

13 March 2012

The Manager
Company Announcements
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

AER Decision on Powercor's Victorian Bushfire Royal Commission related pass-through application

The Australian Energy Regulator (AER) has released its decision on Powercor's Victorian Bushfire Royal Commission related pass-through application. The application sought recovery of the costs of complying with directions from Energy Safe Victoria in relation to:

- fitting of vibration dampers, armour rods and aerial spacers; and
- The "transition program" towards a 37 month network inspection cycle for assets in high bushfire risk areas.

Powercor's application sought operational expenditure and capital expenditure of \$85.14M over the current regulatory control period (1 January 2011 to 31 December 2015). The AER's decision was to approve a total expenditure allowance of \$73.98M.

The AER has published the decision on its website www.aer.gov.au.

Yours faithfully



Alexandra Finley
Company Secretary