



United Energy
2026/27
Statement of
Compliance



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1. Introduction

This statement of compliance forms part of United Energy's annual pricing proposal for 2026/27.

Below is a full list of documents that form part of this proposal:

- United Energy 2026/27 pricing - note that this document is not reviewed by the AER
- Att. A - Statement of compliance (this document)
- Att. B - SCS pricing model
- Att. C - ACS pricing model
- Att. D - Standalone Avoidable model
- Att. E – Tariff summary

2. Demand forecasts

United Energy has provided quantity forecasts for standard control services in the 'Qty forecasts' sheet of the SCS pricing model.

The following methodology was used to estimate and forecast volumes for this pricing proposal:

- extracted 27 consecutive months of actual volumes (Jan 2024 – Mar 2026) by tariff component for current tariff structures
- adjusted the energy volumes for each tariff component to reflect a POE 50 (weather normal) month
- calculated average volume per customer for each tariff component by month
- adjusted average volume per customer for recently observed consumption trend
- forecast monthly customer number growth considering average growth over the last 12 months
- multiplied forecast customer numbers by weather normal average volume per customer by month
- reduced residential energy volumes for self-consumption arising from forecast new solar PV installations
- increased residential energy volumes for forecast new electric vehicles on the network and for customers' consumption change due to Victoria phasing out new gas connections for new dwellings, apartment buildings, and residential subdivisions¹
- applied elasticity factor to small, medium and large low voltage business consumption, assuming that the oil crisis reduces Victoria's GDP growth over the remainder of this calendar year
- forecast demand and volumes with old tariff structures and then transferred to final forecast with new tariff structures.

In comparison to the prior year's pricing proposal forecast, the estimated customer numbers for the current regulatory year are similar and the consumption volumes are materially different for small and medium commercial customers.

Class	Forecast consumption (GWh)	Estimate consumption (GWh)	Change (%)
Residential	2,975	3,049	2.49%
Small and medium commercial (SME)	1,376	1,313	-4.60%
Large commercial and industrial (C&I)	3,232	3,260	0.85%
Total	7,583	7,621	0.50%

The main driver for reduction in SME consumption is a net movement of consumption from the SME class to the C&I class due to a tariff review and associated migration of customers.

¹ Amendment VC250 to the Victoria Planning Provisions

3. Tariffs

3.1 Standard control services

The 'Tariff schedule' sheet of the SCS pricing model sets out the proposed 2026/27 prices for standard control services.

All tariffs remain in the same tariff class as the current tariff structure statement². This is demonstrated in tariff schedule 2 of the SCS pricing model.

All tariffs retain the same charging parameters as the current tariff structure statement³. This is also demonstrated in tariff schedule 2 of the SCS pricing model.

Below is a summary of each charging parameter:

Residential charging parameters	Unit	Explanation
Fixed charge	c/day	Applied per day
Anytime energy	c/kWh	Applies all times Includes controlled load times
Peak energy	c/kWh	Applies between 4pm-9pm local time every day
Peak import ⁴	c/kWh	Charge applied to energy consumption between 4pm and 9pm during the months Dec-Feb and Jun-Aug
Peak import (Shoulder) ⁵	c/kWh	Charge applied to energy consumption between 4pm and 9pm during the shoulder months Mar-May and Sep-Nov
Peak export credit ⁶	c/kWh	Credit applied to export between 4pm and 9pm during the months Dec-Feb and Jun-Aug
Off peak energy	c/kWh	At all times not covered by peak or saver energy For residential CER tariff only, charge applied to energy consumption between 9pm and 11am
Saver energy	c/kWh	Applies between 11am-4pm local time every day

² AER - Revised Tariff Structure Statement - Clean - United Energy distribution determination 2026-31 - April 2026

³ AER - Revised Tariff Structure Statement - Clean - United Energy distribution determination 2026-31 - April 2026

⁴ Referred as 'Peak import Dec-Feb, Jun-Aug' in the annual SCS pricing proposal model

⁵ Referred as 'Peak shoulder import Mar-May, Sep-Nov' in the annual SCS pricing proposal model

⁶ Referred as 'Peak export credit Dec-Feb, Jun-Aug' in the annual SCS pricing proposal model

Residential charging parameters	Unit	Explanation
Saver import⁷	c/kWh	Charge applied to energy consumption between 11am and 4pm local time every day
Saver export⁸	c/kWh	Charge applied to export seasonally between 11am and 4pm Sep - May with 1 kWh per day BEL ⁹

Small and Medium Business charging parameters	Unit	Explanation
Fixed charge	c/day	Applied per day
Anytime energy	c/kWh	Applies at all times. Includes controlled load times
Peak energy	c/kWh	Small business between 9am-9pm local time workdays Type 7 or 9 metering between 7am-11pm weekdays AEST Medium business opt-out 10am-6pm local time workdays
Off peak energy	c/kWh	All other times that are not covered by the peak period
Summer demand	c/kW/day	Based on the highest half hourly kW demand between 10am-6pm local time workdays 1 December to 31 March
Non-summer demand	c/kW/day	Based on the highest half hourly kW demand between 10am-6pm local time workdays 1 April to 30 November
Peak import¹⁰	c/kWh	Charge applied to energy consumption between 4pm and 9pm during the months Dec-Feb and Jun-Aug
Peak export credit¹¹	c/kWh	Credit applied to export between 4pm and 9pm during the months Dec-Feb and Jun-Aug

⁷ Referred as 'Saver energy' in the annual SCS pricing proposal model

⁸ Referred as 'Saver export Sep - May' in the annual SCS pricing proposal model

⁹ Total kWh exempt from export charges are determined by multiplying 1 kWh per day by the number of days in the billing period. If exports between 11:00am – 4:00pm are less than 1 kWh, the remainder of the free export allowance would roll over to the next day, within a single billing period. For example, a billing period of 31 days would include 31 kWh of free exports between 11:00am – 4:00pm.

¹⁰ Referred as 'Peak import Dec-Feb, Jun-Aug' in the annual SCS pricing proposal model

¹¹ Referred as 'Peak export credit Dec-Feb, Jun-Aug' in the annual SCS pricing proposal model

Small and Medium Business charging parameters	Unit	Explanation
Off-peak import ¹²	c/kWh	Charge applied to energy consumption outside of peak import times
Saver export ¹³	c/kWh	Charge applied to export between 11am and 4pm Sep - May with 1 kWh per day BEL ¹⁴
Capacity charge	c/kW/day	Charge applied to maximum 30-minute kW demand over the most recent rolling 12-months measured at all times

Large Business customers charging parameters	Unit	Explanation
Peak energy	c/kWh	Applies between 7am-7pm local time workdays
Off peak energy	c/kWh	All other times that are not covered by the peak period
12-month rolling demand	c/kVA/day	Based on the kVA at the highest measured half-hourly kW demand between 7am-7pm local time workdays over the previous 12 months period. Minimum thresholds apply
Incentive demand	c/kVA/day	Based on the kVA at the highest measured half-hourly kW demand between 1pm-4pm or 4pm-7pm local time workdays 1 December to 31 March or between 4pm-7pm local time workdays 1 May to 31 August
Peak import ¹⁵	c/kWh	Charge applied to energy consumption between 4pm and 9pm during the months Dec-Feb and Jun-Aug
Capacity charge	c/kW/day	Charge applied to maximum 30-minute kW demand over the most recent rolling 12-months measured at all times for the large flexible load tariff
Energy charge (import)	\$/MWh	Calculated consistent with the methodology used to calculate United Energy's TUOS energy charges

¹² Referred as 'Off-peak energy' in the annual SCS pricing proposal model

¹³ Referred as 'Saver export Sep - May' in the annual SCS pricing proposal model

¹⁴ Total kWh exempt from export charges are determined by multiplying 1 kWh per day by the number of days in the billing period. If exports between 11:00am – 4:00pm are less than 1 kWh, the remainder of the free export allowance would roll over to the next day, within a single billing period. For example, a billing period of 31 days would include 31 kWh of free exports between 11:00am – 4:00pm.

¹⁵ Referred as 'Peak import Dec-Feb, Jun-Aug' in the annual SCS pricing proposal model

Large Business customers charging parameters	Unit	Explanation
Demand charge (import)	\$/kW/month	Calculated consistent with the methodology used to calculate United Energy's TUOS demand charges
Demand credit (export)	\$/kW/month	Avoided locational TUOS charges calculated consistent with NER clause 5.3AA
Capacity charge	\$/kVA/month	Charge applied to the import capacity of the connection for the Flexible TUOS pass-through tariff

The expected weighted average revenue for each tariff class for the current and forecast years is demonstrated in output table 5 of the SCS pricing model.

The permissible percentage is not applicable in a first year of the regulatory period in accordance with the determination¹⁶.

3.2 Alternative control services

The ACS pricing model sets out the proposed 2026/27 prices for alternative control services.

United Energy will offer the same list of services for metering, public lighting, and ancillary network services as approved in the AER's final determination for alternative control services¹⁷. The list of services for metering, public lighting, and fee-based services is provided in the ACS pricing model. Quoted services are provided in line with the approved control mechanism formula¹⁸ using the applicable labour rates in the ACS pricing model.

3.3 Tariff variations

Our tariff structures, tariff class or charging parameters are as per current tariff structure statement within the 2026/27 period¹⁹.

3.4 Sub-threshold tariffs

United Energy will have one sub-threshold tariff for the regulatory year. This is:

- Kerbside electric vehicle charging (KEVC): introduced 2026/27

United Energy has notified the AER of this sub-threshold tariff no later than four months before the start of the relevant regulatory year. This is available on the [AER website](#).

This sub-threshold tariff has a forecast revenue that is less than 1 per cent of total allowable revenue, and all sub-threshold tariffs have a combined forecast revenue less than 5 per cent of total allowable revenue. This is demonstrated in compliance table 4 of the SCS pricing model.

¹⁶ AER - Attachment 12 - Control mechanisms - Final decision - AusNet Services, Jemena, CitiPower, Powercor and United Energy Distribution determinations 2026-31 - April 2026

¹⁷ AER – Standardised ANS model - Final Decision - United Energy distribution determination 2026-31 - April 2026

¹⁸ AER - Attachment 12 - Control mechanisms - Final decision - AusNet Services, Jemena, CitiPower, Powercor and United Energy Distribution determinations 2026-31 - April 2026

¹⁹ AER - Revised Tariff Structure Statement - Clean - United Energy distribution determination 2026-31 - April 2026

4. Pricing principles

The revenue expected to be recovered from each tariff class lies on or between an upper bound representing the standalone cost of serving the retail customers who belong to that class and a lower bound representing the avoidable cost of not serving those retail customers. This is demonstrated in compliance table 5 of the SCS pricing model. These bounds were calculated as follows:

- Stand-alone costs have been calculated assuming the existing network configuration with:
 - direct assets allocated based on assets directly attributable to supplying that asset class and indirect assets allocated based on a customer number and demand composite allocator
 - variable O&M costs allocated based on demand and fixed O&M costs allocated based on stand-alone RAB value.
- Avoidable costs have been calculated assuming that vegetation management, maintenance and emergency responses costs vary with customer numbers and non-coincident demand.

The sum of the revenue expected to be recovered from each tariff allows United Energy to recover the expected revenue for the relevant services in accordance with the distribution. This is demonstrated in compliance table 1 of the SCS pricing model.

Each tariff is based on the long-run marginal cost of providing the service to which it relates to the retail customers assigned to that tariff.

5. Indicative prices

Revised indicative prices for standard control services tariffs are provided in input table 29 and 30 of the SCS pricing model. Revised indicative price caps for alternative control services are provided in the ACS pricing model. These indicative price levels have been determined in accordance with the current tariff structure statement and updated to account for this pricing proposal.

Furthermore, revised indicative prices for sub-threshold tariffs are provided in input table 32 of the SCS pricing model.

The proposed tariff prices can be materially different to the corresponding indicative prices, and this is demonstrated in compliance table 6 and 7 of the SCS pricing model. Brief notes have been written in column AC of the 'Price comp. ind.' sheet explaining the reasons for material differences.

6. Tariff components

6.1 Distribution use of system charges

Tariffs designed to pass on distribution use of system charges are available in the 'Tariff schedule' sheet of the SCS pricing model. The revenue expected to be recovered from these tariffs does not exceed the estimated amount of distributed use of system charges adjusted for over or under recovery. This is demonstrated in output table 6 of the SCS pricing model.

The over or under recovery amount is calculated in a manner consistent with the AER's final decision for control mechanisms²⁰.

6.2 Designated pricing proposal charges

Tariffs designed to pass on designated pricing proposal charges are available in the 'Tariff schedule' sheet of the SCS pricing model. The revenue expected to be recovered from these tariffs does not exceed the estimated amount of designated pricing proposal charges adjusted for over or under recovery. This is demonstrated in output table 6 of the SCS pricing model.

The over or under recovery amount is calculated consistent with the AER's final decision for control mechanisms²¹ and is compliant with the NER.

6.3 System strength charges

United Energy will pass through system strength charges for system strength connection points for the 2026/27 period.

In accordance with NER clause 6.18.2(b)(6C), we will pass system strength charges through to distribution customers that have opted to utilise AEMO's system strength services. The charges will be calculated using the charges and charge structure of AEMO. Charges will be invoiced monthly to be consistent with AEMO's timing.

6.4 Jurisdictional scheme amounts

United Energy's jurisdictional schemes have not been amended since the last jurisdictional scheme approval date.

Tariffs designed to pass on jurisdictional scheme amounts are available in the 'Tariff schedule' sheet of the SCS pricing model. The revenue expected to be recovered from these tariffs does not exceed the estimated amount of jurisdictional scheme amounts adjusted for over or under recovery. This is demonstrated in output table 6 of the SCS pricing model.

The over or under recovery amount is calculated in a manner consistent with the AER's final decision for control mechanisms²² and is compliant with the NER.

²⁰ AER - Attachment 12 - Control mechanisms - Final decision - AusNet Services, Jemena, CitiPower, Powercor and United Energy Distribution determinations 2026-31 - April 2026

²¹ AER - Attachment 12 - Control mechanisms - Final decision - AusNet Services, Jemena, CitiPower, Powercor and United Energy Distribution determinations 2026-31 - April 2026

²² AER - Attachment 12 - Control mechanisms - Final decision - AusNet Services, Jemena, CitiPower, Powercor and United Energy Distribution determinations 2026-31 - April 2026

7. Compliance

7.1 Compliance with the determination

We confirm that our tariff assignment policy and the methodology in which we review and assess the basis on which a customer is charged will comply with our TSS²³ and the NER.

We confirm that the 2026/27 tariff rates have been set in accordance with our TSS.

7.2 Compliance table

Rule reference	Section reference
6.18.2(a)	Chapter 1 - Introduction
6.18.8(a)(3)	Chapter 2 - Demand forecasts
6.18.2(b)(2)	Chapter 3 - Tariffs
6.18.2(b)(3)	
6.18.2(b)(4)	
6.18.6	
6.18.2(b)(5)	
6.18.1C	
11.141.8	
6.18.5(e)	
6.18.5(f)	
6.18.5(g)(2)	
6.18.2(d)	Chapter 5 - Indicative prices
6.18.2(e)	
6.18.2(b)(7A)	
6.18.2(b)(6)	Chapter 6 - Tariff components
6.18.2(b)(6A)	
6.18.2(b)(6B)	

²³ AER - Revised Tariff Structure Statement - Clean - United Energy distribution determination 2026-31 - April 2026

6.18.2(b)(6C) 6.18.7 6.18.7A	
6.18.3 6.18.4 6.18.2(b)(7) 6.18.2(b)(8)	Chapter 7 - Compliance

I, Mark De Villiers, confirm that the above statements are true and correct.

07 May 2026

Mark De Villiers

Date

Head of Regulatory Finance, Modelling and Pricing

CitiPower, Powercor & United Energy