



**United Energy
| 2025 Ring-fencing
compliance report
| April 2026**

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1 Introduction

1.1 Background

On 30 November 2016, the Australian Energy Regulator (**AER**) released its Electricity Distribution Ring Fencing Guideline (**Guideline**) as made under clause 6.17.2 of the National Electricity Rules (**NER**). The Guideline commenced on 1 December 2016 and incorporates amendments made from time to time.

On 27 February 2025, the AER published the Ring-fencing Guideline (version 4) and accompanying explanatory statement against which compliance has been assessed by United Energy. Under clause 6.17.1 of the NER, the Guideline is binding on distributors and seeks to prevent them from providing their affiliates, operating in unregulated markets, from having an unfair advantage, thus seeking to promote competition in the provision of electricity services.

The Guideline includes provisions in the following three broad areas:

- cross-subsidisation—preventing distributors from using regulated revenues to subsidise activities in unregulated markets
- discrimination—ensuring distributors treat affiliates and third parties equally
- information sharing—providing electricity information to all parties on an equal basis.

1.2 Purpose

The Guideline requires United Energy to prepare an annual ring-fencing compliance report for submission to the AER each regulatory year.

This ring-fencing compliance report (**report**) has been prepared by United Energy Distribution Pty Limited (ACN 70 064 651 029) (**United Energy, we, us, our**) for the year ending 31 December 2025. In accordance with the clause 6.2.1(a) of the Guideline, this report identifies and describes:¹

- the measures we have taken to ensure compliance with our obligations
- all 'other services' we provided
- the purpose of all transactions between us and affiliated entities
- any ring-fencing breaches.

This report represents United Energy's annual ring-fencing compliance report for the calendar year ending 31 December 2025. This report covers the period from 1 January 2025 to 31 December 2025. Annual compliance reports must be submitted to the AER within four months of the end of the year to which the compliance report relates, as per clause 6.2.2 of the guideline.

This report is accompanied by an independent assessment of compliance conducted by Deloitte, a suitably qualified independent authority (Attachment A). The assessment has been prepared in accordance with Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements issued by the Australian Auditing and Assurance Standards Board. Deloitte has conducted its assessment on a reasonable assurance basis in accordance with the AER's ring fencing compliance reporting best practice manual version 3.²

This report should be read together with our compliance strategy and waivers as published on our and the AER's websites.

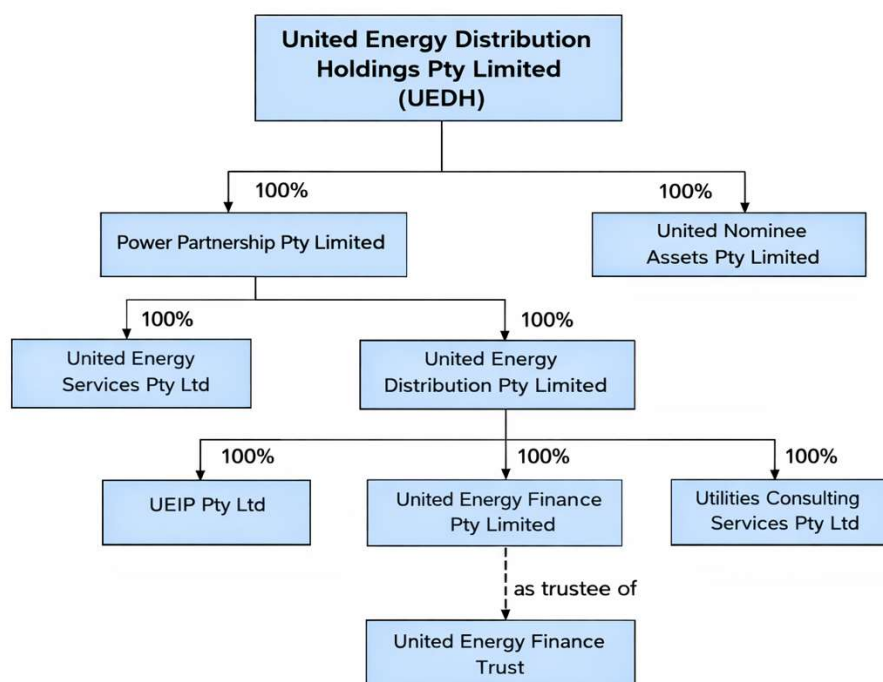
¹ AER, Ring fencing Guideline, version 4, February 2025, 6.2.1(b).

² AER, Ring-Fencing Guideline compliance reporting best practice manual version 3, February 2022

1.3 Corporate overview

The figure below presents our high-level corporate structure at the end of 2025.

Figure 1 Overview of United Energy corporate structure



Source: United Energy

United Energy is 66 per cent owned by a consortium ultimately comprising CK Infrastructure Holdings Limited, CK Asset Holdings Limited and Power Assets Holdings Limited. United Energy is now therefore an affiliate of CitiPower Pty Ltd (**CitiPower**) and Powercor Australia Ltd (**Powercor**) who also operate distribution networks.

The remaining 34 per cent of United Energy is owned by SGSP (Australia) Assets Pty Ltd (**SGSPAA**), trading as Jemena. SGSPAA ownership structure includes:

- 60 per cent owned by State Grid International Development Australia Investment Company Limited, a wholly owned subsidiary of State Grid Corporation of China via State Grid International Development Limited
- 40 per cent is owned by Singapore Power International Pty Ltd, a wholly owned subsidiary of Singapore Power Limited.

Zinfra is used as the service delivery arm of United Energy, providing the field force to undertake construction, maintenance and operational activities on our distribution network. Zinfra was awarded the contract for these regulated works following a competitive tender process. Zinfra is owned by SGSPAA.

Other affiliated entities by virtue of the common ownership with CitiPower and Powercor include:

- Power Network Services Pty Ltd which provides design and field services to us and affiliates
- CHED Services Pty Ltd which provides corporate services to us and affiliates.

- Beon Aerial Services Pty Ltd provides LiDAR vegetation management services to CitiPower, Powercor and United Energy.
- Energy Solutions Pty Ltd trading as Beon Energy Solutions (**Beon**). Beon provides large-scale renewable energy and infrastructure projects, as well as design, construction and maintenance services to CitiPower and Powercor, which are contestable energy services for the purposes of the Guideline.
 - Beon has an ownership interest in Next Generation Electrical Group Pty Ltd (**N/GE**), which provides engineering, procurement and construction services
 - Beon has an ownership interest ENEA Australia Pty Ltd, which provides advice and support for companies in the energy sector.
 - Beon also owns 100% of Victorian Utility Services Pty Ltd and 100% of Beon NZ Holdings Limited, which in turn owns 100% of Beon NZ Limited

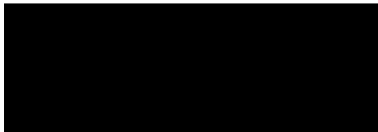
Other indirect affiliates do not appear in our corporate structure because they have other distinct parent ownership (or ownership shareholdings) or operate networks in distinct locations and with different management. We have not included those indirect affiliates within this compliance report.

1.4 Definitions

Unless otherwise defined, terms used in this report have the same meaning given to them in section 1.4 of the Guideline.

1.5 Contact details

The contact person for further details in relation to this report is:



2 Measures to ensure compliance

2.1 Annual compliance report and audit

Clause 6.2.1(b)(i) of the Guideline requires that the annual compliance report must identify and describe, in respect of the regulatory year, the measures the distributor has taken to ensure compliance with its ring-fencing obligations.

We have applied the Guideline in accordance with our understanding of it as detailed in our compliance strategy.³

Deloitte conducted its 2025 regulatory year audit in March and April 2026.

The scope of the Deloitte engagement included:

- interviewing key staff members responsible for legal, accounting and operational activities
- understanding the process for identifying and reporting breaches of the Guideline
- examining, on a test basis, the key controls that exist and the evidence supporting compliance
- reviewing the compliance report prepared by management and confirmed that the report has been prepared in accordance with the Guideline.

Deloitte is a suitably qualified independent auditor in accordance with the Guideline and the AER's audit guidance note.

2.1.1 Key risk areas

From 2025, the Guideline specifies in 6.2.1 (f) the compliance report must be accompanied by a cover letter signed by CEO attesting to the contents of the report are accurate to the best of their knowledge. This requirement was previously a recommendation.

As part of Deloitte's 2024 recommendation for Beon/ENEA/NextGen access to ring-fenced information, we have implemented internal monitoring control to detect whether ENEA/NextGen employees have inappropriate access rights.

2.1.2 Strengthening of controls to address key risk areas

Our new administrative tool requires all business units to notify the Compliance Team of ENEA/NextGen consultants by sending an email to the Ring-fencing inbox, which is monitored by the Compliance Team. This process has been implemented for ENEA/NextGen employees only as they are not readily identifiable within existing systems. Each notification must include the consultant's details, contract, and contractual period. The Compliance Team will then inform the Protective Security team, IT team and HR to ensure appropriate tagging and access assignment. This process ensures that access is granted only for the duration of the contractual agreement and that appropriate documentation is available for auditing purposes.

2.2 Prevention of cross subsidies

2.2.1 Legal separation

In accordance with clause 3.1 of the Guideline, United Energy may provide distribution services and transmission services but must not provide other services.

³ <https://www.aer.gov.au/system/files/Compliance%20Plan%20-%20205%20May%202017.pdf>

United Energy Distribution Pty Limited (ACN 70 064 651 029) is registered in Australia by Australian Securities and Investment Commission (**ASIC**) under the *Corporations Act 2001* (Cth) and is, for the purposes of the Guideline, a legal entity.

United Energy is a stand-alone electricity distribution network service provider that only provides distribution services within its licensed distribution service area. Set out below are the categories of distribution services we provided during 2025, which are consistent with the AER's Victorian electricity distribution network service provider's final determination for the 2021–2026 regulatory control period:

- standard control services
- alternative control services

We provided these distribution services to:

- electricity retailers
- end-use customers
- others – registered electrical contractors (**REC**), builders, developers, public lighting authorities including local councils and VicRoads and other distribution network service providers.

We have not provided any other material services as prescribed under the Guideline, except where permitted by a waiver granted by the AER.

A separate affiliated entity, Beon, was established to perform “other services” outside distribution and transmission services which are performed by United Energy.

2.2.2 Establish and maintain accounts

In accordance with clause 3.2 of the Guideline, we establish and maintain appropriate internal accounting procedures to demonstrate the extent and nature of transactions between United Energy and affiliated entities.

Established documented work procedures are in place for Finance staff which provides instruction on how accounts are to be separated.

During the year we maintained a separate set of accounts for our businesses that are separate from our affiliate's accounts. Our 31 December 2025 financial statements were subject to an annual statutory audit engagement and our internal accounting procedures will be provided to the AER through the annual Regulatory Information Order (**RIO**) responses in October 2026.

It is standard practice that monthly reviews of the financial balance sheets are undertaken to confirm that transactions have been allocated to the correct accounts. Discrepancies are immediately rectified. Established documented work procedures are in place for Finance staff which provides instruction on how costs are to be allocated amongst accounts.

During the year we ensured that costs for distribution services were allocated in accordance with the Cost Allocation Principles. Our Cost Allocation Methodology (**CAM**), as approved by the AER for the 2021-2026 regulatory period, will be the basis of our annual audit during the RIO process for the 2025/26 financial year, the results of which will be provided to the AER on 31 October 2026.

Responsibility for compliance with the CAM rests with United Energy's Chief Financial Officer. The day-to-day responsibility for the CAM, including updating, maintaining, applying, internally monitoring and reporting on its application, including ensuring compliance is the responsibility of the finance team.

Our integrated business management system (**SAP**) is used to collect and record expenses and revenues including:

- the chart of accounts classifies all expenses and revenues by general ledger account numbers, which map to reporting categories on the balance sheet, and profit and loss statement
- each expense or revenue transaction is also assigned to a profit centre. Each cost item is assigned to a cost element and in some cases an activity type
- the records maintained in the SAP system, the processes for inputting records into the SAP system and corporate service break down of fees can be reviewed.

The basis of directly attributing costs in accordance with the CAM can therefore be readily verified by an independent third party and the outcome can be replicated.

Each month, Finance representatives' complete attestations confirming separate accounts have been maintained.

2.3 Offices, staff, branding and promotions

2.3.1 Physical separation/co-location

In accordance with clause 4.2.1 of the Guideline, United Energy use offices that are separate from any offices from which affiliated entities provide contestable services.

United Energy staff primarily work out of the Glen Waverley office at 635 Waverley Rd, Glen Waverley. However, due to combined corporate resourcing, many United Energy staff are also able to work in the office in Market St, Melbourne. Zinfra maintains a separate office at Level 16, 567 Collins Street, Melbourne, as well as a number of suburban and regional offices.⁴

Some Zinfra staff have access to United Energy's offices. The access by Zinfra staff is permitted for the purpose of Zinfra delivering their regulated services in accordance with their contract. Zinfra staff have access on the same basis as any other contractor to Market St.

There are restrictions in place to prevent Beon, ENEA and NG/E staff accessing the United Energy office, including:

- any Beon, NG/E or ENEA staff seeking to obtain unauthorised access needs to sign-in as a guest
- an office sharing register is maintained and reviewed by United Energy.

With respect to access to Market St, which United Energy shares with CitiPower and Powercor:

- Beon, ENEA and NG/E staff are physically restricted from accessing certain floors of the Market Street office through the use of the Gallagher security system (through electronic access cards and security doors)
- Monthly reports are run by the protective security team to demonstrate staff building access at a point in time. This report is reviewed by the Protective Security Manager to ensure the accesses for the contestable service providers' staff remain restricted as appropriate for compliance with the Guideline, and any discrepancies are rectified. An attestation is then completed by the protective security team on a monthly basis.

⁴ For completeness, we note that ENEA is located at Level 12, 360 Elizabeth Street, Melbourne VIC 3000; and NG/E is located at 3 Stewart Street, Richmond, Vic 3121.

2.3.2 Staff sharing

In accordance with clause 4.2.2 of the Guideline, United Energy staff that are involved in the provision or marketing of direct control services are not involved in the provision or marketing of contestable services for affiliated entities.

United Energy maintains a staff sharing register which is regularly reviewed and updated quarterly. The staff sharing register is available publicly on the United Energy website.

2.3.3 Branding and cross promotion

In accordance with clause 4.2.3 of the Guideline, United Energy use branding that is independent and separate from that used by affiliated entities in providing contestable services. Also, United Energy do not advertise or promote direct control services and contestable services together, or contestable services provided by related electricity service providers

2.3.4 Office and staff registers

In accordance with clause 4.2.4 of the Guideline, United Energy has established, maintained and kept registers of offices and staff to which the staff sharing and office sharing obligations do not apply.

To ensure United Energy do not confer an unfair advantage on affiliates, we are required to publish staff sharing and office sharing registers on a quarterly basis.

In accordance with the Guideline, certain staff are allowed to be used, or shared, by us and our affiliates. Shared staff must be included on the register if:

- in the course of their duties, do not have access to electricity information
- have access to electricity information but do not have, in performing the roles, functions or duties of their staff position, any opportunity to use that electricity information to engage in conduct that is contrary to our obligations
- are located at a regional office; or
- are an officer to both ourselves and an affiliate.

The staff sharing register also captures shared staff which meet the criteria detailed above who have moved to a new position within the business in the past 12 months and where their access to electricity information has changed.

The publicly available staff sharing register comprises of a description of the shared staff positions, the duration the staff are shared, the reason they may be shared, any ring-fencing controls in place. The ring-fencing compliance strategy published on our website describes the access to, and way in which shared staff use electricity information in performing their roles in more detail.

The Guideline also allows certain offices to be shared. The office register includes a list of all offices where staff listed on the staff sharing register are located, or the location of staff that only have access to electricity information for the purpose of providing corporate services. Not all staff at the listed locations are shared.

The staff and office sharing registers are updated on a quarterly basis as per clause 4.2.4(b) and can be found on our website at <https://www.unitedenergy.com.au/what-we-do/regulatory-information/regulatory-framework>.

2.4 Information access and disclosure

2.4.1 Protection of confidential information

In accordance with clause 4.3.3 of the Guideline, United Energy does not disclose confidential information to any person, including affiliated entities, except in specified circumstances.

We consider that the protection of confidential information is a key ring-fencing compliance risk. In accordance with the information sharing provisions of the Guideline we keep an information sharing protocol which outlines the circumstances under which we will provide information to affiliates and other legal entities. An information register is also kept giving effect to the principle of equal access to information. The operation of the register is described in the protocol.

2.4.2 Disclosure and sharing of information

In accordance with clause 4.3.3 of the Guideline, United Energy provide access to any ring-fenced information that is disclosed to a related electricity service provider on an equal basis.

For the period 1 January 2025 to 31 December 2025, no ring-fenced information was shared by United Energy with its related electricity service providers, and no requests for access to our information register by competitors or potential competitors was received.

2.4.3 Information register

In accordance with clause 4.3.4 of the Guideline, United Energy has established, maintained and kept registers of related electricity service providers and all legal entities who provide contestable services who have requested access to eligible ring-fenced electricity information provided to affiliates and third parties.

The information register is one of the Guideline's mechanisms to ensure we provide eligible ring-fenced electricity information to affiliates and third parties on an equal basis. Consistent with the Guideline, our register operates in the following way:

- related electricity service providers, and other legal entities that provide contestable electricity services who request access to ring-fenced information will be placed on the register (registered parties)
- registered parties must provide us with a description of the kind and purpose of ring-fenced information they would like to receive
- if a related electricity service provider requests (and is provided with) information that matches the kind and purpose of information described by non-affiliated registered parties, that information will be provided to those non-affiliated registered parties on an equal basis
- if a related electricity service provider has paid a fee to receive eligible ring-fenced information (in accordance with rules or procedures), then other registered parties will receive a notification that they can receive the same information if the same fee is paid
- information will be provided to registered parties on terms and conditions that require them to comply with the obligation to protect the information and to only disclose it to third parties (including related electricity service providers) only on the basis of clause 4.3.2 and 4.3.3 (a)-(e) of the Guideline

Both the information sharing protocol and Information register are subject to an annual review, and can be found via the following link: <https://www.unitedenergy.com.au/what-we-do/regulatory-information/regulatory-framework>.

2.4.4 Website

In accordance with our current business practice, information for our corporate websites must be approved by Communication team prior to publication.

There are no references to affiliated contestable service providers on our websites. Bi-annual reviews are conducted to continue to ensure that the website continues to be compliant.

2.4.5 Call centre and printed materials

Scripts used by Contact Centre staff contain no references which could advantage affiliated entities. These scripts are reviewed annually.

To date we have not identified any printed material which advertises or promotes services provided by a related electricity service provider.

2.5 Conduct of service providers

In accordance with clause 4.4.1 of the Guideline, United Energy ensure that any new or varied agreement that it enters with a service provider requires the service provider to comply with the obligations relating to non-discrimination, office sharing, staffing and the protection of confidential information.

A legal review was undertaken in 2019 on our existing set of standard terms and conditions for service providers to ensure that any new or varied contracts are aligned with the Guideline.

Procurement staff received refresher training on the principles of ring-fencing in January 2025. The training was conducted by the Regulation team and focused on how to apply ring-fencing principles when engaging a service provider and it was highlighted the Regulation team is available at all times to assist Procurement staff with ring-fencing queries.

Procurement have implemented ring-fencing related KPIs so that their staff are financially incentivised by the company's bonus scheme to prevent ring-fencing breaches. This includes maintaining compliance for all eProcurement Requests over a certain value, by ensuring the correct procurement processes (including ring fencing requirements and appropriate Delegate of Authority) have been documented in the Request.

The standard ring-fencing terms and conditions used in procurement contract and purchase orders are periodically reviewed by Procurement and Legal. A decision framework to identify applicable contracts where ring-fencing clauses should be included is available on our intranet. Procurement staff is made aware of this framework repeatedly at their team meetings, and periodic training is provided by the Regulation team where this framework is covered and promoted to the team.

No breaches were identified in 2025 in relation to procurement activities.

2.5.1 Relationship with Zinfra

Zinfra has been appointed as the service delivery arm of United Energy, providing the field force to undertake regulated construction, maintenance and operational activities on our distribution network. Zinfra was awarded the contract for these regulated works following a competitive tender process.

Zinfra also competes for augmentation and replacement tenders on the United Energy network. The tendering process is unbiased and undertaken at arm's length – Zinfra is provided with no advantage. For such tenders, United Energy packages up augmentation works and puts them to a panel, consisting of Zinfra and a number of other providers. Zinfra competes with other providers for the work.

We consider there is significant benefit for our customers in having works periodically tendered to the market. This ensures for our customers we are getting the best price for major works. The genuine and unbiased nature of our process is reflected in that other providers continue to compete and win works across our network.

The Zinfra Master Construction Agreement and Network Services Agreements contain ring-fencing clauses which legally oblige Zinfra to act in compliance with the ring-fencing guideline when undertaking activities under the contract.

We note that Zinfra do not have access to any information from tenders submitted by other service providers. As with all tenders received by Procurement, tenders from Zinfra are housed in the TenderMax software which preserves the confidentiality and privacy of all participants in the tendering process.

2.6 Staff training

Since 2018, we have had mandatory ring-fencing training for all office staff. The training is now required to be completed by all corporate staff on a three-year cadence. New employees are required to undertake training as part of their induction into the company and subsequently refresh the training together with all other office staff every three years.

Our corporate induction sessions for new employees which are conducted in-person where possible, also incorporate an overview of ring-fencing and the impact on our businesses run by Regulation.

The ring-fencing champions program complements the ring-fencing awareness program by reinforcing awareness with nominated champions from high-risk business units. These champions are then responsible for reinforcing awareness and compliance in their business unit.

When taken together, the online training combined with other awareness activities provides our employee base a strong level of awareness and knowledge about ring-fencing.

All corporate staff including the following, are required to complete training:

- Finance
- Contact Centre
- Connections
- Corporate Affairs
- Design
- Network Technologies
- IT
- Planning
- Procurement
- Regulation

The training covers the following topics and ring-fencing clauses:

- Clause 3—Prevention of cross subsidies
- Clause 4.1—Obligation not to discriminate
- Clause 4.2—Offices, staff, branding and promotions
- Clause 4.3—Information access and disclosure.

The training module was refreshed in 2025. The training discusses the importance of complying with ring-fencing and the ramifications for not doing so. It also provides guidance for staff on the process to follow when they have ring-fencing queries. This includes seeking guidance from managers and sending queries to an internal ring-fencing mailbox to be answered by the Regulation team.

The training for permanent, office-based staff was completed through an online module in 2023, with the next session to be scheduled in 2026.

2.6.1 Field staff

New field staff employees are required to undertake training as part of their induction into the company.

The training is run on a 3-year refresh cadence with the next session scheduled for 2026. The training covers issues specific to field staff, who are likely to interact with the public. It emphasises the requirement to not recommend affiliates to the public. Field staff are those staff who work outside the office. They typically include line workers, apprentices, cable jointers, inspectors, commissioning workers, works co-ordinators, field leaders, electrical testers, team leaders and work delivery co-ordinators.

2.7 IT system controls

In 2025 we reported no breaches relating to IT access controls.

We have continued to practice our existing controls within IT and today there are two types of key IT controls deployed:

- Preventative controls - consistent and accurate requests from the business, continued training and awareness within IT. Requests from IT staff include contacting Regulation when unsure of ring-fencing controls, business owners being required to approve access and permissions, regular training to the IT Service Desk and reminders to IT system business owners of their ring-fencing obligations.
- Detective controls – monthly IT attestations, instigated from IT, and IT security audits and the ring-fencing audit.

2.8 Statement of Compliance

We confirm that we comply with the Australian Energy Regulator's (AER) Ring-fencing guideline (the Guideline) for the year-ended 31 December 2025.

3

Waivers

3.1 Waivers

Section 5 of the Guideline allows for the AER to grant a class waiver or for a distribution network service provider (DNSP) to seek a waiver of obligations under clauses 3.1, 4.2 and/or 4.4.1(a) if certain conditions are met.

3.1.1 Pole top battery waiver

In 2020 United Energy obtained a waiver to provide “other services” by way of leasing battery capacity to a retail partner as part of a pole-mounted battery trial. This waiver was granted by the AER in December 2020 and expires on 30 June 2026.

3.1.2 Commonwealth Battery Class Waiver

On 3 February 2023 the AER published a final decision to grant a class waiver that would enable a DNSP to lease battery capacity to third parties for batteries funded under the Commonwealth Government's Community Batteries for Household Solar Program, subject to strict controls and criteria.

United Energy does not have any batteries in operation under this waiver.

3.1.3 Reliability and Emergency Reserve Trader (RERT) services

The AER granted a ring-fencing class waiver, effective from 14 December 2022 to 15 April 2025, to allow DNSPs to contract with AEMO to provide RERT services via voltage management.

The class waiver exempts DNSPs from their obligations to comply with clause 4.2 of the Guideline (functional separation) in relation to the provision of RERT services via voltage management.

After consultation on extending the class waiver, the AER decided to allow this waiver to lapse on 15 April 2025. United Energy did not provide any RERT services under this waiver.

3.1.4 Electrical Vehicle Charging Infrastructure (EVCI)

The AER granted a ring-fencing waiver United Energy in respect to owning, installing and maintaining EVCI and ‘leasing out’ commercial access to e-mobility service providers, who will interface with customers and be responsible for setting charging rates and bills. This waiver is effective from 22 October 2025 to 30 June 2031.

The waiver imposes various conditions on United Energy in relation to the number of installations and types, maintaining a publicly accessible register, charging themselves annual access fees and various reporting requirements.

As of 31 December 2025, United Energy did not have any EVCI in operation.

3.1.5 Waiver register

The current and expired waivers are kept in a register (including variations) in accordance with the Guideline and is publicly available on our website - <https://www.unitedenergy.com.au/what-we-do/regulatory-information/regulatory-framework>.

4 Compliance and enforcement

4.1 Compliance framework

A corporate objective for United Energy is achieving full compliance with external obligations and audit requirements. Clause 6.1 of the Guideline requires distributors to establish and maintain appropriate internal procedures to ensure it complies with its obligations under the Guideline.

To this end, we have established frameworks, policies and processes designed to manage, monitor and report on compliance and to minimise the potential for breaches, fines or penalties, or loss of our distribution licence. This has been prepared in accordance with the Australian Standard Compliance Programs (AS/ISO 19600:2015).

The Board has responsibility for ensuring the overall performance and has established an Audit and Risk Committee (**ARC**) to consider more complex issues in the areas of audit, risk management and compliance. The Executive Management Team (**EMT**) and the Chief Executive Officer are responsible for the effective management and compliance with all applicable regulation compliance obligations including ensuring all breaches are managed and reported appropriately.

Responsible managers within our business have been assigned to and are responsible for meeting compliance for specific economic regulation obligations. These obligations are allocated based on the activities of their position and include identification, management and reporting of any compliance breaches.

The Regulation team is responsible for the overall regulatory compliance policy and framework, and ensures this policy is appropriate and effective in managing the economic regulation compliance risks of our business and that the status of our economic regulation obligations is monitored, reviewed and where applicable, reported to the EMT and ARC.

We have assigned ring fencing authorities and responsibilities to our staff/teams, as set out in Table 1 below.

Table 1 Assigned authorities and responsibilities

Staff/team	Authorities and responsibilities
General Manager Regulation	• Approval of ring-fencing strategy
Regulation/Compliance team	• Ensure the list of regional offices remains up to date by reconfirming the analysis that identified the offices, as appropriate, and updating the list, if the criteria in the Guideline change • Maintain a list of all the services offered by United Energy and ensure the delivery of them remains compliant with the Guideline obligations • Manage the Confidential Information disclosure and sharing process, including ensuring the information register and Information sharing protocol are up to date • Manage the ring-fencing compliance monitoring and reporting process, including reporting to the ARC • Provide advice and support to Managers, who are responsible for the ring-fencing obligations • Ensure the staff, office and waiver registers are kept up to date • Manage the breach reporting process • Be a resource for all staff in the business to seek ring-fencing advice • Provide specific ring-fencing training as needed throughout the business.

Staff/team	Authorities and responsibilities
Finance team	• Create and maintain procedures that demonstrate the extent/nature of transactions between distribution business and affiliated entities • Maintain records that demonstrate the process for allocating costs between distribution services carried out by United Energy and non-distribution services provided by an affiliated entity
Human Resources group, Communications group and Call centre	• Ensure that United Energy's approach to remuneration, incentives and benefits does not create an incentive for staff to act in a manner that is contrary to the Guideline • Ensure that there is no printed material or call centre scripts cross promoting United Energy and contestable businesses • Ensure there is no website material cross promoting United Energy and contestable businesses
Procurement	• Ensure that new and varied supplier contracts incorporate the amended terms and conditions as part of their contract management system • Incentivise procurement staff to ensure compliance with ring-fencing
Information technology	• Ensure that IT controls are effective to prevent access to confidential information by contestable businesses • Periodically review and complete attestations to ensure there are no IT access breaches
All employees	• Notify their Manager and the Regulation Team of new commercial opportunities so ring-fencing implications can be considered • Ensure United Energy's competitors are not discriminated against, due to preferential treatment being given to their affiliates • Ensure branding and cross promotion provisions are followed when engaging as shared staff on behalf of a related entity • Refer any requests for Confidential Information by an affiliate or external party to the Regulation Team • Report any suspected breaches, or queries on the Guideline to the Regulation group or via email to the ring-fencing mailbox.

From January to June 2025, we utilised Quantate to capture attestations. From July 2025, we transitioned to a new system, Nimonic, to track compliance responsibilities. While the ring-fencing obligations were incorporated into this new system, we experienced some teething issues causing a delay with the attestations from July onwards. Despite the system issues with attestations, all business units continued to apply existing processes and undertake ongoing monitoring, demonstrating that effective controls are in place to ensure compliance. The system issues have since been addressed, with attestations now occurring on a more timely basis from 2026.

Table 2 below summarises the controls taken to comply with each ring-fencing obligation.

Table 2 Controls for Guideline obligations

Guideline clause	Guideline text	Preventative controls	Detective controls
3 Prevention of cross subsidies			
3.1 Legal separation	(a) A DNSP must be a legal entity (b) Subject to this clause 3.1, a DNSP may provide distribution services and transmission services, but must not provide other services.	• United Energy is an entity with a registered Australian Business Number (ABN) which is distinct from its affiliated entities that provide "other services" • A waiver was obtained in December 2020 allowing United Energy to provide 'other services' by way of the provision of battery capacity to a retail partner. This waiver allows for a trial to this effect to go ahead and expires 30 June 2026.	• A monthly review of general ledger accounts is performed by the finance team and attestation is provided by the Financial Controller that no breaches in this requirement have occurred
3.2.1 Separate accounts	(a) A DNSP must establish and maintain appropriate internal accounting procedures to ensure that it can demonstrate the extent and nature of transactions between the DNSP and its affiliated entities.	• A separate general ledger is maintained for United Energy from its affiliates with separate GL accounts for transaction between affiliates	• A monthly review of general ledger accounts is performed by the finance team, and an attestation is provided by the Financial Controller that no breaches in this requirement have occurred
3.2.2 Cost allocation and attribution	(a) A DNSP must allocate or attribute costs (including costs allocated or attributed to the DNSP by a parent entity) to distribution services in a manner that is consistent with the Cost Allocation Principles and its approved CAM, as if the Cost Allocation Principles and CAM otherwise applied to the allocation and attribution of costs between distribution services and non-distribution services. (b) A DNSP must only allocate or attribute costs to distribution services in accordance with clause 3.2.2(a), and must not allocate or attribute other costs to the distribution services it provides. (c) A DNSP must establish, maintain and keep records that demonstrate how it meets the obligations in clauses 3.2.2(a) and 3.2.2(b).	• Costs are attributed using profit centres and function codes within the ERP system (SAP) in line with the approved United Energy's Cost Allocation Methodology (CAM)	• A quarterly review of cost attribution is performed by the finance team and attestation provided by the Commercial Finance team that this has been performed and whether any breaches have been identified

Guideline clause	Guideline text	Preventative controls	Detective controls
4 Functional separation			
4.1 Obligation to not discriminate	(b) A DNSP must not discriminate (either directly or indirectly) between a related electricity service provider and a competitor (or potential competitor) of a related electricity service provider in connection with the provision of: i. direct control services by the DNSP (whether to itself or to any other legal entity); and / or ii. contestable electricity services by any other legal entity. (c) Without limiting its scope, clause 4.1(b) requires a DNSP to: i. in dealing or offering to deal with a related electricity service provider, treat the related electricity service provider as if it were not a related electricity service provider (that is, as if it had no connection or affiliation with the DNSP); ii. in like circumstances, deal or offer to deal with a related electricity service provider and a competitor (or potential competitor) of the related electricity service provider on substantially the same terms and conditions; iii. in like circumstances, provide substantially the same quality, reliability and timeliness of service to a related electricity service provider and a competitor (or potential competitor) of the related electricity service provider; iv. subject to clause 4.3.2(b), not disclose to a related electricity service provider information the DNSP has obtained through its dealings with a competitor (or potential competitor) of the related electricity service provider where the disclosure would, or would be likely to, provide an advantage to the related electricity service provider.	• Mandatory online training on ring-fencing requirements is undertaken by new starters upon commencement at the company as part of induction • Mandatory online training for all office-based staff on the ring-fencing requirements is performed every three years • Mandatory field staff training on ring-fencing requirements is performed every three years • Targeted ring-fencing training is performed within the business where there is a material change in the ring-fencing guideline, significant staff turnover, or upon the identification of guideline breaches • Approval of project costs and scheduling so that contestable services are not prioritised over direct control services	• An annual review of ring-fencing obligations by each Responsible Manager and Senior Manager and declaration of any breaches/no breaches occurring in relevant area of the business. This is then signed off by the relevant General Manager

Guideline clause	Guideline text	Preventative controls	Detective controls
	(d) A DNSP must not discriminate (either directly or indirectly) between any two legal entities, in connection with the supply of contestable electricity services by those legal entities, on the basis of the use by one or both of those legal entities of assets owned, operated or otherwise controlled (in whole or in part) by the DNSP.		
4.2 Offices, staff, branding and promotions 4.2.1 Physical separation / co-location	(a) Subject to this clause 4.2.1, in providing direct control services, a DNSP must use offices that are separate from any offices from which a related electricity service provider provides contestable electricity services.	• United Energy have a separate office in Glen Waverley • For the shared office with VPN (Market Street) Beon, ENEA and NG/E and related entity staff are physically restricted from accessing certain floors of the office through the use of the Gallagher security system (through electronic access cards and security doors) • An office sharing register is maintained and reviewed by United Energy	• For the shared office with VPN (Market Street), on a monthly basis the Protective Security team, performs a review of physical access restriction for the building to identify any Beon, ENEA and NG/E staff who have inappropriate access
4.2.2 (a) Staff sharing	(a) Subject to this clause 4.2.2, a DNSP must ensure that its staff involved in the provision or marketing of direct control services are not also involved in the provision or marketing of contestable electricity services by a related electricity service provider.	• All office- based staff complete a mandatory online ring- fencing training; new employees complete an in- person (where possible) corporate induction course that includes an overview on ring-fencing, as well as online induction modules of which one includes ring-fencing training. These courses cover the requirement for staff to not provide or market contestable electricity service by a related electricity service provider. • The online training is comprehensively reviewed when there is a material change to the ring-fencing guideline, or there is a need to modify the training to target a business specific ring-fencing concern.	• A quarterly review is performed by the Regulation group for any changes to job descriptions or new roles to ensure that any shared staff are identified, and that shared staff are not in breach of the ring- fencing requirements

Guideline clause	Guideline text	Preventative controls	Detective controls
4.2.2 (c) Staff sharing	(c) The remuneration, incentives and other benefits (financial or otherwise) a DNSP provides to a member of its staff must not give the member of staff an incentive to act in manner that is contrary to the DNSP's obligations under this Guideline.	On an annual basis the Head of Business Performance Management reviews the remuneration, incentives and other benefits of staff working for United Energy to ensure that these do not incentivise them to breach the ring-fencing requirements	
4.2.3 (a) Branding and cross-promotion	(a) A DNSP: i. must use branding for its direct control services that is independent and separate from the branding used by a related electricity service provider for contestable electricity services, such that a reasonable person would not infer from the respective branding that the DNSP and the related electricity service provider are related; ii. must not advertise or promote its direct control services and its contestable electricity services that are not direct control services together (including by way of cross-advertisement or cross-promotion); iii. must not advertise or promote contestable electricity services provided by a related electricity service provider other than the DNSP itself.	- Contact centre scripts are utilised for scenarios where a customer requests contestable electricity services - Phone calls to the contact centre are monitored to detect any instances of cross-promotion. - Mandatory online training on the ring-fencing requirements is undertaken by all staff. In 2023 this online training was comprehensively updated and relaunched and is performed for new employees as part of induction and for the rest of the business every three years - Targeted ring-fencing training is performed within the business where there is a material change in the ring-fencing guideline, significant staff turnover, or upon the identification of guideline breaches.	- A bi-annual review of the United Energy's website and social media content for any inappropriate co-branding or cross promotion - A monthly attestation is completed to attest that phone calls to the contact centre are monitored and whether any breaches identified were reported - An annual attestation is completed to confirm that contact centre script for contestable services is subject to monitoring and that any breaches identified were reported

Guideline clause	Guideline text	Preventative controls	Detective controls
		All field branding of the regulated business is separate from branding used by related electricity service providers	
4.2.4 Office and staff registers	(a) A DNSP must establish, maintain and keep a register that identifies: i. the offices to which it has not applied clause 4.2.1(a) by reason of clauses 4.2.1(b) i. or 4.2.1(b) iii.; ii. the staff positions (including a description of the roles, functions and duties) of those staff positions to which it has not applied clause 4.2.2(a) by reason of clauses 4.2.2(b)i.a., 4.2.2(b)i.b., 4.2.2(b)iii. or 4.2.2(d); iii. the staff positions referred to in clause 4.2.4(a)ii. which are held, or have been held within the previous three months, by a member of staff whose access to electricity information ceased upon, or in the 12 months prior to, commencing in that position, and the dates on which that member of staff commenced to hold and (if applicable) ceased to hold that position. (b) No later than 15 January, 15 April, 15 July and 15 October each year, a DNSP must publish, on its website, an updated version of each of the registers referred to in clause 4.2.4(b). The DNSP must ensure that the information published in each updated version is current to the end of the calendar month that is immediately prior to the required publication date for that updated version under this clause 4.2.4(b).		- A comprehensive review of the office and staff register was undertaken to ensure that it captures shared staff identified on the register who have moved to a new position within the business where their access to electricity information has changed. - A quarterly review of staff is performed by HR and provided to the Regulation group who are responsible for identifying any changes to job descriptions or new roles to ensure that any shared staff or position changes. - The Staff and Office sharing register is then updated quarterly by Regulation and verification is performed to ensure it is publicly available on the website
4.3.1 Protection of ring-fenced information	Subject to this clause 4.3, a DNSP must: (a) keep ring-fenced information confidential; and (b) only use ring-fenced information for the purpose for which it was acquired or generated.	Beon, ENEA, NG/E and related entity staff are restricted from accessing confidential electricity information through IT access controls	- Monthly review of IT user access alerts where a Beon, ENEA or NG/E staff member has been provided access to a ringfenced system, to identify and detect any inappropriate access to systems - Quarterly review of full IT user access list of ring-fenced systems for any inappropriate access to systems by Beon, ENEA and NG/E staff. As a part of this process the business owners of each ring-

Guideline clause	Guideline text	Preventative controls	Detective controls
			fenced application must approve access and permissions. All business units must notify the Compliance team of any ENEA/NextGen consultants by sending an email to the Ring-fencing inbox. The notification must include the consultant's details, contract and contractual period. The Compliance team will then ensure appropriate tagging and access assignment.
4.3.2 Disclosure of information	A DNSP must not disclose ring-fenced information to any person, including a related electricity service provider, unless: (a) the DNSP has first obtained the explicit informed consent of the relevant customer, or prospective customer, to whom the ring-fenced information relates; (b) the disclosure is required by, or for the purpose of complying with any law; (c) the disclosure is necessary to enable the DNSP to provide its distribution services, its transmission services or its other services (including by acquiring services from other legal entities); (d) the information has been requested by or on behalf of a customer, or potential customer, of another legal entity, and the disclosure is necessary to enable the legal entity to provide its transmission services, contestable electricity services or other services to the customer or potential customer; (e) the disclosure is solely for the purpose of providing assistance to another Network Service Provider to the extent necessary to	- Information sharing protocol and information sharing register is publicly available - Beon, ENEA, NG/E and related entity staff are restricted through IT access controls from confidential information - Decision matrix on IT access approval process and ring-fencing considerations provided to IT system owners	- Monthly review of IT user access alerts where a Beon, ENEA or NG/E staff member has been provided access to a ringfenced system, to identify and detect any inappropriate access to systems - Quarterly review of IT user access list of ringfenced systems for any inappropriate access to systems by Beon, ENEA and NG/E staff. As a part of this process the business owners of each ring-fenced application must approve access and permissions

Guideline clause	Guideline text	Preventative controls	Detective controls
	respond to an event (such as an emergency) that is beyond the other Network Service Provider's reasonable control; (f) the disclosure is solely for the purposes of research by a legal entity other than a related electricity service provider of the DNSP; (g) where another DNSP is an affiliated entity of the DNSP, the disclosure is to the part of that other DNSP that provides that other DNSP's direct control services; or (h) a related electricity service provider of the DNSP has requested the disclosure and the DNSP complies with clause 4.3.4 in relation to that confidential information. (i) another legal entity, other than a related electricity service provider of the DNSP, has requested the disclosure.		
4.3.3 Sharing of information	(a) Subject to clause 4.1(c) iv. and to this clause 4.3.3, where a DNSP shares ring-fenced information with a related electricity service provider, or where ring-fenced information that a DNSP has disclosed under clause 4.3.3(f) is then disclosed by any person to a related electricity service provider of the DNSP, the DNSP must provide access to that ring-fenced information (including the derived information) to other legal entities on an equal basis. (b) A DNSP is only required by clause 4.3.4(a) to provide information to a legal entity where: i. the legal entity has requested that it be included on the information register in respect of information of that kind; and ii. the legal entity is competing, or is seeking to compete, with the DNSP, or a related electricity service provider of the DNSP, in relation to the provision of contestable electricity services. (c) A DNSP is not required by clause 4.3.3(a) to provide information to a legal entity where the DNSP has disclosed the information in the circumstances set out in clauses 4.3.2(a) to (e). (d) Without limiting clause 4.3.3(a) , a DNSP must establish an information sharing protocol that sets how and when it will make the information referred to in clause 4.3.3(a) available to legal entities and must make that protocol publicly available on its website.	- Information sharing protocol and information sharing register is publicly available - Beon, ENEA, NG/E and related entity staff are restricted through IT access controls from confidential information - Decision matrix on IT access approval process and ring-fencing considerations provided to IT system owners - Existing monthly reviews of IT user access brought forward to be completed on the 1st week of the month for the previous month	- Monthly review of IT user access alerts where a Beon, ENEA or NG/E staff member has been provided access to a ringfenced system, to monitor identify and detect any inappropriate access to systems - Quarterly review of IT user access list of ringfenced systems for any inappropriate access to systems by Beon, ENEA and NG/E staff. As a part of this process the business owners of each ring-fenced application must approve access and permissions

Guideline clause	Guideline text	Preventative controls	Detective controls
	(e) Where a DNSP discloses information referred to in clause 4.3.3(a) to any other legal entity under this clause 4.3.3, it must do so on terms and conditions that require the other legal entity to comply with clause 4.3.1 and 4.3.2(a) to (d) in relation to that information as if the other legal entity was a DNSP.		
4.3.4 Information register	(a) A DNSP must establish, maintain and keep a register of all: i. related electricity service providers; ii. Other legal entities who provide contestable electricity services but who are not affiliates of the DNSP; Who request access to information identified in clause 4.3.3(a), and must make the register publicly available on its website. (b) For each related electricity service provider or other legal entity that has requested that a DNSP provide access to information identified in clause 4.3.3(a), the DNSP's information register must: i. identify the kind of information requested by the related electricity service provider or other legal entity; and ii. describe the kind of information requested by the related electricity service provider or other legal entity in sufficient detail to enable other legal entities to make an informed decision about whether to request that kind of information from the DNSP. (c) A legal entity may request that the DNSP include it on the information register in relation to some or all of the kinds of information that the DNSP is required to provide under clause 4.3.3(a), and the DNSP must comply with that request.	Information sharing protocol and information sharing register is publicly available	
4.4 Service providers	A DNSP:	Standard terms and conditions for United Energy supply contracts have been amended to include compliance with ring-fencing requirements. Purchase orders include ring-fencing clauses. These	
4.4.1 Conduct of service providers	(a) must ensure that any new or varied agreement between the DNSP and a service provider, for the provision of services to the DNSP that enable or assist the DNSP to supply direct control		

Guideline clause	Guideline text	Preventative controls	Detective controls
	services, requires the service provider to comply, in providing those services, with: i. clauses 4.1, 4.2.1, 4.2.2 and 4.3.1 of this Guideline; and ii. clause 4.2.3 of this Guideline in relation to the brands of the DNSP; as if the service provider was the DNSP. (b) must not, directly or indirectly, encourage or incentivise a service provider to engage in conduct which, if the DNSP engaged in the conduct itself, would be contrary to the DNSP's obligations under clause 4 of this Guideline.	standard terms and conditions are included in all new and amended contracts for suppliers involved in the provision of direct control services • All non-compliant contracts from the prior audits have either expired or have been amended to include ring fencing clauses • Internal controls implemented within the procurement team to ensure Beon procurement staff cannot see United Energy tenders • Decision matrix provided to procurement staff to apply in contract negotiations • Procurement staff incentive scheme amended to include ring-fencing KPIs.	
5 Waivers			
5.7 Waiver register	(a) A DNSP must establish, maintain and keep a register of all waivers (including any variation of a waiver) granted to the DNSP by the AER under clause 5 of this Guideline, and must make the register publicly available on its website. (b) The register established under clause 5.7(a) must include: i. the description of the conduct to which the waiver or interim waiver applies; and ii. the terms and conditions of the waiver or interim waiver; as set out in the AER's written decision, provided by the AER to the DNSP, to grant (or vary) the waiver or interim waiver.	• Waiver register is maintained, and updated when a waiver is granted and publicly made available on our website	
6 Compliance and Enforcement			

Guideline clause	Guideline text	Preventative controls	Detective controls
6.1 Maintaining compliance	A DNSP must establish and maintain appropriate internal procedures to ensure it complies with its obligations under this Guideline. The AER may require the DNSP to demonstrate the adequacy of these procedures upon reasonable notice. However, any statement made or assurance given by the AER concerning the adequacy of the DNSP's compliance procedures does not affect the DNSP's obligations under this Guideline.	• Mandatory online training on the ring-fencing requirements is performed by new employees as part of induction • Targeted ring-fencing training is performed within the business where there is a material change in the ring-fencing guideline, significant staff turnover, or upon the identification of guideline breaches.	• General Manager Annual Compliance review and declaration
6.2 Reporting 6.2.1 Annual compliance report	(a) A DNSP must prepare an annual ring-fencing compliance report each regulatory year in accordance with this clause 6.2.1, and submit it to the AER in accordance with clause 6.2.2. (b) The annual compliance report must identify and describe, in respect of the calendar year to which the report relates: i. the measures the DNSP has taken to ensure compliance with its obligations under this Guideline; ii. any breaches of this Guideline by the DNSP, or which otherwise relate to the DNSP; iii. all other services provided by the DNSP in accordance with clause 3.1; and iv. the purpose of all transactions between the DNSP and an affiliated entity. (c) The annual compliance report must be accompanied by an assessment of compliance with each provision of this Guideline	• Targeted ring-fencing training is performed within the business where there is a material change in the ring-fencing guideline, significant staff turnover, or upon the identification of guideline breaches • Mandatory online training on the ring-fencing requirements is performed for new employees as part of induction and for the rest of the business every three years • A mailbox is maintained by the Regulation group for United Energy to report any potential breaches • A materiality and breach reporting policy is available to all staff on the intranet • A monthly ring-fencing champions meeting is held to identify and	

Guideline clause	Guideline text	Preventative controls	Detective controls
	(except clauses 6.2.2 and 6.3) by a suitably qualified independent authority. (d) A DNSP's annual compliance report may, in relation to clause 3.2 of this Guideline, be based on information provided to the AER under a regulatory information notice for the DNSP's most recent regulatory year. If so, that annual compliance report must cover, in relation to clause 3.2 of this Guideline, the entirety of that regulatory year. (e) Annual compliance reports may be made publicly available by the AER.	assess any ring-fencing issues as they arise	
6.2.2 Timing of Annual compliance reporting	(a) Subject to clause 7.2, a DNSP must submit its annual compliance report to the AER within four months of the end of the calendar year to which the compliance report relates. (b) A DNSP is not required to submit an annual compliance report for its regulatory year in which this Guideline commences."	Independent assessment of compliance conducted by Deloitte, a suitably qualified independent authority	

Guideline clause	Guideline text	Preventative controls	Detective controls
6.2.3 Regulated stand-alone power systems reporting	(a) A DNSP must establish, maintain and keep a register that identifies, for each regulated stand-alone power system used by the DNSP to provide other services: i. the local government area in which the regulated stand-alone power system is deployed; ii. the number of premises served by the regulated stand-alone power system; iii. the maximum demand, in kW, served by the regulated stand-alone power system; iv. the aggregated annual average energy consumption, in kWh, of the premises served by the regulated stand-alone power system; v. the revenue earned by the DNSP for providing other services by means of the regulated stand-alone power systems in the current calendar year; and vi. whether the DNSP has made a request, in writing, for the supply of the other services by another legal entity (other than an affiliated entity of the DNSP). (b) No later than 15 January, 15 April, 15 July and 15 October each year, a DNSP must publish, on its website, an updated version of the register referred to in clause 6.2.3(a). The DNSP must ensure that the information published in each updated version is current to the end of the calendar month that is immediately prior to the required publication date for that updated version under this clause 6.2.3(b).		• A SAPS waiver register is updated quarterly by Regulation and verification is performed to ensure it is publicly available on the website.
6.3 Compliance breaches	A DNSP must notify the AER in writing within 15 business days of becoming aware of a breach of its obligations under this Guideline, except for a breach of clause 6.2.2 or this clause 6.3 of this Guideline. The AER may seek enforcement of this Guideline by a	• Mandatory online training on the ring-fencing requirements is performed for new employees as part of induction.	• General Manager Annual Compliance review and declaration

Guideline clause	Guideline text	Preventative controls	Detective controls
	court in the event of any breach of this Guideline by a DNSP, in accordance with the NEL.	• A breach register is maintained and updated by the Regulation group. • A materiality and breach reporting policy is available to all staff on the intranet. In this policy we commit to report all potential business days.	

5 Complaints and breach reporting

5.1 Complaints and investigations

We have not received complaints about our compliance with the Guideline during the 2025 regulatory year.

Where a complaint was received, we have established internal policies and procedures for responding in a timely manner and ensuring a satisfactory outcome.

5.2 Breach Reporting

Identify:

We have various means of identifying potential breaches as they arise, including:

- emails to the ring-fencing inbox. The inbox provides a means for staff to raise ring-fencing related concerns. The Regulation team monitors this inbox and carefully reviews all matters raised
- through monthly, quarterly, six-monthly and annual attestations, which are now managed through the Quantate system. The business completes attestations in a range of areas such as finance, IT, contact centre, facilities, printed materials and website monitoring.
- through walk-up consults or phone calls with the Regulation team.
- in meetings relating to business activities where ring-fencing issues or concerns may arise
- in the monthly ring-fencing champions meetings
- through annual ring-fencing audits, conducted by Deloitte.

Investigate:

- we use a range of investigative tools to further understand the matters that give rise to a potential breach. This may include, for example:
 - interviewing staff members (whether internal or from an affiliate) as to the particulars of a matter
 - creating a timeline of events leading to the potential breach
 - consulting with internal experts on processes and/or procedures
 - seeking written evidence or other documentation, such as emails, invoices, contracts, manuals etc.
- investigations may be conducted by the Regulation team, Legal team, Internal Audit team, or a combination of these teams, on a particular matter.

Assess:

- should a matter be assessed to be contrary to the requirements set out in the Guideline, we will assess the materiality of the breach with reference to the following factors:
 - relevant background information (e.g. documentation, environment) and context that has led to the breach
 - the duration, recurrence and exposure of the breach, if relevant
 - the seniority of staff who have committed the breach
 - the purpose for which the Guideline was introduced and harm that it is seeking to prevent, and how the breach fits into that context

- the potential impact on competition and competitors in the market(s) or related market(s) arising from the breach
- whether the breach is an isolated incident or reflects a systemic issue.

Report:

where we identify a breach, whether material or immaterial, we report this to the AER within fifteen business days

For any breach, we add the breach to our breach reporting register and provide this to our auditors during the yearly audit

Where we assess there is no breach, we may take action to strengthen or clarify the control environment or if not required take no action

No breaches were reported during the 2025 regulatory year.

5.3 Other services provided

We are not aware of having provided 'other services' - being services that are not transmission or distribution services - over 2025.

6 Transactions with affiliated entities

A list of the transactions between United Energy and affiliates is provided in the table below:

Table 4 United Energy transactions with affiliates

Affiliate	Transaction	Nature of transaction	Value in 2024 (\$000)	Value in 2025 (\$000)
UEM	Corporate services	For the provision of management, administration and other business functions.	\$0	\$0
Zinfra	Network services	For the provision of construction, maintenance, faults, emergency and related services.	\$214,591	\$225,069
UEM	Back-office costs	Back-office costs	\$0	\$0
UEIP	Royalty Expenses	Royalty Expenses	\$0	\$0
Jemena	Directors Fees	Directors Fees	\$15	\$30
UES	Corporate services	For the provision of management, administration, back office and other business functions.	\$124,424	\$123,499
CHED Services	IT projects	For the provision of IT system enhancements.	\$3,973	\$8,459
Power Network Services	Network services	For the provision of construction, maintenance, faults, emergency and related services.	\$5	\$78
Powercor	Network digital innovation	For the provision of network technology enhancements.	\$2,283	\$2,631
Beon Aerial Services	Network services	For the provision of aerial inspection services.	\$1,700	\$1,875
Beon	Network services	For the provision of construction services	\$1,352	\$4,064

Source: United Energy

There are no contracts between CitiPower/Powercor and United Energy. CitiPower and Powercor obtain services from CHED Services. United Energy obtains services from UED. CHED Services and UED only provide services to regulated entities.