cleanco queensland

Annual Report 2024

A clean energy future
crafted in Queensland.

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ACKNOWLEDGEMENT OF COUNTRY

CleanCo recognises that Aboriginal and Torres Strait Islander peoples were the first sovereign nations of the land and waterways which now forms the Australian continent and adjacent islands, and that sovereignty has never been ceded.

We respectfully acknowledge the traditional custodians of the land and waterways on which our people work and live, and we pay our deepest respect to their Ancestors, Elders and knowledge holders, and recognise their deep history and ongoing connection to Country.

Kaban Wind Farm

About the report

At CleanCo we are committed to providing our shareholders, customers and communities with accurate and transparent reporting on our strategy, performance, challenges and opportunities.

This report has been prepared in accordance with the provisions of the *Government Owned Corporations Act 1993 (Qld)* (GOCAct), incorporating relevant aspects of the *Financial Accountability Act 2009 (Qld)* and the *Corporations Act 2001 (Cth)* and is presented to the Legislative Assembly of Queensland. It contains CleanCo Queensland Limited's Financial Report for the 2023-2024 financial year (FY24) compiled in accordance with Australian Accounting Standards. Electronic versions of our annual reports are available online at **www.cleancoqueensland.com.au** Paper copies of the report are available on request by emailing **info@cleancoqld.com.au**.

ABOUT CLEANCO

Vision

A clean energy future crafted in Queensland.

Purpose

To deliver clean energy solutions that help our customers thrive in a net zero future.

Watch this video at
https://vimeo.com/938402505

Values

OUR PROFILE

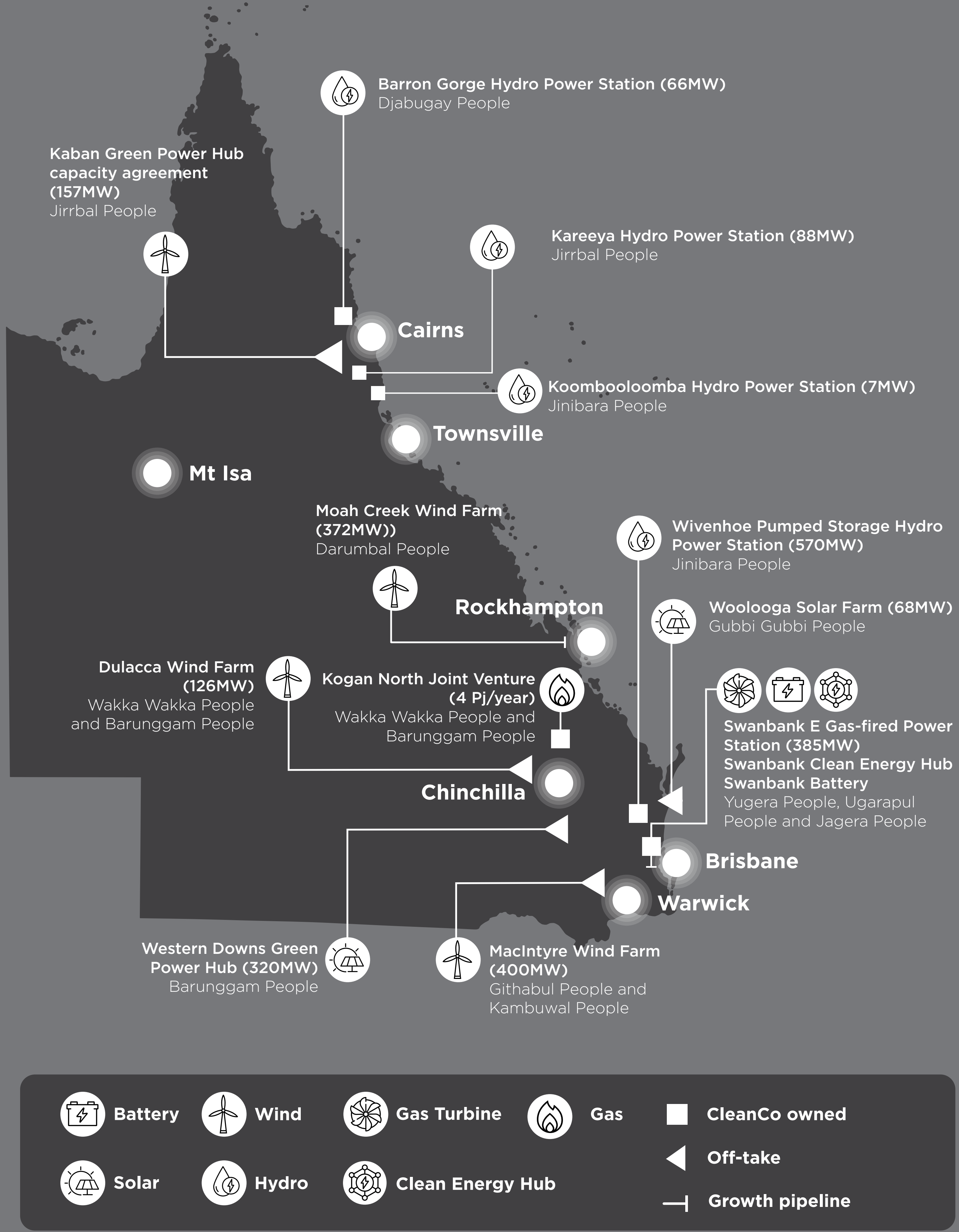
CleanCo is a Queensland Government-owned company focused on delivering clean energy solutions that will help Queensland businesses and communities to decarbonise and thrive in a net zero future.

Our customers are a cross-section of Queensland's thriving economy, each with various challenges and opportunities ahead in their journey to net zero. CleanCo aspires to be more than an energy provider on these journeys – we seek to partner with our customers to make decarbonisation an opportunity for enhanced competitiveness on the local and global stages for some of Queensland's largest and most influential employers.

CleanCo is the custodian of some of Queensland's most flexible lower-emission energy generators, including Queensland's only operational pumped storage hydroelectric generator at Wivenhoe Dam. These valuable assets provide the foundation on which we are building our portfolio of renewable energy generation and storage facilities to meet the growing energy needs of our current and future customers. Our ambition is to have 5GW of renewable energy projects – through offtakes and equity investments – under construction or in operation by 2030. This will help propel Queensland's energy transformation and support achieving the objectives of the Queensland Energy and Jobs Plan (QEJP).

We are committed to growing a market-leading energy business in Queensland, specialising in sustainable energy products. Beyond energy generation, our activities support broader objectives including building local supply chains, supporting a pipeline of jobs and training for the regions, decarbonising Queensland's energy intensive industries, supporting regional economic development and securing public ownership of generation assets.

A clean energy future crafted in Queensland



Queensland Energy and Jobs Plan

CleanCo's enterprise strategy and FY24 milestones set out below, reflect the objectives of the QEJP. As a publicly owned generator, developer and retailer, CleanCo is actively pursuing opportunities to:

- invest in new renewable projects to grow CleanCo's portfolio and deliver on the Queensland Government's renewable energy targets and objectives for public ownership of energy assets
- ensure an appropriate mix of variable renewable energy and firming capacity, including increasing the efficiency of the Swanbank E gas-fired power station so that it can continue to serve peak demand periods, supporting a reliable and flexible 24/7 lower-emission energy supply
- grow our market share in Queensland by supplying more of Queensland's energy users, to assist them with their sustainability objectives, thereby supporting Queensland emissions targets and the pace and scale of the QEJP renewables build out
- create training and employment opportunities in the renewable energy industry, with alignment to the Queensland Energy Workers Charter
- partner with government, industry and local communities, including First Nations communities, to ensure the benefits and opportunities of the energy transformation are shared equitably to secure a prosperous future for all Queenslanders.

FY24 HIGHLIGHTS

Our integrated portfolio generated **3,065GWh** of energy between July 2023 and June 2024.

We commenced construction on the **250MW/500MWh** Big Battery at Swanbank – CleanCo's first battery project.

We executed a Project Option Agreement to develop the **372MW** Moah Creek Wind Farm, progressing our commitment to build, own and operate publicly-owned renewable energy assets.

We signed a Power Purchase Agreement for **68MW** from the Woolooga Solar Farm, and a new Power Purchase Agreement for **86MW** from the Dulacca Wind Farm, further bolstering renewable energy portfolio to meet our customers' needs.

We completed the **$17 million,** 100-day overhaul of Unit 2 at Wivenhoe Power Station, ensuring the ongoing efficiency and reliability of the plant.

We completed the first phase of the Kuranda Weir Recovery Project, returning the Barron Gorge Power Station to service following critical infrastructure damage from ex-Tropical Cyclone Jasper in December 2023.

We finalised the Swanbank Clean Energy Hub Masterplan and established the Community Reference Group to continue community participation and engagement in the development of the site.

We celebrated **60 years** of generation at Barron Gorge, **50 years** of generation at Swanbank, and **40 years** of generation at Wivenhoe, demonstrating the long history and connection to community that these sites have.

We signed a raft of new customers including North Queensland Airports, BHP Mitsubishi Alliance, Orora Group and Vinidex to supply them with renewable energy and help them thrive in a net zero future.

We launched the Performance and Growth Framework to help our people connect with CleanCo's purpose and enterprise strategy, and facilitate a consistent, structured process across the organisation.

We finalised and implemented the first Brisbane 'Working at CleanCo' Enterprise Agreement; and negotiated replacement Enterprise Agreements for the Barron Gorge, Kareeya, Wivenhoe and Swanbank power stations.

MESSAGE FROM THE CHAIR

Allison Warburton

I am proud to present CleanCo's Annual Report for FY24.

For CleanCo, FY24 was an incredible year of growth and maturation. We have defined our purpose and formalised an enterprise strategy which guides our investments, decision-making and activities. Our strategy remains focused on delivering clean energy solutions that enable our customers to thrive in a net zero future. In step with the Queensland Energy and Jobs Plan and the Queensland Government's target of 80 per cent renewable energy generation by 2035, our strategy is underpinned by strong growth ambitions and a focus on delivering positive outcomes for our workers and communities.

Our strategy focuses on three core elements over the horizon to 2030:

- continuing customer growth and product innovation, with a view to securing 20 per cent of the NEM-connected market in Queensland.
- rapid portfolio growth, with a target of 5GW of renewable energy projects under construction or in operation through offtake and equity investments, complemented by a market leading firming portfolio
- driving an integrated sustainability approach across the business, demonstrating visible standards for how we interact with the environment and communities that host our assets.

In FY24, we made great strides in growing our customer base and delivering innovative clean energy solutions in the Queensland market. We signed a number of retail contracts welcoming customers including North Queensland Airports, Suntory Oceania, Orora and BHP Mitsubishi Alliance. These partnerships, which span multiple industries, demonstrate a shared commitment to decarbonisation. Thank you to each of our customers for trusting CleanCo to partner with you on your sustainability journey.

To help match the needs of our growing customer base, we have progressed opportunities to expand our energy production portfolio. We signed new Power Purchase Agreements (PPA) with the Woolooga Solar Farm and the Dulacca Wind Farm, adding a combined 154MW of renewable generation to our portfolio in FY24. We also executed a Project Option Agreement (POA) to develop the Moah Creek Wind Farm – the first project to be progressed as part of our Central Queensland portfolio. Following a successful market engagement process in FY24, we are now progressing a strong pipeline of new generation and storage project opportunities that will support continued growth of our portfolio. To our current and prospective development partners, thank you for sharing your expertise and for your willingness to collaborate with CleanCo to deliver projects that will help propel Queensland's energy transition.

As we assess these projects, we are looking to secure value for our customers and our shareholders; but we are also keenly focused on creating positive outcomes for communities and our environment. Through these projects we will create training and employment opportunities in the renewable energy industry, and we will partner with our stakeholders, including First Nations communities, to ensure the benefits and opportunities of the energy transition are shared equitably to secure a prosperous future for all Queenslanders.

I am incredibly proud that we already see this commitment in action across our existing sites. At our Swanbank Clean Energy Hub, we are continuing to engage meaningfully with the community as we bring to life a masterplan to transform one of Queensland's oldest thermal power generation precincts into a clean energy hub for the future. Alongside the construction of the Swanbank Battery and the pursuit of new energy generation and storage opportunities at the site, we have established a community reference group to help guide the development of the masterplan, with a focus on community infrastructure. CleanCo is privileged to be the custodian of this site which has such significance for the local community. We have a responsibility to make sure it continues to create economic, social and environmental value for the region.

It is our vision that, through our unwavering pursuit of excellence in the delivery of reliable, sustainable energy solutions, the CleanCo brand will become synonymous with Queensland's clean energy future. Sustainability is at the core of what we do and in FY24 we engaged a third party to benchmark CleanCo against industry peers and provide direction to advance our sustainability maturity. I am pleased to report that the review identified CleanCo is leading in the social and community engagement and investment space. The review also found CleanCo to be proactive in decarbonisation planning; diversity, inclusion and upskilling; and our sustainability accountability and performance. We are committed to our sustainability credentials which will remain a central focus for CleanCo in FY25 and beyond.

CleanCo's growth in FY24 has been underpinned by strong leadership and commitment at all levels of the business. I would like to thank our shareholding Ministers for their support and for having confidence in CleanCo to deliver on our commitments for Queensland.

To my fellow Directors, thank you for sharing your wisdom and experience to help guide CleanCo forward. I look forward to continuing this work with you into FY25. To our Chief Executive Officer, Tom Metcalfe, and the CleanCo Executive Team, thank you for your leadership, dedication and enthusiasm. We have set bold ambitions for CleanCo and I am grateful for the way you have approached the challenge with courage, curiosity and determination.

Finally, the biggest thank you goes to our CleanCo employees. You have embraced our vision and purpose and have worked so incredibly hard to achieve many important milestones in FY24. Your commitment to making CleanCo one of Queensland's leading energy providers is second to none.

I look forward to working with our incredible team over the coming year as we continue to deliver on our vision for a clean energy future crafted in Queensland.

MESSAGE FROM THE CEO

Tom Metcalfe

CleanCo made huge strides during FY24, exceeding operational and financial goals. We secured new offtake agreements with Dulacca Wind Farm (86MW) and Woolooga Solar Farm (68MW) and welcomed energy from Kaban Wind Farm (157MW) into the portfolio. In addition to offtake agreements, we have established a strong pipeline of owned projects. Our overall capacity and capability to deliver on our strategy has been bolstered, with our permanent workforce growing to 254 team members.

Our integrated portfolio, including owned assets and projects where we have offtake agreements, generated 3,065GWh of clean energy, an increase of 652GWh compared with FY23. Our owned assets generated 1,959GWh. This was an incredible achievement, especially considering the devastating impacts of ex-Tropical Cyclone Jasper which forced Barron Gorge Hydro Power Station out of service on 17 December 2023. I am pleased to report that the power station was returned safely to service on 6 July 2024 and has been operating reliably since.

As the team worked exceptionally hard to bring Barron Gorge back online, our other generating assets maintained excellent reliability, particularly during the crucial summer months, achieving an availability of over 98 per cent during the first quarter.

I am pleased to report that our good safety record has continued into FY24. While we did record one medical treatment injury and one lost time injury, CleanCo's commitment to health and safety is unwavering. We have continued to mature and refine safety practices and wellbeing initiatives across all areas of our business.

We are also taking steps to elevate asset management at our operational sites. We have engaged an external advisor to to assist CleanCo to develop a five-year Asset Management Improvement Plan. The plan aligns CleanCo's asset management and risk management practices as well as asset process safety, lifecycle planning and performance to ensure our assets are well-positioned to support us in meeting our strategic objectives.

In terms of financial performance, I am delighted to report that the company delivered a Net Profit After Tax (NPAT) of $104.5 million, compared with a NPAT of $41.6 million during FY24 from total sales revenue of $630.2 million. Our Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) was $142.6 million, exceeding budget by $99.7 million. These improved results were partly due to the continued strong performance of our operating assets, but also due to our continued strong retail and spot generation results.

We signed 12 new large commercial and industrial customer agreements, demonstrating the demand from Queensland businesses for reliable, sustainable clean energy. We are focused on continuing to evolve our product offerings to position CleanCo as the energy retailer of choice for Queensland's commercial and industrial businesses.

To this end, and guided by the strong leadership of our Board and the roadmap outlined in the QEJP, we are making strides to grow our generation capacity. In FY24 we signed two new PPAs, bringing the total capacity of our committed renewable energy PPAs to 1071MW – 631MW of which is now in service and integrated in our portfolio. Thank you to our PPA partners – your professionalism in delivering world-class renewable energy projects means we can confidently provide our customers with sustainable energy solutions.

We are actively engaging with the market to secure other renewable energy and storage projects both through offtake and equity investments. It was with great pride that we broke ground on CleanCo's first battery project at the Swanbank site in February. We are grateful to our contract partners, Yurika and Tesla, for collaborating with us to build the 250MW /500MWh Swanbank Battery. We are also grateful to Central Queensland Power (CQP) for trusting us as a development partner in Central Queensland. Thank you to the various organisations who have supported and engaged with CleanCo as we investigate other growth opportunities.

We are continuing to mature our information and communication technology systems and processes to support our evolving business. In FY24 we finalised our Digital Strategy which sets out a series of digital ambitions and a roadmap aligned to achieving our corporate goals and objectives. We are maturing our cyber security program to be best practice in our industry and meet the expectations of our stakeholders.

We know social licence is a critical part of securing the long-term sustainability of our projects and operations. We also know community engagement goes beyond sponsoring local sports teams – although this is also a very important part of what we do. Our new Community Futures Fund provides a structured process for making these financial contributions to a range of community initiatives.

In addition to the Futures Fund, we are committed to maturing our social investment framework to develop partnerships within host communities. We have dedicated significant effort to building genuine, mutually respectful relationships with First Nations People, we are supporting our teams to build cultural confidence and capability, and we are developing our first Reflect Reconciliation Action Plan (RAP). These are just some of the ways we are actioning our commitment to Diversity, Equity, Inclusion, and Belonging (DEIB) within our organisation and our communities. We are also participants in the new statewide gender pay equity audit under the Office of the Special Commissioner for Equity and Diversity, and are working in support of the Queensland Government's 'Equal by 30' initiative.

Our people are our most valuable asset. I am proud to lead a team that is dedicated to making a difference today and for the future. I would like to thank Allison and the CleanCo Board for their support and guidance, and for putting their faith in our leadership team. I would also like to thank the CleanCo team for living our values and for pursuing excellence in everything we do. With our enterprise strategy set, we will move purposefully into FY25 as we continue to deliver clean energy solutions to help our customers thrive in a net zero future.

OUR PERFORMANCE IN FY24

CleanCo develops a Statement of Corporate Intent (SCI) and Corporate Plan setting out the key strategies and performance targets for CleanCo annually. The SCI is published with the relevant Annual Report on the CleanCo website.

CleanCo performance against milestones outlined in the FY24 SCI is described in the tables below.

Table 1: Corporate measures

MEASURE	FY24 Actual	FY24 SCI	FY23 Actual
FINANCIAL			
Gross Profit ($M)	203.0	127.3	58.3
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA ($M)	142.6	42.9	131.0
Earnings Before Interest and Tax (EBIT) ($M)	165.8	(3.1)	84.0
Net Profit After Tax (NPAT) ($M)	104.5	(26.1)	41.6
Capital Expenditure ($M)	195.4	288.2	68.8
NON-FINANCIAL			
Total Recordable Injury Frequency Rate (TRIFR)	3.68	0.00	0.00
Environmental breaches^	0.00	0.00	0.00
Full-Time Equivalent Staff	254	278	216

^ A non-compliance with a licence, permit or other legal obligation and/or an environmental incident that caused or threatened serious or material environmental harm in accordance with the Environmental Protection Act.

Table 2: Progress against milestones

MILESTONE	STATUS	COMMENTS
Subject to shareholding Minister approval, commencement of development of projects secured under the Renewable Project Portfolio Agreement (RPPA) with CQP including potential execution of POAs.	Complete	• Shareholding Minister approval granted with $500 million secured in the 2023-24 Queensland Budget for the RPPA. • Executed POA for Moah Creek Wind Farm.
	On track	• Continuing to progress towards POA for other projects.
Commence dispatch of Kaban Wind Farm under the Capacity Purchase Agreement.	Delayed	• CleanCo has been taking 100% of the energy from Kaban since 1 January 2024, but will not commence dispatching the unit until FY25.
Reach Final Investment Decision on the Swanbank Battery and execute agreements for equipment supply and construction.	Complete	• Yurika appointed to deliver project. • Battery project now under construction. • Battery expected to be operational in 2025.

MILESTONE	STATUS	COMMENTS
Progress development of commercial and community outcomes for the Swanbank Clean Energy Hub based on our community co-design program.	Complete	• The energy market Expression of Interest (EOI) analysis is complete and recommendations endorsed by CleanCo Board. • Draft community masterplan priorities endorsed by CleanCo Board.
	On track	• Land remediation activities underway. • Preliminary design for ash dam rehabilitation progressing.
Negotiate new offtake agreements with solar, wind and battery projects, and seek shareholding Minister approval.	Complete	• Executed early energy offtake agreement for 85MW from the Dulacca Wind Farm, commenced 1 January 2024 (with CleanCo's 126MW PPA to commence 1 July 2025). • Executed 68MW PPA with Woolooga Solar Farm, commenced 1 January 2024. • Completed Expression of Interest process for additional wind and solar projects.
	On track	• CleanCo is undertaking due diligence and negotiations to identify and secure additional renewable energy development and offtake opportunities from the EOI process.
Develop new innovative renewable retail products and market to select key customers.	On track	• CleanCo is developing a new retail solution, which will include the ability to see real-time consumption data via a streamlined customer portal. • CleanCo has recruited a product and partner specialist.
Complete Wivenhoe Unit 2 overhaul on time and within budget and finalise preparations for C5 major turbine overhaul of Swanbank E.	Complete	• Wivenhoe Unit 2 overhaul completed on time and within budget.
	On track	• Preparations for C5 major turbine overhaul at Swanbank E are on track with the overhaul scheduled to commence in early FY25.
Upgrade our processes and systems including delivering stage three of our Physical Trading Platform enhancement, investing in cyber uplift (cloud security, disaster recovery and network access control), infrastructure modernisation and digital transformation.	On track	• Implemented a Legal Document and Case management system and a full SAP upgrade to current standards. • Network hardening and disaster recovery is well underway with several security controls implemented. • The first capability uplift for digital transformation has progressed with the implementation of an enterprise Data Hub.
Develop an organisational Capability Framework, and a new DEIB Strategy	Delayed	• Progressing a project to deliver new enterprise Capability Framework. This was rescheduled by six months to accommodate other urgent activities and to update CleanCo's operating model in support. • Developed DEIB Action Plan • DEIB Strategy under development – now planned to be delivered in December 2024.

OUR STRATEGY

In step with the QEJP and the Queensland Government’s target of 80% renewable energy generation by 2035, our strategy is underpinned by strong growth ambitions and a bias to action.

Our strategy focuses on three core elements over the horizon to 2030:

- continuing customer growth and product innovation
- rapid portfolio growth
- integrated sustainability.

Delivering clean energy solutions to help our customers thrive in a net zero future.

- We will lead Queensland businesses through the renewable transition as a major provider of clean energy.
- We will provide a 5GW portfolio of wind and solar generation, through equity and offtake investments, firmed by lower-emission hydro, gas, and storage assets.
- We will create positive social and environmental outcomes for our people, customers and community.

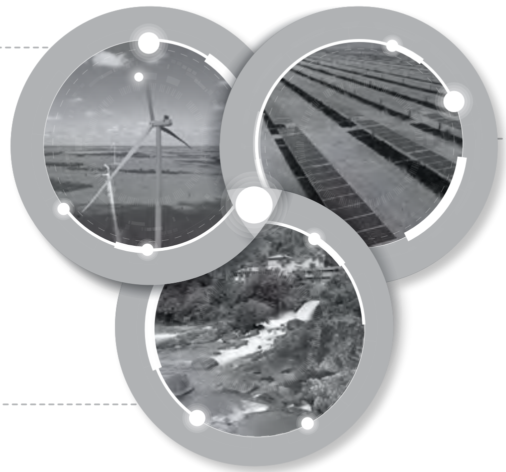
This report is structured around CleanCo’s initiatives and achievements in FY24 as they align to our strategic objectives.

Figure 1: CleanCo’s Enterprise Strategy

STRATEGIC OBJECTIVES

CUSTOMER GROWTH AND INNOVATION

Grow our business to service 20% of the Queensland market. Develop, tailor and partner to create innovative energy solutions which meet the electrification and sustainability goals of our customers.



PORTFOLIO GROWTH

Serve our customers with a 5GW fleet of wind and solar generation, backed by a market leading lower-emission firming portfolio of gas, hydro and energy storage assets.

INTEGRATED SUSTAINABILITY

Place net zero and sustainability at the core of what we do. Demonstrate visible standards for how we interact with the environment and communities that host our generation and storage assets.

STRATEGIC ENABLERS

Delivering on our purpose and achieving our strategic objectives

DIVERSE AND CONNECTED TEAM

Cultivate a thriving, connected team of talented and diverse people who are proud to be part of CleanCo’s mission. The experience and insight our people gain will set us up for ongoing success.

OPERATIONAL EXCELLENCE

Safety is our first priority and a fundamental embedded in our culture. We are skilled at what we do and set high standards for our operations, use of capital, and governance.

DIGITAL TRANSFORMATION

Modernise our ways of working through the adoption of digital technologies to further secure, scale and transform our business to deliver on our objectives.

CUSTOMER GROWTH AND INNOVATION

We are taking steps to grow our business to service 20% of the Queensland market. We will develop, tailor and partner to create innovative energy solutions which meet the electrification and sustainability goals of our customers.

With the ability to firm our renewable energy offerings with flexible, lower-emission firming generation, CleanCo is uniquely positioned in the Queensland market.

We are incredibly proud to partner with some of Queensland's largest employers to assist them with their sustainability objectives. By supporting these businesses to reduce emissions, we cultivate the demand required to sustain the pace and scale of the QEJP renewables build out, and we help propel Queensland towards a net zero future. In FY24, CleanCo formalised partnerships with 12 customers including:

North Queensland Airports

CleanCo is supplying renewable energy for 100 per cent of the group's land operations at Cairns and Mackay Airports. This collaboration means that locally sourced renewable energy will help propel Queensland to be a world leader in sustainable travel experiences. It allows Queenslanders to make a direct connection between the renewables we are investing in, the journeys they travel and the airports they visit in beautiful North Queensland.

Orora

CleanCo has partnered with leading sustainable packaging solutions provider Orora to secure long-term supply of renewable energy for the company's can manufacturing facility at Rocklea, Queensland. Under the agreement, the Rocklea facility will be powered by 18GWh of renewable energy, complementing the sustainable credentials of Orora cans, an infinitely recyclable packaging option produced from aluminium.

Demonstrating a collective commitment to sustainability, Suntory Oceania is also a valued customer of Orora. This means beverages produced at Suntory Oceania's Swanbank facility, and canned using products manufactured at Orora's Rocklea facility, are being produced with the power of locally sourced renewable energy.

Our 'Wivenhoe Green' product showcases how renewable energy and pumped hydro, supported by an efficient transmission network, can more effectively deliver reliable clean energy for our large industrial customers.

Suntory Oceania

Some of Australia's favourite beverages will soon be manufactured using renewable energy, with a deal between CleanCo and Suntory Oceania enabling a state-of-the-art net zero manufacturing and distribution facility in Swanbank. Under the agreement, CleanCo will supply electricity and large-scale generation certificates (LGCs) covering 100 per cent of Suntory Oceania's electricity requirements.

BHP Mitsubishi Alliance

BHP Mitsubishi Alliance (BMA) signed a new agreement with CleanCo to secure renewable energy to meet approximately 60 per cent of its forecast electricity requirements in Queensland for five years from 2026. This agreement bolsters a strong, ongoing relationship between CleanCo and BMA, focussed on supporting the decarbonisation of heavy industry.

Reinforcing our unique place in the Queensland energy landscape, CleanCo has directly incorporated storage capabilities of our Wivenhoe Pumped Hydro Power Station into this new agreement. This means renewable energy is virtually stored at Wivenhoe for the direct benefit of BMA when it is required and allows us to effectively match the renewable energy purchased to those times when the customer needs electricity most – not just when wind and solar energy is available.

CASE STUDY

Sustainable supply chains

The energy transformation is critical to the long-term prosperity of Queensland's economy. Our sustainability credentials are critical to remaining competitive in a rapidly decarbonising global economy.

Queensland needs to set our resources and agricultural sectors up to be globally competitive into the future – if we can't provide clean, sustainable, certified products and resources, it is going to be difficult to compete on the world stage.

CleanCo is proud to be a part of Queensland's coal export supply chain. Through renewable energy contracts with BMA, Aurizon and the Dalrymple Bay Coal Terminal, we are making sure Queensland's coal resources are backed by locally produced renewable energy. This fosters sustainable, competitive industries in Queensland and translates to economic and social prosperity for our regions.

PORTFOLIO GROWTH

We are focused on supporting our customers on their decarbonisation journey by building our portfolio. Our aim is to add 5GW of wind and solar to our portfolio, backed by a market leading, lower-emission firming portfolio of gas, hydro and storage assets.

The statewide build required to deliver on the QEJP cannot be understated. It aligns with the rapidly increasing demand for flexible, reliable clean energy from Queensland businesses and communities as local, national and global expectations for decarbonisation grow.

Renewable energy offtakes

FY24 was the first full year CleanCo operated with wind and solar integrated in our portfolio. Solar energy from the Western Downs Green Power Hub, and wind energy from the Dulacca Wind Farm and Kaban Green Power Hub bolstered our portfolio to meet the energy needs of our customers. We use these projects, combined with our own assets, to provide our customers with firmed renewable energy solutions.

In January 2024 we also signed two new PPAs with Woolooga Solar Farm and the Dulacca Renewable Energy Project.

As at 30 June 2024, CleanCo has committed to more than 1071MW of new renewable energy generation through offtake agreements. Of this, 631MW has now been integrated into CleanCo's portfolio. Collectively, these renewable projects have created more than 1500 Queensland jobs during their construction and will support up to 40 Queensland jobs during operation.

Table 3: CleanCo's renewable energy offtake agreements

Renewable Source	Facility Capacity	Offtake	Project status
Western Downs Solar Farm	400MW	320MW (80%)	Operational
Kaban Wind Farm	157MW	157MW (100%)	Operational
Dulacca Wind Farm*	173MW	86MW (50%)	Operational
Woolooga Solar Farm	176MW	68MW (38.6%)	Operational
Dulacca Wind Farm*	173MW	126MW (70%)	Operational
MacIntyre Wind Farm	923MW	400MW (43%)	Under construction – expected completion mid-2025

*CleanCo has two offtake agreements with the Dulacca Wind Farm. The term of PPA for 50% is 1 January 2024 – 30 June 2025. The term of the PPA for 70% commences on 1 July 2025.

Dulacca Wind Farm

CASE STUDY

Dulacca Wind Farm

Officially opened in October 2023, the Dulacca Wind Farm is a 173MW facility located on the Western Downs. With 43 wind turbines standing 230m in height, the Dulacca Wind Farm has the capacity to power the equivalent of 124,000 Queensland homes.

Jobs

During peak construction, the project which was developed by RES and is now owned by Octopus Investments Australia, saw around 150 workers active on the project site with over 1000 people providing services during the two-year construction period. The project supported further jobs and positive economic activity through supply chain and local procurement opportunities. Eight permanent jobs have been created to manage the ongoing operations of the wind farm over the life of the wind farm.

Community

The project has established a Community Fund for the benefit of the local Dulacca and Drillham communities. Valued at around $1.25 million, and administered with the input of the local community, the fund will support local projects, community groups and organisations.

In addition to this, through the course of the construction period, over $25,000 of steel and timber fixings were donated to the trade program in the local high school in Miles with more picked up by businesses and locals for use on their farms and properties.

Watch this video at
https://vimeo.com/1000599310

Watch this video at
https://vimeo.com/1000602315

Growth pipeline

In FY24 CleanCo made significant steps forward in establishing a pipeline of projects to grow our portfolio of renewable energy projects. We are approaching this in a considered way, ensuring we invest in generation and storage projects that will enable us to meet the future energy needs of our customers and make bold contributions to achieving the objectives of the QEJP.

Central Queensland Portfolio

Backed by a $500 million investment from the Queensland Government, CleanCo is partnering with Central Queensland Power (CQP) to develop a 2.3GW portfolio of renewable energy projects in the industrial heartland of Central Queensland.

In FY24, CleanCo announced the 372MW Moah Creek Wind Farm as the first project to be progressed for development under the CleanCo-CQP partnership. Located 30 kilometres west of Rockhampton, the Moah Creek Wind Farm will include up to 60 wind turbines and support up to 400 construction jobs. Following the development phase, construction is expected to start in 2025, subject to Final Investment Decision and consideration by shareholders. CleanCo and CQP will continue to assess and shortlist renewable energy projects which deliver the best outcomes for the environment, communities, industry, and Queensland's overall renewable energy transformation. Projects assessed as having the potential for delivering the best outcomes will be progressed to development phase.

Market response

To support achieving our goal of acquiring 5GW of renewable generation by 2030, CleanCo invited developers to submit proposals for wind and solar projects across Queensland.

The EOI process was well received by industry, with a total of 57 proposals submitted from 36 different proponents.

CleanCo is continuing to engage with proponents to assess which projects will deliver the best outcomes for Queensland and meet the energy needs of our current and future customers.

This tranche of development seeks to secure CleanCo's generation requirements for the future, through valuable development partnerships and projects that leave a positive legacy for communities and customers.

Swanbank Clean Energy Hub

The Swanbank Clean Energy Hub is at the forefront of Queensland's transition to renewable energy, showcasing how a former coal-fired power station site can be repurposed to provide renewable and low emission energy while meeting community needs.

In FY24 we finalised a site masterplan which brings together future energy uses and community infrastructure to create a space that will support social and economic prosperity for the region into the future.

New energy technologies

We have begun shortlisting energy generation and storage options for the site. This work included inviting the market to propose technologies that could support the decarbonisation of our Swanbank E combined-cycle gas-fired power station.

The EOI process resulted in 33 proposals for 63 different technologies. With support from external expert advisors, CleanCo critically evaluated the proposals, shortlisting technologies and vendors as possible options for the site.

Site design and feasibility studies, detailed market readiness research and the preparation of investment business cases for these options is underway and will continue to be progressed in FY25.

Swanbank Battery

The Swanbank Clean Energy Hub includes a 250MW/500MWh battery with two-hour storage. This will be CleanCo's first battery energy storage system (BESS) and will significantly boost CleanCo's energy storage capacity.

Demonstrating how existing infrastructure can be repurposed to support a renewable energy future, the battery is being built on the footprint of the former coal-fired Swanbank B station. Construction of the project commenced in February 2024, with Yurika (part of Energy Queensland) engaged to deliver the project. The battery components will be supplied by Tesla.

Community

In addition to exploring energy technologies for the site, in FY24 we began looking at how we could realise priority community projects under the masterplan, as identified by the community codesign panel:

- active transport on the site
- restorative wetlands with opportunities for environmental education
- enhancing the barbecue and playground facilities by the lake.

In acknowledging the range of complex opportunities and constraints of implementing these projects, CleanCo formed a Community Reference Group (CRG) in May 2024 to ensure ongoing community participation in the development of the Swanbank Clean Energy Hub. The CRG brings together 16 Ipswich residents with a wide range of life experience and local knowledge. The CRG will meet quarterly to provide advice and feedback about energy options and community infrastructure.

In FY24 we also began developing a First Nations Partnership Framework for the Swanbank site to guide our collaboration with Traditional Owners and First Nations community members. CleanCo has hosted a number of planning sessions with First Nations community members to identify opportunities for economic and community participation as the site is developed to ensure the benefits of the energy transition are shared equitably.

INTEGRATED SUSTAINABILITY

The nature of CleanCo's assets and operations gives us a unique position in the market to drive a net zero future, place downward pressure on wholesale electricity prices and lead change. Sustainability is a rapidly evolving space, with Environment, Social and Governance (ESG) reporting, disclosure requirements, climate science and sustainable technology initiatives shaping our corporate strategy.

Sustainability is at the core of what we do. We strive to demonstrate visible standards for how we interact with the environment and our host communities, and we are guided by our Sustainability Framework. The framework was developed in FY23 and continued to evolve in FY24 as the organisation matures and reporting requirements change to align with the Queensland Government's Sustainability Reporting Framework. CleanCo anticipates alignment to the incoming Australian Accounting Standards Board (AASB) Sustainability Reporting Standards will be required from FY26 onward.

Our Sustainability Framework

CleanCo's Sustainability Framework comprises six priority areas:

- Land and environment
- Carbon
- Community
- Ethical sourcing
- Equity, inclusion, diversity and belonging.
- Integrity and governance

Figure 2: Sustainability oversight at CleanCo

People, Health, Safety & Environment Committee

Sustainability Steering Committee
Strategic matters

Land and Environment	Carbon	Community	Equity, Inclusion, Diversity and Belonging	Ethical Sourcing	Integrity and Governance

A Sustainability Steering Committee comprising the Executive Leadership team and subject matter experts oversees sustainability strategy and progress, with quarterly reports being provided to CleanCo's People, Health, Safety and Environment Committee (PHSEC).

During the year, CleanCo engaged external advisors to review our existing Sustainability Framework as well as benchmark against industry peers and provide direction to advance our sustainability maturity.

Initial findings identified that CleanCo is leading in the social and community engagement and investment space. The review also found CleanCo to be proactive in decarbonisation planning; diversity, inclusion and upskilling; and in our sustainability accountability and performance.

To extend on this foundation work, CleanCo undertook an ESG materiality assessment using a Global Reporting Initiative methodology, industry standards and input (via interviews) from the internal CleanCo leadership team, shareholder representatives and a cross section of customers. The outcomes of this assessment will be finalised in early FY25 and used to help refine our sustainability framework and develop an ESG/Sustainability Policy and strategy.

In FY24, the sustainability work program focused on key actions around preparing for future climate change and sustainability reporting. These are outlined in table 4 below.

ESG data reporting

Access to reliable, accurate and quality assured data is important to prepare CleanCo for future ESG reporting and disclosure standards. In FY24 a cross-functional team began collating energy and emissions data to help build understanding of the challenges of automating that information.

The initial focus on environmental data, which is currently collected and processed manually, resulted in a complete profile for:

- material energy
- Scope 1 and 2 greenhouse gas emissions
- waste.

Partial profiles for water consumption were also developed (limited by data availability). Quarterly reporting to the Sustainability Steering Committee and PHSEC will commence in FY25. We are also investigating the potential for ESG data to be incorporated in CleanCo's new data hub as part of FY25 Information Communication Technology (ICT) initiatives.

Prioritisation of these projects will assist in streamlining ESG data collation, reporting and validation. It will also assist in addressing emerging requirements for ESG data disclosures, auditing, and in providing data to Queensland Treasury for its Sustainability Reporting Requirements, and to customers for their own sustainability reporting purposes.

FY24 initiatives

CleanCo made significant progress in a range of sustainability initiatives in the six priority areas of our Sustainability Framework. These areas of focus align with the sustainability principles included in the QEJP.

Table 4: Key actions undertaken in FY24 to progress CleanCo's sustainability ambitions

Priority Area	Progress Summary
Climate Change	**Climate risk assessment** We undertook a high-level (qualitative) climate risk assessment to provide a foundation for more detailed transition and physical climate risk and opportunity assessments in FY25.
Land + Environment	**Review of ecological values** We commenced planning for establishing baseline ecological values for our operational sites. It is anticipated work will involve a review of existing ecological assessments, a gap analysis to identify legislative/mapping changes, additional desktop assessment, and validation of outcomes via targeted field surveys in FY25. This work will help to inform a baseline of ecological values at our sites and identify where to focus future strategic opportunities to improve biodiversity. In FY24, a review of ecological values for CleanCo's non-operational properties (Millstream and King Ranch in far north Queensland) was undertaken to understand what opportunities may exist at these sites with regards to future rehabilitation and regeneration.
Carbon	**Decarbonisation pathway** We developed a decarbonisation pathway and established our emissions baseline, which aligns with Queensland's emissions reduction direction We also began rolling out a Net Zero Now Program as part of our approach to identifying carbon saving and efficiency opportunities, with three operational sites identifying 17 interventions. These have been incorporated into a central register and work will continue in FY25 to evolve this program and ensure interventions are leveraged as widely as possible. **Waste and Circularity** We commenced establishing a waste baseline for CleanCo across all our operational sites. This will assist informing potential future metrics and targets. We reviewed opportunities to incorporate circularity 'thinking' and projects within the business and cross functional workshops were conducted across sites to contribute to this. Outputs will be finalised in early FY25, with some projects likely to be incorporated into the Net Zero Now program.

Priority Area	Progress Summary
Community	**Reconciliation Action Plan (RAP)** We embarked on our reconciliation journey, through the development of our first Reflect RAP. CleanCo has always prioritised engaging with the Traditional Owners in our host communities, however we recognise the need to interrogate, refine and formalise processes to ensure they are appropriate and consistently implemented. A Working Group was established in February 2024. This group collectively developed the RAP, with input from our First Nations Strategic Advisor and consultation with the broader organisation. The RAP expands on our existing connections with First Nations stakeholders and new relationships we are building as we grow our portfolio. It outlines our goals to identify new opportunities for expanding engagement and collaboration with First Nations people, including with employees and suppliers, and develop policy frameworks to implement actions. The Reflect RAP was submitted to Reconciliation Australia for endorsement in June 2024. In line with our commitments in the RAP, CleanCo is working with a First Nations advisor to roll out Cultural Competency training across the business to increase our team's knowledge and awareness of Australia's First Nations' culture and history. This will help build foundations for ongoing positive and proactive First Nations engagement across all areas of our business. **Net positive impact** Net positive impact occurs when a company puts back more into society, the environment and the global economy than it takes out. We began work on developing a bespoke Net Positive Framework, which involved initial review and research by a specialist to help us understand global best practice and what contemporary frameworks include. A high-level social baseline for each of our operational sites was developed and includes an overview of the site's operational context (current and historical) and the key social characteristics of its social locality. A desktop review has established the theoretical foundations of the framework, drawing from existing research for the framework design and justification of approach. The draft Framework is in the initial stages of development and emphasises that net positive is a staged process that will allow for a tailored approach suited to each site's host locality and community.

Priority Area	Progress Summary
Equity, Inclusion + Diversity (EID)	**EID Commitment** We began work on developing a DEIB Strategy. As part of this initiative an EID commitment document was shared with our leaders to build awareness and encourage input into the development of the broader strategy. **Unconscious bias training** We engaged specialist consultants to deliver unconscious bias training for leaders and employees. **Queensland Government initiatives** We are actively participating in two Queensland Government initiatives: • an audit by the Office of the Special Commissioner for Equity and Diversity, • the "Equal by 30" campaign by the Department of Energy and Climate. CleanCo is developing an action plan based on the outcomes of these activities, which is due to be finalised by July 2024. We are also supporting the Queensland Government to become Australia's first State jurisdiction to sign up to the global 'Equal by 30' Campaign, providing feedback and input to the Queensland Government's draft commitments. **First Five program** We enrolled our first participant in the Trellis Collective "First Five" pilot program for women navigating their first five years of a career within male dominated industries. An assessment of ongoing opportunities for CleanCo women and their leaders to participate in the program will be undertaken as part of our support for the pilot. **Celebrating diversity days** We developed an internal calendar of events to ensure a consistent approach to celebrating key diversity initiatives, such as IDAHOBIT Day and Pride Month. CleanCo also marks National Reconciliation Week and NAIDOC Week, as part of our commitment to building shared understanding of diversity and cultural capability.
Ethical Sourcing	**Review of processes** We reviewed CleanCo's Request for Proposal (RFP) documents which reference or relate to sustainability. It was identified that sustainability questions could be collated into one 'section' or tab to simplify the requirements of suppliers to address sustainability matters. We also identified where improvements and clarification could be made in the wording of sustainability questions relating to climate change, best practice environmental standards, First Nations businesses, local benefits and code of conduct. These improvements will be progressed in FY25.
Integrity and Governance	**ESG Materiality Assessment** We undertook an ESG Materiality Assessment to identify key areas for CleanCo to focus future time and investment and evolve our sustainability governance and strategy. The methodology adopted was based on the process outlined in the Global Reporting Initiative 3: Material Topics 2021, which is the most widely used reporting standard globally. This work is being finalised in early FY25 and will be used as a foundation for CleanCo's Sustainability/ESG Policy and Sustainability Strategy, whilst also ensuring it aligns with the Queensland Government's Sustainability Reporting Framework. **Sustainability Policy** A draft Sustainability Policy was developed in FY24. The policy will be further developed after the ESG Materiality Assessment has been finalised, to ensure that all considerations from that work are incorporated.

First Nations engagement

CleanCo recognises that Australia's First Nations People have wide-ranging aspirations for their community and their Country, and we seek to support these in a meaningful and respectful way.

The opportunities presented by the energy transformation are far-reaching and will be long-lasting. We are committed to working with communities to carve a path through the transformation that fosters understanding and inclusivity, creating a sustainable and prosperous future for all.

To date, our reconciliation activities have primarily been in relation to Traditional Owner engagement where our energy generation operations and developments are located. We have sought to establish relationships with Traditional Owners in our host communities upon which we can build future partnerships, strategies, and activities.

In FY24 CleanCo engaged the Djabugay Aboriginal Corporations to conduct cultural heritage monitoring for the Kuranda Weir Recovery Project, an engagement that reflects the mutual respect between our organisations as well as our shared commitment to protect cultural heritage values. We also undertook specific engagement with First Nations stakeholders as part of the co-design for the Swanbank Clean Energy Hub and collaborated on identifying future partnership and networking opportunities.

We connected and collaborated with First Nations people and communities on a range of initiatives in FY24 including:

- formally engaging with the Board of Jinibara People Aboriginal Corporation regarding activities at Wivenhoe Power Station and environmental management of Country. We also progressed discussions with the Jinibara Elders around developing a Cultural Heritage agreement for the site and a partnership framework between our organisations
- hosting the Purga Elders to our Swanbank site for a tour and a yarn over lunch
- providing letters of support for federal grant applications for the Wababadda (Jirrbal) Aboriginal Corporation to expand their Ranger program and for the Djabugay Aboriginal Corporations to build financial and governance capabilities in their organisation
- holding regular meetings with the Ipswich Aboriginal and Torres Strait Islander teams from the Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts, and the First Nations Community Development and Cultural Heritage Teams from Ipswich City Council regarding the development of a First Nations Framework for the Swanbank Clean Energy Hub
- hosting the Murri Interagency March 2024 meeting, an Ipswich City Council First Nations event, at our Swanbank site
- engaging the services of Traditional Owners to perform Welcome to Country and Calling to Country ceremonies for official events and site activities.

Giving back to host communities

From supplying equipment to assist with the rescue of Spectacled Flying Foxes to providing much-needed medical supplies for a remote Queensland town, CleanCo's Community Futures Fund is supporting positive outcomes for our host communities.

Launched in FY24, The CleanCo Community Futures Fund was established to provide an avenue for CleanCo to make meaningful financial contributions in our host communities. Two rounds of funding were held in FY24, each with $30,000 available to be distributed across successful applicants.

Successful applicants for FY24 were:

- Rural Health Management Services for the purchase of medical equipment for Ravenshoe Medical Centre
- Marburg and Districts Residents' Association for the purchase and installation of solar panels
- Cairns Children's Museum for the development of a renewable energy educational program and hydro exhibit featuring the Barron Gorge Hydro
- Royal Flying Doctor Service for the purchase of a vaccine fridge
- Ipswich Hospital Foundation to support the Park 2 Park fundraising initiative
- Blackstone Football Club for the purchase of a new storage shed
- Parramatta Park State School for the purchase of uniforms for the rugby league engagement program
- Tully Netball Association to support a player development program
- Tinaroo Sailing Club to support an all-ages sailing program
- Babinda Community Kindergarten for the purchase and installation of solar panels
- Lowood District Bowls Club to support celebrations of the club's 75th Anniversary
- Spectacled Flying Fox Soft Release for the purchase of equipment to support the rescue and release of Spectacled Flying Fox.

In addition to the Community Futures Fund, CleanCo has also supported other community initiatives with direct links to our operational sites and initiatives specific to First Nations and Traditional Owners.

In total, CleanCo contributed more than $145,000 in community sponsorships and donations in FY24.

Barefoot Ballet in the Torres Strait

The Pryce Centre for Culture and Arts in Cairns has a mission to give young people living on Country access to cultural activities, fostering a deep connection with place.

Through our Community Futures Fund, CleanCo contributed to the centre's Barefoot Ballet program, a pilot program for children aged 6 to 10 years living in regional communities across far north Queensland.

Led by First Nations instructors, Barefoot Ballet strengthens cultural pride and confidence in young people, while celebrating First Nations storytelling traditions. The funding provided by CleanCo enabled the program to visit Thursday Island in the Torres Strait, to share the Barefoot Ballet program with even more children.

Marburg and Districts Resident's Association

Solar power for sustainable communities

Demonstrating strong connections between our business of producing renewable energy, and our commitment to supporting thriving sustainable communities, CleanCo had the privilege of providing financial support to a number of groups for the installation of solar panels including for the Djabugay Aboriginal Corporations property in Kuranda, the Babinda Community Kindergarten and the Marburg Community Centre.

The Marburg and Districts Residents' Association was a successful applicant of the Community Futures Fund, with CleanCo donating $7000 towards solar panels for the Marburg Community Centre. The centre was officially opened in June 2024 after 10 years of community collaboration to transform a former mechanical workshop into a space the entire community can enjoy. The solar panels allow the Residents' Association to take advantage of south east Queensland's plentiful sunshine, reducing energy consumption and keeping electricity bills to a minimum.

OPERATIONAL EXCELLENCE

CleanCo owns and operates five lower-emission generation assets in Queensland. In FY24 we continued to develop asset management strategies for our portfolio to improve the overall availability of these assets and support network reliability. Our focus is on ensuring we have critical operating components and resources readily available to support increased asset utilisation and flexible operations.

CleanCo's portfolio produced 3,065GWh in FY24 (compared with 2,413GWh in FY23).

CleanCo's owned and operated portfolio produced 1959GWh. This was complemented by 1,106GWh from renewable energy offtakes.

We maintained excellent levels of availability across our owned and operated sites as outlined in table 5 below.

Table 5: Asset availability

Power Station	Energy (GWh)	Capacity Factor (%)	Targeted availability (%)	Actual availability (%)	Planned and Maintenance outage factor (%)	Forced outage factor (%)
Barron Gorge Power Station^	93	16.2	89.50	35.33	5.42	59.38
Kareeya Power Station	583	75.5	93.50	97.02	2.96	1.03
Swanbank E Power Station	649	20.3	87.5	91.38	4.72	3.89
Wivenhoe Power Station	632	12.6	87.00	91.53	8.03	0.44
Total Portfolio	**1,959**	**20.48**	**87.80**	**88.49**	**6.35**	**6.21**

^The Barron Gorge Power Station was offline between 17 December 2023 and 6 July 2024 after sustaining significant damage in the aftermath of ex-Tropical Cyclone Jasper.

Barron Gorge Hydro Recovery Project


Kuranda Weir December 2023


Kuranda Weir July 2024

Bouncing back from a natural disaster

When ex-Tropical Cyclone Jasper crossed the Queensland coast in December 2023, the weather system impacted many North Queensland communities and essential service infrastructure, including CleanCo's Barron Gorge Hydroelectric Power Station.

Extremely high water levels in the Barron River (surpassing the March 1977 record) caused significant damage to critical infrastructure at the Kuranda Weir which stores water required for power generation. The rainfall at the Kuranda Weir was unprecedented. The volume of water flowing over the embankment caused the embankment to wash away and the damage was such that the Barron Gorge Power Station was rendered inoperable.

When the severe weather had abated, a cross-functional team swung into action to assess the damage at the weir and power station and begin formulating a comprehensive restoration plan. This plan comprised two main phases:

- construction of a temporary rock wall (known as a coffer dam) to restore the function of the weir and enable the power station to resume operations
- construction of a permanent, severe weather resilient concrete wall to support reliable long-term operations.

A crane was required for team members to access the intake structure which had been isolated when the embankment washed away. Securing the site, establishing access tracks and installing the crane required a four-week program of civil works before the team could move on to recovery works.

Critical works have included clearing debris from the weir, building a temporary rock wall (coffer dam) to reinstate the function of the weir and clearing out the station's tail race.

Although sustained wet weather in the first half of 2024 has proved challenging for the recovery project, the Barron Gorge Power Station was returned to service on 6 July 2024. Work is now focused on constructing a permanent, weather resilient concrete wall at the weir to ensure the Barron Gorge Hydro can continue to produce reliable, renewable energy for generations to come. The new weir infrastructure will be designed to have a service life of 40 years. The total cost of the Kuranda Weir recovery is expected to be $25 million.

CleanCo extends a sincere thank you to the local community for their support and patience while recovery works are underway. In particular, thank you to the Djabugay People for partnering with us to undertake cultural heritage monitoring, and to Queensland Rail for working with us to facilitate access to the site. We would also like to acknowledge the tourism operators who rely on the Barron River for their business – the destruction caused by ex-Tropical Cyclone Jasper has had far reaching impacts across the community. Finally, we are grateful to our team for their dedication and professionalism in delivering this complex project.

Asset maintenance

Planned maintenance is an important element of CleanCo's asset management strategies. These outages allow for major maintenance works to be undertaken safely, improving asset performance and reliability.

In August 2023, CleanCo completed a $17 million overhaul of Wivenhoe Unit 2, with the 100-day project creating an extra 100 jobs at the power station.

We also began planning for a major turbine overhaul (C5) at Swanbank E, scheduled to begin in August 2024. The $63 million project involves an overhaul of the GT26 turbine to the latest Advanced Power Package technology to enhance Swanbank E's generating efficiency and reduce emissions. The 53-day project will create an additional 300 jobs at the site.

At our Kareeya Power Station, major maintenance works were conducted from June to October 2023. Valued at $1.6 million, the project involved recoating the penstock and overhauling the dam regulator valve.

In a testament to the longevity of our assets and our commitment to a robust maintenance program, in FY24 we celebrated major milestone anniversaries for three of our sites:

- July 2023 the Swanbank site celebrated 50 years of energy generation
- December 2023 the Barron Gorge Hydro celebrated its 60th anniversary
- June 2024 Queensland's original big battery, the Wivenhoe Pumped Hydro celebrated four decades of reliable energy storage and generation.

The Kareeya Hydro will celebrate 70 years of generation in 2027.

Fuel supply

As Queensland transitions to renewable energy, flexible, lower-emission gas generators, like Swanbank E are essential for ensuring a reliable energy supply when wind and solar generation is low. CleanCo has a 50 per cent interest in the Kogan North Joint Venture (JV) which secures long-term gas for Swanbank E power station. Arrow Energy (50/50 JV between Shell and PetroChina) holds the other 50 per cent.

The Kogan North gas field was first developed in 2006. To date the joint venture has drilled over 100 wells of which approximately 40 are still in operation. In 2020, CleanCo agreed with Arrow Energy a new Kogan North five-year development plan which provides for the drilling of an additional 39 wells on petroleum licence 194 as part of the joint venture. Five of these wells were drilled and connected in March 2023. An additional 34 wells are still to be drilled over the next four years once access and approvals have been finalised. The Department of Environment, Science and Innovation is currently assessing the development plan, and the joint venture expects a final decision from the department in FY25.

In December 2023, CleanCo executed a gas supply agreement (GSA) with Comet Ridge Limited for up to 3.6 petajoules of gas per year from the Mahalo Gas Field, 240 kilometres west of Gladstone in the southern Bowen Basin. The GSA is for a term of 7 years, commencing 1 July 2025.

These gas supply arrangements play an important role in sustaining the long-term commercial viability of Swanbank E power station, allowing CleanCo to operate Swanbank at a predictable price which is essential to ensure CleanCo can commit to pricing for commercial and industrial customers in long-term supply contracts.

Dam operations

CleanCo's ability to provide renewable and lower-emission electricity for our customers is underpinned by the safe operation of three dams.

Our Kareeya Hydro near Tully in far north Queensland relies on Koombooloomba Dam for its water supply while west of Brisbane, Splityard Creek Dam is the upper reservoir for the Wivenhoe Pumped Hydro site. In Ipswich, the Swanbank Cooling Water Dam provides water for our Swanbank E gas-fired station. The Swanbank site also includes an ash dam, a legacy of the coal-fired power stations that operated on the site until 2012. In line with good practice, the ash dam is included in our dam safety management program.

CleanCo recognises its responsibility to operate these dams safely and in a way that minimises impacts on host communities and the environment. Our dam safety management program ensures a comprehensive plan is applied to assess and manage risks and maintain dams according to legislative requirements and international standards.

In FY24, key activities relating to the management of our dams included:

- geophysical investigations and condition assessments at Splityard Creek Dam
- installing data loggers at Splityard Creek Dam, to provide ongoing monitoring of ground water conditions and the performance of existing seepage drainage assets
- initiating a project to install three emergency sirens in the vicinity of Splityard Creek Dam. This work is expected to be completed in FY25
- reviewing historic geotechnical borehole logs at Koombooloomba Dam to determine potential seepage pathways and upgrade dam instrumentation for remote monitoring
- implementing a range of actions for the Swanbank Cooling Water Dam following a safety review, including short-term risk reduction actions such as temporarily lowering the full supply level of the dam by one metre, undertaking investigative works on the low-level outlet pipe and spillway underdrain system, and analysis of the concrete spillway
- identifying a long-term plan for the management of Swanbank Cooling Water Dam, with options analysis and business case development underway in FY24. A decision about future management of the dam is expected in FY25
- a range of investigations at the Swanbank Ash Dam to identify rehabilitation options for the site.

Health, safety and wellbeing

At CleanCo we are committed to fostering a safe environment for all employees, contractors and visitors. By ensuring that work is carefully planned, we manage safety risks and protect the wellbeing of our people. Our organisational value 'courageous' encourages people to have brave conversations about health and safety. We listen to our team members and take action on all unsafe situations. We prioritise the physical and mental health of our team members, our families and our communities.

Our health and safety fundamentals

Our Health, Safety and Environment (HSE) Fundamentals define our commitments to creating and maintaining a safe workplace and apply to all CleanCo team members, contractors and visitors to our sites.

We are fit and mentally ready for work

We are part of and protect our environment

We drive and operate safely

We confirm isolations and electrical safety

We control serious incident and fatality hazards

Table 6: HSE indicators

Leading Indicators	FY24
Hazards Identified	147
Critical Control Verifications (CCVs)	169
Total Recordable Injury Frequency Rate (TRIFR)*	3.68
Lost Time Injury Frequency Rate (LTIFR)*	1.84

**12 month rolling average calculated @ 30 June 2024*

TRIFER measures the number of injuries (excluding fatalities) requiring medical treatment per million hours worked within an organisation.

LIFTR measures the number of lost-time injuries per million hours worked during a single financial year.

In FY24 CleanCo recorded one Medical Treatment Injury and one Lost Time Injury.

Safety is our priority. We continuously review processes and practices with a view to minimising risk and improving the overall health and safety outcomes for our people.

Health and safety in action

In the spirit of continuous improvement, CleanCo implemented a range of initiatives in FY24 to build and support the organisation's health and safety performance. These included:

- implementing an updated Journey Management procedure supported by a digital portal and mobile app
- engaging advisors to review safety leadership, culture and performance across the business and develop a roadmap of priority areas.
- undertaking a Psychosocial Risk Assessment to review current practices and identify opportunities for improvement
- conducting heat stress education sessions at all sites
- providing snake identification, handling and relocation training for our Wivenhoe team, consistent with training provided at other operational sites
- providing investigation training for key personnel to enhance skills and ensure a consistent methodology is applied across the organisation
- facilitating crane training for four employees at our Wivenhoe site, resulting in them attaining a High Risk Licence to operate the site's cranes
- increasing safety messaging on all sites to raise awareness of hazards such as high voltage powerlines and processes, such as visually confirming test and tags are in date before using tools or equipment
- undertaking a once in 10-year fire suppression testing at Wivenhoe Power Station in conjunction with the replacement of CO_2 cylinders for Unit 2. This critical activity provided the opportunity to demonstrate the fire extinguishing effectiveness of the system, prove the validity of evacuation procedures and test the efficacy of the smoke doors.

Caring for our environment

CleanCo recognises our responsibility to operate our assets with minimal impact on their surrounding natural environments. Our assets are situated in dramatically different landscapes, from the dry scherophyll eucalyptus forests in south east Queensland where our Swanbank and Wivenhoe sites are located, to the majestic wet tropics and World Heritage Areas of Far North Queensland, the base of our Barron Gorge and Kareeya Power Stations.

In FY24 we focused our efforts on maintaining compliance, adhering to governance and applying best practice across our assets. Some of key initiatives included:

- maintaining environmental compliance across CleanCo's assets, with our environmental team travelling far and wide to ensure we continue to preserve sustainable working environments at and around our assets
- continuing to develop governance processes to progress and improve our environmental management systems and plans, balancing innovation and risk
- providing advice and management for specific projects such as major works at Barron Gorge Power Station in the wake of ex-Tropical Cyclone Jasper
- developing monitoring and reporting across all aspects of the natural environment, from water quality monitoring to greenhouse and energy reporting
- providing on the ground environmental support for the overhaul at Wivenhoe Hydro Power Station and assessing and developing the initial requirements for the next major overhaul at Swanbank Power Station.

Operating in the Wet Tropics

Our Barron Gorge, Kareeya and Koombooloomba assets are located in Queensland's precious Wet Tropics World Heritage Area. Recognising the significant responsibility that comes with operating in such a delicate and unique part of Australia, CleanCo is committed to meeting the strict environmental standards that allow us to generate renewable energy in these protected areas.

We manage controlled water flows on the Barron and Tully rivers in line with the requirements of the *Water Act 2000* and ensure strict controls are in place to minimise, and where possible eliminate, disturbance to the natural environment surrounding these assets.

CleanCo has strong relationships with environmental agencies such as the Wet Tropics Management Authority and non-government organisations including the Cairns and Far North Environment Centre, and Terrain Natural Resource Management. Collaborating with these agencies ensures a coordinated and considered approach to working in this fragile and precious environment.

We provide quarterly updates to the Wet Tropics Management Authority to share information about our operations and seek feedback on our current and future projects.

Our maturing relationships with the Traditional Owners and First Nations communities in these locations further enhances our understanding and capacity to care for the environment in a way that respects cultural heritage values.

Emissions data

Location-based emissions and energy data for FY23 as reported to the Clean Energy Regulator are outlined in table 7. Data for FY24 will be reported to the Clean Energy Regulator by 31 October 2024.

Table 7: FY23 Greenhouse Gas Emissions and Energy data

CleanCo site	Electricity Exported to Grid	Scope 1 emissions (t CO2-e)	Scope 2 emissions (t CO2-e)	Total emissions (t CO2-e)
Barron Gorge	334,417 MWh	249	342	591
Kareeya	386,886 MWh	83	3,545	3,628
Swanbank E	831,451 MWh	336,668	3,823	340,491
Wivenhoe	500,675 MWh	714	515,482	516,196
Brisbane	0	0	58	58

Wivenhoe Power Station Scope 2 emissions account for the electricity required to pump water into the upper reservoir. As much as possible, we seek to pump during the day when there is typically an excess of cheap, renewable solar energy available, ensuring sufficient water is stored ready to support generation in the evening peak. However, for the purposes of reporting our Scope 2 emissions data we apply a location-based methodology in line with the National Greenhouse and Energy Reporting (NGER) program. This assumes all electricity used to pump water at Wivenhoe Power Station has the average emissions intensity for the Queensland grid.

CleanCo is exploring opportunities to further optimise our firming assets, including ways to reduce and/ or offset carbon emissions. Nitrogen oxide emissions from Swanbank remained within an acceptable operating range and complied with regulatory requirements for FY24.

DIGITAL TRANSFORMATION

CleanCo is focused on adopting digital technologies to further secure, scale and transform our business and modernise our ways of working.

Operating in the energy industry is characterised by increasing complexity, growing data volumes and a need for timely and trusted insights to optimise operations, improve trading opportunities, enhance business performance and drive innovation.

Following a lengthy and extensive organisational wide design activity, CleanCo's Digital Vision, Strategy and Roadmap (Digital Strategy) was endorsed by the executive team in November 2023. The Digital Strategy sets out a series of digital ambitions and a roadmap aligned to achieving our corporate goals and objectives. We made significant progress in implementing this strategy in FY24, with key initiatives including:

- deploying and embedding the enterprise data platform. Referred to as the 'Data Hub' this is a critical foundational technology that underpins capability uplift, with strategic data-driven decision making across the organisation
- successfully trialling automation technology to reduce manual processing of customer billing information. The pilot achieved results beyond expectations and further use cases are scheduled to build on the lessons of the initial trials, along with establishing automation frameworks and a centre of excellence to mature citizen development capability across the organisation
- establishing digital ways of working via key partnerships with leading technology providers, with the aim of enabling the organisation to learn, use and share tools to develop technology solutions that improve and/or automate operational tasks and processes.

Enhancing our cyber controls and capabilities

This year CleanCo continued the cyber maturity journey, pivoting in line with the new version (V2) of the Australian Energy Sector Cyber Security Framework (AESCSF).

In line with shareholder expectations, we further uplifted policies, frameworks and operational management tools to achieve greater visibility, timely awareness and increased business user acumen of security risks. We also focused on increasing resilience planning and preparedness with a commitment to continuous improvement in this capability.

CleanCo reported an uplift of the overall maturity rating, above the FY23 position, against the AESCSF V2. A formal external review is planned for FY25 to confirm the controls environment and maturity assessment.

CleanCo acknowledges the recommendations of the Queensland Audit Office's Energy 2023 Report and will continue to work towards improved Security Profiles under the AESCSF through the recently refreshed cyber security strategy, to align and enable CleanCo's 2030 corporate strategy, as well comply with obligations under the *Security of Critical Infrastructure Act 2018*.

Maturing our Information Communication Technology capability

CleanCo continues to mature how we plan, run and change the technology we need to support our business. Some FY24 highlights include:

- developing planning tools and frameworks that apply an enterprise lens to short and long-term technology investment decision making. The newly established Business Capability and Application Portfolio maps will form a cornerstone in providing strategic content for planning, assessing and improved decision making
- evolving and enhancing our IT Service Management processes to align with industry best practices
- upgrading the Enterprise Resource Platform (ERP) which has enabled improved operational, security and functional features to be activated.
- delivering the Retail Architecture to clarify CleanCo's business needs and formalising a medium-term roadmap of business and technology deliverables to support growth
- establishing the Data and Analytics Community of Practice, a forum that unites professionals from across business areas who share a passion for data and analytics and their transformative impact on CleanCo's mission.

DIVERSE AND CONNECTED TEAM

CleanCo's enterprise strategy is underpinned by our ability to attract and retain the right people to realise our ambitions. Our aim is to cultivate a thriving, connected team of talented and diverse people who are proud to be part of CleanCo's mission.

Our approach to building a dynamic workforce is shaped by a comprehensive People Strategy, aligned with our purpose and vision. The strategy balances our organisational needs and goals with the needs and aspirations of our people through:

- focusing on organisational identity and culture, technical and leadership capability, and organisational design for optimal performance
- building an exceptional experience for our people through connection to purpose and a sense of belonging across our community, outstanding flexibility and unique growth opportunities
- genuine enablement and empowerment for team members to do their best work and meaningful reward and recognition.

The CleanCo People Strategy is helping to drive progress on socially focused aims related to meaningful, secure and rewarding employment, career pathways, flexibility, and development. The People Strategy is also guiding the way we mature our people practices and systems.

Diversity, Inclusion, Equity and Belonging

In FY24 we progressed the development of a DEIB Action Plan. This work underpins CleanCo's commitment to working with the Department of Energy and Climate, and relevant government agencies and stakeholders to provide sectoral leadership in gender diversity equality by continuing to deliver strong, practical actions to build and maintain an inclusive culture and close the gender gap in the clean energy workforce. CleanCo will contribute to the Queensland Government public commitments Equal by 30 campaign to achieve equal pay, equal leadership, and equal opportunities for women in their organisation by 2030. As an initial step, CleanCo will seek to improve data and develop metrics on gender diversity in our organisation and support the government to develop a Women in Renewables Strategy with the broader energy sector and key stakeholders.

Development, recognition and engagement

CleanCo's suite of development, recognition and engagement programs, known as TRACSS (*thrive* + Rise + Amplify + Cultivate + Special Sauce) continued to be rolled out during the year. After commencing the Amplify leadership development program for senior leaders in FY23, the suite was expanded in FY24 to include Cultivate, a core capability development program for employees held over six three-hour workshops. Thirty-four employees completed the Amplify and Cultivate programs in FY24.

We also launched the Rise mentor program, designed to offer support and mentorship to CleanCo employees in the early stages of their career. The program focuses on promoting personal and career growth, cultivating a strong sense of community, and fostering professional and technical abilities along the way. Through Rise, more experienced professionals working across CleanCo are matched with employees seeking opportunities to build their skills, knowledge and networks. The first phase of Rise saw 14 employees matched with mentors.

An engaged workforce is critical to achieving CleanCo's strategic aspirations. Through our bi-annual *thrive* survey, we track employee engagement and gain invaluable feedback on the employee experience, which is used to further refine our People Strategy. Feedback from previous surveys helped to build the TRACSS employee development program, which began in FY23. The major *thrive* survey is held in July/August with a smaller 'pulse' survey conducted in January/February. Results are shared at an organisational and team level, with local actions identified to build employee engagement.

CleanCo's *thrive* Awards, recognise and celebrate the outstanding achievements and contributions of our employees. The awards highlight individuals and teams who exemplify our core values – genuine, courageous, collaborative and curious as well as safety and operational excellence. Employees who have achieved Queensland electrical industry service milestones are also celebrated as part of the awards.

CleanCo is committed to a holistic Total Reward Framework that supports our business objectives, values and People Strategy, and helps create a place where our people, our customers, and our organisation all thrive. In FY24 we implemented the CleanCo Total Rewards Framework. The framework guides our approach to employee remuneration and benefits, and places these in context alongside our practices related to employee engagement and belonging, development, well-being, enablement, and retention. Integrating these approaches into a single, holistic framework allows us to leverage our organisational strengths, capabilities, opportunities, and competitive advantages to deliver a Total Reward offering that is unique to CleanCo.

Enterprise Agreements

CleanCo aims to foster a contemporary industrial relations framework and employment arrangements that support our People Strategy.

In FY24, CleanCo finalised and implemented the first Brisbane 'Working at CleanCo' Enterprise Agreement and negotiated replacement agreements for our operational sites.

Through deliberate ongoing design and expansion of our operating model, CleanCo aims to support secure, fulfilling employment for our people. This is evident through the priority we place on permanent employment wherever it is commercially and operationally justifiable, including conversion of previously fixed-term or contractor roles to permanency in some cases, and through our focus on providing fair pay and career development.

Performance and Growth

In FY24 we progressed work on refining our performance and growth framework to better align with strategic and operational planning, budgeting and reporting. Our SuccessFactors system was expanded to incorporate new performance and growth modules, allowing for a centralised system to facilitate a consistent, structured process across the organisation.

In setting targets for FY25 we prioritised maintaining team focus and ensuring we understand the current state of our workforce and the challenges in managing and maintaining growth. The enterprise-wide roll-out of our Performance and Growth Framework has been a positive step in connecting our people to the CleanCo purpose and enterprise strategy.

CORPORATE GOVERNANCE

Corporate governance guidelines for GOCs – Queensland Government

The CleanCo Board is committed to the highest ethical and governance standards and to act in the best interests of its stakeholders. CleanCo's corporate governance approach is a critical foundation to success.

The Board, with assistance from its committees, engaged in key strategic governance and oversight activities in FY24 including:

- Reviewing and approving CleanCo's financial and strategic plans
- Conducting a number of Board Strategy Workshops focused on the long-term success of the company
- The delivery of CleanCo's Enterprise Strategy, including the refinement and implementation of its strategic objectives and enablers
- Establishing CleanCo's sustainability framework, strategy, principles, targets and roadmap
- Monitoring the governance improvement recommendations identified during the externally facilitated evaluation of the Board's performance
- Influencing CleanCo's culture, values and ethical standards including having oversight of CleanCo's employee engagement, and diversity, equity, inclusion and belonging strategies and plans
- Participating in detailed examinations of CleanCo's key strategic risks and risk appetite
- Establishing the Energy Project and Investment Committee in June 2024 to assist the Board to focus on significant investments and project delivery and to ensure investments are consistent with CleanCo's Risk Appetite Statement and long-term strategy
- Attending and participating in site visits to CleanCo's Northern Hydros.

Our governance arrangements align with the Corporate Governance Guidelines for Government Owned Corporations ('the Guidelines'). We are committed to full implementation of the Guidelines and have incorporated recommendations appropriate to our organisational maturity.

Details of how CleanCo has adopted each of the principles outlined in the Guidelines in its corporate governance practices and policies is set out below.

More information about CleanCo's governance practices, including policies and copies of the Board Charter and other Board Committee Charters are available on CleanCo's website **www.cleancoqueensland.com.au/corporate-governance**

Principle 1: Foundations of management and oversight

Role of the Board

The Board's ultimate responsibility is the provision of leadership to protect the current value of CleanCo and create longer-term value. The Board derives its authority to act from CleanCo's constitution. The Board's responsibilities are set out in a formal charter and include:

- Monitor and ensure CleanCo's commitment to workplace health and safety, the well-being of all employees and CleanCo's impact on the environment
- Review and approve CleanCo's Enterprise Strategy and financial plans
- Oversee and monitor organisational performance and the achievement of CleanCo's strategic goals and objectives

- Risk management, internal control and regulatory compliance oversight
- Monitor and influence CleanCo's culture, values, reputation and ethical standards
- Ensure the adequacy and effectiveness of key aspects of CleanCo's financial management, reporting and accounting practices.

Committees of the Board

The Board has established three committees:

- People, Health, Safety and Environment Committee – the purpose of this Committee is to assist the Board in fulfilling its responsibilities in relation to our people, including their health and safety, and consideration of the environment.
- Audit and Risk Committee – the purpose of this Committee is to assist the Board in relation to its audit and risk responsibilities.
- Energy Project and Investment Committee (established June 2024) – the purpose of this Committee is to assist the Board with its investment management and delivery oversight of Strategic Projects as contained in CleanCo's corporate strategy.

These committees assist in the execution of the Board's role and to consider key business issues. The roles, responsibilities and delegated authorities of each committee are set out in their respective committee charters which are available on CleanCo's website **www.cleancoqueensland.com.au/corporate-governance**.

Executive remuneration and performance review

The Chair holds annual performance and development conversations with the CEO, and the CEO holds annual performance and development conversations with each senior executive. These evaluations have been completed for FY24.

Executive performance plans are linked to the CleanCo corporate goals and KPIs, and these are considered as part of the assessment process, alongside other departmental targets and individual objectives.

The CEO is not present at the Board meeting or People, Health, Safety and Environment Committee meeting when the CEO's remuneration and performance is being discussed. The process for setting performance targets, determining performance outcomes, and any associated payments typically occurs in the first quarter of each financial year, and these targets, outcomes and payments have been determined for FY24.

Remuneration increases for the CEO and senior executives are determined based on market salary movements and individual performance.

At-risk performance payments for the CEO and senior executives are capped at 15 per cent of total fixed remuneration. The Board determines the performance targets for the CEO and senior executives, as well as the overall performance outcome and any performance payments.

Further details about the CEO and senior executive remuneration are disclosed in the key management personnel note on page 110.

Principle 2: Appropriate board structure

Board Directors are appointed by the Governor-in-Council under the GOC Act and all are independent and non-executive. The independence of Directors is regularly assessed and all actual, potential or perceived conflicts of interest are assessed and managed in accordance with CleanCo's Conflicts of Interest Policy.

Materiality is assessed on a case-by-case basis by reference to each Director's individual circumstances rather than by applying general materiality thresholds. A copy of CleanCo's Conflicts of Interest Policy can be found on CleanCo's website **https://cleancoqueensland.com.au/corporate-governance/**.

The Board is required to have an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively. The names, relevant skills, experience and expertise of the directors who held office during the financial year and up to the date of this report, along with their terms of appointment, are set out on page 108. The Board considers that, individually and collectively, the directors bring a level of skill, knowledge and experience that enables the Board to discharge its role and responsibilities effectively.

Directors may seek independent professional advice on matters before the Board at CleanCo's expense, with approval from the Chair.

The CleanCo Board Charter requires the Board to conduct an annual self-evaluation of its performance and independent assessments are undertaken every three years. An independent external review of the Board effectiveness was conducted in FY23 with the next review scheduled for FY26.

As part of the Board's commitment to continuously improving its governance practices and board effectiveness, the last agenda item of every Board meeting is a critique of the Board's performance and evaluation of the Board meeting.

Director induction and continuing education

CleanCo has a comprehensive director induction program in place, which includes the provision of key corporate documents, facilitation of site visits and meetings with senior executives.

CleanCo also provides continuing education to the Board through a combination of internal and external briefings, workshops, internal education sessions and site visits.

Principle 3: Promotion of ethical and responsible decision making

CleanCo embodies the highest standards of conduct and ethical behaviour through our employee culture and through the following policies applying to all Directors, officers, employees and contractors:

- Health and Safety Commitment
- Environmental Commitment
- Compliance
- Securities Trading
- Anti-Bribery and Corruption
- Fraud and Corruption Prevention
- Privacy
- Code of Conduct
- Conflicts of Interest
- Whistleblower and Public Interest Disclosure and Protection.

CleanCo's core values of Genuine, Collaborative, Curious and Courageous are integral to CleanCo's culture and influences the way we engage with our employees, customers, suppliers, stakeholders, partners and our local communities.

Principle 4: Integrity in financial reporting

CleanCo has formal and rigorous processes that independently verify and safeguard the integrity of our financial reporting. Appropriate systems and controls as required by the *GOC Act, Corporations Act 2001 (Cth), Financial Accountability Act 2009 (QLD)* and current best practice are in place. CleanCo's auditor is the Auditor-General of Queensland and we have an Audit and Risk Committee with a minimum of three Directors. The names, relevant skills, experience and expertise of the members of the Audit and Risk Committee, along with information on the number of Audit and Risk Committee meetings held and their attendees in FY24, are set out on page 54.

The Audit and Risk Committee assists the Board in overseeing the reliability and integrity of financial reporting practices, accounting policies, auditing and external reporting. In performing its audit and finance reporting function, the Committee:

- provides, for Board approval, financial reporting and other disclosures that are 'true and fair' and comply with legislation and accounting standards
- addresses recommendations arising from external and internal audits
- supports an independent and effective internal audit function, to provide reasonable assurance in the effectiveness of CleanCo's internal control framework to the Board.

These audit functions operate under the terms of the Audit and Risk Committee Charter which can be found on CleanCo's website **www.cleancoqueensland.com.au/corporate-governance**

Principle 5: Make timely and balanced disclosures

Section 122 of the *GOC Act* requires the Board to:

- keep its shareholding Ministers reasonably informed of operations, financial performance and financial position of CleanCo and its subsidiaries
- immediately inform shareholding Ministers of the matters and its opinion in relation to them, if matters arise that in the Board's opinion may prevent, or significantly affect, achievement of CleanCo's objectives outlined in its SCI or targets under its Corporate Plan.

CleanCo does this through regular briefings to shareholding Ministers, including on any Code of Conduct or Securities Trading Policy breaches.

CleanCo is committed to providing the public with information about CleanCo in a timely and open manner. Information is routinely released into the public domain via CleanCo's Release Of Information Publication Scheme, which is available at **www.cleancoqueensland.com.au/publication-scheme**.

Principle 6: Respect the rights of shareholders

CleanCo is committed to ensuring effective communication with its shareholding Ministers through a number of forums. These include:

- SCI Corporate Plan and Quarterly Reports. The SCI and Corporate Plan provide a transparent set of agreed performance criteria and strategic objectives on which CleanCo reports via the Quarterly Report. The SCI (with commercially sensitive information redacted) is tabled in Parliament and published on CleanCo's website.
- an Annual Report (containing those matters outlined in section 120 of the *GOC Act* is prepared and issued to shareholders and interested stakeholders and is published on CleanCo's website.
- briefings to shareholding Ministers and their representatives are conducted on a regular basis for the purpose of disclosing business activities and performance against agreed targets.

Principle 7: Recognise and manage risk

CleanCo acknowledges that effective and appropriate risk management is a key element of building and protecting value, achieving CleanCo's long term goals and objectives, and supporting good corporate governance.

CleanCo's Risk Management Framework is aligned with ISO 31000:2018 and provides for the management of risk in a structured and consistent manner which integrates into all aspects of organisational activities. The Risk Management Framework is overseen by the Board Audit and Risk Committee, which is responsible for reviewing and monitoring CleanCo's management of risk in accordance with the Risk Management Framework. This includes quarterly reporting on risk performance, conformance with the Risk Appetite Statement and gaining assurance annually that the Risk Management Framework is implemented, effective and subject to review and continual improvement. As part of this process, CleanCo management reports to the Board around any identified risks, the effectiveness of the risk management measures, and recommendations for improvements.

The Board Audit and Risk Committee is also responsible for oversight of audit, compliance, financial management and reporting, internal controls and insurance. CleanCo undertakes an annual program of risk based internal audits in partnership with an external audit provider. In addition, CleanCo is subject to a program of external audits and reviews, including those conducted by the Queensland Audit Office. CleanCo works diligently to implement actions in accordance with the findings and recommendation of all audits and reviews through the implementation of a formal audit action tracking process.

The People, Health, Safety and Environment Committee is responsible for supporting the Board in oversight of CleanCo's risk relating to our people, including their health and safety and management of the environment in which we operate.

The Energy Project and Investment Committee is responsible for assisting the Board to discharge its responsibilities of oversight of material risks relating to Strategic Projects.

CleanCo follows a program of work to refresh the Risk Management Framework and uplift risk maturity, including a revision of the Strategic Risk Register and Risk Appetite Statements by the Board. The program of works relating to our material risks include risk and control reviews in relation to Health and Safety, Environment, Security, Fraud and Corruption and Cyber Security. The organisation developed sub-frameworks for Security, Cyber Security, Asset Management, Market Trading, Projects, Fraud and Corruption, Natural Hazards and Climate Change.

The Fraud and Corruption Risk assessment forms the foundation of the Fraud and Corruption Control Framework. In addition, Fraud and Corruption is a standing item in the annual audit plan, along with cyber security.

CleanCo recognises the material risk presented by Climate Change and ESG, and CleanCo's role in the transition to sustainable energy, and has commenced a program of work to identify and assess the risk and opportunities associated with each of these risk dimensions.

Principle 8: Remunerate fairly and responsibly

CleanCo meets requirements for public accountability while satisfying the need to attract and retain high quality employees from competitive labour markets. Directors receive set fees as determined by the Governor-in-Council and do not receive performance-based remuneration.

The People, Health, Safety and Environment Committee oversees and provides advice to the Board on employment strategies. The names, relevant skills, experience and expertise of the members of the People, Health, Safety and Environment Committee, along with information on the number of People, Health, Safety and Environment Committee meetings held and their attendees in FY24, are set out on page 54.

The Committee makes recommendations on Enterprise Agreement frameworks as well as remuneration for non-Enterprise Agreement employees and senior executives. When increasing senior executive remuneration or awarding performance incentive payments, the Board complies with the *Policy for Government Owned Corporations Chief and Senior Executive Employment Arrangements Version 2*.

There is no equity-based remuneration for Directors or executives. Further detail on remuneration and details of Directors and executives is provided in the Financial Statements on page 110.

Government Owned Corporations Act requirements

Government directions and notifications

Section 120(1) (e) of the *GOC Act* requires CleanCo to provide the particulars of any directions and notifications given to the CleanCo Board by shareholding Ministers for the financial year being reported.

CleanCo did not receive any directions or notifications from shareholding Ministers in FY24.

Dividend policy

The Board recommends whether CleanCo will pay a dividend for each financial year after considering the funding required for maintenance of CleanCo's approved capital structure and for ensuring the continuing financial viability of the business. This includes consideration of licensing requirements of an Australian Financial Services Licence (AFSL), Australian Securities Exchange (ASX) collateral trading requirements, CleanCo's mandate from the Queensland Government and other requirements as they may arise. The Board will also consider any current dividend policies of the Government.

The CleanCo Board recommended to shareholding Ministers that no dividend be paid for FY24.

Corporate entertainment and hospitality (individual events over $5,000)

CleanCo held no events costing over $5,000 in FY24.

ACRONYMS

AASB Australian Accounting Standards Board

AESCSF Australian Energy Sector Cyber Security Framework

AFSL Australian Financial Services Licence

AICD Australian Institute of Company Directors

ARENA Australian Renewable Energy Agency

ASX Australian Securities Exchange

BESS Battery Energy Storage System

BMA BHP Mitsubishi Alliance

C5 Major overhaul of the Swanbank gas turbine

CEO Chief Executive Officer

CO2 Carbon dioxide

CQP Central Queensland Power

CRG Community Reference Group

CVV Critical Control Verifications

DEIB Diversity, Equity, Inclusion and Belonging

EBIT Earnings Before Interest and Tax

EBITDA Earnings Before Interest, Tax, Depreciation and Amortisation

EID Equity, Inclusion and Diversity

EOI Expression of Interest

ERP Enterprise Resource Platform

ESG Environment, Social and Governance

FSU Financial Sector Union

FTE Full-time Equivalent

FY23 2022-23 Financial Year

FY24 2023-24 Financial Year

FY25 2024-25 Financial Year

GOC Government Owned Corporation

GOC Act Government Owned Corporations Act 1993 (Qld)

GSA Gas Supply Agreement

GT26 Gas Turbine

GW Gigawatts

GWh Gigawatt Hours

HSE Health, Safety and Environment

ICT Information Communication Technology

IDAHOBIT International Day Against Homophobia, Biphobia and Transphobia

JV Joint Venture

KPI Key Performance Indicator

LGC Large Scale Generation Certificates

LTIFR Lost Time Injury Frequency Rate

MP Member of Parliament

MW Megawatts

MWh Megawatt hours

NAIDOC National Aborigines and Islanders Day Observance Committee

NEM National Electricity Market

NGER National Greenhouse and Energy Reporting

NPAT Net Profit After Tax

NT Northern Territory

PHSEC People, Health, Safety and Environment Committee

POA Project Option Agreement

PPA Power Purchase Agreement

QEJP Queensland Energy and Jobs Plan

QIC Queensland Investment Corporation

QTC Queensland Treasury Corporation

RAP Reconciliation Action Plan

RFP Request for Proposal

RPPA Renewable Project Portfolio Agreement

SCI Statement of Corporate Intent

TRACSS thrive + Rise + Amplify + Cultivate + Special Sauce (CleanCo's integrated employee engagement, recognition and development program)

TRIFR Total Recordable Injury Frequency Rate

FINANCIAL RESULTS

Director's Report

The Directors present their report on CleanCo Queensland Limited and its subsidiaries (hereafter referred to as the "Company", "CleanCo", "Consolidated entity" or "Group") for the year ended 30 June 2024. CleanCo was established to improve competition in the wholesale electricity market and support the growth of Queensland's renewable energy industry through the management of a portfolio of low and no emission electricity generation assets.

Directors

ALLISON WARBURTON
BOARD CHAIR
Appointed Chair
1 September 2023
People, Health, Safety and Environment Committee
Energy Project and Investment Committee

Ms Warburton is an experienced non-executive director and senior executive who brings 30 years' commercial, operational, policy and governance experience in the energy sector. Ms Warburton previously served as Commissioner at the Australian Energy Market Commission overseeing development of energy policy reforms and market rules. She was a director of Stanwell Corporation Limited and was appointed to the Queensland Government's independent Renewable Energy Expert Panel. Ms Warburton spent 18 years as a partner in the energy practice of professional services firm Minter Ellison and was national head of the firm's climate change practice for 10 years. She is currently also a director of the Scheme Financial Vehicle for the NSW Electricity Infrastructure Roadmap, director of North Harbour Clean Energy Pty Ltd, director of Lacuna Professional Solutions and sits as a member of the King's College Council, University of Queensland. Ms Warburton holds a Bachelor of Laws (Hons) and Bachelor of Arts and is an AICD graduate.

IVOR FRISCHKNECHT
NON-EXECUTIVE DIRECTOR
People, Health, Safety and Environment Committee
Energy Project and Investment Committee

Mr Frischknecht was inaugural CEO of the Australian Renewable Energy Agency (ARENA) overseeing a $2.1 billion portfolio and more than 350 new clean energy investments. He has international experience in the clean technology sector in Silicon Valley and led cleantech investing at Melbourne venture capital firm Starfish Ventures. Mr Frischknecht is on the Investment Committee of Kilara Capital and is Managing Partner of Sosteneo Infrastructure Partners, a European-focused energy transition investor. He has degrees in Economics and Law, an MBA and Public Management Certificate and is an AICD graduate.

LAURENE HULL
NON-EXECUTIVE DIRECTOR
Chair - People, Health, Safety and Environment Committee

With a legal and policy background, Ms Hull holds extensive experience in industrial relations, workplace health and safety and environment, and employment, skills, and training. Ms Hull has notably worked for Telstra and as Executive Director and Electrical Safety Regulator of WorkSafe NT. A long-term resident of North Australia and currently based in Far North Queensland, she brings a particular understanding of regional and remote communities and her commitment to the environment has seen her serve as a lawyer with the Environmental Defender's Office. She has acted on the Boards of Safe Work Australia, the Community and Public Service Union and the Working Women's Centre. Ms Hull has a Bachelor of Laws (Hons), a Diploma in OHS and qualifications in Assessment and Training and Mediation.

DR PETER WOOD

NON-EXECUTIVE DIRECTOR
Chair - Energy Project and Investment Committee
Audit and Risk Committee

Dr Wood brings over 40 years' of Australian and international experience in complex infrastructure projects from the multiple perspectives of investors, owners, contractors, and operators. He is a former Board member of Infrastructure Australia with degrees in engineering and business (BE 1st Hons, MBA, and DBA) and an advanced diploma in corporate governance. Dr Wood is an alumnus of Monash University, Queensland University of Technology and Harvard Business School. Prior to establishing E3 Advisory with his other business partners, Dr Wood worked for over 25 years with major international contractors, followed by 10 years with an international infrastructure advisory firm where he was Principal and Global Managing Director responsible for operations in Australia, United Kingdom, China (PRC), Hong Kong, New Zealand, India, and the Middle East.

STEPHEN DAVY

NON-EXECUTIVE DIRECTOR
Appointed to Board
1 October 2023
Chair - Audit and Risk Committee
Energy Project and Investment Committee

Mr Davy has more than 25 years' experience in Australia's National Energy Market, including almost 16 years at Hydro Tasmania, Australia's largest renewable energy producer, where he was CEO for 7 years. He is very passionate about the transition to a low-carbon renewable energy economy along with all the components needed for that transition. Mr Davy's experience is in financial and energy markets. Mr Davy has advised several energy projects and organisations and is also a non-executive director of MyState Ltd and Sonic Civil investments, as well as the Mather Endowment Trust and the MyState Foundation. Mr Davy holds a Bachelor of Science Honours (1st) in Physics.

HELEN STANTON

NON-EXECUTIVE DIRECTOR
Appointed to Board
1 October 2023
Audit and Risk Committee
Energy Project and Investment Committee

Ms Stanton is an experienced non-executive director and independent advisor, with specialist skills in executing strategy as well as in governance and operational risk. She has served on the board of Energy Queensland during the merger of Ergon and Energex, and also on the boards of Northern Territory Power and Water Corporation, and Ergon Energy Corporation Limited. In addition to her extensive experience in the energy sector, Ms Stanton's career includes operational, leadership and commissioning roles in the mining industry. She has lived and worked regionally for 30 years and is a passionate advocate for Northern Australia. Ms Stanton holds a degree in Minerals Processing Engineering and is an AICD graduate.

JACQUELINE WALTERS

Former BOARD CHAIR
Resigned from Board
1 September 2023
Audit and Risk Committee
People, Health, Safety and Environment Committee

An experienced Senior Executive and non-executive Director with a strategy, growth and innovation focus, Ms Walters has held leadership roles in the transport, infrastructure, and professional services sectors. She is a non-executive Director and Chair of the Audit and Risk Committee of Slater & Gordon, a non-executive Director and Chair of the Audit and Risk Committee of Development Victoria, and a non-executive Director of SecondBite. Ms Walters has a Bachelor of Commerce, CPA and is an AICD graduate. She brings strong international experience in business establishment and performance to her role as CleanCo Queensland Chair.

WENDY STREETS

NON-EXECUTIVE DIRECTOR
Appointed to Board
1 October 2023
People, Health, Safety and Environment Committee

Ms Streets is an experienced executive with specialist skills in industrial relations with a career focussed on advocating for workers in the financial services sector. Over the past 15 years she has held a number of positions on the Finance Sector Union (FSU) Executive, including her current role of FSU National President. Ms Streets also serves as an executive to the Queensland Council of Unions and the Australian Labour Party. She has previously served on the Queensland Work, Health, and Safety Board.

PAUL VENUS

NON-EXECUTIVE DIRECTOR
Resigned 30 June 2024
Former Chair - Audit and Risk Committee

Bringing expertise as a practising lawyer, Mr Venus has over 27 years' experience in governance and risk management, litigation, and commercial law advice across different sectors. A former Director of Metro South Hospital and Health Service, Mr Venus has also served as a Director of the PA Hospital Research Foundation and the Chair of the City of Logan Mayor's Charity Trust. He has a Bachelor of Commerce and a Bachelor of Laws, a Master of Laws, and a Certificate of Arbitration and Mediation. He is also a member of the AICD.

The following officers were Officers of the Company during the financial year and up to the date of this report unless stated otherwise:

- Tom Metcalfe, Chief Executive Officer
- Brian Carrick, Chief Financial Officer
- Timothy Hogan, General Manager - Asset Operations
- Rimu Nelson, General Manager - Customer and Energy Markets
- Kate Wright, General Manager – Legal and Governance and Company Secretary (Acting Chief People Officer from 1 May 2024)
- Julie Whitcombe, General Manager - Strategy and Development
- Benjamin Jebb, Acting General Manager – Legal and Governance (from 1 May 2024)
- Anna Eves, Chief People Officer (until 24 May 2024)
- Heidi Rodgers, Company Secretary

TOM METCALFE
CHIEF EXECUTIVE OFFICER

Mr Metcalfe has more than 30 years' experience in the global energy sector. As President of both We Energies and Wisconsin Public Service in the United States, Mr Metcalfe oversaw the delivery of gas and electricity to approximately 3 million customers. In his prior role as Executive Vice President at We Energies and Wisconsin Public Service he had responsibility for almost 8000MW of generation. Mr Metcalfe's wide-ranging experience includes renewable and non-renewable generation where he has had responsibility for development, construction, operations, and maintenance. He also led essential support organisations, including engineering, planning, training, safety, and environmental sustainability. Mr Metcalfe has successfully delivered more than 5000MW of new generation in the United Kingdom, Asia, Australia, and the United States. He holds a Bachelor of Engineering degree with Honors from De Montfort University.

BRIAN CARRICK
CHIEF FINANCIAL OFFICER

Mr Carrick has wide-ranging experience in senior finance roles, most recently as an Executive Director with the Queensland Treasury Corporation (QTC), where he provided advice to the Queensland Government and its Government Owned Corporations on funding, capital structuring, financial performance, and structural reform. Prior to QTC, Mr Carrick worked in corporate finance and corporate taxation with PwC and KPMG, and he holds qualifications in Business and Law.

RIMU NELSON
GENERAL MANAGER - CUSTOMER AND ENERGY MARKETS

Mr Nelson is an experienced senior executive, joining CleanCo in 2019 to establish its regulatory affairs and market compliance functions. Prior to this, he spent six years leading Queensland Treasury's Energy and Rail team, with earlier energy roles at the Queensland Competition Authority. Transitioning to General Manager Customer and Energy Markets in August 2021, Mr Nelson is responsible for guiding CleanCo's customer and market-facing functions, including working with large energy users to develop bespoke long term, low-emissions energy solutions that meet individual customers' pricing and sustainability requirements.

TIMOTHY HOGAN
GENERAL MANAGER - ASSET OPERATIONS

A senior Electrical Engineer, Mr Hogan has wide-ranging experience in both operations and asset management including in the renewable energy sector. He brings more than 20 years of expertise across different types of energy generation assets. Based in Cairns and from North Queensland, Mr Hogan previously led Engineering and Operations teams for Stanwell Corporation as their Manager for Hydros and Renewables. Starting his career as an electrical apprentice, Mr Hogan went on to earn a Bachelor of Engineering majoring in Electrical and Electronic Engineering (Hons).

JULIE WHITCOMBE
GENERAL MANAGER - STRATEGY AND DEVELOPMENT

Ms Whitcombe has a wealth of experience in strategy and operational leadership roles across a range of industries. Ms Whitcombe's experience includes eight years as an executive with Australian gas developer and producer Senex Energy, as well as two years as CEO of RDO Australia, the Australian arm of the world's largest John Deere and Vermeer dealership business. Ms Whitcombe studied engineering and is also a Chartered Accountant, having spent her early career working in strategy and advisory services with PwC and AT Kearney in Australia and the United Kingdom.

KATE WRIGHT
GENERAL MANAGER – LEGAL AND GOVERNANCE AND COMPANY SECRETARY
Acting Chief People Officer
from 1 May 2024

Ms Wright has almost 20 years' of knowledge and experience in the legal field. She has expertise within numerous legal areas including litigation and disputes, projects, corporate law and governance and compliance. Previous to CleanCo, Ms Wright was the General Counsel at Sunwater Limited where she also held various executive roles including Acting Chief Financial Officer, Acting EGM Operations and Company Secretary. Ms Wright holds a Bachelor of Law (Honours) and Graduate Diploma of Legal Practice from the Queensland University of Technology and was admitted to practice as a solicitor in Queensland in 2006. Ms Wright also holds a Graduate Diploma of Applied Corporate Governance and Risk Management.

BENJAMIN JEBB
ACTING GENERAL MANAGER – LEGAL AND GOVERNANCE
from 1 May 2024

Mr Jebb is a highly regarded leader and lawyer with over a decade of private and in-house legal experience in Australia and the Middle East, coupled with management experience in senior commercial roles. Before joining CleanCo, Mr Jebb was General Manager of Procurement at Sunwater Limited, where he was instrumental in the growth and transformation of the procurement function. Mr Jebb has a unique ability to manage risk while driving business outcomes and holds a Bachelor of Laws (Hons) and Bachelor of Journalism from the University of Queensland, as well as a Graduate Diploma of Legal Practice from the College of Law. He is admitted as a solicitor in Queensland and the High Court of Australia.

HEIDI RODGERS
COMPANY SECRETARY

Heidi is an experienced and qualified Company Secretary who has been in the Corporate Governance arena for over ten years. Prior to this, she held senior financial and administrative roles in the private training sector. She has been involved as a Governance professional for large corporate bodies such as RACQ and Careers Australia and has also been appointed as Company Secretary to several not-for profit organisations over the last five years. Heidi is currently the Company Secretary for the Usman Khawaja Foundation whose purpose is to alleviate disadvantage experienced by youth through the provision of educational and cricketing opportunities. Heidi has a Graduate Diploma of Applied Corporate Governance, Certificate of Governance Practice, Diploma of Accounting among other qualifications and is a Fellow of the Governance Institute of Australia.

Principal activities

CleanCo owns and operates five lower emission generation assets in Queensland, develops new assets and supports the development of new renewable energy supply to improve competition in the wholesale electricity market and support the Queensland Government's renewable energy and emissions targets. CleanCo optimises the use of its assets and agreements with renewable generators to deliver reliable low-emission energy to large scale commercial and industrial customers.

Dividends

No dividends were proposed or paid during the financial year.

Review of operations

The profit for the consolidated entity from ordinary activities after income tax for the current year amounted to $104.5m (2023: $41.6m).

Wholesale electricity prices in the Queensland market declined to $87.80 per megawatt hour for the year ended 30 June 2024, from $144.97 in the prior year. Peak demand reached a new record level of 11,036MW in January, a 9 per cent increase from the previous record in March 2023, and exceeded 10,026MW on five occasions due to hot and humid summer conditions. Despite the increased demand, generation availability was strong in the Queensland market and prices remained relatively contained.

CleanCo's foundation assets – Wivenhoe, Swanbank, Kareeya, Koombooloomba and Barron Gorge – generated 1,959GWh, which was lower than the prior year (2,096GWh), due to an extended outage at Barron Gorge following damage from ex-Tropical Cyclone Jasper to the Kuranda Weir. This was partly offset by increased generation from Kareeya due to additional rainfall and increased dam storage. Total generation including offtakes – from Western Downs Green Power Hub, Kaban Green Power Hub, Dulacca Wind Farm and Woolooga Solar Farm – reached 3,065GWh, an increase of 652GWh over the prior year (2,413GWh).

Offtake agreements with Dulacca and Woolooga commenced during the financial year, while the Kaban Green Power Hub converted from an offtake agreement to a capacity purchase agreement over the entire output from the wind farm. These offtake agreements also provide Large-scale Generation Certificates for renewable energy, which we use to meet retail customer contracts and cover our own obligations for electricity supplied to Wivenhoe pump storage.

Total revenue of $630.2m was higher than the previous year ($612.5m), due to growth in wholesale and retail electricity volumes, and lower wholesale prices led to reduced hedge contract expenses. New retail customers included Woolworths, QIC entities and Mirvac. Cost of sales, including electricity, gas and water purchases reduced to $491.5m (from $606.6m), resulting in an improved gross margin.

Operating expenses increased to $128.4m (from $92.4m in the 2023 financial year). This includes one-off project costs as part of the exit from the Karara Wind Farm development project, as well as costs associated with responding to ex-Tropical Cyclone Jasper which damaged the Kuranda Weir and led to Barron Gorge being offline from mid-December 2023 to early July 2024. Rectification works, including rebuilding damaged section of the Weir, are underway and will continue through 2025. Insurance coverage has been confirmed for the natural disaster event; however, the recovery amount has not yet been determined.

Capital expenditure for the year was $195.4m, which included initial payments to purchase the Swanbank Battery Energy Storage System and begin preparing the site for installation to commence later in 2024. The business also completed the overhaul of Wivenhoe Unit 2 and begun preparations for the Swanbank C5 overhaul which will occur early in the next financial year.

CleanCo invested $44.1m on development costs for proposed renewable projects in Central Queensland, including Moah Creek Wind Farm under Project Option Agreements with Central Queensland Power. The next stage of the Kogan North gas development project has been delayed pending environmental approvals, and gas requirements have been supplemented by a range of short and long-term gas supply contracts.

An equity injection of $330.0m was received from the Queensland Renewable Energy, Hydrogen and Jobs Fund during the year, to fund the Swanbank BESS. The total balance held in CleanCo's QTC GOC Cash Advance Fund at 30 June 2024 was $781.6m, for the purposes of funding Central Queensland renewable development projects and the Swanbank BESS. Total medium and long-term borrowings from QTC increased by $87.7m to $617.6m at 30 June 2024.

Significant changes in the state of affairs

Other than already disclosed, there have been no significant changes in the state of affairs of the Company during the year.

Matters subsequent to the end of the financial year.

No matter or circumstance has arisen since 30 June 2024 that has significantly affected the consolidated entity's operations, results or state of affairs, or may do so in future years.

Environmental regulation

CleanCo is responsible for complying with the *Wet Tropics World Heritage Protection and Management Act 1992 (Qld)* and a range of obligations under the *Environmental Protection Act 1994 (Qld)* and *Environmental Protection and Biodiversity Conservation Act 1999 (Cwth)*. The consolidated entity holds various approvals that authorise the carrying out of electricity generation activities on conditions that seek to avoid or minimise impacts on the environment. CleanCo has identified climate change as a strategic risk and will continue to evaluate the vulnerability of its assets and operating model to climate effects.

Sustainability

CleanCo is committed to integrated sustainability and incorporating Environmental, Social and Governance (ESG) principles into its operations and financial reporting. CleanCo's generation portfolio comprises low emissions and renewable energy sources, such as hydro, solar and wind power which have a reduced greenhouse gas emission intensity and support decarbonisation of the electricity grid. CleanCo has completed work in understanding its climate risks from a qualitative perspective which has provided insights into governance, risk, and compliance requirements. CleanCo continues to actively invest in projects and develop further renewable energy assets and increase our generation capacity.

The key aspects of sustainability and their associated risks are identified in the Strategic Risk Register and span across the areas of health and safety, environment, ESG, Climate change, people and financial control. CleanCo operates in accordance with Commonwealth and State legislative frameworks and has progressed foundation work in the ESG space around carbon, land and environment, community, diversity and inclusion, ethical sourcing programs, with reporting on progress and strategic sustainability matters undertaken on a quarterly basis to the People, Health, Safety and Environment Committee.

CleanCo has recently completed an ESG materiality assessment to derive, verify and prioritise ESG issues and form the foundation of a sustainability policy and future sustainability strategy. CleanCo has progressed with work around decarbonisation planning, establishing a baseline around key ESG metrics such as carbon, water, and waste, developing a Reconciliation Action Plan and undertaking foundation work in social value and wellbeing.

CleanCo has a dedicated Sustainability Manager and Sustainability Analyst to evolve and support the sustainability strategy and work programs. A Sustainability Steering Committee that comprises all the Executive Leadership members and Subject Matter Experts has been established to oversee strategic ESG matters and provide oversight of key work occurring under the key sustainability focus areas. The reporting of progress on all matters of sustainability is undertaken on a quarterly basis to the People, Health, Safety and Environment Committee.

Meetings of Directors

The numbers of meetings of the Company's Board of Directors ("the Board") and of each Board committee held during FY 2024, and the numbers of meetings attended by each Director were:

	CleanCo Board		Audit and Risk Committee*		People, Health, Safety and Environment Committee*		Energy Project and Investment Committee*	
DIRECTORS	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Allison Warburton	12	12	3 [2]	4 [1]	4	4	1	1
Ivor Frischknecht	12	10	-	3 [1]	4	4	1	-
Laurene Hull	12	12	-	3 [1]	4	4	-	-
Dr Peter Wood	12	9	5	4	-	1 [1]	1	1
Helen Stanton [3]	9	9	2	2	-	1 [1]	1	1
Wendy Streets [4]	9	9	-	1 [1]	2 [3]	2 [1]	-	-
Stephen Davy [5]	9	9	2	1	-	1 [1]	1	1
Jacqueline Walters [6]	2	2	2	1	1	-	-	-
Paul Venus [7]	8	4	4	2	-	-	-	-

* People, Health, Safety and Environment Committee has four appointed members, Audit and Risk Committee has four appointed members, Energy Project and Investment Committee has five appointed members, but all Directors are entitled to attend all.

A = Number of meetings held during the time the director held office or was a member of the committee during the year

B = Number of meetings attended.

[1] *not a member of the Committee but attended for part or entirety of the meeting.*

[2] *Allison Warburton appointed to the Audit and Risk Committee from 1 September 2023.*

[3] *Helen Stanton appointed to Board on 1 October 2023.*

[4] *Wendy Streets appointed to Board on 1 October 2023. Appointed to People, Health, Safety and Environment Committee from 7 December 2023.*

[5] *Stephen Davy appointed to Board on 1 October 2023.*

[6] *Jacqueline Walters resigned on 1 September 2023.*

[7] *Paul Venus was on a Leave of Absense from 1 March 2024 to 30 June 2024 and resigned on 30 June 2024.*

Director Shareholding

No Directors held any beneficial interest in the shares of the Company. All issued shares are held by the shareholding Ministers on behalf of the State of Queensland. CleanCo's shareholding Ministers are the Honourable Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment, and the Honourable Mick de Brenni MP, Minister for Energy and Clean Economy Jobs.

Indemnity and insurance of officers

For FY24, CleanCo paid a premium of $144,000 (2023: $146,500) to insure the Directors and Officers of the Company. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Officers in their capacity as Officers of entities in the Company and any other payments arising from liabilities incurred by the Officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the Officers or the improper use by the Officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors

Allison Warburton
Chair

29 August 2024

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of CleanCo Queensland Limited

This auditor's independence declaration has been provided pursuant to s. 307C of the *Corporations Act 2001.*

Independence declaration

As lead auditor for the audit of CleanCo Queensland Limited for the financial year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of CleanCo Queensland Limited and the entities it controlled during the period.

IAsim

29 August 2024

Irshaad Asim
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Financial statements

for the year ended 30 June 2024

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Going Concern

The financial report has been prepared on a going concern basis that assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

On the basis of the information available, the Directors consider that there are reasonable grounds to believe that CleanCo will be able to pay its debts as and when they fall due.

General information

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. The financial statements are presented in Australian dollars, which is Group's functional and presentation currency.

CleanCo Queensland Limited is a public company limited by shares, incorporated, and domiciled in Australia.

Level 17, 300 George Street
Brisbane
Queensland 4000

A description of the nature of the Company's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements. The financial statements were authorised for issue, in accordance with a resolution of Directors, on 29 August 2024. The Directors have the power to amend and reissue the financial statements.

Consolidated statement of comprehensive income

For the year ended 30 June 2024

	Note	Consolidated 2024 $'000	2023 $'000
Revenue			
Revenue from contracts with customers	2	630,205	612,479
Finance income/other income	3	33,770	19,884
		663,975	**632,363**
Total revenue		**663,975**	**632,363**
Expenses			
Electricity and energy services expenses	4	(349,479)	(437,504)
Fuel		(137,523)	(163,250)
Raw materials and consumables		(4,453)	(5,797)
Contractor expenses		(17,717)	(14,022)
Employee benefits expense	5	(53,843)	(39,460)
Property expenses		(3,402)	(2,486)
Other Expenses	6	(38,699)	(28,017)
Depreciation and amortisation (refer notes 13,14,15)		(35,417)	(21,014)
Reversal of Impairment / (Impairment) of assets	13	58,841	(22,793)
Asset write down	13	-	(8,399)
Project expenses		(14,742)	-
Finance costs	7	(46,581)	(29,753)
Fair value gain through profit and loss		4,218	1,127
Non hedge accounted change in fair value of derivative financial instruments	24	124,467	197,917
Total expenses		**(514,330)**	**(573,451)**
Profit before income tax equivalent expense		**149,645**	**58,912**
Income tax equivalent expense	23	(45,132)	(17,338)
Profit after income tax equivalent expense for the year attributable to the owners of CleanCo Queensland Limited		**104,513**	**41,574**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net change in the fair value of cash flow hedges taken to equity, net of tax	24	22,736	94,707
Actuarial gain/(loss) from defined benefit plan, net of tax		(476)	355
Other comprehensive income for the year, net of tax		**22,260**	**95,062**
Total Other comprehensive income for the year		**126,773**	**136,636**

Consolidated statement of financial position

As at 30 June 2024

	Note	Consolidated 2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents	8	6,546	14,638
Trade and other receivables	10	978,344	720,261
Inventories	11	26,397	25,072
Other assets	12	5,129	3,750
Derivative financial instruments	24	35,194	43,179
Total current assets		**1,051,610**	**806,900**
Non-current assets			
Property, plant and equipment	13	333,329	140,985
Right-of-use assets	14	304,233	2,947
Intangible assets	15	72,343	34,962
Deferred tax assets	23	315,271	238,322
Derivative financial instruments	24	286,752	183,258
Employee benefit asset	16	2,273	3,075
Other assets	12	22,516	18,298
Total non-current assets		**1,336,717**	**621,847**
Total assets		**2,388,327**	**1,428,747**
Liabilities			
Current liabilities			
Trade and other payables	17	91,755	91,497
Borrowings	18	66,207	34,826
Lease liabilities	19	28,648	834
Provisions	20	14,564	18,037
Other liabilities	21	20,019	25,756
Derivative financial instruments	24	45,019	82,852
Total current liabilities		**266,212**	**253,802**
Non-current liabilities			
Borrowings	18	617,571	529,829
Deferred tax liabilities	23	193,207	64,305
Provisions	20	78,557	76,202
Lease liabilities	19	284,836	3,284
Derivative financial instruments	24	29,111	39,265
Total non-current liabilities		**1,203,282**	**712,885**
Total liabilities		**1,469,494**	**966,687**
Net assets		**918,833**	**462,060**
Equity			
Contributed equity	22	1,137,412	807,412
Accumulated losses		(216,240)	(320,277)
Reserves		(2,339)	(25,075)
Total equity		**918,833**	**462,060**

Consolidated statement of changes in equity

For the year ended 30 June 2024

Consolidated	Contributed Equity $'000	Reserves $'000	Accumulated Profit / (Losses) $'000	Non-controlling interest [1] $'000	Total Equity $'000
Balance at 1 July 2022	**307,412**	**(119,782)**	**(362,206)**	**-**	**(174,576)**
Profit after income tax equivalent expense for the year	-	-	41,574	-	41,574
Other comprehensive income for the year, net of tax	-	94,707	355	-	95,062
Total comprehensive income for the year	-	94,707	41,929	-	136,636
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 22)	500,000	(25,075)	-	-	500,000
Balance at 30 June 2023	**807,412**	**(25,075)**	**(320,277)**	**-**	**462,060**

Consolidated	Contributed Equity $'000	Reserves $'000	Accumulated Profit / (Losses) $'000	Non-controlling interest [1] $'000	Total Equity $'000
Balance at 1 July 2023	**807,412**	**(25,075)**	**(320,277)**	**-**	**462,060**
Profit after income tax equivalent expense for the year	-	-	104,513	-	104,513
Other comprehensive income for the year, net of tax	-	22,736	(476)	-	22,260
Total comprehensive income for the year	-	22,736	104,037	-	126,773
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 22)	330,000	-	-	-	330,000
Balance at 30 June 2024	**1,137,412**	**(2,339)**		**-**	**918,833**

1 *Refer to Note 1(f)*

Consolidated statement of cash flows

For the year ended 30 June 2024

	Note	Consolidated 2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		706,530	839,699
Payments to suppliers and employees (inclusive of GST)		(704,118)	(759,013)
Receipt/(payment) for derivative contracts		(21,711)	113,913
Interest received		524	295
Interest Paid		(34,238)	(14,497)
Income tax equivalent (paid)/refunded		-	14,814
GST received/(paid)		12,029	(7,720)
Net cash (utilised in) / generated from operating activities	**9**	**(40,984)**	**187,491**
Cash flows from investing activities			
Payments for property, plant and equipment		(145,790)	(49,716)
Payments for intangibles		(41,742)	(19,395)
Cash advances		(229,477)	(498,448)
Net cash utilised in investing activities		**(417,009)**	**(567,559)**
Cash flows from financing activities			
Proceeds from borrowings		560,352	852,125
Repayment of borrowings		(436,743)	(965,341)
Equity injection		330,000	500,000
Lease principal repayments		(3,708)	(755)
Net cash received from financing activities		**449,901**	**386,029**
Net increase/(decrease) in cash and cash equivalents		(8,092)	5,961
Cash and cash equivalents at the beginning of the financial year		14,638	8,677
Cash and cash equivalents at the end of the financial year	**8**	**6,546**	**14,638**

1. Material accounting policy information

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board ('AASB'), the Corporations Act 2001 and the Government Owned Corporations Act 1993 (GOC Act). CleanCo is a for-profit entity for the purpose of preparing the financial statements.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Historical cost convention

The financial statements have been prepared on a historical cost basis except for, where applicable, defined benefits assets and financial assets and liabilities at fair value through profit and loss.

(a) Comparative figures

Comparative information is generally required in respect of the preceding period for all amounts reported in the current period's financial statements and, if it is relevant to understanding the current period's financial statements, also for narrative and descriptive information.

However, when CleanCo adopts new accounting standards without restating comparative information, the disclosure requirements of the new accounting standards do not normally apply to the comparative period because the comparative information reflects the requirements of the superseded accounting standards.

Where required by accounting standards, comparative figures would have been adjusted to conform to changes in presentation for the current financial year.

Prior period reclassification of amounts

Certain prior period amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results or position of the Group or Company.

(b) Going concern

The financial report has been prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group now has a positive net current position and retains ongoing access to the QTC borrowing facilities and the eligible undertaking of $750m.

(c) Use of estimate and judgements

The preparation of financial statements requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the notes to the financial statements.

(d) Accounting policies

The accounting policies that are material to the consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

(e) New or amended Accounting Standards and Interpretations that are effective for the current year

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatorily effective for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Set out below are the new and revised Standards and amendments thereof (and Interpretations) effective for the current year that are relevant to the Group:

Pronouncement	Impact
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	Requires the disclosure of material accounting policy information and clarifies how entities should distinguish changes in accounting policies and changes in accounting estimates. The application of the amendments did not have a material impact on the Group's consolidated financial statements but has changed the disclosure of accounting policy information in the financial statements.
AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Clarifies that deferred taxes must be recognised where, on initial recognition of an asset or liability, the transaction gives rise to equal taxable and deductible temporary differences. The application of the amendments had the following impact on the Group's consolidated financial statements:- a) Increase in Deferred tax asset $94,363 thousand b) Increase in Deferred tax liability $(94,363) thousand c) Net change in Net Deferred tax asset $Nil

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Standard/amendment	Effective for annual reporting periods beginning on or after	Nature of the change and expected impact
AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	1 Jan 2024	Clarifies when liabilities should be presented as current or non-current in the statement of financial position, including the impact of covenants on that classification. The amendments may impact the classification of the Group's financial liabilities in future periods as certain of those liabilities are subject to covenants.
AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback	1 Jan 2024	Requires a seller-lessee to subsequently measure lease liabilities arising from a sale and leaseback transaction in a way that does not result in recognition of a gain or loss that relates to the right of use it retains. The Group does not currently have sale and leaseback arrangements.
AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements	1 Jan 2024	Requires the disclosure of information about an entity's supplier finance arrangements. The Group currently has supplier finance arrangements and additional narrative disclosure will be included in the financial statements when the amendments become effective.
ASRS 1 General Requirements for Disclosure of Climate-related Financial Information **Note 1** *(related to IFRS S1 - General Requirements of Disclosure of Sustainability-related Financial Information)*	1 Jul 2025	Based on IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information. This proposed standard is pending final determination and confirmation by the AASB in late 2024 and is likely to be a non-mandatory standard based on IFRS S1. IFRS S1: This standard requires the disclosure of information about sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium, or long term. The standard includes conceptual foundations, core content, general requirements, and requirements about judgements, uncertainties, and errors.
ASRS 2 Climate-related Financial Disclosures **Note 1** *(related to IFRS S2 - Climate-related Disclosures)*	1 Jul 2025	Based on IFRS S2 Climate-related Disclosures. This proposed standard is pending final determination and confirmation by the AASB in late 2024 and is likely to be a standalone mandatory standard based the key baseline components of IFRS S2. IFRS S2: This standard is the first thematic IFRS Sustainability Disclosure standard covering disclosure of climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or costs of capital over the short, medium, or long term (collectively known as the entity's "prospects"). Disclosure requirements cover governance, strategy, risk management, metrics, and targets.

Standard/amendment	Effective for annual reporting periods beginning on or after	Nature of the change and expected impact
ASRS 101 References in Australian Sustainability Reporting Standards **Note 1**	1 Jul 2025	Proposed to operate as a 'service standard' to give legal effect to references to various other documents such as the GHG Protocol and Australian and New Zealand Standard Industrial Classification (ANZSIC) (in a similar way to how AASB 1048 Interpretation of Standards operates for Australian Accounting Standards).
AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (as amended)	1 Jan 2025	Limits the recognition of gain or loss arising from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or joint venture to the extent of the unrelated investors' interest in that associate or joint venture. Similar limitations apply to remeasurements of retained interests in former subsidiaries. These amendments may impact the Group's consolidated financial statements in future periods should such transactions arise.
IFRS 18 Presentation and Disclosure in Financial Statements	1 Jan 2027	This Standard will not change the recognition and measurement of items in the financial statements but will affect presentation and disclosure in the financial statements, including introducing new categories and subtotals in the statement of profit or loss, requiring the disclosure of management defined performance measures, and changing the grouping of information in the financial statements.

Note 1:-
ASRS 1, 2 and 101 are pending finalisation by the AASB in late 2024. The Group will ensure future reporting aligns with these Standards and the Queensland Government's sustainability disclosure requirements.

(f) Parent entity information

These financial statements include the results of both the parent entity and the consolidated entity in accordance with *ASIC Corporations Instrument 2021/195* which was recently extended by *ASIC Corporations (Amendment) Instrument 2024/187.*

(g) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses, and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(h) Presentation of Consolidated and Parent Financial Information

Consolidated and Parent Financial Information are identical with the exception of details disclosed in note 30 and note 34.
On this basis the Board has determined to present two columns, being current and comparative and not four columns of information, as being appropriate.

(i) Climate Risk Disclosure

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting the department.

CleanCo continues to monitor the emergence of material climate-related risks that may impact its financial statements, including those arising under Queensland's 2035 Clean Economy Pathway and other Government publications or directives.

(j) Prior Year Reclassifications

Certain prior period amounts on the face of the statement of comprehensive Income, statement of financial position and statement of cash flows have been reclassified in the current period to adhere to the current period classification. The prior period amounts in the notes to the financial statements have been reclassified accordingly. The reclassification of amounts had no effect on the reported results or net position of the Group or Company.

2. Revenue from contracts with customers

	Consolidated 2024 $'000	2023 $'000
Sale of electricity to the National Electricity Market	327,962	416,351
Net realised (loss) on electricity contracts designated as cash flow hedges	(33,114)	(116,840)
Sales of electricity to retail customers	305,363	284,908
Gas sales	29,994	28,060
	630,205	**612,479**

CleanCo recognises revenue on the transfer to the customer of the goods or services promised in the contract in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. Revenue from contracts with customers is recognised using the five-step model in AASB 15 *Revenue from Contracts with Customers* and generally occurs when control of the goods or service is transferred to the customer.

Revenue stream	Revenue recognition
Sale of electricity to the National Electricity Market	Revenue recognised by CleanCo arises from the sale of electricity to the National Electricity Market (NEM). Revenue is recognised using the electricity spot price at the point in time when electricity is dispatched to the NEM.
Net realised (loss) on electricity contracts designated as cash flow hedges	To reduce the volatility of cash flow earnings, a portion of CleanCo's available energy is hedged using various electricity contracts (e.g., swaps). The settlement amount for effective cash flow hedges is recognised in trading revenue in the period to which the contract settlement relates. The amount recognised in Revenue represents amortisation of amounts accumulated in the Hedge Reserve in which the original hedged item transaction became realised.
Sale of electricity to retail customers	Revenue is recognised separately for retail contracts. Retail contract revenue is calculated based on the terms of the individual contracts. Revenue from the sale of electricity to customers is recognised at the point in time the performance obligation is satisfied, and the energy has been dispatched to the customer. Revenue is also recognised in relation to the recharge of transmission, network charges and other operating costs directly attributable to delivery of electricity to retail customers. Revenue is recognised over time when performance obligations are satisfied when energy services are delivered.
Gas sales	CleanCo sells and makes available gas for delivery to the customer at the delivery point specified in the agreement. CleanCo has assessed these arrangements as the transfer of a series of goods that represent one performance obligation and recognises the gas sales revenue, at a point in time, when the performance obligation is met, i.e., the gas is successfully delivered to the customer.

3. Finance income/other income

	Consolidated 2024 $'000	2023 $'000
Interest income	30,227	2,713
Other income	3,543	17,171
	33,770	**19,884**

Interest revenue is recognised as interest accrues using the effective interest method.

This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

CleanCo received equity funding of $500m during FY23 and $330m in FY24, which has been deposited in the QTC GOC Cash Management Account where it earns interest income.

4. Electricity and energy services expenses

	Consolidated 2024 $'000	2023 $'000
Wholesale energy	13,484	52,323
Market and transmission fees	7,408	7,781
Ancillary services	2,673	3,096
Environmental charges	37,820	45,010
Retail energy	287,458	328,590
Other electricity and energy services expenses	636	704
	349,479	**437,504**

Other electricity and energy services comprise of costs directly related to participation in the NEM as well as costs associated with supplying electricity to retail customers.

5. Employee benefits expense

	Consolidated 2024 $'000	2023 $'000
Wages and salaries expense	44,598	34,140
Defined contribution superannuation expense	4,988	3,668
Defined benefit plan expense	82	103
Employee performance expense/bonuses	4,175	1,549
	53,843	**39,460**

CleanCo recognises a liability and an expense for employee performance based on a range of performance indicators for the period to which the performance entitlement relates. The liability is recognised when CleanCo has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

6. Other Expenses

	Consolidated 2024 $'000	2023 $'000
Services, Consultants and Other costs	15,482	8,920
Insurance Premiums	5,394	5,042
IT Licences and Subscriptions	17,823	14,055
	38,699	**28,017**

During the financial year the audit fee of $455,000 (2023: $372,015) was incurred for auditing of the financial statements completed by the Queensland Audit Office. No other services were provided by the auditor. QAO have outsourced the audit to Deloitte, and Deloitte have not provided CleanCo with any non-audit services in FY 2024 (2023: $112,055).

Other IT costs relate to low-value IT assets which have been expensed, maintenance of IT systems and IT software costs which have not been capitalised.Other costs relate to general operational expenses including advertising and marketing, training, stationery, and telecommunication, which are not directly related to participation in the NEM. All administration costs are expensed when incurred.

7. Finance expenses

	Consolidated 2024 $'000	2023 $'000
Finance costs	46,385	27,052
Rehabilitation provision/unwinding of discount	196	2,701
	46,581	**29,753**

Finance costs comprise interest on lease liabilities, interest on borrowing facilities, administration fees and the unwinding of the discount on the rehabilitation provision. Interest costs pertaining to the rehabilitation provision represents the change in the time value of money attributed to the carrying amount of expected future cash flows.

8. Cash and cash equivalents

	Consolidated 2024 $'000	2023 $'000
Current assets	6,083	13,540
Cash at bank and in hand	463	1,098
Other cash and cash equivalents		
	6,546	**14,638**

Cash and cash equivalents comprise cash balances held with financial institutions.

Other cash and cash equivalents also include CleanCo's 50% share of cash and cash equivalents related to the joint operation of Kogan North Joint Venture (note 31). They are highly liquid, subject to an insignificant risk of change in value and have a maturity of three months or less.

Cash at bank is bearing an interest rate of 4.85% (2023: 4.6%). The carrying amount for cash and cash equivalents reasonably equates to their fair value. CleanCo's exposure to interest rate risk is discussed in note 25. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

9. Cash flow information

Reconciliation of profit/(loss) after income tax to net cash/(outflow) from operating activities.

	Consolidated 2024 $'000	2023 $'000
Profit after income tax equivalent expense for the year	104,513	41,574
Adjustments for:		
Depreciation and amortisation	35,417	21,014
(Reversal of Impairment) / Impairment of non-current assets	(58,841)	22,793
Asset write down	-	8,399
Net loss on disposal of property, plant and equipment	82	-
Net fair value gain on investments	(4,218)	-
Unwinding of the discount on provisions	3,150	2,701
Interest expense	12,147	12,544
Interest income	(29,703)	(2,409)
Non-cash retirement benefit obligations	84	103
Fair value adjustment to derivatives	(91,370)	(347,715)
Fair value loss/(gain) on financial assets at fair value through profit and loss	-	(1,127)
Amortisation of hedge accounted derivatives in reserve at date of discontinuation	-	116,840
Non-cash rehabilitation expense	(2,954)	453
Non-cash stock obsolescence	224	252
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(19,159)	289,802
Increase in inventories	(1,548)	(491)
Decrease/(increase) in deferred tax assets	(78,631)	24,996
Increase in derivative assets	-	(1,095)
Increase in prepayments	(1,123)	-
Decrease in current tax equivalent assets	-	14,815
Increase in current financial assets	(92,169)	-
Decrease in trade and other payables	(8,604)	(129)
Decrease in derivative liabilities	-	(21,925)
Increase/(decrease) in deferred tax liabilities	130,583	(7,659)
Increase in employee benefits	4,168	999
Decrease in other provisions	(84)	(471)
Decrease in current financial liabilities	61,261	-
Increase in other current liabilities	(3,472)	-
Other	(737)	(1,137)
Increase in other operating liabilities	-	14,364
Net cash (outflow) from operating activities	**(40,984)**	**187,491**

10. Trade and other receivables

	Consolidated 2024 $'000	2023 $'000
Current assets		
Trade receivables	31,658	15,370
Advance facility	781,644	544,177
Other receivables	165,037	160,709
Restricted cash	5	5
	978,344	**720,261**

Under the Queensland Government's cash management regime, Government Owned Corporations (GOCs) advance surplus cash to Queensland Treasury. Access to the advances is generally subject to notification periods of 24 to 48 hours. The advances facility yielded floating interest rates between 4.49% to 5.26% during the year ended 30 June 2024 (2023: 1.95% to 4.17%).

Receivables are recognised on the date that they originated and when CleanCo has the legal right to receive the economic benefit. Cash flows relating to short term receivables are not discounted if the effect of discounting is immaterial. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Receivables that are classified and measured at amortised cost include trade receivables, collateral, advances facility and other receivables. They are initially measured at fair value less transaction costs and subsequently measured at amortised cost using the effective interest method, less impairment allowance. Debts which are known to be uncollectible are written off by reducing the carrying amount directly.

Other Receivables include cash collateral provided to support the margin requirements for electricity futures contracts traded on the ASX. The receivable has been reduced for any cash required to cover expired contracts at reporting date that has not yet been settled. As at 30 June 2024, this amount was $0.4 million gain (2023: $7.1 million loss).

Application of accounting estimates and judgements

The allowance for expected credit losses is based on management's estimate of the prospect of recovering the debt. The expected credit loss for the year end 30 June 2024 is $ Nil (2023: $ Nil).

Financial risk management

Credit Risk

Impairment allowance for expected credit losses on all receivables at amortised cost is assessed and measured at each reporting date. CleanCo has no material receivables that are past due and not impaired (2023: $ Nil).

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets inclusive of any provisions for expected credit losses.

Bank guarantees were provided by several of CleanCo's customers. No credit enhancements relate to receivables held by CleanCo.

In considering lifetime expected credit losses CleanCo has segmented trade receivables into the following categories:

(i) Wholesale operations

CleanCo transacts spot electricity and ancillary services with AEMO, which is a company limited by guarantee. Wholesale receivables are assessed for impairment using the simplified approach.

Credit risk with AEMO is not considered significant. The lifetime expected credit loss on wholesale receivables is $nil as at 30 June 2024 (2023: $nil).

(ii) Commercial and industrial (C&I) Retail

CleanCo has entered into retail contracts with large commercial and industrial customers. These customers have ongoing credit reviews on their financial conditions to ensure credit exposures remain within approved levels. C&I retail receivables are assessed for impairment using the simplified approach. The lifetime expected credit loss on C&I retail receivables is $nil as at 30 June 2024 (2023: $ Nil).

(iii) QTC advances facility

The Advance Facility is held with QTC rated as AA to AA+. Credit risk of the Advance Facility is considered low due to low risk of default and the counterparty's strong capacity to meet contractual cashflow obligations. An impairment assessment was performed on 30 June 2024 and no allowance for expected credit loss has been recognised as the amount was not material.

See note 25 for further information on the Company's financial risk management.

11. Inventories

	Consolidated 2024 $'000	**2023 $'000**
Current assets	11,146	8,590
Spare parts and consumables at cost	(2,937)	(2,721)
Less: Provision for obsolescence	8,209	5,869
Fuel at cost	8,670	12,932
Environmental certificates at cost	9,518	6,271
	26,397	**25,072**

Inventories expensed during the year ended 30 June 2024 were $157.0 million (2023: $190.5 million).

Inventories comprise stores, fuel, and environmental certificates, which are stated at the lower of cost and net realisable value.

Cost comprises the cost of purchase, which is assigned to individual items of inventory based on the weighted average cost. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are consumed, the carrying amount of those inventories is recognised as an expense in the period in which the associated revenue is recognised.

Environmental certificates

CleanCo is subject to various regulatory environmental schemes and as such accrues environmental liabilities as part of its normal business operations. To meet these liabilities, CleanCo acquires environmental certificates on the wholesale market and surrenders these to the scheme administrators periodically.

A number of CleanCo's operating assets are also accredited to create environmental certificates, and CleanCo receives environmental certificates under offtake agreements with other renewable energy generation assets. These are used to either acquit the mandatory renewable energy liability of CleanCo or transferred to customers as part of their long-term retail contracts.

Provision for obsolescence

CleanCo provides for inventory obsolescence based on the ageing of stock items held.

12. Other assets

	Consolidated 2024 $'000	2023 $'000
Current assets		
Prepayments	5,129	3,750
Non-current assets		
Investments - Financial assets at fair value through profit and loss *	22,516	18,298
	27,645	**22,048**

* On 18 September 2023, CleanCo and Comet Ridge Mahalo Pty Ltd (CRL) executed a seven-year Gas Sales Agreement (GSA) subject to satisfaction of certain conditions precedents. Upon execution of the GSA, the 2014 Deed of Option was terminated.

Until satisfaction of the two remaining conditions precedent are achieved, CleanCo will continue to recognise the initial investment as a financial asset at fair value through profit & loss (**FVTPL**).

The value to CleanCo per the executed GSA is the value of the discount to the gas price provided over the term of the GSA.

A fair value assessment was performed during the year using a discounted cashflow technique and a discount rate of 7.38% was implied (2023: 4.42%). A fair value increase of $4,217,968 (2023: an increase of $1,127,046) has been recognised in the statement of comprehensive income.

Application of accounting estimates and judgements

Investments are tested for impairment annually. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

13. Property, plant and equipment

	Consolidated 2024 $'000	2023 $'000
Non-current assets		
Generation assets - cost or recoverable amount	201,929	162,356
Less: Accumulated depreciation	(73,785)	(55,258)
Less: Accumulated impairment	(10,488)	(24,971)
	117,656	**82,127**
	28,586	27,053
Land and buildings - at cost	(6,623)	(5,214)
Less: Accumulated depreciation	(351)	(344)
Less: Accumulated impairment	**21,612**	**21,495**
Capital works in progress - cost or recoverable amount *	178,035	50,117
Less: Accumulated impairment *	-	(29,275)
	178,035	**20,842**
Other plant and equipment - at cost	12,609	10,329
Less: Accumulated depreciation	(7,202)	(3,862)
Less: Accumulated impairment	(579)	(1,320)
	4,828	**5,147**
Exploration assets - cost or recoverable amount	18,607	17,571
Less: Accumulated amortisation	(7,409)	(6,197)
	11,198	**11,374**
	333,329	**140,985**

***** ***2023 Reclassification***

A reclassification of 2023 reported amounts has been made in the current year financial statements to both decrease the Capital works in progress at cost and decrease the Accumulated impairment as at 30 June 2023 each by $34,622 thousand.

This reclassification was made to accurately reflect both the gross and accumulated reported amounts for Capital works in progress. The net value after accumulated impairment was not affected.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Generation Assets $'000	Land & Buildings $'000	Capital Works in Progress $'000	Other Plant & Equip $'000	Exploration assets $'000	Total $'000
Balance at 1 July 2022	**79,915**	**19,782**	**29,275**	**6,649**	**3,154**	**138,775**
Additions	-	-	40,007	-	9,387	49,394
Disposals	-	(18)	-	(1)	-	(19)
Rehabilitation assets adj.	534	-	-	-	-	534
Impairment of assets	(12,190)	(12)	(10,489)	(102)	-	(22,793)
Asset write down	-	-	(8,399)	-	-	(8,399)
Transfers in/(out)	25,905	3,097	(29,552)	537	-	(13)
Depreciation expense	(12,037)	(1,354)	-	(1,936)	(1,167)	(16,494)
Balance at 30 June 2023	**82,127**	**21,495**	**20,842**	**5,147**	**11,374**	**140,985**
Additions	-	-	152,646	-	1,037	153,683
Disposals	(31)	(49)	-	(4)	-	(84)
Rehabilitation assets adj.	(1,807)	-	-	-	(1)	(1,808)
Impairment of assets	30,394	(7)	29,275	742	-	60,404
Transfers in/(out)	22,362	1,617	(24,728)	749	-	-
Depreciation expense	(15,389)	(1,444)	-	(1,806)	(1,212)	(19,851)
Balance at 30 June 2024	**117,656**	**21,612**	**178,035**	**4,828**	**11,198**	**333,329**

Property, plant, and equipment are stated at historical cost less accumulated depreciation/amortisation and accumulated impairment charges. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

Subsequent costs of replacing part of an item of property, plant and equipment are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to CleanCo and the cost of the item can be measured reliably. The carrying amount of the replaced asset is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

Capital work in progress is recorded as property, plant and equipment and depreciated from the point at which the asset is installed and ready for use. At 30 June 2024, the capitalised work in progress is not yet available for use.

CleanCo has established a program of major overhauls providing cyclical maintenance works on the generation and operating assets. Capitalised overhaul expenditure is depreciated over the period in which CleanCo expects to derive the benefits of the overhaul.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the profit or loss.

Depreciation

Depreciation is recorded over the useful life of the asset, or over the remaining life of the power station if shorter. Assets are depreciated from the date they become available for use. Land is not depreciated.

Straight-line basis

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant, and equipment (excluding land) over their expected useful lives as follows:

The estimated useful lives for each class of depreciable assets are:

Buildings	5 - 40 years
Generation assets (including overhauls)	1 - 64 years
Other plant and equipment	3 - 20 years

Exploration assets include CleanCo's 50% share of exploration assets related to the joint operation of Kogan North Joint Venture (note 31). These assets are depreciated under the units of production method. The depreciation charge per unit is calculated based on a forecasted gas supply output from the Kogan North Joint venture. This charge per unit is applied to actual gas supply output to calculate depreciation expense each month.

Estimates of residual values and remaining useful lives are assessed annually, and any change in estimate is considered in the determination of future depreciation charges. The estimation of the useful lives of assets has been based on historical experience as well as the manufacturers' design life

Impairment

Assets are reviewed and tested at each reporting date for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's value in use (VIU) or fair value less costs to sell (FVLCS). In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money.

CleanCo operates in wholesale and retail electricity markets which are impacted by economic cycles and short-term volatility. The wholesale price of electricity, cost of generation and demand for electricity are uncertain and the Group considers a range of recognised external forecasters when assessing possible future market conditions. CleanCo assesses impairment annually by evaluating conditions that might indicate an impairment of assets exists.

The recoverable amounts of assets, or Cash Generating Units (CGUs), have been determined on a value in use basis for all assets. The value in use calculations is based on financial forecasts covering the lives of the assets up to 63 years.

The following table outlines the key inputs and assumptions and their relationships to value in use considered in the discounted cash flow methodology to determine recoverable amounts under the value in use approach:

Unobservable inputs	Nature and range of inputs	Relationship of unobservable inputs in value in use
Operating expenditure	Operating expenditures for electricity generation have been determined based on the most recent management forecasts available at the time of valuation.	A lower operating expenditure increases the value in use.
Life of plant	Cash flows have been projected to the life of plants.	Any increases in the projections of the life of the generating plant under certain scenarios increases the value in use.
Weighted Average Cost of Capital (WACC) discount rate	A nominal WACC of 7.4% (2023: 8.0%) post-tax has been employed in the valuation. The WACC discount rate has been determined in consultation with independent experts based on a long-term view of the market cost of capital.	The higher the nominal WACC, the lower the value in use.
Fuel cost	Fuel cost has been determined based on existing supply contracts and projected average gas prices.	A lower fuel cost expenditure increases the value in use.
Capital expenditures	Capital expenditures has been determined based on current life cycle plans and current overhaul and maintenance schedules.	A lower capital expenditure increases the value in use.

Sensitivities were applied to the respective CGU models to stress test the carrying values. In all cases, with the exception of Swanbank E (refer to Impairment Reversal of Swanbank Power Station below for specific detail on Swanbank E), there remained headroom above current carrying values.

Impairment Reversal of Swanbank Power Station

Swanbank Power Station (Swanbank) is a 385MW combined cycle gas fired plant in Southeast Queensland. It is a core asset in CleanCo's plans to provide firmed renewable energy to commercial and industrial customers. Swanbank's low emissions fast start capability enables CleanCo to manage both volume and price risks associated with the supply of variable solar and wind generation. It is anticipated that continued expansion of its retail portfolio and the commencement of renewable energy power purchase agreements that CleanCo has secured will demonstrate the value of Swanbank in its portfolio.

In 2024 the impairment reversal of $60,404,000 (2023: $22,793,000 impairment) represented a write back of Swanbank Power Station (Swanbank) to its estimated recoverable amount. Swanbank is a 385MW combined cycle gas fired plant in Southeast Queensland.

The carrying amount of Swanbank Power Station (excluding the carrying value of land) was written back up in FY 24 reflecting a positive value in use and fair value less costs of disposal as a standalone generating asset.

In determining the value in use of Swanbank, the cashflows reflect the structural change occurring in the National Energy Market, including AEMO's expectation that Gas will play an increasingly important role through the transition to renewable electricity. This change is more than temporary in nature. It also reflects current policy issued by the State of Queensland in the form of the Queensland Energy and Jobs plan and as such also reflected in the Group's Corporate Plan.

The key assumptions the Group has used in its VIU calculation when determining the recoverable amount of the Swanbank power station CGU were:

Key assumption	Basis of estimation	Sensitivity ($'000) +10%	-10%
Future cash flows	• VIU calculations use post-tax cash flows, inclusive of working capital movements which are based on financial projections approved by the Group covering a 5-year forecast period, being the basis of the Group's forecasting and planning processes, or up to 16 years where circumstances pertaining to a specific CGU support a longer period. • Cash flows beyond the forecast period are extrapolated to provide a maximum of 60 years of cash flows with adjustments where necessary to reflect changes in long-term operating conditions. No terminal value is calculated. • Gas Supply - Kogan North JV and Mahalo gas projects contributing to lower fuel costs. • Operating and capital expenditure commitments associated with the gas field development project. • Major overhauls required for the continuation of the asset until the end of the assets' useful life.	N/A	N/A
Discount rate	• The discount rate applied to the cash flows has been assessed to reflect the time value of money and the perceived risk profile of the industry in which each CGU operates. • The base post-tax discount rates of 7.4% (2023: 8.0%).	($12m)	$13m
Dispatch volumes	• Based on management forecasts, taking into account external forecasts of underlying structural change occurring in the market in which each CGU operates. • Swanbank E will increase its operations and run more during the evening peaks. • Demand outlook indicates that Queensland's operational consumption over the next decade will materially increase.	$51m	($51m)
Wholesale electricity prices	• Based on management forecasts, taking into account wholesale electricity price forecasts derived from a range of external market forecasters.	$96m	($96m)
Climate related risks	• CleanCo considers climate change and other sustainability risks when determining the carrying value of each CGU. • The Group has climate change action plans, greenhouse gas emission reduction targets for its gas fired generation and environmental management, water stewardship and other sustainability initiatives. Operating and capital expenditure associated with these initiatives is, to the extent necessary, taken into account when determining the recoverable value of each CGU. • A cost of carbon, net of assistance, has not been factored as presently there is no legislation or framework currently enacted.	N/A	N/A

Application of accounting estimates and judgements

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

Assets that have previously been impaired are assessed annually to determine if there has been a reversal in impairment. Where this exists, the impairment is reversed through profit or loss only to the extent that the carrying value does not exceed the original carrying value net of depreciation and amortisation should the asset not have been impaired. Refer to Impairment Reversal of Swanbank Power Station above.

In applying the group's accounting policies, CleanCo's directors are required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

14. Right-of-use assets

	Consolidated 2024 $'000	2023 $'000
Non-current assets		
Land and buildings - right-of-use	10,102	4,378
Less: Accumulated depreciation	(2,357)	(1,431)
Less: Accumulated impairment	(1,563)	-
	6,182	**2,947**
Generation Assets - right-of-use	308,329	-
Less: Accumulated depreciation	**(10,278)**	**-**
	298,051	**-**
	304,233	**2,947**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Generation Assets $'000	Consolidated 2024 $'000	2023 $'000
Balance at 1 July 2022	**-**	**3,563**	**3,563**
Depreciation expense	-	(616)	(616)
Balance at 30 June 2023	**-**	**2,947**	**2,947**
Additions	308,329	5,725	314,054
Impairment of assets	-	(1,563)	(1,563)
Depreciation expense	(10,278)	(927)	(11,205)
Balance at 30 June 2024	**298,051**	**6,182**	**304,233**

Right-of-use assets are measured initially at cost comprising the following:

- The amount of initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs;
- Restoration costs.

Subsequently, the right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses and adjusted for remeasurement of the lease liability due to reassessment or lease modifications.

Depreciation

The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets are depreciated from the date they become available for use. Land is not depreciated.

Straight-line basis

Depreciation is calculated on a straight-line basis to write off the net cost of each right-of-use asset (excluding land) over their expected useful lives as follows:

The estimated useful lives for right-of-use assets are:

Right of use assets 3 - 18 years

During the year, the Capacity Purchase Agreement with Kaban Wind Farm Pty Ltd commenced, recognising an increase to the lease liability and right-of-use assets of $308.3 million.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

15. Intangible assets

	Consolidated 2024 $'000	2023 $'000
Non-current assets		
Software - at cost	16,423	15,410
Less: Accumulated amortisation	(9,516)	(5,155)
	6,907	**10,255**
Intangible Capital Work in Progress	65,436	24,707
	72,343	**34,962**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Software $'000	Capital Work in Progress $'000	Total $'000
Balance at 1 July 2022	**13,709**	**5,749**	**19,458**
Additions	-	19,395	19,395
Transfers in/(out)	450	(437)	13
Amortisation expense	(3,904)	-	(3,904)
Balance at 30 June 2023	**10,255**	**24,707**	**34,962**
Additions	-	41,742	41,742
Transfers in/(out)	1,013	(1,013)	-
Amortisation expense	(4,361)	-	(4,361)
Balance at 30 June 2024	**6,907**	**65,436**	**72,343**

Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and services as well as direct payroll and payroll related costs of employees' time spent on the project.

In addition, CleanCo has various software-as-a-service cloud computing arrangements in place. CleanCo does not have possession of the underlying software, rather, CleanCo has non-exclusive access and use of the software, over the contract period.

The accounting treatment of costs incurred in relation to these arrangements is to recognise contract fees for use of the application and customisation costs as an operating expense over the term of the service contract. Configuration costs, data conversion and migration costs, testing costs and training costs are recognised as an operating expense as the service is received.

Costs incurred for the development of generation projects and software code that enhances or modifies, or creates additional capability to, existing on-premises systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets. Judgement has been applied in determining whether the change to the owned software meets the definition of and recognition criteria for an intangible asset in accordance with AASB 138 *Intangible Assets*.

After initial recognition, any intangible assets are carried at their cost less any accumulated amortisation and any accumulated impairment losses.

The estimated useful lives for intangible assets are:

Software 3 - 14 years

Intangible capital work in progress

Intangible capital work in progress represents accumulated costs incurred for rights to potential generation projects and the development of software. When rights are exercised or software projects are completed, ready for use, the value of the asset is transferred to the appropriate asset category and amortised or depreciated over its estimated useful life. At 30 June 2024, the intangible capital work in progress is not yet available for use.

Amortisation

Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The useful lives of intangible assets are reviewed annually and adjusted if appropriate.

Impairment

Impairment of intangible assets is considered along with property, plant, and equipment. Refer to note 13.

Application of accounting estimates and judgements

Any change in estimation of useful lives is considered in the determination of future amortisation charges. Adjustments to useful life are made when considered necessary.

Borrowing costs

Costs in relation to borrowings are capitalised as an asset and amortised on a straight-line basis over the period of the finance arrangement.

Borrowing costs are capitalised using the average interest rate applicable to the CleanCo group debt facilities.

16. Employee benefit asset

Some employees of CleanCo are entitled to benefits from the industry superannuation plan, the Energy Super Fund (ESF), on retirement, disability, or death.

CleanCo has a defined benefit plan and a defined contribution plan. Due to a decreased return on the actual investment plan assets, the total fair value of the plan assets were more than the present value of the future obligations in 2024 resulting in a defined benefit asset being recognised at 30 June 2024. (30 June 2023: Defined benefit asset recognised).

Statement of financial position amounts

The amounts recognised in the statement of financial position are determined as follows:

	Consolidated 2024 $'000	2023 $'000
Non-current assets		
Fair value of defined benefit plan assets	9,355	10,899
Present value of the defined benefit obligation	(7,082)	(7,824)
Net asset in the statement of financial position	**2,273**	**3,075**

Categories of plan assets

The major categories of plan assets are as follows:

	Consolidated 2024 $'000	2023 $'000
Cash and cash equivalents	561	545
Australian equities	936	981
International equities	1,777	2,180
Fixed income	3,181	3,705
Property	1,403	1,635
Other assets	1,497	1,853
	9,355	**10,899**

	Consolidated 2024 %	2023 %
The percentage invested in each asset class at the reporting date is:		
Cash and cash equivalents	6.0%	5.0%
Australian equities	10.0%	9.0%
International equities	19.0%	20.0%
Fixed income	34.0%	34.0%
Property	15.0%	15.0%
Alternatives/Other	16.0%	17.0%

Employer contributions

Employer contributions to the defined benefit section of the plan are based on recommendations by the plan's actuary. Actuarial assessments are made at no more than three yearly intervals, with the most recent actuarial assessment undertaken as at 30 June 2021.

Based on projected levels of cashflows and assets in the plan, the actuary has recommended that CleanCo enter a contribution holiday, contributing at the rate of 0.0% of salaries for employees who are members of the defined benefit plan.

Employer contributions

Employer contributions to the defined benefit section of the plan are based on recommendations by the plan's actuary. Actuarial assessments are made at three yearly intervals, with the most recent actuarial assessment undertaken as at 30 June 2021. We are in the process of procuring a vendor to undertake a new actuarial assessment.

Based on projected levels of cashflows and assets in the plan, the actuary has recommended that CleanCo enter a contribution holiday, contributing at the rate of 0.0% of salaries for employees who are members of the defined benefit plan.

Reconciliations

	Consolidated 2024 $'000	2023 $'000
Reconciliation of the present value of the defined benefit obligation, which is fully funded:		
Balance at the beginning of the year	7,824	7,462
Current service cost	222	221
Interest cost	428	376
Benefits paid	(1,920)	-
Taxes, premiums, and expenses paid	(37)	(43)
Actuarial (gains) recognised in equity	275	(63)
Actuarial losses from liability experience	206	(242)
Contributions by plan participants	84	113
Balance at the end of the year	**7,082**	**7,824**
Reconciliation of the fair value of plan assets:		
Balance at the beginning of the year	10,899	10,134
Interest income	573	494
Actual return of Fund assets less interest income	(244)	201
Taxes, premiums, and expenses paid	(37)	(43)
Contributions by plan participants	84	113
Benefits paid	(1,920)	-
Balance at the end of the year	**9,355**	**10,899**

Amounts recognised in the statement of comprehensive income

The amounts recognised in the statement of comprehensive income are as follows:

	Consolidated 2024 %	2023 %
Current service cost	222	221
Interest cost	(145)	(118)
Total amount recognised in profit or loss	**77**	**103**

	Consolidated 2024 %	2023 %
Actuarial (gains)/losses	481	(305)
Actual return in Fund assets less interest income	244	(201)
Defined benefit cost (remeasurements) recognised in Other comprehensive income (OCI)	**725**	**(506)**

Significant actuarial assumptions

Assumptions to determine defined benefit cost	Consolidated 2024 %	2023 %
Discount rate per annum	5.5%	5.1%
Expected salary increase rate per annum	-	3.0%
- First year	4.5%	-
- Second year	3.5%	-
- Thereafter	3.0%	-

Assumptions to determine defined obligation	Consolidated 2024 %	2023 %
Discount rate per annum	5.4%	5.5%
Expected salary increase rate per annum	3.5%	-
- First year	-	4.5%
- Second year	-	3.5%
- thereafter	-	3.0%

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increases. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Base Case 2024	-0.5% pa discount rate 2024	+0.5% pa discount rate 2024	-0.5% pa salary increase rate 2024	+0.5% pa salary increase rate 2024
Discount rate	5.4%	4.9%	5.9%	5.4%	5.4%
Salary increase rate	3.5%	3.5%	3.5%	3.0%	4.0%
Defined benefit obligation ($'000's)	7,082	7,354	6,824	6,821	7,356

	Base Case 2023	-0.5% pa discount rate 2023	+0.5% pa discount rate 2023	-0.5% pa salary increase rate 2023	+0.5% pa salary increase rate 2023
Discount rate	5.5%	5.0%	6.0%	5.5%	5.5%
Salary increase rate	3.0%	3.0%	3.0%	2.5%	3.5%
Defined benefit obligation ($'000's)	7,824	8,113	7,550	7,545	8,117

Employer contributions

Employer contributions to the defined benefit section of the plan are based on recommendations by the plan's actuary and the current agreed contribution rate is 0% of salaries. Actuarial assessments are made at no more than three yearly intervals, and the last such assessment was made as of 1 July 2021 - report prepared by Willis Towers Watson dated 7 December 2021.

Employee retirement benefits

CleanCo's defined contribution plan chosen by the employee receives fixed contributions from the Company and the Company's legal or constructive obligation is limited to these contributions.

Contributions to the defined contribution plans are recognised as an expense in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

CleanCo's defined benefit plan provides lump sum benefits based on years of service and final average salary. A liability or asset in respect of the Company's defined benefit superannuation plan is recognised in the statement of financial position and is measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the plan's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments that arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. When the calculation results in a benefit to CleanCo, the recognised asset is limited to the total of any unrecognised post service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to CleanCo if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Expected future payments are discounted using rates based on high-quality corporate bond yields with terms to maturity that match, as closely as possible, the estimated future cash outflows. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in other comprehensive income.

Past service costs are recognised immediately in profit or loss, unless the changes to the superannuation fund are conditional on the employees remaining in service for a specified period (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

Future taxes, such as taxes on investment income and employer contributions, are considered in the actuarial assumptions used to determine the relevant components of the employer's defined benefit liability or asset.

17. Trade and other payables

	Consolidated 2024 $'000	2023 $'000
Current liabilities		
Trade payables	21,729	25,529
Accrued expenses	31,659	30,594
Other payables	513	1,602
Initial margins	37,854	33,772
	91,755	**91,497**

Initial margins are amounts payable for derivative contracts on the Australian Stock Exchange.

Refer to note 25 for further information on financial risk management.

Trade payables are unsecured and are usually paid within 30 days of recognition. Accrued expenses are recognised for expenses incurred but not yet invoiced.

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period, are measured at the amounts expected to be paid when the liabilities are settled. They are measured at undiscounted amounts based on remuneration rates at reporting date including related on-costs. The liabilities for wages and salaries are presented as other payables in the statement of financial position.

Due to the nature of over-the-counter electricity contracts (OTC), the settlement is performed on a net basis with the respective counterparty. The net amount payable is included in trade payables.

18. Borrowings

	Consolidated 2024 $'000	2023 $'000
Current liabilities		
QTC working capital facility	66,207	34,826
Non-current liabilities		
Loans - QTC	617,571	529,829
	683,778	**564,655**

Refer to note 25 for further information on financial instruments.

Working Capital Facility

The working capital facility is short-term in nature with the outstanding balance to be paid down regularly.

As at 30 June 2024, CleanCo had access to $150 million (2023: $150 million) in QTC facilities.
The total drawdown of the facility was $66.5 million (2023: $34.8 million) with $83.5 million undrawn (2023: $115.0 million undrawn).

Loans - QTC

The fair value of QTC loans at 30 June 2024 was $615.6 million (2023: $529.8 million).
The fair value of QTC loans is the price that the notional underlying bonds and instruments funding the loan could be bought for at balance date. This is classified as level 2 in the fair value measurements hierarchy.

19. Lease liabilities

	Consolidated 2024 $'000	 2023 $'000
Current liabilities		
Lease liability	28,648	834
Non-current liabilities		
Lease liability	284,836	3,284
	313,484	**4,118**

	Consolidated 2024 $'000	 2023 $'000
Amounts recognised in the Statement of Profit and Loss		
Interest on lease liabilities	10,129	49
Balance as at 30 June	**10,129**	**49**
Amounts recognised in the Statement of Cashflows		
Lease Interest	8,505	49
Principal payments	3,708	755
Total cash outflows for leases	**12,213**	**804**

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by CleanCo. The right-of-use assets for land and buildings and motor vehicles are disclosed in right-of-use assets.

At the commencement date, lease liabilities are measured at an amount equal to the present value of the following lease payments for the underlying right-of-use assets during the lease term:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable and
- variable lease payments that are based on an index or a rate.

The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined or CleanCo's incremental borrowing rate. Lease interest for the current year included in finance costs in is $10,129 thousand (2023: $49 thousand).

Each lease payment is allocated between the liability and finance cost. Lease liabilities are subsequently measured using the effective interest method. The carrying amount of liability is remeasured to reflect any reassessment, lease modification or revised in-substance fixed payments.

The lease term is a non-cancellable period of a lease; periods covered by options to extend and terminate the lease are only included in the lease term if it is reasonably certain that the lease will be extended or not terminated.

All commitments are shown exclusive of Goods and Services Tax (GST).

20. Provisions

	Consolidated 2024 $'000	2023 $'000
Current liabilities		
Employee benefits *	11,657	8,473
Restoration, rehabilitation, and decommissioning	2,907	9,564
	14,564	**18,037**
Non-current liabilities		
Employee benefits *	633	440
Restoration, rehabilitation, and decommissioning	77,924	75,762
	78,557	**76,202**
	93,121	**94,239**

Restoration, rehabilitation, and decommissioning	Consolidated 2024 $'000	2023 $'000
Balance at the start of the year	**85,326**	**82,642**
Movements in estimates	(3,978)	333
Unwinding of discount	3,199	2,701
Provisions used	(2,126)	-
Amounts used / unused amounts reversed	(1,590)	(350)
Balance at the end of the year	**80,831**	**85,326**

** 2023 Reclassification*

A reclassification of 2023 reported amounts has been made to the current year financial statements to reclassify previously reported non-current employee benefits to current employee benefits of $1,882 thousand.

This reclassification was made to more accurately reflect the current nature of the amounts.

Provisions are recognised when CleanCo has a present (legal or constructive) obligation arising as a result of a past event, it is probable CleanCo will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Short-term employee benefits

The leave obligations cover CleanCo's liabilities for long service leave and annual leave which are classified as either long-term benefits or short-term benefits.

The entire amount of the annual leave provision is presented as current since CleanCo does not have an unconditional right to defer settlement for any of this obligation. However, CleanCo does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service and where employees are entitled to prorate payments in certain circumstances.

Restoration, rehabilitation and decommissioning

Future costs associated with the rehabilitation of power station sites are estimated and provided for. Provisions for restoration and rehabilitation costs do not include additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments and are subject to formal review at regular intervals.

As at 30 June 2024, the balance of provisions for restoration and rehabilitation includes $6.2 million (2023: $7.8 million) for CleanCo's share of provisions in the joint operation of Kogan North Joint Venture.

When provisions for restoration and rehabilitation are initially recognised, the corresponding cost is capitalised as an asset, representing part of the cost of acquiring the future economic benefits of the operation. The capitalised cost is amortised over the estimated economic life of the operation. The value of the provision is progressively increased over time as the effect of the discounting unwinds, creating an expense which is recognised as a finance cost. The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the profit or loss in each accounting period. The amortisation of the discount is shown as a financing cost, rather than as an operating cost.

Application of accounting estimates and judgements

Employee Benefits

Non-current provision for employee benefits are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

Restoration, rehabilitation and decommissioning

Provisions for restoration, rehabilitation and decommissioning obligations are based on risk-adjusted cash flows. These estimates have been discounted to their present value at a pre-tax risk-free rate, based on an estimate of the long term, risk-free, pre-tax cost of borrowing. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

21. Other liabilities

	Consolidated **2024** **$'000**	 **2023** **$'000**
Current liabilities		
Environmental certificates	14,715	15,867
Joint Venture Liabilities	762	1,682
Gas swap liability	4,542	8,207
	20,019	**25,756**

22. Contributed equity

	Consolidated 2024 Share	2023 Share	2024 $'000	2023 $'000
Ordinary shares - fully paid	20,000,002	20,000,002	1,137,412	807,412

Details	Date	Shares	$'000
Movements in ordinary share capital			
Balance	1 July 2022	20,000,002	307,412
Equity Contribution from /(distribution to) the State of Queensland		-	500,000
Balance	30 June 2023	20,000,002	807,412
Equity Contribution from /(distribution to) the State of Queensland		-	330,000
Balance	**30 June 2024**	**20,000,002**	**1,137,412**

Shares issued

The shares are held by the Hon. Mr Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment and the Hon. Mick de Brenni MP, Minister for Energy and Clean Economy Jobs.

Ordinary shares have no par value, and the Company does not have authorised capital.

Equity contribution from/ (distribution to) State of Queensland

The State of Queensland made an equity contribution to assist with the operations of CleanCo. The amount is treated as a contribution by owners and accounted for as an adjustment to equity in accordance with *Interpretation 1038: Contributions by Owners made to Wholly Owned Public Sector Entities.*

23. Income tax

	Consolidated 2024 $'000	2023 $'000
Income tax equivalent benefit		
Deferred tax equivalent benefit	45,132	17,338
Aggregate income tax equivalent expense	**45,132**	**17,338**
Income tax equivalent expense is attributable to:		
Profit from continuing operations	45,132	17,338
Aggregate income tax equivalent expense	**45,132**	**17,338**
Deferred tax included in income tax equivalent expense comprises:		
Decrease/(increase) in deferred tax assets	(83,988)	24,974
Increase/(decrease) in deferred tax liabilities	129,120	(7,636)
Deferred tax equivalent benefit	**45,132**	**17,338**
Numerical reconciliation of income tax equivalent expense and tax at the statutory rate		
Profit before income tax equivalent expense	**149,645**	**58,912**
Tax at the statutory tax rate of 30%	44,894	17,674
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	4	2
De-recognition of temporary differences	234	(338)
Income tax equivalent expense	**45,132**	**17,338**

	Consolidated 2024 $'000	2023 $'000
Amounts charged/(credited) directly to equity		
Deferred tax assets	7,039	22,132
Deferred tax liabilities	(218)	152
	6,821	**22,284**

	Consolidated 2024 $'000	2023 $'000
Net deferred tax equivalent asset/(liability) comprises temporary differences		
Derivative financial instruments	(75,347)	(32,441)
Rehabilitation provision	24,249	25,598
Employee Entitlements	3,686	2,777
Fixed assets	11,530	31,281
Right-of-Use assets	(91,270)	(884)
Tax losses	154,917	147,889
Sundry items	250	(1,442)
Lease Liability	94,049	1,239
Deferred tax equivalent asset/(liability)	**122,064**	**174,017**

	Consolidated 2024 $'000	2023 $'000
Deferred tax equivalent asset/(liability)		
Deferred tax asset	315,271	238,322
Deferred tax liability	(193,207)	(64,305)
Total deferred tax asset	**122,064**	**174,017**

	Consolidated 2024 $'000	2023 $'000
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant, and equipment	13,692	32,078
Financial assets at fair value through profit and loss	15,247	14,993
Employee entitlements	3,686	2,777
Provision for rehabilitation	24,249	25,598
Accrued expenses	459	49
Tax losses	154,917	147,889
Lease Liability	94,049	1,239
Other	6,070	2,758
	312,369	**227,381**
Amounts recognised in equity:		
Revaluation of financial assets at fair value through other comprehensive income	2,902	10,941
Deferred tax asset	**315,271**	**238,322**
Movements:		
Opening balance	238,322	285,428
Credited/(charged) to profit or loss	83,988	(24,974)
Charged to equity	(7,039)	(22,132)
Closing balance	**315,271**	**238,322**

	Consolidated 2024 $'000	2023 $'000
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Land	(340)	(340)
Investments	755	(511)
Intangibles	(1,500)	-
Total deferred tax assets not recognised	**(1,085)**	**(851)**

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

	Consolidated 2024 $'000	2023 $'000
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Derivative financial instruments	93,495	58,374
Inventories	3,344	2,577
Defined Benefit Fund	(192)	(169)
Right-of-Use assets	91,270	884
Rehabilitation	3,093	797
Other	1,323	750
	192,333	**63,213**
Amounts recognised in equity:		
Defined Benefit Fund	874	1,092
Deferred tax liability	**193,207**	**64,305**
Movements:		
Opening balance	64,305	71,789
Charged/(credited) to profit or loss	129,120	(7,636)
Charged/(credited) to equity	(218)	152
Closing balance	**193,207**	**64,305**

As a Government Owned Corporation, CleanCo Queensland Limited and its wholly owned Australian subsidiaries are subject to the National Tax Equivalents Regime (NTER). Under this scheme, the CleanCo must make income tax payments to the State Government and is not liable to pay Commonwealth Tax that would be payable if it were not a Government Owned Corporation.

These payments are made pursuant to section 129(4) of the *Government Owned Corporations Act* 1993 (Qld). The NTER gives rise to obligations which reflect in all material aspect those obligations for taxation which would be imposed by the *Income Tax Assessment Act* 1936 and the *Income Tax Assessment Act* 1997.

Income tax equivalent expense is made up of current tax equivalent expenses and deferred tax equivalent expenses. Current tax equivalent expenses represent the expected tax payable on the taxable income for the year, using current tax rates substantially enacted by the end of the reporting period. Deferred tax equivalent expense represents change in temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base.

CleanCo adopts the balance sheet approach to accounting for income tax equivalent payments.

Deferred tax equivalent balances arise when there are temporary differences between carrying amounts and the tax bases of assets and liabilities, other than where the difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting profit nor taxable profit or loss.

Deferred tax equivalent assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax losses.

Deferred tax equivalent assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates and the tax laws that have been enacted or substantially enacted at the reporting date.

Tax equivalent assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and liability simultaneously.

Current and deferred tax equivalent balances attributable to amounts recognised in other comprehensive income or directly in equity are also recognised in other comprehensive income or directly in equity.

The utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences. Forecast assumptions prepared by CleanCo indicate taxable profits in the foreseeable future, with the tax losses expected to be fully utilised in this time.

In determining these forecasts, the cashflows included the following considerations:

- Updated revenue and cost of goods sold based on updated market assumptions of the electricity market.
- Operating and capital expenditure commitments associated with the gas field development project.
- Major overhauls required for the continuation of generation assets until the end of assets useful life.

Consideration has also been made around timing of projects and generation assets currently under development becoming operational, based on the most recent Corporate Plan. Additionally, generation output for all assets and market prices are based on internal modelling incorporating expected market factors.

Application of accounting estimates and judgements

The Group's tax provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of management within the parent company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

The deferred tax asset balance includes $154.9 million (2023: $147.9 million) arising on full recognition of assessed tax losses accumulated at the consolidated statement of financial position date under the Tax Equivalents Regime applicable to State Owned Entities. The group has determined that these deferred tax assets will be fully recoverable against the unwind of taxable differences and future taxable income based on the long-term strategic plans of the group.

Where applicable the financial projections used in assessing future taxable income are consistent with those used elsewhere across the business, including in assessing going concern. These assessments include the expected impact of cash flow projections associated with the commissioning of relevant planned and committed renewable projects.

The tax losses for which a deferred tax asset has been recognised are expected to be utilised within the next decade, assessed by considering probable forecast taxable income. The probable forecast taxable income includes the impact of the expected unwind of taxable temporary differences as well as the effect of claiming capital deductions for qualifying capital expenditure. Probable forecast taxable income included an incremental and increasing risk weighting to represent higher levels of uncertainty in future periods.

The period over which the assessed losses are utilised have been stress tested by considering the future taxable income for the next 8 years.

The tax losses, as presently legislated, can be carried forward indefinitely and have no expiry date.

24. Derivative financial instruments

	Consolidated 2024 $'000	2023 $'000
Current assets		
Electricity contracts - fair value through P&L	6,297	16,304
PPA derivative - fair value through P&L	28,897	24,376
Foreign currency contracts - fair value through P&L	-	2,499
Total current derivative financial instrument assets	**35,194**	**43,179**
Non-current assets		
Electricity contracts - fair value through P&L	4,000	14,266
PPA derivative - fair value through P&L	282,752	168,992
Total non-current derivative financial instrument assets	**286,752**	**183,258**
Current liabilities		
Electricity contracts - fair value through P&L	(41,678)	(77,751)
PPA derivative - fair value through P&L	-	(5,101)
Foreign currency contracts - cash flow hedges	(3,341)	-
Total current derivative financial instrument liabili ties	**(45,019)**	**(82,852)**
Non-current liabilities		
Electricity contracts - fair value through P&L	(29,111)	(39,265)
Net derivative financial instrument liabilities	**247,816**	**104,320**

Refer to note 25 for further information on financial risk management.

Refer to note 26 for further information on fair value measurement.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The accounting for subsequent changes in fair value depends on whether the derivative is classified as held for trading or is designated as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives are classified as held for trading unless they are designated as hedges of a particular risk associated with highly probable forecast transactions (cash flow hedges). Certain derivatives do not qualify for hedge accounting but have been entered into for the risk management objective of economically hedging a risk. These derivatives are classified as held for trading and recognised through profit or loss.

Derivative financial instruments spanning both current and non-current periods are split into their current and non-current components prior to valuation. The fair value of these components is then classified as a current asset or liability when the maturity profile is less than 12 months, including realised but not settled components, and classified as a non-current asset or liability when the maturity profile is greater than 12 months.

Change in fair value recognised in the profit and loss

Gains and losses that are recognised in the statements of profit or loss and other comprehensive income from remeasuring the fair value of derivatives that do not qualify as effective hedging instruments are classified as "non-hedge accounted change in fair value of derivative instruments".

Discontinuance of Hedge Accounting

Hedge accounting for electricity swaps was discontinued from 1 July 2022 onwards as it was unlikely any prospective hedges would meet the highly probable requirement.

Any gains or losses that remained in the cash flow hedge reserve to the extent that the hedged cash flows were still expected to take place, have subsequently been recognised in the Statement of Comprehensive Income at the time at which the hedged item affected the income statement.

As of 30 June 2024, the cash flow hedge reserve consisted of hedge accounting applied to foreign exchange forwards for highly probable forecast purchases.

Hedge Accounting

CleanCo documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. CleanCo also documents its assessment, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items, there is an economic relationship between the hedged items and the hedging instruments, and the terms of the contracts match the terms of the expected highly probable forecast (i.e., nominal amount, expected settlement date and no additional accounting for credit risk).

CleanCo has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of the contracts are identical to the hedged risk components (electricity price or exchange rate).

To test the hedge effectiveness, CleanCo uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Hedge accounted change in fair value of derivatives instruments

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity reserves. An ineffective portion is recognised immediately in profit or loss within "non-hedge accounted change in fair value of derivative instruments".

The hedge ineffectiveness can arise from:

- Differences in the periodic volumes of the hedging instruments and hedged items;
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments;
- Changes to forecast timing of the cash flows of the hedged items and the hedging instruments.

Amounts accumulated in equity are reclassified to profit or loss within "Net realised gain on electricity contracts designated as cash flow hedges" in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place).

The gain or loss is recognised in profit or loss as other income. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, plant and equipment) the gain or loss previously deferred in equity is transferred from equity and included in the initial measurement of the cost of the asset. This transfer does not affect other comprehensive income. The deferred amounts are ultimately recognised in profit or loss as depreciation or impairment in the case of non-financial assets.

CleanCo discontinues hedge accounting only when the hedging relationship ceases to meet the qualifying criteria. This includes when a hedging instrument expires, is sold, or is terminated. The discontinuance is accounted for prospectively.

Any gain or loss accumulated in equity reserves at that time remains in equity and is reclassified to profit or loss as other income when the forecast transaction occurs. However, when a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity reserves is immediately reclassified to profit or loss within "non-hedge accounted change in fair value of derivative instruments".

Derivatives - highly probable forecast transactions:	Change in fair value during the year of the hedged items used for recognising hedge ineffectiveness $'000	Balances in the cash flow hedge reserve at year end for continuing hedges $'000	Balances remaining in the cash flow hedge reserve at year end for which hedge accounting is no longer applied to the hedge relationship $'000	Change in fair value of hedging instrument used for measuring hedge ineffectiveness for the period $'000
30 June 2024				
Highly probable forecast electricity sales	-	-	-	-
Highly probable forecast electricity purchases	-	-	-	-
Highly probable forecast foreign currency purchases	-	3,341	-	-
Hedging reserve - cashflow hedges (before tax)	**-**	**3,341**	**-**	**-**
30 June 2023				
Highly probable forecast electricity sales	-	-	33,212	-
Highly probable forecast electricity purchases	-	-	(98)	-
Hedging reserve - cashflow hedges	**-**	**-**	**33,114**	**-**

The effect of the cashflow hedge in the statement of profit and loss and other comprehensive income is as follows:

Cash flow hedge reserve - movement	Total hedging gain/loss recognised in OCI $'000	Ineffectiveness gains/losses recognised in profit or loss $'000	Gain/loss reclassified from OCI to profit or loss $'000
Year ended 30 June 2024			
Highly probable forecast electricity sales	-	-	(33,212)
Highly probable forecast electricity purchases	-	-	98
Highly probable forecast foreign currency purchases	(3,341)	-	-
Hedging reserve - cash flow hedges	**(3,341)**	**-**	**(33,114)**
Year ended 30 June 2023			
Highly probable forecast electricity sales	-	-	(117,193)
Highly probable forecast electricity purchases	-	-	353
Hedging reserve - cash flow hedges	**-**	**-**	**(116,840)**

The reserve is used to recognise the effective portion of the gains and losses on derivatives designated as cash flow hedges:

Cash flow hedge reserve - reconciliation	Consolidated 2024 $'000	2023 $'000
Balance at the beginning of the year	25,075	119,782
Net changes in fair value of cash flow hedges of electricity swaps transferred to other revenue	(33,114)	(116,839)
Effective portion of changes in the fair values of cash flow hedges of currency forwards	3,341	-
Income tax equivalent relating to these items	7,037	22,134
Current year change in cashflow hedge reserve	**(22,736)**	**(94,707)**
Balance at the end of the year	**2,339**	**25,075**

Derivatives which do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. The main categories of non-qualifying instruments for CleanCo are options, load following hedges and instruments which were not designated as hedges.

Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the Statements of Comprehensive Income as follows:

Line item of Statements of Profit or Loss		Consolidated 2024 $'000	2023 $'000
Net realised profit/(losses)	Fair value through profit/(loss)	(22,369)	(172,819)
Net unrealised profit/(losses)	Fair value through profit/(loss)	146,836	370,736
Total changes in fair value of non-hedged accounted derivatives recognised in profit/(loss)		**124,467**	**197,917**

Master netting arrangements – not currently enforceable

Agreements with derivative counterparties are based on an International Swaps and Derivatives Association (ISDA) Master Agreement and similar agreements. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated.

As CleanCo does not presently have a legally enforceable right of set-off, these amounts have not been offset in the balance sheet but have been presented separately in the following tables. The net amount of financial assets summarised in the following tables best represent CleanCo's current exposure to credit risk on those derivatives at the reporting date.

Master netting arrangements	Amounts presented in the balance sheet $'000	Amounts subject to master netting arrangements $'000	Financial instrument collateral $'000	Net amount $'000
30 June 2024				
Financial Assets				
Derivative financial assets	321,946	(9,262)	-	312,684
Cash collateral	83,357	-	(37,854)	45,503
Total assets	**405,303**	**(9,262)**	**(37,854)**	**358,187**
Financial liabilities				
Derivative financial liabilities	(74,131)	9,262	-	(64,869)
Cash collateral	(37,854)	-	37,854	-
Total liabilities	**(111,985)**	**9,262**	**37,854**	**(64,869)**
30 June 2023				
Financial Assets				
Derivative financial assets	226,436	(11,280)	-	215,156
Cash collateral	89,993	-	(33,772)	56,221
Total assets	**316,429**	**(11,280)**	**(33,772)**	**271,377**
Financial Liabilities				
Derivative financial assets	(122,116)	11,280	-	(110,836)
Cash collateral	(33,772)	-	33,772	-
Total liabilities	**(155,888)**	**11,280**	**33,772**	**(110,836)**

Application of accounting estimates and judgements

The fair value of derivative financial instruments must be estimated for recognition, measurement, and disclosure purposes. Valuation policies and procedures are developed by Trading Risk, approved by the Energy Risk Management Committee and subject to internal and external audit review. The changes in fair value of Level 1 and Level 2 financial instruments are reported daily to management and level 3 monthly. All changes in fair value are reported to the Board monthly.

25. Financial risk management

CleanCo has the following categories of financial assets and financial liabilities:

	Consolidated 2024 $'000	2023* $'000
Financial Assets		
Cash and cash equivalents	6,546	14,638
Receivables	978,344	720,261
Derivative financial instrument assets	318,605	226,436
Other non-current assets	22,516	18,298
Total financial assets	**1,326,011**	**979,633**
Financial Liabilities		
Trade and other payables	91,755	93,567
Derivative financial instrument liabilities	70,790	122,116
Borrowings	683,778	564,655
Lease liabilities	313,484	4,118
Other liabilities	20,019	24,957
Total financial liabilities	**1,179,826**	**809,413**

** 2023 Reclassification*

Financial risk management objectives

CleanCo's activities expose it to a variety of financial risks: market risk (including commodity price risks, interest rate risk and foreign currency risk), credit risk and liquidity risk.

CleanCo's overall risk management program focuses mainly on the unpredictability of the energy and financial markets and seeks to minimise potential adverse effects on the financial performance of CleanCo. CleanCo uses different methods to measure different types of risk to which it is exposed.

These methods include earnings at risk and sensitivity analyses in the case of energy price risks and interest rates, cash flow at risk for liquidity risk and counterparty credit exposure at risk modelling with individual counterparty credit analysis and credit ratings assigned for credit risk.

Energy market and financial risk management is governed by Board approved risk polices and delegations. The Customer and Energy Markets team are responsible for the direct management of exposures to energy market risks with adherence to these policies. The Chief Financial Officer's team are responsible for the development of the risk policies and the subsequent risk measurement, monitoring, control and reporting of energy market and financial risks to the Energy Risk Management Committee, CEO, Audit & Risk Committee and Board.

Market risk

Instruments used by the Company

CleanCo uses derivative financial instruments to hedge certain risk exposures, primarily exposure to fluctuations in the spot and forward price of electricity.

Commodity price risk

Electricity contracts

CleanCo is exposed to electricity price movements in the NEM. To manage its electricity price risk, CleanCo has entered into electricity sales contracts and several electricity derivatives (including OTC and exchange traded swaps, caps, and option contracts) in accordance with the Board-approved Energy Market Risk Management Policy.

For most of these derivatives, CleanCo receives from counterparties a fixed price per megawatt hour and in return pays the actual observed pool price. These contracts and derivatives assist CleanCo to provide certainty in relation to revenue received and are required to manage risk within Board approved levels.

Electricity price risk exposures are measured daily through the use of at-risk measures and the process of marking to market CleanCo's exposure of the net derivative asset and liability position.

Swaps currently in place are timed to settle as each cash flow is received from the NEM. For electricity contracts designated as hedging instruments, the cash flows of the hedged electricity sales and purchases are expected to occur as described in the table under Liquidity Risk, with the hedge reserve reclassifications to the profit or loss within the same financial years as the cash flows.

The electricity swap contracts designated as cash flow hedges of CleanCo's electricity sales are to receive fixed cash flows for prices between $98 and $122 (245,783 MWh). Hedge accounting was discontinued from 1 July 2022 as it is unlikely any prospective hedges will meet the highly probable requirement.

Environmental contracts

CleanCo is exposed to environmental certificate price movements through its requirement to comply with various regulatory environmental schemes as part of its normal business operations. CleanCo also creates environmental certificates which are used to either acquit the mandatory renewable energy liability of CleanCo or sold to customers through long-term retail contracts.

To manage its environmental certificate price risk, CleanCo buys and sells these certificates in the spot and forward markets as and when required to manage CleanCo's obligations. These certificates are classified as inventory. CleanCo is exposed to environmental certificate price movements through its requirement to comply with various regulatory environmental schemes as part of their normal business operations.

Sensitivity analysis

The following commentary and table summarise the sensitivity of CleanCo's derivative financial instruments to electricity price risk. Analysis is performed on a pre-tax basis using similar information to that which would be provided to management and reflects the impact on CleanCo's financial position should certain price movements occur.

The sensitivity in the mark-to-market of CleanCo's derivative financial instruments portfolio to movements in the forward prices of electricity at balance date were investigated. The analysis assumes upward and downward movements of electricity prices of 20%, which reflects a reasonably possible scenario in the economic environment over the next period.

	Average price increase			Average price decrease		
Consolidated - 2024	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
Electricity price - 2024	20%	171,906	-	(20%)	(229,275)	-
Electricity price - 2024	10%	71,705	-	(10%)	(127,968)	-
Foreign Currency (USD/ AUD) - 2024	10%	-	(12,385)	(10%)	-	15,137
		243,611	**(12,385)**		**(357,243)**	**15,137**

	Average price increase			Average price decrease		
Consolidated - 2023	**% change**	**Effect on profit before tax**	**Effect on equity**	**% change**	**Effect on profit before tax**	**Effect on equity**
Electricity price - 2023	20%	162,982	-	(20%)	(169,403)	-
Foreign currency (USD/ AUD) - 2023	10%	(2,932)	-	(10%)	3,583	-
		160,050	**-**		**(165,820)**	**-**

Interest rate risk

CleanCo is exposed to changes in interest rates via its borrowings, cash and cash equivalents and the Advances Facility. Variable and fixed interest rate borrowings expose CleanCo to interest rate cash flow risk.

Consolidated - 2024	Average price increase			Average price decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash and Cash Equivalents	100	65	65	(100)	(65)	(65)
Advances facility	100	7,816	7,816	(100)	(7,816)	(7,816)
Borrowings	100	(6,838)	(6,838)	(100)	6,838	6,838
		1,043	**1,043**			**(1,043)**

Consolidated - 2023	Average price increase			Average price decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash and cash equivalents	100	146	146	(100)	146	146
Advances facility	100	5,442	5,442	(100)	5,442	5,442
Borrowings	100	(5,647)	(5,647)	(100)	(5,647)	(5,647)
		(59)	**(59)**		**(59)**	**(59)**

Credit risk

Credit risk exposure refers to the situation where CleanCo may incur financial loss as a result of another party to a financial instrument failing to fulfil their contractual obligation. Concentrations of credit risk exist for counterparties when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. Derivative counterparty credit risk exposures are predominantly to financial institutions and energy market participants.

CleanCo manages counterparty credit risk through the credit risk policy and associated framework, the policy defines credit risk limits as well as operational controls and procedures to mitigate credit exposure. CleanCo utilises industry practice credit review processes and security instruments to manage its credit risks. CleanCo's credit risk exposure for derivatives is managed by trading with energy industry counterparties under ISDA agreements where possible or contracts with credit risk mitigation clauses. The credit exposure of derivatives is calculated utilising a value at risk methodology which takes into account the current market value, duration of exposure, likelihood of default of the counterparty, the expected loss given default, credit collateral and the volatility of market prices. CleanCo manages its exposure to credit risk for certain derivatives on a net position basis for each of the counterparties.

Please refer to note 10 Receivables for credit risk assessment of outstanding receivables.

A summary of the credit quality of derivative financial assets that are neither past due nor impaired is assess by external credit ratings as reflected in the following table:

	Consolidated 2024 $'000	2023 $'000
AA+ to AA-	213	8,321
A+ to A-	4,279	6,426
BBB+ to BBB-	95,674	41,796
BB+ to BB-	212,333	158,410
Total	**312,499**	**214,953**

Liquidity risk

CleanCo is subject to cash flow volatility and manages a substantial portion of that risk by entering into OTC hedges. CleanCo measures liquidity exposures daily using a cash flow at risk methodology.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	1 year or less $'000	Between 1 and 5 years $'000	Over 5 years $'000	Discounting $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables	(91,755)	-	-	-	(91,755)
Other Liabilities	(20,019)	-	-	-	(20,019)
Interest-bearing - variable					
Lease liability	(23,591)	(129,335)	(339,346)	177,788	(314,484)
Total non-derivatives	**(135,365)**	**(129,335)**	**(339,346)**	**177,788**	**(426,258)**
Derivatives					
Derivative financial instrument liabilities	(45,531)	(29,673)	-	1,074	(74,130)
Total derivatives	**(45,531)**	**(29,673)**	**-**	**1,074**	**(74,130)**

Consolidated - 2023	1 year or less $'000	Between 1 and 5 years $'000	Over 5 years $'000	Discounting $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables	(93,567)	-	-	-	(93,567)
Other liabilities	(24,957)	-	-	-	(24,957)
Interest-bearing - variable					
Lease liability	(834)	(3,319)	(87)	122	(4,118)
Total non-derivatives	**(119,358)**	**(119,358)**	**(87)**	**122**	**(122,642)**
Derivatives					
Derivative financial instrument liabilities	(84,151)	(84,151)	-	2,080	(122,116)
Total derivatives	**(84,151)**	**(84,151)**	**-**	**2,080**	**(122,116)**

Capital Risk Management

CleanCo's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to maintain the required credit rating for a Government Owned Corporation generator operating in a deregulated electricity market, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, CleanCo may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, CleanCo monitors capital on the basis of its gearing ratio. This ratio is calculated as total debt divided by total capital. Total debt is calculated as total interest-bearing liabilities and total lease liabilities. Total capital is calculated as 'equity' as shown in the statement of financial position plus debt.

At 30 June 2024 CleanCo has a total debt of $684 million (2023: $565 million), and its gearing ratio is 60% (2023 : 55%).

26. Fair value measurement

The fair value of derivative financial instruments must be estimated for recognition and measurement or for disclosure purposes.

Fair value hierarchy

The following fair value hierarchy is based on the degree to which fair value is observable:

Level 1:
The fair value of derivative financial instruments traded in active markets (publicly traded derivatives) is based on quoted market prices at the end of the reporting period. The quoted market price used for these derivatives is the last settled price.

Level 2:
The fair value of derivative financial instruments that are not traded in an active market (for example, OTC derivatives) is determined using valuation techniques which maximise the use of observable market data and either directly (i.e., as prices) or indirectly (i.e., derived from prices). All significant inputs required to fair value an instrument is observable.

Level 3:
One or more of the significant inputs is unobservable.

The following tables present the fair value category of CleanCo's financial asset and liabilities into the three levels:

Fair value hierarchy Consolidated - 2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Recurring fair value measurement				
Assets - fair value through profit and loss				
Current derivative financial assets	4,565	125	30,504	35,194
Non-current derivative financial assets	1,692	1,297	283,763	286,752
Non-current financial assets	-	-	22,516	22,516
Total assets	**6,257**	**1,422**	**336,783**	**344,462**
Liabilities				
Current derivative financial liabilities	(24,044)	(3,631)	(17,344)	(45,019)
Non-current derivative financial liabilities	(14,051)	(1,626)	(13,434)	(29,111)
Total liabilities	**(38,095)**	**(5,257)**	**(30,778)**	**(74,130)**

Fair value hierarchy Consolidated - 2023	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Recurring fair value measurement				
Assets - fair value through profit and loss				
Current derivative financial assets	4,126	2,057	36,996	43,179
Non-current derivative financial assets	1,196	3	182,059	183,258
Non-current financial assets	-	-	18,298	18,298
Total assets	**5,322**	**2,060**	**237,353**	**244,735**
Liabilities				
Current derivative financial liabilities	(26,274)	-	(56,577)	(82,851)
Non-current derivative financial liabilities	(26,060)	(167)	(13,038)	(39,265)
Total liabilities	**(52,334)**	**(167)**	**(69,615)**	**(122,116)**

CleanCo's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels 1 and 2 for derivative financial instruments for year ended 30 June 2024.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

	Consolidated $'000	Total $'000
Balance at 1 July 2022	**(3,344)**	**(3,344)**
Gains recognised in profit or loss	170,969	170,969
Settlements	112	112
Balance at 30 June 2023	**167,737**	**167,737**
Gains recognised in profit or loss	124,627	124,627
Settlements	13,640	13,640
Balance at 30 June 2024	**306,004**	**306,004**

Total unrealised gain for the current year included in profit or loss that relate to level 3 assets held at the end of the current year are $124,627,000 (2023: $170,969,000 gain).

The significant valuation techniques and processes used to value derivative financial instruments categorised within level 2 and level 3 are:

Description	Valuation Method	Significant unobservable inputs	Inter-relationship between significant unobservable inputs, fair value measurement and sensitivities
Derivative financial instruments	Market and income approach, incorporating: - Market comparison techniques. - Adjusted market comparison techniques. - Forward curve decomposition methodologies.	- Long-term Electricity Prices - Forecast Generation	The estimated value of the derivative instruments would: - Increase by $116.08m (2023: $93.21m) if the forward curve including cap prices was increased by 10%. - Decrease by $116.03m (2023: $93.21m) if the forward curve including cap prices was decreased by 10% - Increase by $28.35m (2023: $15.13m) if forecast generation was increased by 10% - Decrease by $28.35m (2023: $15.13m) if forecast generation was decreased by 10%
Investments at fair value through profit and loss	Discounted cash flow model was used to value the investment.	- Discount rate	The estimated fair value would increase/(decrease) if the discount rate were lower/(higher).

The significant inputs used in these valuation techniques are:

- Published OTC forward prices;
- Exchange traded market prices;
- Extrapolation rates;
- Scalar and translation factors;
- Market volatilities;
- Forecast generation;
- Electricity settled prices; and
- Discount rates.

27. Key management personnel disclosures

Key management personnel (KMP) include both Directors and general managers who have authority and responsibility for planning, directing, and controlling the activities of CleanCo. CleanCo's shareholding Ministers are identified as part of CleanCo's KMP, consistent with AASB 124 *Related Party disclosures*.

For the 2024 reporting year, these Ministers are:

- the Honourable Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment; and
- the Honourable Mick de Brenni MP, Minister for Energy and Clean Economy Jobs.

(a) Directors

The following persons were Directors of CleanCo Queensland Limited during the financial year:

Directors	Position	Date of appointment	Appointment expiry date	Resignation Date
Allison Warburton [A]	Chair - Non-Executive Director	1 Oct 2022	30 Sept 2025	
Dr Peter Wood	Non-Executive Director	1 Oct 2022	30 Sept 2025	
Helen Stanton	Non-Executive Director	1 Oct 2023	30 Sept 2026	
Ivor Frischknecht	Non-Executive Director	17 Dec 2018	30 Sept 2025	
Jacqueline Walters	Chair - Non-Executive Director	17 Dec 2018	30 Sept 2025	1 Sept 2023
Laurene Hull	Non-Executive Director	12 Dec 2019	30 Sept 2026	
Paul Venus	Non-Executive Director	12 Dec 2019	30 Sept 2026	30 Jun 2024
Stephen Davy	Non-Executive Director	1 Oct 2023	30 Sept 2027	
Wendy Streets	Non-Executive Director	1 Oct 2023	30 Sept 2027	

A Appointment to Chair 1 September 2023

(b) Other key management personnel

The following persons also had the authority and responsibility for planning, directing, and controlling the major activities of the consolidated entity, directly or indirectly, during the 2024 financial year:

Senior Executives	Position	Date of Acting / Interim appointment	Date of Permanent appointment	Date of Termination
Tom Metcalfe	Chief Executive Officer		11 July 2022	-
Brian Carrick	Chief Financial Officer		24 Nov 2022	-
Anna Eves	Chief People Officer		16 April 2022	24 May 2024
Timothy Hogan	General Manager - Asset Operations		28 Feb 2020	-
Rimu Nelson	General Manager - Customer and Energy Markets		24 Nov 2022	-
Kate Wright	General Manager - Legal and Governance and Company Secretary / Acting Chief People Officer	1 May 2024	16 Jan 2023	-
Julie Whitcombe	General Manager - Strategy and Development		1 Jun 2021	-
Benjamin Jebb	Acting General Manager - Legal and Governance	1 May 2024	-	

In the prior year ended 30 June 2023 , the following persons were Senior Executives with the authority and responsibility for planning, directing and controlling activities of the Company:

Senior Executives	Position	Date of Acting/Interim Appointment	Date of Appointment	Date of Termination
Tom Metcalfe	Chief Executive Officer		11 Jul 2022	
Brian Carrick	Chief Financial Officer	17 Sept 2021	24 Nov 2022	
Anna Eves	Chief People Officer		16 Apr 2022	
Timothy Hogan	General Manager - Asset Operations		28 Feb 2020	
Rimu Nelson	General Manager - Customer and Energy Markets	30 Aug 2021	24 Nov 2022	
Julie Whitcombe	General Manager - Strategy and Development		1 Jun 2021	
Darryl Rowell	Interim Chief Executive Officer	15 Nov 2021		8 Jul 2022
Sally Frazer	General Manager - Legal and Governance and Company Secretary		30 Sep 2019	30 Sept 2022

(c) Key management personnel compensation

Shareholding Ministers

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. CleanCo does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet.

As all Ministers as reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

Directors

Directors' remuneration is determined by the Governor in Council under the *Government Owned Corporations Act* 1993. Directors' remuneration comprises Directors' fees and statutory superannuation contributions. All Directors are reimbursed for reasonable expenses incurred whilst conducting business on behalf of CleanCo. Directors' compensation does not include insurance premiums paid by CleanCo in respect of Director's and officer's liabilities and legal expenses, as the insurance policies do not specify premiums paid in respect of individual Directors. The Directors do not receive any performance related compensation.

Other key management personnel

Remuneration policy

CleanCo provides that:

- the recruitment and appointment of Senior Executives will be based on the principles of merit and equity;
- the remuneration of Senior Executives will be aligned to the CleanCo's Corporate Plan and organisation objectives and reviewed regularly to ensure that strategic business requirements are supported; and
- the remuneration arrangements are consistent with the Queensland Government's Policy for Government Owned Corporations Chief and Senior Executive Arrangements Version 2.

The Chief Executive Officer and all other Senior Executives are appointed by the Board. Executives receive a total fixed remuneration comprising a base salary and superannuation contributions. Executives are entitled to a short-term incentive at CleanCo's discretion.

There were no performance-related conditions entered into between CleanCo and the Senior Executives.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post-employment benefits.

30 June 2024	Short-term employee benefits		Post employment benefits	Long-term benefits			
	Cash salary $'000	Cash Incentive $'000	Superannuation $'000	Long service leave $'000	Termination benefits $'000	Non-monetary benefits $'000	Total $'000
Directors							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Allison Warburton [A]	114	-	14	-	-	-	128
Helen Stanton [B]	44		6			-	50
Ivor Frischknecht	64	-	8	-	-	-	72
Jacqueline Walters [C]	22	-	3	-	-	-	25
Laurene Hull	65	-	8	-	-	-	73
Paul Venus [D]	45	-	6	-	-	-	51
Dr Peter Wood	59	-	7	-	-	-	66
Stephen Davy [E]	45	-	6	-	-	-	51
Wendy Streets [F]	44	-	6	-	-	-	50
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Other key management personnel	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Tom Metcalfe	714	54	27	18	-	9	822
Brian Carrick	397	33	27	10	-	9	476
Rimu Nelson	335	25	45	6	-	9	420
Timothy Hogan [G]	310	26	-	9	-	-	345
Anna Eves [H]	302	27	27	-	117	8	481
Julie Whitcombe	413	33	27	11	-	-	484
Kate Wright [I]	349	12	46	9	-	9	425
Benjamin Jebb [J]	37	-	6	1	-	1	45
Total key management personnel compensation	**3,359**	**210**	**269**	**64**	**117**	**45**	**4,064**

A Allison Warburton appointment as Chair 1 September 2023
B Helen Stanton appointed on 1 October 2023
C Jacqueline Walters resigned on 1 September 2023
D Paul Venus was on a Leave of Absence from 1 March 2024 to 30 June 2024 and resigned on 30 June 2024
E Stephen Davy appointed on 1 October 2023
F Wendy Streets appointed on 1 October 2023
G Defined benefits superannuation - no company contributions FY24
H Anna Eves termination on 24 May 2024
I Kate Wright appointed as Acting Chief People Officer on 1 May 2024
J Benjamin Jebb appointed as Acting General Manager Legal and Governance on 1 May 2024

30 June 2023	Short-term employee benefits	Post employment benefits	Long-term benefits			
	Cash salary $'000	Superannuation $'000	Long service leave $'000	Termination benefits $'000	Non-monetary benefits $'000	Total $'000
Directors						
Jacqueline Walters	129	17	-	-	-	146
Ivor Frischknecht	75	10	-	-	-	85
Paul Venus	75	10	-	-	-	85
Laurene Hull	75	10	-	-	-	85
Allison Warburton [A]	56	7	-	-	-	63
Dr Peter Wood [A]	54	6				60
Tom Metcalfe [B]	671	25	17	-	8	721
Brian Carrick	398	25	10	-	5	438
Rimu Nelson	311	40	8	-	5	364
Timothy Hogan	329	-	8	-	-	337
Julie Whitcombe	388	25	10	-	-	423
Anna Eves	318	25	8	-	8	359
Kate Wright [C]	163	20	4	-	5	192
Darryl Rowell [E]	49	2	-	-	-	51
Sally Frazer [D]	87	-	-	177	-	264
Total key management personnel compensation	**3,178**	**222**	**65**	**177**	**31**	**3,673**

A Appointed 1 October 2022
B Appointed 11 July 2022
C Appointed 16 January 2023
D Resigned effective 30 September 2022
E Cessation of secondment 8 July 2022

28. Commitments

(a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Commitments - capital	Consolidated 2024 $'000	2023 $'000
Property, plant, and equipment		
Within one year	256,358	17,588
Later than one year but no later than five years	128,096	49,282
Greater than five years	-	-
Total - Property, plant, and equipment	**384,454**	**66,870**

Capital commitments include contractual commitments which include the ongoing commitment to the Kogan North Development Gas Program.

29. Related party transactions

Subsidiaries

Interests in subsidiaries are set out in note 30.

Transactions with related parties	Consolidated 2024 $'000	2023 $'000
Revenue		
Interest received on advance facility from QTC	27,921	1,034
Electricity trading with State of Queensland controlled entities	290	(11,078)
Other income from State of Queensland controlled entities	19,931	5,819
Expenses		
Finance expenses paid to QTC	(38,151)	(26,396)
Costs paid to State of Queensland controlled entities	(83,737)	(62,265)
Electricity trading with State of Queensland controlled entities	(4,087)	-
NTER received/(paid) to Queensland Treasury	-	14,815

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 2024 $'000	2023 $'000
Assets		
Advances facility held with QTC	781,644	544,177
Electricity trading with State of Queensland controlled entities	688	9,821
Liabilities		
Trade and other payables to State of Queensland controlled entities	1,039	796
Electricity Trading with State of Queensland controlled entities	13,516	28,516
Borrowings from QTC	683,778	564,655
	-	-
Equity	-	-
Capital contribution	330,000	500,000

Parent entities
The ultimate controlling entity is the State of Queensland which owns 100% of the shares of the Company.

Transactions with shareholding Ministers
There were no transactions with the shareholding Ministers.

Transactions with key management personnel
Transactions with entities related to key management personnel occur on terms and conditions which are no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-related entities on an arm's length basis.

There were no transactions with key management personnel other than the compensation disclosed in note 27.

Transactions with other related parties
All State of Queensland controlled entities meet the definition of a related party in accordance with AASB 124 Related Party Disclosures. The Company transacts with other State of Queensland controlled entities as part of its normal operations on terms equivalent to those that prevail in arm's length transactions.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates. The advance facility with QTC had an average interest during the period of 4.49% to 5.26%.

30. Interests in subsidiaries

CleanCo accounts for controlled entities in its consolidated accounts when it obtains control of an entity. When this control ceases, the entity will be transferred out of the group accounts.

CleanCo is deemed to control an entity when it:-

a) has power over the investee
b) is exposed, or has the rights, to variable returns from its involvement with the investee; and
c) has the ability to affect those returns through its power over the entity. For example, has the ability to direct the relevant activities of the entity which could impact the profitability of the entity.

The consolidated financial statements incorporate the assets, liabilities, and results of the following entities with non-controlling interests in accordance with the accounting policy described in note 1:

			Non-controlling interest	
Name	Principal place of business / Country of incorporation	Principal activities	Ownership interest 2024 %	Ownership interest 2023 %
CQP Moah Creek Wind Farm Project Option Agreement				
Moah Creek Wind Farm Hold Co Pty Ltd (ACN 666 734 621) as trustee for the Moah Creek Wind Farm Hold Trust.	Level 11, 1 Margaret St, Sydney NSW 2000, Australia	Wind Farm Project	100.00%	-
Moah Creek Wind Farm Project Co Pty Ltd (ACN 666 738 450) as trustee for the Moah Creek Wind Farm Project Trust	Level 11, 1 Margaret St, Sydney NSW 2000, Australia	Wind Farm Project	100.00%	-
CQP Moah Creek Solar Farm Project Option Agreement				
Moah Creek Solar Development Holding Co Pty Ltd (ACN 675 052 070)	Level 11, 1 Margaret St, Sydney NSW 2000, Australia	Solar Farm Project	100.00%	-
Moah Creek Solar Development Co Pty Ltd (ACN 675 053 335)	Level 11, 1 Margaret St, Sydney NSW 2000, Australia	Solar Farm Project	100.00%	-

Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised financial information

Summarised financial information of subsidiaries with non-controlling interests that are material to the consolidated entity are set out below:

Summarised statement of financial position	Moah Creek Wind Farm 2024 $'000	Moah Creek Solar Farm 2024 $'000
Non-current assets	31,231	1,943
Total assets	**31,231**	**1,943**
Current liabilities	31,231	1,943
Total liabilities	**31,231**	**1,943**
Net assets	**-**	**-**
Statement of cash flows		
Net cash from operating activities	-	-
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Net increase in cash and cash equivalents	**-**	**-**
Other financial information		
Profit attributable to non-controlling interests	-	-
Dividends paid to non-controlling interests	-	-
Accumulated non-controlling interests at the end of reporting period	-	-

Transactions with non-controlling interests

During FY 2024, CleanCo entered into the following Project Option Agreements with Central Queensland Power: -

a) 13 October 2023 - POA to develop a Wind Farm Project at Moah Creek
b) 18 March 2024 - POA to develop a Solar Farm Project at Moah Creek.

31. Joint arrangements

CleanCo has a joint operating agreement in the Kogan North Joint Venture, operating in Australia. The principal activities of the joint operation are the exploration and production of gas.

CleanCo has an interest of 50% as at 30 June 2024 which is equal to the proportion of voting power held (30 June 2023: 50%).

32. Contingent assets and liabilities

CleanCo management is in the process of submitting an insurance claim for the ex-Tropical Cyclone Jasper event that occurred in December 2023 that affected the Barron Gorge power station. The insurance claim will be seeking to recover the cost of repairs to the Kuranda Weir and for the business interruption relating to the lost revenue for period when Barron Gorge was out of service.

Kogan North Joint Venture (KNJV) is required to complete assessments of third-party water bores and enter into "Make Good Arrangements" agreements with landholders. It is not possible to reasonably predict the timing of uncertain future events or timing of future occurrence/non-occurrence of future payments to these landholders. KNJV Directors has estimated that CleanCo's share of the undiscounted future financial impact could be in the range of between $1.0m and $1.5m, if all contingent events materialise.

CleanCo has become entitled to delay damages under a contract due to its counterparty's failure to achieve commercial operations by the targeted date. The counterparty is disputing that CleanCo is entitled to delay damages at this time, and CleanCo is currently evaluating the appropriate next steps.

CleanCo had no other contingent assets or contingent liabilities at 30 June 2024.

33. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected the Company's operations, results or state of affairs, or may do so in future years.

34. Parent entity information

Statement of comprehensive income	Parent 2024 $'000	2024 $'000
Profit after income tax	**104,513**	**41,574**

Statement of financial position	Parent 2024 $'000	2024 $'000
Total current assets	1,051,610	806,900
Total non-current assets	1,336,717	621,847
Total Assets	**2,388,327**	**1,428,747**
Total current liabilities	266,212	253,802
Total non-current liabilities	1,203,282	712,885
Total Liabilities	**1,469,494**	**966,687**
Contributed equity	1,137,412	807,412
Hedging reserve - cash flow hedges	(2,339)	(25,075)
Accumulated losses	(216,240)	(320,277)
Total Equity	**918,833**	**462,060**

Capital commitments - Property, plant, and equipment
The parent entity had $384,453,000 capital commitments for property, plant, and equipment as at 30 June 2024 and $66,870,000 as at 30 June 2023.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1.

Consolidated entity disclosure statement

30 June 2024

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest	Tax residency
			Non-controlling interest	
CleanCo Queensland Limited	Body corporate	Australia		Australia
Moah Creek Wind Project				
Moah Creek Wind Farm Hold Co Pty Ltd [1]	Body corporate	Australia	100%	Australia
Moah Creek Wind Farm Hold Trust [1]	Trust	Australia	100%	Australia
Moah Creek Wind Farm Project Co Pty Ltd [1]	Body corporate	Australia	100%	Australia
The Trustee for the Moah Creek Wind Trust [1]	Trust	Australia	100%	Australia
Moah Creek Solar Project				
Moah Creek Solar Development Holding Co PL [1]	Body corporate	Australia	100%	Australia
Moah Creek Solar Development Co PL [1]	Body corporate	Australia	100%	Australia

1 CleanCo has acquired a substantive right in these entities which gives CleanCo 100% accounting control.

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A) (vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency: - The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5

Trusts and partnerships

Australian tax law generally does not contain corresponding residency tests for trusts and partnerships and these entities are typically taxed on a flow-through basis.

Director’s declaration

30 June 2024

In the Directors’ opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001, Government Owned Corporations Act 1993 (GOC Act) and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with Australian Financial Reporting Standards as issued by the Australian Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity’s financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- in the directors’ opinion, the information disclosed in the attached consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of Directors.

On behalf of the Directors

Allison Warburton
Chair

29 August 2024

Queensland Audit Office
Better public services

INDEPENDENT AUDITOR'S REPORT

To the Members of CleanCo Queensland Limited

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of CleanCo Queensland Limited and its controlled entities (the group).

The financial report comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In my opinion, the accompanying financial report of the group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the group's financial position as at 30 June 2024, and its financial performance for the year then ended; and

b) complying with the Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Measurement of derivative financial instruments

Refer to notes 24 and 25 in the financial report.

<table>
<tr><th>Key audit matter</th><th>How my audit addressed the key audit matter</th></tr>
<tr><td>
Accounting for derivative financial instruments is inherently complex. Key factors contributing to this complexity include:

use of internal valuation models in the group’s estimation of the fair value of the following financial instruments:

Power Purchasing Agreements (PPAs)
over-the-counter derivatives.

These models are complex and use key inputs such as:

long term forward prices
generation forecasts
discount rates.

They often involve significant judgement due to the absence of observable market data for some assumptions.

</td><td>
My procedures included but were not limited to:

use of a derivative valuation specialist to assist me in:

obtaining an understanding of the process flows and key controls associated with the measurement of derivative financial instruments
testing the design and implementation of identified manual controls associated with the measurement of derivative financial instruments
obtaining an understanding of the valuation models, and assessing their design, integrity, and appropriateness with reference to common industry practices
challenging management assumptions used in the valuation process and assessing the reasonableness of long-term electricity prices, forecast generation and discount rates, by comparison to independently sourced external market data, and market conditions at year end, the group’s generation activities and energy trading policy
for a sample of derivatives, agreeing key terms to supporting documents (including contracts) and counter-party confirmations and recalculating the fair values for comparison to those calculated by the group based on our understanding of generally accepted derivative valuation practices

assessing the appropriateness of the disclosures included in notes 24 and 25 to the financial statements.

In assessing the work of the auditor’s specialist, my procedures included:

evaluating their qualifications, competence, capabilities, and objectivity
considering the nature, scope and objectives of the work completed for appropriateness
evaluating the findings and conclusions for relevance, reasonableness and consistency with other audit evidence obtained.

</td></tr>
</table>

Recoverability of deferred tax assets

Refer to note 23 in the financial report.

Key audit matter	How my audit addressed the key audit matter
The group has recognised $122.1 million of net deferred tax assets as at 30 June 2024, which includes the recognition of available tax losses of $154.9 million as disclosed in note 23. AASB 112 *Income taxes* requires deferred tax assets resulting from deductible temporary differences and unused tax losses to be recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised. Significant judgement is required to: • evaluate the availability of tax losses, and • evaluate projections of future taxable profit.	My procedures included, but were not limited to: • obtaining an understanding of the process flows and key controls associated with the recoverability of deferred tax assets • evaluating the availability of tax losses with reference to relevant tax legislation • evaluating the scope of work undertaken by management's expert and the ability to use it as audit evidence • Challenging the appropriateness of management's estimation of future taxable profit and assessing whether these estimates were consistent with the forecasts used as part of the impairment assessment, and • assessing the appropriateness and mathematical accuracy of the deferred tax calculation prepared by management in terms of relevant accounting standards and tax legislation. I also assessed the appropriateness of the disclosure in note 23 to the financial report.

Impairment of property, plant and equipment

Refer to note 13 in the financial report.

Key audit matter	How my audit addressed the key audit matter
The group held property, plant and equipment totalling $333.3 million and is principally comprised of generation assets amounting to $117.7 million. Assessing carrying values of property, plant and equipment for impairment is complex and highly judgmental. At 30 June 2024, CleanCo's assessment is based on the principles outlined in the Queensland Energy and Jobs Plan (QEJP) and Queensland SuperGrid Infrastructure Blueprint (the Blueprint) in determining forward looking assumptions about the operating and market conditions of its generation assets. As outlined in note 13 the recoverable amount of these assets is estimated using a discounted cash flow model that requires management to exercise significant judgement in determining the key assumptions supporting the expected future cash flows of the business and the utilisation of the relevant assets, the most significant of which included: • allocating assets to cash generating units • estimating future cash inflows and outflows based on: o electricity demand and available generation o wholesale electricity prices	My procedures included, but were not limited to: • obtaining an understanding of the process flows and key controls associated with the carrying value of generation assets • testing the design and implementation of identified manual controls associated with the carrying value of generation assets • evaluating whether the cash generating units used by management are consistent with the group's internal reporting and our understanding of the business • obtaining an understanding of the key controls associated with the preparation of discounted cash flow models used to assess the recoverable amount of the group's generation assets • evaluating the scope, competency, capability and objectivity of management's external expert used to provide the key assumptions adopted by management. These assumptions included forecast electricity price, demand and generation as well as assumptions in relation pricing mechanisms

Key audit matter	How my audit addressed the key audit matter
◦ capital and operating expenses ◦ planned plant retirements • determining the rate used to discount the forecast cashflows to their present value.	• with the assistance of valuation and electricity market specialists, I challenged management's adopted assumptions by making comparison against my own independent key assumptions with reference to externally published data: ◦ forecast electricity demand, price and generation, and ◦ discount rate • performing sensitivity analysis around the discount rate, forecasted electricity price and generation • testing the mathematical accuracy of the discounted cash flow models and its appropriateness with reference to the requirements of the accounting standards • assessing the reasonableness of the cash flow forecasts relative to Board approved corporate plans and other relevant supporting information • comparing the forecast timing and cost of capital expenditure against the approved Corporate Plan • comparing the timing of planned plant retirement with the expected operational lives of the plants • assessing the historical accuracy of management's forecasts by comparing prior year budgets to actual results, and • assessing the appropriateness of the disclosures included in note 13 to the financial statements. In assessing the work of the auditor's specialist, my procedures included: • evaluating their qualifications, competence, capabilities, and objectivity. • considering the nature, scope and objectives of the work completed for appropriateness • evaluating the findings and conclusions for relevance, reasonableness and consistency with other audit evidence obtained.

Other information

Those charged with governance are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

At the date of this auditor's report, the available other information in CleanCo Queensland Limited's annual report for the year ended 30 June 2024 was the director's report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The directors of the company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and,

for such internal controls as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar5.pdf

This description forms part of my auditor's report.

IAsim

30 August 2024

Irshaad Asim
as delegate of the Auditor-General

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Brisbane

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