UNITED ENERGY

Document № UE PL 2042

Asset Management - Network Asset Safety Strategy and Plan

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1. Executive Summary

United Energy (UE) owns and operates the electricity distribution network serving over 640,000 residential, commercial and industrial customers in Melbourne's south eastern suburbs and the Mornington Peninsula.

The purpose of this Network Asset Safety Strategy is to describe how United Energy fulfils its safety objectives. These are defined in United Energy's Asset Management System and Electricity Safety Management Scheme.

This Strategy provides the drivers for Asset Managers to detail asset specific safety analysis and controls (planned works) in the Asset Class Strategies and Plans, thereby ensuring compliance with the Electrical Safety Act 1998, and the Electricity Safety Regulations.

As required by the Act, UE is in the process of revising its ESMS. This is a mandatory requirement under Part 10, Division 2 of the Act which will cover three key aspects:

- Formal Safety Assessments – in accordance with Electricity Safety (Management) Regulations
- Electrical Safety Management System – in accordance with AS 5577; and
- Asset Management System – aligned to ISO 55001.

As part of the Formal Safety Assessment (FSA) process, the risk assessment will highlight both asset related safety risks and the safety risks associated with work practices and procedures for the four groups of asset class strategies. This FSA and risk assessment will form the foundation for the development of lifecycle strategies for each of the Asset Class Strategies and Plans.

This document has been developed to align with ISO55001.

2. Scope

This strategy document is consistent with the scope of the UE Asset Management System and applies to electricity distribution assets that are installed and operated by UE as part of its electricity network.

This strategy also applies to assets that are owned by, and are the connection assets of generation facilities that are located on land outside the boundary of the site on which these generation facilities are installed.

This strategy does not apply to the customer's installation or to plant, appliances and generation equipment within a customer's installation.

HSEQ risks are outside the scope of this document. They are managed through the UE Health Safety Environmental and Quality Governance Framework (HSEQGF) and supporting UE HSEQ Strategy and Plan documentation.

3. Introduction

3.1. Purpose of the Network Asset Safety Strategy

The purpose of this Network Asset Safety Strategy is to describe how UE fulfils its safety objectives. These are defined in United Energy's Asset Management System and Electricity Safety Management Scheme.

In particular it demonstrates how the asset related risks identified in UE's Electrical Safety Management Scheme are managed through UE's Asset Class Strategies, Bush Fire Mitigation Strategy and Fire Prevention Strategy. These strategies are developed in accordance with UE's risk management framework and processes.

The Network Safety Strategy in the context of the Asset Management System and UE's Risk Management Framework and Processes is detailed in section 3.3 "Context".

This document, and the supporting principles, are derived from and consistent with the overall United Energy Asset Management Policy and Objectives. In particular the objective:

"Network Safety - minimise harm to people, property and environment"

This Strategy provides the driver for Asset Managers to detail specific safety analysis and controls in the Asset Class Strategies and Plans, thereby ensuring that the UE asset safety obligations are met. The key decision making criteria for asset managers in developing strategies that encompass asset safety aspects across the assets lifecycle, is to:

"Ensure that residual network risks, associated with asset management activities, that have the potential to cause harm to people, property or the environment can be demonstrated to be As Low As Reasonably Practicable (ALARP)"

3.2. Objectives

The main objective of this strategy is to detail the UE Asset centric network safety obligations and the linkages within the wider UE network safety framework. It directs UE to detail the network asset safety specific information within the Asset Class Plans.

3.3. Context

This strategy is a functional document that captures the asset safety aspects generated as a result of UE's Risk Management Framework and Process which are underpinned by the requirements of the Electrical Safety Management Scheme (ESMS). The context of the Network Asset Safety Strategy with UE's Risk Management Framework and Process and the Asset Management System is illustrated in Figure 2, Section 6-Risk Based Approach.

This strategy provides the drivers for Asset Managers to detail asset specific safety analysis and controls (planned works) in the Asset Class Strategies and Plans, thus ensuring that the UE asset safety obligations are met. Figure 1: Asset Management Framework illustrates the AM System document hierarchy and the location of the Network Asset Safety Strategy within the AM System.

3.4. United Energy (UE) Profile

UE distributes electricity in Melbourne's south eastern suburbs and the Mornington Peninsula covering an area of 1472 km^2. The electricity distribution assets have a replacement value of over four billion dollars comprising 46 zone substations, approximately 214,000 poles, 12,500 distribution substations, 10,300km of overhead power lines and 2,600km of underground cables.

The northern part of UE's service territory comprises a developed, urban area entirely within the Melbourne metropolitan area. It includes predominantly residential and commercial centres such as Doncaster, Box Hill, Caulfield and Glen Waverley.

The southern part of UE's service territory comprises a mix of developed and undeveloped land with includes Dandenong, a city that is recognised as the capital of the south eastern suburbs and Victoria's manufacturing heartland. Frankston delineates the southern rim of the Melbourne metropolitan area and the gateway to the Mornington Peninsula. Frankston is one of the largest retail areas outside the Melbourne Central Business District (CBD).

The Mornington Peninsula, in the southern most part of UE's service territory. It is a 720 square km boot-shaped promontory separating two contrasting bays: Port Phillip and Western Port. Representing 50% of UE's service territory by area. The Mornington Peninsula, is surrounded by the sea on three sides, with a coastal boundary of over 190 km. It comprises a mixture of urban areas, resort towns, tourist development and rural land and classed by the CFA as a high bushfire risk area.

4. Asset Management Framework

4.1. Asset management objectives

United Energy is committed to the efficient and safe delivery of reliable services to customers. Efficient and effective management of United Energy's electricity network assets is critical to achieving this outcome.

Accordingly, United Energy has an asset management framework in place, which aims to:

- ensure the safety of the public and United Energy's personnel and contractors at all times;
- ensure that all compliance obligations are met;
- manage risk efficiently; and
- ensure the prudent, efficient and reliable delivery of an essential service that meets customers' and stakeholders' needs.

The asset management framework aligns United Energy's Asset Management Policy, strategy and Life Cycle Management Plans to ensure the achievement of the company's overarching corporate objectives. This is explained in further detail below.

4.2. Overview of the framework

United Energy's asset management framework provides an integrated and structured approach to guide the development, coordination and execution of asset creation and maintenance activities so as to optimise the total lifecycle costs, risk and performance of United Energy's network assets. As such, the framework provides a key conduit for the execution of United Energy's corporate plan. It provides a clear line-of-sight between the delivery of asset management projects and activities, and the company's overarching corporate objectives, which are detailed in UE PR 2051.

The asset management framework translates United Energy's corporate plan into specific asset management objectives and actions. It employs a systematic approach - including processes and documented asset strategies and plans – to ensure that the asset management objectives and actions deliver prudent and efficient outcomes over the asset life cycle. The framework ensures the alignment of asset management activities with all other related management processes, including United Energy's risk management, health and safety, environmental and quality management systems.

The framework is shown in the diagram on the following page. The diagram shows how this Life Cycle Management Plan fits into the overarching asset management framework governed by United Energy's corporate strategy. A detailed description of the framework is provided in United Energy's Asset Management Strategy and Objectives document (UE PO 2050).

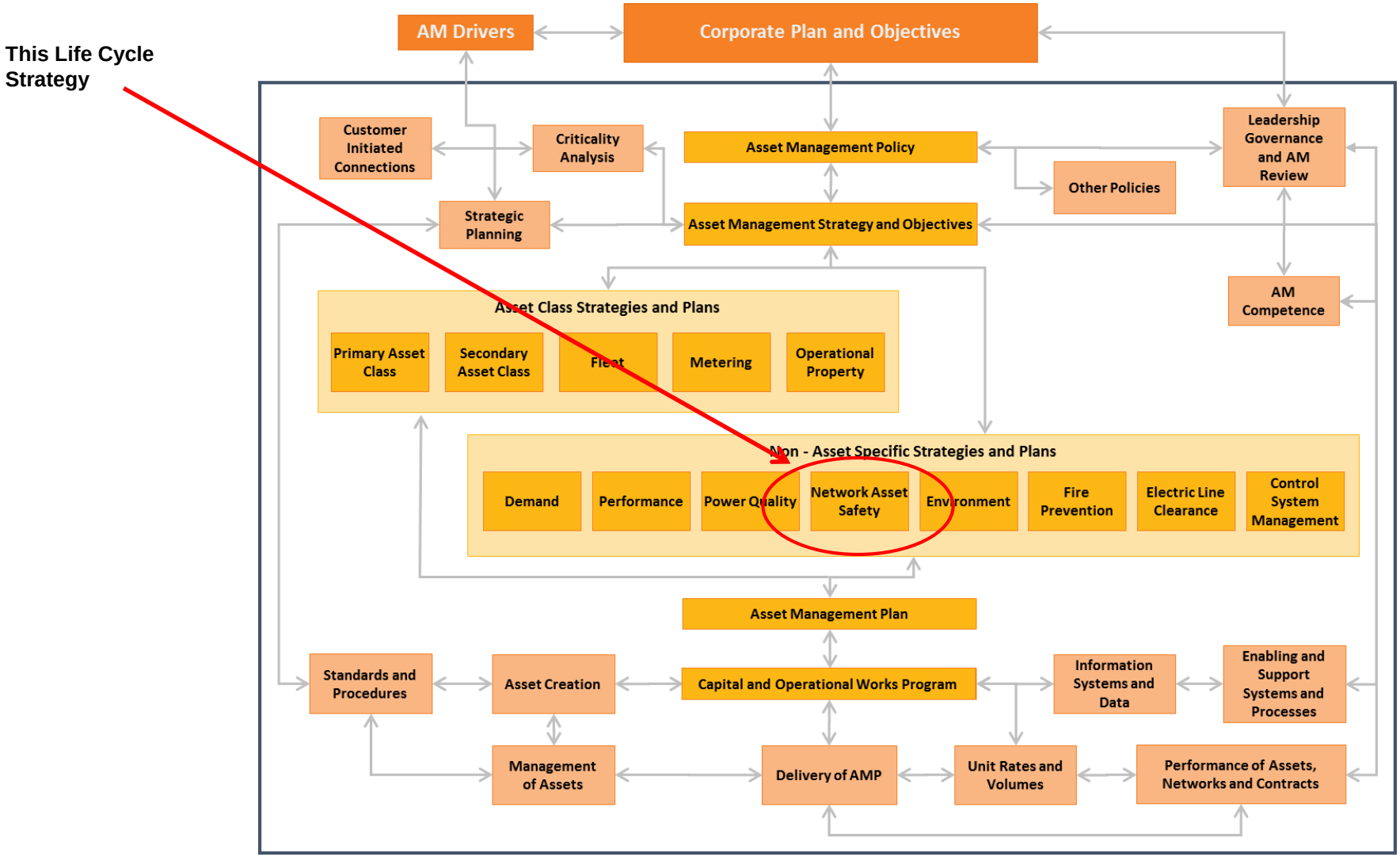

Figure 1: Asset Management Framework

4.3. Asset management drivers

United Energy's asset management plans are driven by the Asset Management Strategy and Objectives, which in turn reflects the objectives set out in United Energy Asset Management Policy (UE PO 2001), which was promulgated by the Chief Executive Officer in December 2014. The Asset Management Policy identifies the following principles as the basis for all asset management expenditure:

- Safety
- Risk
- Performance
- Legal & regulatory
- Customer Service
- Continuous improvement & innovation
- Good asset management
- Adherence to relevant Australian & International standards
- Minimise of long-term cost structure
- Reputation
- Skills and Resources

Further details of the way in which these drivers are taken into account in the development of this particular Life Cycle Management Plan are provided in section 6.

4.4. Alignment with good asset management practice

United Energy's asset management framework has been developed based on good practice guidance from internationally recognised sources, including the Global Forum on Maintenance and Asset Management (GFMAM) and the Institute of Asset Management (IAM).

In January 2014, ISO 55001 was released by the International Organisation for Standardisation as the new international standard for asset management systems. United Energy's asset management framework now aligns with key elements of ISO 55001. Aligning United Energy's asset management system with key requirements of ISO 55001 provides all stakeholders with a high level of confidence that risks and costs associated with the management of assets are carefully considered and optimised.

4.5. Alignment of Strategy documents

This AM System outlines UE's strategies for the management of its assets. It describes the AM investment drivers for each asset class and defines the AM objectives used in the development of:

- Asset Class strategies and Plans;
- Future Growth and Demand Strategy and Plan (Growth Capital Plan);
- Performance Strategies and Plans (Levels of Service, Network Performance and Customer Service);
- Environment Management Strategy and Plan (based on ISO14001);
- Network Safety Strategy and Plan (based on the Electricity Safety (Management) Regulations);
- Bushfire Mitigation Strategy and Plan (based on the Electricity Safety (Bushfire Mitigation) and Electricity Safety (Electric Line Clearance) Regulations); and
- Control System Management Strategy and Plan.

5. Network Asset Safety Requirements

UE network operations need to comply with various Acts and Regulations, administered by Energy Safe Victoria. The major legislation being:

- Electrical Safety Act 1998;
- Electricity Safety (Management) Regulations
- Electricity Safety (Electric Line Clearance) Regulations
- Electricity Safety (Bushfire Mitigation) Regulations
- The Electricity Distribution Code.

To comply with the legislation, UE will design, construct, maintain and decommission its electricity network to minimise, as far as reasonably practicable:

- the hazards and risks to the safety of any person;
- the hazards and risks of damage to the property of any person; and
- for areas within the Hazardous Bushfire Risk Area, the bushfire danger.

The UE Electricity Safety Management Scheme (ESMS) describes the systems, processes and standards UE will employ to ensure the management of hazards arising from the electricity network. The ESMS allows UE considerable scope in determining how the assets are managed, but also imposes penalties for non-compliance with the accepted ESMS.

5.1. Electrical Safety Management System

UE plans to submit an ESMS, in accordance with the requirements of the Electricity Safety (Management) Regulations. In addition to a description of the UE electricity network, it will detail UE processes associated with design, construction, commissioning, operation, augmentation, inspection, maintenance, refurbishment, replacement and decommissioning of the electricity network. As required by the legislation, the ESMS will detail UE:

- Safety Policy;
- Safety Management;
- Technical Standards;
- Asset Management Strategies and Plans;
- Access Authority System;
- Emergency Preparedness;
- Monitoring, Audit and Review;
- Key Performance Indicators;
- Incident Recording, Investigation and Review;
- Competence and Training;
- Record Management; and
- Reporting of Incidents.

6. Risk Based Approach

6.1. Formal Safety Assessment and Network Asset Safety Risk

Formal Safety Assessments (FSA) has been carried out on the electricity network in line with the corporate risk management framework to identify the risks. Safety was identified as a key risk element, and many of the asset related risks are being controlled (treated), and mitigated with asset management strategies and plans as part of the design, acquisition, construction, operation, maintenance or disposal phases of the asset life cycle. The mitigation actions will be captured in the Asset Class Strategies and Plans.

As part of the FSA, in addition to asset related safety risks, risks associated with work process/procedures have been identified. While the asset related safety risks are being managed by the Asset Management System within the Asset Class Strategies and Plans, the work process/procedure safety risks are being managed by the Work Health and Safety Programs and the HSEQ Strategy and Plans. The risk relationships are illustrated in Figure 2.

The Network Asset Safety Strategy effectively outlines the overlap between the ESMS and the AMS.

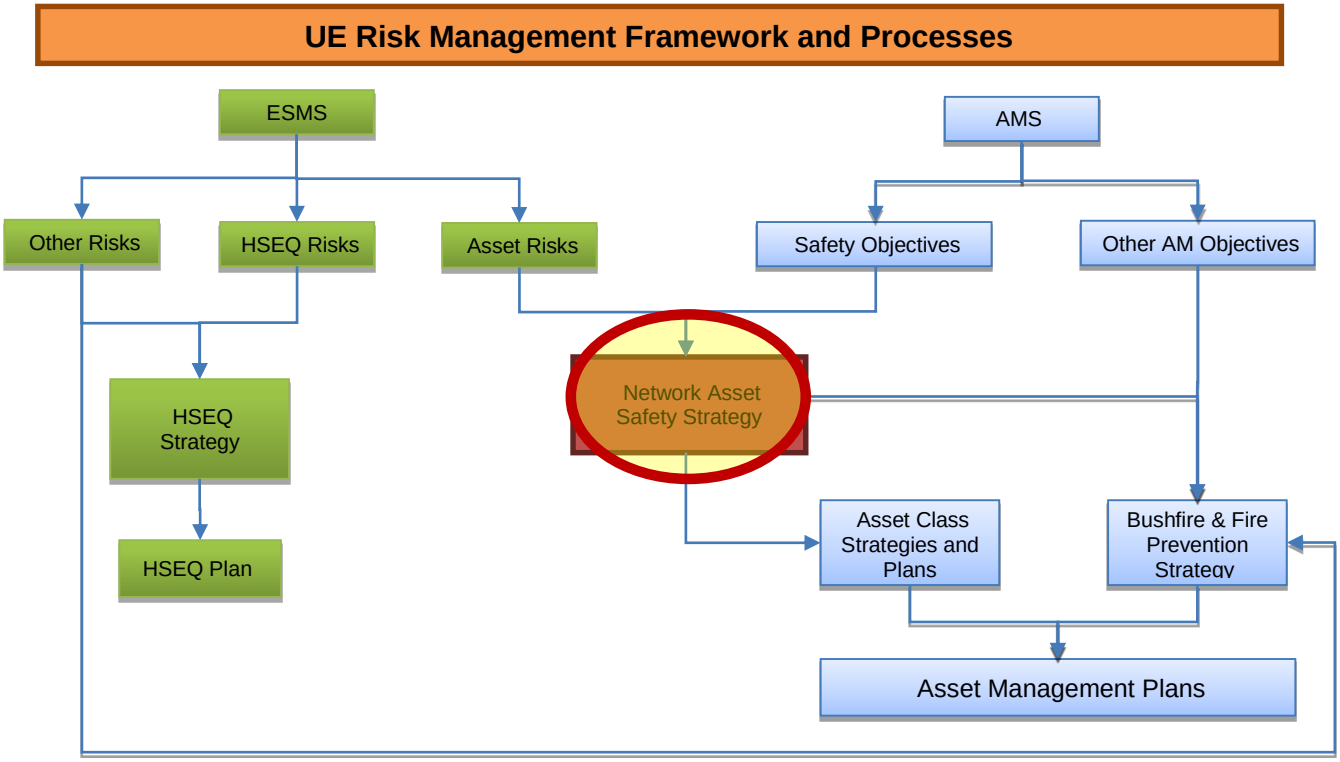

Figure 2: UE Risk Management – ESMS, AMS and Network Asset Safety Strategy

6.2. Risk Management Framework

UE's Risk Management Framework is a structured, disciplined approach that aligns strategy, process, people, technology and knowledge to identify, evaluate and manage the uncertainties that the organisation faces as it strives to create value. It is essential that UE uses this risk information to drive business value. For details refer to the "United Energy and Multinet Gas Risk Management Framework"

The Risk Management Framework provides an approach and supporting toolset that enables UE to:

- identify and assess risk

- balance risk, particularly critical risks, with the objective of improved return
- determine the optimum treatment plan for risk, including the assessment of whether mitigating actions are required
- complete the risk assessment as an element of existing management decision-making and not as a separate set of activities.

Figure 3 outlines the UE Risk Management Framework.

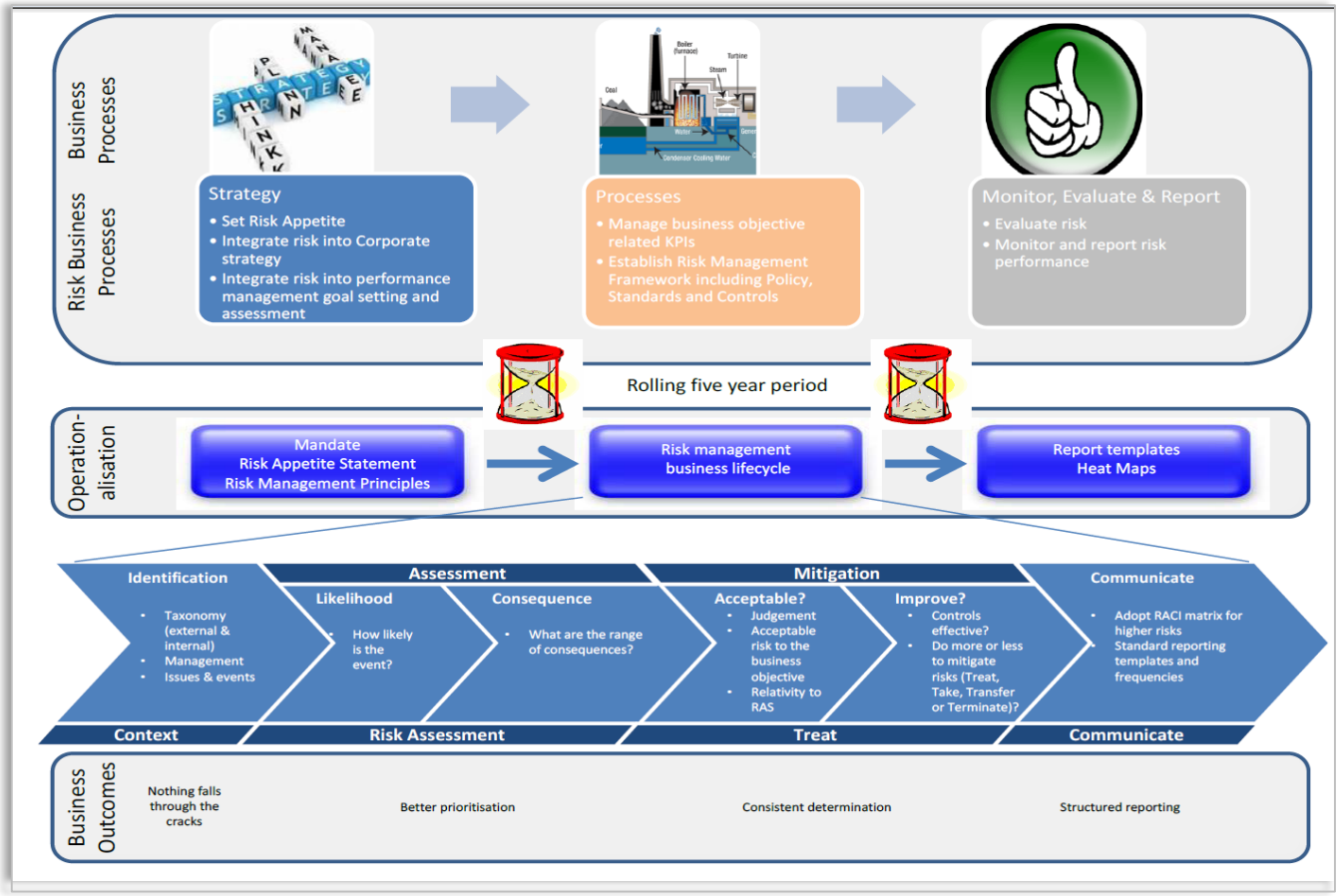

Figure 3 : Risk Management Framework Overview

6.3. Risk Management Methodology

The UE risk management methodology is aligned with ISO 31000:2009 – Risk Management Principles and Guidelines and was first approved for use across the organisation by the ELT on 21 August 2013.

Change has been identified as the primary source of risk exposure. The risk management framework is focused on identifying new risks that have the potential to adversely affect business objectives, and assessing the effectiveness of existing controls in mitigating risk.

The risk methodology focuses on current risk exposure and the trend to assess the likelihood and consequence of various failure modes.

Figure 4 depicts the relationship between the underpinning principles of risk management, the risk management framework and risk management processes.

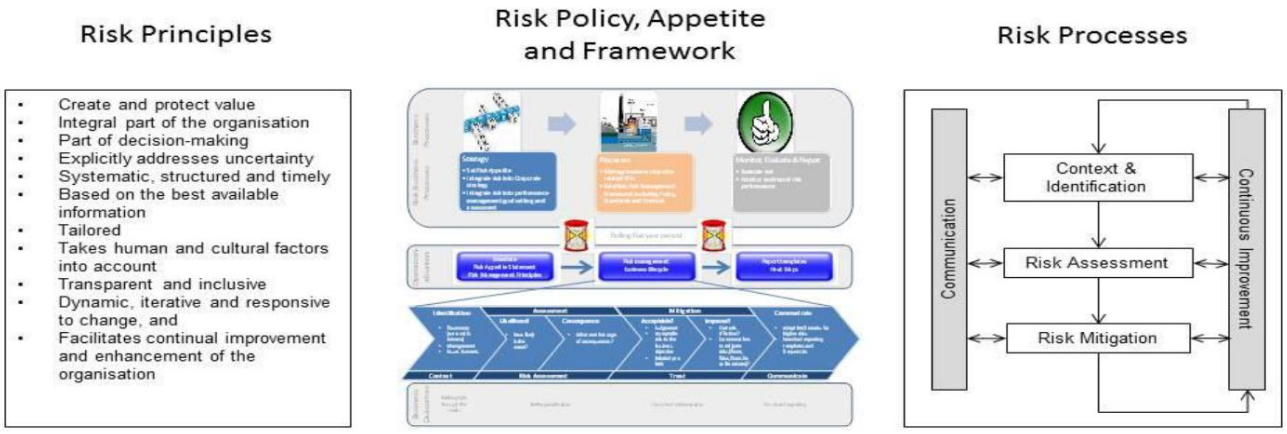

Figure 4 : Relationship between risk principles, framework and processes

6.4. As Low as Reasonably Practicable (ALARP)

The safety objective of the Asset Management System is to ensure the electricity network risks, associated with asset management activities, with the potential to cause harm to people, property or the environment can be demonstrated to be As Low As Reasonably Practicable (ALARP).

ALARP is defined in clause 1.5.3 of New Zealand Standard / Australian Standard 2885 Pipelines — Gas and Liquid Petroleum as “the cost of further risk reduction measures is grossly disproportionate to the benefit gained from the reduced risk that would result.”

It may not be feasible to fully mitigate a material risk to within UE risk appetite. Control design and operation for these risks will be managed through the ALARP process.

In addition to the ALARP analysis, other response measures include insurance, business continuity, incident response capability and regulator decision financial modelling. Details on the organisation’s approach to assessing ALARP for a business process is documented in Section E.8, Appendix 8 – UE’s approach to assessing ALARP.

6.5. Risk Appetite

UE’s Portfolio Risk Appetite Statement (RAS) measures have been identified, defined and approved by the UE Board. These are the key measures that are used to describe the overall risk status of the organisation. Details of the UE Risk Appetite Measures are documented in Appendix A of this document and Appendix 2 of United Energy and Multinet Gas Risk Management Framework.

The organisation’s most significant (“top”) risks are assessed against the portfolio measures to determine if, collectively, they are within the pre-determined acceptable level. Future specific RAS measures may be defined to more readily assess the performance of the organisation within the Business As Usual (BAU) operating environment.

6.6. Approach

Following the FSA, a judgement was made as to whether the risk in its current form is acceptable to the organisation in terms of its impact on the business unit goals, and the corporate objectives.

Comparing the risk, relative to the Board approved Risk Appetite Statement was a key step in this process.

Where the risk associated with a particular business activity was judged to be unacceptable, the respective ELT member was assigned accountability for treating the risk:

- treat the risk through the design and operation of an appropriate internal control environment. This reduced the risk through the presence, execution and monitoring of preventative and or detective controls
- accept the risk and consciously decide not to design or implement specific internal controls. For extreme risks, this decision was authorised by the Chief Executive Officer
- transfer the risk by integrating the business activity into an existing process that was covered by a set of well-designed and effective operating internal controls or through other means such as insurance
- terminate the risk by ceasing the business activity that gave rise to the risk occurring.

6.7. Controls

Controls have been applied across the three functional elements of a process including input, process and output and included policies, procedures, approvals, independent verifications, reconciliations, performance reviews, security measures, and segregation of duties.

6.7.1. Control Activities

Control activities were:

- defined by policies and procedures that ensured management directives were executed
- helped to ensure that necessary processes were in place to address risks
- occurred throughout the organisation, at all levels and across all functions.

6.7.2. Types of Control Activities

Types of control activities were:

- preventative controls designed to stop undesirable outcomes before they occurred
- detective controls designed to identify errors after they occurred and worked in conjunction with preventive controls
- manual controls required human intervention for execution
- automated controls performed by a computer system – without human intervention.

6.7.3. Supervisory Controls

Supervisory Controls were:

- indirect – Supervisory controls that had an important, but indirect, effect on the likelihood that a misstatement would be detected or prevented
- direct/Imprecise – Supervisory controls that identified possible breakdowns in lower level controls, but not at a level of precision, that by themselves did prevent or detect a misstatement or error in a timely manner
- direct/Precise – Supervisory controls that operated at a level of precision that prevented or detected a misstatement or error in a timely manner.

6.8. Risk Registers and Templates

All network asset safety risks, controls and residual risk have been captured on risk registers for all asset classes. The risk registers have been aligned with the corporate risk register by using templates to ensure risks can be appropriately escalated and managed as required.

7. Asset Related Safety Risks

7.1. Asset Groups

UE has developed four groups of Asset Class Strategies and Plans to support the Asset Management Strategy and other strategies and plans contained within the UE suite of AM System documents.

- Primary Electrical Assets
- Secondary Electrical Assets
- Vegetation Management
- Metering

These Asset Class Strategies are in the early stages of development, with not all strategies having the same level of maturity. The level of maturity reflects the criticality of the strategy.

7.2. Risk Assessment Workshop Output

As part of the Formal Safety Assessment process, the risk assessment workshop outputs highlighted both asset related safety risks and work practices and procedures safety risks, associated with each of the four groups of asset class strategies. These safety risks formed the foundation of lifecycle strategy development for each of the Asset Class Strategies and Plans.

7.3. Asset Classes

7.3.1. Sub–Transmission and Distribution Network

The sub-transmission and distribution Asset Class Strategies and Plans cover:

- Poles
- Pole Top Structures
- Connectors and Conductors
- Overhead Line Switchgear
- Overhead Line Capacitors
- Automatic Circuit Reclosers
- Public Lighting
- HV Outdoor Fuses
- Surge Arresters
- Distribution Substations
- Earthing Systems
- Underground Cable Systems
- LV Services

7.3.2. Zone Substation – Primary Equipment

The zone substation group primary equipment Asset Class Strategies and Plans cover:

- Power Transformers
- Circuit Breakers
- Busbars and Disconnectors
- Capacitor Banks
- Instrument Transformers
- Buildings and Structures
- Rapid Earth Fault Current Limiter (REFCL)

7.3.3. Zone Substation – Secondary Assets

The zone substation group secondary Asset Class Strategies and Plans cover:

- Protection and Control
- Power Quality Metering
- Auxiliary DC Supplies
- Station Remote Terminal Units

7.3.4. Network Communications

The network communications asset class strategies and plans cover:

- Metallic Supervisory Cables
- Fibre Optic Cables
- Third Party Dial-Up Services - GSM
- Third Party Dial-Up Services - PSTN
- Third Party IP Services - GPRS
- Third Party IP Services - ADSL
- Private Digital Radio Communications
- Zone Substation Ethernet Networks

7.3.5. Assurance and Monitoring

UE has implemented an assurance and monitoring process that will be used to demonstrate compliance with the ESMS requirements. For details refer to the “United Energy Electricity Safety Management Scheme”

7.4. Continuous Improvement

The process of implementing the Asset Class Strategies and Plans includes a periodic review of each strategy and plan. The FRA process will be repeated to gauge the effectiveness of controls and the level of residual risk.

Appendix A: United Energy Risk Appetite Statement

Measure	Risk appetite criteria
Safety	a. We manage the risk of death or serious injury (relating to our network or our activities) to a member of the public or an employee/contractor to as low as is reasonably practical. b. We manage the risk of bushfires or explosions being caused by failure of our network to as low as is reasonably practical.
Reputation	a. We seek minimal chance of sustained negative regulator or government attention. b. We seek minimal chance of UE's network performance (through a one off event or series of events) triggering a regulatory inquiry generating significant negative outcomes. c. We want sufficient social/community and customer goodwill to allow us to avoid sustained reputational damage if adverse events occur. i. We will seek to generate social/community goodwill through engaging with key stakeholder groups. d. We seek negligible chance of UE causing the shareholders to breach continuous disclosure rules.
Regulatory relationship and legal compliance	a. We seek to meet legal, regulatory and key contractual obligations. b. We seek minimal chance of material non-compliance. Where there are instances of material non-compliance, we will act swiftly to cease the activity and report, formally investigate and assess the events and / or issues, in order to identify root causes and remediation. c. We accept there is a possibility of instances of minor non-compliance that can be managed (ie the ultimate consequences are limited), so long as we respond appropriately and have negligible chance of systemic weaknesses in our compliance program.
Industry positioning and performance horizon	a. Consistent with our vision, we will seek to innovate to drive efficiency and shareholder value. b. When we consider positions or approaches that lead or are divergent to other energy distributors or other peer businesses, we will assess such options with caution thoroughly. We will carefully assess the reasons why others have not pursued such a path, recognising the unknowns are greater with untried approaches, and that failure may leave us more exposed than if we had followed the same path as our peers. c. For high consequence risks, we will seek to have measures in place in line with those of our peers, for example, in the area of cyber security. d. In devising our long term plans for the development of our assets, we will consider the potential downturn in future grid consumption and we will look to ways to minimise our long term cost structure and manage our tariff structure to ensure we are competitive relative to substitution alternatives. e. Recognising the need to maintain the health and sustainability of our long term infrastructure we seek to only defer expenditure on the management of those assets when we have understood and agreed the implications of doing so. f. In pursuing new business opportunities we will accept a contained, higher risk profile to develop new revenue streams, where they are driven by commercial outcomes and subject to tightly managed pre-approval and active risk management. Such developments may be subject to specific funding arrangements.

Measure	Risk appetite criteria
Level of Robustness	a. We seek to be an outcome focused organisation that is capable of being nimble and creative. i. We seek to build a workplace environment which allows people to challenge the status quo. In building the intelligent utility we want our people to have a 'drive to achieve' and to bring an energy and intellect to their work. b. Whilst we recognise that utilities seek to be safe, reliable and compliant and are dealing with high volumes of long life assets, we seek to set policies and procedures, taking into account industry standards that are "best fit" for UE. This means our approach can vary depending on the function or activity covered by the policy or procedure. We will maintain a list of prescriptive / rules based policies as appropriate. c. We strive for efficiency and a sustainable low cost structure, and as such: i. Where the value realisation is clear, we are prepared to take a "risk based approach" to chosen situations accepting a managed risk rather than adopting high cost conservative processes. ii. We will seek to innovate around our cost structure and will try new, untried approaches and measures but recognise that these may not always be successful and the savings may not always be achieved.
Credit rating	a. We seek to manage our credit rating to BBB stable outlook. b. We want negligible chance of a downgrade below investment grade. c. In managing our business to stay within the above risk appetite criteria, we will seek to build appropriate contingency plans. We view an unplanned equity injection as a last resort contingency and therefore aim to manage the business to have minimal need to call on this last resort. d. The business will develop plans on how to respond in the event of a downgrade.
Reportable earnings	a. We seek to minimise earnings volatility. b. We will budget on a P50 basis. External commitments will be based on a P90 budget. This approach requires pre-determined contingency plans to be developed and set accordingly. c. Management will utilise available levers, as required, to defer or reduce expenditure to achieve P90 based external commitments.
Managing refinancing risk	a. We will seek to maintain the average remaining tenor of the business' debt at over three years and attempt to secure longer term debt where possible. b. We will seek to have no more than 25% of our debt maturing in a nine month period. c. We will seek to prioritise debt markets when they are available and to maintain spare capacity in the bank debt market for times when debt markets are tight. d. We will seek to re-finance 6 to 12 months ahead of debt maturity. e. We will aim to have at least 50% of our debt sourced from debt markets. f. In normal circumstances, we will seek to align our debt tenor with the assumed profile used for regulatory purposes (ten year rolling for 60% of RAB and five year debt for the remainder) once the trailing average mechanism is in place.
Dividends	a. For any one year, we seek full payment of the planned annual dividend each time.

Measure	Risk appetite criteria
Capex	a. We will budget and manage annual Regulatory Asset Base CAPEX on a P50 basis and are prepared for outturn capex to be above or below budget, subject to any under or overspend not being significant (i.e. +/- 10% of the P50 budget), and subject to b below. b. We seek to stay within the 5 year regulatory allowance on a P90 basis, unless there is clear business justification for not doing so. c. We seek to minimise the likelihood of ex-post prudency reviews, and will plan and manage capex spend to have P90 confidence of not triggering such a review.
Business Sustainability	a. We will build our business plan to support business sustainability. i. In our planning, we will recognise that the energy sector faces significant uncertainties going forward. In particular, we recognise the potential for drop-off in energy consumption, and potential changes in technology, customer & community sentiment, and the regulatory environment. ii. We recognise that more competitive choices will be available to customers in future. We will therefore seek to generate positive customer sentiment towards UE. iii. We will adopt a scenarios-based approach in our planning processes. iv. To be equipped in dealing with the uncertainties outlined in i., we will seek to have the required long term capabilities and skill sets in our people. b. We will seek strategies to address the uncertainties outlined in part i. above and will seek to turn these uncertainties into opportunities. c. We will take advantage of the synergies between United Energy and Multinet Gas, whilst being capable of achieving a practical separation if required. d. We recognise that investments that pursue new revenue streams to mitigate the above risks are likely to have a higher risk profile than for current regulated revenue. Such investments will be made within agreed parameters.