



# ACEREZ Partnership

Independent Assurance Report on  
Annual Ring-fencing Compliance  
for the period ended 31 December 2025

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# EXECUTIVE SUMMARY

## Introduction

ACERZ Partnership (ACERZ, or the Partnership) was registered as a licensed electricity transmission network service provider (TNSP) on 3 June 2025. From that date, ACERZ's operations have been subject to the National Electricity Law (NEL) and National Electricity Rules (NER) which regulate the National Electricity Market (NEM).

The Australian Energy Regulator (AER) is the economic regulator for TNSPs in the NEM. The role of AER includes monitoring compliance with the Ring-fencing Guideline (Guideline) issued under 6A.21.1 of the NER. The Guideline was amended on 24 February 2025 to Version 5 and applicable for TNSPs from the same date.

TNSPs are required to prepare an annual report on ring-fencing compliance for submission to the AER. This compliance report must include:

- The measures the TNSP has taken to ensure compliance with its obligations under the Guideline;
- Any breaches of the Guideline by the TNSP, or which otherwise relate to the TNSP;
- All other services provided by the TNSP in respect of Clause 3.1 in the Guideline; and
- The purpose of all transactions between the TNSP and its affiliated entities.

In accordance with Guideline Clause 6.2.1(c), TNSPs are required to accompany their annual compliance report with an assessment of compliance, performed by a suitably qualified independent authority.

## Scope

Ernst and Young ("We" or "we") have been engaged to perform a "reasonable assurance engagement" as defined by Standards on Assurance Engagements, pursuant to Section 6.2.1(c) of the Ring-fencing Guideline – Electricity Transmission Version 5 (Guideline) to report on ACERZ's compliance with the Guideline for the period 3 June 2025 to 31 December 2025.

## Methodology

ACERZ has prepared an annual compliance report under the Guideline for the period from 3 June 2025 to 31 December 2025.

We obtained an understanding of the Guideline and other engagement circumstances specific to ACERZ, sufficient to enable the identification and assessment of the risk of non-compliance with the Guideline.

We tested the obligation clauses as per the Guideline and conducted interviews with key stakeholders to understand how ACERZ satisfies each obligation. From our interviews, we identified the key policies and procedures, processes and controls that management has put in place to satisfy each obligation.

We performed an analysis of the controls that management has put into place to comply with each obligation, to understand whether control gaps exist which could enable an obligation to remain unsatisfied.

We conducted testing of the identified controls where applicable, through review of relevant evidence, to determine whether ACERZ complied, in all material respects, with the Guideline for the period from 3 June 2025 to 31 December 2025.

We have reviewed the annual compliance report prepared by ACERZ for the period ended 31 December 2025 as part of our process of understanding the overall compliance strategy, internal controls in place and findings reported during the period.

Compliance has been assessed to a level of reasonable assurance in accordance with Standard on Assurance Engagement ASAE 3100 *Compliance Engagements*, based on sample sizes determined using professional judgement.

## Conclusion

No material exceptions have been noted during the period. Refer to Section 4 of the Report for the assurance conclusion.

# EXECUTIVE SUMMARY (CONTINUED)

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NOT EFFECTIVE

**Not Effective**  
Controls in place are not effective in meeting the obligation of the Ring-fencing Guideline.

PARTIALLY EFFECTIVE

**Partially Effective**  
Controls in place are partially effective in meeting the obligation of the Ring-fencing Guideline.

EFFECTIVE

**Effective**  
Controls in place are effective in meeting the obligation of the Ring-fencing Guideline.

This section provides a summary of the results of our procedures in assessing the control effectiveness with regards to ACERREZ’s ring-fencing obligations.

This is ACERREZ’s first year of submitting its annual ring-fencing compliance report. For the period to 31 December 2025, ACERREZ was in the development and construction phase associated with the delivery of the Central-West Orana Renewable Energy Zone (CWO REZ) transmission project (the Project), with the transmission network not yet energised nor operational. The Partnership has plans to evolve their processes and controls as the Project nears completion.

In our assessment, EY has considered both ACERREZ’s current operating state as well as the governance frameworks established to support compliance with the Guideline.

On this basis, EY has assessed all controls as effective for the period, as summarised in the table below.

Summary of Observations (All categories)	NOT EFFECTIVE	PARTIALLY EFFECTIVE	EFFECTIVE
New points raised in 2025	0	0	16
<b>Total Open or in progress findings for 31 December 2025</b>	<b>0</b>	<b>0</b>	<b>16</b>

# BACKGROUND

## Regulatory and Organisational Context

ACERERZ is a newly established public-private partnership (PPP) and is the authorised Network Operator for the Central-West Orana Renewable Energy Zone (CWO REZ). ACERERZ was registered as a TNSP on 3 June 2025, triggering its first annual ring-fencing compliance reporting, in accordance with the AER's Electricity Transmission Ring-fencing Guideline, for a period from that date to 31 December 2025.

Throughout the reporting period, ACERERZ was in the development and construction phase, with the transmission network not yet energised or operational. The new infrastructure is expected to be operational by 2028.

## Public-Private Partnership Structure

ACERERZ is a partnership comprising Endeavour Energy, Acciona Concesiones and Cobra<sup>1</sup>.

## Ring-fencing Status During the Period

Given ACERERZ's early stage of development, certain aspects of the ring-fencing obligations were not applicable. In particular:

- ACERERZ did not provide negotiated transmission services or any "other services" during the period.
- There were no operational interactions with generators, retailers, or contestable electricity service providers.
- Certain categories of ring-fenced information contemplated by the Guideline had not yet been generated in an operational context.

<sup>1</sup> The legal names of the partners are Endeavour Energy REZ Energy Network Operator Partnership, Concesiones CWO REZ NO Pty Limited in its capacity as trustee of the Concesiones CWO REZ NO Trust, and Cobra CWO NO Pty Limited in its capacity as trustee of the Cobra CWO NO Trust

# BREACHES

The findings and reference to details within this report, where applicable, are outlined below:

Ring-fencing Guideline	Breach reported	Matters resolved and action taken
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No breaches were identified during the period

# DETAILED OBSERVATIONS

Obligation: Prevention of cross subsidies – Section 3

Guidance Assessment Criteria and Assessment Controls

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.2	3.1(a) <b>COMPLIANT</b> <b>EFFECTIVE</b>	A TNSP must be a legal entity.	<ul style="list-style-type: none"> <li>ACERERZ Partnership maintains an Australian Business Number (ABN).</li> <li>A clearly defined Legal Entity Structure for the ACERERZ Partnership is maintained.</li> </ul>	<ul style="list-style-type: none"> <li>EY obtained and inspected the Legal Entity Structure for ACERERZ Partnership through inquiry of management and review of supporting documentation, including the Partnership Deed.</li> <li>We performed an ASIC search on ACERERZ Partnership to ensure that it is a legal entity. To undertake the search, we used ACERERZ's ABN number as noted on the transmission licence approved by AER.</li> </ul>	<p>Based upon the evidence obtained, no exceptions were noted as to ACERERZ's compliance against the obligation with the key point below:</p> <ul style="list-style-type: none"> <li>ACERERZ is a legal entity.</li> </ul>
	3.1(b) <b>COMPLIANT</b> <b>EFFECTIVE</b>	A TNSP may provide transmission services but must not provide other services.	<ul style="list-style-type: none"> <li>ACERERZ operates solely to fund, construct, operate and maintain the CWO REZ regulated transmission network. ACERERZ is restricted to providing prescribed transmission services under the project contracts and does not undertake non-transmission, negotiated or contestable services. Any arrangements with affiliated entities are limited to permitted shared corporate functions or staff secondments supporting regulated transmission activities.</li> <li>Any proposal for ACERERZ or an affiliated entity to undertake services outside prescribed transmission services must be reviewed by Regulatory &amp; Compliance and Legal teams to determine whether:                             <ul style="list-style-type: none"> <li>the activity is permitted under the Guideline;</li> <li>a separate legal entity is required; and/or</li> <li>a waiver application to the AER may be required.</li> </ul> </li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We enquired with management regarding ongoing, completed and planned projects, and confirmed ACERERZ has no activities other than its designated role as Network Operator of the Project.</li> <li>We reviewed the process used to identify services provided and confirmed through inquiry that all arrangements are reviewed by Regulatory &amp; Compliance and Legal teams to ensure compliance with the Guideline.</li> <li>We obtained and reviewed information on arrangements with affiliated entities, and confirmed these were limited to shared corporate services and staff secondments supporting prescribed transmission services.</li> <li>We assessed ACERERZ's activities against the definition of prescribed transmission services under the NER through inquiry and inspection of project contracts, and confirmed ACERERZ does not provide other services, nor does it currently operate any assets that could be used by other legal entities other than for network support purposes.</li> </ul>	<p>Based upon the evidence obtained above, no exceptions were noted as to ACERERZ's compliance against the obligation with the key points below:</p> <ul style="list-style-type: none"> <li>ACERERZ solely provides prescribed transmission services.</li> <li>ACERERZ does not provide other services.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Prevention of cross subsidies – Section 3 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
	3.1(c) <b>COMPLIANT</b> <b>EFFECTIVE</b>	<p>Notwithstanding any other provision of this Guideline, a TNSP must not:</p> <ol style="list-style-type: none"> <li>i. enter into any new agreement; or</li> <li>ii. agree to a material variation to an existing agreement</li> </ol> <p>where such new or varied agreement grants another legal entity the right to use any energy storage device which is owned, operated or controlled by the TNSP, unless it is for the sole purpose of providing that TNSP with network support services.</p>	<ul style="list-style-type: none"> <li>▪ ACERERZ operates solely to fund, construct, operate and maintain the CWO REZ regulated transmission network. ACERERZ's activities are constrained by ASL (AusEnergy Services Ltd, formerly AEMO Services) authorisation as a delivery partner, which excludes any energy storage that is owned, operated or controlled by ACERERZ.</li> <li>▪ Any proposal for ACERERZ or an affiliated entity to undertake services outside prescribed transmission services must be reviewed by Regulatory &amp; Compliance and Legal teams to determine whether: <ul style="list-style-type: none"> <li>▪ the activity is permitted under the Guideline;</li> <li>▪ a separate legal entity is required; and/or</li> <li>▪ a waiver application to the AER may be required.</li> </ul> </li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>▪ Regulatory Director</li> <li>▪ Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>▪ We enquired with management regarding the existence of any energy storage devices owned, operated or controlled by ACERERZ, and confirmed that ACERERZ does not own or operate any energy storage assets.</li> <li>▪ We reviewed key Project contracts, deeds and the entity's financial records, and confirmed energy storage devices are out of the scope for ACERERZ's involvement in the Project.</li> </ul>	<p>Based upon the evidence obtained above, no exceptions were noted as to ACERERZ's compliance against the obligation with the key points below:</p> <ul style="list-style-type: none"> <li>▪ ACERERZ does not own, operate or control any energy storage devices.</li> <li>▪ ACERERZ has not entered into any agreements, or material variations to agreements, granting another legal entity the right to use energy storage devices.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Prevention of cross subsidies – Section 3 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.3	3.2.1 <b>COMPLIANT</b> <b>EFFECTIVE</b>	<p>(a) A TNSP must establish and maintain appropriate internal accounting procedures to ensure that it can demonstrate the extent and nature of transactions between the TNSP and its affiliated entities.</p> <p>[Note: The AER may include a requirement in a regulatory information instrument for a TNSP to:</p> <p>i. provide its internal accounting procedures to the AER; and / or</p> <p>ii. report on transactions between the TNSP and its affiliated entities.]</p> <p>(b) For the avoidance of doubt, a TNSP cannot apply for a waiver of the obligations set out in this clause 3.2.1.</p>	<ul style="list-style-type: none"> <li>ACERREZ developed an Accounting Policy Manual specific for transactions with affiliated entities in February 2026. The policy defines key definitions and establishes the internal accounting processes required to identify, record and report transactions between ACERREZ and its affiliated entities.</li> <li>The procedure defines affiliated entities, consistent with the Guideline, and sets out requirements for maintaining accounting records that enable affiliated entity transactions to be clearly identified and extracted for reporting. This includes maintaining an affiliated entity register, recording transactions using identifiable counterparties and transaction descriptions, and retaining sufficient supporting documentation to evidence the nature, purpose, value, timing and approval of each transaction.</li> <li>ACERREZ maintains records of related party transactions and discloses these transactions in its financial statements in accordance with applicable accounting requirements.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We assessed managements process to identify affiliated entities and obtained the complete list.</li> <li>We obtained and inspected the ACERREZ's internal accounting procedure manual and noted that it addressed transactions between ACERREZ and its identified affiliated entities.</li> <li>We obtained and inspected all entries in the transaction report between ACERREZ and affiliated entities, in which the accounting treatment was noted to be consistent with the internal accounting manual.</li> <li>We confirmed the descriptions in the transaction report was accurately matched to the findings in the report as required by Clause 6.2.1(b)(iv) of the Guideline.</li> <li>We checked and confirmed management's process to separately identify affiliated entities in the ERP system, such that transactions with these entities could be separately monitored and extracted.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions were noted on ACERREZ's compliance against the obligation with the key point noted below:</p> <ul style="list-style-type: none"> <li>ACERREZ has a process in place to establish and maintain appropriate internal accounting procedures and records to demonstrate the extent and nature of transactions between ACERREZ and its affiliated entities.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Prevention of cross subsidies – Section 3 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.3	3.2.2 <b>COMPLIANT</b> <b>EFFECTIVE</b>	<p>(a) A TNSP must allocate or attribute costs (including costs allocated or attributed to the TNSP by a parent entity) to transmission services in a manner that is consistent with the Cost Allocation Principles and its approved Cost Allocation Methodology, as if the Cost Allocation Principles and Cost Allocation Methodology otherwise applied to the allocation and attribution of costs between transmission services and other services.</p> <p>(b) A TNSP must only allocate or attribute costs to transmission services in accordance with clause 3.2.2(a) and must not allocate or attribute other costs to the transmission services it provides.</p> <p>(c) A TNSP must establish, maintain and keep records that demonstrate how it meets the obligations in clauses 3.2.2(a) and (b).</p> <p>(d) For the avoidance of doubt, a TNSP cannot apply for a waiver of the obligations set out in this clause 3.2.2.</p>	<ul style="list-style-type: none"> <li>ACERREZ has developed a preliminary Cost Allocation Methodology (CAM) to support compliance with ring-fencing requirements.</li> <li>Due to the Project still being in early stages and not energised yet, ACERREZ contacted the AER on 10 September 2025, who subsequently informed ACERREZ that it is not required to submit a CAM until such time when AER provides advance notice to do so.</li> <li>Nevertheless, AER has requested ACERREZ to notify the AER should it become aware of any upcoming activity that would necessitate a CAM where the AER has not yet requested one.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We reviewed the correspondence between ACERREZ and the AER.</li> <li>We considered the current stage of the Project and whether the advice would still be applicable.</li> </ul>	<p>Based upon the discussions held and procedures performed, the non-requirement is deemed as appropriate, with the key points noted below:</p> <ul style="list-style-type: none"> <li>Based on the current stage of the Project, a CAM would not be necessary. ACERREZ intends to finalise and submit to AER for approval a CAM in anticipation of its future requirements when the Project nears completion.</li> <li>EY has confirmed a CAM is not required as per the correspondence with the AER on 10 September 2025.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

Obligation: Functional Separation – Section 4

Guidance Assessment Criteria and Assessment Controls

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.4.1	4.1 <b>COMPLIANT</b> <b>EFFECTIVE</b>	<p>(b) A TNSP must not discriminate, directly or indirectly, between a related electricity service provider and its competitors when providing prescribed or negotiated transmission services.</p> <p>(c) This includes an obligation to:</p> <ul style="list-style-type: none"> <li>i. treat a related electricity service provider as if it were independent of the TNSP;</li> <li>ii. offer substantially the same terms and conditions in like circumstances;</li> <li>iii. provide substantially the same quality, reliability, and timeliness of service; and</li> <li>iv. not disclose competitor information to a related electricity service provider where this would give an advantage.</li> </ul> <p>(d) No waiver is available from the obligations under clause 4.1.</p>	<ul style="list-style-type: none"> <li>▪ ACERERZ identifies affiliated entities, and subsequently related electricity service providers (RESPs), through a questionnaire issued to the ACERERZ Partners (Acciona, Cobra and Endeavour). Responses are reviewed by the Regulatory &amp; Compliance and Legal teams, and the outcomes are formally documented.</li> <li>▪ For all identified RESPs, ACERERZ performs an assessment of potential discrimination risk. ACERERZ has noted that there have been no interactions with any RESPs and has assessed that, having regard to the current status of the CWO REZ Project, the transmission services performed to date have not triggered the non-discrimination obligations under the Ring-fencing Guideline.</li> <li>▪ In anticipation of future relevancy, ACERERZ recognises the requirement and is in the process of developing formal policies and supporting frameworks to address non-discrimination obligations on a forward-looking basis.</li> <li>▪ Currently, training and awareness on this topic has been provided to management, and firm-wide training is under development, with rollout expected by Q4 2026.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>▪ Regulatory Director</li> <li>▪ Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>▪ We obtained and inspected ACERERZ's affiliated entities and RESP listings, and reviewed management's processes and controls for identifying and assessing non-discrimination obligations.</li> <li>▪ We performed an assessment to verify ACERERZ's judgement regarding applicability of non-discrimination obligations.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions were noted on ACERERZ's compliance against the obligation, with the key points noted below:</p> <ul style="list-style-type: none"> <li>▪ ACERERZ has processes in place to identify affiliated entities and RESPs and to assess potential non-discrimination risk.</li> <li>▪ During the reporting period, ACERERZ's activities were limited to regulated prescribed transmission services, with no negotiated transmission services, contestable works or competitive connection activities undertaken.</li> <li>▪ Accordingly, the non-discrimination obligations under Clause 4.1(b)-(d) of the Guideline were not triggered during the period.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Functional Separation - Section 4 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.4.2	4.2.1 <div style="background-color: #333; color: white; padding: 2px; border-radius: 5px; display: inline-block;">COMPLIANT</div> <div style="background-color: #27ae60; color: white; padding: 2px; border-radius: 5px; display: inline-block;">EFFECTIVE</div>	<p>A TNSP must:</p> <p>(a) keep ring-fenced information confidential; and</p> <p>(b) only use ring-fenced information for the purpose for which it was acquired or generated.</p>	<ul style="list-style-type: none"> <li>ACERERZ has implemented information security and access controls to protect ring-fenced information and limit its access, use and disclosure in accordance with the Guideline. Ring-fenced information is subject to access restrictions based on role and business need, with controls in place to prevent unauthorised access or external sharing.</li> <li>ACERERZ is progressively enhancing its information security and data governance controls as the project transitions toward commissioning and operations. These controls are designed to ensure that ring-fenced information remains confidential, is accessed only by authorised personnel, and is protected against inappropriate disclosure, consistent with the requirements of the Guideline.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We obtained and inspected ACERERZ's ring-fencing policies and procedures relating to the protection of ring-fenced information, including controls over information security, access management and confidentiality.</li> <li>We inquired with management regarding the processes in place to restrict access to ring-fenced information and to prevent unauthorised disclosure, including the use of access controls and monitoring arrangements.</li> <li>We obtained and reviewed selected evidence to support our understanding of the controls and access restrictions currently in place.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions had been noted on ACERERZ's compliance against the obligation with the key points noted below:</p> <ul style="list-style-type: none"> <li>Due to the current stage of the Project, there is limited ring-fenced information held at present. Notwithstanding this point, ACERERZ has implemented information security and access controls to limit access to ring-fenced information and protect it from unauthorised use or disclosure.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Functional Separation - Section 4 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.4.2	4.2.2 COMPLIANT EFFECTIVE	<p>A TNSP must not disclose ring-fenced information to any person, including a related electricity service provider, unless one of the following applies:</p> <p>(a) the relevant customer or prospective customer has given explicit informed consent;</p> <p>(b) the disclosure is required by law;</p> <p>(c) the disclosure is necessary to provide transmission services or approved other services;</p> <p>(d) the disclosure is required to enable another legal entity to provide non-regulated or other services at a customer's request;</p> <p>(e) the disclosure is necessary to respond to events beyond the TNSP's reasonable control (e.g. emergencies);</p> <p>(f) the disclosure is solely for research by an unrelated legal entity;</p> <p>(g) a related electricity service provider has requested the information and clause 4.2.3 is complied with; or</p> <p>(h) the request is made by another legal entity that is not a related electricity service provider.</p>	<ul style="list-style-type: none"> <li>ACERZ has implemented controls to restrict the disclosure of ring-fenced information and ensure that any disclosure occurs only in circumstances permitted under the Guideline. Ring-fenced information is subject to formal governance and approval processes designed to prevent unauthorised disclosure to external parties, including related electricity service providers.</li> <li>ACERZ has rolled out training and awareness to management about the overall requirements of the Guideline. ACERZ is still developing training for all staff, which is expected to be rolled out at the end of 2026.</li> <li>Requests for access to ring-fenced information are assessed in accordance with ACERZ's information sharing framework, which is designed to ensure that disclosures are limited to permitted exceptions under the Guideline and are applied on an equitable and controlled basis.</li> <li>These controls are designed to ensure that ring-fenced information is not disclosed unless permitted, and that any disclosure is appropriately assessed, approved, and recorded, consistent with the requirements of the Guideline.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We obtained and inspected ACERZ's ring-fencing policies and procedures relating to the disclosure of ring-fenced information, including governance arrangements for assessing and approving information sharing requests.</li> <li>We inquired with management regarding the processes in place to restrict and control external disclosure of ring-fenced information, including how permitted exceptions under the Guideline are assessed and documented.</li> <li>As there had been no instances of information disclosure during the reporting period, no substantive testing of disclosure of ring-fenced information was performed.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions had been noted on ACERZ's compliance against the obligation, with the key points noted below:</p> <ul style="list-style-type: none"> <li>ACERZ has implemented governance controls designed to prevent unauthorised disclosure of ring-fenced information and to ensure disclosures only occur where permitted under the Guideline.</li> <li>Given the current stage of the Project, there is limited ring-fenced information held at present, and no instances of unauthorised disclosure were identified during the period.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Functional Separation - Section 4 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.4.2	4.2.3 <span style="background-color: #003366; color: white; padding: 2px;">COMPLIANT</span> <span style="background-color: #008000; color: white; padding: 2px;">EFFECTIVE</span>	<p>(a) Where a TNSP shares ring-fenced information with a related electricity service provider (or such information is subsequently disclosed to a related provider), the TNSP must make that information (including derived information) available to other legal entities on an equal basis.</p> <p>(b) The obligation in clause 4.2.3(a) applies only where the legal entity:</p> <p>i. has requested inclusion on the information register for that type of information; and</p> <p>ii. is competing, or seeking to compete, with a related electricity service provider in contestable electricity services.</p> <p>(c) A TNSP is not required to provide information under clause 4.2.3(a) where the disclosure occurred under clauses 4.2.2(a)-(e).</p> <p>(d) A TNSP must establish and publish an information sharing protocol setting out how and when information under clause 4.2.3(a) will be made available.</p> <p>(e) Any disclosure under clause 4.2.3 must be subject to terms requiring the recipient to comply with clauses 4.2.1 and 4.2.2(a)-(d) as if it were a TNSP.</p>	<ul style="list-style-type: none"> <li>ACERZ has included in its ring-fencing policy setting out the contents of an information register, whilst currently blank, is adequately set up to capture all the information required by the Guideline.</li> <li>The ring-fencing policy prohibits staff inappropriately sharing information, other than through the formal process listed out in the information sharing protocol, as published on ACERZ's website.</li> <li>Within the information sharing protocol, ACERZ is specifically committed to not providing any affiliated entity or RESP with an unfair competitive advantage within information sharing.</li> <li>ACERZ has rolled out training and awareness to management about the overall requirements of the Guideline. ACERZ is still developing training for all staff, which is expected to be rolled out at the end of 2026.</li> <li>The information sharing protocol details the type of information that can be shared and the terms on which information will be shared. All information requests are copied to the ring-fencing mailbox [REDACTED] which is maintained by the Regulatory &amp; Compliance team. The Regulatory &amp; Compliance team will assess if the information requested is appropriate to be shared and will seek consultation from the legal team. It is also the Regulatory &amp; Compliance team's responsibility to maintain and update the information register, ensuring that the register is publicly available and is disclosed appropriately in accordance the Guidance.</li> <li>No information has been requested/shared during the period to 31 December 2025 as detailed in the information sharing register published on ACERZ's website.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We obtained and inspected the information sharing protocol and register to ensure that ACERZ has in place appropriate information handling procedures and policies.</li> <li>We reviewed ACERZ's website to ensure the information sharing register is publicly available.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions had been noted on ACERZ's compliance against the obligation with the key points noted below:</p> <ul style="list-style-type: none"> <li>ACERZ has in place a process to maintain and keep an information register.</li> <li>ACERZ has in place a process to protect ring-fencing information.</li> <li>No information has been requested/shared during the period to 31 December 2025.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Functional Separation - Section 4 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.4.2	4.2.4 <span>COMPLIANT</span> <span>EFFECTIVE</span>	<p>(a) A TNSP must establish, maintain and keep a register of all:</p> <ul style="list-style-type: none"> <li>i. related electricity service providers;</li> <li>ii. other legal entities who provide contestable electricity services but who are not affiliated entities of the TNSP; who request access to information identified in clause 4.2.3(a), and must make the register publicly available on its website.</li> </ul> <p>(b) For each related electricity service provider or other legal entity that has requested that a TNSP provide access to information identified in clause 4.2.3(a), the TNSP's information register must:</p> <ul style="list-style-type: none"> <li>i. identify the kind of information requested by the related electricity service provider or other legal entity; and</li> <li>ii. describe the kind of information requested by the related electricity service provider or other legal entity in sufficient detail to enable other legal entities to make an informed decision about whether to request that kind of information from the TNSP.</li> </ul> <p>(c) A legal entity may request that the TNSP include it on the information register in relation to some or all of the kinds of information that the TNSP is required to provide under clause 4.2.3(a), and the TNSP must comply with that request.</p>	<ul style="list-style-type: none"> <li>▪ ACERZ has included in its ring-fencing policy setting out the contents of an information register, whilst currently blank, is adequately set up to capture all the information required by the Guidelines.</li> <li>▪ The ring-fencing policy prohibits staff inappropriately sharing information, other than through the formal process listed out in the information sharing protocol, as published on ACERZ's website.</li> <li>▪ The information sharing protocol details the type of information that can be shared and the terms on which information will be shared. All information requests are copied to the ring-fencing mailbox [REDACTED] which is maintained by the Regulatory &amp; Compliance team. The Regulatory &amp; Compliance team will assess if the information requested is appropriate to be shared and will seek consultation from the legal team. It is also the Regulatory &amp; Compliance team's responsibility to maintain and update the information register, ensuring that the register is publicly available and is disclosed appropriately in accordance the Guidance.</li> <li>▪ No information has been requested/shared during the period to 31 December 2025 as detailed in the information sharing register published on ACERZ's website.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>▪ Regulatory Director</li> <li>▪ Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>▪ We obtained and inspected the information sharing protocol and register to ensure that ACERZ has in place appropriate information handling procedures and policies.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions had been noted on ACERZ's compliance against the obligation, with the key point noted below:</p> <ul style="list-style-type: none"> <li>▪ ACERZ has in place a process to maintain and keep an information register.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Functional Separation – Section 4 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.4.3	4.3 <b>COMPLIANT</b> <b>EFFECTIVE</b>	<p>(a) A TNSP must ensure that:</p> <p>i. marketing staff involved in the provision of prescribed transmission services are also not staff involved in the provision of contestable electricity services by a related electricity service provider; and</p> <p>ii. staff involved in the provision of prescribed transmission services are not marketing staff involved in the provision of contestable electricity services by a related electricity service provider.</p> <p>(b) A TNSP may apply for a waiver of the obligations set out in this clause 4.3.</p>	<ul style="list-style-type: none"> <li>The Regulatory &amp; Compliance and Human Resources teams have reviewed organisational structures, roles and responsibilities where staff separation obligations may be triggered to ensure compliance with the Guideline. The review focuses on identifying staff with access to “electricity information” and who have the opportunity to use that information to engage in conduct that would provide a competitive advantage to an affiliated entity or otherwise engage in conduct contrary to Section 4.1 of the Guideline.</li> <li>In relation to the requirements of Section 4.3(a) (i) and (ii), ACERREZ does not have any marketing staff. Further, while there are staff that could be involved in the provision of contestable electricity services by a related electricity service provider, ACERREZ is not yet in a stage where this is applicable.</li> <li>ACERREZ has rolled out training and awareness to management on the topic of staff separation, which affiliated entities/RESPs are applicable and the overall requirements of the Guideline. ACERREZ is still developing training for all staff, which is expected to be rolled out at the end of 2026.</li> <li>It should also be noted that to the extent that staff are not involved in the operation or marketing of contestable electricity services (which, in accordance with the relevant definitions under the Guideline, do not include technical, administrative, accounting or service functions), they are also not restricted from being shared and the roles and positions of such staff are not required to be included on the staff sharing register.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We obtained and inspected a list of ACERREZ employees to identify any role descriptions that do not comply with this obligation.</li> <li>We assessed all employees which could have a potential shared function, through inquiry and review of the entity’s organisational structure.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions had been noted on ACERREZ’s compliance against the obligation, with the key point noted below:</p> <ul style="list-style-type: none"> <li>ACERREZ does not currently have any marketing staff and there is no risk within other staff functions.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

## Obligation: Functional Separation – Section 4 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.4.4	4.4 <div style="background-color: #333; color: white; padding: 2px; border-radius: 5px; display: inline-block;">COMPLIANT</div> <div style="background-color: #27ae60; color: white; padding: 2px; border-radius: 5px; display: inline-block;">EFFECTIVE</div>	<p>4.4.1 Conduct of service providers</p> <p>A TNSP:</p> <p>(a) must ensure that any new or varied agreement between the TNSP and a service provider, for the provision of services to the TNSP that enable or assist the TNSP to provide prescribed transmission services or negotiated transmission services requires the service provider to comply, in providing those services, with clauses 4.1, 4.2.1 and 4.3 of this Guideline (where applicable to those services) as if the service provider was the TNSP; and</p> <p>(b) must not, directly or indirectly, encourage or incentivise a service provider to engage in conduct which, if the TNSP engaged in the conduct itself, would be contrary to the TNSP’s obligations under clause 4 of this Guideline.</p> <p>4.4.2 Waivers</p> <p>A TNSP can apply for a waiver of the obligation set out in clause 4.4.1(a) but cannot apply for a waiver of the obligation set out in clause 4.4.1(b).</p>	<ul style="list-style-type: none"> <li>With respect to the requirements of the Guideline relating to service provider agreements, ACERERZ has documented procedures to ensure that ring-fencing considerations are taken into account when entering into new service provider agreements or materially varying existing agreements. These procedures include the use of standard contractual provisions requiring service providers to support ACERERZ’s compliance with applicable regulatory obligations, including obligations relating to non-discrimination and the protection of confidential information, and legal review of any proposed deviations from those provisions.</li> <li>During the reporting period, EY identified ACERERZ M&amp;L and ACJV (D&amp;C) as service providers engaged by ACERERZ in connection with the delivery of the Project. The separation of Network Operator (NO), Design &amp; Construction (D&amp;C) and M&amp;L roles was originally established through multiple deeds setting out the respective responsibilities and interactions between the parties.</li> <li>ACERERZ advised that these contracts were executed prior to ACERERZ registration as a TNSP and ring-fencing requirements and therefore do not include specific ring-fencing clauses and are instead covered by blanket provisions within those contracts to capture ring-fencing obligations. ACERERZ has received legal advice outlining that this appropriately covers ring-fencing requirements.</li> <li>ACERERZ acknowledges that specific ring-fencing provisions will be incorporated into future contracts with external entities as appropriate. It is noted that the specific provisions are yet to be finalised, however, there have been no new contracts and given the scope of the project, the provisions will be finalised before any additional service providers are expected.</li> <li>Additionally, ACERERZ holds strong oversight over the status of D&amp;C and M&amp;L through internal reporting between the entities and external reporting to EnergyCo.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We obtained and reviewed the key service provider agreements in place during the period.</li> <li>We made enquiries with management regarding procedures for ensuring that any new or varied service provider agreements incorporate ring-fencing requirements in accordance with the Guideline.</li> <li>We confirmed whether any new or varied service provider agreements were entered into during the reporting period.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions had been noted on ACERERZ’s compliance against the obligation, with the key points noted below:</p> <ul style="list-style-type: none"> <li>ACERERZ has documented procedures requiring ring-fencing considerations to be assessed when entering into new or materially varied service provider agreements.</li> <li>During the reporting period, no new or varied service provider agreements were entered into, and accordingly the requirement to include specific ring-fencing clauses was not triggered.</li> </ul>

# DETAILED OBSERVATIONS (CONTINUED)

Obligation: Waivers – Section 5

Guidance Assessment Criteria and Assessment Controls

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
2.5	5.7 <b>COMPLIANT</b> <b>EFFECTIVE</b>	<p>(a) A TNSP must establish, maintain and keep a register of all waivers (including any variation of a waiver) granted to the TNSP by the AER under clause 5 of this Guideline, and must make the register publicly available on its website.</p> <p>(b) The register established under clause 5.7(a) must include:</p> <p>i. the description of the conduct to which the waiver or interim waiver applies; and</p> <p>ii. the terms and conditions of the waiver or interim waiver;</p> <p>as set out in the AER’s written decision, provided by the AER to the TNSP, to grant(or vary) the waiver or interim waiver.</p>	<ul style="list-style-type: none"> <li>ACERREZ currently has no ring-fencing waivers in place. Nevertheless, it retains a register which is published on ACERREZ’s website: <a href="https://www.acerez.com.au/regulatory-framework">https://www.acerez.com.au/regulatory-framework</a></li> <li>The Regulatory &amp; Compliance team maintains the waiver register and is responsible for submitting a waiver application to AER in the event that there may be a need for any waivers.</li> <li>Any proposal for ACERREZ or an affiliated entity to undertake services outside of the prescribed transmission services must be reviewed by the Regulatory &amp; Compliance and Legal teams to determine whether: <ul style="list-style-type: none"> <li>the activity is permitted under the Guideline;</li> <li>a separate legal entity is required; and/or</li> <li>a waiver application to the AER may be required.</li> </ul> </li> <li>There have been no services undertaken outside of the prescribed transmission services as of the period end, and no waiver applications have been required.</li> <li>Once/if applicable, ACERREZ will ensure that any activities conducted under a waiver are monitored and periodically reviewed to confirm ongoing compliance with both the waiver conditions and the broader Guideline.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We have obtained and inspected the waiver register to assess the register’s inclusion of waiver details as required by the Guideline.</li> <li>We reviewed ACERREZ’s website to ensure the waiver register is publicly available.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions were noted on ACERREZ’s compliance against the obligation, with the key point noted below:</p> <ul style="list-style-type: none"> <li>ACERREZ has processes and controls in place to establish and maintain the waiver register.</li> </ul>

## DETAILED OBSERVATIONS (CONTINUED)

Obligation: Compliance procedures and compliance reporting – Section 6

Guidance Assessment Criteria and Assessment Controls

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
3	6.1 <b>COMPLIANT</b> <b>EFFECTIVE</b>	A TNSP must establish and maintain appropriate internal procedures to ensure it complies with its obligations under clause 6A.21.1 of the NER. The AER may require the TNSP to demonstrate the adequacy of these procedures upon reasonable notice. However, any statement made or assurance given by the AER about the adequacy of the TNSP's compliance procedures doesn't affect the TNSP's obligations under clause 6A.21.1 of the NER.	<ul style="list-style-type: none"> <li>ACERZ has internal procedures in place to ensure it complies with obligations under the Guideline. Compliance over each obligation clause under the Guideline is overseen by the Regulatory &amp; Compliance team, with support from Legal, Finance and relevant business units.</li> <li>ACERZ has developed an obligations register and compliance calendar, which is followed by the Regulatory and Compliance team to ensure timely and effective reporting of ring-fencing obligations.</li> <li>ACERZ periodically reviews internal compliance against the ring-fencing guideline with reviews of key controls and maintenance of compliance registers.</li> <li>ACERZ has established a dedicated ring-fencing email inbox. The inbox provides a formal point of contact for enquiries relating to ring-fencing registers and compliance matters and enables the identification and escalation of potential ring-fencing issues.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We obtained and assessed the Ring-fencing Policy which demonstrates that it complies with the AER's requirement on compliance procedures.</li> <li>We obtained evidence that the ring-fencing policy is available and has been communicated to staff.</li> <li>We obtained and inspected the compliance calendar utilised by the Regulatory &amp; Compliance team which includes all the reminders to submit the report.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions were noted on ACERZ's compliance against the obligation, with the key point noted below:</p> <ul style="list-style-type: none"> <li>ACERZ has a specific regulatory compliance monitoring and reporting process to facilitate compliance.</li> </ul>
3.2 -3.5	6.2 <b>COMPLIANT</b> <b>EFFECTIVE</b>	<p>(a) A TNSP must prepare and submit an annual ring-fencing compliance report to the AER for each calendar year.</p> <p>(b) The report must describe compliance measures, any breaches, other services, affiliated-entity transactions, and connection application metrics.</p> <p>(c)-(f) The report must be independently assessed, may rely on regulatory year data for clause 3.2, must include senior executive or director attestation from 2025, and may be published by the AER.</p>	<ul style="list-style-type: none"> <li>The Regulatory &amp; Compliance team oversee ring-fencing compliance and are responsible for preparing the annual ring-fencing compliance report, with support from Legal, Finance and relevant business units. The Regulatory &amp; Compliance team is responsible for the status, progress and any issues noted, and is then responsible to prepare the annual ring-fencing compliance report.</li> <li>ACERZ has engaged EY as the independent authority to assess its annual compliance report.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We have been engaged by ACERZ to perform as the independent authority to assess compliance in relation to ring-fencing.</li> <li>We have obtained and inspected management's draft annual compliance report.</li> </ul>	<p>Based upon the evidence obtained above, no exceptions were noted as to ACERZ's compliance against the obligation with the key point noted below:</p> <ul style="list-style-type: none"> <li>ACERZ has a specific regulatory compliance monitoring and reporting process to facilitate compliance.</li> </ul>

# DETAILED OBSERVATIONS

Obligation: Compliance procedures and compliance reporting – Section 6 (CONTINUED)

Ref	Clause	Compliance Obligation	Management Controls	Procedures Performed	Observations and findings
3.1	6.3 <b>COMPLIANT</b> <b>EFFECTIVE</b>	A TNSP must notify the AER in writing within 15 business days of becoming aware of a breach of its obligations under this Guideline, except for a breach of clause 6.2.2 or this clause 6.3 of this Guideline. The AER may seek enforcement of this Guideline by a court in the event of any breach of this Guideline by a TNSP, in accordance with the NEL.	<ul style="list-style-type: none"> <li>ACERZ has processes in place to identify, assess and manage potential ring-fencing issues in accordance with the Guideline. Potential issues may be identified through internal monitoring activities, staff or contractor reports, reviews, audits and/or other compliance processes.</li> <li>Where a potential issue is identified, it is escalated to the Regulatory &amp; Compliance team for assessment. If a breach is confirmed, corrective actions are implemented and the AER is notified within the required timeframe.</li> <li>The Regulatory &amp; Compliance team maintain records of issues, breaches and remediation actions, and consider whether additional training is required.</li> </ul>	<p>Discussions held with:</p> <ul style="list-style-type: none"> <li>Regulatory Director</li> <li>Senior Compliance Manager</li> </ul> <p>Procedures performed:</p> <ul style="list-style-type: none"> <li>We obtained and assessed the Ring-fencing Policy which demonstrates that it complies with the AER's requirement on compliance procedures.</li> <li>We obtained evidence that the ring-fencing policy is available and has been communicated to staff.</li> <li>We obtained and inspected the compliance calendar utilised by the Regulatory &amp; Compliance team which includes all the reminders to submit the report.</li> </ul>	<p>Based upon the discussions held and procedures performed, no exceptions were noted on ACERZ's compliance against the obligation, with the key points noted below:</p> <ul style="list-style-type: none"> <li>ACERZ has a defined process for identifying, assessing and reporting ring-fencing breaches, including notification to the AER within the required timeframe.</li> <li>In the reporting period, no breaches have been identified, and no required notification to AER has been submitted.</li> </ul>

# ASSURANCE REPORT

## Independent assurance report to the Partners of ACERERZ Partnership

### Opinion

We have undertaken a reasonable assurance engagement, as defined by Standards on Assurance Engagements, to report on whether the Annual Ring-Fencing Compliance Report for ACERERZ Partnership (“ACERERZ” or the “Partnership”) presents fairly ACERERZ’s compliance, in all material respects, with the compliance requirements as evaluated against the Ring-fencing Guideline Electricity Transmission Version 5 (the “Guideline”), for the period of 3 June 2025 to 31 December 2025 for the purpose of reporting to the Australian Energy Regulator.

In our opinion, ACERERZ’s Annual Compliance Report that states the Partnership has complied with the compliance requirements is, in all material respects, fairly presented as evaluated against the Guideline for the period of 3 June 2025 to 31 December 2025.

### Basis for opinion

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* issued by the Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## ACERERZ Partnership’s responsibilities

The Partnership is responsible for:

- a. Providing a Ring-fencing Annual Compliance Report with respect to the outcome of the evaluation of the compliance activity against the compliance requirements, which accompanies this independent assurance report;
- b. Identification of the compliance requirements if not identified by law and regulation;
- c. The compliance activity undertaken to meet the compliance requirements; and
- d. Identification of risks that threaten the compliance requirements identified above being met and controls which will mitigate those risks and monitor ongoing compliance.

## Our independence and quality management

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

# ASSURANCE REPORT

## Assurance practitioner's responsibilities

Our responsibility is to express an opinion on ACERERZ's Annual Compliance Report with respect to the Partnership's compliance, in all material respects, as evaluated against the Guideline, for the period 3 June 2025 to 31 December 2025. ASAE 3100 requires that we plan and perform our procedures to obtain reasonable assurance about whether ACERERZ Partnership's Annual Compliance Report is, in all material respects, fairly presented as evaluated against the Guideline for the period of 3 June 2025 to 31 December 2025.

An assurance engagement to report on ACERERZ's Annual Compliance Report with respect to the Partnership's compliance with the compliance requirements involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the compliance requirements. The procedures selected depend on our judgement, including the identification and assessment of risks of material misstatements in the Annual Compliance Report are likely to arise.

## Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error, or non-compliance with compliance requirements may occur and not be detected.

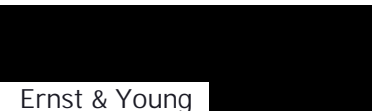
Our procedures selected were based upon our judgement and involved obtaining an understanding of the Guideline, identifying the obligation clauses as per the Guideline applicable to ACERERZ, and designing and performing procedures to determine whether management controls are in place to satisfy the obligation clauses as per the Guideline. Our tests of controls were primarily conducted using inquiry, observation, and inspection procedures. In certain situations, we have relied upon representations from management through inquiry only.

A reasonable assurance engagement for the period 3 June 2025 to 31 December 2025 does not provide assurance on whether compliance with the compliance requirements will continue in the future.

## Restriction on distribution

This assurance report has been prepared in accordance with the requirements of the Guideline. Our report is intended solely for ACERERZ and Australian Energy Regulator (collectively the "Recipients") pursuant to the terms of our engagement agreement dated 6 March 2026.

We disclaim all responsibility to any other party for any loss or liability that the other party may suffer or incur arising from or relating to or in any way connected with the contents of our report, the provision of our report to the other party or the reliance upon our report by the other party.



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20 April 2026

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ED NONE

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