

Independent Assurance Practitioner's Report to the Directors of United Energy Distribution Pty Ltd

We have reviewed the following information prepared by United Energy Distribution Pty Ltd in response to the Reset Regulatory Information Notice ("the Notice") issued by the Australian Energy Regulator (AER), for the regulatory periods ended from 31 December 2009 to 31 December 2014, where required ("the regulatory periods ended 31 December 2014"):

- ▶ The estimated financial information within tables 4.1 of the data template entitled "United Energy Backcasting RIN template" attached at Appendix A ("Estimated Financial Information"); and
- ▶ Actual and estimated non-financial information within tables 2.4, 6.1, and 6.2 in the data template entitled "United Energy Reset RIN template" attached at Appendix A and Appendix B ("Non-financial Information").

This information has been prepared in accordance with United Energy Distribution Pty Ltd's Basis of Preparation (the "Basis of Preparation") in response to the Reset Regulatory Information Notice ("the Notice") issued by the Australian Energy Regulator on 2 February 2015, for the regulatory periods ended 31 December 2014. In accordance with the requirements of the Notice, information presented in the Estimated Financial Information and Non-Financial Information before this date range has not been subject to review.

In addition, we have reviewed the compliance of the Basis of Preparation as it relates to Estimated Financial Information, and Non-financial information with the requirements of the Notice and the Principles and Requirements in Appendix E of the Notice, for the regulatory periods ended 31 December 2014.

The Australian Energy Regulator requires the Estimated Financial Information, Non-Financial Information and an accompanying Basis of Preparation document for the performance of a function conferred on it under Division 4 of Part 3 of the *National Electricity (Victoria) Law*, namely conducting various benchmarking exercises as outlined in the Regulatory Information Notice issued to United Energy Distribution Pty Ltd on 7 March 2014.

Management's Responsibility for the Data Template and Basis of Preparation

Management is responsible for the preparation of the Estimated Financial Information, Non-Financial Information and Basis of Preparation, and has noted in the Basis of Preparation whether it considers that the information supplied is appropriate for the benchmarking activities of the Australian Energy Regulator. Management is also responsible for such internal controls as management determines are necessary to enable the preparation of the Estimated Financial Information and Non-Financial Information that are free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the Estimated Financial Information and Non-Financial Information based on our review.

We have conducted our review of the Estimated Financial Information in accordance with the Australian 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 Estimated Financial Information is not prepared, in all material respects, in accordance with the Basis of Preparation and the

requirements of the Notice.

We have conducted our review of the Non-Financial Information in accordance with the Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* 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 Non-Financial Information is not prepared, in all material respects, in accordance with the Basis of Preparation and the requirements of the Notice.

Our responsibility is also to express a conclusion on compliance, in all material respects, of the Basis of Preparation with the requirements of the Notice that relates to Actual Financial Information. Our review has been conducted in accordance with Australian Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* to provide limited assurance. These procedures have been undertaken to form a conclusion that nothing has come to our attention that causes us to believe that the Basis of Preparation has complied in all material respects, with the Notice.

ASRE 2405, ASAE 3000 and ASAE 3100 require us to comply with the requirements of the applicable code of professional conduct of a professional accounting body.

A review 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.

Independence

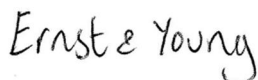
In conducting our procedures we have complied with the independence requirements of the Australian professional accounting bodies.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Estimated Financial Information and Non-Financial Information for the regulatory periods ended 31 December 2014 is not prepared, in all material respects, in accordance with the requirements of the Notice or United Energy Distribution Pty Ltd's Basis of Preparation. In addition, nothing has come to our attention that causes us to believe that the Basis of Preparation does not comply, in all material respects, with the Notice.

Basis of Accounting and Restriction on Distribution

Without modifying our conclusion, we draw attention to the fact that the Non-Financial Information is prepared to assist United Energy Distribution Pty Ltd to meet the requirements of the Notice. As a result, the Non-Financial Information may not be suitable for another purpose. Our report is intended solely for United Energy Distribution Pty Ltd and the Australian Energy Regulator and should not be distributed to any other parties.



Ernst & Young
Melbourne
7 April 2015