

at a glance



Asset inspector Case Van Tatenhove on his pole inspection round south of Latrobe. Aurora spent \$10.3 million inspecting and maintaining poles this year, to protect the safety of our system and our customers.

During the 2008/2009 financial year:

- our key measure of operating profit fell by \$4.6 million to \$25.4 million following a fundamental shift in the structure of our business operations (for more information refer to the Chief Financial Officer's report on pages 92-93);
- the Aurora Group of companies generated \$1.018 billion in revenue compared to \$907 million in 2007/2008;
- we provided a 2 per cent return on equity, down from 6.7 per cent in 2007/2008, as a result of the reduced profitability and increased equity base following the injection of equity to purchase AETV Power for \$100 million prior to full commercial operation in 2009/2010;
- we managed core assets valued at \$1.497 billion, up from \$1.099 billion the previous year; and
- we sold 10,154 million kWh of electricity to 224,983 residential and 44,558 business customers in Tasmania and interstate.

Our successes

- Entry into the generation market as the new owners of the Tamar Valley Power Station through Aurora Energy (Tamar Valley) Pty Ltd (page 23);
- Expansion of our telecommunications activities as we enter the wholesale telecommunications market and take a leading role in the Australian Government's national broadband initiative (page 26);
- Household safety device roll-out to over 200,000 Tasmanian customers commences, attracting attention from other energy companies (page 27);
- Expansion of the *Warm* brand to include television (page 32);
- Our supply reliability performance improves, with customers experiencing an average 1.55 power interruptions over the year (page 37);

- A record investment in our network assets of \$129.7 million (pages 40-41);
- Employee engagement score improves to 64 per cent (page 46);
- Finalisation of Aurora Agreement delivers pay increases and additional benefits to all Aurora employees (page 47);
- Safety performance turns around with all-time low Lost Time Injury Frequency Rate (LTIFR) of 1.8 for the parent company (page 57) and zero LTIFR for the Tamar Valley Power Station construction project (page 23);
- First phase of Sustainable Aurora program boosts employee awareness of sustainability issues (page 65); and
- 75 per cent of customers surveyed agree Aurora can be described as a model corporate citizen (pages 72-73).

Our disappointments

- Profitability was affected by unprecedented market volatility in June 2009 (page 19);
- Introduction of a new Customer Care and Billing System is delayed (page 29); and
- The sudden collapse of Aurora Pay As You Go receipting channel, Bill Express (pages 32-33).

Our priorities for 2009/2010

- Introducing the new Customer Care and Billing System (page 29);
- Developing our first Network pricing submission to the Australian Energy Regulator (page 43);
- Bringing the Tamar Valley Power Station on line to help guarantee supply security for our customers (pages 23-24);
- Continuing our involvement in the National Broadband Network (page 26);
- Continuing the roll-out of the household safety device (page 27);
- Building on the success of the behavioural safety program (page 59); and
- Leading a company culture program based on risk mastery, communication, accountability, empowerment and 'people first' (page 46).

Figure 1

Performance Summary - the Aurora Group

(Financial indicators cover the Aurora Group, while other indicators refer to the parent company only)

	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
Income tax paid*	\$14.1M	\$14.3M	\$9.6M	\$17.1M	\$23.9M
Dividend paid	\$9.9M	\$10.7M	\$9.6M	\$12.0M	\$13.9M
Subtotal*	\$24.0M	\$25.0M	\$19.2M	\$29.1M	\$37.8M
Loan guarantee fee paid	\$2.2M	\$1.5M	\$1.8M	\$1.5M	\$1.4M
Payroll tax	\$5.4M	\$5.0M	\$4.9M	\$4.7M	\$3.9M
Total*	\$31.6M	\$31.5M	\$25.9M	\$35.3M	\$43.1M
Gross payroll	\$90.6M	\$78.7M	\$73.0M	\$70.6M	\$59.4M
Supplier contracts**	\$185.7M	\$93.1M	\$98.7M	\$109.2M	\$77.7M
Our customers					
Total sales of electricity (million kWh)	10,154	10,536	10,484	10,298	10,027
Total customer installations	269,541	265,812	263,251	259,590	256,469
Reliability (planned and unplanned interruptions to supply) average minutes off supply per customer	183	192	188	182	170
The community					
Corporate image index - Residential (%)	76	75	77	78	77
Corporate image index - Business (%)	74	77	77	76	79
Our people					
Total employees (excluding trainees and apprentices)	1222	1081	1031	1042	981
Lost Time Injury Frequency Rate - per million hours worked	1.8	6.6	4.6	7.5	5.8

* Previous years' figures were based on equivalents. They have been changed retrospectively to reflect amounts paid.

** Includes AETV Power construction contracts.