

Independent Auditor's Review Report to the Directors of CitiPower Pty Ltd

We have reviewed the "estimated financial information" of CitiPower Pty Ltd ("CitiPower" or the "Company") included in:

- Shared asset unregulated revenue 2011 – 2018 included within Template 7.4 of "Workbook 1 – Regulatory Determination";
- "Workbook 2 - New Historical Calendar Years";
- Template 2.1 *Expenditure summary*, Template 2.2 *Repex*, Template 2.8 *Maintenance*, Template 2.11 *Labour* and Template 2.12 *Input tables* included in "Workbook 3 – Recast Historical Category Analysis - Calendar Years"; and
- Template 3.2 *Operating expenditure* included in "Workbook 4 – Recast Historical Economic Benchmarking - Calendar Years"

as listed in Appendix A of the Regulatory Information Notice dated 4 October 2019 issued under Division 4 of Part 3 of the National Electricity (Victoria) Law (the "Notice"), for the calendar years 2009 to 2018 (collectively the "Templates"). The Templates have been prepared by management in accordance with the reporting provisions of the Notice and the Basis of Preparation.

Management's Responsibility for the Templates

Management is responsible for the preparation and fair presentation of the Templates in accordance with the reporting provisions of the Notice. Management has determined that the Templates are appropriate to meet the needs of the directors and the reporting requirements of the Australian Energy Regulator ("AER"). Management's responsibility also includes such internal control as they determine is necessary to enable the preparation and fair presentation of the Templates that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the Templates based on our review. We have conducted our review in accordance with the Auditing Standard on Review Engagements *ASRE 2405 Review of Historical Financial Information Other than a Financial Report*. ASRE 2405 requires us to conclude whether anything has come to our attention that causes us to believe that the Templates are not presented fairly, in all material respects, in accordance with the reporting provisions of the Notice and the Basis of Preparation prepared by management. This Standard also requires us to comply with relevant ethical requirements.

A review in accordance with ASRE 2405 is a limited assurance engagement. The auditor performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Australian Auditing Standards. Accordingly, we do not express an audit opinion on the Templates.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the “estimated financial information” of CitiPower included within the Templates does not present fairly, in all material respects, in accordance with the reporting provisions of the Notice and the Basis of Preparation.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our conclusion, we draw attention to “Management’s Responsibility for the Templates” paragraph above which states that the Templates have been prepared in accordance with the reporting provisions of the Notice and the Basis of Preparation. The Templates have been prepared to assist CitiPower to meet the reporting requirements of the AER. As a result, the Templates may not be suitable for another purpose. Our report is intended solely for the Directors of CitiPower and the AER and should not be distributed to or used by other parties.

We understand that the AER may publish a copy of our report on their website. We accept no responsibility to any person or entity, apart from CitiPower, that is provided with, or obtains a copy of our report, without our written agreement. No other person or entity is entitled to rely, in any manner, or for any purpose, on this report. We do not accept or assume responsibility to anyone other than CitiPower for our work, for this report, or for any reliance which may be placed on this report by any party other than CitiPower.

DELOITTE TOUCHE TOHMATSU

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A handwritten signature in black ink, appearing to read 'S. Vorweg', written over a faint, larger version of the signature.

Samuel Vorweg
Partner

Chartered Accountants

Melbourne, 30 January 2020

Independent Assurance Practitioner's Limited Assurance Report on the Templates to the Directors of CitiPower Pty Ltd

We have undertaken a limited assurance engagement relating to the "non-financial information" included in "Workbook 2 - New Historical Calendar Years" of CitiPower Pty Ltd ("CitiPower" or the "Company"), as listed in Appendix A of the Regulatory Information Notice dated 4 October 2019 issued under Division 4 of Part 3 of the National Electricity (Victoria) Law (the "Notice"), for the calendar years 2009 to 2018 (the "Templates"). The Templates have been prepared by management in accordance with the reporting provisions of the Notice and the Basis of Preparation.

Management's Responsibility for the Templates

Management is responsible for:

- Ensuring that the Templates are prepared in accordance with the reporting provisions of the Notice and the Basis of Preparation;
- Determining that the Templates and the Basis of Preparation are appropriate to meet the needs of the directors and the reporting requirements of the Australian Energy Regulator ("AER").
- Designing, establishing and maintaining internal controls to ensure that the Templates are prepared in accordance with the reporting provisions of the Notice and the Basis of Preparation

Assurance Practitioner's Independence and Quality Control

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

The firm applies Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance Practitioner's Responsibility

Our responsibility is to express a limited assurance conclusion on the Templates based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the Australian Auditing and Assurance Standards Board, in order to express a conclusion whether, based on the procedures performed and the evidence obtained, anything has come to our attention that causes us to believe that the Templates have not been prepared, in all material respects, in accordance with the reporting provisions of the Notice and the Basis of Preparation. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the Templates are free from material misstatement.

A limited assurance engagement in accordance with ASAE 3000 involves identifying areas where a material misstatement of the Templates is likely to arise, addressing the areas identified and considering the process used to prepare the Templates. A limited assurance engagement is substantially less in scope

than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Our procedures were performed as set forth in Appendix C of the Notice. This included an assessment of whether the Templates have been prepared in accordance with the requirements of the Notice and the Basis of Preparation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express an opinion providing reasonable assurance about whether the Templates have been prepared, in all material respects, in accordance with the reporting provisions of the Notice and the Basis of Preparation.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the “non-financial information” of CitiPower included within the Templates has not been prepared, in all material respects, in accordance with the reporting provisions of the Notice and the Basis of Preparation.

Basis of Accounting and Restriction on Use

Without modifying our conclusion, we draw attention to “Management’s Responsibility for the Templates” paragraph above which states that the Templates have been prepared in accordance with the reporting provisions of the Notice and the Basis of Preparation. The Templates have been prepared to assist CitiPower to meet the requirements of the AER. As a result, the Templates may not be suitable for another purpose. Our report is intended solely for the Directors of CitiPower and the AER and should not be used by other parties.

We understand that the AER may publish a copy of our report on their website. We accept no responsibility to any person or entity, apart from CitiPower, that is provided with, or obtains a copy of our report, without our written agreement. No other person or entity is entitled to rely, in any manner, or for any purpose, on this report. We do not accept or assume responsibility to anyone other than CitiPower for our work, for this report, or for any reliance which may be placed on this report by any party other than CitiPower.

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Samuel Vorweg
Partner

Chartered Accountants
Melbourne, 30 January 2020