

DUET Company Limited
ABN 93 163 100 061
DUET Investment Holdings Limited
ABN 22 120 456 573
DUET Finance Limited
ABN 15 108 014 062
AFS Licence No. 269287

Level 15, 55 Hunter Street
SYDNEY NSW 2000
GPO Box 5282
SYDNEY NSW 2001
AUSTRALIA

Telephone +61 2 8224 2750
Facsimile +61 2 8224 2799
Internet www.duet.net.au



27 November 2014

ASX RELEASE

Regulatory Decision for NSW Electricity Distributors

DUET Group (DUET) notes the Australian Energy Regulator's (AER) draft regulatory determinations for three distribution network service providers in New South Wales (Ausgrid, Endeavour Energy and Essential Energy).

The draft regulatory determinations are some of the first to be made under the AER's Better Regulation program. The draft decisions provide for material disallowance of the NSW distributors' forecast operating and capital expenditure on the basis that their projected costs are above efficient benchmark levels.

Based on extensive benchmarking work the AER found that "the NSW businesses are less efficient than their counterparts in Victoria and South Australia."

Commenting on the AER's draft decisions, DUET's CEO David Bartholomew, said, "DUET welcomes the AER's increased focus on benchmarking when setting operating and capital expenditure allowances. The AER's draft determination for the NSW distributors highlights that the privately-owned distributors in Victoria and South Australia, including United Energy, now set the benchmarks by which others are compared."

Mr Bartholomew added, "DUET is confident that the continued efficient performance of United Energy should mean that it will recover all of its forecast operating and capital expenditures in the 2016-20 regulatory period."

United Energy is due to submit its regulatory pricing proposal to the AER in April 2015. The AER is scheduled to provide an interim decision in October 2015 which will set tariffs for calendar year 2016. The AER's final decision, due in April 2016, will determine United Energy's tariffs for the 2017-20 period.

For more enquiries, please contact

Investor & Media Enquiries:

David Bartholomew
Chief Executive Officer
Tel: +61 2 8224 2724
Email: d.bartholomew@duet.net.au