



Independent auditor's review report on TransGrid's Transmission Determination Regulatory Information Notice for the regulatory period commencing 1 July 2018 to 30 June 2023

Scope

We have reviewed the attached response by TransGrid to the Transmission Determination Regulatory Information Notice for the regulatory period commencing 1 July 2018 to 30 June 2023 (the "Report"), of NSW Electricity Networks Operations Pty Ltd, as Trustee for the NSW Electricity Networks Operations Trust ("NSWEN", trading as TransGrid) which comprises:

- of the following schedules for the following periods:
 - 2.14 – Forecast Price Changes (1 July 2013 to 30 June 2016)
 - 7.4 – Shared Assets (1 July 2013 to 30 June 2016)
 - 7.5 – EBSS (1 July 2012 to 30 June 2016)
- the accompanying Basis of Preparation

The Report has been prepared to satisfy the requirements of the Regulatory Information Notice under Division 4 of Part 3 of the National Electricity (New South Wales) Law issued on 15 November 2016 by the Australian Energy Regulator.

Management's responsibility for the Report

Management are responsible for the preparation and fair presentation of the Report in accordance with the Basis of Preparation accompanying the report and have determined that the Basis of Preparation accompanying the Report are appropriate to meet the needs of the Regulatory Information Notice under Division 4 of Part 3 of the National Electricity (New South Wales) Law issued on 15 November 2016 by the Australian Energy Regulator. Management's responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the Report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the Report based on our review. We conducted our review in accordance with Australian 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 Report is not presented fairly, in all material respects, in accordance with the Basis of Preparation accompanying the Report.

No opinion is expressed as to whether the criteria used in the Basis of Preparation are appropriate to the needs of the Australian Energy Regulator.

ASRE 2405 requires us to comply with the requirements of the applicable code of professional conduct of a professional accounting body.

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A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the Report to determine whether it contains any material inconsistencies with the Report. 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.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the following elements of the Report of NSW Electricity Networks Operations Trust have not been prepared, in all material respects, in accordance with the accompanying Basis of Preparation:

- 2.14 – Forecast Price Changes (1 July 2013 to 30 June 2016)
- 7.4 – Shared Assets (1 July 2013 to 30 June 2016)
- 7.5 – EBSS (1 July 2012 to 30 June 2016)

Basis of Preparation and Restriction on Distribution and Use

Without modifying our conclusion, we draw attention to the accompanying Basis of Preparation, which describes the basis of preparation. The Report has been prepared by management for the Australian Energy Regulator for the purposes of fulfilling the requirements of the Regulatory Information Notice under Division 4 of Part 3 of the National Electricity (New South Wales) Law issued on 15 November 2016 by the Australian Energy Regulator. As a result, the Report may not be suitable for another purpose. Our report is intended solely for the management of NSW Electricity Networks Operations Trust and should not be distributed to or used by parties other than NSW Electricity Networks Operations Trust without our written consent.

A stylized, handwritten signature of PricewaterhouseCoopers in a cursive script.

PricewaterhouseCoopers

A stylized, handwritten signature of Brett Entwistle in a cursive script.

Brett Entwistle
Partner

Sydney
4 January 2017