

Independent Auditor's Report to the Directors of APA VTS Australia (Operations) Pty Limited (Reset RIN)

Opinion

We have audited the actual financial information included in the attached VTS 2023-27 – Reset RIN – Workbook 2 – Historical expenditure template as defined in the Schedule 3 Historical Information in the VTS 2023-2027 Access Arrangement Reset RIN for the years ended 31 December 2016, 31 December 2017, 31 December 2018, 31 December 2019 and 31 December 2020, for the Victorian Transmission System (“VTS”), which comprises:

- Regulatory template E2. Repex – except for Regulatory table E2.2.2 Volumes;
- Regulatory template E3. Expansion – except for Regulatory table E3.2.2 Volumes;
- Regulatory template E6. Non-network;
- Regulatory template E10. Overheads; and
- Regulatory template E13. Other capex;

together referred to as the “Reset RIN actual Financial Information”.

All relevant terms above are as defined in the Regulatory Information Notice issued to APA VTS Australia (Operations) Pty Limited, as the service provider for VTS, on 3 September 2021 under Division 4 of Part 1 of Chapter 2 of the National Gas (Victoria) Law (the “Notice”).

The Reset RIN actual Financial Information has been prepared by management in accordance with the reporting provisions of the Notice and the Schedule 3.

In our opinion, the Reset RIN actual Financial Information is prepared, in all material respects, in accordance with the requirements of the Notice and Schedule 3.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Reset RIN actual Financial Information section of our report. We are independent of APA VTS Australia (Operations) Pty Limited in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Reset RIN actual Financial Information in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Schedule 3 and the “Responsibility of the Directors for the Reset RIN actual Financial Information” paragraph below, which states that the Reset RIN actual Financial Information has been prepared in accordance with the Notice and Schedule 3 for the purpose of its submission to the AER. The Reset RIN actual Financial Information has been prepared to assist APA VTS Australia (Operations) Pty Limited to meet the financial reporting requirements of Division 4 of Part 1 of Chapter 2 of the National Gas (Victoria) Law for VTS. As a result, the Reset RIN actual Financial Information may not be suitable for another purpose. Our report is intended solely for the directors and should not be distributed or used by parties other than the Directors and the AER. Our opinion is not modified in respect of this matter.

Responsibility of the Directors’ for the Reset RIN actual Financial Information

The Directors are responsible for the preparation and fair presentation of the Reset RIN actual Financial Information in accordance with the Notice and Schedule 3 and has determined that the basis of preparation of the Reset RIN actual Financial Information is appropriate to meet the needs of the Directors for the purpose of its submission to the AER. The Directors’ responsibility also includes such internal control as the Directors determines is necessary to enable the preparation of the Reset RIN actual Financial Information that is free from material misstatement, whether due to fraud or error.

In preparing the Reset RIN actual Financial Information, the Directors are responsible for assessing the ability of the VTS pipeline within APA VTS Australia (Operations) Pty Limited to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate VTS within APA VTS Australia (Operations) Pty Limited or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Reset RIN actual Financial Information

Our objectives are to obtain reasonable assurance about whether the Reset RIN actual Financial Information as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Reset RIN actual Financial Information.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Reset RIN actual Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of APT Petroleum Pipelines Pty Limited internal control in relation to the RBP pipeline;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- Conclude on the appropriateness of the Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the VTS pipeline within APA VTS Australia (Operations) Pty Limited’s ability to continue

as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the VTS pipeline within APA VTS Australia (Operations) Pty Limited to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the Reset RIN actual Financial Information, including the disclosures, and whether the Reset RIN actual Financial Information represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Deloitte Touche Tohmatsu, written in a cursive script.

DELOITTE TOUCHE TOHMATSU

A handwritten signature in cursive script that reads "Jamie Gatt".

Jamie Gatt
Partner
Chartered Accountants
Sydney, 1 December 2021