

Trading & Distribution Licences

ANNUAL REPORT

2016/17



Kleenheat

Background

This annual report has been prepared by Wesfarmers Kleenheat Gas Pty Ltd (**Kleenheat**) as required under section 13.1 of The Compendium of Gas Customer Licence Obligations (**the Compendium**); which requires licenced retailers and distributors prepare and publish an annual report based on record keeping obligations under Part 13 of the Compendium.

Kleenheat is part of Wesfarmers Chemicals, Energy and Fertilisers, a subsidiary of Wesfarmers Limited.

Its business includes retailing natural gas and electricity, and production, distribution and retailing Liquefied Petroleum Gas (**LPG**) and Liquefied Natural Gas (**LNG**).

This report relates to its gas operations in Western Australia, covered by its trading and distribution licence obligations.

The trading licence covers the supply of natural gas to residential and small use business customers between Geraldton and Busselton, including the Perth Metropolitan area via the Mid-West/South-West Gas Distribution System (GDS) and the supply of LPG to residential and small use business customers via LPG distribution systems in Oyster Harbour (Albany) and Margaret River owned and operated by Kleenheat.

The distribution licence covers Kleenheat's LPG distribution systems in Oyster Harbour (Albany), and Margaret River.

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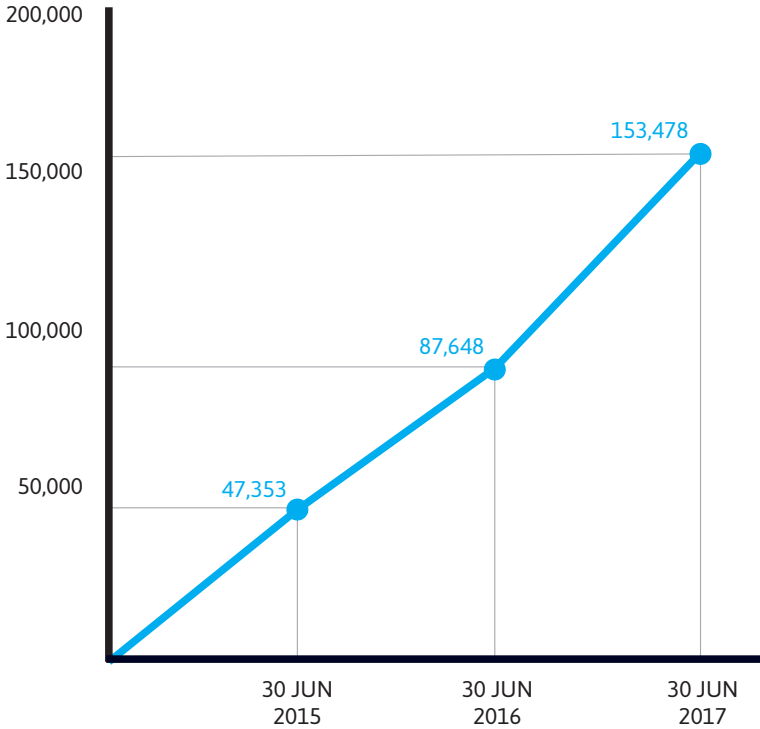
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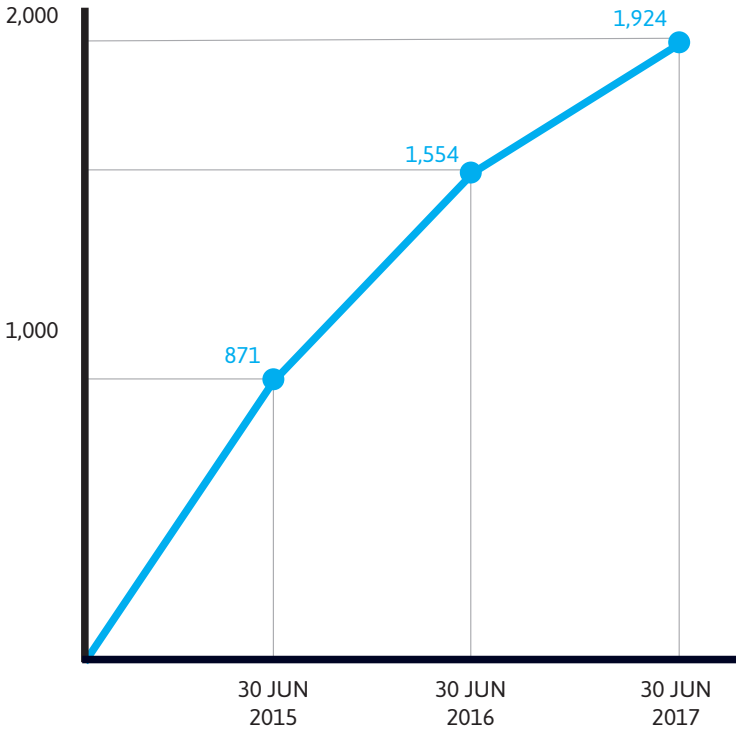
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Residential Customers



Business Customers



1. Customer and Customer Information*

| Indicator No. | Description | No. |
|---------------|--|---------|
| R1 | Total number of residential customers | 153,478 |
| R2 | Total number of residential customers covered by the Gas Moratorium (Alinta Energy and Kleenheat only) | 153,475 |
| R3 | Total number of business customers | 1,924 |
| R4 | Total number of business customers covered by the Gas Moratorium (Alinta Energy and Kleenheat only) | 1,259 |

2. Affordability*

The total number of, and percentage of, its residential customers who:

| Indicator No. | Description | No. | % |
|---------------|---|-------|------|
| R5/R6 | have been issued with a bill outside the prescribed timeframes and where the delay is due to fault on the part of the retailer | 268 | 0.17 |
| R7/R8 | have been issued with a bill outside the prescribed timeframes and where the delay is due to the retailer not receiving the billing data from the distributor | 61 | 0.04 |
| R9/R10 | have been issued with a bill outside the prescribed timeframes and where the delay is due to the actions of the customer | 0 | |
| R11/R12 | are subject to an instalment plan | 4,166 | 2.71 |
| R13/14 | have been granted additional time to pay a bill | 2,197 | 1.43 |
| R15/16 | have been placed on a shortened billing cycle | 0 | |
| R25/26 | have lodged security deposits in relation to their residential account | 0 | |
| R29/30 | have had their direct debit plans terminated | 0 | |

The total number of, and percentage of, its business customers who:

| Indicator No. | Description | No. | % |
|---------------|--|-----|------|
| R17/18 | have been issued with a bill outside the prescribed timeframes | 149 | 7.74 |
| R19/20 | that are subject to an instalment plan | 180 | 9.36 |
| R21/22 | have been granted additional time to pay a bill | 21 | 1.09 |
| R23/24 | have been placed on a shortened billing cycle | 0 | |
| R27/28 | have lodged security deposits in relation to their business customer account | 6 | 0.31 |
| R31/32 | have had their direct debit plans terminated | 0 | |

*customer numbers based on active customer accounts, as opposed to number of customer sign ups, as at 30 June 2017.

3. Disconnections for Non-Payment

The total number of, and percentage of, its residential customers who:

| Indicator No. | Description | No. | % |
|---------------|--|-------|-------|
| R33/34 | have been disconnected for failure to pay a bill | 2,121 | 1.38 |
| R37/38 | have been disconnected that were previously the subject of an instalment plan | 885 | 41.73 |
| R39/40 | have been disconnected and that have been disconnected on at least 1 other occasion during the reporting year or the previous reporting year | 575 | 27.11 |
| R41/42 | have been disconnected while the subject of a concession | 0 | |

The total number of, and percentage of, its business customers who:

| Indicator No. | Description | No. | % |
|---------------|--|-----|------|
| R35/36 | have been disconnected for failure to pay a bill | 82 | 4.26 |

4. Reconnections

The total number of, and percentage of, its residential customers who:

| Indicator No. | Description | No. | % |
|---------------|--|-------|-------|
| R41/42 | were reconnected within 7 days of requesting the residential customer account be disconnected | 1,095 | 51.63 |
| R45 | reconnected within 7 days involving residential customer account that were previously the subject of an instalment plan | 551 | |
| R46 | disconnected but were reconnected within 7 days involving residential customers that were previously the subject of an instalment plan | | 25.98 |
| R47 | reconnected within 7 days involving residential customers that have also been reconnected on at least 1 other occasion during the reporting year or the previous reporting year | 214 | |
| R48 | of disconnected but were reconnected within 7 days involving residential customers that have also been reconnected on at least 1 other occasion during the reporting year or the previous reporting year | | 10.09 |
| R49 | reconnected within 7 days involving residential customers that, immediately prior to disconnection, were the subject of a concession | 0 | |
| R50 | of disconnected but were reconnected within 7 days involving residential customers that, immediately prior to disconnection, were the subject of a concession | | 0 |
| R51/52 | the retailer has requested to be reconnected at the same supply address and in the same name after previously requesting the customer be disconnected | 1,317 | 62.09 |
| R53/54 | reconnected that were not reconnected within the prescribed timeframe | 1 | 0.08 |

The total number of, and percentage of, its business customers who:

| Indicator No. | Description | No. | % |
|---------------|--|-----|-------|
| R43/44 | requested to be reconnected within 7 days of requesting the business customer be disconnected | 70 | 85.37 |
| R55/56 | requested to be reconnected at the same supply address and in the same name after previously requesting the customer be disconnected | 77 | 93.90 |
| R57/58 | requested to be reconnected that were not reconnected within the prescribed timeframe | 0 | |

5. Complaints

The total number of, and percentage of, residential complaints:

| Indicator No. | Description | No. | % |
|---------------|--|-----|-------|
| R59 | Total number of complaints received from residential customers | 716 | |
| R61/62 | that relate to billing/credit complaints | 464 | 64.80 |
| R65/66 | that relate to transfer complaints | 8 | 1.12 |
| R69/70 | that relate to marketing complaints (including complaints made directly to a retailer) | 8 | 1.12 |
| R73/74 | that relate to other complaints | 236 | 32.96 |
| R77/78 | concluded within 15 business days | 677 | 94.55 |
| R79/80 | concluded within 20 business days* | 4 | 0.56 |

*XX complaints not resolved within 20 business days due to inability to contact customer and complaints now resolved.

The total number of, and percentage of, its business complaints:

| Indicator No. | Description | No. | % |
|---------------|--|-----|-------|
| R60 | Total number of complaints received from business customers | 16 | |
| R63/R64 | that relate to billing/credit complaints | 14 | 87.50 |
| R67/68 | that relate to transfer complaints | 0 | |
| R71/72 | that relate to marketing complaints (including complaints made directly to a retailer) | 0 | |
| R75/76 | that relate to other complaints | 2 | 12.50 |
| R81/82 | business customers' complaints concluded within 15 business days | 15 | 93.75 |
| R83/84 | from concluded within 20 business days** | 0 | |

**The remaining one business complaint took longer than 20 business days to resolve due to customer correspondence.

6. Call Centre Performance

| Indicator No. | Description | No. | % |
|---------------|---|---------|-------|
| R85 | Total number of telephone calls to a call centre of the retailer | 285,887 | |
| R86/87 | Total number of telephone calls to a call centre answered by a call centre operator within 30 seconds | 207,630 | 72.63 |
| R88 | Average duration (in seconds) before a call is answered by a call centre operator | 32 | - |
| R89/90 | Total number of telephone calls that are unanswered | 9,160 | 3.20 |

7. Energy Bill Debt Indicators

| Indicator No. | Description | No. | \$ |
|---------------|--|-------|-----|
| R91 | Total number of residential customers (excluding hardship program customers) repaying an energy bill debt as at 30 June | 3,063 | |
| R92 | Total number of business customers repaying an energy bill debt as at 30 June | 43 | |
| R93 | Number of residential electricity and gas customers using Centrelink's Centrepay to pay their energy bills as at 30 June | 924 | |
| R94 | Average amount of energy bill debt for residential electricity and gas customers (excluding hardship program customers), as at 30 June | | 157 |
| R95 | Average amount of energy bill debt for business electricity and gas customers as at 30 June | | 377 |

8. Hardship Programs

| Indicator No. | Description | No. | \$ |
|---------------|--|-----|-----|
| R96 | Number of residential electricity and gas customers on a retailer's hardship program as at 30 June | | 391 |
| R97 | Average energy bill debt of electricity and gas hardship program customers, as at 30 June | | 232 |

9. Customers & Connections

| Indicator No. | Description | No. | % |
|---------------|---|------|------|
| D1 | Total number of connections provided | 48 | |
| D2/3 | Total number of connections that were not provided on or before the agreed date | 1 | 2.08 |
| D4 | Total number of reconnections provided | 6 | |
| D5/6 | Reconnections that were not provided within the prescribed timeframe | 0 | |
| D7 | Total number of connections on the distributor's network | 1006 | |

10. Complaints

| Indicator No. | Description | No. | % |
|---------------|---|-----|----|
| D17 | Total number of complaints received | 4 | |
| D18 | Number of the complaints that relate to administrative process or customer service complaints | 0 | |
| D19 | Number of other complaints | 0 | |
| D20 | Number of connection and augmentation complaints | 2 | |
| D21 | Number of reliability of supply complaints | 2 | |
| D22 | Number of quality of supply complaints | 0 | |
| D23 | Number of network charges and costs complaints | 0 | |
| D24/25 | Complaints from customers concluded within 15 business days | 3 | 75 |
| D26/27 | Complaints from customers concluded within 20 business days | 0 | |

11. Call Centre Performance

| Indicator No. | Description | No. | % |
|---------------|---|---------|-------|
| D28 | Total number of telephone calls to a call centre of the distributor | 285,887 | |
| D29/30 | Total number of telephone calls to a call centre answered by a call centre operator within 30 seconds | 207,630 | 72.63 |
| D31 | Average duration (in seconds) before a call is answered by a call centre operator | 32 | - |
| D32/33 | Total number of telephone calls that are unanswered | 9,160 | 3.20 |

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