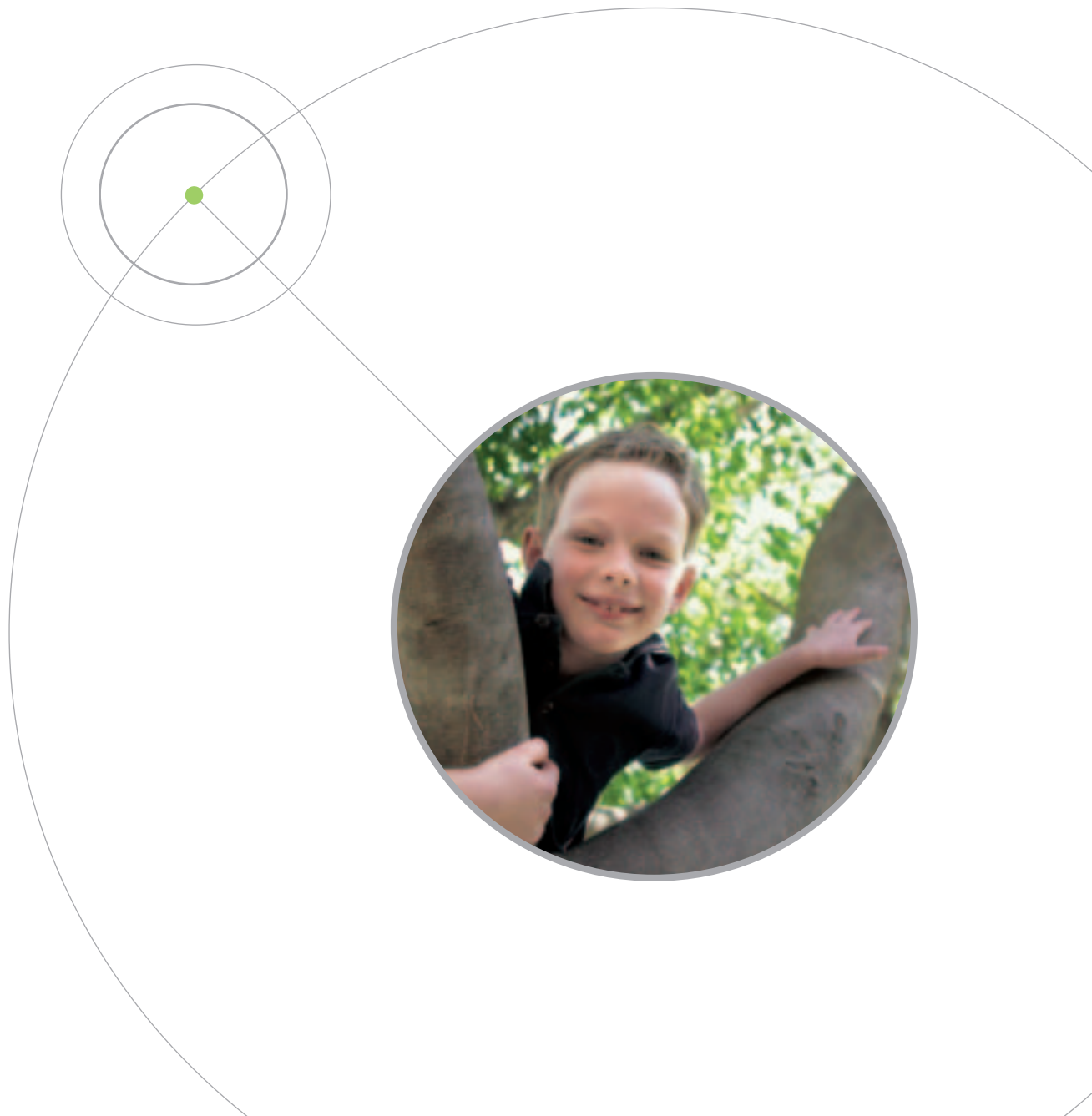




# sustainability focus

The ENERGEX Sustainable Building Awards, launched during 2004/2005, recognise and encourage businesses, developers and property owners who actively contribute to a sustainable future.



# environmental focus

ENERGEX continues to focus on providing our customers with energy-saving tips, especially during the peak demand summer months.

## Improving energy efficiency

In 2004/2005, ENERGEX undertook a major energy efficiency campaign aimed at reducing peak-time energy demand and energy costs for our customers.

The campaign, from November to February, relied on a series of energy-saving tips to educate and motivate customers to reduce energy costs and help lower greenhouse gas emissions through simple changes in behaviour. Using a mix of television and radio advertisements and direct mail to high-energy consumption customers, the campaign focused on easily achievable changes, such as more efficient use of hot water systems, lighting, whitegoods and pool pumps, and setting air-conditioning thermostats at the optimum 24 degrees Celsius.

The campaign achieved peak awareness of 66 per cent. Of the customers who were aware of the campaign, 58 per cent were motivated to take some action as a result. In addition, more than 34 per cent of customers who owned air-conditioners said they would now set their air-conditioners to 24 degrees Celsius in summer.

## earth's choice

**earth's choice** is a renewable energy program encouraging residential and business customers to reduce greenhouse gas emissions by choosing electricity generated from environmentally friendly sources.

Since its inception in 1998, more than 34,000 ENERGEX electricity customers have joined the **earth's choice** renewable energy program. By the close of 2004/2005, **earth's choice** had saved more than 740,000 tonnes of carbon dioxide emissions from entering the atmosphere – equivalent to taking more than 200,000 cars off the road for one year.

According to the June 2005 National Green Power Accreditation Program Quarterly Report, ENERGEX's **earth's choice** customers in the three months to the end of the financial year accounted for 30 per cent of the nation's voluntary renewable energy sales. This means **earth's choice** customers were together making a great contribution to a cleaner environment than any other single renewable energy program in Australia.

The **earth's choice** program continued to gain momentum in 2004/2005, exceeding our target for business volume growth by more than 50 per cent with a total of 454 businesses purchasing 87,393 MWh of renewable energy. The development of a 'green-only' product, giving business more flexible renewable energy and greenhouse reduction strategies, contributed to this success. Being accredited as 100 per cent Green Power means **earth's choice** is among the 'greenest' electricity in the country.



The theme of the 2004

ENERGEX Arbour

Contemporary Art Prize was 'Australians at Play'.

Investa Property Group, Brisbane City Council, more than 20 Victorian councils, Westpac and Monash University all joined **earth's** choice during the year. The Queensland Government renewed its commitment to using at least five per cent renewable energy in more than 100 buildings across south-east Queensland. All the electricity used to power State Parliament is supplied by **earth's** choice.

An extra 5,728 householders also joined **earth's** choice during 2004/2005, taking the total number of residential customers to 32,728, up 21 per cent on 2003/2004.

On 1 July 2004 ENERGEX introduced major improvements to attract more customers to **earth's** choice and increase the long-term success and viability of the program. This included an increase in the amount of renewable energy able to be purchased for each \$10 contribution, due to improved agreements with renewable energy generators. Previously the maximum was capped at 330 kWh. This will allow us to replace more 'black' energy in the national grid with renewable energy.

# environmental focus

ENERGEX sources green energy for its **earth's** choice program from:

<b>Biomass</b>	Rocky Point Sugar Mill	111,376
<b>Hydro</b>	Landers Shute K5 Kareeya Station Unit 5 Pindari Dam	15,134
<b>Solar</b>	Various small residential and commercial generation	422.97
<b>Wind</b>	Windy Hill Wind Farm	11,363

\* Purchases for financial year 1 July 2004 to 30 June 2005

## Solar Initiatives

In 2004/2005 ENERGEX promoted a range of solar energy systems for the residential and commercial market. During the year an additional 38 customers joined the Solar Photovoltaic (PV) Program, taking the total number of customers now connected to the ENERGEX network with solar PV systems to 168. ENERGEX's Energy Efficiency Group is recognised as a major participant in the energy performance contracting arena and its solar energy systems' business continues to grow, particularly in the development sector.

During the year an additional 13 schools benefited from the installation of a solar-powered energy system, each worth \$25,000, through the Solar Schools Program promoted by ENERGEX in partnership with the Environmental Protection Agency.

The benefits of the program extend to the students, who learn about solar energy technology and work with software that allows them to monitor the energy produced and used by the school. This contributes to increased community awareness of the benefits of renewable energy, as well as saving money.

ENERGEX has assisted more than 30 schools to benefit from a solar energy system that reduces electricity costs and contributes to a better environment by reducing greenhouse gas emissions by around four tonnes.

In March ENERGEX launched an innovative web-based game called 'Cool School' 2005, which supports the Queensland school curriculum by teaching students the general principles of energy efficiency. The game, which is available on our website, was developed for primary school students to learn about the amount of energy needed to run a home, with energy consumption tips provided along the way. The game was introduced as part of our larger kids' site, a valuable resource for teachers and students with project information and activities for teachers to download for the classroom.

## Environmental Management System

The ENERGEX Environmental Management System (EMS) continues to be successfully certified to the requirements of ISO14001 by NATA Certification Services International. A number of identified improvements were incorporated into the EMS during the year. A major review and upgrade program planned for compliance to the new 2004 released version of ISO14001 will be finalised by May 2006.

Details of the company's environmental track record are contained in the ENERGEX Sustainability Report available at [www.energex.com.au](http://www.energex.com.au).

# environmental focus

## Sustainable Building Awards

The inaugural ENERGEX Sustainable Building Awards were launched in April 2005 to recognise and encourage businesses, developers and property owners who actively contribute to a sustainable future. The awards recognise leadership in the design, construction and management of sustainable commercial properties which are designed to reduce the use of energy and other resources such as water.

ENERGEX is committed to working with developers, building owners and tenants to create 'green buildings'. For example, the William Buck Centre at 120 Edward Street incorporates a range of simple energy and water efficiency measures that improve energy efficiency by up to 20 per cent. Many commercial buildings are now being designed and built to maximise energy efficiency, minimise waste and reduce the environmental impact of their operations.

The 2005 winners will be announced in October 2005, and will receive solar energy systems valued at up to \$25,000. These panels provide a direct greenhouse gas benefit, as every megawatt hour of electricity generated using solar energy reduces the amount of carbon dioxide gas entering the atmosphere by around one tonne. The solar panels offset the electricity used by the business and excess electricity can be sold back to ENERGEX, further reducing electricity bills.

## Wildlife-proofing

During the past 18 months ENERGEX has successfully implemented a number of strategies to drastically reduce the frequency of interruptions caused by native wildlife, including flying foxes, birds and possums. On the Gold Coast ENERGEX modified the overhead electricity network in 24 locations to reduce harm to flying foxes, working with the local branch of Bat Rescue Inc. An additional 14 sites have been identified and will be modified in 2005/2006. The modifications include spreading wires further apart using a wide trident crossarm, replacing spans of open wire with insulated bundled cable, and trimming trees.

In other areas of the network, ENERGEX has also installed coloured bunting to make wires more visible to pelicans and other waterbirds. Possums are one of the main causes of supply interruptions on the ENERGEX network. ENERGEX has begun a \$5 million program to reduce possum-related interruptions, targeting about 5,000 sites on key high-voltage overhead powerlines in Brisbane. Plastic casings and tubing are placed over susceptible pole-top wires and connections, stopping the possum contacting two wires at once and causing a short-circuit fault. The result of ENERGEX's possum programs has been a 50 per cent reduction in possum-related interruptions during the past two years. Similar techniques have been used to prevent crows pecking at insulators and wires.

# environmental focus

## Greenhouse Challenge

In 1996, ENERGEX became the first energy corporation in Australia to commit to the original Greenhouse Challenge program. Since then we have developed a comprehensive program of initiatives to control and influence greenhouse emission reduction.

Significant areas of greenhouse emission control are:

- Distribution losses associated with electricity and gas distribution networks
- Energy use at each of our facilities
- Savings in fuel used to operate equipment, plant and vehicle fleet
- Reduced sulphur hexafluoride losses to the atmosphere from electricity infrastructure.

Areas where ENERGEX can influence community behaviour are:

- Providing a green energy product
- Promoting energy efficiency to customers
- Research and development of energy efficient technologies
- Provision of total energy solutions to customers
- Collection and utilisation of landfill gases generated by landfill projects in Queensland and Victoria.

## Greening Australia

ENERGEX has continued to focus on minimising the environmental impact of our plant and vehicle fleet by working with Greening Australia to sponsor revegetation projects and plant native trees. Greening Australia is a not-for-profit organisation specialising in reducing the environmental impacts of business by planting native trees. One hectare of revegetated land can typically absorb about 10 tonnes of carbon dioxide a year.

ENERGEX has sponsored many revegetation projects and planted more than 170,000 trees since 1996. During the year Greening Australia partnered landholders on behalf of ENERGEX to establish 16.3 hectares of vegetation or 93,000 native grasses, shrubs and trees via seeding and planting. This vegetation will sequester carbon dioxide throughout its lifecycle, and during the course of 60 years will capture greater than 16,000 tonnes of greenhouse gases resulting in complete offset of ENERGEX's 2004/2005 vehicle fleet emissions.

# environmental focus

## Greenhouse Performance

PERFORMANCE	1991/1992	1999/2000	2002/2003	2003/2004
	TONNE EQUIVALENT	TONNE EQUIVALENT	TONNE EQUIVALENT	TONNE EQUIVALENT
	GREENHOUSE	GREENHOUSE	GREENHOUSE	GREENHOUSE
Total greenhouse gas purchases	11,296,000	21,165,553	30,552,511	33,888,738
Corrected distribution loss – electricity #	669,000	849,009	852,666	1,046,070
Distribution loss – natural gas	N/A*	182,803	142,905	167,920
ENERGEX energy use	15,670	10,690	14,764	15,815
Corrected fuel use #	6,794	15,049	12,746	0
Sulphur hexafluoride losses	1,553	956	323	660
<b>Total greenhouse emissions</b>	<b>693,017</b>	<b>1,058,507</b>	<b>1,172,605</b>	<b>1,366,847</b>
<b>Emissions as a percentage of total</b>	<b>6.135</b>	<b>5.001</b>	<b>3.838</b>	<b>4.033</b>
<b>Emissions based on 2003/2004 level of business</b>	<b>2,079,096</b>	<b>1,694,804</b>	<b>1,300,650</b>	<b>1,366,847</b>

\* ENERGEX did not distribute gas in 1991/1992 # this takes into account the offset program

This table identifies:

- A business, in 2003/2004, that manages a greenhouse inventory of 33,888,738 tonnes equivalent carbon dioxide
- Total emission for the 2003/2004 year of 1,366,847 tonnes equivalent carbon dioxide taking abatement and sequestration measures into account.
- Total greenhouse emissions, allowing for abatement and offset measures, accounted for 4.03 per cent of total greenhouse gas purchase
- The 2003/2004 results represent 712,249 tonnes equivalent efficiency improvement based on 'business-as-usual' 1991/1992 efficiencies
- The 2003/2004 results represents a 327,957 tonnes equivalent emissions decrease based on the 'benchmark' 1999/2000 efficiencies.

## Fire Ants

ENERGEX has taken a proactive approach to the management of fire ants in Queensland, with continuing staff awareness and training sessions on detection and management of fire ant colonies. We currently hold a Department of Primary Industries & Fisheries Approved Risk Management Plan (ARMP No. 2138).

## Sustainability Report

Each year, ENERGEX issues a Sustainability Report detailing our integrated environmental, social and economic achievements and issues. The Sustainability Report is benchmarked to the United Nations Global Reporting Initiative (GRI) criteria.

In June 2005 we released our updated online Sustainability Report, which focuses on our sustainability objectives and social and corporate governance activities. This Report is available at [www.energex.com.au](http://www.energex.com.au).



# community focus

As one of south-east Queensland's major corporate citizens, ENERGEX has a strong focus on 'giving back' to the communities in which we operate. We are pleased to support the arts, youth, various community groups, charities and public amenities helping make a difference to the lives of south-east Queenslanders.

We support a broad mix of programs which recognise and celebrate the diversity of our partners, stakeholders and customers.

## Arts

### Kooemba Jdarra

During 2004/2005, ENERGEX continued to be a proud supporter of the state's only full-time professional indigenous theatre company, Kooemba Jdarra. With ENERGEX's support, Kooemba Jdarra shares unique indigenous music, dance and theatre with communities within Queensland and further afield.

### ENERGEX Brisbane Festival

The ENERGEX Brisbane Festival 2004 in September and October was a major highlight of the Queensland cultural calendar last year.

Headlining this year's festival were three premier events: 'The Gigli Concert' by one of the world's greatest drama companies, Abbey Theatre; the show-stopping 'Australia's Leading Ladies'; and master violinist Nigel Kennedy, direct from the United Kingdom.

Indigenous culture was strongly represented, with the Adelaide Festival's smash hit 'Gulpilil' and David Page's introspective. In addition to these gripping solo stage shows, the festival featured 'True', Kooemba Jdarra's fusion of old and new, children's theatre production 'Riverland' and indigenous-themed exhibitions at QUT and the Museum of Brisbane.

More than 300 students from regional and rural Queensland travelled to Brisbane to experience the excitement of the festival firsthand as part of our ENERGEX Brisbane Festival Experience youth initiative. This year we were pleased to bring an additional 100 indigenous children from the Cherbourg and Murgon communities to Brisbane to enjoy the festival.

ENERGEX would like to thank Festival Director Dr Tony Gould for the outstanding contribution he has made to the festival over the years. He has created one of the world's, and certainly one of Australia's, most respected and dynamic arts festivals.

# community focus

## ENERGEX Arbour Contemporary Art Prize

The theme of the 2004 ENERGEX Arbour Contemporary Art Prize was 'Australians at Play', and was intended to illuminate and explore society's idea and image of itself.

The six finalists' images were showcased in an exhibition through the ENERGEX Arbour and attracted more than 642,000 visitors. Acclaimed Western Australian artist Rodney Glick won the \$20,000 prize with his satirical photograph of Australian suburbia titled 'Lap Pool'.

During the exhibition The Courier-Mail People's Choice Award was run again with the \$2,500 prize going to Tewantin's Bob Gould for his entry titled "3 x 15", one of the six finalists in the major competition. The competition expanded to include the inaugural amateur photography prize called Channel Nine's Snapshot attracting almost 500 entries.

Mark Rowbotham from the Gold Coast won the \$2,500 prize for his image 'A Day at the Beach' chosen from 480 entries across Queensland.

The awards program was recognised as a finalist in the Australian Business Arts Foundation Awards in the Community Category and in the Australian Financial Review's Corporate Partnership Awards in the Arts Category.

## Youth

### Hear and Say Centre

During 2004/2005 ENERGEX sponsored Queensland's innovative Hear and Say Centre, which harnesses the latest technology to bring listening and speaking to hearing-impaired and deaf children. ENERGEX currently supports the Centre's infant-hearing screening program, enabling parents to have their baby's hearing tested very soon after birth. This was Queensland's first large-scale infant-hearing screening program when it was introduced in 2002 with the help of ENERGEX.

### ENERGEX Reds Rugby College

ENERGEX continued to support the ENERGEX Reds Rugby College, at Ballymore. We were instrumental in developing the college, which is dedicated to developing the talents and life skills of young rugby players. The college has produced a number of state and international level players.

### ENERGEX Children's Gallery – Lottie's Place

ENERGEX continued its sponsorship of the ENERGEX Children's Gallery – Lottie's Place in Ipswich, the first permanent visual art gallery in Australia dedicated to children. The ENERGEX Children's Gallery – Lottie's Place provides accessible, innovative and educational programs to stimulate children and their carers, and build a lifelong interest in the arts.

# community focus

## Animal Welfare

### ENERGEX Wildlife Hospital

ENERGEX helps protect Australia's native wildlife by supporting the Gold Coast's longest-running privately owned animal hospital. The ENERGEX Wildlife Hospital, located at Currumbin Wildlife Sanctuary, provides a rehabilitation service for the region's sick, injured and orphaned native wildlife. Each year, the hospital's veterinarians, vet nurses and volunteer carers treat and care for up to 3,500 native animals that are rescued by the community.

### Fauna Rescue

ENERGEX has continued its longstanding support for the RSPCA during the year by sponsoring an animal rescue vehicle. Many stranded animals have been rescued since this partnership began in 1990. Through this and other relationships with community groups such as Orphan Native Animal Rescue and Release (ONARR), ENERGEX is helping to protect Australia's native animals.

## Community Amenity

### ENERGEX Arbour

South Bank's award-winning landmark, the ENERGEX Arbour, is a spectacular one-kilometre, bougainvillea-covered sculptural steel structure weaving through the parklands. ENERGEX has sponsored the Arbour since it was officially opened in 2000 as a way of thanking the people of south-east Queensland for their continued support.

### Royal Queensland Show

ENERGEX continued its support for the Royal Queensland Show, or 'Ekka' as it is affectionately known, in 2004/2005. The Ekka is one of the state's largest community exhibitions and ENERGEX was pleased to be the naming-rights sponsor of the Main Arena, the focal point for a number of major show attractions.

## Community Service

### ENERGEX Community Funding Program

For more than 10 years, ENERGEX employees have been helping the community by supporting not-for-profit organisations through a payroll deduction scheme. In 2004/2005 ENERGEX employees contributed to a range of community causes including the RSPCA, Heart Foundation, Cerebral Palsy Foundation and The Smith Family.



During 2004/2005 the  
ENERGEX Community Rescue  
Helicopter service undertook 746 missions.

#### ENERGEX Community Rescue Helicopter

The ENERGEX Community Rescue Helicopter celebrated 25 years of service in November 2004. The charitable not-for-profit service, which started operating in November 1979 with just one helicopter, now has three helicopters and is on standby 24 hours a day, 365 days a year.

ENERGEX has sponsored the helicopter rescue service since 1994. During this time, our customers have continued to help the service save lives, and more than \$685,000 was donated by 107,000 customers in 2004/2005. With our support, the service undertook 746 missions in the 2004/2005 financial year out of its Maroochydore and Bundaberg bases.

#### The Smith Family

ENERGEX continues to keep The Smith Family's Christmas traditions alive by helping to make a real difference in the lives of thousands of children and their families through The Smith Family's annual Toy Soldier Appeal. The appeal collects toys and hampers from the community for those in need.