

## Independent Auditor's Review Report to the Partners of SA Power Networks

We have reviewed the attached cost pass through tables ("financial information") of SA Power Networks ("SAPN") for submission to the Australian Energy Regulator ("AER") as part of the River Murray Flood cost pass through application for the period from 1 November 2022 to 30 September 2023, which comprises:

- Table 1: Summary Flood Expenditure;
- Table 2: Flood Expenditure by Area and Group; and
- Table 3: Flood Expenditure by Cost Type.

Above tables are attached as Attachment A1 to this report.

### *Management's Responsibility for the Financial Information*

Management is responsible for the preparation and fair presentation of the financial information for submission to the AER in accordance with clause 6.6.1 of the National Electricity Rules ("the Rules") and has determined that the financial information is appropriate to meet the needs of SAPN. Management's responsibility also includes establishing and maintaining internal control relevant to the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the financial information based on our review. We have conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2405 Review of Historical Financial Information Other than a Financial Report. ASRE 2405 requires us to conclude 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 prepared, in all material respects, in accordance with the Rules. No opinion is expressed as to whether the financial information is appropriate to the needs of SAPN. ASRE 2405 requires us to comply with relevant ethical requirements, including those pertaining to independence.

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.

### *Conclusion*

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 SAPN for the period from 1 November 2022 to 30 September 2023, is not prepared, in all material respects, in accordance with the Rules.

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

Without modifying our conclusion, we draw attention to the "Management's Responsibility for the Financial Information" section above which states that the financial information is appropriate to meet the needs of SAPN and has been prepared in accordance with the requirements of the Rules. The financial information has been prepared to assist SAPN to meet the financial reporting requirements of the Rules. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for the Partners of SAPN and should not be used by parties other than SAPN.

We understand that the AER will be provided with and intend to electronically present the reviewed financial information and auditor's review report on their internet web site. We accept no responsibility to any person or entity apart from SAPN 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 the report. We do not accept or assume responsibility to anyone other than SAPN for our work, for the report, or for any reliance that may be placed on the report by any party other than SAPN.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

A black rectangular redaction box covers the signature of Darren Hall. A thin horizontal line extends from the right side of the box.

Darren Hall  
Partner  
Chartered Accountants  
Adelaide, 30 November 2023

## Attachment A1 – Flood Tables Extract

**Table 1 : Summary Flood Expenditure**

Line Item	2022-23	2023-24	Total 2-Year
Opex	\$ 9,837,593	\$ 398,844	\$ 10,236,438
Capex	\$ 1,031,707	\$ 181,881	\$ 1,213,588
<b>Total Flood Expenditure</b>	<b>\$ 10,869,300</b>	<b>\$ 580,725</b>	<b>\$ 11,450,025</b>

**Table 2 : Flood Expenditure by Area and Group :**

Line Item	2022-23	2023-24	Total 2-Year
Northern Region Operational Flood Response - Barmera & Angaston	\$ 3,002,584	\$ 103,898	\$ 3,106,482
Southern Region Operational Flood Response - Murray Bridge	\$ 3,379,431	\$ 114,511	\$ 3,493,942
Other Regional Flood Response	\$ 1,950,629	\$ 180,436	\$ 2,131,065
Network Management Flood Response	\$ 488,188	\$ -	\$ 488,188
Customer Solutions Wires Down	\$ 731,138	\$ -	\$ 731,138
<b>Total Operational Response</b>	<b>\$ 9,551,970</b>	<b>\$ 398,844</b>	<b>\$ 9,950,815</b>
IT Flood Response	\$ 285,623	\$ -	\$ 285,623
<b>Total Corporate Response</b>	<b>\$ 285,623</b>	<b>\$ -</b>	<b>\$ 285,623</b>
Project NW-018488 Renmark Flood Mitigation	\$ 294,845	\$ 1,680	\$ 296,524
Project NW-019336 Flood Management Riverland	\$ 77,474	\$ 6,883	\$ 84,357
Project NW-019409 VR142 on WK52 Upgrade	\$ 182,644	\$ 2,879	\$ 185,523
Project NW-019410-Blanchetown Clearance Fix	\$ 476,744	\$ 170,439	\$ 647,183
<b>Total Capital Response</b>	<b>\$ 1,031,707</b>	<b>\$ 181,881</b>	<b>\$ 1,213,588</b>
<b>Total Flood Expenditure</b>	<b>\$ 10,869,300</b>	<b>\$ 580,725</b>	<b>\$ 11,450,025</b>

**Table 3 : Flood Expenditure by Cost Type :**

Line Item	2022-23	2023-24	Total 2-Year
Labour	\$ 6,333,139	\$ 148,301	\$ 6,481,440
Materials	\$ 546,611	\$ 29,301	\$ 575,912
Services	\$ 2,489,461	\$ 327,064	\$ 2,816,525
Business Overhead	\$ 1,500,089	\$ 76,058	\$ 1,576,148
<b>Total Flood Expenditure</b>	<b>\$ 10,869,300</b>	<b>\$ 580,725</b>	<b>\$ 11,450,025</b>