

2 August 2010

TO: ASX Limited
Singapore Exchange Securities Trading Limited

Victorian Bushfires Royal Commission Final Report

SP AusNet acknowledges the importance of the release of the Bushfires Royal Commission's Final Report and is taking the time to carefully consider the recommendations contained in it.

SP AusNet supports the State Government's decision to evaluate the recommendations and how they might best be implemented, and we stand ready to work with the State Government and electricity regulators to implement any recommendations that will lead to constructive improvements and make the electricity network even safer.

Until the full extent and nature of the recommendations are worked through, it is impossible to estimate the costs that will result from implementation of the recommendations.

It is also impossible for SP AusNet to speculate whether any of the Royal Commission's recommendations would result in higher electricity bills, as there are several ways any of the measures could be paid for over time.

SP AusNet notes that it was not the role of the Royal Commission to make any finding about liability, and that no such finding was made. However, SP AusNet rejects any allegations that inadequate maintenance standards led to the Kilmore East-Kinglake bushfire, and we intend to vigorously defend any claim.

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