



Friday, 13 January 2012

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

Dear Sir / Madam

**AUSTRALIAN COMPETITION TRIBUNAL RELEASES OUTCOMES OF CITIPOWER  
AND POWERCOR APPEALS**

I enclose a statement in relation to outcomes of CitiPower and Powercor Australia's regulatory appeals to the Australian Competition Tribunal.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Alex Finley". The signature is stylized and fluid.

**Alexandra Finley**  
**Company Secretary**

# MEDIA RELEASE

Friday, 13 January 2012

## **CITIPOWER AND POWERCOR SUCCESSFUL IN REGULATORY APPEALS**

Spark Infrastructure has welcomed the decision of the Australian Competition Tribunal (ACT) in relation to CitiPower and Powercor Australia's appeals against the Australian Energy Regulator's decisions pertaining to the value accorded to imputation credits ("Gamma") and an adjustment to the Efficiency Carry-over amount, to recognise additional costs incurred by the businesses to meet a change in legislation.

The ACT decisions on these matters will provide an additional \$120 million of revenue in the current five year regulatory period to 2015. Recovery of this revenue will occur over three years from 1 January 2013 in line with the commencement of the next pricing period.

A number of other matters also appealed by CitiPower and Powercor remain outstanding. The ACT has extended its deadline for finalisation of all matters to 5 April 2012.

## **BUSHFIRE RELATED CAPITAL EXPENDITURE**

Spark also notes that the Victorian Government has recently released its decision in relation to the recommendations of the Bushfire Royal Commission.

In addition to \$250 million of Victorian Government funding for undergrounding of power lines over 10 years, it also includes capital expenditure of \$500 million to be made by the relevant electricity distribution businesses, Powercor Australia and SP AusNet, over the same period.

Each Distribution businesses' plans for these activities will need to be submitted to the Australian Energy Regulator (AER) as pass through applications. Any additional AER approved capital expenditure will result in further growth of the Regulatory Asset Base and correspondingly increased future revenues. Capital expenditure will not be confirmed until approved by the AER.

### **Further Information:**

**Mario Falchoni**  
General Manager  
Investor Relations & Corporate Affairs

Phone: 02 9086 3607  
Mobile: 0418 401 415

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