

Remote Communities

Improving power services and delivering energy equity in 117 remote Aboriginal communities

2023/24 in reflection

A year of learning, growth and opportunity











A message from Stephanie Unwin, CEO Horizon Power

Our Remote Communities Team supports the WA Government's commitment to Outcome 9 (Target 9b) of the National Agreement on Closing the Gap by improving power services in Aboriginal communities. It is important work, and we are dedicated to helping achieve this outcome.

The Remote Communities Division, led by Krystal Skinner, was established on 1 September 2023. Our newly formed team has worked across many areas adapting quickly to bring us up to speed with the very large task and equally significant opportunity ahead. The work completed to date is testament to the passion and energy our dedicated staff bring into work every day. A number of areas at Horizon Power have worked closely with the new division to ensure a safe network for remote communities, including Safety and Inspectorate, Commercial and Technology & Digital Transformation. Support and guidance have also been provided through Finance, Legal, Aboriginal Strategy & Engagement and Corporate Affairs and Communications.

I would like to acknowledge the outstanding work performed on-the-ground and in community by the Regional Service Providers (RSPs) and our partners at Kimberley Regional Service Provider (KRSP), Pilbara Meta Maya Services (PMM) and Ngaanyatjarra Services (NgS).

We are at the beginning of our journey in this significant and important program of work. I hope you find this update informative and demonstrative of our unwavering commitment towards improving the delivery of power services in 117 remote communities and assisting the State Government in achieving its goal of Closing the Gap by 2031.

Stephanie Unwin CEO Horizon Power

Improving power services in WA's remote communities

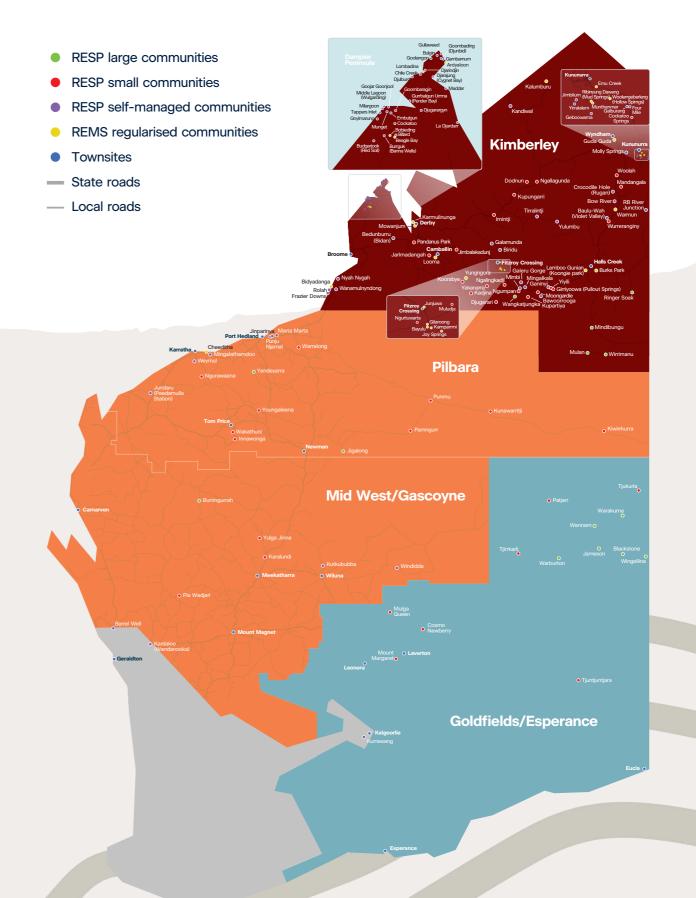
On 1 July 2023, the State Government transferred responsibility for power and water services in Western Australia's remote Aboriginal communities from the Department of Communities to Horizon Power and Water Corporation. This is an important step in providing Aboriginal communities with access to safe and reliable essential services, regardless of where they live. There are 117 new remote communities now under our responsibility for the delivery and improvement of power services.

The outcomes of this project will see the State Government advance its commitment to Outcome 9 (Target 9b) of the National Agreement on Closing the Gap.

Our first year has been a period of significant learning and growth as we've spent time building strong community connections, developing strategic partnerships with the RSPs and managing our first summer 'wet season' emergency response in remote communities from all over the state.

Achievements/highlights in the past year

- 1 Established Remote Communities' Blueprint a comprehensive plan to guide target achievement
- Remote Communities Engagement over 50 communities visited in-person by our Community Engagement Team
- Maintaining continuity of power supply during significant wet season flooding
- 4 Service improvements to improve equity for remote communities
- Proactive approach to restore power supplies following critical incidents
- Strategic partnerships established with Aboriginal owned businesses
- \$25 million to upgrade, operate and maintain assets in 2024/25



Program purpose

The Remote Communities program has three primary goals: assist in Closing the Gap; expand opportunities for Aboriginal engagement in the green transition; and move to (and refine) the Horizon Power way in remote community service.



Assist the Federal and State Government in achieving its goal of Closing the Gap by 2031, target 9B, by improving

power services in Aboriginal

communities.



Expand opportunities for Aboriginal engagement in the green transition

Benefit from a cleaner economy, through expanded avenues for Aboriginal communities to actively participate and benefit from a cleaner economy, through investigation of shared benefit models, and expanded opportunities for Aboriginal capacity building.



Move to, and refine, the Horizon Power way

Align Remote Communities with Horizon Power standards and ways of working, while ensuring relevant innovations and lessons from the Remote Communities program prompt broader transformation and growth across Horizon Power as a whole.



A significant milestone was the development of a Remote Communities Blueprint, which defines a comprehensive program of work that will allow us to support the State Government to achieve its targets under Outcome 9 (Target 9b) of Closing the Gap, enable Aboriginal participation in the green energy transition and refine Horizon Power's way of delivering remote community services. The Blueprint identifies 55 key activities across eight workstreams.

These activities will ensure a level of service across remote communities comparable to the rest of Western Australia. We launched the program of work at the WA Museum Boola Bardip, in late February 2024, a critical piece in cementing a shared vision between Horizon Power and our strategic partners, understanding lessons from the past and insights from the teams on the ground and highlighting the unifying purpose of what it is and the work that we are here to do. Natasha Short, Founder and Managing Director of Kimberley Jiyigas (Birds) attended as a guest speaker on the day with a passionate call to arms explaining the importance of the work to be done for community members in Closing the Gap.

"We really want to make sure that no matter where you live in our footprint, you are entitled to the same standard of care, respect and compliance"

Stephanie Unwin, CEO Horizon Power







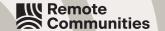


Top: Community solar solution

Left: Program Launch - Welcome to Country - Robyn Collard and her grandson Tryse with the didgeridoo.

Middle: Remote Communities Program Director Kobus Coetzee shares the Remote Communities program architecture and delivery.

Right: Keynote address by Natasha Short - Founder and Managing Director of Kimberley Jiyigas (Birds).



Community engagement

Strategic vision - to deliver positive outcomes in Aboriginal and Torres Strait Islander communities through authentic Aboriginal and community-led engagement based on trust and reciprocity, which empowers shared decision-making with the aim of delivering energy equity to 117 of our most remote communities.

Our Remote Community Engagement Strategy guides how Horizon Power undertakes meaningful engagement with 117 Aboriginal communities which are transitioning power services, encompassing approximately 7,000 new community members.

Commencing engagement between Horizon Power and people living in WA's remote communities is a unique opportunity to establish an honest and transparent foundation from which to build long-term, mutually respectful relationships. Developed through internal expertise and external specialist advice, our strategy reaffirms our commitment to collaboration on matters that affect community members and delivers on our Horizon Power Innovate Reconciliation Action Plan (RAP) focus area. Drawing from principles of Free, Prior and Informed Consent (FPIC), The Energy Charter, and International Association for Public Participation (IAP2) values, it provides a comprehensive framework for engagement, culturally responsible communication methods, and partnershipbuilding as we move to and refine the Horizon Power way.

Our strategy is integrated into every sequential stage, ensuring cultural appropriateness, clear communication, and respect for Aboriginal consultation and participation. Our core goal is to foster inclusive, transparent and rights-respecting engagement processes that empower communities and uphold fundamental rights.

By actively involving and empowering the communities, we aim to build trust, cooperation and manage risks, facilitating a smooth transition of service delivery and extending the reach of our service area business delivery model in accordance with our compliance obligations. Ultimately, this strategy ensures that our power services align with our guiding principles, the Aboriginal Engagement Strategy, and prioritises safe and reliable service delivery. Moreover, it supports our commitment to Closing the Gap targets, which are pivotal in enhancing life outcomes and creating a more sustainable future for all.

Our initial priorities included establishing relationships with remote community members, safety inspections and asset remediation work. In-person visits have commenced, providing insight on existing power assets and an understanding of the communities' views on what their energy future looks like. This is important as we explore opportunities for community participation in the clean energy transition and confirm immediate asset priorities to allow us to maintain a safe and reliable provision of power supply.

Many of the remote communities we service are only accessible by 4WD and are long distances from towns or other transport infrastructure such as airports. This presents challenges with access and worker safety. For example,

Kiwirrkurra located in the Gibson Desert, 2,300km from Perth has been described as the most remote Aboriginal community in Australia.

By the end of June 2024, over 50 communities had been visited in-person on country since the transfer. In cases where we have not been able to attend in person, our Community Engagement Team have established or attempted contact via phone and email, ensuring lines of communication are open and sharing important updates such as cost-of-living relief, partnership opportunities in community and safety awareness campaigns.



Remote Communities Team arrive at Warralong community



Community Engagement Officers Dwayne Oxenham and Terry Shadforth at Yandeyarra Remote Community School



Critical incident response and keeping the lights on

The sustained wet season continued later than usual this year, in tandem with related flooding, posing increasing road access challenges and impacting fuel security for several remote communities. Putting remote communities' inaugural Summer Readiness Plan to the test, our team worked hard to evacuate and accommodate workers without disrupting essential power maintenance activities and, critically, maintain fuel supplies in impacted remote communities.

Overall, the number of remote communities impacted and isolated during the 2023/24 wet season due to road restrictions totalled 79 out of 117 – with 48 in the Kimberley, 18 in Pilbara/Mid-West/Gascoyne and 13 in the Goldfields/Esperance region.

Working closely with RSPs, fuel distributor Recharge, DFES and local governments, the Remote Operations Team monitored road conditions to identify when vehicles had safe passage to resupply communities by road. When this wasn't possible, the team activated contingency plans to sling fuel via helicopter.

Between February and May, five aviation fuel re-supply events were completed successfully across the Kimberley. The high number of air resupplies required the team to undertake aviation assurance and a review of aviation contract arrangements.







Balgo fuel resupply - April 2024

Service improvements to improve equity for remote communities

Due to the bulk nature of the transfer of electrical assets, Horizon Power was granted an exemption to hold a retail and distribution licence in respect of the Remote Communities under the Electricity Industry Act 2004 (WA) until 2031. Over the period that Horizon Power is exempt, we will upgrade the remote communities' electricity assets to bring them in line with electrical infrastructure in other regions and provide a service equivalent to that provided throughout the State. We have already made inroads improving services in remote communities to ensure safe, reliable power for community members.

More specifically, we have created internal processes for registering new connections, life support and critical load customers. Notably, we have one remote community member on our life support register enabling us to be able to contact that customer about any future maintenance and planned outages.

In the last year, we contacted remote community members and representatives on our database about the Household Electricity Credit payment and how to make an application on the RevenueWA website. For communities who actively reached out for payment support, we visited and topped up their power meters to assist with the cost-of-living relief support. For the coming year, we are working with the RSPs and various State government agencies to ensure delivery of the electricity credit to customers in remote communities.







Top Left: Horizon Power Remote Communities team visit Wirrimanu (Balgo) Aboriginal Community.

Top Right: Community Engagement Team members Rebecca Famlonga, Rhonda Parker and Terry Shadforth topping up the meters in a remote community to assist with cost-of-living relief support.

Above: Community Engagement Officers in Roebourne, Western Australia's Pilbara region.

Strong incident response in remote communities

Keeping the lights on in Chile Creek

In November 2023, in Chile Creek on the Dampier Peninsula, a battery asset burned down putting ongoing power supply to the community at risk. Horizon Power together with KRSP responded swiftly and immediately supplied diesel and helped to restore power to the community within 24 hours. We then installed a 7,000-litre fuel tank in coming weeks. A replacement standalone power system solution is currently being assessed to ensure ongoing renewable energy supply for Chile Creek with plans to have installation complete in the next financial year.

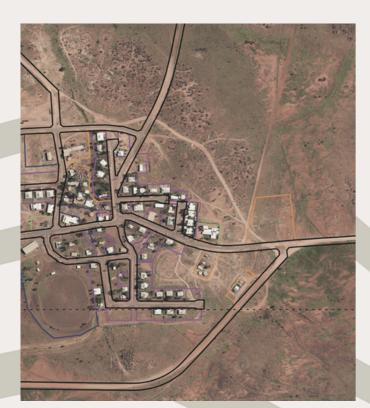
Rebuilding Blackstone (Papulankutja) power station

A business case and funding for the rebuild of the power station in Blackstone (Papulankutja), destroyed by a fire in 2021, has been approved.

An onsite visit was conducted in Blackstone in April 2024 to engage with the community and review site selection and implications.

It was advantageous for the group to attend in person, proving that on-the-ground visits are invaluable in forming meaningful relationships with community.

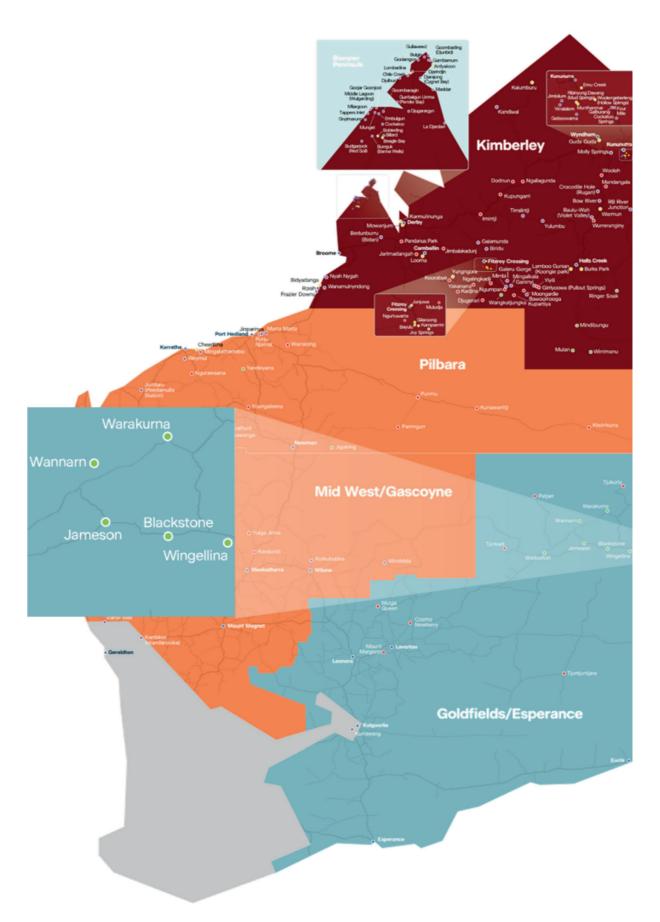
A competitive tender process is expected to conclude during late 2024, allowing installation to commence on the hybrid power solution during 2025. Importantly, benefits will be shared with the community via a community energy fund and opportunities for community employment will be explored through all stages of the project.



Satellite overview of Blackstone community.



Replacement of this temporary power station to a hybrid solution is underway.



Map showing Blackstone community location in Western Australia.



Strategic partnerships established with Regional Service Providers



Horizon Power is working collaboratively in partnership with the Regional Service Providers (RSPs) - Kimberley Regional Service Provider (KRSP), Pilbara Meta Maya Services (PMM) and Ngaanyatjarra Services (NgS). Each RSP has their own set of credentials and long-standing relationships with remote communities and our partnership with the RSPs is highly valued.

Each Regional Service Provider is currently reaching their target in the employee and training area with the number of Aboriginal Employees exceeding the benchmark of 15%. Aboriginal training and employment are provided across various roles including trade, administration and Aboriginal Essential Service Officers (AESO). The AESO roles are based in the community.

Horizon Power, RSPs and North Metropolitan TAFE have discussed possible opportunities for the RSPs to send participants for training and upskilling. We are working closely with the RSPs and have started discussions with other government agencies to see what further opportunities could be provided in the Aboriginal employment and training space.

Terry Shadforth and Apprentice Power Worker Simone Long inspect existing power assets in a remote community

\$25 million to upgrade, operate and maintain assets in 2024/25

Horizon Power has prioritised work to ensure legacy Customer Overhead Service Attachment (COSA) connections and conductor types that do not adhere to the current Horizon Power, industry and Australian Standards are identified and replaced at each premise in remote communities for which we have assumed responsibility.

Residential connections that use a PVC cable and 'twisties' (a method of twisting cable at the point of connection) have previously been attributed to several electric shock incidents. This is because as the materials age the lines drop, sometimes electrifying roofs.

We are working in collaboration with Regional Service Providers (RSPs) making progress toward making these connections safe. This represents a significant improvement to safety and reliability. In the last year, we have completed works and upgraded a total of five overhead transformers (for power supply reliability), two fuel storage tanks, two feeder upgrades, eight waste oil tanks and 19 engines. Learnings from our first year in remote communities have informed our asset priorities for next year with a significant uplift in investment.

In 2024/25, we are investing approximately \$25 million to maintain and support improvements to critical energy infrastructure in communities.

This includes a comprehensive work plan incorporating switchboard and engine replacements, fuel tank and waste oil upgrades, standalone power system installations and other priority asset works.









Power assets in a remote community

Our 2024/25 ambitions for remote communities

Priorities for the year ahead span three key themes that will continue our community engagement commitments and progress renewable energy asset roll out.



1. New renewable solutions

- Construction underway for the Blackstone Renewable Energy project
- Delivery of Standalone Power System (SPS) solutions
- Define the future energy system plan and decarbonisation strategy for remote communities
- Continue meaningful collaborative engagement with Traditional Owners, Prescribed Body Corporates (PBCs), Indigenous Corporations and community members



2. Priority assets program

- Drive effective asset management plans and priority assets programs that support safe and reliable networks
- · Manage planned and unplanned maintenance with RSPs
- Continue to support and provide Aboriginal training and employment opportunities



3. Commence Advanced Metering Infrastructure (AMI) replacement in remote communities

- AMI replacement to occur in five priority communities
- Lead effective community engagement with remote communities as we move towards improving power services and delivering energy equity in 117 remote Aboriginal communities.

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