



## **AGL takes further steps on Sustainability**

6 October 2006

The Australian Gas Light Company (AGL) has today highlighted steps taken over the past 12 months to become one of the largest renewable energy producers in Australia with almost half of AGL's electricity generation capacity now fuelled by renewable sources.

Launching its 2006 Sustainability Report, AGL has outlined the significant progress the company has made over the past year to make its business activities more sustainable. In particular, the report outlines how AGL is taking a leading role in reducing the greenhouse intensity of its electricity generation portfolio through strategic acquisitions such as Southern Hydro and other development opportunities.

"AGL has fully integrated sustainability into our business strategy, which has been demonstrated through a number of strategic investments over the past 12 months," AGL Managing Director and Chief Executive Paul Anthony said. "AGL is now one of the largest renewable energy producers in Australia and is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities".

AGL's third Sustainability Report details the company's investments in renewable and gas-fired generation, provides a transparent account of the company's greenhouse gas emissions and outlines efforts to increase the uptake of green energy products among customers.

"AGL has established a fully transparent process for reporting the greenhouse impact of our energy supply activities which contributes to determining the continued steps the company must take to prepare for a carbon-constrained future," Mr Anthony added.

"In addition, AGL also contributed substantially to the climate change debate by teaming with WWF and Frontier Economics to provide the first pragmatic economic evaluation of the cost and the different approaches that could be taken to reduce greenhouse emissions in the Australian electricity industry."

AGL also took further significant steps in the area of social responsibility by continuing to support the community through its Energy for Life program and through other initiatives such as its national hardship program Staying Connected.

Staying Connected has been further enhanced to improve customer interaction so there is now greater awareness of the program among social welfare and customer advocacy groups and an enhanced internal process for the earlier identification of eligible customers.

"AGL has successfully assisted an increased number of our residential customers to overcome energy-related debt through our Staying Connected Program. AGL will continue to work closely with governments, customers and community organisations to develop an agreed and consistent approach to addressing the issue of hardship," Mr Anthony said.

## 2006 Sustainability Report Highlights

- Became one of the largest renewable energy producers in Australia, with almost half of AGL's generation capacity now being fuelled by renewable sources (over 740 MW).
- Contributed significantly to the public debate about greenhouse policy with the launch of a major study with WWF-Australia and Frontier Economics about the potential pathways for and costs of reducing emissions in the Australian electricity sector
- Increased the number of AGL's accredited green residential energy customers to over 27,000 nationally
- Abated over 260,000 tonnes CO<sub>2</sub>e of greenhouse gas through our landfill and biogas generation and flaring projects, the equivalent of taking around 68,000 cars off the road for one year
- Launched a major business transformation program to improve all elements of our business performance to ensure that we continue to deliver good service to our customers
- Invested \$62 million on renewing and upgrading our networks to ensure continued reliability of energy supply
- Reduced Ombudsman cases by 20 per cent nationally
- Increase the number of customers participating in Staying Connected to 15,151 (up 34% from last year)
- Helped homeless accommodation services provide over 130,000 warm winter nights, and carried out energy efficiency audits at 12 homeless accommodation facilities through our Warmth in Winter program
- Extended AGL's Energy Matters energy efficiency community program to Sydney's south western suburb of Airds following a highly successful pilot at nearby Claymore
- Increased the number of charities AGL supports through the Employee Giving program from 10 to 17, in response to employee feedback
- Increased the number of employees volunteering their time or professional skills to help others in the community through our Employee Volunteering program to 600
- Secured national accreditation from the Australian Breastfeeding Association for breast-feeding facilities at all AGL sites.

Mr Anthony said the new AGL, to be established following shareholder approval of a proposal to merge AGL's infrastructure assets with Alinta Limited which is being considered by AGL Shareholders today, would continue to invest in sustainable opportunities across the energy supply chain.

"The new AGL is taking the opportunity to restructure its business to ensure the new company has the right people, processes, strategy and framework in place to continue to enhance shareholder returns, deliver quality service to our customers and support the communities in which we operate," Mr Anthony concluded.

In particular, new AGL had a number of targeted objectives for the 2006/07 financial year including:

- Progressing new low emission and renewable generation interests including the Hallett wind farm and Bogong hydro power station, as well as the proposed Townsville and Leaf's Gully gas-fired generation plants
- Increasing the number of residential electricity customers on green renewable products to 30,000 nationally
- Consolidating improvements to the Staying Connected program
- Raising the volunteering participation rate among employees to 30 per cent.

Further enquiries:

**Media**

Contact: Jane Counsel, Media Relations Manager

Direct: + 61 2 9921 2352

Mobile: + 61 (0) 416 275 273

Email: [jcounsel@agl.com.au](mailto:jcounsel@agl.com.au)

**Investors & Analysts**

Contact: Graeme Thompson, Head of Investor Relations

Direct: + 61 2 9921 2789

Mobile: + 61 (0) 412 020 711

Email: [gthompson@agl.com.au](mailto:gthompson@agl.com.au)