



Shareholder Minister Hon David Llewellyn MP (right) joined Aurora CEO Peter Davis at a media launch of the CablePI product at Agfest in May 2009.



Hobart Lord Mayor Rob Valentine (front), General Manager of the Grand Chancellor Hotel Ralph Freckleton and Aurora CEO Peter Davis (back) welcome a hot drink from Major Alan Milkins during the Salvation Army's Sleep Out event to raise awareness of homelessness.

Stakeholder engagement

Aurora is committed to building positive relationships with all its stakeholders. Effective stakeholder engagement helps us to understand both the risks and the opportunities for our business, which in turn ensures that our strategies align with the interests of the State and enables us to deliver on our purpose – to see the Tasmanian community prosper from our efforts.

We recognise that we need the support and understanding of others if we are to successfully realise our strategies. We strive to ensure we listen to others' points of view, that our communications are clear and timely and our interactions regular and productive.

Our scale in the Tasmanian community and the breadth of our service delivery responsibilities mean our activities are closely linked with the achievement of the Government's economic objectives, business outcomes in the private sector and the standard and cost of living for individual Tasmanians.

We consider our stakeholders to be all groups or individuals impacted by, or with the potential to be impacted by, our operations. They include:

- Government shareholders and the supporting bureaucracy, non-government parties and the Parliament;
- regulatory authorities;
- industry peers;
- State and regional commerce and industry;
- customers;
- community sector organisations;
- the media;
- sponsored organisations and the wider Tasmanian community;
- employees and relevant unions; and
- suppliers, contractors and other service providers.

Examples of our stakeholder management activities are listed below.

Government

As a State Government-owned organisation, Aurora has a formal process of monthly post-Board briefings with one or both shareholder ministers and their advisers. In addition, briefings on specific issues are provided on an as-needs basis, in writing and face-to-face.

Other members of the Government, Opposition party spokespeople and their advisers and federal parliamentary representatives are briefed on a wide variety of strategic and operational matters,

ranging from overall business performance to specific constituent issues.

Our Chairman, CEO and divisional General Managers provide evidence every year to the Tasmanian Legislative Council's Government Businesses Scrutiny Committee, answering questions ranging from business and financial performance to specific customer issues. The hearings are open to the media and public.

In addition, briefing material, answers to parliamentary questions and direct communication between senior Aurora executives and Members of Parliament are managed according to the company's objective of prompt and accurate response to community issues.

Aurora also engages with the State via regular consultation with key government agencies including the Departments of Premier and Cabinet, Treasury and Finance, Economic Development, and Infrastructure, Energy and Resources.

Regulators

Aurora operates a regulated monopoly distribution business. Accordingly, interaction with regulatory bodies at both State and Federal levels is recognised as a critical element of sound business practice.

Network Division meets on a monthly basis with the office of the Tasmanian Economic Regulator, the body responsible for setting the pricing framework for our Tasmanian

customers. From 1 July 2009, the Australian Energy Regulator will take over this responsibility and will become a key regulatory stakeholder.

Aurora's Retail Division operates in Tasmania, South Australia, Victoria, New South Wales, the Australian Capital Territory and Queensland and has regular contact with regulators in each of those jurisdictions. In Tasmania, where small business customers and residential customers remain 'non-contestable', Aurora has more frequent contact with the Regulator, and meets formally at least on a monthly basis.

The Network Division works closely with the Tasmanian Energy Ombudsman, who deals with individual customer complaints. The Retail Division also works closely with the Energy Ombudsman in each jurisdiction on customer matters.

Aurora works with regulatory bodies on safety, health and environmental matters, including sustainability and climate change.

We liaise with the Tasmanian Department of Primary Industries, Parks, Water and the Environment regarding oil spills and bird interactions with our assets as necessary, and with local councils on environmental planning issues. Further information can be found in the sections of this report that deal with safety and environmental matters.

Industry peers

Aurora purchases the bulk of its energy requirements from Hydro Tasmania, and secures transmission services from the regulated monopoly provider Transend Networks. Aurora also provides contracted services to both companies in the telecommunications activities and in asset operation and maintenance.

As a result we have a range of formal commercial interactions with each company, and work with Hydro Tasmania and Transend on issues of broad community interest and importance such as electrical safety and crisis management.

Our membership of a variety of industry organisations, including the Electricity Supply Association of Australia (esaa), the

Energy Networks Association (ENA) and the Energy Retailers Association of Australia (ERAA), provides us with opportunities to contribute to national industry reforms.

Commerce and industry organisations

Aurora has formal energy supply contract arrangements with a majority of Tasmania's largest business entities, and is committed to effective engagement with a range of peak bodies that are critical to the pursuit of Tasmania's economic interests.

Aurora is an active and supportive member of the Tasmanian Chamber of Commerce and Industry, the Launceston Chamber of Commerce and the Devonport Chamber of Commerce and Industry.

We also maintain consultative relationships with bodies including the Local Government Association of Tasmania, the Tasmanian Farmers and Graziers Association and Tasmania's research and education community, through the University of Tasmania.

Customers

We inform and engage with our residential and smaller business customers through channels including our Customer Service Centre, website, *Warm* magazine and *Warm TV*, *Electric Farm* newsletter, media campaigns and other mass market communications.

Our Key Account Managers provide personalised service to our larger retail customers. We also take an account management approach to our relationships with telecommunications customers. These include the Tasmanian Government, the University of Tasmania, national and local internet providers and telecommunications carriers.

We have people in our Network Division whose roles focus on customer relationships. They regularly speak to customers via telephone and in person, to resolve issues such as supply and asset planning. In addition, our Local Asset Managers and key operational staff engage regularly with their regional communities on

specific projects such as power upgrades. Our meter readers and service connection officers are always on the front line.

We measure our performance via quarterly customer satisfaction surveys, bi-annual corporate citizenship surveys and occasional focus groups. For a full description of Aurora's customer engagement during the year, refer to the Customers chapter.

Community sector organisations

We work collaboratively to meet the needs of low-income customers, through regular interactions with organisations including the Tasmanian Council of Social Service and its member organisations. These relationships have fostered the establishment of the Hardship Scheme administered by the Salvation Army and the No Interest Loans Scheme (NILS) established under the auspices of Anglicare. For further information, refer to page 30.

We encourage our people to participate in community organisations through our Community Service Leave arrangements (see page 76).

Media

We recognise that the media is a very powerful communication channel for our business and for our stakeholders. Our Public Relations team provides a 24-hour, seven-day-a-week media response service, and conducts media training several times a year for senior managers and project specialists to ensure our people are equipped to respond to enquiries. We maintain positive relationships with journalists and news editors and also utilise television, radio and press advertising to disseminate key community safety messages and energy efficiency information.

Sponsored organisations and the wider Tasmanian community

Aurora carefully selects organisations from the health, welfare, arts and sports sectors as our sponsorship partners in agreements that meet stringent criteria and reflect company and community values. Sponsorships are reviewed annually and

both parties work closely together on special occasions such as performance or sporting season launches. For more information on our sponsorship program, refer to pages 73-74.

Our Safety Incentive Scheme, community donations program and corporate workplace giving scheme provide a vehicle for our people to enrich the community.

Another important initiative that allows us to communicate with the wider community is our Electrical Safety in Schools program, which we run for primary school-aged children on request during school terms. Further information is on page 78. We also have employees throughout our business who make themselves available, often in their own time, to talk to community groups about issues including electrical safety, energy efficiency and industry reform.

Employees and unions

Aurora recognises that our critical stakeholders include our employees and their families. We have a range of programs in place that assist our people to reach their full potential in the business and to maintain their health and wellbeing. We engage with our employees during induction and training programs and through a performance management process. Our annual employee engagement survey measures the extent to which our people feel connected to the business. Full details are on page 46.

Equally, Aurora acknowledges and respects the role of unions in representing the interests of our workforce. We have an agreed dispute resolution process with the unions, which formally recognises employees' entitlement to choose union representation.

Aurora boosted its internal communications capabilities this year in order to increase employee understanding of organisational objectives, avoid 'silos' in our business and to celebrate our people's achievements more effectively. The key internal communications channels are:

- *Aurora News*, a monthly, 8-12 page



Retail Division Account Manager Nick Roney, a former AFL footballer, uses his playing credentials to assist at an Aurora Footy in Schools launch.

colour magazine available in both hard copy and on-line, featuring business activity updates and a strong emphasis on our people;

- *The Volt*, our intranet site, which provides daily breaking news, employee profiles and contacts, policy and business unit information; and
- a series of global email announcements covering IT developments, organisational changes and personalised communication from our CEO, as the need arises.

Divisional forums and newsletters, emails and face-to-face meetings are other important channels that help to keep our employees engaged and effective.

Suppliers and external service providers

We consider the relationships we build and maintain with our suppliers integral to the success of our business. Members of our Supply Chain Services group have regular meetings with our suppliers to ensure smooth delivery of goods and services, while our Supplier of the Year Awards scheme (currently under review) recognises best practice.

The nature and complexity of our business

requires us to utilise external service providers, contractors and consultants on a regular basis. Our in-house Project Management Office plays an important role in managing these interactions and accompanying organisational change.

We use a variety of other channels to service or interact with our customers, including Preferred Suppliers, Preferred Contractors and vegetation contractors. Our contact with them includes accreditation and training programs and opportunities for them to provide feedback on our practices and performance.