

30.09.19

Mr Dale Johansen
Assistant Director, Network Regulation
Australian Energy Regulator
Via email: dale.johansen@aer.gov.au

Dear Dale

RE: UNITED ENERGY 2020 PRICING PROPOSAL

Attached is our pricing proposal for direct control services in 2020 in line with the National Electricity Rules and the AER's final decision on United Energy's Distribution Determination for the 2016 to 2020 regulatory control period.

As summarised in this submission, our network tariffs are proposed to recover efficient distribution costs as determined by the AER, as well as transmission and jurisdictional scheme pass-through costs outside our control.

We estimate that based on typical residential charges (assuming 4,000kWh per annum), distribution and metering charges will comprise 29% of a typical United Energy residential customer's annual electricity bill, or \$380 per annum. This is an increase of \$28 relative to a total estimated default offer retail bill of \$1,298 per annum (GST exclusive). Whether any increase in distribution and metering charges is passed onto customers will depend upon the decisions of retailers.

United Energy has been one of the lowest cost and most reliable networks and one of the most efficient in the National Electricity Market.

We remain focused on supplying safe, reliable and affordable electricity to our customers.

Yours sincerely

A handwritten signature in black ink, appearing to read "Mark de Villiers".

Mark de Villiers
Head of Regulatory Strategy