



Distribution demand forecast assessment

Review of United Energy's 2026-31
regulatory proposal

Australian Energy Regulator
July 2025 – Final Report

Table of contents

1.	Executive summary	<u>3</u>
2.	Regulatory context and our approach	<u>10</u>
3.	Summary of United Energy's demand proposal	<u>16</u>
4.	Our overall evaluation on key demand methodology and input assumptions	<u>25</u>
5.	Further assessment on selected topics	<u>39</u>
	• Demand forecasts used for Mornington Peninsula Supply Area Business Case • United Energy's plans to update demand forecasts for updated external data sources	
Appendix	Glossary and abbreviations	<u>45</u>

1. Executive summary

We've assessed the reasonableness of United Energy's 2026-2031 demand forecasts and provided recommendations for improvements

Our scope

Baringa Partners (Baringa) was engaged by the Australian Energy Regulator (AER) to review the methodologies and assumptions driving the Victorian distribution network services providers' (DNSPs') demand forecasts for the 2026-2031 distribution determinations to help inform their assessment of capital and operating expenditure (capex and opex) forecasts. Our scope of work focuses on two key elements:

Demand methodology review

- The approach each DNSP has taken to derive their forecasts for maximum demand, minimum demand, customer number and energy consumption. This includes reviewing their approach to technology-induced demand like EVs and block loads such as data centres.

Demand input assumptions review

- Reviewing the source, recency, and adjustments to key input assumptions such as consumer energy resources (CER) uptake and profiles.

Our approach

We undertook a 3-phase approach to assessing the demand forecasts:

1. Discovery

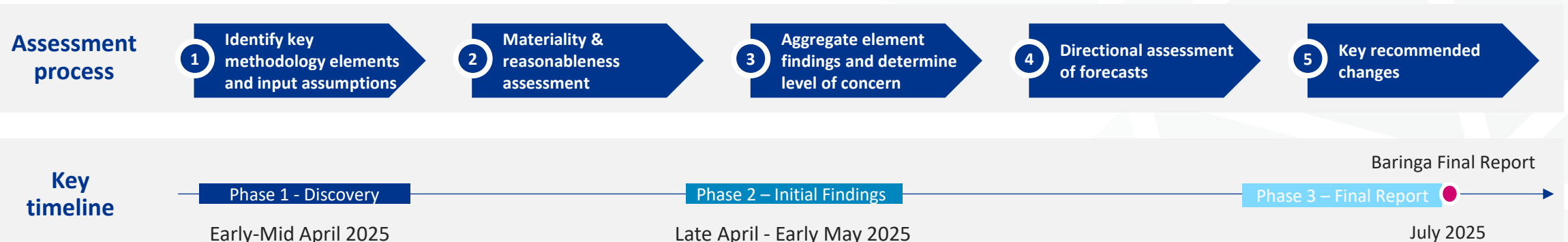
- We developed an overarching understanding of the DNSPs' demand inputs, assumptions and methodologies gained via reviewing the proposals, workshops with each DNSP and an initial set of information requests.

2. Initial Findings

- Using our assessment process and the information gathered in Phase 1 plus further information requests, we identified areas of potential concern that required further assessment, clarification or validation.

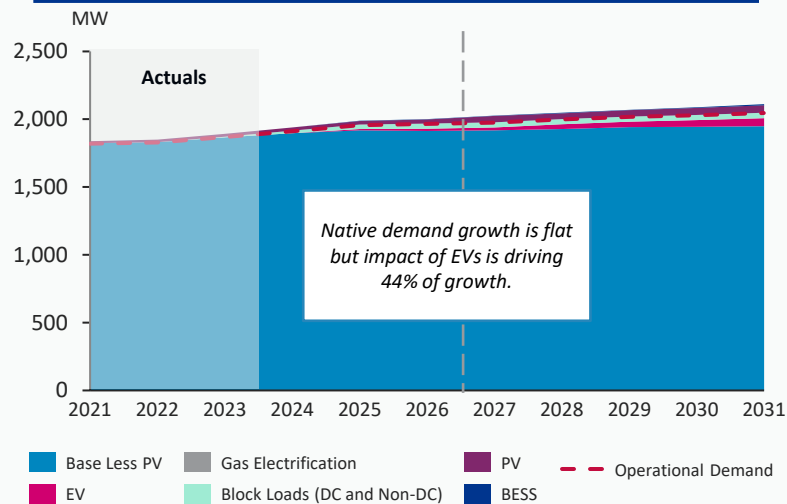
3. Final Report

- Following a further set of information requests based on the findings in Phase 2, we've landed on the findings set out in the report.

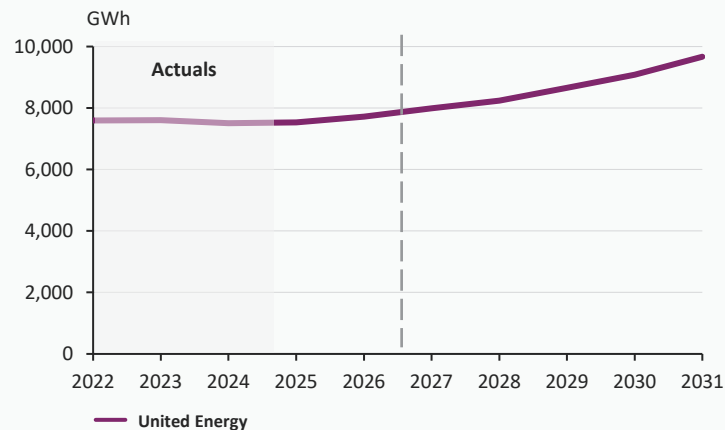


United Energy is forecasting low maximum demand growth at an annual rate of 1.0% compounding from 2024.

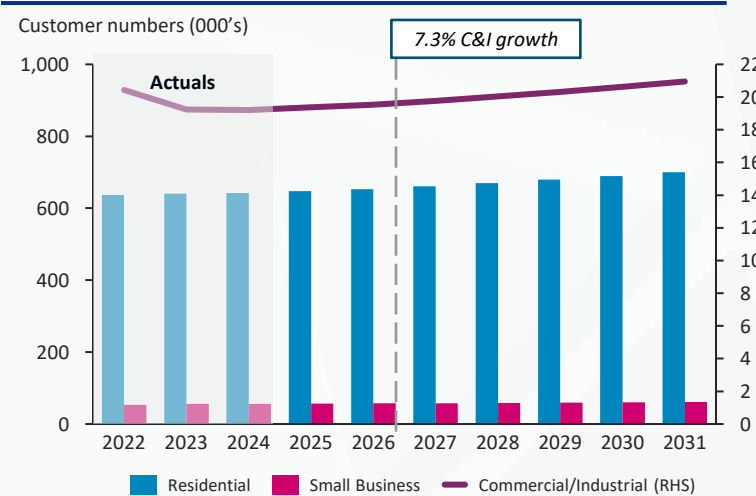
Maximum demand¹



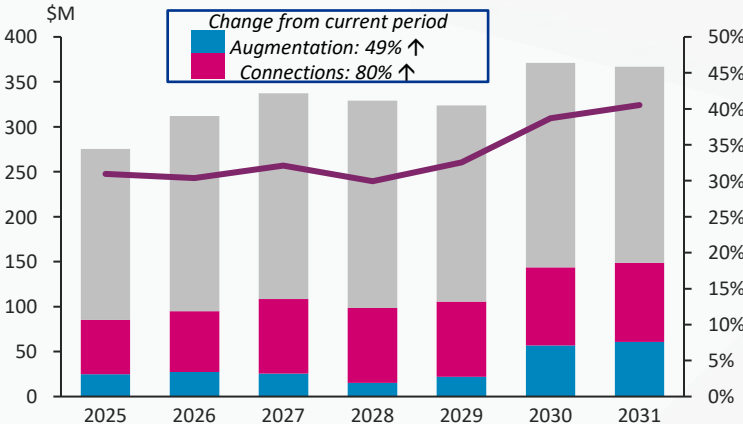
Energy consumption



Customer numbers



Forecast demand-related expenditure²



Summary of methodology

Maximum/minimum demand:

- United Energy (along with CiitPower and Powercor) use third-party provider Blunomy to produce their maximum demand forecasts.
- United Energy provides historical data, inputs and assumptions to Blunomy, who then produce forecasts for each network at system and spatial levels.
- United Energy does not play a direct role in the development of the proprietary demand forecasting methodology, and the outputs are a product of Blunomy's model.

Energy consumption:

- Energy consumption forecasts are derived in-house separately from demand forecasts to account for the impact of exports at the asset level using AEMO's Step Change scenarios for energy efficiency, EV, electrification and PV.

Customer numbers:

- Produced in-house and starts with total customers, as forecast in the 2024-25 pricing proposals. This is grown by Vic Government population and household projections for residential customers. Non-residential customers are grown with AEMO's gross state product forecasts.

United Energy’s approach is generally well-documented across key outputs, but there is inconsistency in the block load treatment for energy and other moderate concerns.

Key output	Assessment	Level of concern	Impact
Maximum demand	- United Energy has provided their inputs and assumptions and uses the latest AEMO information where available. While United Energy approach is generally well-documented, using Blunomy leads to challenges for validating the forecasts. - Electrification of gas excluded from the output due to an error, which is expected to reduce the forecasts by a non-negligible amount for United Energy. - An offsetting factor would be the significant investment of DCs, which is a new phenomenon, and we recognise the challenges in trying to forecast uptake of this new major technology for 5+ years. We consider the approach to DC demand is somewhat reasonable, given only committed projects are stated to be included in forecast, and which United Energy has no committed or contracted DCs in the demand forecast. - Given the offsetting nature of these factors, our overall assessment is only some concern on United Energy’s max demand forecast.	Some	-
Minimum demand		Moderate	- or ↘
Customer numbers	- The stated methodology is inconsistent with data provided in the RIN. The methodology provides that residential customer numbers should follow population growth and business customer numbers should follow GSP. However, we note small, medium, and large business customer numbers appear to follow residential customer number growth. United Energy states their demand forecasts do not use customer numbers as an input and that these are only used for forecasting connections. - United Energy’s customer numbers have grown 24% slower than population growth on their network, therefore the assumption of customer numbers following population is likely to overstate customer growth¹.	Some	↗
Energy consumption	The methodology for energy consumption is inconsistent with the maximum demand forecast. The energy consumption methodology includes forecast data centre load using an approach from L.E.K. and we consider this is additive given this forecast is based on potential future DC connections. Non-DC block loads also appear to be excluded. Overall, there are inconsistencies regarding United Energy’s description of the methodology for energy consumption.	Moderate	↗

Key:

Level of concern	
Scale	Rating
	No or limited concern
	Some concern
	Moderate concern
	Significant concern

Impact on expenditure forecast				
Highly Overstated	Overstated	Neutral	Understated	Highly Understated
↗	↗	-	↘	↓

Footnote: Expenditure forecast impacts on minimum demand are in reverse. I.e. An overstated maximum demand leads to higher demand-driven augex while an understated minimum demand suggests higher expenditure on CER enablement programs.

1. The AER has provided analysis outlining this differential in growth rate. We have reviewed the AER's estimates, and come to a broadly similar conclusion, noting the AER calculated a 29% slower growth rate for connection growth.



Areas of concern include transparency, approach to native demand, spatial disaggregation and omission of gas electrification in forecasts

	Key theme	CPU
1	Model architecture Integration of internal and external methodologies	Full integration of Blunomy model.
2	Transparency Clarity on model assumptions and methodologies	Third party algorithms difficult to validate. While the approach is described, more data and transparency is needed for validation.
3	AEMO scenarios use Adoption of latest inputs and assumptions across coherent scenario	Current, coherent set.
4	Native demand Approach to demographic and economic driven demand growth	Native demand approach (first and second logistic functions) not well documented. Population grown at SA2 level. Full validation of the approach requires more data.
5	CER spatial disaggregation Approach to distributing technology-driven growth at the ZSS/Feeder level	Spatial level uptake incorporates historical trend and spatial saturation points. Validation of the approach requires more data.
6	Block load treatment Approach to large, known load connections	Only committed connections.
7	Data centres (DC) Approach to DC connections	Only committed connections.
8	Gas electrification Approach to the transition away from gas	Excluded from forecast in error.
9	Post-modelling Manual adjustment to forecast after the core modelling process	None.

Our business case assessment is that UE is likely understating demand and related expenditure. They should update forecasts based on the latest AEMO scenario.

In addition to assessing United Energy’s overall demand methodology, we have also selected and assessed the locational demand forecasts for a material locational demand-driven augex business case.

Mornington Peninsula Supply Area Business Case

- Within the forecast, the following factors are broadly conservative, contributing to a lower maximum demand than would be expected:
 - Lack of electrification is generally conservative. Being a summer-peaking subnetwork, this is less likely to be as impactful as it would for others.
 - PV contribution is potentially double-counted in the net demand calculation. In United Energy’s data, native demand already equals underlying demand - PV, therefore either PV contribution is double-counted or the underlying demand is being misreported as Native Demand + PV.
 - Forecast MD is broadly aligned or lower than historical weather-corrected MD for 2024
- Underlying growth is broadly aligned with VIF2023 –with underlying growth being slightly lower for DMA and RBD, and higher for STO.
- Growth components across the three key zone substations are broadly consistent (from 2025 to 2031):
 - Overall load growth is low 7% for DMA, 4% for RBD, 5% for STO.
 - Native demand growth is very low – 4% for DMA, 0.5% for RBD, and 5% for STO.
 - EV demand accounts for 3-4% of all three zone substations’ MD by 2031, broadly aligned with ESOO 2024.
 - Block loads are minimal

Updating demand forecasts

Key data sources (Jan 2025 initial proposal)	United Energy’s plans to update its forecast (Dec 2025 revised proposal)	Our assessment
• August 2024 IASR <i>CER Uptakes, EV profile</i>	• February 2025 AEMO IASR update	• There is adequate time for United Energy to update to Final IASR 2025 (July 2025) before the revised proposal, noting that AEMO’s 2025 IASR is used as inputs for their 2025 ESOO. • United Energy should ensure their max demand forecast in their revised proposal includes the 2024/2025 weather year as this will have an impact on forecasts, which United Energy also recognise. • United Energy will incorporate new connections that have since committed to connect to the network that were not captured in their previous forecast.
• Historical Network Data (Does not include Summer 2024/25)	• Historical Network Data (Include Summer 2024/25)	
• Customer number forecast (Aug 2024)	• Updated new committed connections	

We recommend that United Energy update its forecast, clarifying its native demand calculations and include electrification of gas in its Revised Proposal

Key recommendations

1

Underlying net demand calculations

The approach toward native demand is not well documented and uses algorithms that require further data and justification to be validated. Our assessment of the Lower Mornington Peninsula supply area business case indicated potential double counting in the underlying demand forecasts. United Energy's native demand and spatial forecast are particularly difficult to validate due to the complexity involved in demand transfers. Despite the outputs being broadly in line with population data, we consider that removing obscurities in the process would improve the robustness and clarity of the demand forecast.

2

Include electrification of gas

We consider the exclusion of gas electrification from the maximum and minimum demand forecasts to be an oversight and should be incorporated in the final forecast. Excluding gas electrification from the max/min demand forecast fails to account for one of the significant drivers of future electricity demand growth, particularly as gas is phased out in favour of electric systems. Incorporating this would improve the accuracy of long-term demand projections.

3

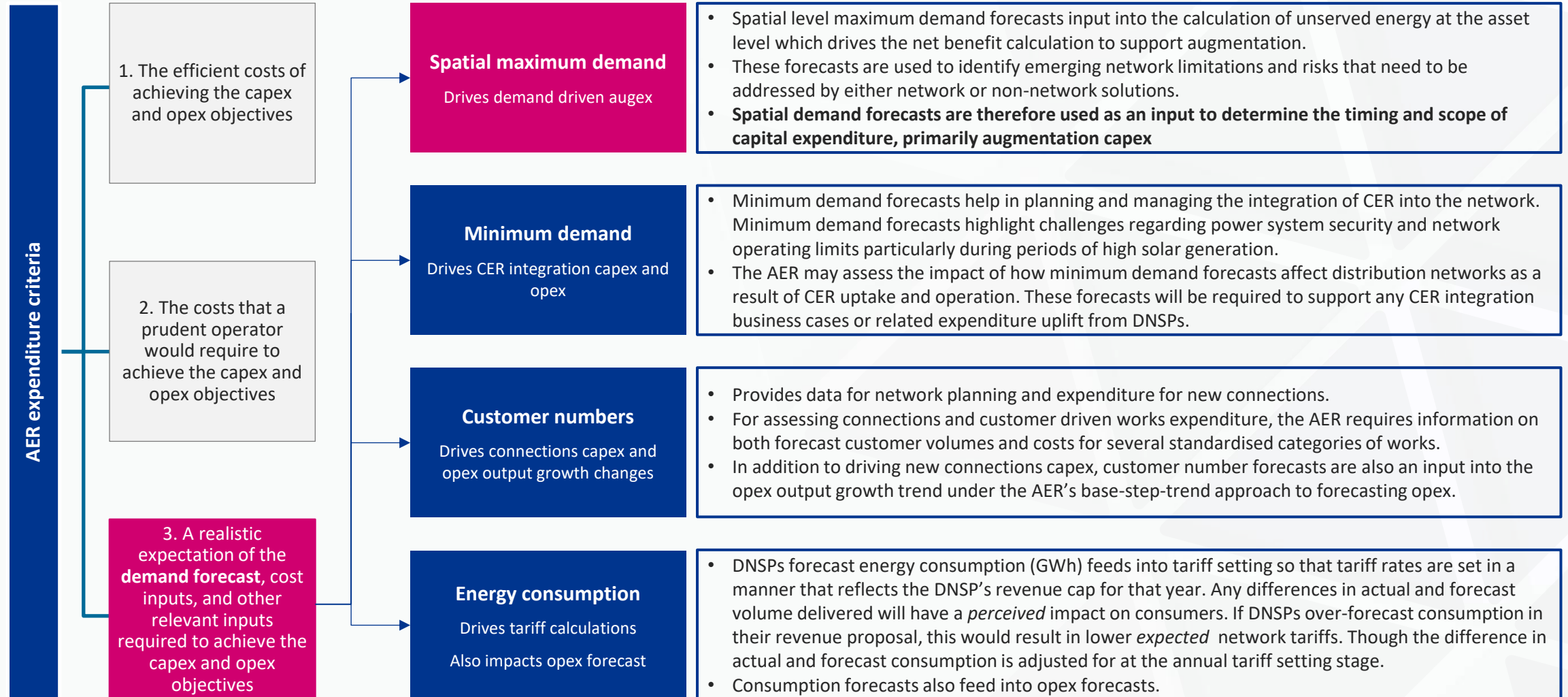
Remove the impact of data centres on consumption forecast

The consumption forecast includes some block loads and data centres that are yet to be contracted. The implied project probability of those not yet committed or contracted for demand forecasting purpose is zero and for consistency, these should also be excluded from United Energy's consumption forecasts.

2. Regulatory context and our approach

Note: This section is identical across all reports.

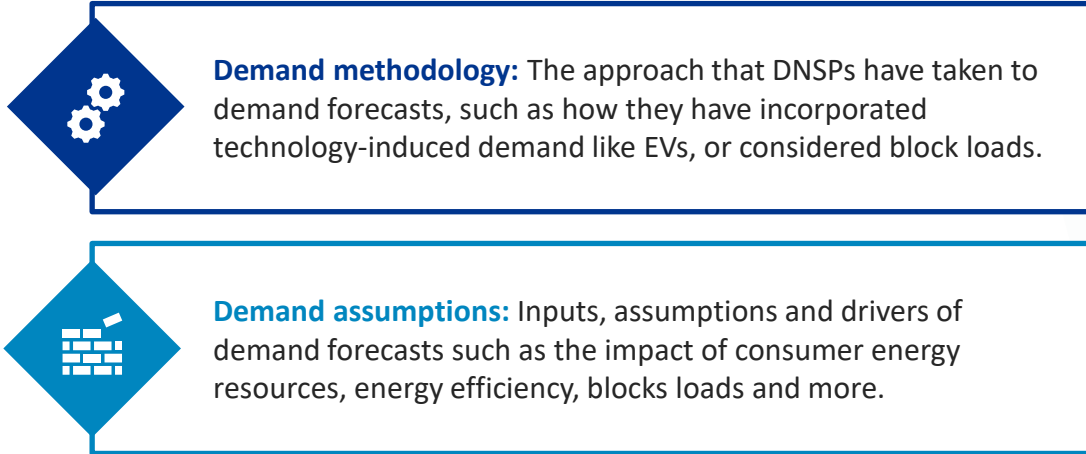
DNSPs' expenditure forecasts must reflect a realistic expectation of demand. Demand forecasts impact capex, opex and tariff calculations



Source: National Electricity Rules (NER), clauses 6.5.6 (c) and 6.5.7 (c).

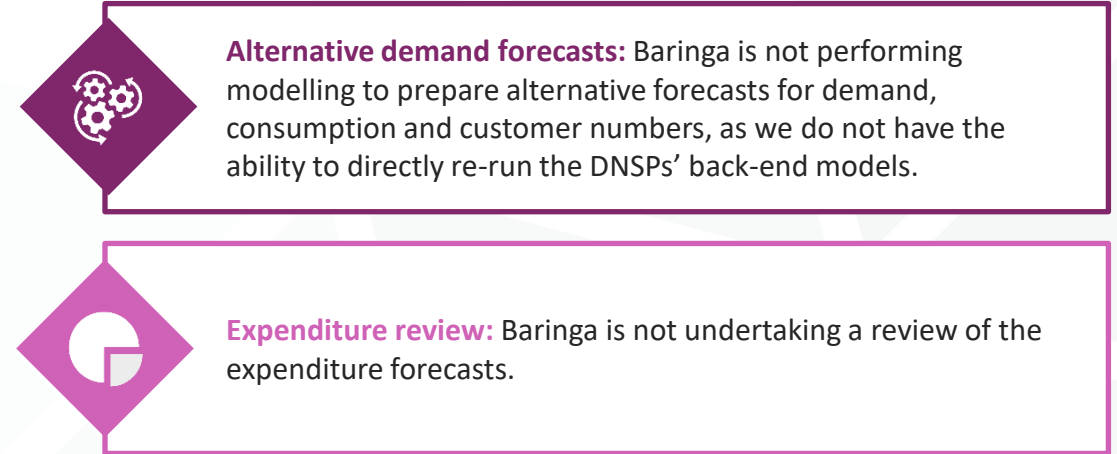
Baringa has been engaged to review the Victorian DNSPs' demand forecasts for the 2026-2031 regulatory control period, with a focus on maximum demand

Baringa's scope focuses on two key elements for demand forecasts



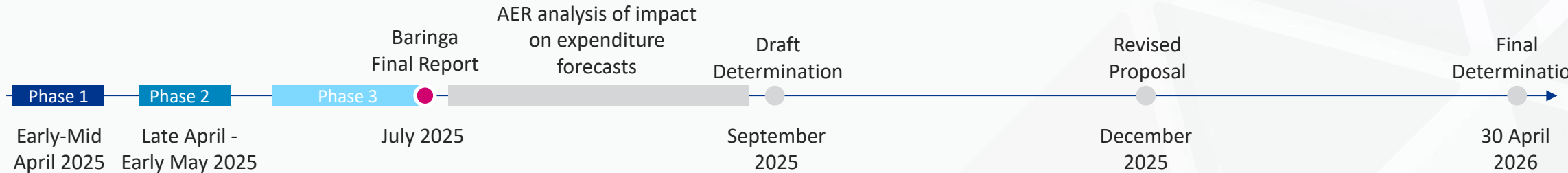
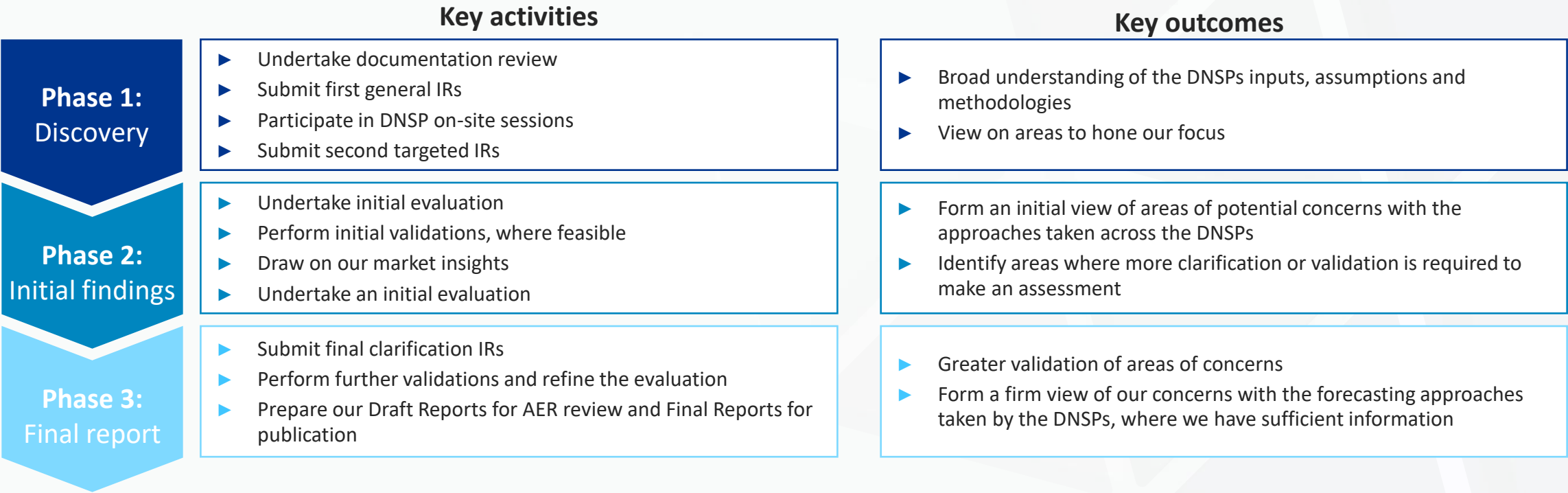
- We are performing a bottom-up qualitative review of the methodologies, inputs and assumptions for Victorian DNSPs' demand forecasts.
- We are considering the reasonableness of the approaches taken by the DNSPs in order to inform the AER's Draft Determinations.
- Our primary focus is on reviewing the methodologies and input assumptions informing maximum demand forecasts, however, we have also considered minimum demand, customer number and energy consumption forecasts.

Baringa's scope excludes forecasts and reviewing expenditure

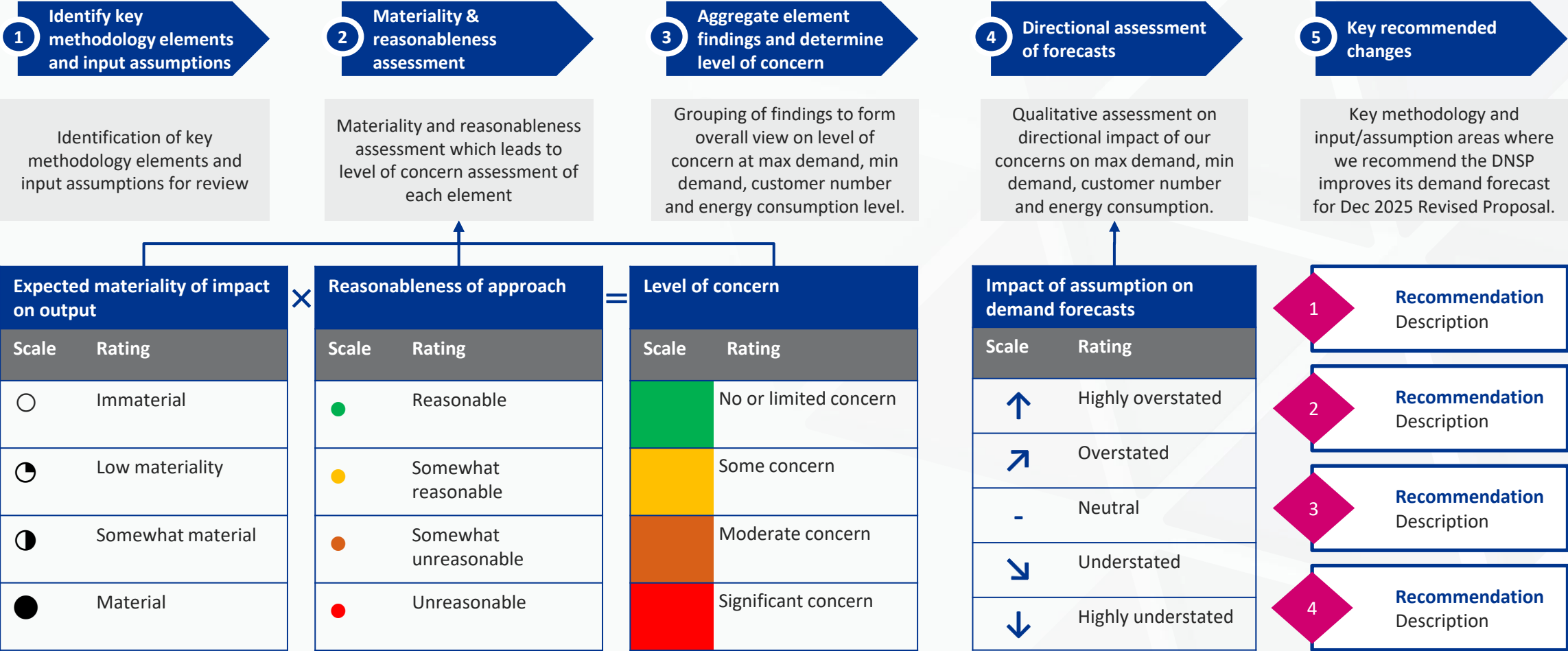


- As we do not have the ability to directly re-run the back-end models used by the DNSPs, this review focuses on a qualitative assessment, rather than preparing alternative forecasts for demand that could be numerically compared against the DNSPs outputs. The exception to this is for data centre load we're we have our own Baringa forecast and have compared that forecast to the DNSPs' as part of our assessment.
- We are focused on the demand forecasts, and in effect their implications for expenditure, rather than reviewing prudence and efficiency of the expenditure forecasts.

We adopted a 3-phase approach to assessing the demand forecasts for each of the Victorian DNSPs. Our findings are outlined in separate reports for each DNSP



Our assessment approach involves a rigorous five-step process to test the DNSPs’ demand methodology and key input assumptions



Our assessment of the materiality and reasonableness of each key methodology element and input assumption leads to our level of concern rating

Level of concern		Reasonableness of approach			
Expected materiality of impact on output		Scale	●	●	●
Scale	Rating	Reasonable	Somewhat reasonable	Somewhat unreasonable	Unreasonable
○	Immaterial	No or limited concern	No or limited concern	Some concern	Some concern
◐	Low materiality	No or limited concern	No or limited concern	Moderate concern	Moderate concern
◑	Somewhat material	No or limited concern	Some concern	Moderate concern	Significant concern
●	Material	No or limited concern	Some concern	Significant concern	Significant concern

3. Summary of United Energy's demand proposal

United Energy's maximum demand forecasts are produced using a third-party model developed by Blunomy, based on historical data, inputs and assumptions provided by United Energy or sourced externally.

Forecasting methodology

- CitiPower, Powercor and United Energy (CPU) jointly use third-party provider Blunomy to produce their maximum demand forecasts.
- CPU provides historical data, inputs and assumptions to Blunomy, who then produce forecasts for each network at system and spatial levels.
- We understand that CPU do not play a direct role in the development of the proprietary demand forecasting methodology.
- In this way, while the inputs are provided by CPU, the outputs are a product of Blunomy's model.
- CPU noted the failure to include electrification of gas in their forecasts due to an 'error', leading to lower forecast (with uncertain, but not negligible, materiality).

Transparency of approach

- CPU have stated their inputs and assumptions relatively clearly. However, as they outsourced to Blunomy to prepare their demand forecasts, and Blunomy's documentation of its approach is limited, this made CPU's approach more challenging to validate, given the information provided.
- For example, their methodology for CER spatial disaggregation was reasonable, however its application was difficult to validate absent more detail on CER uptake and spatial demand.
- This is representative of their overall forecasting approach which was able to be described, but additional data and evaluation was required.

Relative to the current regulatory period, United Energy is proposing significant increases in demand driven capex, including 80% growth in connections spend.

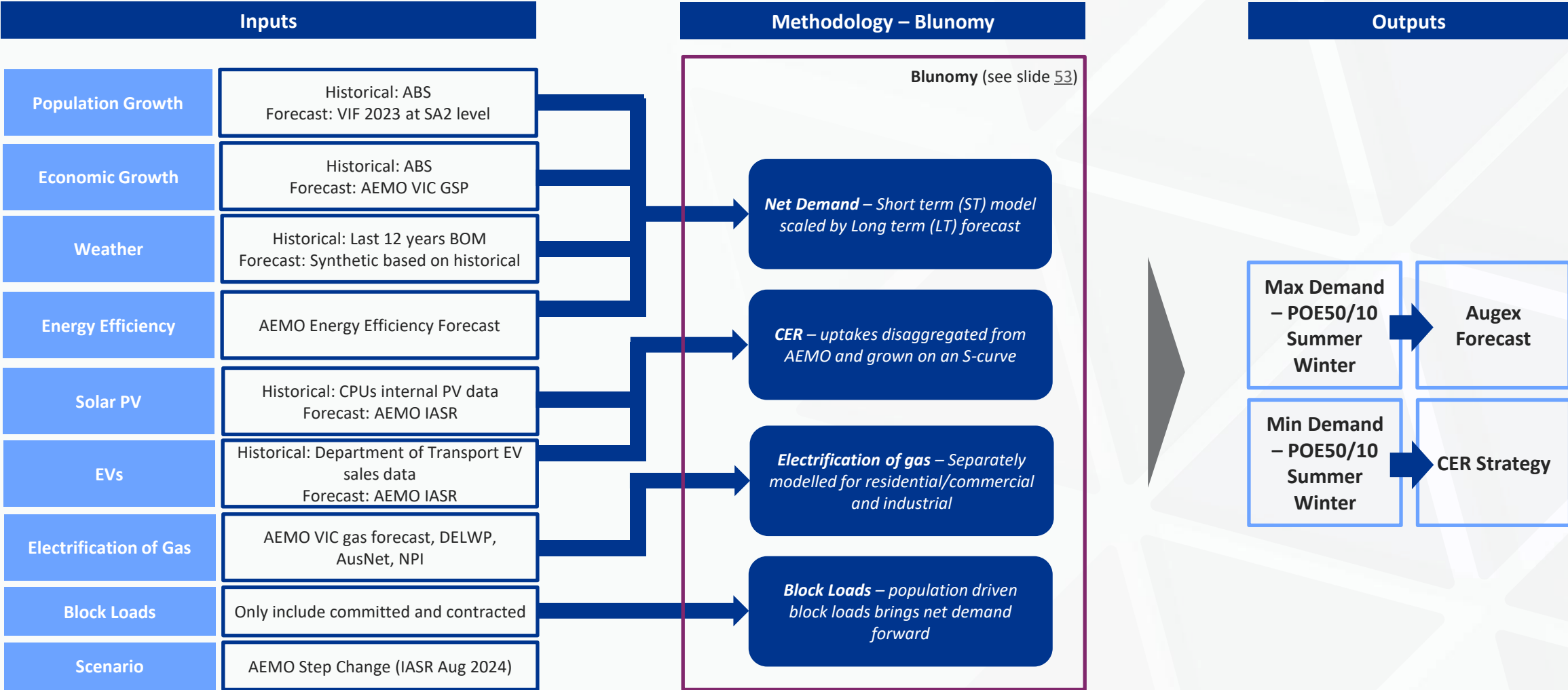
	2021-2026 period actual/estimate totals		2026-2031 period changes		
	Augmentation	Connections (net)	Augmentation	Connections	Demand growth
United Energy	\$102.9M	\$53.8M	49%↑	80%↑	1.0%↑

- The above outlines United Energy’s augmentation and net connections (i.e. after capital contributions are considered) capex across current period actuals and new regulatory period forecasts. These two expenditure categories are primarily (but not wholly) demand-driven. When compared to the current 2021-26 regulatory period, United Energy is proposing higher capex spend that is driven by the proposed demand growth of 1.0%.
- United Energy has proposed significant increases in demand driven capital expenditure. For connections, \$97.0 million is net connections expenditure, which is an increase of 80%. Customer growth across all types (including new EV chargers) are driving the increase.
- Total augmentation expenditure is \$153.4 million. This is an increase of 49% in comparison to the current regulatory period. United Energy states that this forecast is driven by a significant increase in electrification of gas and transport will require proactive investment.

Source: (1) AER Issues paper - CitiPower, Powercor and United Energy electricity distribution determinations 2026-31 - March 2025, p. 45

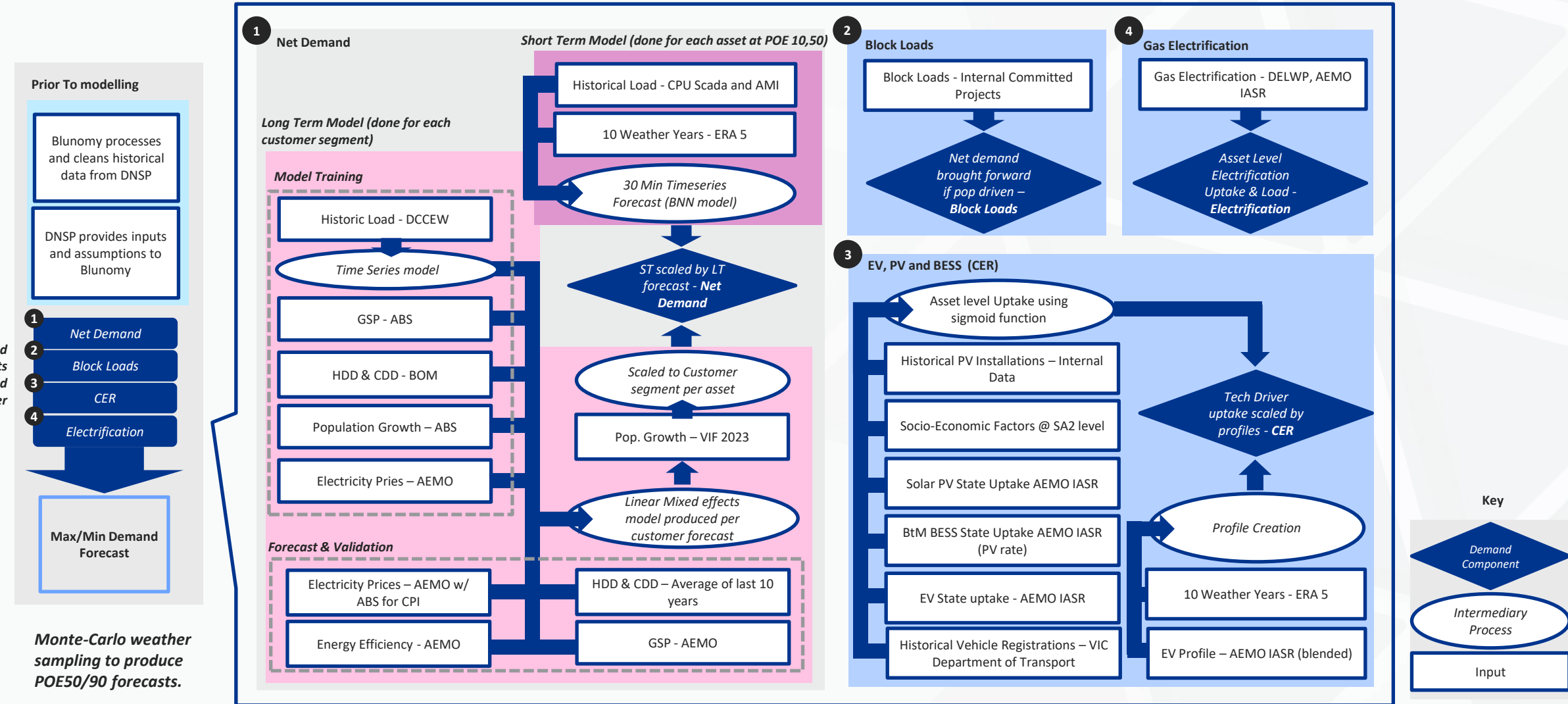


CPU has adopted Blunomy’s tool to produce their max/min demand forecasts, with their role being to provide their preferred inputs and assumptions upfront.



Note: This depiction of CPU’s methodology has been prepared by Baringa and reflects our interpretation of the available documentation from CPU.

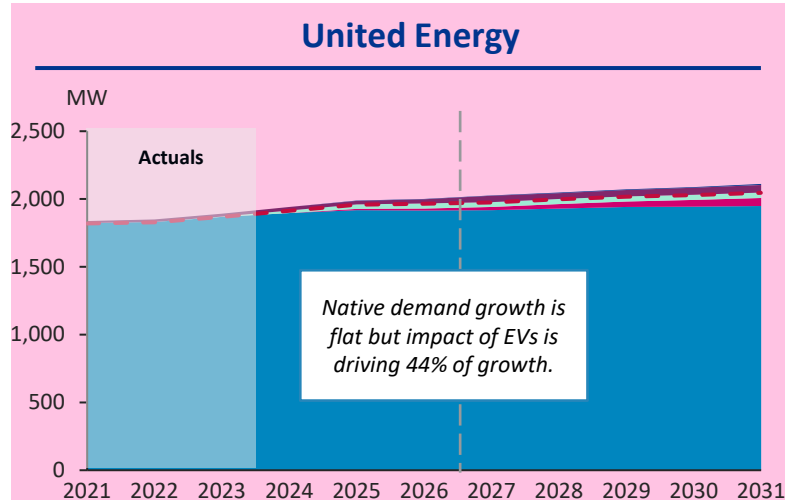
Blunomy's third-party forecasting tool has been deployed for both CPU and Jemena to produce max/min demand forecasts.



Note: This depiction of Blunomy's methodology has been prepared by Baringa and reflects our interpretation of documentation provided by Blunomy, CPU and Jemena.

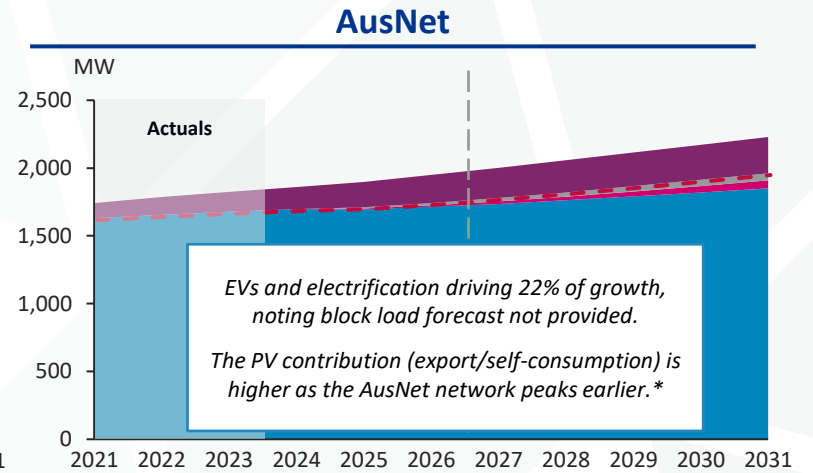
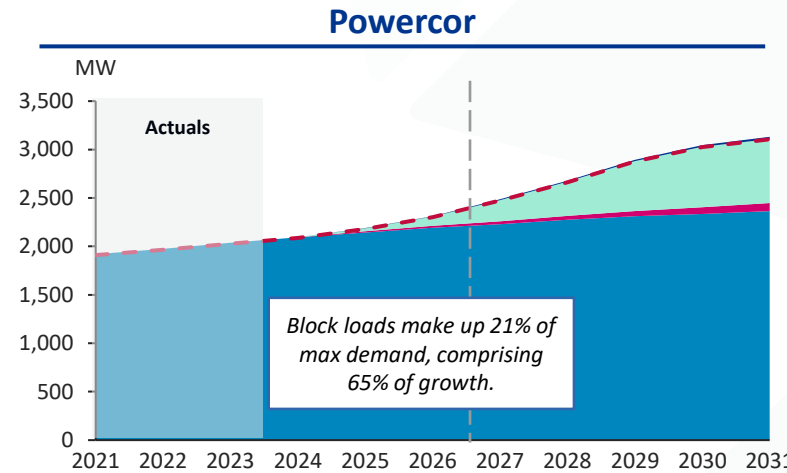
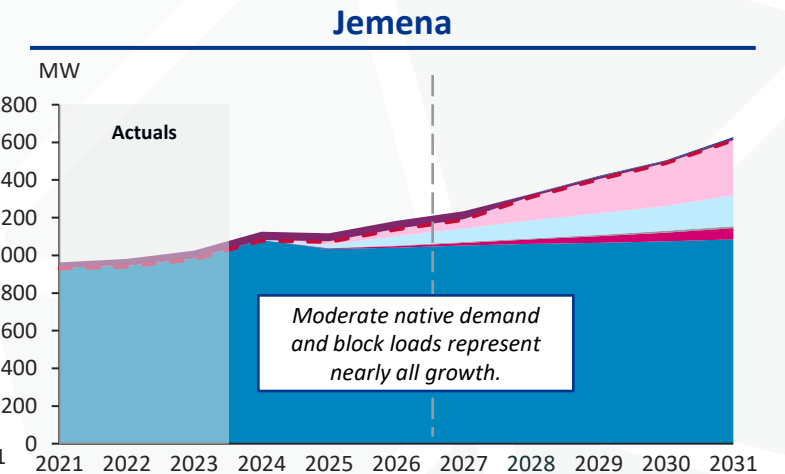
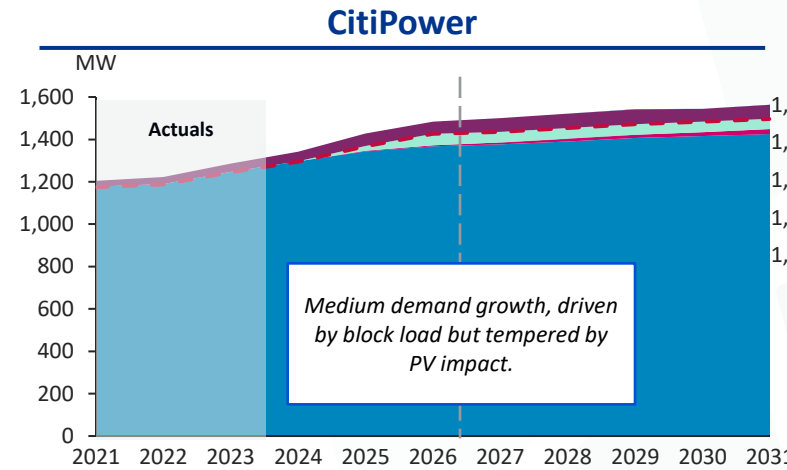
20 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

United Energy forecasts flat to low demand growth, with EVs contributing nearly half of the increase alongside steady native demand



Commentary

- United Energy has flat to low demand growth, at approximately 1% compounding over 2024.
- EVs drive 44% of growth, and grow to 2.9% of maximum demand.
- The remaining growth is driven by native underlying demand (population and economic factors).
- PV uptake lowers max demand by 2.7%.

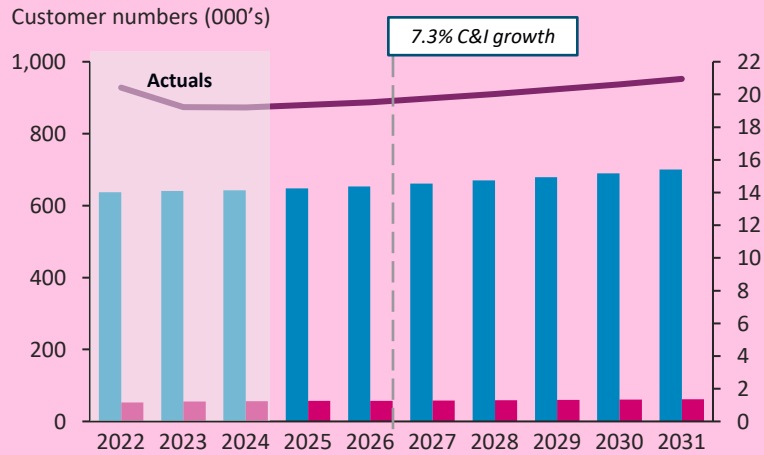


Source: Data provided by DNSP in IR responses

21 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

United Energy forecasts steady customer growth across all segments, with slightly higher growth in C&I customers

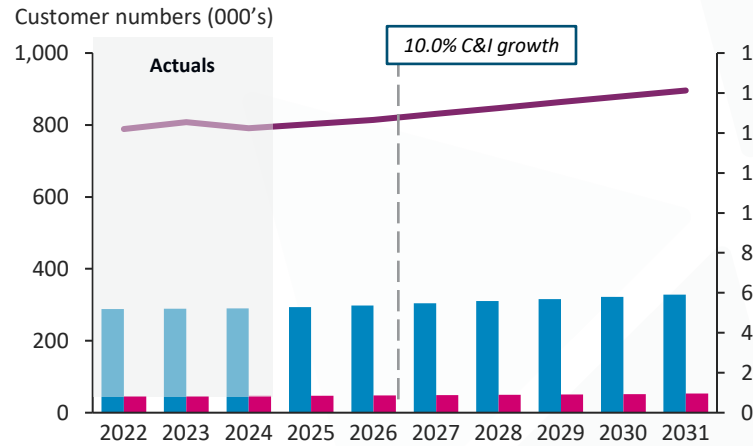
United Energy



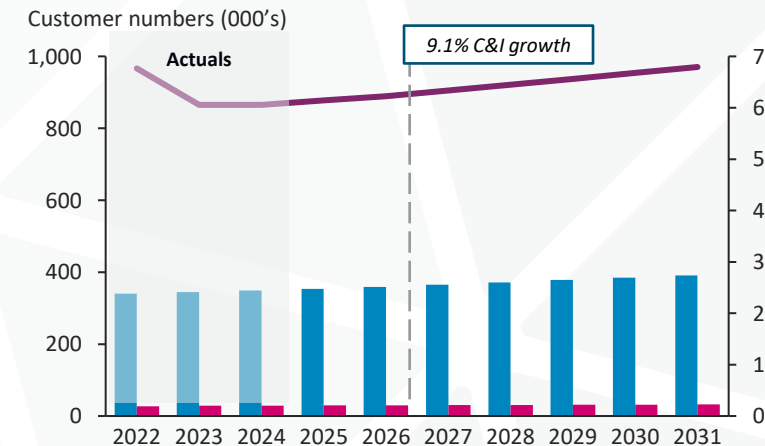
Commentary

- United Energy is forecasting total customer growth over the regulatory period to increase by 7.2% with steady customer growth across all segments.
- C&I customer growth is slightly higher over the regulatory period at 7.3%.
- This trend is resulting in higher expenditure for augmentation and connections works.

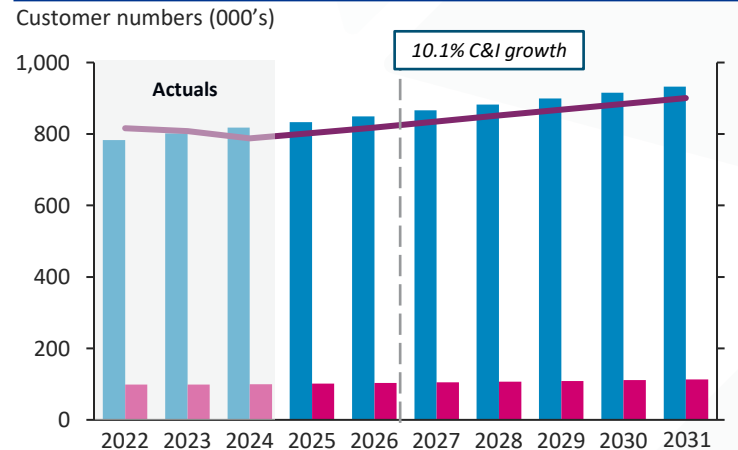
CitiPower



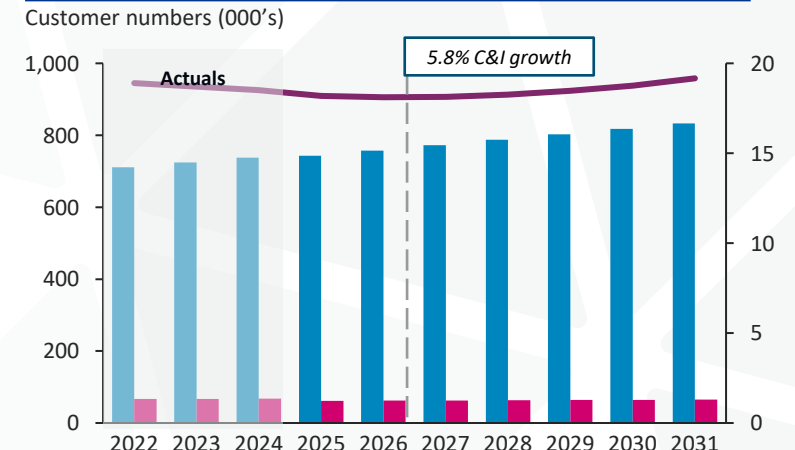
Jemena



Powercor



AusNet

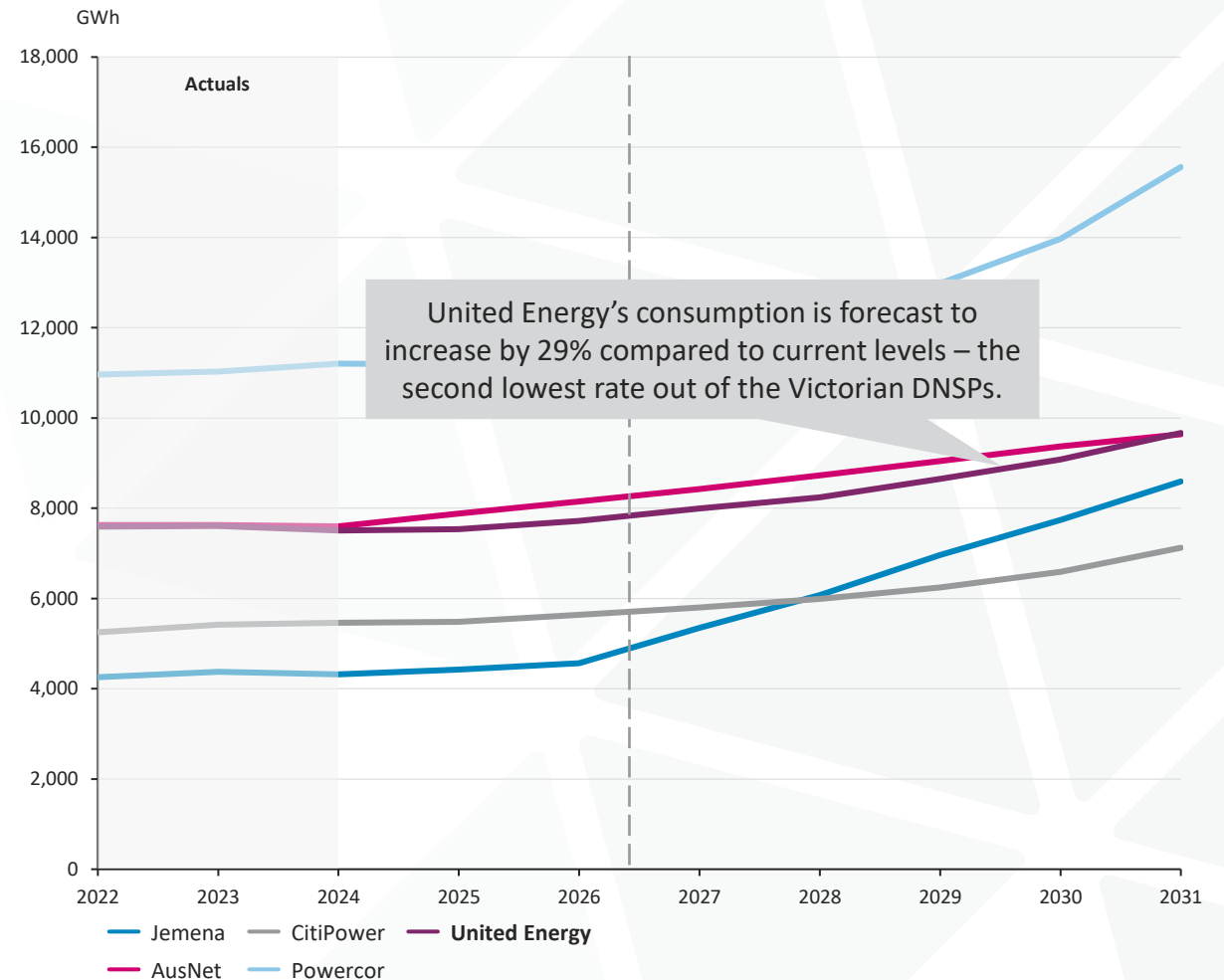


Steady growth in United Energy's consumption forecast is driven initially by CER and gas electrification, followed by increased demand from data centres

Key consumption drivers

- Energy consumption is a measure of all customers' total energy use over time. The chart illustrates the energy consumption for the five Victorian DNSPs for the current and upcoming regulatory periods.
- Forecasting energy consumption is relevant as the consumption volumes for each year act as an input into setting prices for that given year such that the DNSP's expected revenue is equal to the maximum regulated revenue.
- Key changes and drivers include:
 - **AusNet:** Relatively consistent at approximately 7,600 GWh before a moderate increase to over 9,600 GWh by 2031 driven by steady growth across all consumption categories – native demand, CER and gas electrification.
 - **Jemena:** Shows the most significant increase in consumption pinpointed at the start of the period, driven primarily by data centres and ultimately doubling energy throughput to 8,594 GWh by 2031.
 - **CitiPower:** A 31% increase compared to 2024 levels with 7,124 GWh by the end of the period. Driven initially by CER and electrification of gas then data centres late in the regulatory period.
 - **Powercor:** Highest level of throughput with a significant rate of change driven largely by data centre uptake in the network. 11,204 GWh in 2024 and projected to reach over 15,562 GWh by 2031, representing a 39% increase.
 - **United Energy:** Similar to AusNet, at approximately 7,500 GWh before a steady increase to over 9,600 GWh by 2031. Driven initially by CER and electrification of gas then data centres late in the regulatory period.

Victorian DNSP energy consumption historical and forecast

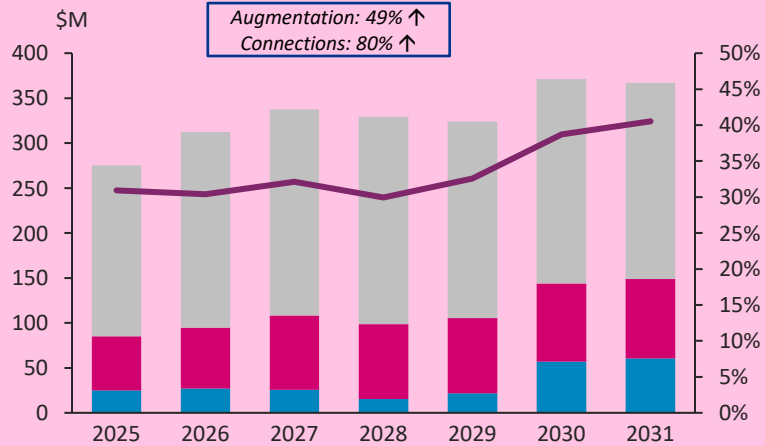


Source: Analysis based on DNSP Reset RIN data

23 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

United Energy's forecast expenditure growth is driven by the highest increase in net connections compared to other Victorian DNSPs, and a modest rise in augmentation

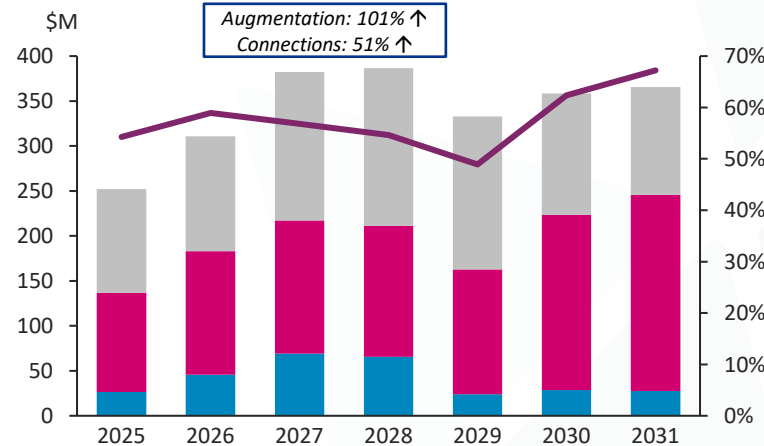
United Energy



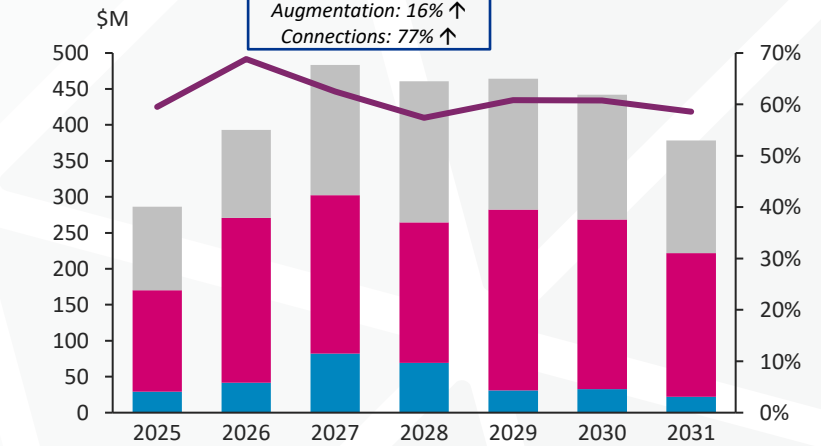
Commentary

- All DNSPs are proposing increases in expenditure, with demand-related capex accounting for approximately 35% of United Energy's total capex.
- United Energy's net connections proposal is providing a significant contribution to the uplift in expenditure over the next regulatory period as seen in the first year. Relative to the other Victorian DNSPs, it has the highest increase at 80% when compared to expenditure levels in the current period.
- Augmentation expenditure is 49% higher, and this is in the middle range compared to the other DNSPs.

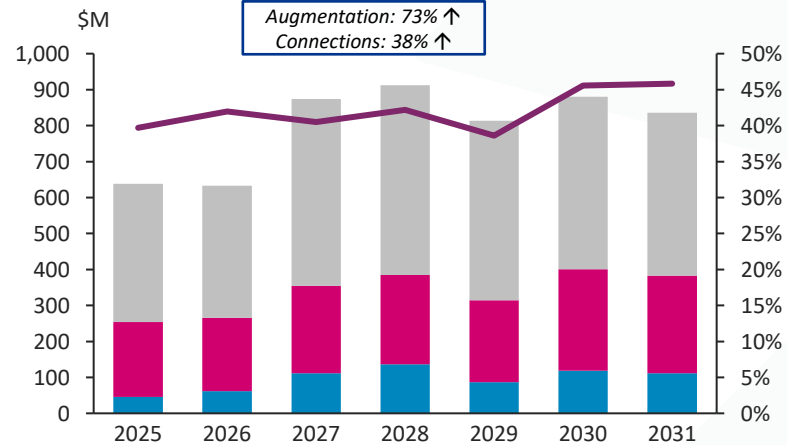
CitiPower



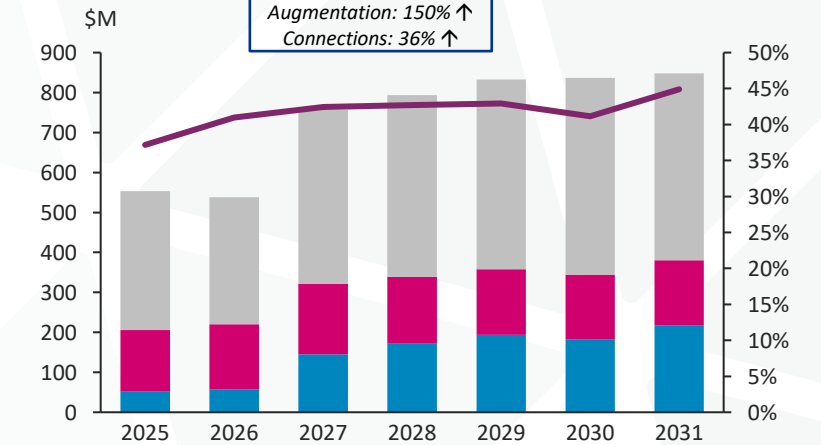
Jemena



Powercor



AusNet



■ Augmentation capex
 ■ Other Capex
 ■ Connections capex (gross)
 — Proportion of demand-related capex (RHS)

Change from current period

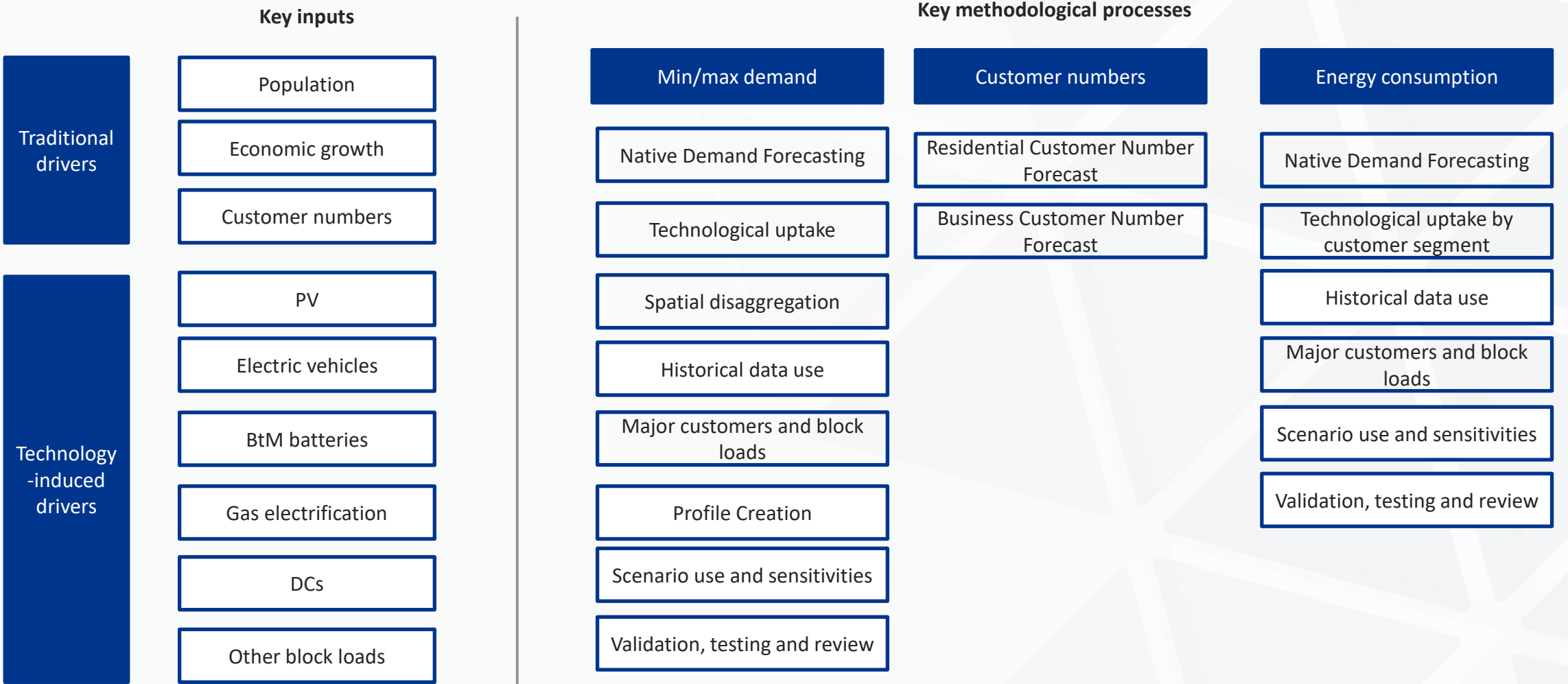
Source: Analysis based on DNSP Reset RIN data

24 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

4. Our overall evaluation on key demand methodology and input assumptions

Note: This section is broadly the same across each of our reports for CitiPower, Powercor and United Energy given the common methodology adopted by the DNSPs. The main differences are in our assessment of data centres, rooftop solar PV and EVs, given the different materiality of these drivers on the demand forecasts for each DNSP.

We identified the following as the key input assumptions and methodology processes for review.



United Energy's traditional assumptions broadly align with AEMO and other relevant data sources.

Traditional	Key inputs	Output	Materiality	×	Reasonableness	=	Concern	Assessment detail – Inputs and assumptions
	Population growth	Max/min	●		●		No or limited concern	- We consider the population growth assumption to be reasonable due to the reliance on credible sources, such as Victoria in Future (VIFSA) Statistical Area 2 (SA2) forecasts, which provide detailed demographic inputs for network demand forecasting. These forecasts align broadly with AEMO's Victoria population projections (prepared by Deloitte Access Economics) until 2036, supporting their credibility and medium-term reliability.^{1,2} - While slight differences in growth trajectories exist, they are not significant enough to materially affect the demand forecasting process. The mapping of VIFSA SA2 data to network infrastructure, such as ZSS, allows for geographically relevant customer forecasts, forming a logical basis for per-customer demand projections.
		Energy	●		●		No or limited concern	
		Customers	●		●		No or limited concern	
	Economic growth	Max/min	●		●		No or limited concern	- The inclusion of AEMO's Gross State Product (GSP) forecast is a logical and appropriate element of the demand forecasting process, as GSP reflects economic activity, which directly influences energy demand across residential, commercial, and industrial sectors.¹ The GSP forecasts, grounded in economic data, provide a robust basis for projecting future growth by capturing trends in productivity, industry composition, and overall economic performance. - Using forecasted GSP ensures a strong link between economic output and energy demand, where rising GSP corresponds to higher energy consumption from businesses, infrastructure, and population growth. The alignment of GSP growth rates with historical trends ensures forecasts are realistic, reflecting both long-term economic dynamics and short-term variability, thereby supporting accurate projections of non-residential energy demand.
		Energy	●		●		No or limited concern	
		Customers	●		●		No or limited concern	
	Customer Numbers	Customers	●		●		Some concern	See section <i>Methodological approach – Customer numbers</i>

Source: (1) UE ATT 2.02 – Demand forecasting methodology – Jan2025 – Public, p. 5; (2) United Energy – IR#021 – Q17.

27 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

United Energy's technology assumptions broadly align with AEMO or better data.

Technology-based	Key inputs	Output	Materiality	×	Reasonableness	=	Concern	Assessment detail – Inputs and assumptions
	PV generation and uptake	Max/Min	◐		●		No or limited concern	The use of AEMO's Victoria PV uptake forecast (Step Change scenario) is appropriate.^{1,3} Incorporating historical uptake data to distribute PV generation spatially across feeders, zone substations (ZSS), and terminal stations (TS) is logical, offering valuable insights into regional adoption patterns. This spatial granularity is critical for accurately modelling the effects of PV uptake on maximum and minimum demand.
		Energy	●		●		No or limited concern	Using ERA5 irradiance data to create asset-specific generation profiles is a robust approach, providing detailed insights into localised PV output during maximum and minimum demand conditions. However, there is a slight risk of alignment issues between ERA5-based profiles and AEMO's PV load factors, which could introduce inconsistencies in the demand forecasts.
	EV charging profiles and uptake	Max/min	●		●		No or limited concern	- The AEMO Victoria EV uptake forecast (Step Change scenario) provides a strong basis for modelling EV charging impacts on demand.¹ The use of historical Department of Transport (DoT) data to spatially allocate EV charging demand is a logical approach, effectively capturing ownership distribution and mapping charging loads to feeders, ZSS, and TS.^{2,3} This spatial detail is crucial for assessing localised impacts on maximum and minimum demand, particularly in regions with higher EV penetration which is more material for United Energy. - Overall, we consider the inputs and assumptions methodology is geographically aligned, sufficient for predicting EV charging impacts.
		Energy	◐		●		No or limited concern	
	BtM BESS charging profiles and uptake	Max/min	◐		●		No or limited concern	- We consider the inputs for BtM BESS charging profiles and uptake to be reasonable, based on credible data and assumptions. However, the approach may be conservative given the growing impact of Virtual Power Plants (VPPs). - This is reasonable because AEMO's Victoria storage uptake forecast – August 2024 has been used and provides a strong basis for modelling BtM BESS uptake, while historical load data per feeder ensures spatially accurate charging and discharging profiles.³ Blunomy's assumption that BtM BESS act to reduce peak demand, rather than follow price signals, reflects current usage patterns but may not fully capture future VPP-driven behaviours. Incorporating these dynamics in future forecasts would improve alignment with market trends, however this is a limited concern.
		Energy	○		●		No or limited concern	

Source: (1) United Energy – IR#015 – Q6; (2) United Energy – IR#015 – Q3; (3) UE ATT 2.02 – Demand forecasting methodology – Jan2025 – Public, p. 5.

28 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

Electrification is excluded in maximum demand forecast and DC treatment is inconsistent between energy and maximum demand.

Key inputs		Output	Materiality	× Reasonableness	= Concern	Assessment detail – Inputs and assumptions
Technology-based	Gas electrification residential, commercial and industrial	Max/min	🕒	🔴	Significant concern	- We consider the exclusion of gas electrification from the maximum and minimum demand forecasts due to a modelling error to be a significant oversight, and it should be incorporated in the final forecast.¹ Excluding gas electrification from the max/min demand forecast fails to account for one of the significant drivers of future electricity demand growth, particularly as gas is phased out in favour of electric systems. Incorporating this would improve the accuracy of long-term demand projections. - Conversely for energy consumption, the choice of inputs used for estimating gas consumption is reasonable and provides a strong foundation for forecasting. This is reasonable because AEMO’s 2024 ESOO data is a credible source for forecasting total gas consumption and aligns well with expected long-term trends. DEECA data provides reliable splits between residential and commercial gas usage, offering a clear view of sector-specific electrification impacts. Additionally, the use of the National Pollution Inventory to estimate industrial gas usage ensures the methodology captures industrial demand with sufficient granularity.²
		Energy	🕒	🟢	No or limited concern	
	Data centre block loads	Max/min	○	🟢	No or limited concern	- United Energy only includes committed and contracted DC connections in its max demand forecast.³ United Energy has no committed or contracted DC connections,¹ and therefore DCs have an immaterial impact on its max demand. - On the other hand, the L.E.K. DC forecast is incorporated into the energy consumption forecast.³ DC loads, due to their typically high and consistent usage, can significantly affect both demand and energy consumption. The inconsistency in applying additional DC load assumptions across the two forecasting methodologies introduces ambiguity and lead to misrepresenting impacts and has not been sufficiently justified.
		Energy	🕒	🔴	Moderate concern	For non-DC block loads such as mix-use buildings, United Energy only include contracted connections (this is consistent with the DC approach) if they are expecting to demand over 1MW of load.⁴

Source: (1) United Energy – IR#015 – Q2; (2) UE ATT 2.02 – Demand forecasting methodology – Jan2025 – Public, p. 5; (3) United Energy – IR#021 – Q26; (4) United Energy – IR#033 – Q3c.



United Energy’s methodology is generally well-documented, however their native demand has been difficult to validate absent detailed data.

Key approach	Output	Materiality ×	Reasonableness =	Concern	Assessment detail – Maximum demand
Native Demand Forecasting	Max/min	●	●	Some concern	- Our view is that the native demand approach describes in their methodology is reasonable but has been difficult to validate as they have not been able to provide us with native demand by customer type. - Blunomy’s native demand forecast is split into a long-term component and a short-term component. The long-term demand model evolves underlying net demand per customer segment using macro-economic trends (GSP, population growth and energy efficiency). Shape of profile does not change, but total consumption does. The model does this using two logistic functions. The first logistic function simulates population growth. The second logistic function is used to account for non-population drivers like energy efficiency and GSP. - The short-term model captures weather and calendar effects on native demand and is modelled using a Bayesian Neural Network (BNN) model. While we consider long-term and short-term modelling methodologies as described generally reasonable, the overall long-term approach has been difficult to validate as United Energy has been unable to provide data on the evolution of native per customer type over the forecast period.¹ Customer numbers are grown using the VIF SA2 data at ZSS level. The ZSS-level customer number type/demand data was not available for validation.
Technological Uptake	Max/min	●	●	No or limited concern	- Blunomy generates adoption S-curves at each zone substation for EV and PV uptake, taking into account historical trajectory and socio-economic factors.² Penetration is capped at a saturation point, meaning ZSS with historically high uptake may level off sooner. S-curves are considered a good representation of tech uptake, representing an initial slow growth, followed by rapid uptake, and capping out at a saturation point. This approach is broadly reasonable, EV growth aligned with AEMO while PV growth is slightly higher than AEMO’ forecasts it is unclear on driver for this. - BtM BESS deployment assumed to follow same uptake trend as PV, which is reasonable.²

Source: (1) United Energy – IR#033 – Q1; (2) United Energy – IR#033 – Q3d.
30 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

We have some concerns with United Energy’s spatial forecast and use of historical data as there is a degree of uncertainty with the validation of the described methodology.

Key approach	Output	Materiality ×	Reasonableness =	Concern	Assessment detail – Maximum demand
Spatial disaggregation	Max/min	●	●	Some concern	- We consider the spatial disaggregation methodology to be somewhat reasonable, as it uses appropriate tools and aligns demand forecasts with asset-level and demographic data. However, greater clarity on the integration of HV and LV tools would enhance confidence. - This is reasonable because the HV forecast tool effectively projects demand at the ZSS and HV feeder level for max and min demand, while the LV model focuses on CER integration and rural programs. These tools provide complementary granularity across the network. - Demand forecasts are built from asset-level data, with SA2 demographics disaggregated to assets using a method mapping dwellings to assets and assets to SA2 regions. CER uptake is projected using a data-driven spatial adoption curve at the ZSS level, and the CER growth rates align with the stated methodology, supporting the forecasts' reliability.¹ - United Energy was not able to provide a mapping of their network assets to SA2 regions. While this information is used in forecasting processes, it is embedded within Blunomy code and is not readily accessible. We consider that providing clarity on how the HV and LV tools integrate would further improve transparency.
Use of historical data	Max/min	●	●	Some concern	- United Energy uses historical EV and PV numbers to set the starting point for technological uptake at a post-code level. These historical uptake rates impact the S-curve. - Historical demand, weather data, and calendar data feed into the short-term model. The starting point maximum demand at HV Feeder level uses historical, weather-corrected and transfer-corrected data. In the top-down model, historical demand, weather data, and calendar data feed into the short-term model. Using a BNN, this model generates a range of stochastic demand outcomes driven by weather scenarios (based on 12-year historical data).² - Usage of a BNN is reasonable for capturing multiple nonlinear relationships. However, the algorithm is complex, not transparent and difficult to validate without clear data. We therefore consider while the approach is intuitive, it is not easily reproducible and has not been sufficiently described how this is being derived from Blunomy’s model.

Source: (1) United Energy – IR#021 – Q15; (2) UE ATT 2.03 – Blunomy – Detailed demand forecasting methodology – Jan2025 – Confidential, p. 9.



Approach to data centres and block loads generally reasonable with validation required to ensure outputs calculated as described.

Key approach	Output	Materiality	× Reasonableness	= Concern	Assessment detail – Maximum demand
Major customers and block loads and data centres	Max/min			No or limited concern	- We consider the approach for incorporating major customers, block loads, and DCs into the forecasts to be reasonable and broadly conservative, given the inclusion of only committed and contracted loads.¹ - This is reasonable because including only committed and contracted block loads is a sensible approach, avoiding the risk of overstating demand impacts from speculative projects. - The assumption that contracted block loads fully ramp up without derating and that population-driven block loads bring load growth forward, rather than adding to native demand, is logical. United Energy only includes material contracted connections in their separate block load register if they are expecting demand over 1MW of load. This is to ensure that block loads do not overlap with the native growth demand to ensure further accuracy.²
Profile Creation	Max/min			No or limited concern	- We consider the profile creation methodology for BtM BESS, EVs, and solar to be reasonable, as it uses credible inputs and provides sufficient spatial and behavioural detail for accurate forecasting. - This is reasonable because BtM BESS profiles, generated from historical demand series to minimise maximum demand, reflect current usage patterns. EV profiles are based on AEMO’s charging behaviour archetypes, which we validated as broadly aligning with AEMO’s data. Solar profiles are produced via PVLib at feeder, ZSS, and TS levels, offering greater spatial granularity than AEMO’s statewide forecasts, improving localised modelling accuracy.³

Source: (1) United Energy – IR#015 – Q2; (2) United Energy – IR#033 – Q3c; (3) United Energy – IR#033 – Q3d
32 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

The validation of bottom-up forecasts and forecasting review seem reasonable but difficult to confirm with the data and explanation provided.

Key approach	Output	Materiality	× Reasonableness	= Concern	Assessment detail – Maximum demand
Scenario use and sensitivities	Max/min	●	●	No or limited concern	- We consider the use of AEMO Step Change scenario inputs (as of August 2024) to be reasonable and credible.¹ However, the forecasts should be updated to the 2025 IASR when available to ensure they remain current and aligned with the latest trends. - This is reasonable because the AEMO Step Change scenario reflects plausible trends in electrification and decarbonisation and was the most recent data at the time of modelling. Updating to the 2025 IASR will ensure the forecasts incorporate the latest assumptions reducing the risk of outdated projections.
Validation of bottom-up forecasts	Max/min	◐	●	Some concern	- Discrepancies and limited transparency reduce the ability to fully validate accuracy of United Energy’s bottom-up forecasts. - The block loads included at different levels of the network may not be the same, as each may differ in what have been captured in the trend and other components. However, it is unclear from the information submitted by United Energy about the approaches to block loads at the spatial level vs system-level, and how they reconcile to each other. - Approaches, including sigmoid curves for technology uptake, logistic functions for native demand, and BNN Monte Carlo simulations, are methodologically robust. However, limited data from United Energy hinders complete validation. Increased access to inputs and outputs would improve transparency and confidence in the forecasts.
Review of forecasting approach	Max/min	◐	●	Moderate concern	- Blunomy states they undertake a data quality assurance process as part of the demand forecasting approach.² - This includes topology checks, evaluating quality in inputs and performance of the forecast. However, only the short-term model is evaluated. While there is an assumption that the final produced demand forecast has passed this assurance check, it is not made clear how any discrepancies are logged and addressed.

Source: (1) United Energy – IR#015 – Q6; (2) UE ATT 2.03 – Blunomy – Detailed demand forecasting methodology – Jan2025 – Confidential, p. 55



Methodology for customer growth has inconsistency with segmental customer numbers in the RIN.

Key approach	Output	Materiality × Reasonableness = Concern	Assessment detail – Customer numbers
Customer Number Forecast (Spatial and GSP)	Customers	Some concern	- The customer number forecast leverages credible sources, with Victoria in Future (VIF) 2023 projections used for residential customers and AEMO’s ESOO 2024 Victoria GSP growth for small business customers.¹ However, while these inputs imply faster growth for small business connections due to higher GSP growth and therefore a differentiating factor, the forecast growth rates in the RIN appear to be uniform across both segments, which is inconsistent with the methodology and required clarification. - VIF 2023 provides robust demographic data for projecting residential customer growth, while AEMO’s ESOO 2024 GSP forecast appropriately reflects economic drivers for small business growth. Based on these differing inputs, commercial customer growth would logically outpace residential growth, as GSP typically exceeds population growth rates. - Reconciliation would strengthen the transparency and credibility of the forecast, however United Energy state that increasing the proportion of small business customers and lowering the proportion of residential customers would not impact demand forecasts as their demand forecasts do not use customer numbers as an input.² - As a result, we have some concern with the approach as we usually consider customer numbers to be a key demand driver. - United Energy's customer numbers have grown 24% slower than population growth on their network (2006-2019), therefore the assumption of customer numbers following population is likely to overstate customer growth. The AER provided us with its own analysis on this topic for our review outlining this differential in growth rate. We have reviewed the AER's estimates, and come to a broadly similar conclusion, noting the AER calculated a 29% slower growth rate for connection growth. - There are a variety of methods that can be used to calculate the difference in growth rates that give slightly different results. Each of these methods has its advantages and disadvantages. We and the AER have used slightly different methods, but as noted above, these different methods result in broadly similar outcomes and we consider both as reasonable.

Source: (1) CPU Demand Forecasting Workshop materials, 160425, p. 56; (2) United Energy – IR#033 – Q9
34 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.



United Energy’s energy forecasting approach is simple but is mostly consistent with the maximum demand approach.

Key approach	Output	Materiality	× Reasonableness	= Concern	Assessment detail – Energy consumption
Native Demand Forecasting	Energy	●	●	No or limited concern	- The approach relies on credible inputs, using actual energy consumption from CPU’s 2024-25 pricing proposals, grown with VIF 2023 population and household projections for residential consumption and AEMO’s Victoria GSP growth for business consumption.¹ This is a logical approach that aligns demand growth with key drivers for each customer segment. - CPU’s 2024-25 pricing proposals provide a good foundation, utilising actual energy consumption data. For residential consumption, VIF 2023 usage ensures the forecasts are grounded in expected population and household growth. Business consumption growth tied to AEMO’s Victoria GSP forecast appropriately reflects the correlation between economic activity and business energy use. - This approach ensures residential and business demand forecasts are logically aligned with their respective drivers.
Technological Uptake	Energy	●	●	No or limited concern	- We consider the technological uptake forecasting approach to be reasonable, as it captures key demand drivers while accounting for reductions from rooftop solar self-consumption, providing an accurate representation of net network demand. - This is reasonable because it uses AEMO’s 2024 ESOO Victoria Central scenario to include incremental impacts from electrification, EVs, and energy efficiency, which are credible drivers of gross demand. These are appropriately offset by reductions from rooftop solar generation based on AEMO’s forecasts, multiplied by the estimated self-use proportion to exclude export impacts.² - By combining these factors, the methodology balances growth with credible offsets and using AEMO’s forecasts ensures reliability.
Use of historical data	Energy	●	●	No or limited concern	- We consider the use of historical data to be mostly reasonable, but it is unclear what historical data underpins the 2024/25 forecast consumption which is used as the starting point.¹ - This is important because the accuracy of forecast depends on the quality and relevance of the underlying historical data. Historical inputs should reflect recent trends in energy consumption, efficiency, and economic conditions. Without transparency on the data source, timeframes, or adjustments, there is a minor risk it may not fully capture baseline consumption patterns.

Source: (1) United Energy – IR#021 – Q26; (2) United Energy – IR#021 – Q26 – Energy consumption forecasts.xlsx

35 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

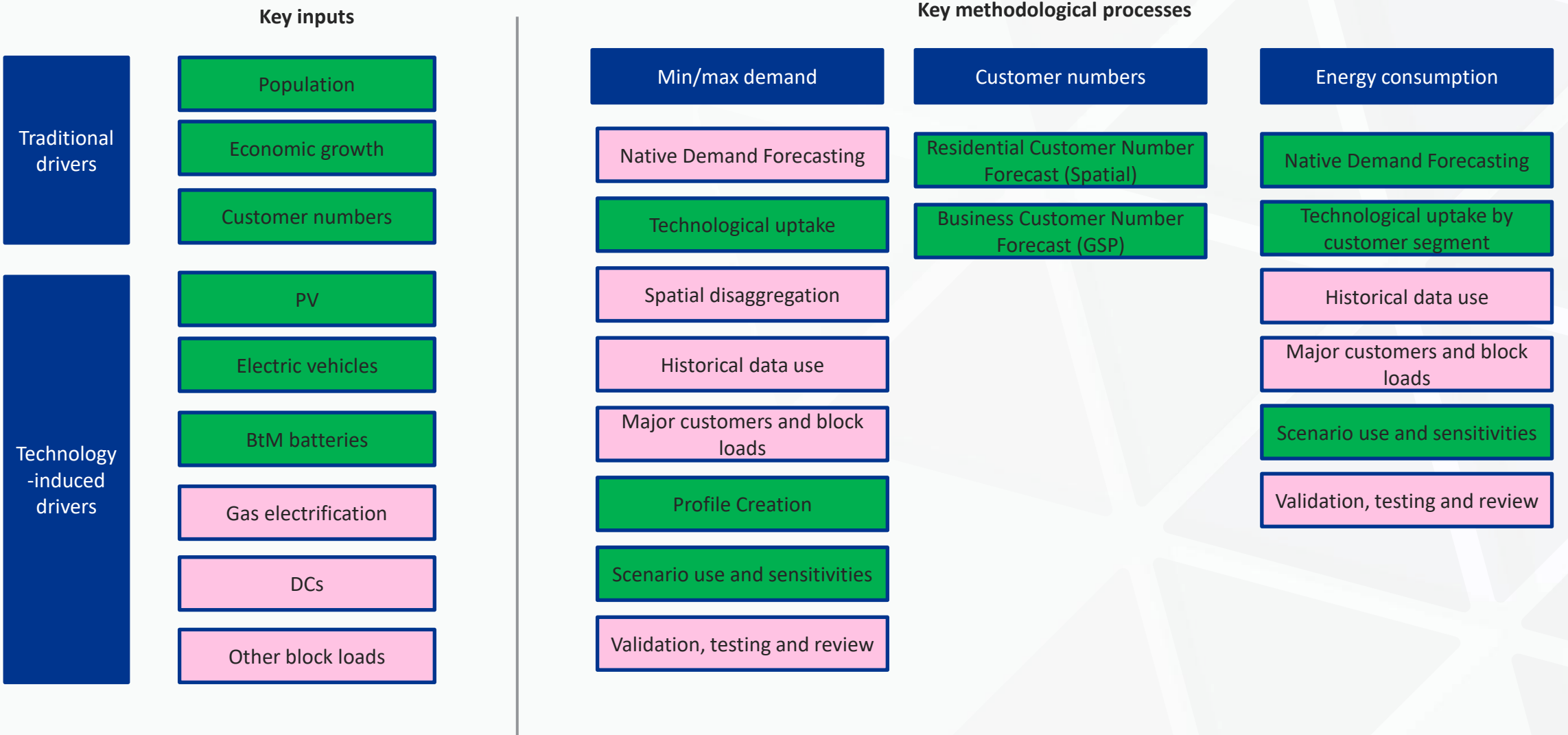
There is inconsistency between block load treatment between maximum demand forecast and energy forecast and the rationale is unclear.

Key approach	Output	Materiality	× Reasonableness	= Concern	Assessment detail – Energy consumption
Major customers and block loads and data centres	Energy			Moderate concern	- We consider the treatment of major customers, block loads, and DCs to be inconsistent, with discrepancies between DC and non-DC methodologies across demand and energy consumption. Greater alignment is necessary to improve forecast reliability and assurance. - United Energy uses the LEK forecasts for future connections and consumption.¹ While this captures DC growth, non-DC block loads are not consistently treated. The methodology grows demand by population and GSP but excludes mention of block loads, while the Blunomy demand forecast methodology incorporates block loads, revealing a methodological gap. - Conversely, non-DC block loads are also excluded from the consumption forecast, without clear rationale.¹ Given their potential material impact on demand and energy consumption forecasts, greater consistency and transparency are needed to ensure the appropriate treatment of all major customer loads in the modelling process.
Scenario use and sensitivities	Energy			No or limited concern	- We consider the use of AEMO Step Change scenario inputs (August 2024) and VIF 2023 population growth data to be reasonable and credible.² However, forecasts should be updated to incorporate the 2025 IASR when it becomes available to ensure they remain current. - This is reasonable because the AEMO Step Change scenario reflects ambitious yet plausible trends in electrification and decarbonisation, while VIF 2023 provides reliable demographic data to inform demand forecasts. However, the 2025 IASR will refine key assumptions, such as technology adoption and economic growth, making it critical to update inputs to maintain accuracy.
Review of forecasting approach	Energy			Some concern	- It is unclear what review or QA processes are performed on the energy consumption forecasts because this has not been clearly outlined in the information provided by United Energy. United Energy state that energy consumption forecasts are only prepared annually for the purposes of the annual pricing proposal.¹ - We acknowledge the differences in forecasting demand and consumption however, we consider that aligning the consumption forecasting approach with the max/min demand methodology and resolving inconsistencies would improve transparency and credibility for the overall forecast.

Source: (1) United Energy – IR#021 – Q26; (2) UE ATT 2.02 – Demand forecasting methodology – Jan2025 – Public, p. 5.

36 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

We note the quality and completeness of the information for the following inputs and methodology processes have limited our review.



United Energy should address the below deficiencies in their Revised Proposal which would enable a clear review of their submission.

Input/process	Output	Expected level of detail required
• Data centres and other block loads • Validation, testing and review	Demand Energy	• Evidence of reconciliation of block loads at spatial-level vs system-level
• Gas electrification	Demand	• Inclusion and modelling of gas electrification impacts to maximum demand
• Native demand forecasting	Demand	• ZSS-level customer number/demand data by type
• Spatial disaggregation	Demand	• Detailed mapping of network assets to SA2 regions showing CER and population-driven demand
• Historical data use	Demand Energy	• Calculation and worked example of BNN outputs • Data and example evidence of Monto Carlo simulation to validate historical outcomes

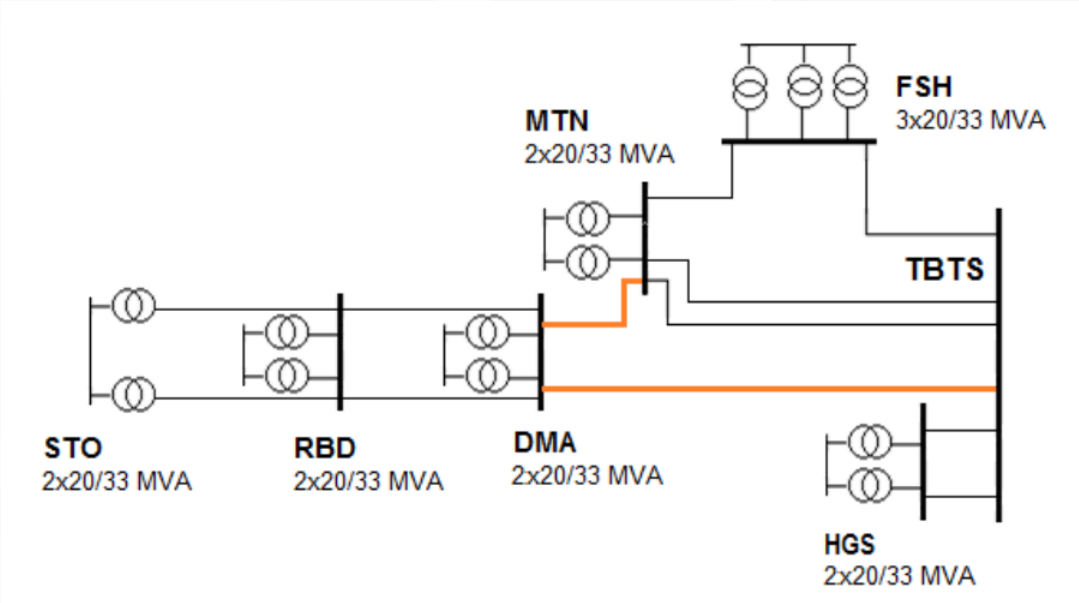
5. Further assessment on selected topics

Locational-demand driven case study assessment

Background for Lower Mornington Peninsula Supply Area

We selected the Lower Mornington Peninsula Supply Area business case to dive deeper into United Energy’s approach to spatial disaggregation of demand. This project was selected as it is a major capex project that is driven by location-specific demand growth.

Lower Mornington Peninsula Supply Area	
Location of Project	Lower Mornington Peninsula (LMP), covering Dromana, Rosebud, and Sorrento
Problem addressed by project	Mitigate security of supply issues – exceeding 123 MVA voltage collapse constraint) servicing on lines Dromana (DMA), Rosebud (RBD), and Sorrento (STO) caused by holiday period spikes.
Preferred option description	Construct a new sub-transmission line from Hastings (HGS) to RBD
Cost of preferred option	\$41.1m



Even with moderate demand growth, the LMP 123 MVA voltage collapse limit is projected to be exceeded by 2026

Summary of United Energy's demand forecasting drivers for the Lower Mornington Peninsula Area business case

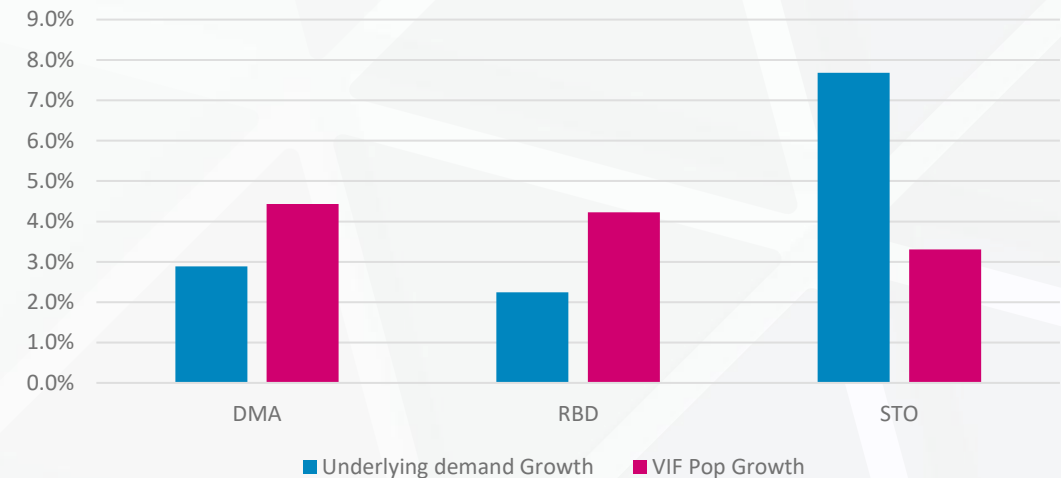
- The following factors are broadly conservative, contributing to a lower maximum demand than would be expected:
 - Lack of electrification is generally conservative. Being a summer-peaking subnetwork, this is less likely to be as impactful as it would for others.
 - PV contribution is potentially double-counted in the net demand calculation¹. In United Energy's data, native demand already equals underlying demand - PV, therefore either PV contribution is double-counted or the underlying demand is being misreported as Native Demand + PV.
 - Forecast MD is broadly aligned or lower than historical weather-corrected MD for 2024
- Individual ZSS are not projected to reach their N-1 ratings by 2031, however, the aggregate demand on the substations is approaching the 123 MVA voltage collapse limit imposed on the 3 substations.
- Underlying growth is broadly aligned with VIF2023 –with underlying growth being slightly lower for DMA and RBD, and higher for STO (see chart to right).
- Growth components across the three key zone substations are broadly consistent (from 2025 to 2031):
 - Overall load growth is low 7% for DMA, 4% for RBD, 5% for STO.
 - Native demand growth is very low – 4% for DMA, 0.5% for RBD, and 5% for STO.
 - EV demand accounts for 3-4% of all three zone substations' MD by 2031, broadly aligned with ESOO 2024.
 - Block loads are minimal

1. Contribution of individual components is as a % of total growth

Source: Baringa analysis of data supporting IR33, Q3

42 | Copyright © Baringa Partners LLP 2025. All rights reserved. This document is subject to contract and contains confidential and proprietary information.

Underlying Demand Growth Projection vs VIF23 Pop Growth (2026-2031)



Plans to update demand forecasts for changes in external data

United Energy should update the demand forecasts for the Revised Proposal to the latest information available, which will be July 2025 IASR plus any further updates in ESOO.

Key data sources (Jan 2025 initial proposal)	United Energy's plans to update its forecast (Dec 2025 revised proposal)	Our assessment
August 2024 IASR <i>CER Uptakes, EV profile</i>	February 2025 AEMO IASR update	- There is adequate time for United Energy to update to Final IASR 2025 (July 2025) before the revised proposal, noting that AEMO's 2025 IASR is used as inputs for their 2025 ESOO. - United Energy should ensure their max demand forecast in their revised proposal includes the 2024/2025 weather year as this will have an impact on forecasts, which United Energy also recognise. - United Energy will incorporate new connections that have since committed to connect to the network that were not captured in their previous forecast.
Historical Network Data (Does not include Summer 2024/25)	Historical Network Data (Include Summer 2024/25)	
Customer number forecast (Aug 2024)	Updated new committed connections	

Timing	Milestone
2025 January	DNSPs submitted Proposals
2025 February	AEMO published Draft IASR 2025 (window opened to re-run forecasts based on this assumptions set)
2025 July	AEMO to publish Final IASR 2025
2025 July	United Energy expects to complete a final max demand forecast
2025 September	AER publishes Draft Determination
Window to re-run demand forecasts for feedback and update proposals	
2025 December	DNSPs submit Revised Proposals
2026 April	AER published Final Determination

* The Draft IASR 2025 includes higher electrification but, lower PV, EV, and higher energy efficiency.

Appendix

Abbreviations and Technical glossary

Note: This section is identical across all reports.

Technical glossary

Term	Definition
Block loads	Customers that drive significant step changes in loads, e.g. data centres, apartments.
Bootstrapped weather year	A synthetic weather year created by resampling weather data from historical records to simulate a range of plausible weather conditions.
Consumption/Energy Forecast	In the context of this review, consumption/energy forecast is the DNSP's forecast of energy volume summed across a measurement period (typically year or month). This contrasts to max/min demand, which is the maximum/minimum interval reading across a measurement period.
Gas electrification	The process of replacing gas appliances and industrial processes with electrical equivalents, e.g. electric stoves, heat pumps.
Historical data use	Approach to incorporating historical data into the forecast
Monte-Carlo Simulation	An approach that uses repeated random sampling to approximate numerical results. It leverages randomness to estimate solutions.
Native Demand Forecasting	In the context of this review, the approach to forecasting demand based on traditional drivers, e.g. population and consumption per customer, in contrast to technology-driven demand growth, e.g. electric vehicles and rooftop solar
Post modelling adjustments	Manual adjustments to a forecast made outside of the core forecasting model.
Profile Creation	The process of generating interval level, e.g. charging profile for an electric vehicle, generation profile for rooftop solar.
Scenario use and sensitivities	The DNSP's selection and usage of base and alternative scenarios and whether they run any sensitivities to the base scenario.
Spatial disaggregation	Approach to mapping system-level demand drivers to the level of network elements, e.g. Feeders, Zone Substations.
Spatial Pop Forecast	Approach to applying population forecasts at the level of network elements, e.g. Feeders, Zone Substations.
Technological uptake	Demand growth driven by customers deploying Consumer Energy Resources, e.g. electric vehicles, rooftop solar, BtM batteries
Weather normalisation	The approach to adjusting demand data to account for weather variability and extreme events to allow for better evaluation of demand trends.

Abbreviations

Term	Definition
ABS	Australian Bureau of Statistics
AEMO	Australian Energy Market Operator
AGIG	Australian Gas Infrastructure Group
AMI	Advanced metering infrastructure
ARIMA	Autoregressive integrated moving average, a type of predictive statistical model
BtM	Behind-the-meter
BESS	Battery energy storage systems
BNN	Bayesian neural network
CER	Consumer energy resources
CIC	Customer initiated capital
CPI	Consumer Price Index
CPU	In the context of this report, Citipower, Powercor, United Energy
DC	In the context of this report, a data centre
DCCEW	Department of Climate Change, Energy, the Environment and Water
DELWP	Department of Environment, Land, Water and Planning
DNSP	Distribution network service provider
DoT	Department of Transport
ERA5	Fifth generation of ECMWF (European Centre for Medium-range Weather Forecasts) Atmospheric Reanalysis of the Global Climate
ESOO/GSOO	Electricity Statement of Opportunities/Gas Statement of Opportunities
EV	Electric vehicles
GAM	Generalised additive model
GSP	Gross state product



Abbreviations

Term	Definition
HDD/CDD	Heating degree days/cooling degree days
HV/LV	High voltage/low voltage
IASR	Inputs, Assumptions and Scenarios Report
ISP	Integrated System Plan
NPI	National Pollutant Inventory
POE	Probability of exceedance
PV	Photovoltaic
SA2	Statistical areas Level 2
VIF	Victoria in Future
ZSS	Zone substation



This report has been prepared by Baringa Partners LLP or a Baringa group company (“Baringa”) for Baringa’s client (“Client”) and has been designed to meet the agreed requirements of Client only and not any other requirements including those of third parties. This report may not be altered or modified without Baringa’s prior written consent. No warranty is given by Baringa as to the accuracy of the contents of this report. This report has been prepared on the date specified and the content may be subject to change over time. This report should not be regarded as suitable to be used or relied upon by any party other than Client unless otherwise contractually agreed by Baringa and Client. Any party other than Client who obtains access to this report or a copy of this report and chooses to rely on this report (or any part of it) will do so at its own risk. This report is not intended to be used as the basis for trading in the shares of any company or for undertaking any other complex or significant financial transaction or investment. To the fullest extent permitted by law, Baringa accepts no responsibility or liability in respect of this report to any other person or organisation other than Client unless otherwise contractually agreed by Baringa and Client. If any of these terms are invalid or unenforceable for any reason, the remaining terms shall remain in full force and effect. Nothing in this statement shall limit or exclude Baringa’s liability for any liability which cannot be limited or excluded by law. Copyright © Baringa Partners LLP 2025. All rights reserved.