

Aurora Energy

Final 2023-24 Statement of Corporate Intent

November 2023

Statement of Corporate Intent

Company Overview

Aurora Energy is a State-owned Company established in 1998 under the *Electricity Companies Act 1997*. Aurora Energy's two shareholders are the Minister for Energy and the Treasurer.

Aurora Energy provides electricity and gas retail services in fully competitive markets to more than 270,000 customers throughout mainland Tasmania. As part of its retail offering, Aurora Energy offers a range of electricity and gas products tailored to the needs of customers through tariffs, market contracts and payment options.

The principal objectives of the Company as outlined in the *Electricity Companies Act 1997* and the Constitution's Memorandum of Association are to:

- operate its activities in accordance with sound commercial practice; and
- maximise its sustainable return to its shareholders.

Aurora Energy pays dividends to the Shareholders, which are used by the Government for the benefit of the Tasmanian community.

Shareholders' Statement of Expectations

Aurora Energy's strategic direction for 2023-24 and beyond has been developed on the basis of a set of underlying business imperatives, outlined in the Members' Statement of Expectations.

These are to:

- a) focus on its core business, the delivery of electricity retail services on mainland Tasmania.
- b) operate its activities in accordance with sound commercial practice;
- c) maximise its sustainable return to shareholders;
- d) operate as an efficient entity providing services in a cost effective manner and target an underlying cost to serve below the regulatory allowance for a regulated retailer in the Tasmanian market;
- e) prudently manage the risks of operating in a competitive retail market in the State;
- f) maintain flexibility for a potential future divestment of the business; and
- g) maintain a customer-centric focus and efficiently deliver the State's electricity concessions on behalf of the Government.

Aurora Energy's Vision

Aurora Energy's strategic vision, '**Tasmanians choose us for their energy future**' reflects that the energy experience it provides its Tasmanian customers is paramount to its success as a stand-alone energy retail business. In delivering this vision, Aurora Energy will engage closely with Tasmanians and leverage customer insights to provide its customers with the experience, products and services, value and choice they expect.

Aurora Energy's Purpose

Aurora Energy's purpose '**To make energy easy for Tasmanians**' captures its intent to make great things happen for the Tasmanian community and its commitment to deliver on its Shareholder Expectations. The services, products, and innovation that is offered by Aurora Energy will help to navigate the energy sector transformation in a way that supports Tasmania's future prosperity.

Performance Measures

To monitor progress against the strategic vision and objectives outlined above, Aurora Energy has developed the following key financial and non-financial performance measures for 2023-24 to 2026-27.

PERFORMANCE MEASURE	2023-24	2024-25	2025-26	2026-27
Customer Value Index Score	26	28	30	32
% of small* customers with an advanced meter	75%	90%	100%	-
aurora+ active users (quarterly)	100k	120k	140k	160k
Employee engagement score (%)	>70%	>70%	>71%	>72%
Medically Treated Injury Frequency Rate	0	0	0	0
EBIT	\$9.0M	\$12.9M	\$19.3M	\$22.5M
Returns to Government (Accrual)	\$6.6M	\$6.9M	\$13.2M	\$18.2M
Immediately Reportable Non-Compliance Events	0	0	0	0
Material Cyber or Privacy Breaches	0	0	0	0

*residential and small-medium businesses