

**Power Retail Corporation
(Trading as Jacana Energy)**

Statement of Corporate Intent 2026-27

Public Version



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Jacana Energy objectives

Jacana Energy's objectives are derived from two key sources:

- the Government Owned Corporations Act (GOC Act); and
- Jacana Energy's Strategic Plan.

The GOC Act specifies two objectives for Government Owned Corporations, namely to:

- operate at least as efficiently as any comparable business; and
- maximise the sustainable return to the Territory on its investment in the Corporation.

In addition to these two objectives, Jacana Energy's Strategic Plan includes its Purpose, Vision, Mission, Core Values and Strategic Business Objectives. These are detailed below.

Purpose, vision and mission

As the Northern Territory electricity market shifts to distributed generation sources, we remain committed to delivering solutions that benefit both our customers and the broader community. Our approach is to embrace this transition, ensuring we provide value through innovation, collaboration and high-quality service.

Building on our solid foundation, we will evolve from a traditional seller of wholesale electricity to an organisation recognised for delivering outstanding service and support. Our priority is to make every interaction with our customers meaningful, reliable, and responsive.

Delivering better value to customers requires a collective effort. That is why we are committed to working alongside industry and government partners to improve outcomes for everyone in the Northern Territory.

This is reflected in Jacana Energy's vision, purpose and mission.

Jacana Energy's vision:

"Leading smart energy solutions for the Territory".

This means that we're making electricity easy and transparent for our customers now and into the future.

This supports **Jacana Energy's purpose** of:

"Delivering better value for NT energy customers".

This means that Jacana Energy is committed to fair, accessible and responsive services for Northern Territory energy customers.

Jacana Energy also clarifies the boundaries of its aspirations with its **mission statement**:

"We are a NT Government-owned corporation serving residential and business

customers in the NT”.

Culture Statement and Core Values

Jacana Energy continues to invest in building a positive and constructive workplace culture based on a foundation of trust. This has resulted in strong employee engagement, business performance and customer satisfaction.

Our culture statement:

"Give trust. Assume positive intent."

Our culture statement guides the way we interact with each other and hold each other accountable. It also sets the standard for the way we interact with our customers and in doing so, creating a consistent, positive experience for all of us.

Our Values

Our values are critical to achieving our vision and keeping our promise to our customers:

- **Honesty:** doing the right thing. Speaking up. Giving and seeking feedback
- **Diversity:** tapping into our collective intelligence and embracing different perspectives
- **Teamwork:** delivering as a team because we are stronger together
- **Innovation:** continually evolving and finding the best solutions for our customers
- **Wellbeing:** being passionate about building a caring and supportive workplace

Strategic Business Objectives

The 2026-27 financial year marks the second year of Jacana Energy's current five-year strategic plan. The five-year strategic plan comprises three pillars that describe what we will do to achieve our vision, purpose and mission and our core financial objectives in line with the GOC Act specified objectives for Government Owned Corporations.

The strategic pillars are:

- **Boost our capabilities** – develop our people, processes and technology.
- **Improve our customer experience** – customers satisfied with our service, delivered at an appropriate cost to serve.
- **Advocate best for the Territory** – work with government, industry and the community to deliver value for our customers and the NT as a whole.

The nature and scope of activities undertaken by Jacana Energy

Jacana Energy provides retail electricity products and services to over 88,000 customers throughout the Northern Territory.

We are the principal interface between the electricity industry and customers and deliver value for our customers by:

- procuring wholesale energy to meet customer demand, including alternative generation energy supply;
- purchasing large and small-scale renewable energy certificates from renewable energy generators to meet legislative requirements;
- offering value with competitive retail products and services;
- offering a variety of billing and payment options;
- supporting our customers and Northern Territory communities through targeted programs;
- providing a hardship program to support our most vulnerable customers; and
- providing competitive rates and flexible contract terms and conditions for our large customers.

Where Jacana Energy fits in the electricity supply chain

As an energy retailer, Jacana Energy buys wholesale energy from generators to match daily consumption. We deliver value for our customers, and the broader NT, by strategically purchasing the lowest-cost energy at the right time for the right customer.

Jacana Energy does not generate electricity, distribute electricity or manage poles and wires. We proactively work with our suppliers to ensure that they meet agreed service levels and that the customer impacts of proposed changes in services are considered.

Jacana Energy plays a significant role in supporting upstream industry participants by collecting revenue through the issuing of customer bills and carrying customer credit risk. That is, Jacana Energy pays its wholesale costs and network charges even if it is unable to recover these costs from its customers.

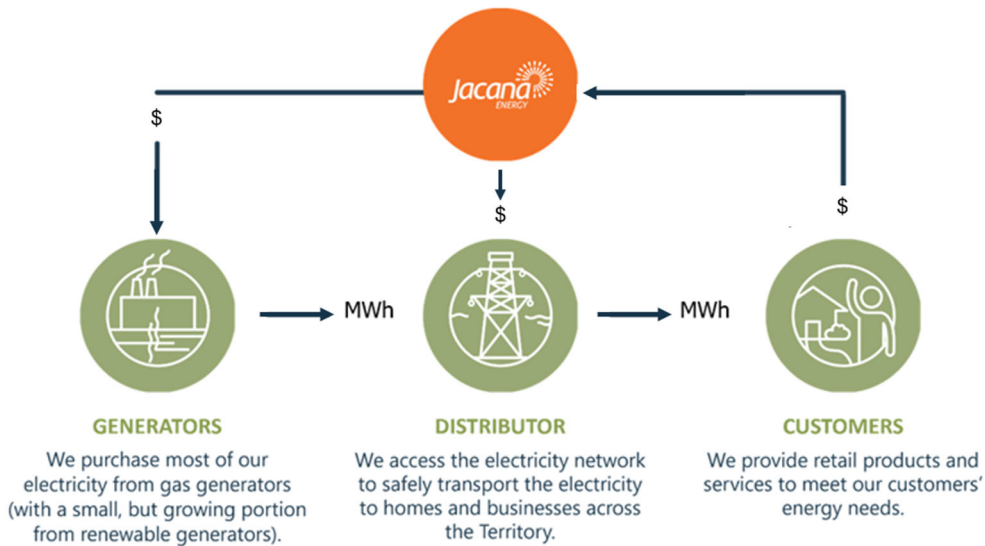
Jacana Energy works closely with customers who have difficulty paying their bills on a short or long-term basis, offering payment plans and support via our award-winning hardship program, Stay Connected.

In addition, Jacana Energy manages investment risk for existing and new generation in the NT energy market, by using the revenue collected from customers to underwrite investment in new and existing wholesale electricity generation, including the majority of grid-connected large-scale renewable energy projects in the Northern Territory.

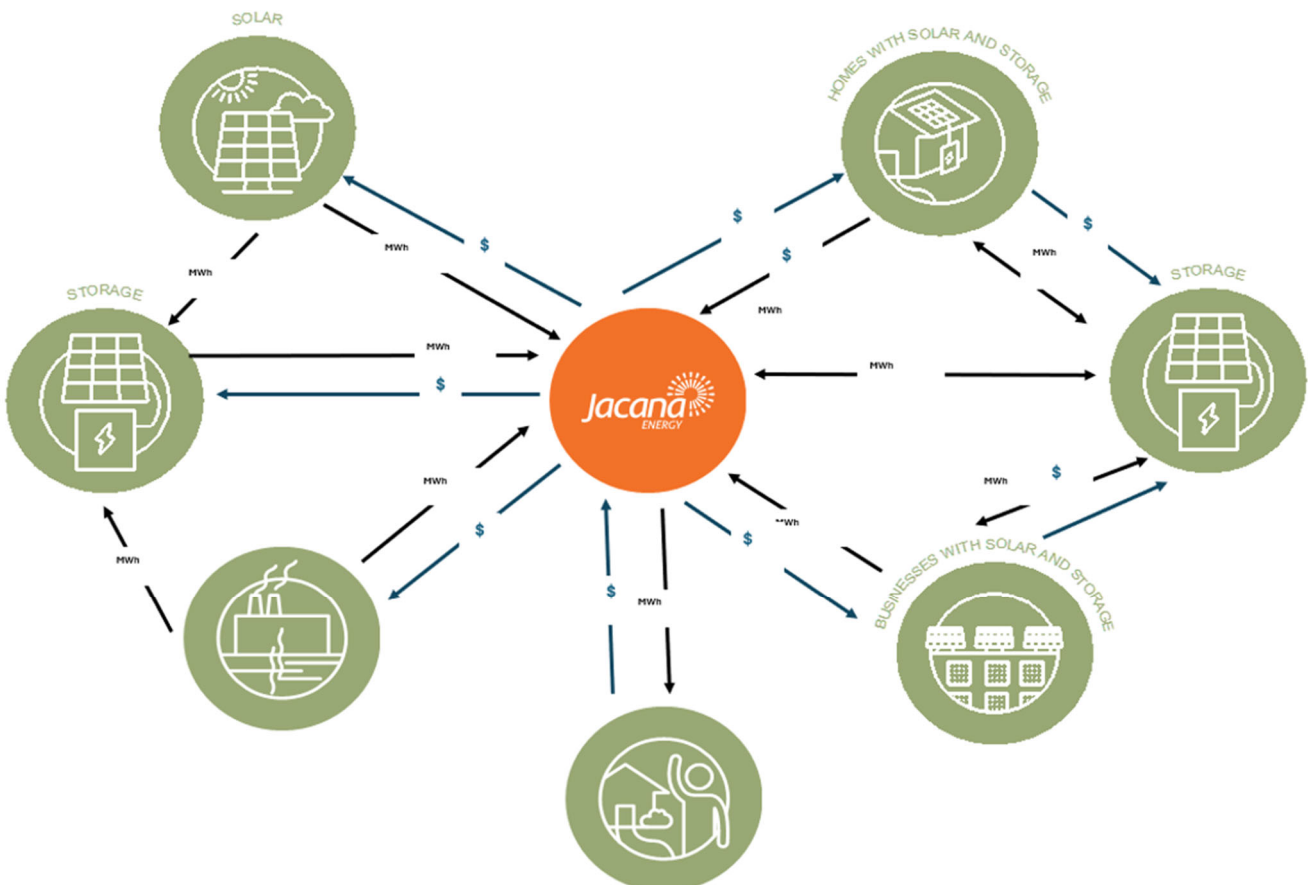
Navigating the energy transition

The business we are in is changing. As more distributed energy (both large and small scale) is introduced into the electricity system, Jacana Energy’s role as an electricity retailer becomes more complex. We are embracing the change and ensuring we are adding value to all parties through facilitation of outcomes, creation of value and provision of service.

The traditional energy retailing model



The modern energy retailing model



Financial Performance

Unlike generation and distribution (which are asset intensive businesses) electricity retailing is characterised by very few assets and very low margins. Key success factors in electricity retailing include robust forecasting, cash-flow planning and cost management.

Forecast costs

Small changes to the unit costs of generation and network charges, or changes to payment and collection terms, can have a major impact on the financial viability of a low margin business such as Jacana Energy.

A key challenge for Jacana Energy is to manage generation, network (distribution) charges, photovoltaic (PV) energy purchases, and Renewable Energy Certificates. Collectively these represent 96% of total costs.

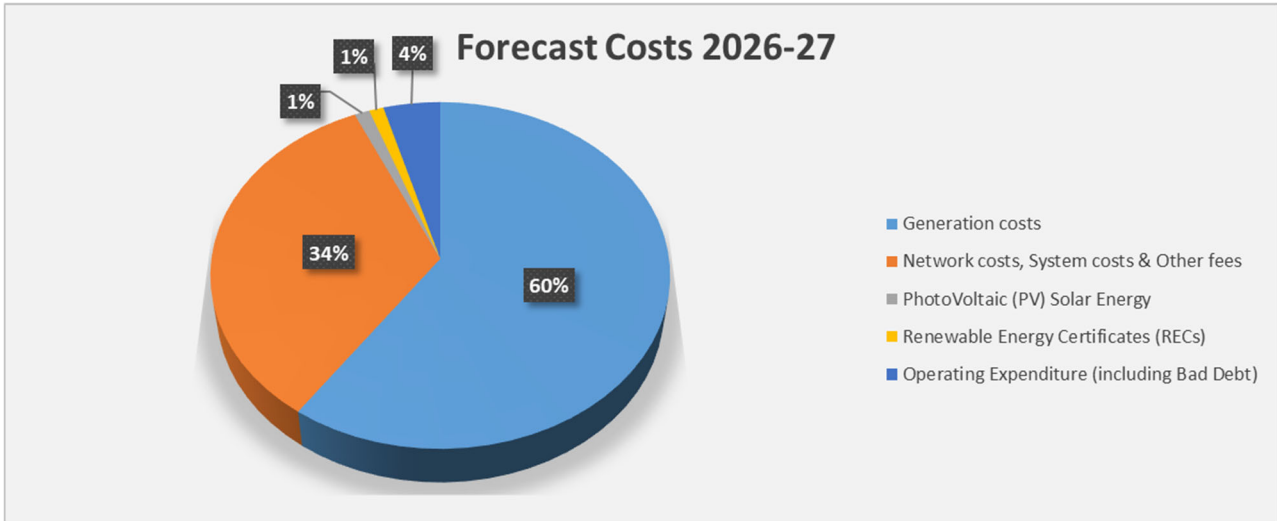
Jacana Energy's retail operating expenditure represents 4% of its total costs. While small compared to generation and network costs, we need to tightly manage these costs to ensure that we remain focused on driving total energy system costs down not up.

Jacana Energy has existing long term Power Purchase Agreements (PPAs) with solar farms in Katherine, Manton Dam and Batchelor that help contribute to more efficient and lower cost generation portfolio.

Jacana Energy will also continue to work constructively with upstream industry participants to ensure that future wholesale electricity supply arrangements are cost reflective, driving towards lower costs and provide incentives for Jacana Energy to develop products and services that reduce future generation costs.

Forecast costs have been determined based on current market operating conditions and arrangements. Future impacts of market reform on wholesale energy costs have been excluded due to uncertainty surrounding the 'Public Procurement Model' pricing mechanisms. These wholesale impacts will be incorporated into future SCIs as more information on the Territory Electricity Market Rules and procurement frameworks become available. A breakdown of Jacana Energy's forecast cost base is provided in Figure 1 below.

Figure 1: Forecast Costs 2026-27



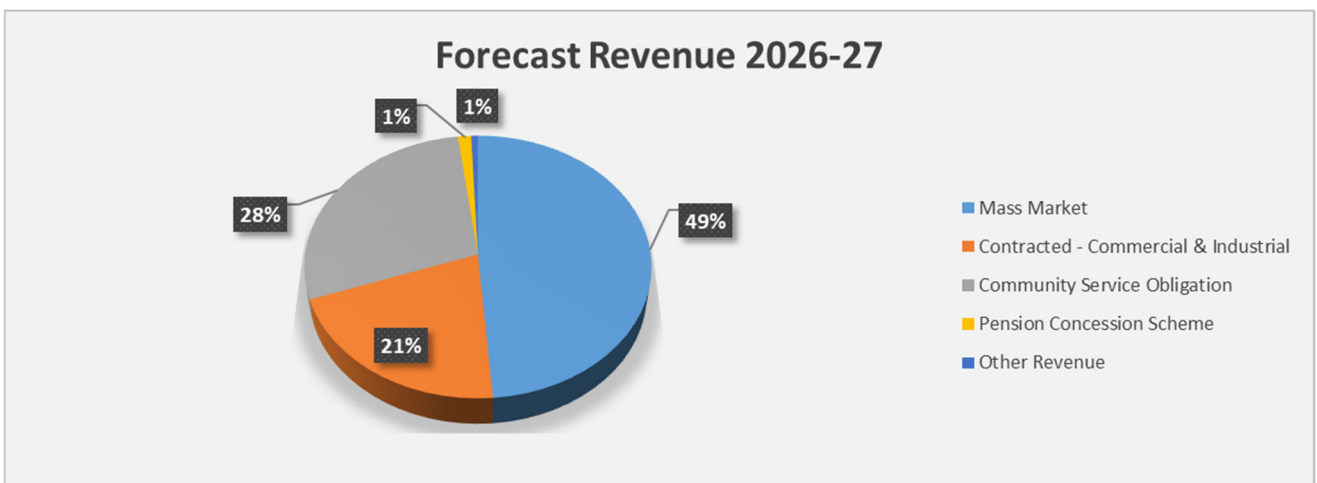
Forecast revenue

Jacana Energy’s electricity revenue is impacted by competition and retail price regulation for customers consuming less than 750 megawatt hours per annum. We have commercial contracts in place with commercial and industrial customers, which represents 21% of our total revenue. These customers are characterised as customers on negotiated contract rates (non-pricing order) who typically consume more than 750 megawatt hours per annum, a segment where competition is also present.

Electricity tariffs, community service obligation payments, pension concessions and other revenue represent 79% of Jacana Energy’s total revenue, the majority of which are determined by the Northern Territory Government.

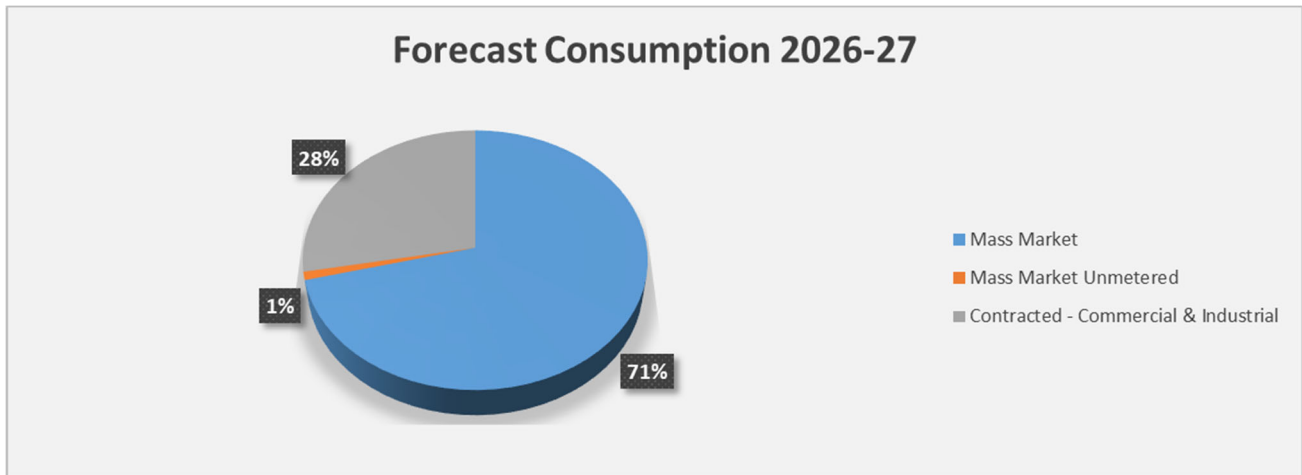
A breakdown of Jacana Energy’s forecast revenue base for FY 2026-27 is provided in Figure 2 below.

Figure 2: Forecast Revenue 2026-27



A split of consumption by customer segments is detailed in figure 3 below.

Figure 3: Forecast Consumption 2026-27



Capital allocation plans

Jacana Energy's capital allocation over the SCI period is a mixture of investments and dividends. Capital allocation differs from capital budgeting. Capital allocation for investments considers organisation-level strategy and governs the flow of capital within the business, it does not represent approval for capital expenditure or confirmation of project delivery. Allocations are indicative in nature. Capital budgeting considers approved project-level investments which follow Jacana Energy's approval process which evaluates projects based on cash flows and return metrics.

For the purposes of the SCI process, amounts included as unbudgeted investments are not included as capital expenditure in the SCI financials.

Capital Allocation – Unbudgeted Investments

As noted above, Jacana Energy's major unbudgeted investments are not in the SCI financial statements. Unbudgeted investments include strategic needs of the business which are under consideration.

Unbudgeted investments under consideration include technology solutions to bridge the gap between the existing ICT environment and the solutions to upgrade software at its end of life. A key ICT Roadmap deliverable is a review of our existing retail operating system with the option of moving to a new platform. This project is expected to cost between \$6.0-\$10.0 million across a three-year period and is not currently included in the SCI forward looking periods.

Until major investments follow the full approval requirements prescribed under the GOC Act and Corporate Governance and Reporting Framework, the amounts will not be included in the SCI financial statements.

Capital Allocation – Indicative Dividends

As prescribed in the GOC Corporate Governance and Reporting Framework, Jacana Energy's default ordinary dividend rate is set at 50% of net profit after tax. For the purpose of capital allocation, dividends are allocated based on financial-year performance, not payment dates.

Capital Allocation – Approved Capital Budgeting

For the purposes of the Statement of Corporate Intent, minor Property Plant & Equipment will require minor additions throughout the SCI period. As such, an amount of \$0.1 million has been included as an annual provision. No other approved budgeting has been included in the SCI forward looking periods. Full details of capital expenditure are detailed in table 1 below:

Table 1: Capital Allocations

Capital Allocation	2026-27	2027-28	2028-29	2029-30
Capital Allocation – Minor Asset Capital Budgeting	0.1	0.1	0.1	0.1
Capital Allocation – Unbudgeted Investments Major Assets / Intangibles	0.0	2.5	2.5	2.5
Capital Allocation - Dividends	7.2	8.8	9.2	9.7
Total Capital Allocation	7.3	11.4	11.8	12.3

Financial targets and other measures

Table 2 below summarises the key financial and non-financial targets which Jacana Energy has set for the SCI period. Costs associated with the Northern Territory Electricity Market Reform have not been considered/.

Table 2: Key Performance Indicators

KPI	Unit	Reforecast*				
		2025-26	2026-27	2027-28	2028-29	2029-30
EBIT	A\$ million	21.3	17.1	22.2	23.2	24.0
Return to Government (Accrual)**	A\$ million	16.0	13.3	16.4	17.2	17.9
Return on Equity	%	36.0%	30.2%	37.1%	38.7%	40.5%
Controllable costs	A\$ million	26.0	29.8	30.7	31.6	32.4
Great Place to Work Score	% Score	78	80	80	80	80
Customer Satisfaction	Score Out of 5	4.0	4.1/5	4.2/5	4.2/5	4.2/5

* Reforecast 2025-26 financials include actuals YTD plus forecast.

** Return to Government includes estimated dividend based on 50% of projected net profits after tax and estimated income tax equivalent payment based on 30% of profit before tax.

Measure descriptions

EBIT

EBIT is Earnings Before Interest and Tax.

Return to Government (Accrual)

This is the dividend payable to the NT Government.

Return on Equity

Net income divided by Shareholder equity.

Great Place to Work

This measures our employee's assessment of Jacana Energy as a great place to work and considers emotional connection and commitment.

Controllable costs

This is defined as operating expenditure including impairment of receivables, excluding cost of sales, depreciation, amortisation, interest and tax expenses.

Customer Service Satisfaction

Customer service satisfaction measures the level of customer satisfaction over a range of service delivery markers relating to customer service, billing and products, with a rating out of 5 given by customers, with 5 being very satisfied.

Fiscal Strategy Targets

Jacana Energy has adopted the changes made by the Northern Territory Government to the Territory Fiscal Strategy. The changes applicable to Government Owned Corporations (GOCs) focus on maintaining or improving operating margins.

Below is a summary of Jacana Energy's projected performance against its Fiscal Strategy Target.

Ongoing objective and target 1

Maintain an average Operating Margin (OM) equal to or greater than 2.5% over the SCI period.

The target will be assessed as met if average annual OM in each SCI year is equal to or greater than 2.5%.

Table 3: Forecasted Operating Margin

	Reforecast 2025-26	2026-27	2027-28	2028-29	2029-30	Target Met
Average Operating Margin %	4.0	2.8	3.2	3.2	3.2	Yes

The OM is determined as adjusted Earnings before interests and tax (EBIT) / Total revenue (excluding interest income), where the adjusted EBIT is calculated as follows:

Earnings before interest and tax

Less:

- Capital contributions
- Capital grants
- Interest income
- Disposals (proceeds from asset sales)

Add:

- Impairment losses
- losses from asset sales

Key risks

Jacana Energy has a Risk Management Framework aligned to Australian and International standards. The Board has ultimate responsibility to regularly and effectively review and manage the Risk Management Framework with the support of the Audit and Risk Committee (ARC). The ARC monitors the implementation of risk management in line with the ARC Charter.

Risk management is fundamental to Jacana Energy's success and sustainability. Jacana Energy has risk management practices which are embedded and integrated into business processes, with engagement at all levels within Jacana Energy to mitigate risks.

Strategies to minimise key strategic risks

The design of the Northern Territory Electricity Market remains a strategic risk for Jacana Energy. We continue to support the Northern Territory Government with the detailed design of the new electricity market, ensuring customer impact remains a key factor in design considerations.

The security of gas required for thermal generation sources remains a strategic risk, with our ability to recovery emergency fuel events costs posing a financial risk to Jacana Energy. We have established contractual safeguards to offset this risk and continue to focus on wholesale portfolio optimisation strategies.

Limited growth of alternative generation sources reduce Jacana Energy's ability to offer competitive pricing, ultimately impacting customer satisfaction and market share.

The retention and growth of Jacana Energy's customer base is a key focus to ensure Jacana Energy's ongoing financial sustainability. We continue to explore new products and services for our customers to create value, remain relevant and mitigate revenue loss.

Strategic capability development remains a key strategic risk and priority given the importance of ensuring our workforce has the right skills in place to support Jacana Energy in the delivery of strategic initiatives.

Key risks	Risk mitigations
Market design	<ul style="list-style-type: none">Active participants in market reform, with dedicated resources representing and communicating the customer's position to decision-makers through informal and formal regulatory consultation processes.
Wholesale costs – emergency gas	<ul style="list-style-type: none">Safeguards implemented to enable the transfer for emergency fuel event risk.Wholesale risk and governance practices fully embedded.

Limited growth of alternative generation sources

- Deliver programs to provide access to low-cost alternative generation sources for low-income and vulnerable customers.
- Explore micro grid options to increase alternative generation sources in embedded networks and gazetted areas.
- Promotion and progression of future opportunities for Distributed Energy Resources.

Customer growth and retention

- Customer growth and retention strategy.

Strategic capability development

- Employee experience strategy developed and implemented.
 - Culture and Leadership Development Program embedded.
 - Recruitment activities aligned to cultural fit.
 - Succession planning embedded into performance development process.
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Abbreviations

C&I	Commercial and Industrial segment
CPI	Consumer Price Index
CSO	Community Service Obligation
DCDD	Department of Corporate and Digital Development
DTF	Department of Treasury and Finance
EBIT	Earnings Before Interest Tax
FIT	Feed-in Tariff
GOC Act	Government Owned Corporations Act
KPI	Key Performance Indicator
LGC	Large-scale generation certificates
MM	Mass Market segment
PV	Photovoltaic
PWC	Power and Water Corporation
ROS	Retail Operating System
STC	Small-scale technology certificates
UC	Utilities Commission

