

# Independent Auditor's Review Report to the Partners of SA Power Networks and the Australian Energy Regulator

We have reviewed the accompanying Australian Energy Regulator ("AER") Distribution Network Service Provider ("DNSP") Reset RIN –Estimated Historical Financial Information ("financial information") of SA Power Networks in the Regulatory Reporting Statement 2015-16 to 2019-20, which comprises:

- Regulatory template 2.4 Augex Model – Table 2.4.6 as at, and for the years ending, 30 June 2010 to 30 June 2014 inclusive;
- Regulatory template 2.14 Forecast Price Changes as at, and for the years ending, 30 June 2011 to 30 June 2014 inclusive;
- Regulatory template 2.17 Step Changes as at, and for the years ending, 30 June 2011 to 30 June 2014 inclusive;
- Regulatory template 7.4 Shared Assets as at, and for the years ending, 30 June 2006 to 30 June 2014 inclusive; and
- Regulatory template 7.5 EBSS as at, and for the years ending, 30 June 2009 to 30 June 2014 inclusive.

All relevant terms above are as defined in the Regulatory Information Notice issued to SA Power Networks on 25 August 2014 under Division 4 of Part 3 of the National Electricity (South Australia) Law (the "Notice").

## *The Partners' Responsibility for the Financial Information*

The Partners are responsible for the preparation of the financial information for submission to the Australian Energy Regulator and for ensuring the financial information is presented fairly in accordance with the requirements of the Notice and SA Power Networks' Basis of Preparation under Division 4 of Part 3 of the National Electricity (South Australia) Law and have determined that the financial information is appropriate to meet the needs of the Partners and the AER. The Partners' responsibility also includes such internal control as the Partners determine is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

## *Auditors Responsibility*

Our responsibility is to express a conclusion on the financial information based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2405 *Review of Historical Financial Information Other than a Financial Report*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial information is not presented fairly, in all material respects, in accordance with the Regulatory Information Notice issued to SA Power Networks Ltd on 25 August 2014 under Division 4 of Part 3 of the National Electricity (South Australia) Law. ASRE 2405 also requires us to comply with the fundamental ethical principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

A review of financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## *Opinion*

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial information of SA Power Networks in the Regulatory Reporting Statement 2015-16 to 2019-20, does not present fairly, in all material respects, in accordance with the requirements of the Notice and SA Power Networks' Basis of Preparation, which comprises:

- Regulatory template 2.4 Augex Model – Table 2.4.6 as at, and for the years ending, 30 June 2010 to 30 June 2014 inclusive;
- Regulatory template 2.14 Forecast Price Changes as at, and for the years ending, 30 June 2011 to 30 June 2014 inclusive;
- Regulatory template 2.17 Step Changes as at, and for the years ending, 30 June 2011 to 30 June 2014 inclusive;
- Regulatory template 7.4 Shared Assets as at, and for the years ending, 30 June 2006 to 30 June 2014 inclusive; and
- Regulatory template 7.5 EBSS as at, and for the years ending, 30 June 2009 to 30 June 2014 inclusive.

## *Basis of Accounting and Restriction on Distribution and Use*

Without modifying our opinion, we draw attention to “The Partner’s Responsibility for the Financial Information” paragraph above which states that the financial information has been prepared in accordance with the requirements of the Notice and SA Power Networks’ Basis of Preparation for the purpose of its submission with the AER. The financial information has been prepared to assist SA Power Networks to meet the financial reporting requirements of Division 4 of Part 3 of the National Electricity (South Australia) Law. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for the Partners and the AER and should not be distributed to or used by parties other than the Partners and the AER.



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Jody Burton  
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Chartered Accountants  
Adelaide, 28 October 2014