key areas:

- Asset strategy – long-term (five to 20 years) planning and capital investment strategy, demand forecasting, development of the overall Asset Management plan, PAS 55 alignment and asset lifetime modelling
- Network augmentation – HV network augmentation, capacity planning and approvals
- Network performance – overhead and underground network maintenance policy and performance and reliability improvement programs
- Zone substation planning and performance – planning, design, maintenance policy and performance improvement programs
- Supervisory Control and Data Acquisition (SCADA) – planning, design, implementation and network augmentation. SCADA system replacement upgrades were completed on Civic, City East, Woden, Theodore and Wanniassa zone substations to improve the capability of ActewAGL’s distribution network management system. ActewAGL is well advanced on a program to replace legacy SCADA hardware in over 30 distribution substations. ActewAGL implemented SCADA as standard practice solution in all new indoor substations to help gather data for network performance analysis, and improve fault detection and response time provision.

As part of the bush fire mitigation control program, pole and line inspections as well as vegetation management activities were carried out.

Zone substation and switching station maintenance
An audit was undertaken to assess current functional conditions of all assets and identify immediate repairs. The outcomes of the audit will also contribute to future asset management strategies which will help minimise risks. They are included in the 10-year budget plan. The actions planned for implementation are:

- emergency EXIT signs installation
- disaster recovery facility in Civic
- 132 kV outdated oil CB Replacement work at City East and Woden zone substation
- 132 kV replacement work on the current transformer at Woden zone substation
- major power transformer works at City East zone substation and proposed works at Latham zone substation
- 132 kV Hitachi Gas CB replacement works at Belconnen and City East zone substation
- replacement of failed transformer three at Fyshwick zone substation.

Security
ActewAGL installed higher security fences at the Civic, Latham, Theodore, Wanniassa and Woden zone substations to improve safety and security. Designs are currently being developed for a new high security fence at Belconnen zone substation.

New security monitoring systems were installed at the Latham, Theodore, Wanniassa and Woden zone substations. Planned security upgrades are underway for Belconnen zone substations. The 11 kV cable terminations at the Theodore zone substation were replaced under the network reliability improvement program.

ActewAGL has scheduled a qualitative analysis of major assets (such as HV circuit breakers and power transformers) to:

- improve network reliability and availability
- optimise and maintain costs associated with zone substation assets
- formulate Reliability Centred Maintenance.

Routine work
During the year, routine inspections, upgrades and refurbishment programs of work on existing network assets such as poles, lines, cables, transformers, switch gear and protection relays were completed. Around 740 timber poles were replaced.

Assets damaged by external parties were replaced or repaired.
Gas
ActewAGL Distribution owns the gas network in the ACT, Queanbeyan, Palerang and Nowra. Jemena, under an asset management agreement and asset services contract, where the asset services are performed by Zinfra (ZNX), operates and maintains the gas network on behalf of ActewAGL.

Gas network expansion
The ActewAGL gas network continued to expand in 2012–13 with ongoing reticulation in new estates of Amaroo, Casey, Coombs, Crace, Googong, Jacka, Lawson, MacGregor, Ngunnawal and Wright.

During the year, 48.53 km of new mains were laid—26.03 km in new estates, 16.90 km in established areas, medium density sites and industrial and commercial sites and 5.6 km for the Googong Feeder main.

There were 4,989 new residential tariff customers (excluding industrial and commercial customers) connected to the network.

Network augmentation
There was a significant decrease in domestic building and construction activity in Canberra in 2012–13 compared to last year.

ActewAGL completed network augmentation projects that ensure the gas network is able to meet future growth and demand. For example, five capacity development projects were undertaken in Flynn, Garran, Mawson, Theodore and Weston.

Eight system improvement projects were undertaken (three in Kingston and one each in Amaroo, Fyshwick, Greenway, Ngunnawal and Weston) which will improve the reliability of supply.

Nowra gas network
The Nowra gas network continued to grow, with an increase of seven new industrial and commercial customers connected during 2012–13. These new connections increased the total consumption by approximately 23 TJ and indicates consumer confidence in natural gas as a reliable energy source.

Capital works in 2012–13 in Nowra, worth a total of $1.2 million, resulted in completed upgrades to the Pestells Lane Trunk Receiving Station and Bolong Road Primary Regulating Station. These works increase capacity and improve the reliability of supply to Shoalhaven Starches, Australian Paper Mills and more than 3,000 customers in Nowra and Bomaderry.

Our electricity network
- 2,412 km² coverage area
- 177,256 customers
- 2,394 km overhead lines
- 2,737 km underground cables
- 53,000 power poles
- 14 zone substations
- 4,506 distribution substations
- 132/22/11 kV and 415/240v operating voltages
- 583 MW net peak demand

Our gas network
- 130,100 network customers and connections
- 4,834.64 km length of mains
- 10,773 TJ quantity of gas receipted
- 11 trunk receiving/pressure reduction stations
- 93 district regulating stations
Major projects

National Energy Customer Framework
The National Energy Customer Framework (NECF) took effect from 1 July 2012. By this time, ActewAGL had already undertaken preparations to ensure it was compliant. However, work to apply the new legislation to ActewAGL’s practices and operations continued throughout the year. NECF was introduced in NSW on 1 July 2013 and similarly, ActewAGL undertook work to ensure it was compliant before this date.

ActewAGL now operates under the National Energy Retail law and rules in both NSW and the ACT.

Water division integration
The Joint Venture Board and Partners endorsed the integration of Water division into ACTEW. The integration provides ACTEW with greater strategic flexibility in regards to developing its water, wastewater and water recycling business within an evolving regulatory environment. In addition, it enables the long-term balancing of profit, customer value and community wellbeing. Similarly, the integration allows ActewAGL to extend its long-standing commitment to providing efficient and valued corporate and customer services to ACTEW. The transition took effect from 1 July 2012.

Both ActewAGL Distribution and ActewAGL Retail continue to provide a range of services to ACTEW, as set out within two formal agreements. These agreements reflect a commitment to build long-term, collaborative, value-adding relationships to the mutual benefit of the organisations, their customers and the broader community.

Core Systems Replacement Program
This initiative will greatly simplify ActewAGL’s IT systems. The program covers applications used by Finance and Resources, as well as billing solutions for Retail and Distribution. The Core Systems Replacement Program (CSRP) is made up of the following three projects:

1. Gentrack billing solution for ActewAGL Distribution
2. Oracle finance solution (including a new reporting tool) for the Joint Venture and ACTEW Corporation
3. Enhancements to Aurion, the Human Resources Management Information System (HRMIS).

To date, the CSRP team has:
- reviewed business, system and data requirements with business and technical specialists
- created application system specifications
- finalised hardware and software platform specifications
- created implementation plans, system architecture, resource plans, test plans, deployment plans, data migration plans, and education and training plans covering the implementation phase
- validated all costs and benefits of the program.

Electricity network

Southern point of supply to the ACT
ActewAGL and TransGrid established the second major interconnection point between NSW and ACT at Williamsdale.

Stage 1 of the construction of 132 kV interconnecting lines from Williamsdale to the existing ActewAGL network was completed in July 2012.

Stage 2 is underway with completion expected in June 2015.

This will provide enhanced network supply security through improved capacity on existing sections of the Williamsdale to Theodore 132 kV line.

Eastlake zone substation
In order to meet the existing and future electricity demand in Fyshwick, the Canberra Airport precincts and South Canberra, ActewAGL is planning construction of a new 11/11 kV zone substation.

Zinfra is undertaking work through an alliance agreement. Stage 1 is due for completion in late 2013 at an estimated cost of $31 million.

Stage 1 includes a 55 MVA transformer, 132 kV gas insulated switch gear, associated 11 kV infrastructure and two 132 kV underground cable feeders, connecting the new zone substation to the existing electricity network.

During the year, substantial progress was made with construction activities on track for scheduled completion.

Civil construction works are well-advanced and installation of a primary electrical plant has commenced. ActewAGL has strictly adhered to the ACT Government works approvals for the construction of the cable route. These works are nearing completion and will meet all the environmental requirements for construction between April to September 2013.

Planning for the works on the 11 kV feeders also commenced with a revised estimated cost of $4.1 million for Stage 1 of these works. ActewAGL is working with the Land Development Agency on Stage 2 development of the Eastlake project.

Molonglo Valley zone substation
The demand for electricity supply will increase, with over 20,000 new homes being constructed in the Molonglo Valley.

ActewAGL is planning a new 11/11 kV zone substation which will provide an additional 55 MVA capacity to meet this demand. ActewAGL is continuing work on land acquisition, an environmental assessment, a development application and National Capital Authority works approval.

Civil engineering design for the access road, a critical part of the development application approval process, has advanced.

The timing for commencing Stage 1 construction is contingent on the outcomes of a current review of electricity demand and network capacities new needs analysis.

ActewAGL will continue to progress planning approvals construction of the road works during 2013–14.

Civic zone substation
The Civic zone substation supplies energy to approximately half of the Canberra CBD. Due to new commercial and residential developments in City West, ActewAGL is upgrading the zone substation capacity.

Zinfra carried out this project under an alliance contract. The project included installing a third transformer and 11 kV switchboard, replacing two ageing 11 kV switchboards and renewing control systems and other ageing equipment in the zone substation.

The majority of this project was completed at the end of the financial year with minor works remaining for July 2013. There was a delay with the completion of this project due to staging works at the brown field site and unexpected commissioning issues.

Overhead earth wire system
ActewAGL is installing an optical fibre composite earth wire system that replaces existing earth wires in the 132 kV overhead line network.

The Gilmore to Williamsdale and Angle Crossing sections are complete. Other sections are being added.

These works form a significant part of the network upgrade project to facilitate improved protection and control, as well as future smart grid systems.

Gas network

The capital works program continues to present strong and steady growth with seven major projects either in progress or completed during 2012–13.

The program represents an investment of more than $35 million in new network infrastructure.

This program increases the security of supply to ActewAGL’s existing customers and further supports the expansion of its customer base into the future. The capital works program is made up of the following projects:

Fyshwick Trunk Receiving Station upgrade
Construction for this $8.4 million project commenced in late 2011 and was completed in June. The upgrade to the existing station increased its capacity to meet growing gas supply demands across the region. ActewAGL installed duplicate regulating equipment to increase reliability.

Narrabundah to Hume primary mains extension and Hume Primary Regulating Station
Work continued on the extension of the primary gas mains from Narrabundah to Hume and the construction of a new Primary Regulating Station at Hume. These works, worth $13.4 million, will ensure continued supply to approximately 25,000 customers in the areas of Fyshwick, North Canberra, Theodore and the proposed developments at Gungahlin and Tuggeranong. The Hume Primary Regulating Station will also provide enhanced gas supply to Tuggeranong via the Hume to Tuggeranong interconnection.

Hume to Tuggeranong interconnection
This capital project is worth $5 million. The planning phase is now complete with construction expected to commence in the third quarter of 2013. The interconnection will enhance the availability of gas in Tuggeranong, where the gas network is approaching capacity limits during the winter peak.

Googong extension
ActewAGL, in conjunction with major ACT property developer the Canberra Investment Corporation, facilitated natural gas supply to the future Googong housing estate. Construction was completed in June.

Gungahlin to Amaroo extension
The extension will enhance gas supply for the suburbs of Bonner, Forde and Amaroos. Planning is progressing and construction is planned to commence during late 2013.

Hoskinstown to Fyshwick trunk main pigging facilities
ActewAGL installed a PIG (Pipeline Inspection Gauge) launch facility at the Hoskinstown custody transfer station and a PIG receiving facility at the Fyshwick trunk receiving station in 2011.

The pipeline was subsequently inspected with an intelligent PIG and the pigging assessment was finalised in 2012–13. This project ensures compliance, pipeline integrity and security of supply to customers in the ACT.

Stringybark Trunk Receiving Station (Nowra)
This project is currently in the design phase, with proposed changes to the station piping. These works will provide greater reliability and the pipe work modification enables the overhaul of the water bath heater as required every eight years.

High-rise and medium-density developments
This sector experienced slower growth than last year with 12 high-rise developments and 40 medium-density sites connecting to natural gas. This includes the “Sentinel” apartments in Belconnen and the “Sorell” apartments in Lyne. In total, 845 new high-rise apartments and 508 new medium-density units were serviced with natural gas during the year.
Environment, Health, Safety and Quality
During 2012–13, the Environment, Health, Safety and Quality (EHSQ) division began delivering the EHSQ program 2012 to 2015 which includes major projects that aim to improve areas of safety as detailed below.

The People Centred Implementation Change Management Framework is being applied to all individual projects that form the program.

Progress against the EHSQ program is periodically reported to an executive level Program Board. The Program Board includes the CEO, CFO, General Manager Retail, General Manager Network Services, General Manager Asset Management, and Director EHSQ.

EHSQ targeted the following.

Incident and near miss reporting and notification
A new incident and near miss reporting system (Guardian) was implemented across ActewAGL, with a focus on workers reporting near misses. The target of greater than 110 near misses with a potential consequence of moderate and above was exceeded, with 138 for the year.

Improved EHSQ communication
Environment, health and safety communications are now more clearly defined with planned monthly communications targeting specific topics as well as the implementation of unplanned communication such as safety alerts.

Incident investigations
The investigation procedure was rewritten and EHSQ provided training to staff in how to undertake better investigations.

Muscular stresses and strains
One of the key priorities for EHSQ was to minimise muscular stresses and strains. The division delivered a series of interactive training days aimed at improving workers’ understanding of ergonomics and the impact of awkward positions and postures on the body.

Training included a class session and an on-the-job assessment, followed by an in-depth class session focussing on particular joints and muscle groups prone to injury.

As a result of the training, staff have a better understanding of injury risks in their day-to-day work and will implement safer and more efficient work practices.

Dangerous substances and health monitoring
ActewAGL has controls in place to mitigate the risk of exposure of staff to hazardous substances, materials and environments. EHSQ established a program of testing to ensure that these controls remain effective.

The health monitoring project has been divided into two stages.

The first stage of the project involved asbestos and audiometric (noise) testing for relevant employees across ActewAGL.

Business systems
Target application hosting platform
The Business Systems division (BSD) worked on a new IT hosting platform to provide the infrastructure needed to meet business requirements and multi-site redundancy for all critical systems.

Through this initiative, BSD will upgrade the core network, deploy next generation security devices and increase capacity for future system and storage requirements.

Retail
ACT Energy Efficiency Improvement Scheme
ActewAGL undertook preparations to ensure it was ready for the ACT Energy Efficiency Improvement Scheme (EELIS) which commenced on 1 January 2013.

ActewAGL entered into a contract with the selected delivery partner who will help ActewAGL meet its obligations under the scheme.

Field employees are now offering and installing energy efficient products to residential customers to achieve abatement targets.

Alternatively-fuelled vehicles
ActewAGL continued its commitment to the market development of alternatively-fuelled vehicles. ActewAGL engaged with the ACT Electric Vehicle Council and sponsored the Canberra International Electric Vehicle Festival during December 2012.

Business Rewards club
ActewAGL Retail continued its Business Rewards club to engage with the ACT and NSW business communities and provide customers with personalised account management. On 30 June, there were over 1,000 small-to-medium enterprise customers provided with access to energy seminars and forums, expert energy advisors and tailored business networking events.

Solar buy-back scheme
ActewAGL announced that from 1 July 2013 the solar buy-back tariff for ActewAGL customers in the ACT will be reduced from a 1.5 cents per kWh.

Energy services
ActewAGL secured a number of new energy service projects, including installing power factor correction and conducting energy audits to help commercial customers reduce their energy costs. Also, ActewAGL developed a Business Energy Assist Report to help business customers better understand their energy use and identify opportunities for new energy efficiency projects. This is offered as part of the personalised account management service provided by the Business Sales team.

Strategic Retail partnerships
ActewAGL established a number of strategic partnerships to help retain and acquire customers. Partners include one new broker and two outbound telemarketers. ActewAGL Retail also maintained its strategic partnership with NRMA to offer customers free Greenchoice through the More for Members program.

ActewAGL Assist
ActewAGL Retail continued to enhance ActewAGL Assist. The Assist team provide customers with help and advice on how to manage their energy costs. For example, customers can find out how to even out their energy bills by paying monthly, or how to save money through various energy saving strategies.

Customers can access ActewAGL Assist by visiting the ActewAGL website, calling us or visiting one of the shopfronts in the ACT.

People and performance
The Human Resources division underwent a restructure during 2012–13 and was renamed ‘People and performance’. The People and Performance division is now comprised of the following branches:

- Workplace Relations
- Employee Health
- People and Performance Service Centre (incorporating Organisational Capability)
- People and Performance Business Partners
- Equity and Engagement (formerly HR Planning and Projects).

Workplace Relations
During 2012–13, Workplace Relations undertook a number of major projects driven by the Enterprise Bargaining Agreement (EBA). These included work on:

- a new electrical worker competency framework
- the Category B Employee salary review
- a warehouse employee competencies and classifications review.

The ACTEW Corporation Limited Employment Conditions Award 1998, which underpins the EBA, will expire on 31 December 2013. As a result, ActewAGL has undertaken work to identify the Industry Modern Awards which will be applicable to the new agreement effective from 2014.

Employee Health
The Employee Health branch continued to implement the Corporate Health strategy and People and Performance business plan.

Corporate Health strategy
The Corporate Health strategy was successfully delivered with significant achievements within the ACT Active program and injury management area through:

- enhanced policies and procedures
- improved engagement and reporting with key stakeholders
- targeted programs.

People and Performance Service Centre
People and Performance’s Service Centre completed a number of major projects, driven by the People and Performance business plan. Completed projects include:

- Online induction
- Employee value proposition
- Employee referral program
- Leadership framework for the Executive and Branch Managers
- e-Recruitment solution
- Psychometric testing
- Recruitment training
- Personal performance and development plan training.

Equity and engagement
The People and Performance division continued to conduct the annual bullying and harassment prevention training through a combination of online modules and face-to-face training sessions with a facilitator.

ActewAGL conducted its second annual employee engagement survey in May 2013. ActewAGL achieved a corporate engagement score of 60 per cent, an improvement on the 2012 score (57 per cent). To put this in context, the energy and utilities benchmark score for 2013 was 45 per cent.

The survey provided positive feedback. The areas that scored highly included safety awareness, sense of accomplishment and work tasks. As a result of the survey findings, ActewAGL will be making efforts to improve in the areas of leadership, change management, managing performance and career opportunities.
ActewAGL and its predecessors have been serving the Canberra region since 1915. Even back then, ActewAGL’s predecessors made a point to develop a strong bond with the local community — a tradition ActewAGL has continued to this day. By working with community groups to achieve outcomes that benefit the whole community, ActewAGL becomes a better, more successful organisation.

Public awareness campaigns
ActewAGL ran three public safety campaigns during the year, highlighting messages relating to ActewAGL’s utility infrastructure. The campaigns focussed on bushfire and storm safety, electrical and natural gas safety, vegetation management around assets (including keeping trees away from power lines) and building near utility assets (encouraging the use of the free community service, Dial Before You Dig).

Education
ActewAGL continued its commitment to education with the Little Sparks kids’ club growing to more than 100 members. The club continued to promote sustainability, ActewAGL’s core products and the importance of a healthy lifestyle. The club interacted with kids via the Centenary of Canberra event We Built this City, Royal Canberra Show and Narooma Oyster Festival.

The education website is aimed at school-aged children and continued to feature information on sustainability and environment.

Environment
ActewAGL continued to raise awareness of environmental issues. The number of customers subscribed to ActewAGL’s accredited GreenPower program, Greenchoice, totalled 18,499, which was a slight decrease from last year. Customer numbers have remained relatively strong despite the introduction of the carbon price in 2012–13. When customers opt for Greenchoice, the extra amount they pay is invested in renewable energy generation from sources like mini-hydro, wind power and biomass. Depending on the plan a customer chooses, ActewAGL purchases a certain amount of renewable energy on the customer’s behalf. This can be a percentage of the electricity they use or a fixed amount each day. In either case, that amount of renewable energy is added to the electricity grid on the customer’s behalf. This helps to reduce greenhouse gas emissions associated with the generation of electricity from fossil fuels.

In addition, 64 per cent of ActewAGL’s Retail’s electricity consumption was met with accredited GreenPower through ActewAGL Retail, purchasing 383,734 MWh in 2012–13 against the supplied total consumption of 595,227 MWh.

ActewAGL’s commitment to the environment was further demonstrated through the internal environmental awareness campaign, Be Green. The Be Green campaign aims to educate staff about how they can reduce water, electricity and paper use. In addition, ActewAGL implemented summer and winter energy saving campaigns that promoted solutions to help households reduce their energy use and impact on the environment. The first series of free Energy Saving Workshops were offered to customers in May in six locations across Canberra and Queanbeyan.

ActewAGL continued to sponsor events promoting sustainability, including Green Savvy Sunday and the Living Green Festival in October. ActewAGL also provided 100 per cent accredited green energy through its green energy program Greenchoice for the Skate in the City events in July and the Christmas Carnival in the City in December.

Community sponsorship program
ActewAGL’s corporate social responsibility actions were highlighted through the community sponsorship program, where ActewAGL developed partnerships with a diverse range of charities, business organisations, art institutions, academic programs, sporting teams and community groups across the region. This support allowed organisations to host a range of events, which helped boost tourism in the ACT and make Canberra and the surrounding region an exciting place to live and visit.

In March 2012, ActewAGL announced it would be a principal partner of the Centenary of Canberra celebrations. A range of activities have taken place throughout the first half of 2013, including Canberra’s big birthday event held on 11 March 2013, which saw over 150,000 people gather at the shores of Lake Burley Griffin.

As the principal partner ActewAGL celebrated Canberra’s birthday with a barbecue outside the Civic Assist store, raising money for Dollars for Dibi. Each ActewAGL site hosted a morning tea with a large birthday cake.

Other highlights have included the Canberra Day Toas, Parties at the Shops, We Built This City, ISP’s Handa Women’s Australian Golf Open, Australia versus India one day international cricket match and Australia versus New Zealand Rugby League Test.

ActewAGL promoted the centenary by creating its own suite of promotional material including a TV advertisement, web page, social media promotional messages and signage.

This year there was an increase in the number of community organisations supported by ActewAGL. Support included cash sponsorship, as well as in-kind support through the provision of goods, services and expertise, to help organisations achieve their objectives.

A key sponsorship was the ActewAGL Royal Canberra Show in February. The show attracted over 89,000 visitors from across the region. ActewAGL had a strong on-site presence, including a trade stand and ActewAGL Alley, which featured free entertainment along with the Farmyard Nursery.

Another highly successful community event was the ActewAGL Great Aussie Day Breakfast at Commonwealth Park. Record numbers of attendees kept ActewAGL staff and Camp Quality volunteers busy on the day and more than $6,000 in donations was collected for Camp Quality.

ActewAGL was the presenting partner of the National Gallery of Australia’s 2012 Summer Blockbuster Toulouse-Lautrec: Paris and the Moulin Rouge. The exhibition attracted over 170,000 visitors, was ranked in the top 10 overall exhibitions at the National Gallery of Australia and injected an estimated $37 million into the ACT economy.

In April, the ActewAGL Women and Girls’ Fun Run/Walk showcased the organisation’s commitment to community initiatives that encourage healthy and fun activity. This event helped to raise $4,000 for the Dianvan Cancer Foundation.

ActewAGL also continued its Community Support program in regional areas. The highlights of these involvements were the Young Show in September, Queanbeyan Show in November, Eurobodalla Show in January and the Narooma Oyster Festival in May and Brumbies Country Visits.

The organisation’s business sponsorships once again provided a great opportunity for brand exposure to the business community and for the sales team to network. Key industry bodies included the Chamber of Commerce, Canberra Business Council, Property Council, Master Builders Association, Housing Industry Association, Canberra Convention Bureau and Clubs ACT.

Charity organisations are a significant component of the Community Sponsorship program. This year ActewAGL supported a large number of charity groups, the most notable being The Cancer Support Group, The Salvation Army Red Shield Appeal, Cancerians, Camp Quality and the National Breast Cancer Foundation.

In addition, ActewAGL developed a program of initiatives to tackle homelessness, including clothing donation banks at its facilities in Greenway, Mitchell and Civic and encouraging staff to donate blankets to The Salvation Army’s Share the Warmth campaign.

ActewAGL’s Director Marketing and Corporate Affairs Paul Walpole and Director EHSO Diinnie King participated in the St Vincent de Paul Society’s CEO Sleepout, which was held in June. Together they raised over $13,000.

Internal fundraising initiatives
ActewAGL’s community engagement goes much further than the sponsorship and events program. Each year, ActewAGL staff have a major hands on role in raising funds and providing support for a number of charities and community groups in and around the capital region.

ActewAGL has also developed a corporate culture that supports community groups and encourages its employees to donate through its Workplace Giving program.

During 2012–13 ActewAGL staff supported the following causes.

• Jeans for Genes Day
• Daffodil Day – event promotion
• Legacy fundraiser
• ACT Eden Menano Cancer Support Group Hawaiian Shirt Day
• Leukaemia Foundation’s World’s Greatest Shave
• Vinnies CEO Sleepout.

Green grants
During the year, through the Green Grants program, ActewAGL offered not-for-profit organisations and schools in the capital region the chance to receive up to $5,000 for an environmental project that would help reduce energy and water use and have a positive impact on the environment and sustainability.

During 2012–13, ActewAGL provided the following Green Grants:

• ACT Companion Dog Club – installation of reversible ceiling fans to reduce their energy use and improve their energy efficiency.
• The Belconnen Baptist Church – installation of a roof mounted solar hot water system to economise use of electricity for all hot water used at the community centre.
• C3 Church Belconnen – upgrades to indoor and outdoor lighting to reduce their electricity costs.
• Conservation Council ACT – installation of LED lighting in their 17 offices to reduce their energy usage.
• Mount Rogers Scout Group – installation of a roof mounted closed loop solar thermo siphon collector and external tank system to improve their energy efficiency.
• Les Petits Etoiles (The Little Stars and The French Scouts, Annie Scout Hall) – reverse cycle split system air conditioners to reduce energy use.

Publications
ActewAGL’s Essentials magazine continued to be distributed quarterly to customers throughout the ACT and NSW. The aim of the publication is to strengthen the ActewAGL brand, support local business, promote regional events and communicate timely and relevant information to customers.

ActewAGL creates, maintains and updates a suite of publications through its Workplace Giving program. During 2012–13 ActewAGL staff supported the following causes.
Customer relations

ActewAGL’s website proved to be more popular than last year. Website traffic increased by 20 per cent to 7.9/7.17 visits for the year, and web page views increased by over eight per cent to 2.07/2.68 pages viewed across the year.

During 2012–13 ActewAGL’s social media presence also grew substantially. On 30 June, ActewAGL had 2.781 Facebook likes (63 per cent growth) and 1.643 Twitter followers (180 per cent growth).

ActewAGL continued to grow its user base for epayplus with 39,981 registered epayplus customers (19.5 per cent growth on previous year), with 10,629 active profiles (customers who logged in to epayplus during the year), which is a 16 per cent increase. Customers conducted more than 200,000 transactions, totalling more than $63 million in 2012–13. During the year, epayplus ceased accepting Grapevine account payments as part of the In2merge transfer.

As a measure of how continually high customer satisfaction, ActewAGL has been recognised with the following achievements for the year:

• ActewAGL was awarded Roy Morgan 2012 Electricity Provider of the Year and Gas Provider of the Year in the Roy Morgan Customer Satisfaction Awards.

• In 2012 ActewAGL rated first for electricity provider for 11 months and first for natural gas provider for seven months. In 2013, ActewAGL rated first in both electricity and natural gas for January and February due to the introduction of the carbon price and increased energy costs.

• ActewAGL's customer service contact centre continued to deliver quality service. Once again, the team met the abandon call target of less than five per cent even while experiencing higher than normal call volumes due to the introduction of the carbon price and increased consumer awareness surrounding the cost of utility services.

During the year, the team continued to engage well with customers and the introduction of ActewAGL Assist, were able to provide expert advice on how to manage utility service bills. The team also continued to maintain first place ranking in the energy sector in the Customer Service Benchmarking Australia survey.

Sponsorships in 2012–13

Academic
• ACT Training Excellence Awards

Arts
• Australian National Eisteddfod
• Canberra Glassworks
• Canberra Symphony Orchestra
• Canberra Area Theatre Awards
• National Gallery of Australia – Toulouse Lautrec
• National Library of Australia – Treasurers Gallery
• Strathmore Arts Association – Arts into the Limelight

Business
• ACT and Region Chamber of Commerce and Industry
• Australian Hotels Association
• Canberra Business Council
• Canberra Convention Bureau
• Canberra International Resting Challenge
• ClubsACT
• Housing Industry Association
• Master Builders Association
• Master Plumbers Drainers and Gas Fitters Association
• National Business Leaders Forum
• Property Council of Australia (ACT Branch)
• ACT and Southern NSW Restaurant and Catering Awards

Charity
• Cancer Support Group
• AFPWRA
• Ben Donohoe Fun Run
• Camp Quality Canberra
• Canberra Carers
• Chief Minister's Inclusions Awards
• Give Me 5 For Kids – Canberra Hospital Foundation
• Hands Across Canberra
• Heart Foundation
• National Breast Cancer Foundation
• National Press Club Charity Golf Day
• RSPCA
• The Salvation Army Red Shield Appeal
• Special Children’s Christmas Party
• The Great Minds Charity trivia night
• Ricky Stuart Foundation Charity Golf Day

Community
• ACT Women’s and Girls’ Fun Run/Walk
• ACTP Chequeered Ribbon Ball
• Canberra CBD Ltd Skate and Roller Skate in the City
• Canberra Nara Festival
• Centenary of Canberra
• Charmwood Festival
• Christmas Carnavale in the City
• Floraide
• FM 104.7/106.3 Community Switchboard
• FM 107/108 Skyline
• Live in Canberra
• Royal National Capital Agricultural Society
• Teagerang Motors
• ACT Farmer Foundation
• ACT Rural Capital Agricultural Society (Canberra Show)

Environmental
• ACT Electric Vehicle Council
• Earth Hour
• Friends of the National Arboretum

Sporting
• ACT intellectually Disabled Basketball
• ACT Racing Club
• ACT Show Jumping Cup
• ACT Sport Hall of Fame
• ASC Canberra
• Brumbies Rugby
• Canberra Capital
• Canberra Cavalry
• Canberra Knights

Regional sponsorships
• Blundongde County Master
• Sunrower Cup – Cooma Races
• Eurobodalla Show
• Goulburn Make-a-Wish Foundation
• Goulburn City Swans Football Club
• Goulburn Golf Club
• Goulburn Racing Club
• Goulburn Stags Football Club
• Home in Queanbeyan
• Narramie Little Athletics
• Narramie Oyster Festival
• OBN FM 96.7 Community Radio
• Queanbeyan Kangaroos Football Club
• Queanbeyan Racing Club
• Queanbeyan Show Society
• Queanbeyan Tigers Football Club
• Queanbeyan Winter Welcome
• Queanbeyan Tigers Football Club
• Queanbeyan Winter Welcome

Support events
• Canberra Homeless Connect
• Canberra Council ACT – Relay for Life
• Canberra Convention of ACT – World Environment Day dinner
• Canberra Make-A-Wish Ball – World Environment Day dinner
• Canberra Make-A-Wish Ball – World Environment Day dinner
• Canberra Make-A-Wish Ball – World Environment Day dinner

Supporting our community: Give Me 5 for Kids

ActewAGL, in partnership with Mox106.3 and Southern Cross Ten, proudly supported this year’s efforts to raise funds for the children’s ward at the Canberra Hospital.

During June ActewAGL hosted Mox106.3’s Rod and Biggy’s big bus at ActewAGL House and a fundraising sausage sizzle at the Civic Assist store.

The month-long campaign culminated in Southern Cross Ten’s annual Give Me 5 For Kids Telethon on Wednesday 19 June 2013, where ActewAGL staff manned the phones and presented a cheque for $20,000.
Service performance to customers

Gas indicators

Gas disruptions refers to loss of supply to a customer. Main bursts that did not result in loss of supply to a customer are not counted in these figures.

Restoring gas disruptions refers only to incidents that caused loss of gas supply to one or more customers.

ActewAGL’s target was to restore over 90 per cent of unplanned gas disruptions within four hours. At the end of the reporting period, ActewAGL achieved 96.4 per cent of unplanned gas disruptions restored within four hours which is an excellent result.

Electricity indicators

Electricity outages are interruptions to availability of supply. Planned outages are necessary, for example, to enable lineworkers to safely connect extensions to the lines or so that trees and vegetation can be trimmed to minimise fire hazards and unplanned outages.

The information presented is calculated by the average number of customers affected per outage, multiplied by the total number of outages (or their duration) and divided by the total number of customers.

ActewAGL’s target for the average number of planned and unplanned electricity outages was less than 1.20 per customer per year. This year the actual averages were 0.60 unplanned outages and 0.18 for planned outages.

The average duration of electricity outages per customer decreased since the previous year with an average of 28.4 minutes for unplanned outages and 43.2 minutes for planned outages. ActewAGL’s target was less than 91 minutes.
Our people

ActewAGL continued to work towards achieving the objectives in the Strategic Outlook 2012 –2022 by implementing changes that ensure ActewAGL’s culture is adaptable, commercially agile and to embed safety within its culture. The People and Performance business plan, underpinned by the Strategic Outlook, focussed on the “people” aspect of these key objectives.

Equity and diversity

ActewAGL continued efforts to achieve greater equity and diversity across its workforce. This commitment was led by the CEO and the Executive management team and underpinned by the Equity and Diversity policy which focuses on four key areas:

- women
- Indigenous Australians
- people with disabilities
- mature aged workers (employees aged over 50)

Over the past 12 months, ActewAGL has continued equity and diversity initiatives including:

- Women in utilities network
- Women-in-apprenticeships marketing campaign aimed at increasing the number of female applicants for the apprenticeship intake
- four equity scholarships to students studying at the Australian National University, awarded on the basis of financial hardship
- Indigenous employment strategy in partnership with the Australian Employment Covenant
- work experience placements in partnership with CRS Australia, for people with a disability, injury or health condition to give them the skills and experience they need to return to the workplace.
- work experience placements for Year 10 students through a scholarship program with Melba Copland secondary school.
- childcare referral service via API Leisure and Lifestyle
- continued accreditation as a breastfeeding-friendly workplace through the Australian Breastfeeding Association
- Employee Assistance Program through Converge International
- Harmony day celebrations, celebrating cultural diversity in the workplace.

Health and fitness

ActewAGL continued to promote and support health and wellbeing initiatives throughout the year. People who participated in the health and fitness assessments were eligible for free gym memberships. ActewAGL also offered flu vaccinations and skin cancer checks to its employees. Below are the numbers of people who took part in these initiatives.

<table>
<thead>
<tr>
<th>Initiatives</th>
<th>Total participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and fitness assessments</td>
<td>637</td>
</tr>
<tr>
<td>Workplace influenza vaccination</td>
<td>302</td>
</tr>
<tr>
<td>program</td>
<td></td>
</tr>
<tr>
<td>Skin cancer checks</td>
<td>327</td>
</tr>
</tbody>
</table>

ActewAGL also provided health forums on men’s health issues, mental health and skin cancer awareness. A large number of employees also participated in the internal “30,000 steps challenge” which boosted physical activity and awareness while encouraging competition between the divisions.

Employment conditions

People and Performance continued to provide advice and interpretation of employment conditions across the organisation. All recruitment selections are based on merit.

Workplace relations

All industrial issues were resolved using the grievance procedure in the Enterprise Bargaining Agreement (EBA) and there was no loss of working time as a result of industrial action. The centrepeice of the performance pay system for staff not on competency arrangements is the single salary spine. This classification system is based on work level descriptors that apply to new staff and existing staff not on competency arrangements. A review of this salary structure took place during the reporting period. The ACTEW Corporation Limited Employment Conditions Award 1998, which underpins the Enterprise Bargaining Agreement, will expire on 31 December 2013. As a result, ActewAGL undertook a major project to identify the Industry Modern Awards which will apply to the new agreement and will take effect in 2014.

Harassment and discrimination

A new network of formally trained Equity and Diversity Officers has replaced the Colleague Support Network as an alternate reporting channel for discrimination and harassment incidents. The three main functions of this network are:

1. help staff who may have an issue related to unlawful discrimination, harassment or bullying in the workplace, by providing them with the options and processes in place under corporate procedures
2. promote ActewAGL’s Equity and Diversity strategy and anti-bullying and harassment policies and procedures
3. set a standard of acceptable behaviour in the workplace.

To ensure continued impartiality and procedural fairness, ActewAGL established a panel of independent service providers to investigate formal complaints of bullying and harassment. ActewAGL used The Resolution Centre, Wise Workplace and Ibsen Consulting. In total, six formal complaints of bullying and harassment were investigated during the reporting year. Most complaints were resolved with the use of mediation or additional training and only a small number resulted in disciplinary action.

The Resolution Centre continued to provide the Dispute Resolution Centre Hotline to employees. This hotline operates during business hours and provides staff with another avenue to report or discuss acts of bullying and harassment. Callers can speak confidentially with a qualified external mediator if they are experiencing conflict in the workplace or have been the victim of, or witness to, bullying and harassment.

Anti-bullying and harassment training is conducted annually through online modules and face-to-face training sessions with a facilitator.

Key developments and priorities

During the reporting period, Organisational Capability merged with the People and Performance service centre to provide a holistic approach to the delivery of People and Performance services. The service centre will continue to provide the following functions, which were previously the responsibility of Organisational Capability:

- tools and strategies for behavioural change that align with the organisation’s objectives
- change management programs
- talent analysis and leadership development programs
- streamlining the Personal Performance Development Plan (PPDP) process and performance management training for managers and supervisors
- workforce and succession planning and talent management
- leadership development framework
- formal training programs for work experience students, trainees, cadets and graduates
- improved induction and orientation processes.

ActewAGL continued to provide training under a decentralised model. Individual business units take responsibility for identifying the current and future technical needs of their business and their staff, and delivering training programs to ensure those needs are met in an effective and efficient manner.

Total expenditure on training

ActewAGL’s budget for training and development in 2012–13 was approximately $4.1 million and total expenditure reached around $2.7 million. This level of expenditure was largely due to a decline in training needs identified in PPDPIs.

Talent pipeline

People and Performance continued to find innovative ways to build and maintain a pipeline of talent across all disciplines (engineering, IT, business, technical, finance and trades).

ActewAGL and the Australian National University scholarship program

There were six undergraduate scholarships in place.

ActewAGL’s partnership with Melba Copland High School

ActewAGL supports student career development and experience by providing work experience opportunities to six selected students and sponsoring each student with $500 to assist in funding their academic needs.

Women in Apprenticeships marketing campaign

ActewAGL continued advertising through Facebook, radio, internet and major sporting events aimed at encouraging women to apply for apprenticeships.

Studies assistance

There were 73 participants in ActewAGL’s studies assistance program. The program provides financial assistance with fees and paid leave to attend classes and exams. Studies are undertaken during and after business hours as well as online, and correspondence. Participants are studying at a range of universities and educational institutions throughout Australia, in programs ranging from certificates to masters in areas such as accounting, engineering, information technology, management, human resources, business and science.

Employees at 30 June 2013

<table>
<thead>
<tr>
<th>Division</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ActewAGL Retail</td>
<td>149</td>
</tr>
<tr>
<td>Business Development and Strategy</td>
<td>1</td>
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<tr>
<td>Business Systems</td>
<td>30</td>
</tr>
<tr>
<td>Finance and Resources</td>
<td>114</td>
</tr>
<tr>
<td>Executive, Legal and Secretariat</td>
<td>26</td>
</tr>
<tr>
<td>Networks (Asset Management and Network Services)</td>
<td>502</td>
</tr>
<tr>
<td>Environment, Health, Safety and Quality</td>
<td>36</td>
</tr>
<tr>
<td>Total</td>
<td>888</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ActewAGL Distribution (includes 156 employees seconded from ACTEW Corporation)</td>
<td>739</td>
</tr>
<tr>
<td>ActewAGL Retail (includes 12 employees seconded from ACTEW Corporation)</td>
<td>149</td>
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<tr>
<td>Total</td>
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<td>Total</td>
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</tr>
</tbody>
</table>
Environment, Health, Safety and Quality

Throughout 2012–13, safety continued to be a key priority for ActewAGL. Environmental, Health, Safety and Quality Division (EHSQ) achieved the following during the year:

- implemented the Guardian incident and near miss management system
- established the EHSQ Program and implemented five projects, including improved investigations, reductions in musculoskeletal strain, improved bushfire management planning, health monitoring and improved EHSQ communication
- implemented improvements in identifying, reporting and investigating near misses and incidents
- introduced 12 EHSQ Key Performance Indicators.

EHSQ Strategy 2012 – 2015

ActewAGL is committed to providing employees with a workplace that is safe and does not negatively impact on the environment or their health or wellbeing.

The move to a proactive safety culture will be achieved with a three-year strategy. The strategy delivers measurable outcomes through concurrent key projects (EHSQ Program) and key performance indicators (KPIs).

Identified projects are sponsored by the Executive and managed by the EHSQ division with progress (actions, outcomes and progress against plan) of these projects reported to the Executive each month and at every meeting of the ActewAGL Board’s Safety and Environment Committee.

The projects (EHSQ Program) have been identified to address numerous environmental, health, safety and quality requirements including new statutory requirements, identified hazards, incidents and near misses culminating in delivery of the ActewAGL EHSQ Vision.

During 2012–13, 12 KPIs were implemented. ActewAGL achieved these KPIs through significant focus from across the organisation. To further these improvements, ActewAGL will revise the indicators for 2013–14.

To achieve the ActewAGL EHSQ Vision, the strategy focused on improving the organisation’s performance in the five key result areas:

- employee participation, involvement and commitment
- leadership, engagement and action
- communication, consultation and collaboration
- competency and training
- compliance.

Economic aspects

Pricing

Regulation

The Australian Energy Regulator (AER) is responsible for economic regulation of ActewAGL’s ACT, Queanbeyan and Palerang gas network and the ACT electricity distribution network.

The Independent Competition and Regulatory Commission (ICRC) regulates retail electricity prices for franchise customers who remain on the Transitional Franchise Tariff (TFT) in the ACT.

The Independent Pricing and Regulatory Tribunal (IPART) regulates prices for ActewAGL’s retail gas services in NSW.

Network prices

On 29 November 2012, the Australian Energy Market Commission, the rule making body for the National Electricity Market, finalised substantial changes to the rules governing network regulation. This has required the AER to embark on a process, including stakeholder consultation, of developing several important guidelines to guide new discretion under the rules, and resulted in the postponement of a new regulatory determination for the ACT electricity distribution network by one year until 1 July 2013, with 2014–15 forming a transitional regulatory period. The rule changes also require the AER to allow lodgement of the revisions to the access arrangement for the gas network to be delayed by 12 months until 30 June 2015.

Electricity network

ActewAGL Distribution’s electricity network prices for 2013–14 were approved by the AER on 31 May 2013. The AER determined that ActewAGL’s 2013–14 pricing proposal complies with the AER’s 2009 distribution determination for the period 1 July 2009 to 30 June 2014. The pricing proposal included an allowance of approximately $1.9 million as approved by the AER as a pass-through for costs that occurred as part of the requirement for ActewAGL to implement the National Energy Customer Framework. The AER approved a network price increase from 1 July 2013. The main drivers of the price change are increases in electricity network charges and passing through costs of the ACT Government’s Energy Efficiency Improvement Scheme and national green schemes.

The impact of the reset for an indicative TFT residential electricity customer on the Always Home at ActewAGL plan using 7,000 kWh per annum will be an increase of around 3.5 per cent in the annual bill (including GST) or around $108 per week (including GST).

Retail prices

Electricity

As part of the June 2012 price direction for the supply of electricity to franchise customers for the period 1 July 2012 to 30 June 2014, the ICRC included an option to review the energy purchase cost component prior to the determination of prices from 1 July 2014. However, on 9 April 2013, the ICRC advised there was no evidence to undertake a formal review of the energy purchasing arrangements.

The prices were reset for 2013–14 in accordance with the process outlined in the ICRC’s June 2012 price direction. This provided for a nominal increase of 3.5 per cent, equivalent to a real increase of 1.7 per cent, from 1 July 2013. The main drivers of the price change are increases in electricity network charges and passing through costs of the ACT Government’s Energy Efficiency Improvement Scheme and national green schemes.

The impact of the reset for an indicative TFT residential electricity customer on the Always Home at ActewAGL plan using 7,000 kWh per annum will be an increase of around 3.5 per cent in the annual bill (including GST) or around $108 per week (including GST).
ACT Natural gas
Retail pricing for gas supply in the ACT is not subject to price regulation. The ACT gas supply market was opened to competition in January 2002 and became deregulated from 1 July 2004.
ActewAGL applied an average price increase of 3.82 per cent in nominal terms, equivalent to a real increase of 2.02 per cent, to its natural gas tariffs from 1 July 2013. This increase incorporates the approved rise in network charges by the AER. The impact of changes to prices for gas services in 2013–14 will be an increase of around 3.76 per cent in the annual bill or around $0.95 per week (including GST) for an indicative residential customer on the Home plan consuming 49 GJ per annum.

NSW Natural gas
ActewAGL’s NSW retail gas prices for the Capital, Queanbeyan/Bungendore, and Shoalhaven regions are regulated by IPART by way of an agreed pricing arrangement. During 2012–13, a new Voluntary Pricing Agreement (VPA) was negotiated with IPART for the period 1 July 2013 to 30 June 2016.

On 17 June 2013, IPART approved the 2013 – 2016 VPA that allows for full-pass through of network costs, annual reviews of the carbon and retail components (to address the risk related to wholesale gas costs), and results in a price path of CPI plus 1.5 per cent on the retail component for 2013–14. In accordance with the VPA, IPART approved ActewAGL’s 2013–14 NSW gas retail prices providing for a nominal price increase from 1 July 2013 of 7.5 per cent, 4.2 per cent and 3 per cent on average in the Capital, Queanbeyan/ Bungendore, and Shoalhaven regions respectively.

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Publications

Each year ActewAGL creates, maintains and updates a suite of publications. Copies of these publications can be obtained from the ActewAGL website (actewagl.com.au). Publications include:

- ActewAGL Code of Conduct
- Essentials magazine
- Clearance around power lines
- Clearance around mini pillars, meters and substations
- Building near utility assets brochure
- Natural gas safety tips
- Electrical safety tips
- Payment options
- epayplus
- Staying connected
- LV embedded generator guidelines
- Privacy policy
- Greenchoice for your home
- Greenchoice for your business
- Energy saving tips
- Direct debit
- Customer summary
- ActewAGL Graduate Development program
- ActewAGL career pathways
- Engineering cadetships at ActewAGL.

ActewAGL also published contracts for the supply of electricity and natural gas in the ACT and NSW, and schedules of charges for electricity and natural gas services. Other annual publications include:

- Annual Report
- Sustainability Report.
Summary financial report
For the year ending 30 June 2013

Introduction to the summary financial report

Profit
Profit for the year ended 30 June 2013 was $194.5 million, as compared to the prior year’s profit of $162.6 million.
Total operating revenue from continuing operations for the year ended 30 June 2013 was $829.4 million compared to $729.6 million in the prior year. The increase in revenue is primarily due to associated cost increases in energy purchases, the receipt of capital contributions for customer-initiated capital works and fees received for managed services.
Total expenses from continuing operations for the year ended 30 June 2013 was $661.6 million compared to $573.8 million in the prior year. This is primarily attributed to an increase in the cost of energy, network prices, and a number of Government initiatives including the Feed-in Tariff, the Carbon Pricing Mechanism and the Energy Efficiency Improvement Scheme. Further contributing to the increase in expenses was the impairment of the investment in Better Place Australia, increased vegetation management for bush fire mitigation and costs associated with the upgrade of ActewAGL’s operational technologies.
Profit from discontinued operations includes the gain on sale of Water division of $27.3 million.

Cash flow
The Joint Venture generated $203.9 million from its operating activities for the year ended 30 June 2013 compared to $194.0 million in the prior year.
Net cash outflows from investing activities were $111.7 million for the current year, compared to $81.1 million for the prior year. The increase in cash outflows is mainly driven by additional expenditure on capital projects. Prior year outflows were reduced due to funds received in advance for the sale of Water division.
Cash surplus to the Joint Venture’s operational and capital requirements is returned to the partners in the form of cash distributions. In the current financial year, $97.9 million was distributed to ActewAGL’s partners; $10.5 million higher than the $87.4 million in the prior year.

Financial position
As at 30 June 2013, the Joint Venture had net assets of $1,126.3 million compared to $1,029.7 million in the prior year. The increase is mainly due to the increase in working capital and capital investment in the network business.
Cash available as at 30 June 2013 was $557.5 million, $6.4 million lower than prior year. Current assets were $253.7 million compared to $266.2 million in the prior year. Current liabilities were $274.0 million compared to $213.7 million as the same time last year. The Joint Venture does not have any borrowings other than finance leases.
The carrying value of property, plant and equipment of $1,030.2 million, compared to $952.0 million as at 30 June 2012, is primarily due to increased capital expenditure in the network business.

Partners’ return
The return on funds employed for the current financial year on the net profit before income tax was 17.4 per cent compared to 15.8 per cent in the prior year.

The summarised financial report is consistent with the special purposes financial report from which it is derived.
### Statement of comprehensive income

For the year ended 30 June 2013

<table>
<thead>
<tr>
<th></th>
<th>30 June 2013</th>
<th>30 June 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from continuing operations</td>
<td>$829,384</td>
<td>$729,551</td>
</tr>
<tr>
<td>Other income</td>
<td>$ -</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td><strong>$829,389</strong></td>
<td><strong>$729,551</strong></td>
</tr>
<tr>
<td>Energy purchases</td>
<td>(436,137)</td>
<td>(362,001)</td>
</tr>
<tr>
<td>Employee costs</td>
<td>(104,111)</td>
<td>(102,594)</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>(38,127)</td>
<td>(36,156)</td>
</tr>
<tr>
<td>Contract expenses</td>
<td>(33,016)</td>
<td>(28,799)</td>
</tr>
<tr>
<td>Lease expenses</td>
<td>(11,191)</td>
<td>(12,231)</td>
</tr>
<tr>
<td>Material costs</td>
<td>(4,555)</td>
<td>(4,711)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(1,987)</td>
<td>(1,799)</td>
</tr>
<tr>
<td>Impairment of investments</td>
<td>(2,000)</td>
<td>-</td>
</tr>
<tr>
<td>Project related expenses</td>
<td>(7,327)</td>
<td>(7,210)</td>
</tr>
<tr>
<td>Selling expenses</td>
<td>(6,963)</td>
<td>(5,801)</td>
</tr>
<tr>
<td>Debt collection expenses</td>
<td>(8,098)</td>
<td>(6,429)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(6,077)</td>
<td>(6,081)</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>(661,591)</strong></td>
<td><strong>(573,812)</strong></td>
</tr>
</tbody>
</table>

Profit from continuing operations: $167,798  155,739

Profit from discontinued operation: 26,685  6,867

**Profit for the year**: 194,483  162,606

Profit is attributable to:

- **Partners of the ActewAGL Joint Venture**: 194,483  162,606

Other comprehensive income for the year: - -

**Total comprehensive income for the year**: 194,483  162,606

### Balance sheet

As at 30 June 2013

<table>
<thead>
<tr>
<th></th>
<th>30 June 2013</th>
<th>30 June 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$57,538</td>
<td>$63,897</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>$186,085</td>
<td>$185,145</td>
</tr>
<tr>
<td>Inventories</td>
<td>$10,036</td>
<td>$10,538</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>253,661</strong></td>
<td><strong>266,156</strong></td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>$761</td>
<td>$603</td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td>-</td>
<td>2,000</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>$1,030,247</td>
<td>$952,048</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>$30,913</td>
<td>$31,018</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>1,061,921</strong></td>
<td><strong>985,669</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>1,315,582</strong></td>
<td><strong>1,251,825</strong></td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>$123,798</td>
<td>$140,401</td>
</tr>
<tr>
<td>Provisions</td>
<td>$27,589</td>
<td>$20,705</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>$23,143</td>
<td>$35,722</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>174,437</strong></td>
<td><strong>206,828</strong></td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions</td>
<td>$5,032</td>
<td>$3,066</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>$10,187</td>
<td>$5,322</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>15,219</strong></td>
<td><strong>8,388</strong></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>189,656</strong></td>
<td><strong>215,216</strong></td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td><strong>1,126,926</strong></td>
<td><strong>1,036,609</strong></td>
</tr>
</tbody>
</table>

Net assets attributable to partners of the ActewAGL Joint Venture:

- **Partners of the ActewAGL Joint Venture**: 1,126,926  1,036,609

Total Joint Venture funds:

- **Total Joint Venture funds**: 1,126,926  1,036,609
### Statement of changes in Joint Venture funds

For the year ended 30 June 2013

<table>
<thead>
<tr>
<th></th>
<th>Total Equity $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 July 2011</td>
<td>954,536</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>162,606</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>162,606</td>
</tr>
</tbody>
</table>

Transactions with partners in their capacity as partners:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributions paid</td>
<td>(87,400)</td>
</tr>
<tr>
<td>Balance at 30 June 2012</td>
<td>1,029,742</td>
</tr>
</tbody>
</table>

Balance at 1 July 2012: 1,029,742

Profit for the year: 194,483

Other comprehensive income: -

Total comprehensive income for the year: 194,483

Transactions with partners in their capacity as partners:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributions paid</td>
<td>(97,900)</td>
</tr>
<tr>
<td>Balance at 30 June 2013</td>
<td>1,126,325</td>
</tr>
</tbody>
</table>

### Statement of cash flows

For the year ended 30 June 2013

<table>
<thead>
<tr>
<th></th>
<th>30 June 2013 $’000</th>
<th>30 June 2012 $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from customers (inclusive of goods and services tax)</td>
<td>926,676</td>
<td>958,217</td>
</tr>
<tr>
<td>Payments to suppliers and employees (inclusive of goods and services tax)</td>
<td>(723,830)</td>
<td>(766,795)</td>
</tr>
<tr>
<td><strong>Interest received</strong></td>
<td>3,247</td>
<td>2,585</td>
</tr>
<tr>
<td><strong>Interest and other costs of finance paid</strong></td>
<td>(152)</td>
<td>(46)</td>
</tr>
<tr>
<td><strong>Net cash inflow from operating activities</strong></td>
<td>203,942</td>
<td>193,962</td>
</tr>
</tbody>
</table>

**Cash flows from investing activities**

| Payments for property, plant and equipment | (112,161)          | (96,816)          |
| Proceeds from sale of property, plant and equipment | 17                | 46                |
| Proceeds from sale of Water division       | 400               | 15,695            |
| **Net cash (outflow) from investing activities** | (111,744)         | (81,075)          |

**Cash flows from financing activities**

| Distributions paid | (87,900) | (87,400) |
| Repayment of borrowings | (65) | (221) |
| **Net cash (outflow) from financing activities** | (98,557) | (87,621) |

**Net (decrease) increase in cash and cash equivalents**

| (6,359) | 25,266 |
| Cash and cash equivalents at the beginning of the financial year | 63,897 | 38,635 |
| Cash reclassified as held for sale | - | (4) |
| **Cash and cash equivalents at end of year** | 57,538 | 63,897 |
Joint Venture Board’s declaration

As detailed in note to the financial statements, the ActewAGL Joint Venture is not a reporting entity because in the opinion of the board members those are unlikely to exist and all of the financial report who are unable to contract the preparation of reports issued to or by other persons specifically as a result of their independent external auditors, to satisfy the board’s reporting requirements under the ACTWAGL Partnership and Act 2008.

The board members further declare that:

1. the financial statements and notes of the ActewAGL Joint Venture set out in pages 1 to 8 comply with applicable Accounting Standards and other mandatory professional reporting requirements, and
2. that the reports of the directors of the ActewAGL Joint Venture on pages 1 to 8 present fairly and in accordance with the requirements of the Act and the Regulations the financial position as at 30 June 2013 and the performance, as represented by the results of its operations and cash flows, for the financial year ended on that date, and
3. there are reasonable grounds to believe that the Joint Venture will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Joint Venture board.

[Signatures]

Paul Fitzner
Chairman
27 August 2013

Mark Gollan, AO
Deputy Chairman
11 August 2013

Auditor’s independence declaration

ACT AUDITOR-GENERAL’S OFFICE

Board of Directors
ActewAGL Joint Venture
GPO Box 366
CANBERRA CITY ACT 2601

Dear Board Members

AUDITOR’S INDEPENDENCE DECLARATION
ACTEWAGL JOINT VENTURE SUMMARY FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

In relation to the audit of the summary financial report of the ActewAGL Joint Venture for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the code of professional conduct.

Yours sincerely

[Signature]

Dr. Maxime Cooper
Auditor-General
28 August 2013

Level 6, 33 Moonee Street, Canberra City, ACT 2601 | PO Box 375, Civic Square, ACT 2600
Telephone: 02 42017888 | Facsimile: 02 42017900 | Email: auditorgeneral@act.gov.au
INDEPENDENT AUDIT REPORT

To the Partners of ActewAGL Joint Venture

Report on the summary financial report

The summary financial report (financial report) of the ActewAGL Joint Venture has been audited. The financial report comprises the statement of comprehensive income, balance sheet, statement of changes in joint venture funds, statement of cash flows and Joint Venture Board’s (the Board’s) declaration. The financial report has been derived from the audited special purpose financial report of the ActewAGL Joint Venture (the Joint Venture) for the year ended 30 June 2013.

On 30 August 2013, I issued an unmodified audit report on the special purpose financial report of the Joint Venture for the year ended 30 June 2013.

The financial report does not contain all disclosures required by the ACTEW/AGL Partnership Facilitation Act 2000, or as may be considered necessary to meet the needs of the Partners of the Joint Venture. Reading the financial report is, therefore, not a substitute for reading the audited special purpose financial report of the ActewAGL Joint Venture.

Responsibility for the financial report

The Board of the Joint Venture is responsible for the preparation of the financial report.

Auditor’s responsibility

I am responsible for expressing an audit opinion on the financial report based on my procedures. These procedures were conducted in accordance with Auditing Standard ASA 315: ‘Engagements to Report on Summary Financial Statements’.

Electronic presentation of the financial report

Those viewing an electronic presentation of this financial report should note that the audit does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from this financial report. If users of the financial report are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the audited financial report to confirm the accuracy of this electronically presented information.

Larsen, 4, 13 Marcus Street, Canberra City, ACT 2601 | PO Box 275, Civic Square, ACT 2601
Telephone: (02) 6207 3866 | Facsimile: (02) 6207 0826 | Email: actauditgeneral@act.gov.au

Independence

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the audit.

Audit opinion

In my opinion, the financial report, derived from the audited special purpose financial report of ActewAGL Joint Venture for the year ended 30 June 2013, is materially consistent with the special purpose financial report.

Dr Maxine Cooper
Auditor-General
30 August 2013
Glossary

AA  Access Arrangement
AAI  Access Arrangement Information
ACAT  ACT Civil and Administrative Tribunal
ACT  Australian Capital Territory
AER  Australian Energy Regulator
BSD  Business Systems division
CPI  Consumer Price Index
CSRP  Corporate Systems Replacement Program
DBYD  Dial Before You Dig
DVA  Department of Veterans’ Affairs
EEIS  Energy Efficiency Improvement Scheme
EHSQ  Environment, Health, Safety and Quality
GIS  Geographic Information System
GJ  Gigajoule
GRI  Global Reporting Initiative
GST  Goods and Services Tax
GWh  Gigawatt hours
HRMIS  Human Resource Management Information System
HV  High Voltage
ICRC  Independent Competition and Regulatory Commission
IPART  Independent Pricing and Regulatory Tribunal
km  Kilometres
kWh  Kilowatt hours
NECF  National Energy Customer Framework
NSW  New South Wales
PIG  Pipeline Inspection Gauge
PPDP  Personal Performance Development Plan
SCADA  Supervisory Control and Data Acquisition
TFT  Transitional Franchise Tariff
TJ  Terajoule
VPA  Voluntary Pricing Agreement
ZNX  Zinfr Group
Postal address
ActewAGL
GPO Box 366
Canberra ACT 2601

Telephone
13 14 93

actewagl.com.au