Community Advisory Forum Meeting

7 May 2025

SA Power Networks

Empowering South Australia



2. Executive Update

- Jess Morris
- Andrew Bills



3.1 SAPN Values – alignment with CAF and customer outcomes

- Ben Birch
- Travis Kauschke



Our plan on a page

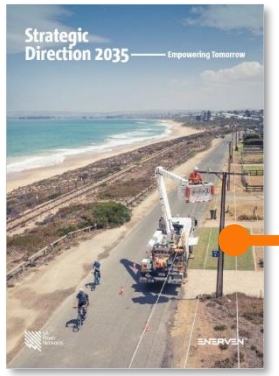
- In 2025 we revised our strategic vision, narrative and values
- During 2026 we will move to a more strategic approach that is focussed on cascaded outcomes and key results (OKRs). This is part of a broader strategy to drive towards a high-performance culture.
- This includes being clearer on the outcomes customers are seeking from us, and ensuring we are measuring and driving business performance to achieve this



Cascading our Strategy

Current state data capture





Time horizon

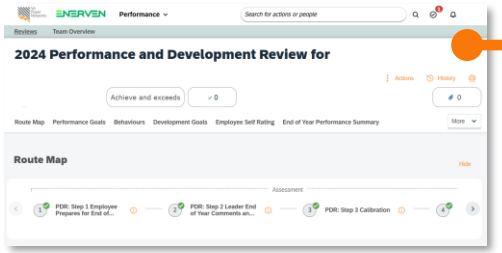
Reviewed

15 years — **Strategic Direction** — Long Term Strategy — As necessary

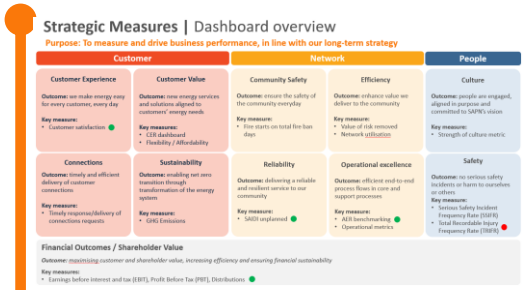
5 years — **Strategic Plan** — Vision, Focus, Value & Impact, Annual Priorities — Annually

1 year — **Department & Team Plans** — Action Plans that have Outcomes and Key Results — Annually

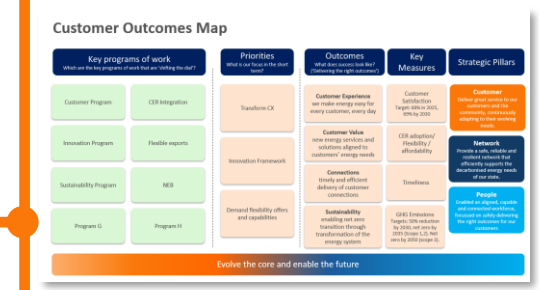
1 year — **Individual Plans** — (PDR, ADP) — Annually



Performance and Development Review
Responsible: Leader + Employee
Reviewed: bi-annually
Review Forum: PDR check-ins



Strategic Dashboard
Responsibility: ELT
Reviewed: Quarterly
Review Forum: ELT Strategy Meetings



Department Map
Responsibility: Chief
Reviewed: Quarterly
Review Forum: *Dept SLT*



Team Plan
Responsibility: 'Head-of'
Reviewed: Quarterly
Review Forum: Team forum

Strategic OKR Dashboard *(draft)*

Purpose: To measure and drive business performance, in line with our long-term strategy

Customer

Customer Experience

Outcome: we make energy easy for every customer, every day

Key measures:
- Customer satisfaction (CSAT)
- Customer Effort

Customer Value

Outcome: new energy services and solutions aligned to customers' energy needs

Key measures:
- CER dashboard
- Flexibility (% new connections choosing flexible connections)

Connections

Outcome: timely and efficient delivery of customer connections

Key measure:
- Timely response/delivery of connections requests
- Connect. delivered to budget
- Connect. Incentive Scheme

Sustainability

Outcome: driving positive change towards environmental and social outcomes

Key measure:
- SAPN Group GHG Emissions
- ESG indicators
- Total utilised CER generation

Network

Community Safety

Outcome: ensure the safety of the community everyday

Key measure:
- Fire starts on total fire ban days (rate)
- Electric shocks >50V

The right investments

Outcome: maximising the value for money of investments

Key measure:
- Value of risk removed
- Network utilisation
- Expenditure Sharing Scheme
- Spend through IGF

Service Reliability

Outcome: delivering a reliable and resilient service to our community

Key measure:
- SAIDI unplanned

Delivered efficiently

Outcome: efficient end-to-end delivery of work program

Key measure:
- Team plans + scorecards
- Development of work program -> % of work program complete

People

A high-performance culture

Outcome: people are engaged, aligned, and capable, in purpose and committed to SAPN's vision and values

Key measure:
- Strength of culture metric

Safety

Outcome: no serious safety incidents or harm to ourselves or others

Key measure:
- Serious Safety Incident Frequency Rate (SSIFR)
- Total Recordable Injury Frequency Rate (TRIFR)

Financial Outcomes / Shareholder Value

Outcome: maximising customer and shareholder value, increasing efficiency and ensuring financial sustainability

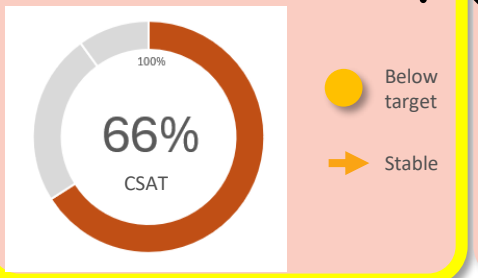
Key measures:
- Earnings before interest and tax (EBIT), Profit Before Tax (PBT), Distributions

Strategic OKR Dashboard *(example)*

Purpose: To measure and drive business performance, in line with our long-term strategy

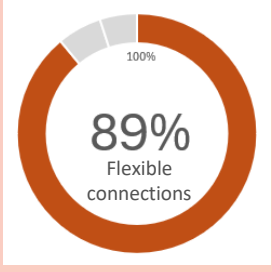
Customer

Customer Experience
Outcome: we make energy ea
for every customer, every day



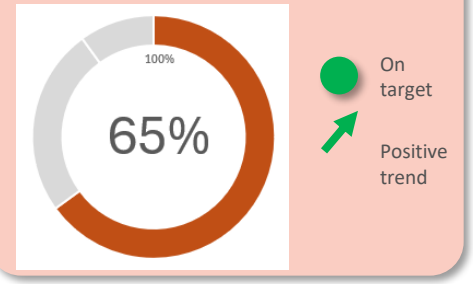
Below target
Stable

Customer Value
Outcome: new energy services aligned to customers' needs



On target
Positive trend

Connections
Outcome: timely and efficient delivery of cust. connections



On target
Positive trend

Sustainability
Outcome: driving positive change towards environmental and social outcomes

432 695
tCO2-e

Below target
Stable

Network

Community Safety
Outcome: ensure the safety of the community everyday

5
Fire starts on TOBAN days

Below target
Stable

The right investments
Outcome: maximising the value for money of investments

$65m
Monetised risk value

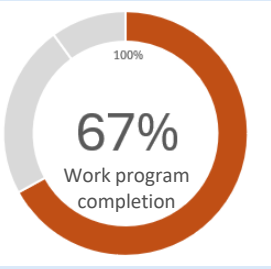
Below target
Stable

Service Reliability
Outcome: delivering a reliable and resilient service to our community

144
SAIDI unplanned

Below target
Stable

Delivered efficiently
Outcome: efficient end-to-end delivery of work program



On target
Positive trend

People

A high-performance culture
People are engaged, aligned, committed to our vision



On target
Positive trend

Safety
Outcome: no serious safety incidents or harm

2.4
SSIFR

Below target
Negative trend

Financial Outcomes / Shareholder Value

Outcome: maximising customer and shareholder value, increasing efficiency and ensuring financial sustainability

Key measures:
- Earnings before interest and tax (EBIT), Profit Before Tax (PBT), Distributions

Strategic OKR Dashboard EXAMPLE: Customer Experience

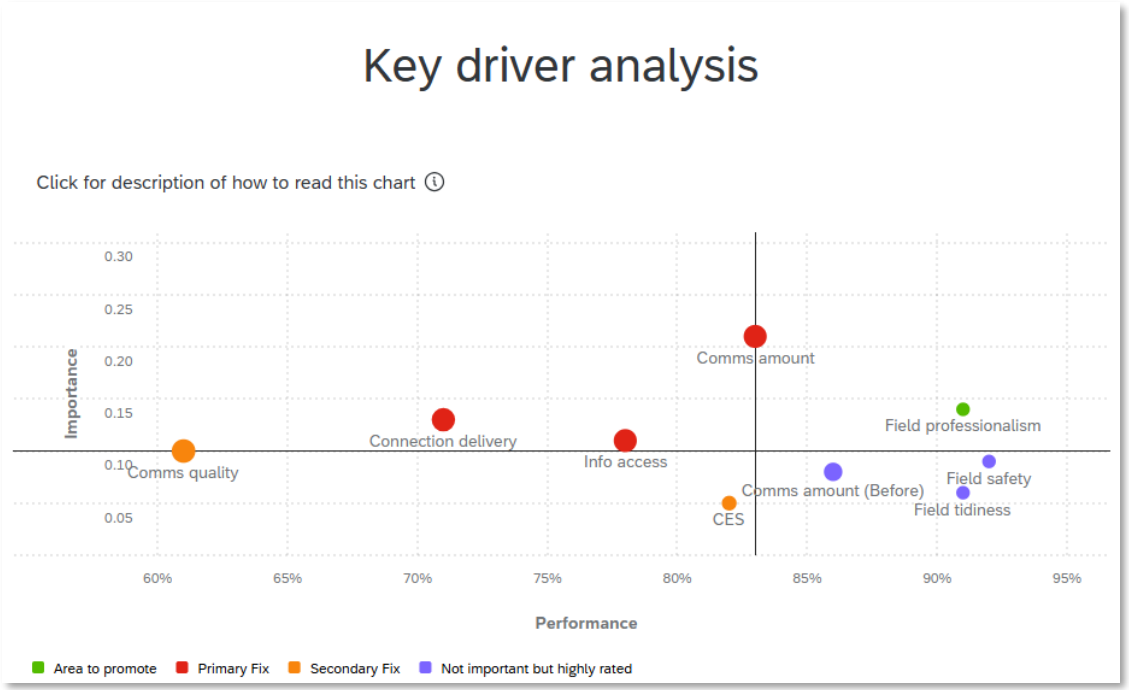
Insights box

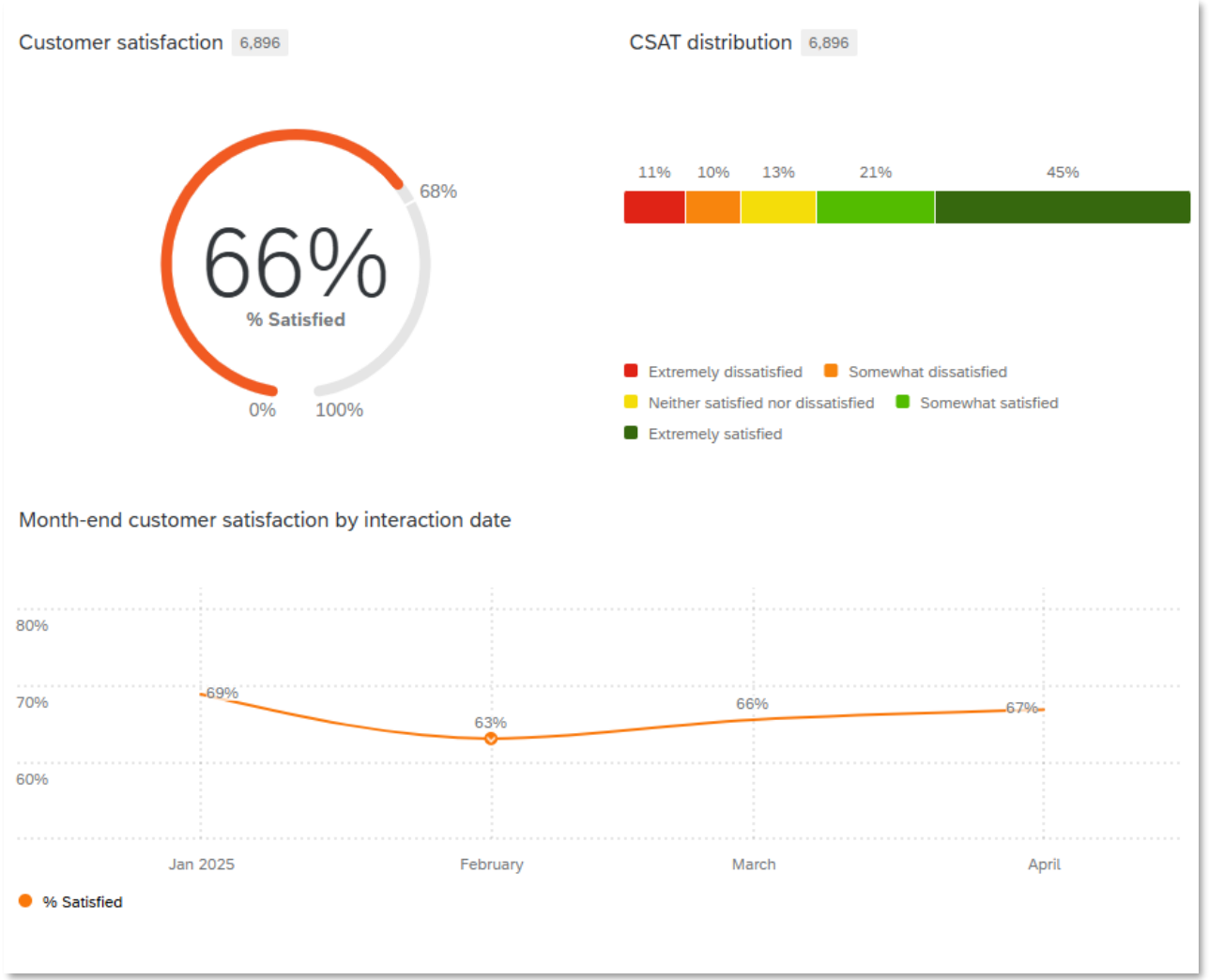
What's the take-away?

- Point 1,2,3

What are we doing about it?

- Actions/initiatives + Leads





Next steps

- Commence our 2026 Strategic Planning Process in June:
    - Continue to engage with internal and external stakeholders to refine our priorities, outcomes and key result areas
    - Specifically, work with the CAF to identify and embed customer and community outcomes – this work will be ongoing
- Continue to develop our capabilities to monitor and report on these key outcomes, ensuring they inform the work we do to improve our performance in the service of customers and the community

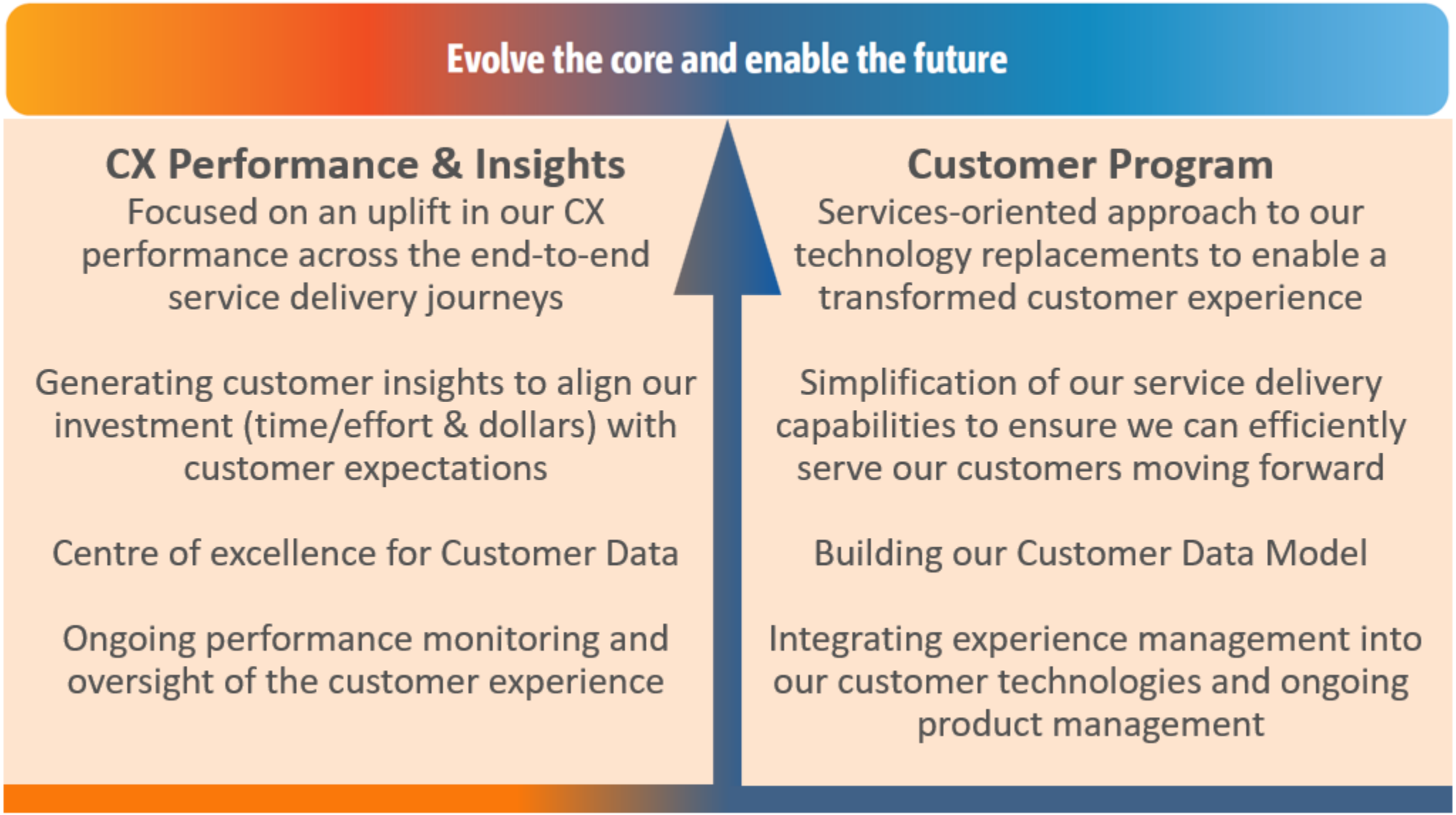
3.2 Customer Programs Update

Key projects 2025

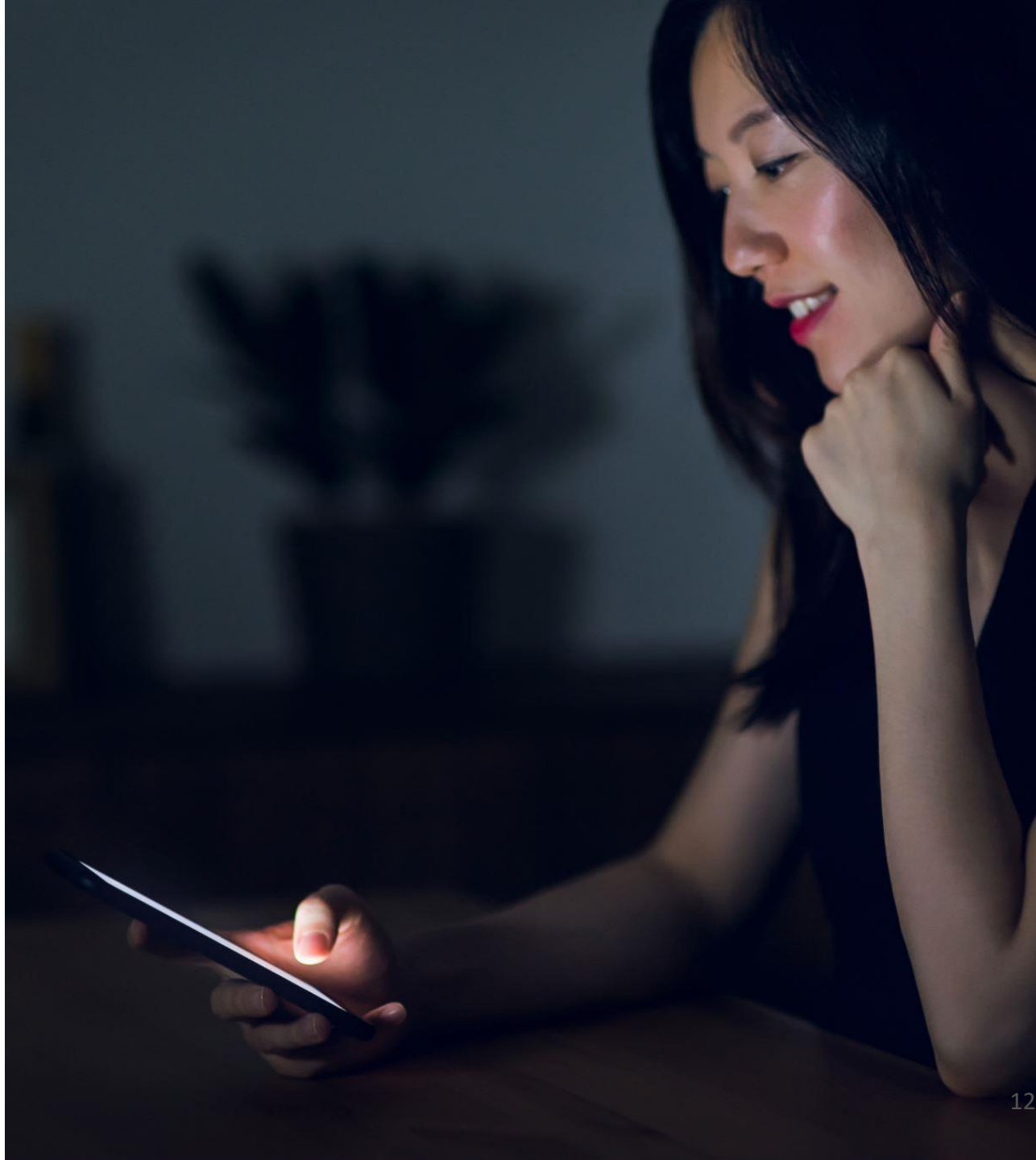
- Sophie McRae
- Milly Hall
- Zeena Nauman
- Duska Vojinovic



Working together to deliver improved CX



CX Performance & Insights



About CX Performance & Insights

Team purpose

To enhance customer experiences through actionable insights, robust data quality, and working with the business on seamless service delivery, fostering improved business performance and customer satisfaction.

As well as a focus on **uplifting the customer experience across end-to-end service delivery**, the team brings together our customer data capabilities, and is able to serve teams across the business for their customer data and insights needs.

Strategic timeline for CX Performance & Insights



2025
Lay the foundation (establishing and building capabilities)



2026
Strengthen capabilities (building trust and refining processes)



2027
Innovating, transforming and exceeding expectations (driving transformation and excellence)

Key Focus areas 2025 (foundational)

Reporting and transparency uplift

Why: To support decision-making and drive future-focused initiatives.

- Deliver intuitive dashboards with trusted CX insights
- Produce high-quality, meaningful KPIs and reporting
- Establish CX baselines across core services using operational data and CSAT
- Develop tailored and streamlined CX dashboards for business units

Engagement and collaboration

Why: To build organisational accountability and foster community collaboration.

- Conduct workshops to build leadership accountability and CX understanding
- Map customer journeys with teams and implement targeted improvements
- Partner with the Community Advisory Forum (CAF) to co-develop meaningful metrics and share progress updates

CSAT operationalisation and Qualtrics expansion

Why: Strengthens customer-centric performance, aligning with the corporate vision for better customer experiences.

- Achieve a 68% CSAT target
- Embed accountability for CSAT improvements via PDRs
- Expand Qualtrics capabilities to include brand health and customer research, enabling actionable foresight into customer preferences

Support for the customer program

Why: To enable digital and self-service enhancements for improved customer engagement.

- Align CX insights with technology upgrades to enhance self-service and digital engagement

Immediate Action: CSAT and PDRs for 2025

- We have moved from a 7.8/10 satisfaction target to a 68% satisfaction target as a business
- To align with this change, we worked with Senior Leaders on developing Personal Development Review (PDR) objectives to cascade CSAT accountability to teams
- These objectives focused on identifying and addressing key customer themes, improving underperformance areas, and fostering a customer-centric culture.

Service area target	
Unplanned outages	63%
Planned outages	69%
Connections (electrician)	87%
Connections (customer)	84%
Contact centre (general enquiries)	65%
Overall company target	**68%**

What success looks like/key milestones for 2025



Strategic goals and metrics

Implemented PDR objectives for core CSAT

Established CAF-endorsed performance metrics and started capturing baselines in preparation for next reset period and a CSIS

Achieved the CSAT target of 68%

Achieved CSAT complaints target of 54%

Achieved First Call Resolution target of TBC



Data and insights

Delivered frequent and relevant reporting, including operational data, to CSAT stakeholders and other

Improved our integrations and flow of information across our major customer service systems

Conducted journey mapping and CX workshops to enhance customer understanding



Business understanding and trust

The business now clearly understands our/their performance metrics

Received positive feedback from ELT on performance reporting

Built a known and trusted group for customer understanding and service performance

Became the trusted voice across the business for customer feedback, input, research, and reporting



Customer experience enhancements

Implemented a new complaints handling framework that supports an improved customer experience

Successfully provided input, insights, and VOC into customer program planning and development

Reduced customer messaging costs and improved the digital notifications experience

Reduced return-to-sender mail for planned work notifications and life support



Technology and efficiency improvements

Achieved telephony CTI integration

Achieved new C4C categorisation and further roll-out within the existing licensing agreement

Reduced risk in data management (e.g., ADA)

Discussion and questions

- Do you have any feedback for the Customer Services & CX Performance & Insights team?
- How often would you like updates from this team?
- What areas are you most interested in hearing about and/or collaborating on?

Customer Program



A landmark commitment to customer experience

We are preparing to make substantial investments in customer technology upgrades



Our largest ICT program in 2025-2030



Impacts millions of users and transactions

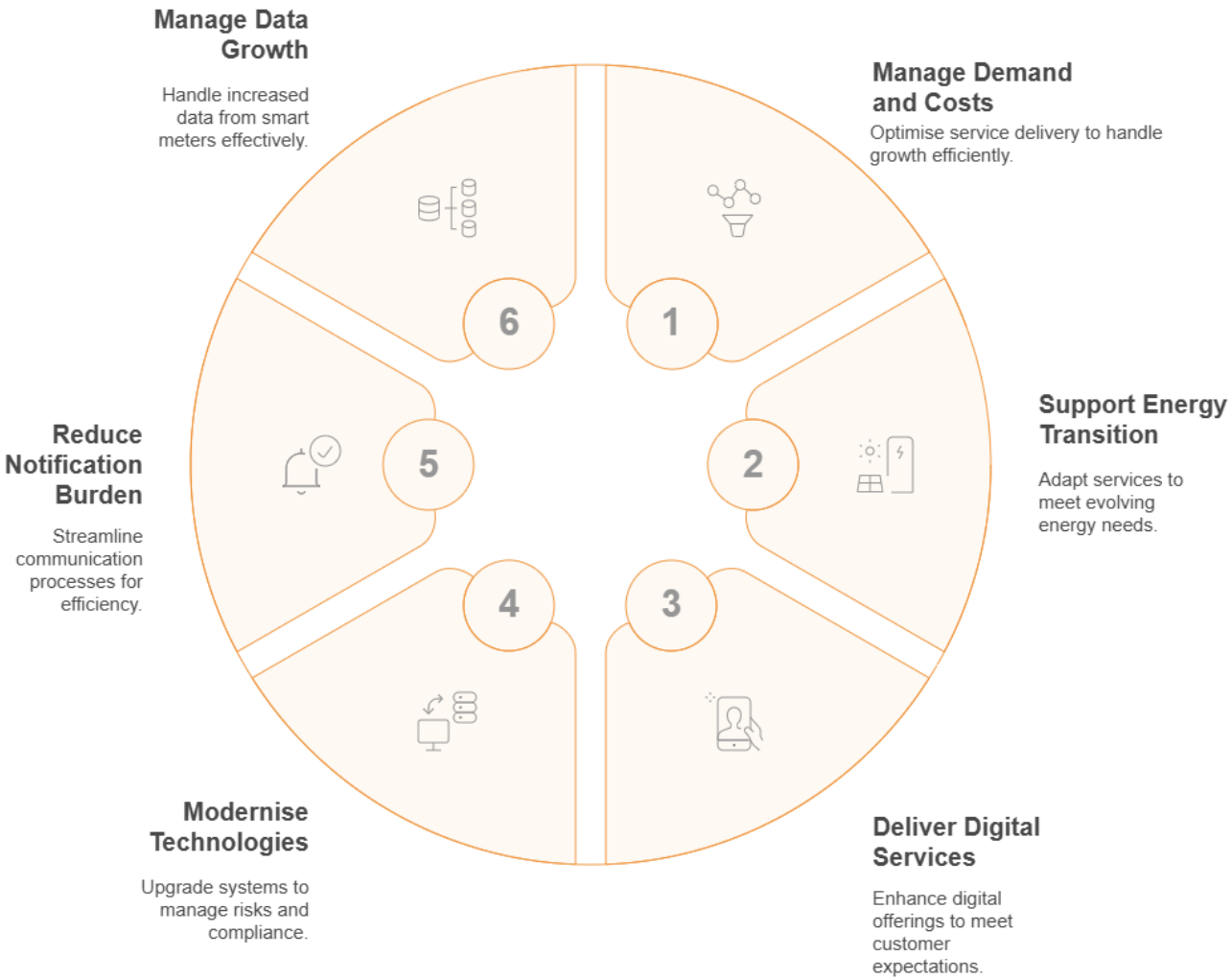


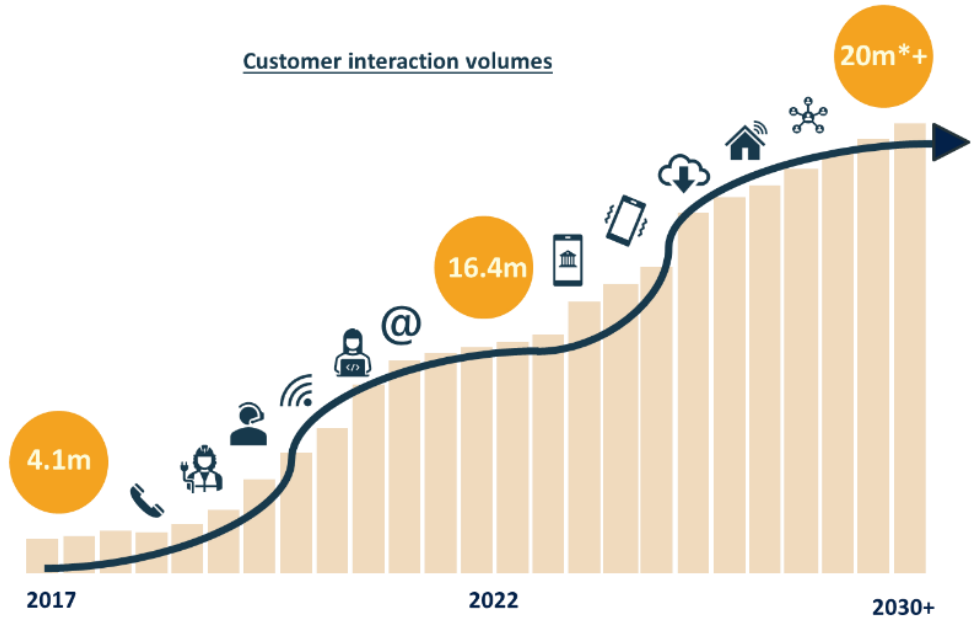
Significant opportunity to boost internal efficiency and innovation



Improved outcomes for our customers and employees

Why we need the Customer Program to transform customer experience





Customer Services Landscape

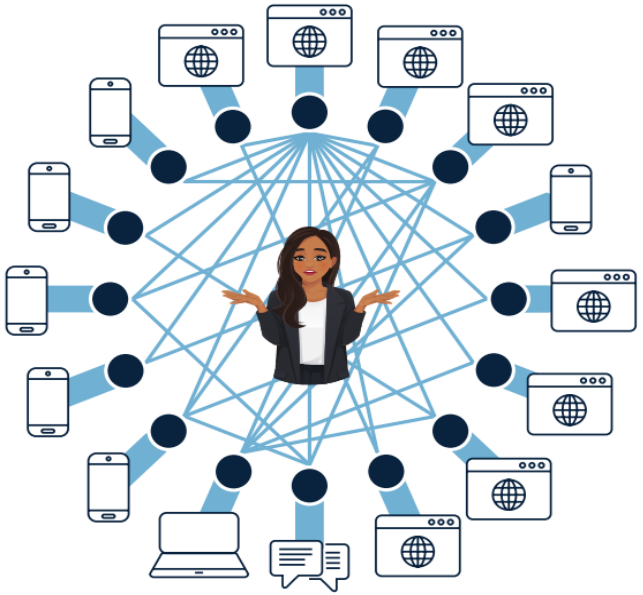
- On average our service portfolio includes:
- **~900,000 customer records**
- **22,500** life support customers
- **250,000 telephone calls** annually
- **8 million digital messages** annually (comprising both emails and SMS)
- **2 million unique visitors** on our website.

- Customers engaging with our services include: residential customers, commercial and industrial customers, facilitators (including , developers and electricians); and distributed energy participants.

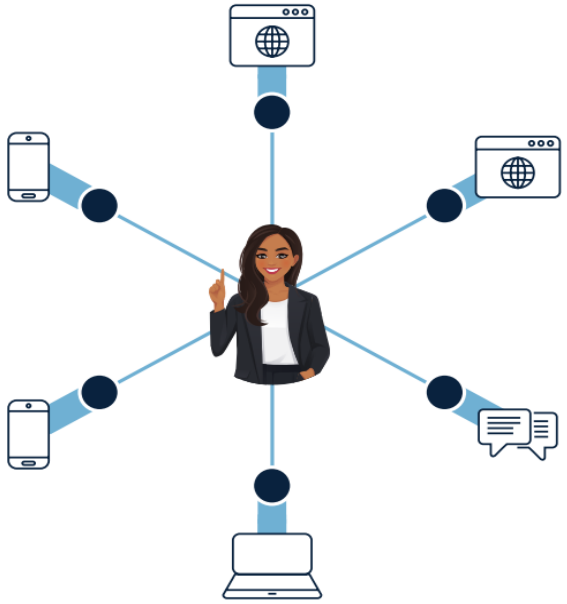
Simple and seamless experience

Simplification of our service delivery capabilities is required to ensure we can efficiency serve our customers moving forward.

The current fragmented state



The goal is a simplified end state



What is the scope of customer program?



Website replacement

Replace legacy website and content management software



Customer portals replacement & consolidation

Replace various web-based customer-facing portals with a modern consolidated solution



CNS replacement

Replace legacy customer notification solution used for managing and communicating work interruptions



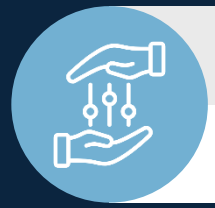
CRM replacement

Replace aging CRM solution and consolidate various databased into single solution



MDI replacement

Replace the analytics and modelling engine used for metering reporting and analytics



Personalised on-demand services

Develop new self-service capabilities delivering faster response times to customer interactions and enquiries

Service oriented program approach

The program activities will be structured under a **services-oriented approach**, focusing on key indicators of service delivery optimisation, customer value, risk and cost management and longer-term strategic intent. Key technologies required to meet the service expectations will be identified based on needs of our customer services directions.

H1 2025

Planning

Key deliverables of the planning phase include:

- Program vision, service catalogue & roadmap
- High level journey mapping for prioritised services
- Business requirements for key business capabilities
- Future state reference architecture & key platform directions and decisions
- Delivery approach and plan agreed
- Business case for first phase

H2 2025 and beyond

Delivery

Backlog of key services transformation opportunities includes:

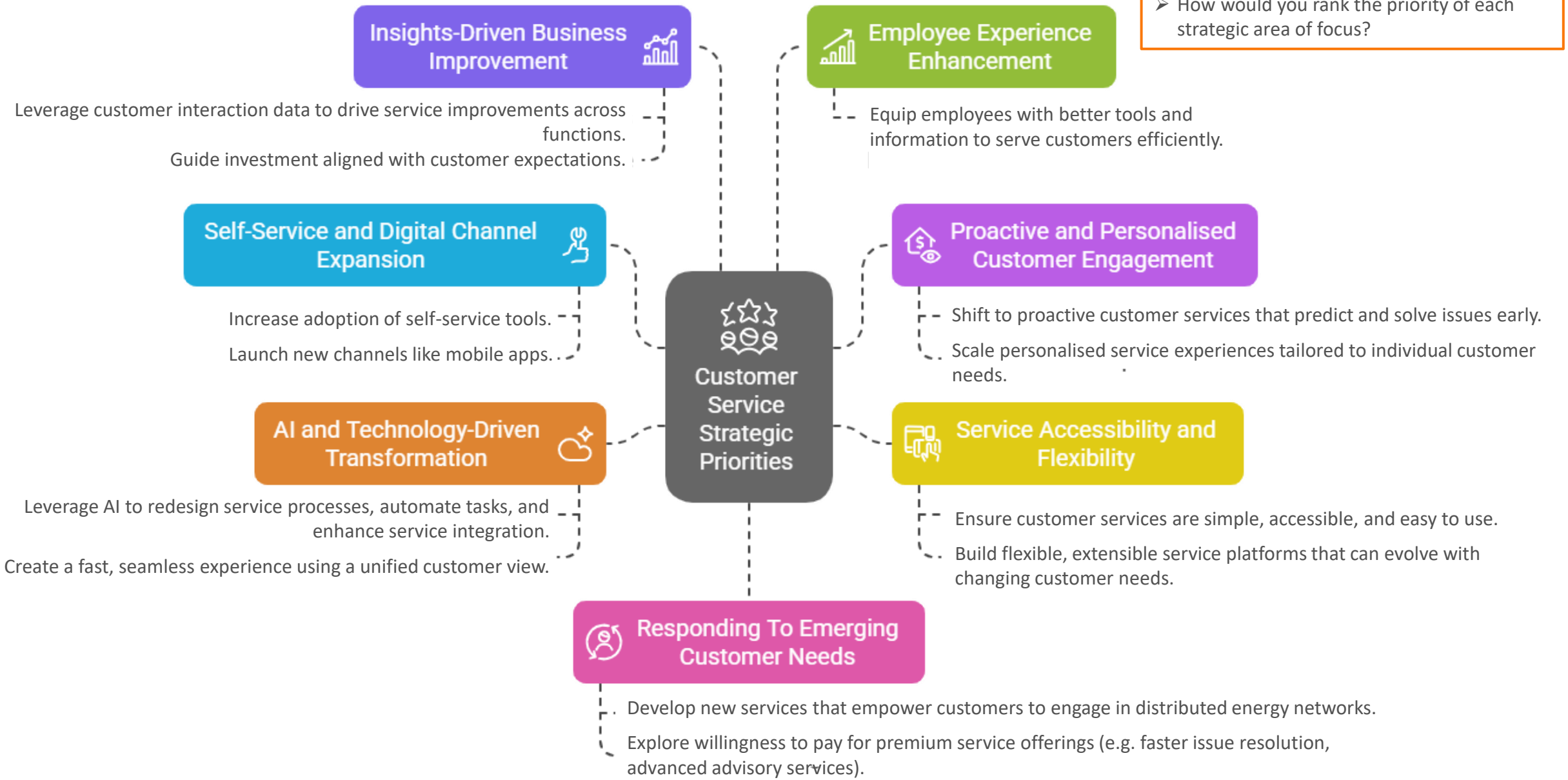
- Planned work notifications
- Online self services inc. new channels such as mobile apps
- Online content management (website)
- Meter data analytics and dashboards (meter data insights)
- Consistent service delivery (CRM and data model)

Delivery priority and approach will be defined during the planning phase.

Draft Customer Service Strategic Priorities

Homework poll (survey link to be shared post session):

- Do you believe these elements are all key for meeting customer expectations into the future?
- How would you rank the priority of each strategic area of focus?



Discussion and questions

- Do you have any feedback for Customer Program as it progresses into the planning phase?
- What is your preferred method of engaging on program directions and receiving updates on the progress?
- Survey regarding customer service strategic areas of focus


Morning Tea Break

3.3 Advisory Group Briefing Papers



Innovation Advisory Group update

- EOI process ran in March and selection in April
- First meeting scheduled for Mon 26 May 1.00-3.00pm
- Each group has dedicated Innovation Manager – Asset Ops/ Customer/ Future Networks

Advisory Group	Member
Connections	Mark Yates
Tariffs	Mark Yates
Regional & Remote	Chris Marsden
Asset Condition & Risk	Michael Lee/ Adam Davidson
Vulnerable Customers	Andrew Stock
Reset	Adam Davidson/ Chris Marsden
Consumer Energy Resources	Emily Gadaleta
Consumer Energy Resources	Ed Chan
Vegetation Management	Ian Seccafien

3.4 Final Determination & Investment Committee

- Jess Morris
- Richard Sibly



Introduction

- The AER published its Final Decision on our 2025-30 Distribution Determination on 30 April 2025.
- This determination establishes, for the 1 July 2025 - 30 June 2030 period, SAPN's:
    - Distribution services classifications – SCS, ACS
    - Annual capital expenditure allowances (in real $2025 terms)
    - Annual operating expenditure allowances (in real $2025 terms)
    - Annual allowed revenue requirement (in nominal terms)
    - Our distribution tariff structures including new flexible consumption tariffs and new export tariffs
    - Our charges for Alternative Control Services
    - Applicable incentive schemes
    - Permissible cost pass-through events (no change from current)
    - Updated Connection Policy
    - Metering services arrangements



2025-30 Revenue and Expenditure*

	SAPN's Revised Proposal	AER Final Decision
Revenue (Main SCS – excl. metering)	$5,168 million	$5,207 million
Operating Expenditure (excl. debt raising costs)	$2,023 million	$2,023 million
Capital Expenditure (after disposals)	$2,338 million	$2,257 million

*Revenue expressed in nominal terms and expenditure expressed in $2025 terms

Real Annual Distribution Bills

	Revised Proposal	AER Final Decision
Real Residential Customer Distribution Bills in 2029/30 (based on annual consumption of 4,000kWh) Compares to 2024/25 Default Market Offer of $613	$570	$576
Real Small Business Customer Distribution Bills in 2029/30 (based on annual consumption of 10,000kWh) Compares to 2024/25 Default Market Offer of $1,466	$1,362	$1,376

Nominal Annual Distribution Bills

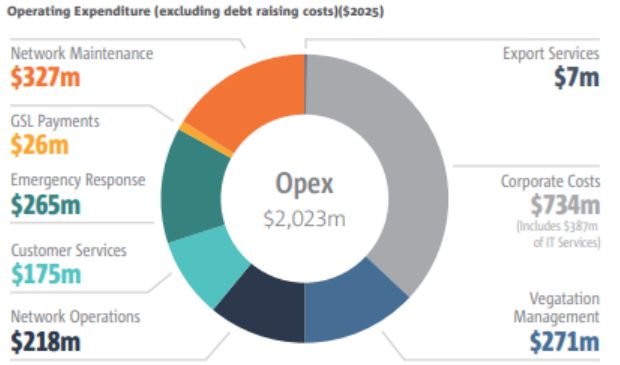
	Revised Proposal	AER Final Decision
Residential Customer Distribution Bills in 2029/30 (based on annual consumption of 4,000kWh) Compares to 2024/25 Default Market Offer of $613	$656	$658
Small Business Customer Distribution Bills in 2029/30 (based on annual consumption of 10,000kWh) Compares to 2024/25 Default Market Offer of $1,466	$1,568	$1,574

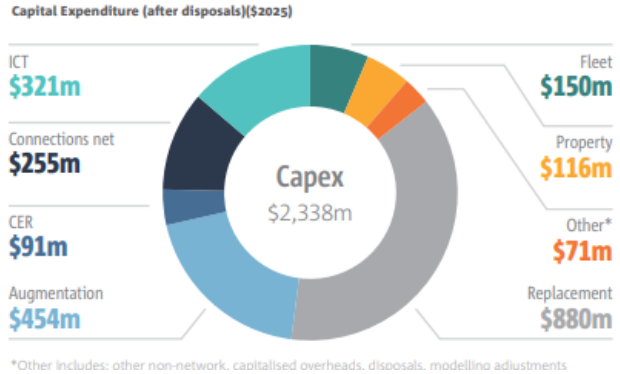
Funding outcomes

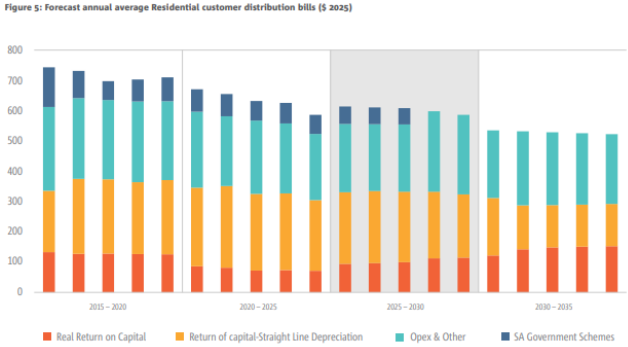
The AER's Final Decision:-

- accepted our revised proposed opex
- accepted 97% of our revised proposed capex proposal but made $81m cuts to capex, including in two areas:
  - $37m reduction in Augex-capacity – the AER adopted lower ESOO 2024 demand forecasts
  - $33m reduction Augex-reliability – the AER cited network performance had steadily improved over time (excluding in the CBD) and other programs will contribute to maintaining network performance.
- accepted the $20m Innovation Fund
- adopted our proposed revenue smoothing profile – keeping prices as low as possible
- accepted our TSS (which introduces flexible demand tariffs and new export tariffs from 1 July 2025)

What we proposed





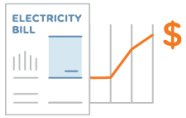


With this funding we will deliver these outcomes for customers



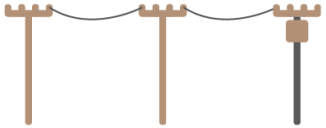
Customer experience, choice and empowerment

- Digital enhancements to improve customer service
- Refined connection policy to encourage flexible connections and support a two-way network



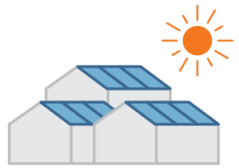
Affordable and equitable energy supply

- Distribution bills decrease by 6% in real terms by 2029/30.
- New solar export tariffs avoid costs for customers locked out from solar



A reliable, resilient and safe network

- Improvements in bushfire risk
- Reliability and resilience improvements to worst-served customers
- Cyber security resilience maintained
- Maintain network safety & reliability
  - Network asset replacement
  - Maintain underlying reliability
  - CBD reliability
  - Augex capacity



Enabling clean energy and unlocking future value for our state

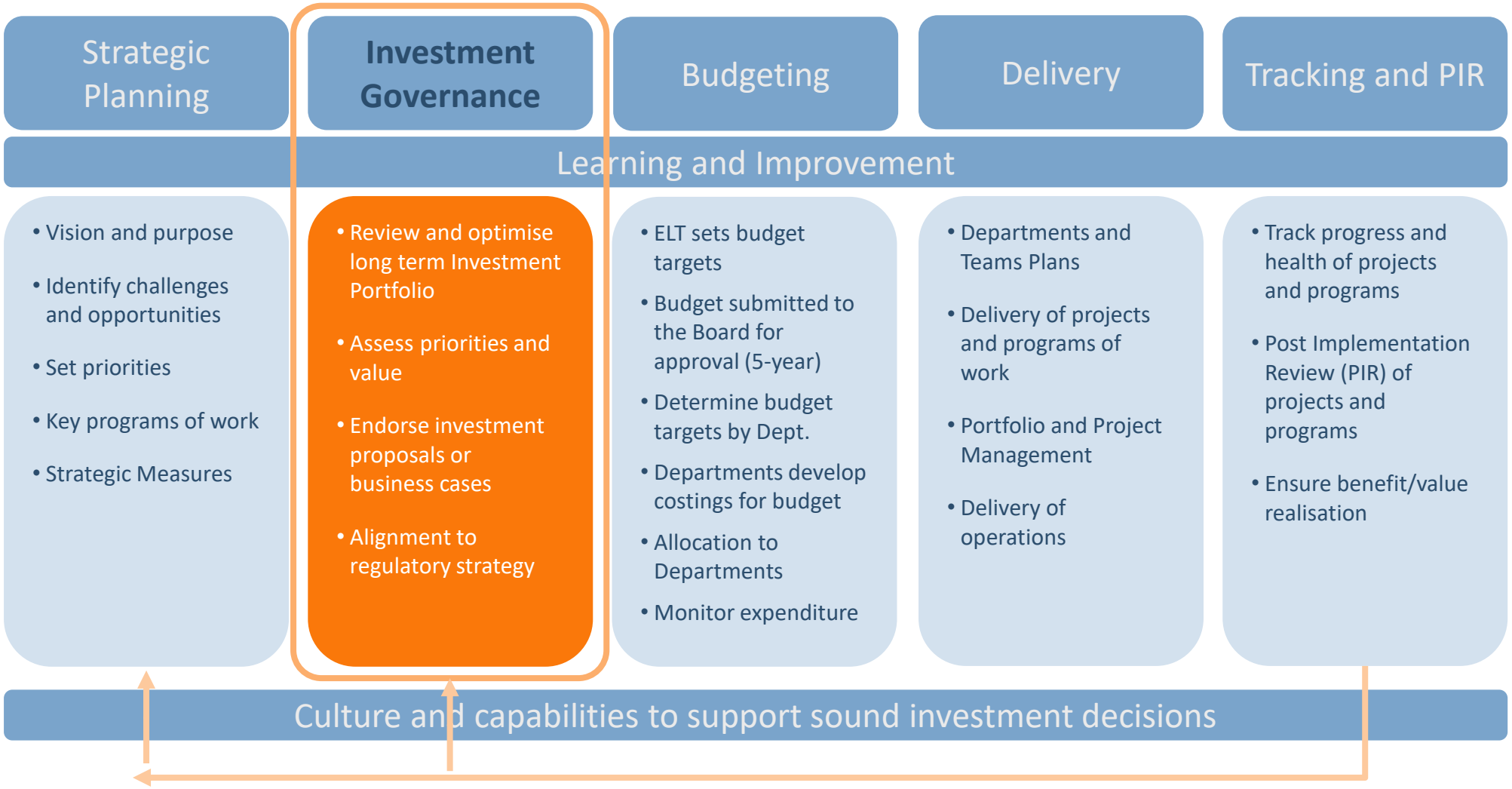
- Network upgrades to support continued solar take-up
- New connection options and incentives for electric vehicles and smart appliances
- New Innovation Fund exploring initiatives which increase resilience, sustainability and unlock value for customers

Next steps

- Briefings to key stakeholders
- Finalise 2025/26 pricing
- Continue to engage with the CAF & RAG on implementation
- Innovation Fund
- 2025 Reset PIR

Investment Governance

Supports SA Power Networks' leaders in making ***sound long-term investment decisions*** to meet strategic objectives that deliver sustainable ***value for customers*** and provide ***transparency to the Australian Energy Regulator***.



Investment Governance Committee

- The **Investment Committee** supports the Investment Governance Framework by:

Balancing Investments	***Strategically balancing investments*** within the Investment Portfolio to optimise performance and meet SAPN's strategic and regulatory commitments across the five-year regulatory period
Approving Proposals	***Review and approve investment proposals***
Monitoring Performance	Monitor the ***financial and non-financial performance*** of the Investment Portfolio
Realising Benefits	Monitor the ***realisation of benefits*** of investments within the Investment Portfolio

- The Investment Committee is comprised of the Executive Leadership Team, with meetings held quarterly.
- The Strategic Portfolio Planning team supports the operation of the Investment Committee and provides coordination, governance, analysis and support for investment decisions made within the Investment Portfolio.

4. Other Business

- Export Tariff Communication Plan
- ElectraNet – Joint CAF/CAP Discussion

